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Press Release

Thunder Bay: September 28, 2009
Shares Outstanding: 82,657,779

## PREMIER ANNOUNCES FINANCING

**PREMIER GOLD MINES LIMITED** ("Premier") (TSX: PG) is pleased to announce that it has entered into an agreement with Jones, Gable & Company Limited (the "Agent") in connection with a best-efforts private placement of "flow-through" common shares ("Flow-Through Shares") of Premier at a price of $3.65 per Flow-Through Share for aggregate gross proceeds of up to $5.5 million. The Flow-Through Shares will be offered by way of private placement to accredited investors in each of the provinces of Canada.

Premier plans to use the gross proceeds from the sale of the Flow-Through Shares for exploration programs to be conducted on the Hardrock project, Red Lake projects and PQ North project in Ontario. "Premier will remain one of the industry's most active explorers with an exploration budget of approximately $20 Million over the next 15 months," stated Ewan Downie, President of Premier. "We expect our exploration program will include more than 100,000 metres of drilling on four projects prior to the end of 2010".

The private placement is expected to close on or about October 15, 2009 and is subject to certain conditions typical for a transaction of this nature and the receipt of all necessary regulatory approvals including the approval of the Toronto Stock Exchange.

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

This press release contains "forward-looking information", within the meaning of Canadian securities legislation, which are based on the opinions and estimates of management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Such risks and uncertainties include, but are not limited to, risks associated with the mining industry, the risk of commodity price and foreign exchange rate fluctuations, the ability of Premier to complete the offering and fund the capital and operating expenses necessary to achieve the business objectives of Premier, as well as those risks described in public disclosure documents filed by Premier. Due to the risks, uncertainties and assumptions inherent in forward-looking information, prospective investors in securities of Premier should not place undue reliance on the forward-looking information.

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The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.
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.