



Press Release

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## **PREMIER EXPANDS HIGH-GRADE GOLD MINERALIZATION AT COVE GOLD PROJECT, NEVADA**

**PREMIER GOLD MINES LIMITED (TSX:PG)** (“Premier”) is pleased to announce additional assay results from the Helen Zone on the Company’s Cove Gold Project, located in the Eureka-Battle Mountain Trend in Nevada. These results continue to expand mineralization, with strong grades and widths, along the Cove anticline to the southeast towards and below the historic mining operations.

The Helen Zone deposit represents a prospective, high-grade, Carlin-style, gold deposit and is the focus of an ongoing drill program which is to extend the mineralization within both the Upper and Lower Helen Zone horizons. Drilling has now expanded this mineralization by 213 metres (700 feet) to the southeast of previously drilled mineralization with the Helen Zones and the favourable horizons remain wide open. Highlight intervals from the most recent drill holes include:

- **9.16 grams per tonne gold (g/t Au) across 16.00 metres (m) (0.27 ounces per ton gold (oz/t Au) across 52.5 feet) including 14.15 g/t Au across 6.25 m (0.41 oz/t Au across 20.5 feet) in the Lower Helen Zone hole AX-18.**
- **33.43 g/t Au across 3.51 m (0.98 oz/t Au across 11.5 feet) in the Lower Helen Zone in hole AX-16.**
- **7.19 g/t Au across 7.56 m (0.21 oz/t Au across 24.8 feet) in the Lower Helen Zone in hole AX-14.**
- **New gold mineralization has been discovered in the deeper, Dixie Valley, rock unit grading 5.67 g/t Au across 5.49 m (0.17 oz/t Au across 18.0 feet). This horizon is located approximately 100 metres (328 feet) below the Lower Helen Zone.**

“Drill results from the step-out drilling supports our geologic model that the Helen Zone is a bedding-controlled Carlin-style deposit which is punctuated by areas of high-grade mineralization where feeder structures intersect the axial plane of the anticline,” stated Brian Morris, Vice-President Exploration for Premier. “Current step-out drilling has added materially to the size of the zones at Cove, particularly in the Lower Helen Zone. The prospective horizons are largely untested by previous exploration programs and are wide open for expansion. Additionally, the discovery of gold mineralization within the deeper Dixie Valley rock Formation offers a new target for defining potentially significant mineralization.”

New drill holes confirm Premier’s model that the Helen Zone is a flat-lying, Carlin-style deposit that occurs in favourable limestone and dolomite units and remains open along the favourable anticline structure that was host to the primary mineralized zones mined at the Cove pit.

Nevada is one of the world’s most favourable jurisdictions for mine development and the Cove Gold Project offers substantial upside in the existing resource areas in addition to opportunities for the discovery of new high-grade gold deposits within the district. The Cove deposit was mined (primarily by open pit) between 1988 and 2001, a period of comparatively low metal prices, producing approximately 2.6 million ounces of gold, and more than 100 million ounces of silver. The Cove Project is held under lease from Newmont McCoy Cove Limited, a wholly owned subsidiary of Newmont Mining Corporation. Newmont has the option at any time to earn back 51%, by paying 250% of all exploration expenditures on the project since March of 2006. If Premier submits a positive feasibility study containing 500,000 ounces gold or greater, Newmont has a window of 90 days in order to confirm its participation.

Table 1 provides a summary of all results since Premier has taken over drilling at Cove and Image 1 provides a surface plan view of drilling into the lower Helen Zone. All targets currently being drilled are step-out holes designed to expand the mineralized zones. To-date, this drilling has expanded mineralization by approximately

213 metres (700 feet) to the southeast along strike from the Helen Zone towards the Cove pit. Drilling in 2013 will continue to test the area between the Helen Zone and the Cove open pit with a 2013 budget of approximately \$10 million and ultimately 3-4 drills working on the project. Holes AX-8A to AX-12 were previously released (see press release dated August 23, 2012).

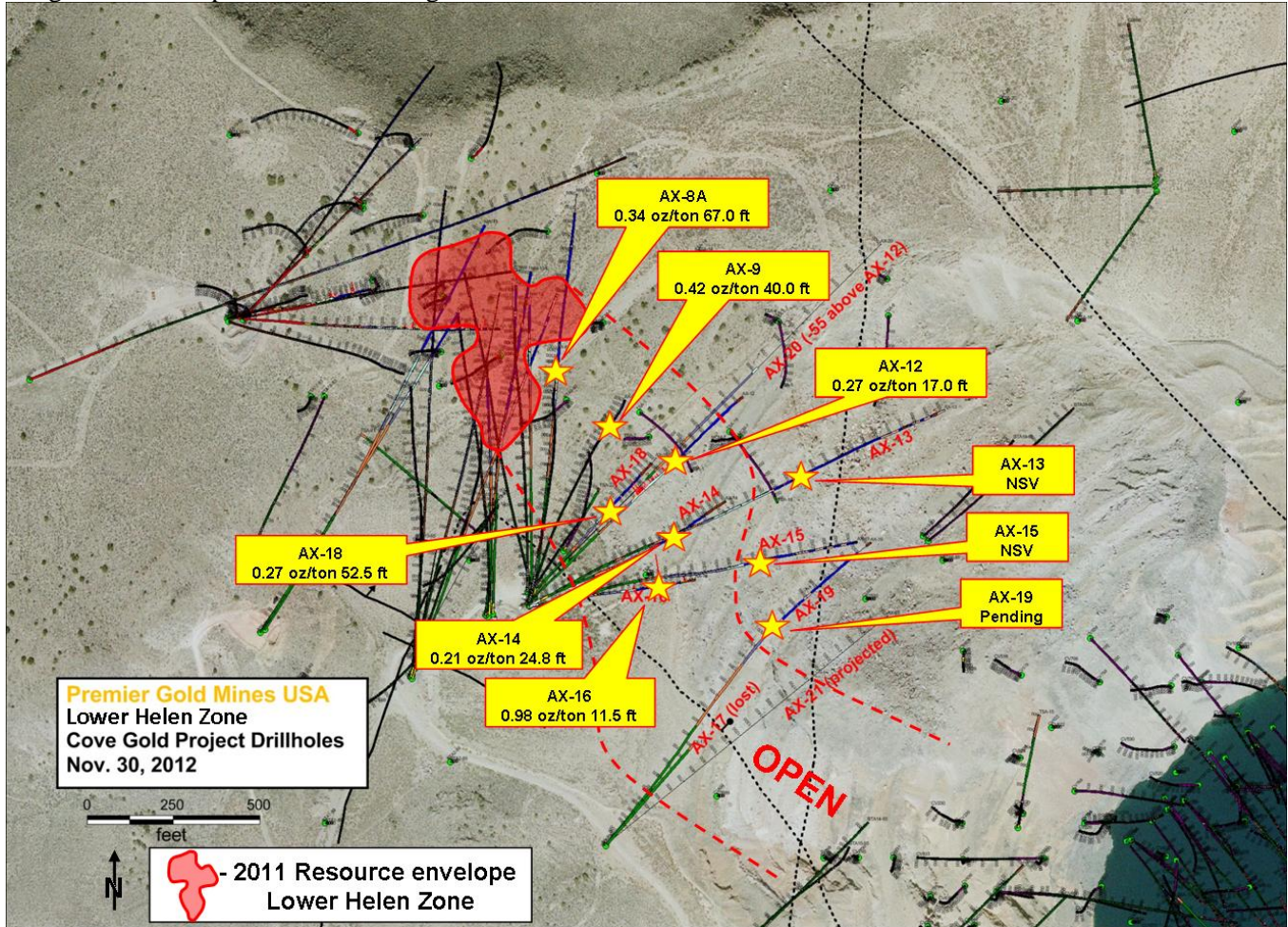
Table 1 – Select assay results for Helen Zone drilling

Hole-ID	UTM Coordinates (m)	Dip/Azimuth (degrees)	From (m)	To (m)	Interval (m)	Grade (g/tonne)	From (ft)	To (ft)	Interval (ft)	Grade (oz/ton)	Zone
AX-8A	4465793N/481838E	-58/358	575.31	587.20	11.89	9.67	1887.5	1926.5	39.0	0.28	Lower
AX-8A	including		580.19	581.04	0.91	32.19	1903.5	1906.5	3.0	0.94	Lower
AX-8A			596.04	616.46	20.42	11.75	1955.5	2022.5	67.0	0.34	Lower
AX-8A	including		604.39	605.94	1.55	49.00	1982.9	1988.0	5.1	1.43	Lower
AX-8A	and		613.26	614.78	1.52	31.89	2012.0	2017.0	5.0	0.93	Lower
AX-9	4465785N/481839E	-62/015	397.76	405.38	7.62	2.95	1305.0	1330.0	25.0	0.09	Upper
AX-9			537.97	550.16	12.19	14.42	1765.0	1805.0	40.0	0.42	Lower
AX-9	including		539.50	548.64	9.14	17.65	1770.0	1800.0	30.0	0.51	Lower
AX-9			585.22	592.84	7.62	3.71	1920.0	1945.0	25.0	0.11	Lower
AX-9			638.55	653.79	15.24	3.57	2095.0	2145.0	50.0	0.10	Lower
AX-10	4466034N/481576E	-68/094	479.00	481.30	2.30	6.20	1571.5	1579.1	7.5	0.18	Upper
AX-10			553.82	555.19	1.37	9.51	1817.0	1821.5	4.5	0.28	Lower
AX-10			607.16	610.52	3.35	15.66	1992.0	2003.0	11.0	0.46	Lower
AX-10			629.41	634.75	5.33	6.73	2065.0	2082.5	17.5	0.20	Lower
AX-10			647.55	649.53	1.98	8.80	2124.5	2131.0	6.5	0.26	Lower
AX-10			684.58	686.87	2.29	7.14	2246.0	2253.5	7.5	0.21	Lower
AX-10			693.73	695.40	1.68	14.18	2276.0	2281.5	5.5	0.41	Lower
AX-11	4466038N/481576E	-77/082	454.46	462.38	7.92	5.37	1491.0	1517.0	26.0	0.16	Upper
AX-11			586.28	592.23	5.94	8.01	1923.5	1943.0	19.5	0.23	Lower
AX-11	including		586.28	587.81	1.52	17.59	1923.5	1928.5	5.0	0.51	Lower
AX-12	4465783N/481839E	-67/045	361.19	519.68	158.50	2.67	1185.0	1705.0	520.0	0.08	Both
AX-12	Including		373.99	399.53	25.54	6.92	1227.0	1310.8	83.8	0.20	Upper
AX-12	and		385.57	387.10	1.52	25.77	1265.0	1270.0	5.0	0.75	Upper
AX-12	and		419.71	432.82	13.11	3.92	1377.0	1420.0	43.0	0.11	Upper
AX-12	and		514.50	519.68	5.18	9.30	1688.0	1705.0	17.0	0.27	Lower
AX-12	and		514.50	516.64	2.13	16.60	1688.0	1695.0	7.0	0.48	Lower
AX-12	and		518.77	519.68	0.91	13.69	1702.0	1705.0	3.0	0.40	Lower
AX-13	4465783N/481836E	-60/063	424.28	427.91	3.63	4.08	1392.0	1403.9	11.9	0.12	Upper
AX-13			820.37	822.05	1.68	1.27	2691.5	2697.0	5.5	0.04	Dixie Valley
AX-14	4465783N/481836E	-70/063	432.21	436.17	3.96	7.03	1418.0	1431.0	13.0	0.21	Upper
AX-14			448.06	455.98	7.92	3.59	1470.0	1496.0	26.0	0.10	Upper
AX-14			591.92	603.20	11.27	5.08	1942.0	1979.0	37.0	0.15	Lower
AX-14	including		595.64	603.20	7.56	7.19	1954.2	1979.0	24.8	0.21	Lower
AX-15	4465785N/481839E	-65/085	410.41	414.07	3.66	4.54	1346.5	1358.5	12.0	0.13	Upper
AX-16	4465785N/481839E	-75/085	442.87	452.48	9.60	3.63	1453.0	1484.5	31.5	0.11	Upper
AX-16			455.52	457.60	2.07	3.26	1494.5	1501.3	6.8	0.10	Upper
AX-16			575.46	578.97	3.51	33.43	1888.0	1899.5	11.5	0.98	Lower
AX-16	including		576.53	578.97	2.44	47.04	1891.5	1899.5	8.0	1.37	Lower
AX-16			694.03	699.52	5.49	5.67	2277.0	2295.0	18.0	0.17	Dixie Valley
AX-17	4465563N/481906E	-60/41				hole	abandoned				
AX-18	4465784N/481840E	-77/045	376.89	381.46	4.57	3.62	1236.5	1251.5	15.0	0.11	Upper
AX-18			548.18	646.63	98.45	2.38	1798.5	2121.5	323	0.07	Both
AX-18	including		562.20	578.21	16.00	9.16	1844.5	1897	52.5	0.27	Lower
AX-18	and		562.20	563.27	1.07	51.65	1844.5	1848.0	3.5	1.51	Lower
AX-18	and		571.96	578.21	6.25	14.15	1876.50	1897.0	20.5	0.41	Lower
AX-18	and		635.81	643.43	7.62	5.49	2086.0	2111.0	25.0	0.16	Lower

- gravimetric assays used when available

- true widths estimated at approximately 80% - 95% of core intercept

Image 1- Surface plan view of drilling in the Lower Helen Zone.



Premier’s management team believes that the Cove Project represents one of the most under-explored projects in Nevada. It is located in the Eureka-Battle Mountain Trend that is host to numerous multi-million ounce producing and past-producing mines. The property is located in close proximity to excellent infrastructure (including paved roads & power) and work has progressed such that permitting for an expanded surface drill campaign can be undertaken and underground access can be advanced.

### OTHER PROJECTS

Premier holds several projects that will be subject to major exploration programs in 2013. Recently, underground drilling has commenced from the haulage drift in Red Lake on the Rahill-Bonanza Project (PG 49% and Red Lake Gold Mines 51%). Five surface drills are active on the Company’s 100%-owned Trans-Canada Project, and preliminary work is being done in advance of a decision to commence dewatering and Advanced Exploration. Recently, a revised resource estimate identified gold mineral resources in multiple deposits with 4.12 ounces in the Measured and Indicated categories and 3.65 ounces in the inferred category.

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 for RC drill samples were sent to American Assay Laboratories located in Elko, Nevada prep facility and analysis was performed at their Sparks, Nevada analytical facility utilizing 30 gram fire assay with an AA finish. Core samples were analyzed by Inspectorate laboratory facility located in Sparks, Nevada and analysis was done using 30 gram fire assay with AA finish and ICP-MS 30 element scan from 4-acid digestion.

**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 the Battle Mountain and Carlin Trends in Nevada.

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