



Press Release

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PREMIER - RED LAKE DISCOVER NEW GOLD ZONES AT EAST BAY

PREMIER GOLD MINES LIMITED (TSX:PG) is pleased to announce that drilling at the East Bay Project in the Red Lake gold mining district of Ontario has discovered a potentially significant gold bearing system. The East Bay Project is located along the East Bay Trend to the north of, and on strike from, Rubicon Minerals Phoenix Gold Project, which has garnered considerable market attention for its F2 Zone discovery.

The East Bay project is one of two joint ventures Premier holds in the heart of the prolific Red Lake gold mining district in partnership with Red Lake Gold Mines Limited (“RLGM”), an affiliate of Goldcorp Inc. A portion of the East Bay Property is held 35% by Premier while the “Rivard Block”, adjacent to the new discovery, is held 50/50 with RLGM. The Rahill-Bonanza joint venture Project (Premier 49%) is located between the world class Red Lake Gold Mines complex to the east, and the Cochenour (Bruce Channel) complex to the west and will be subject to an upcoming summer drill program aimed primarily at delineating the recently discovered PG70 Zone.

During the winter of 2010, 5 holes were completed to test four targets based on the F2 Model and proximal to a major regional shear zone at the footwall of the East Bay Ultramafic Trend. Of the primary targets, where cross-cutting structures were interpreted to cut the East Bay Trend, one contained gold mineralization associated with a major mineralized shear zone. Due to ice conditions, several favourable structures remain untested. Hole EBJV10174, a single hole into the target, intersected high grade gold within a quartz vein containing visible gold as well as gold associated with a mineralized shear zone. Hole EBJV10175 tested the shear zone 500 m to the northeast and also intersected similar mineralization. Highlights from the new discovery area include:

- **51.04 g/t Au across 0.7 m (1.49 oz/ton across 2.3 feet) within the QV Zone**
- **7.25 g/t Au across 2.8 m (0.21 oz/ton across 9.0 feet) within the Shear Zone**

Table 1: Summary of 2010 East Bay Intercepts

Hole-ID	UTM Coordinates (m) NAD 27	Dip/Azimuth (degrees)	From (m)	To (m)	Interval (m)	Grade (g/tonne)	Interval (ft)	Grade (oz/ton)	Zone
EBJV10174	5667676 N 450845 E	m-59/133	510.3	511.0	0.7	51.04	2.3	1.49	QV
			565.65	568.4	2.8	7.25	9.0	0.21	EBSZ
EBJV10175	5667945 N 451351 E	m-66/152	195.0	196.0	1.0	4.77	3.3	0.14	EBSZ
			200.0	202.0	2.0	3.15	6.6	0.09	EBSZ

* True widths estimated at 80% of intersection width

** QV = Quartz Vein, EBSZ = East Bay Shear Zone

The gold bearing system shares several similarities to the F2 Zone. The QV Zone is comprised of a quartz vein zone in biotite-altered porphyry containing 3% disseminated pyrrhotite and Visible Gold. The EBSZ is hosted within deformed, silicified basalt and biotite-altered porphyry on the footwall side (east) of the East Bay Serpentinite. The zone contains about 5% disseminated pyrrhotite. Figure 1 displays the location of the East Bay joint venture property. The partnership is considering a summer drill program at East Bay.

Tim Twomey, Exploration Manager for Premier, said, “The identification of significant gold mineralization associated with biotite altered porphyry on our East Bay project is similar to the primary gold zones at Rubicon’s F2 deposit. What’s truly exciting is that we have several kilometres of untested strike length as well as down-dip

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 are operated in joint venture with Red Lake Gold Mines. The company also owns a strategic project located on the main Musselwhite Gold Mine trend and holds a 70% interest in the Hardrock Project.

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