

Message from the President



Our strategy is to build a mining company that generates superior returns for our shareholders by identifying and investing in exploration and mining opportunities with the potential to create significant value. This is not something that we take lightly. Our Company continues to progress systematically to grow safe, sustainable production to generate appreciable cash flow. Our focus to achieve mid-tier producer status while maintaining aggressive exploration to discover our “mines of the future” has not, and will not, change.

2018 and 2019 represent years that will be dominated by development as we proceed on our aggressive growth platform with new mines in construction. Following a successful transition to gold-producer, we now have a clear path towards increased future production with ongoing mine development at South Arturo, and two further projects being permitted.

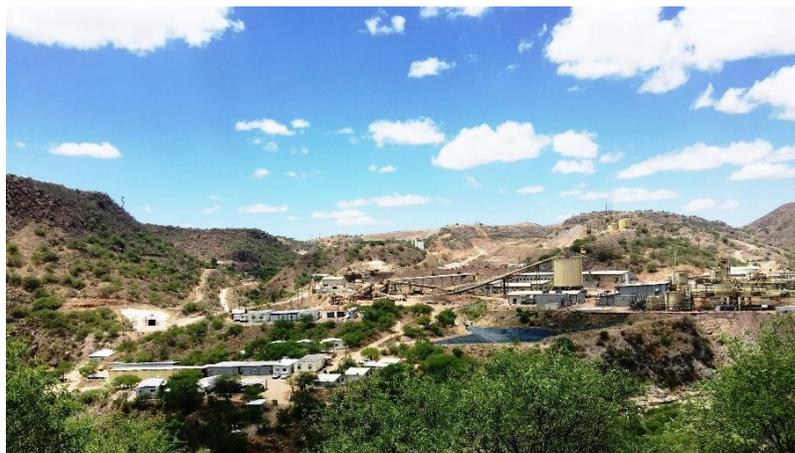
With active mines and advanced-stage projects in several of North America’s most prospective gold districts, our portfolio offers jurisdictional safety. To ensure a strong future, exploration continues to remain a corporate priority as we stress reserve and resource replacement and a sustainable production profile.

Our Operations

Following the very successful completion of mining the Phase 2 open-pit, efforts at South Arturo have now shifted towards the development of the Phase 1 open-pit and the El Nino underground mine. These operations are expected to provide years of low-cost production with El Nino ramping up later in 2019. The partnership is also advancing additional opportunities including the Phase 3 open-pit, a potential heap leach operation, and East Dee that could provide another production center owing to the highly successful 2018 drill program.



Mercedes is back on track as our team works to achieve production targets and reduce costs. A renewed focus on exploration will occur in 2019 as underground access is gained at the Marianas deposit, a higher-grade zone not currently carried in the mine’s reserves. Drilling will also test several new targets at the mine with the intent of adding years to the Mercedes mine plan.



Our Future

To recognize our plans for increased production in the years to come, permitting of the Cove deposit in Nevada and the Hardrock deposit in Ontario, remain a priority for the Company.

The largest deposit in Premier's portfolio remains the Hardrock deposit that is being advanced by Greenstone Gold Mines, a 50/50 joint venture created with Centerra Gold. In late 2018, the Federal EA was approved and the Provincial EIS approval is expected in early 2019, paving the way for permits and an ultimate construction decision to develop the 4.6 million-ounce Hardrock open-pit deposit.



A Preliminary Economic Assessment ("PEA") completed in 2018 demonstrated the potential of the 100%-owned Cove deposit to provide significant returns to the Company. A major hydrology program is now underway in advance of planned underground development and drilling to support a full Feasibility Study for this high-grade deposit. Adjacent to the main deposit, we have embarked on a major exploration campaign with our partner Barrick, in an effort to delineate additional resources and deposits on the larger property package.

Exploration has been the key element in the Company's growth and will continue to be a priority in our future. Substantial drill programs were completed at Hasaga and Goldbanks in 2018 with Rye being a priority project in 2019.

The Hasaga Property has clearly demonstrated its

potential to host both bulk tonnage near-surface mineralization, and higher-grade mineralization down-plunge of the past-producing Howey and Hasaga gold mines. During the year, exploration was focused on delineating the "C-Zone" target which remains open for expansion and could represent the next significant deposit in the prolific Red Lake gold camp.



Exploration in Nevada will receive much attention as we focus on defining our mines of the future. The Rye Property, under Option from Barrick Gold, will be a priority in 2019 given past drilling success that demonstrated the potential for high-grade gold mineralization within a highly prospective, yet under-explored, epithermal vein system.

Looking Forward

Our mission is to realize safe and profitable production growth, building a mid-tier producer primarily through organic project development. With new mines under construction, a strengthened balance sheet, and sustained exploration initiatives, we are confident that we will deliver on behalf of our shareholders.

As in previous years, I take this opportunity to thank the dedicated professionals I have the pleasure of working with for their determination and hard work in building value and positioning Premier for a great future.

Ewan S. Downie
President & Chief Executive Officer