



Press Release

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PREMIER RED LAKE DRILLING INTERSECTS PRIMARY TARGET HORIZON

PREMIER GOLD MINES LIMITED (TSX:PG) is pleased to announce that drilling has intersected the first of two primary targets on the Rahill-Bonanza Property, a joint venture being explored with Red Lake Gold Mines Limited ("RLGM"), an affiliate of Goldcorp Inc. **The current hole (PG09068A) has intersected approximately 120 metres (m) of veining and mineralization within the West Granodiorite Zone target representing a significant strike and depth extension to this known deposit. Drilling will continue to test the potential on-strike extension of the Bruce Channel Deposit.**

The current drill program is focused on testing prospective exploration targets, and defining potentially significant resources, located in close proximity to Goldcorp's Bruce Channel Deposit that is located immediately northwest of the joint venture property. The new West Granodiorite intercept is located approximately 100 metres along strike to the west of, and 300 metres below, the known West Granodiorite Deposit ("WGD"), a large, near-surface, bulk-tonnage deposit that could become part of the early mine planning in this area.

The WGD is comparable to the Goldex Deposit that was recently brought into production by Agnico-Eagle in Northwestern Quebec. Previous work, including test mining on the 1300 foot Level of the Cochenour-Wilmar Mine, has identified a significant (historical) resource within the WGD that is higher grade than Goldex. This work suggests a historical resource of 5,700,000 tons @ 0.10-0.15 oz/ton (3.4-5.1g/t) Au, that is open both along strike and at depth (*a qualified person has not done sufficient work to verify the historical resource, the company is not treating the historical resource as a current resource and the historical resource should not be relied upon*). **This new drill intercept, which includes several occurrences of visible gold, suggests excellent potential to materially increase the size of the deposit.**

Recent work immediately north of the Rahill-Bonanza Project suggests that the Bruce Channel Deposit is hosted within a North-South (N-S) fault structure that could cross onto the joint venture property. The current hole will test this potential N-S structure on the northwestern portion of the property along strike from the Bruce Channel Deposit.

The joint venture property covers several kilometres of the prolific "Mine Horizon" between the Cochenour (Bruce Channel) complex to the west and the RLGM complex to the east. The RLGM has produced more than 18 Million ounces of gold, discovered nearly 10 Million additional ounces of resources, and is widely considered to be the world's richest gold mine.

Pursuant to its press release dated May 7, 2009, Goldcorp announced several major development initiatives that are being considered on and around the joint venture property. De-watering of the Cochenour mine workings has started for the potential development of the Bruce Channel Deposit. This de-watering will also provide underground access to the Wilmar and West Granodiorite Zones located on the Rahill-Bonanza Property immediately to the southeast. Additionally, Goldcorp is considering a high-speed tram system to link Bruce Channel to the Red Lake Gold Mines complex. A straight line from the RLGM complex would pass through the joint venture property and would provide exploration access to several kilometres of favourable, untested, geology.

Stephen McGibbon, P. Geo., is the Qualified Person for the information contained in this press release and is a Qualified Person within the meaning of National Instrument 43-101. Core from Rahill-Bonanza is sent to Accurassay Laboratories, an accredited mineral analysis laboratory in Thunder Bay, Ontario, for preparation and analysis utilizing both fire assay and screen metallic methods.

Premier Gold Mines Limited is a well financed Canadian-based mineral exploration and development company with several projects and deposits in Northwestern Ontario and a joint venture in Mexico. In the Red Lake gold mining camp, two of these are operated in joint venture with Red Lake Gold Mines. The company has active drill programs at its Hardrock Project and PQ North Project that is strategically located on the main Musselwhite Gold Mine trend.

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The statements made in this Press Release may contain forward-looking statements that may involve a number of risks and uncertainties. Actual events or results could differ materially from the Company's expectations and projections.