



Press Release

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PREMIER PROVIDES RAHILL-BONANZA (RED LAKE) JV PROPERTY UPDATE

PREMIER GOLD MINES LIMITED (TSX:PG) is pleased to announce that surface drilling at the JV Project continues to expand gold mineralization in multiple target areas proximal to the Wilmar Mine. In addition, new gold-bearing structures have been intersected by the haulage drift (tram) on the Company's Rahill-Bonanza Joint Venture Project in Red Lake.

The Rahill-Bonanza Project (PG:49% & G:51%) is strategically located in the heart of the main Red Lake "Mine Trend" between the Red Lake Gold Mines complex to the east, and the Cochenour (Bruce Channel) Project to the west. The property is being explored from both surface and underground with joint venture partner Red Lake Gold Mines Limited ("RLGM"), an affiliate of Goldcorp Inc. (TSX:G, NYSE:GG). Highlights from three holes recently completed in the Wilmar area and updates from the tram include:

- **PG12110 tested the down-dip extension of the past-producing Wilmar Mine returning an intersection of 4.01 grams per tonne gold (g/t Au) across 20.5 metres (m), or 0.12 ounces per ton (oz/t) across 67.3 feet, including 11.51 g/t Au across 3.0 m (0.34 oz/t across 9.8 feet). This hole tested the horizon some 457 metres (1500 feet) below the bottom level of the mine.**
- **PG12111 deviated and did not test its intended target, a projected fold in the main unconformity to the southwest of Wilmar. This target will be redrilled in the 2013 drill program.**
- **PG12112 was a near vertical hole that tested the West Granodiorite Zone (WGZ), a bulk-tonnage target located immediately west of Wilmar. As veining within the WGZ is flat-lying, this hole provided a good test of the horizon and returned an interval of 1.52 g/t Au across 126.0 m (0.04 oz/t across 413.4 feet) with higher grade intervals of up to 27.08 g/t Au across 1.0 m (0.79 oz/t across 3.3 feet).**
- **Multiple gold-bearing horizons, in addition to those previously announced, have been intersected in the tram. Eight closely-spaced holes have been drilled to test one of these structures hosting visible gold (assays pending).**
- **The regional drill program, consisting of flat holes drilled at regular intervals and up to 5000 feet (1,524.0 metres) in length has commenced with the first hole having been completed. This long-term program is designed to provide a geological base model of the "Mine Trend" at tram depth from the Red Lake Mine complex to the Cochenour Mine complex that will be used to identify targets for future drilling.**

The Rahill-Bonanza Project is one of Premier's core projects, representing the only portion of the main Red Lake "Mine Trend" not 100% owned by Goldcorp. The project is immediately west of the RLGM that is considered to be one of the world's richest gold mines with production of more than 18 million ounces of gold and nearly 10 million ounces of gold resources.

The Property covers approximately 4.5 kilometres of the main Red Lake "Mine Trend" between the world class RLGM complex to the east, and the Cochenour (Bruce Channel) complex to the west. The haulage drift is being constructed to connect the two operations and will provide a prime underground exploration platform to conduct a long-term exploration program to test this largely unexplored part of the camp. Initial exploration drilling is now underway from the tram and is expected to continue for several years.

“Solid results from the surface drilling program continue to confirm the potential for the Wilmar area to host significant gold resources” stated Stephen McGibbon, Executive Vice-President of Premier. “In the not too distant future, we will have access to test the Wilmar target from underground. The vast and highly prospective territory that will be targeted from underground Haulage Drift has the potential to provide exciting discoveries for many years to come. So far, several gold-bearing structures have been identified, favourable rock units have been intersected, and early indications from this untested area continue to be highly encouraging”.

Past-production at Wilmar, over a period of four years, to 1971, resulted in 203,256 tons of ore being mined at an average grade of 0.30 oz/ton Au (10.3g/t Au). The deposit remained open at depth (bottom level 610 metres – 2,000 feet) when the mine shut down in 1975. Table 1 provides a summary of new drill results.

Table 1: Summary of Rahill-Bonanza Drill Results (uncut):

| 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 |
|---------|----------------------------|------------------------------------|----------|--------|--------------|-----------------|---------------|----------------|------|
| PG12110 | 5656609 N 444119 E | -80/332.5 Including | 1240.0 | 1243.0 | 3.0 | 4.37 | 9.8 | 0.13 | X |
| | | | 1316.0 | 1336.5 | 20.5 | 4.01 | 67.3 | 0.12 | 6E |
| | | | 1323.0 | 1326.0 | 3.0 | 11.51 | 9.8 | 0.34 | 6E |
| PG12111 | 5656609 N 444119 E | -71/323 | deviated | No | significant | results | | | |
| PG12112 | 5656609 N 444119 E | -72/327 Including And And | 707.0 | 833.0 | 126.0 | 1.52 | 413.4 | 0.04 | WGZ |
| | | | 720.0 | 721.0 | 1.0 | 27.08 | 3.3 | 0.79 | WGZ |
| | | | 732.0 | 735.3 | 3.3 | 6.63 | 10.8 | 0.19 | WGZ |
| | | | 767.5 | 770.0 | 2.5 | 6.73 | 8.2 | 0.20 | WGZ |

- True widths of new intercepts estimated at 40-70% of intersection width

Haulage Drift (Tram) Update

The tram has proceeded to more than 1,341 metres (4,400 feet) onto the Joint Venture property and has now intersected multiple anomalous gold-bearing structures, two of which have been tested by drilling from underground.

Drilling at the initially tested structure, where elevated gold values were received from muck and chip samples, returned intermittent gold-bearing zones with assays as high as 5.9 g/t Au across 2.4 m (0.17 oz/ton across 7.8 feet). Further along strike to the west, new structures have been cut in the drift including visible gold having been noted locally. Drilling has been initiated on one structure and numerous vein zones with sulphides have been intersected including arsenopyrite and visible gold (assays pending). More recent structures cut by the tram, along strike to the west, also contain veining and mineralization with elevated gold grades to over 10.0 g/t Au in muck and chip samples.

The first hole in a regional exploration program from the tram has been completed along strike to the west of the Red Lake Mine complex. This multi-year program will consist of flat holes drilled at approximately 400 foot (121.9 metre) intervals along the tram that will be used to build a geological model of the lands between the two mine complexes at depth. This model will be used to identify future drill targets.

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. Assay results are from core samples are sent to Activation Laboratories, an accredited mineral analysis laboratory in Ancaster, Ontario, or to Accurassay Laboratories, an accredited mineral analysis laboratory in Thunder Bay, Ontario, for preparation and analysis utilizing both fire assay and screen metallic methods.

Premier Gold Mines Limited is one of North America's leading exploration companies with a high-quality pipeline of projects focused in proven, safe and accessible mining jurisdictions in Canada and the United States. The Company's portfolio includes significant assets in world class gold mining districts such as Red Lake, Musselwhite and Geraldton in Ontario and in Nevada the Carlin and Eureka-Battle Mountain Trends.

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