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IN THE UNITED STATES



Press Release

Thunder Bay: June 21, 2010
Shares Issued: 98,790,220

PREMIER ANNOUNCES CDN\$12 MILLION FLOW-THROUGH EQUITY FINANCING

PREMIER GOLD MINES LIMITED (TSX:PG) (the “**Company**” or “**Premier**”) is pleased to announce that it has entered into an agreement with a syndicate of underwriters co-led by Canaccord Genuity Corp. and RBC Capital Markets (the “**Underwriters**”) pursuant to which the Underwriters have agreed to purchase for resale or arrange for substituted purchasers through a private placement and Premier has agreed to issue 2.0 million flow-through common shares, on a “bought deal” basis, at a price of Cdn\$6.00 per flow-through common share for gross proceeds of Cdn\$12 million (the “**Offering**”). In addition, the Company has agreed to grant the Underwriters an option (the “**Over-Allotment Option**”) to purchase up to an additional 1.0 million flow-through common shares of Premier to raise additional gross proceeds of up to Cdn\$6 million, on the same terms and conditions as the Offering, exercisable any time, in whole or in part, up to 48 hours prior to the closing date of the Offering. If the Over-Allotment Option is exercised in full, the total gross proceeds to Premier will be Cdn\$18 million.

The flow-through common shares will be offered to “accredited investors” under National Instrument 45-106 in British Columbia, Alberta, Ontario and other Canadian provinces as agreed upon by the Company and the Underwriter.

The proceeds from the sale of the flow-through common shares will be used for exploration and development of the Company’s Canadian mineral projects.

The Offering is expected to close on or about July 15, 2010 and is subject to normal regulatory approvals, including the approval of the Toronto Stock Exchange.

This press release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States absent U.S. registration or an applicable exemption from U.S. registration requirements.

Premier Gold Mines Limited is a well financed Canadian-based mineral exploration and development company with several projects and deposits in Northwestern Ontario and Nevada, and a joint venture in Mexico. In the Red Lake gold mining camp, two projects are operated in joint venture with Red Lake Gold Mines, an affiliate of Goldcorp Inc.. The company also owns a strategic project located on the main Musselwhite Gold Mine trend and a 70% interest in the Hardrock Project. The company recently acquired Saddle Gold and now holds the Saddle Project on the prolific Carlin Trend, in Northeastern Nevada, and a royalty in Newmont’s Emigrant Springs Project.

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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.