

# Pure Gold Mining, Inc.

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## Pure Gold Mining says new discoveries at Madsen gold project boost its credentials; announces PEA

Pure Gold Mining Inc (CVE:PGM) (OTCMKTS:LRTNF) continues to demonstrate the credentials of its flagship Madsen gold project in Ontario, where new discoveries could add four years of production at below-industry costs, it revealed.

The resource firm today unveiled a preliminary economic assessment (PEA) for the Fork, Russet South, and Wedge deposits at the property.

### READ: Pure Gold Mining's Madsen feasibility study shows high-grade, low cost mine; eyes start of development

Mining these would add around \$51 million to the Madsen project's after-tax net present value, and yield an after-tax IRR (internal rate of return) of 39%, it said in a statement.

It would add 3.7 years to the life of the mine with a total output of 210,000 ounces of gold, with an initial capital requirement of \$57 million, including a 14% contingency.

The life of mine all in sustaining cash cost (AISC) was estimated at US\$712 per ounce of payable gold.

"The results of this PEA highlight the tremendous prospective upside at Madsen-Red Lake, the economic viability of Madsen, and demonstrates how Pure Gold would phase new discoveries into future mine plans, the company said in a statement.

"Based on the current resource, development of these new discoveries could add approximately four years of production at below-industry average cash costs while generating robust cash flows."

Darin Labrenz, president and CEO at Pure Gold, added: "We have deployed a modest amount of capital in discovering and delineating these new resources and the return on our investment is exceptional. This PEA, represents the first conceptual expansion scenario for the future phased growth of the Madsen Mine complex."

Each of the three deposits would be mined from underground, with separate portal and ramp systems.

Mining will be conducted concurrently from Russet South, Fork and Wedge to support a milling rate of 800 tpd (tonnes per day), the firm said.

Notably, at Russet South, only the shallow portion of the resource was considered to fit for the 800 tpd base case, excluding around 52,400 potential ounces from the base case plan.

Shares were unchanged at \$0.68.

Price: 1.7

Market Cap: \$652.07 m

### 1 Year Share Price Graph



July 2019 December 2019 June 2020

### Share Information

Code: PGM

Listing: TSX-V

52 week	High	Low
	1.8	0.38

Sector: Gold & silver

Website: puregoldmining.ca

### Company Synopsis:

*Pure Gold Mining Inc (LSE:PUR) (CVE:PGM) are building Canada's next gold mine in a phased approach with tremendous upside beyond the base case, a long life mine with highly attractive economics. They have a strong foundation. The PureGold Red Lake mine is scalable.*

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