



Press Release

Thunder Bay: March 4, 2010

Shares Issued: 92,527,679

PREMIER GOLD REPORTS INITIAL NI 43-101 INDICATED AND INFERRED MINERAL RESOURCES FOR HARDROCK

Premier Gold Mines Limited (TSX-PG) is pleased to announce it has received a National Instrument (NI) 43-101 compliant Mineral Resource estimate for the near surface mineralization amenable to open pit mining from Reddick Consulting Inc. (RCI) on its 70%-owned Hardrock Project, located near Geraldton in Northwestern Ontario. The Hardrock Project is operated under a joint venture with Goldstone Resources Inc. (TSX:GRC). Premier’s external consultants have advised that there is potential for expansion of resources in the near surface areas and also that there is excellent potential to develop additional resources amenable to underground extraction below the areas identified in the current Mineral Resource estimate. Further work to identify and delineate these is ongoing at this time. **The Kailey Zone discovery, located proximal to the past-producing Little Long Lac Mine some 3 kilometres north of Hardrock, has not been included in the resource estimate outlined below, nor have any of the underground zones currently being delineated by drilling.** Integration of the Kailey Zone data is expected to be completed in the near future.

Highlights of the Hardrock Area Mineral Resource estimate include:

- Indicated Resources of 11.6 million tonnes at an average grade of 1.82 grams per tonne (g/t Au) (**2.43 g/t Au uncut**) hosting 675,000 ounces Au cut (905,000 ounces Au uncut)
- Inferred Resources of 7.3 million tonnes at an average grade of 1.81 g/t Au (**3.52 g/t Au uncut**) hosting 425,000 ounces Au cut (830,000 ounces Au uncut)

Premier President and CEO, Ewan Downie comments “This initial Mineral Resource estimate for the Hardrock Project is the culmination of 12 months of aggressive exploration by Premier following more than 10 years of persistence to acquire this under-appreciated asset. In the first year of our major exploration initiative we have met our two-year target in terms of near surface resources, reporting a significant mineral resource in the upper range of our 2009 guidance. The integration of Kailey data will represent additional upside to this estimate and will further underpin the value of the Hardrock Property. In 2010, a 70,000 metre drill program is underway to continue to expand and upgrade both open pit and underground style targets with the near-term goal of completing a preliminary assessment to evaluate the economics of future mining at what is quite likely one of Canada’s fastest growing gold deposits.”

Details for the Mineral Resource estimate, **using a cut-off grade of 1.0 g/t Au**, for the Hardrock Project are outlined in the table and resource statement below. A location map of the deposits is appended to this press release.

**Table 1
Hardrock Area – Indicated & Inferred Mineral Resources
Effective Date March 4, 2010**

Mineral Resources Class	Tonnes (Millions)	Grade (gpt Au)	Grade Uncut (gpt Au)	Short Tons (Millions)	Grade (opt Au)	Grade Uncut (opt Au)	Contained Gold (Ounces Cut)	Contained Gold (Ounces Uncut)
Indicated	11.6	1.82	2.43	12.7	0.053	0.071	675,000	905,000
Inferred	7.3	1.81	3.52	8.1	0.053	0.103	425,000	830,000

1. The resources reported in this release have been adjusted to account for excavation voids by subtracting 975,000 T @ 1.80 gpt (1.8M grams) from the Indicated material reported and by subtracting 625,000 T @ 1.80 gpt (1.2M grams) from the Inferred material reported. All drilling used for the estimate was completed subsequent to mining and there are no drillhole intervals used for the estimates that are within mined out areas;
2. Resources estimated using a Block Model with blocks of 10x10x3m and using Ordinary Kriging methods. Cutting factors of 25 g/t Au and 50 g/t Au were used for different domains in the block model. A cut-off grade of 1.0 g/t Au is based on possible open pit or bulk mining and a recovery of 100% is assumed;
3. Figures may not total due to rounding;
4. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, socio-political, marketing, or other relevant issues. In the Hardrock area there are some areas where the Mineral Resources reported in this News Release may have alienated surface rights or may be overlain by lakes;
5. The quantity and grade of reported Inferred Mineral Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred resources as an Indicated or Measured Mineral Resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured Mineral Resource category;
6. The Mineral Resources in this press release were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council December 11, 2005.

Table 2
Sensitivity of Resource Estimates at Various Cutoff Grades

Table 2 presents the tonnes and grades for the block model used for the Mineral Resource estimate at a range of cut-off grades in order to demonstrate the sensitivity of the estimates. The cut-off value of 1.0 g/t Au was derived from recent technical reports filed on SEDAR and in-house technical data from RCI for similar deposit types.

Indicated Resources

Cut-off Grade	Tonnes (Millions)	Grade gpt Au (cut)	Grams Au Cut (Millions)	Ounces Au Cut	Grade gpt Au (uncut)	Grams Au uncut (Millions)	Ounces Au Uncut
0.6 gpt Au	22.9	1.30	29.7	955,000	1.65	37.8	1,215,000
0.8 gpt Au	16.1	1.56	25.0	805,000	2.03	32.5	1,045,000
1.0 gpt Au	11.6	1.82	21.1	675,000	2.43	28.1	905,000
1.2 gpt Au	8.5	2.08	17.7	570,000	2.86	24.3	780,000
1.4 gpt Au	6.3	2.35	14.9	475,000	3.33	21.0	675,000

Inferred Resources

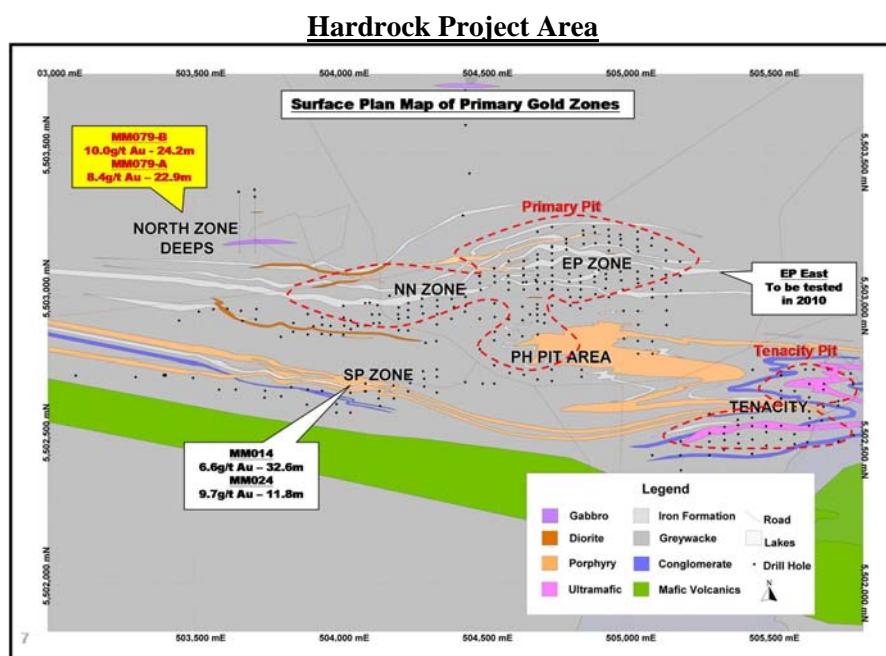
Cut-off Grade	Tonnes (M)	Grade gpt Au (cut)	Grams Au Cut (Millions)	Ounces Au Cut	Grade gpt Au (uncut)	Grams Au uncut (Millions)	Ounces Au Uncut
0.6 gpt Au	16.1	1.25	20.1	645,000	2.39	38.4	1,085,000
0.8 gpt Au	11.0	1.51	16.5	530,000	3.03	33.1	955,000
1.0 gpt Au	7.4	1.81	13.2	425,000	3.92	28.8	830,000
1.2 gpt Au	4.9	2.15	10.6	340,000	5.06	24.9	730,000
1.4 gpt Au	3.3	2.57	8.6	275,000	6.49	21.7	640,000

1. The above table includes an adjustment to account for excavation voids by subtracting 975,000 T @ 1.8 gpt (1.1M grams) from the Indicated material reported and by subtracting 625,000 T @ 1.8 gpt (1.7 M grams) from the Inferred material reported. All drilling used for the estimate was done subsequent to mining and there are no drillhole intervals used for the estimates that are from mined out areas.

Drilling completed in late 2009 and early 2010 support the view that down plunge extensions of the F-Zone and North Zone remain high priority delineation targets below the floor of the this mineral resource estimate. “Once the Kailey integration is complete, evaluation of this deeper mineralization will be front and centre in our efforts to grow this mineral resource in 2010,” added Mr. Downie.

Hardrock Area

The Hardrock Area is located approximately four kilometres south of Geraldton, Ontario and is host to several past-producing mines, which collectively produced nearly 3.0 million ounces of gold between 1938 and 1970, primarily from depths within 600 metres of surface. The portion of the Hardrock Property that contains the current Mineral Resources is designated as the Hardrock Area and covers the area previously mined by the former Hardrock Mine, MacLeod-Cockshutt Mine and Mosher Mine (all consolidated as Consolidated Mosher Mines in 1967). These mines produced a total of 13.1M Tonnes with a recovered grade of 4.9 gpt Au (14.5M tons @ 0.14 opt Au). To date, exploration on the property supports the belief that previously mined zones in the Hardrock Area are open at depth as highlighted by recent drill intercepts of 5.3 g/t Au across 57.3 m and 10.0 g/t Au across 24.2 m. The project also holds significant potential for the discovery of additional mineral resources.



Historic estimates exist for near surface areas and for some underground areas in the Hardrock Area. These estimates were prepared in-house by a number of previous operators over a period of years from 1982 to 1996 but none of them are NI 43-101 compliant. Although they are useful in demonstrating the general potential of the Property, these estimates were based on data that do not include all currently available drilling, and assumed considerably different gold prices and operating costs than might be expected at present, and are therefore not considered relevant. RCI cautions that a qualified person has not done sufficient work to classify the historical estimates as current mineral resources or mineral reserves. Premier is not treating the historical estimates as relevant or as current mineral resources or mineral reserves and the historical estimates should not be relied upon.

The Hardrock Area benefits from development advantages including the Trans-Canada Highway, Trans-Canada Pipeline, and major power lines running through the center of the Hardrock Project. Significant services and a skilled labour pool exist in several communities within 30 kilometres of the Hardrock Project.

Resource Statement

A total of 27,016 samples in 545 drill holes, representing approximately 121,000 metres of drilling were used for the estimate. All the drilling was done in the period 1987-2009. Of these, 329 drill holes totalling 86,000 metres were completed by Premier. Earlier holes were drilled by Lac Minerals Ltd., Asarco Exploration Company of Canada Ltd. and Cyprus Canada Inc. The Mineral Resource is constrained by wireframes of the favourable host

lithologies. Metal grades were interpolated into 10 by 10 by 3 metre blocks using an ordinary kriging (OK) estimation method. Metal prices of US\$850 per troy ounce of gold, based on the three year trailing average, were used to estimate cut-off grade values for blocks. Domains were modelled that reflected the different nature of gold mineralisation based on primary host rocks; Iron Formation, Porphyry and Greywacke.

For each domain Mineral Resources were classified as Inferred Mineral Resources if at least two composites were found within a search ellipse; the longest search direction being 100m and the shortest 15m for the Iron Formation domain; the longest search direction being 125m and the shortest 45m for the Porphyry and Greywacke domains. The search ellipse was determined from variography analyses. Composites contributing to block grades were constrained by the wireframes. Mineral Resources were classified as Indicated in each domain if:

- a) there were a minimum of six composites from at least two different holes available for each block estimated; and
- b) there were a minimum of two octants with samples available for each block estimated; and
- c) there were at least four samples in each of the two octants; and
- d) there were continuous areas of the block model where more than 50% of the composites used to estimate the grade of the blocks were from recent drilling by Premier.

Assay grades were composited to nominal 3.0 metre lengths prior to resource estimation. Unsampled intervals were included in the composites at nil grades. Top cuts of 25 g/t Au for the Porphyry and Greywacke domains and 50 g/t Au for the Iron Formation domain, on the basis of statistical analysis, were applied to the assays before calculation of composite grades. Gold grade cut-off values, at 1.0 g/t Au, are based on the assumption that the deposit is of a potential size and nature to allow for possible bulk mining methods, including open pit mining. The cut-off value of 1.0 g/t Au was derived from recent technical reports filed on SEDAR and in-house technical data from RCI for similar deposit types. Specific Gravity used in these estimates was 3.14 for the Iron Formation domain and 2.79 for the Porphyry and Greywacke domains. Recoveries are assumed to be 100%. The Resource Estimates are further constrained by a variably inclined surface that limits the depth for which blocks are allowed to contribute to the estimate. This surface extends to a maximum depth of about 340m (~1,100 feet) below surface.

A copy of the full resource estimation report will be available on the SEDAR website within 45 days of this press release. The mineral resource estimates which are effective today were completed by John Reddick, M.Sc., P.Geo., of Reddick Consulting Inc., Inverary, Ontario and Mohan Srivastava, M.Sc., P.Geo., of FSS Canada Consultants Inc., and are based on geological interpretations and data supplied by the Company to Reddick Consulting Inc. and modified by Reddick Consulting Inc. John Reddick and Mohan Srivastava are 'independent qualified persons' for the purposes of National Instrument 43-101 Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators and have verified the data disclosed in this release. Tracy Armstrong, B.Sc., P.Geo., of TJ Armstrong Geological Consulting Inc. and also an 'independent qualified person' for the purposes of National Instrument 43-101 Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators, has verified the sampling procedures and QA/QC data delivered to Reddick Consulting Inc. and is of the opinion that the data are of good quality and suitable for use in the resource estimates.

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.

Premier Gold Mines Limited is a well-financed Canadian-based mineral exploration and development company with several active projects and deposits in Northwestern Ontario. In the Red Lake gold mining camp, two projects are operated in joint venture with Red Lake Gold Mines, an affiliate of Goldcorp Inc., and another, adjacent to the Red Lake Gold Mines complex, is operated on a 100% basis. The company also owns a strategic project located on the main Musselwhite Gold Mine trend.

For further information, please contact:

Ewan Downie, President & CEO
e-mail: Info@premiergoldmines.com

Phone: 807-346-1390

Fax: 807-346-0100

Web Site: www.premiergoldmines.com