PREMIER DISCOVERS NEW POLY-METALLIC MINERALIZATION AT COVE GOLD PROJECT
ANNOUNCES INITIAL RESOURCE ESTIMATE FOR HELEN ZONE DEPOSIT

PREMIER GOLD MINES LIMITED (TSX:PG) (“Premier”) is pleased to announce the discovery of high-grade poly-metallic mineralization in a new target area to the north of the historic Cove pit at the Company’s Cove Gold Project, located along the Eureka-Battle Mountain Trend in Nevada. The new target is associated with the interpreted northern extension of the “feeder” structures believed to be important for the emplacement of gold at Cove. This new target is located approximately 400 metres to the north of the pit in an area previously untested on the property. Highlights from the new discovery area include:

- New poly-metallic discovery north of the historic Cove mine (CND Zone)
  - 1.23 grams per tonne gold (g/t Au), 366.97 g/t silver (Ag) (10.72 oz/ton), 2.70% Zinc (Zn) and 3.28% Lead (Pb) across 4.60 metres (m)
  - 4.50 g/t Au, 195.70 g/t Ag, 4.34% Zn and 0.60% Pb across 1.50 m

- Initial resource estimate for Helen Zone deposit
  - 425,000 tonnes of indicated mineral resources grading 10.46 g/t Au (0.31 oz/ton) containing 143,100 ounces of gold
  - 882,000 tonnes of inferred mineral resources grading 9.81 g/t Au (0.29 oz/ton) containing 278,700 ounces of gold

The Cove Project is located in Nevada, one of the most prolific gold districts in the world that is host to numerous “elephant-sized” gold mines and deposits. Nevada is one of the world’s most favourable jurisdictions for mine development and Cove 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 1986 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. Historically, the majority of exploration performed at Cove has been focused almost entirely on the Cove anticline structure that is host to both the Cove mine and the Helen Zone deposit. PG-03 tested in the vicinity of a syncline structure approximately 400 metres to the north of the pit, and deeper than historic shallow condemnation holes drilled prior to mining. This discovery elevates the potential for other structures throughout the entire project to host mineralization.

**Helen Zone Deposit**

At the Helen Zone, Premier has now completed an initial mineral resource estimate based on drilling completed to-date. The estimate was completed by Mark Odell of Practical Mining LLC utilizing a 3D block model and supported with input from the Company’s geological personnel. The Helen Zone does not contain any mineral reserves at this time; Table 1 provides a deposit summary of the mineral resource estimate in the Helen Zone Deposit.
### Table 1 – Helen Zone Mineral Resource Estimate

<table>
<thead>
<tr>
<th>Cutoff Grade Au (g/t)</th>
<th>Indicated Resources</th>
<th>Inferred Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tonnes (000's)</td>
<td>Gold (Au) Grade (g/t)</td>
</tr>
<tr>
<td>3.43</td>
<td>618</td>
<td>8.62</td>
</tr>
<tr>
<td>5.14</td>
<td>469</td>
<td>10.00</td>
</tr>
<tr>
<td>5.83</td>
<td>425</td>
<td>10.46</td>
</tr>
<tr>
<td>6.86</td>
<td>360</td>
<td>11.20</td>
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<tr>
<td>8.57</td>
<td>265</td>
<td>12.43</td>
</tr>
<tr>
<td>10.29</td>
<td>187</td>
<td>13.67</td>
</tr>
</tbody>
</table>

* Values greater than 34.2857 g/t Au are used in the estimation but are restricted by an area of influence based on a search radius of 6.1m X 6.1m X 6.1m or 20 ft X 20 ft X 20 ft.
* Compositing was done on drill hole sections falling within the mineralized zones (composite = 3.05 metres or 10 ft).
* Resources were evaluated from drill hole using a 3-pass ID3 interpolation method in a block model (block size = 3.05 x 3.05 x 3.05 metres or 10 ft X 10 ft X 10 ft).
* The inferred category is only defined within the areas where blocks were interpolated during pass 3.
* The indicated category is only defined within the areas where blocks were interpolated during pass 1 and 2.
* Ounce (troy) = Metric Tonnes x Grade / 31.10348. Calculations used imperial units (feet, short tons and ounce troy/short tons).
* The number of metric tonnes was rounded to the nearest thousand. Any discrepancies in the totals are due to rounding effects; rounding followed the recommendations in Regulation 43-101.
* Practical Mining is not aware of any known environmental, permitting, legal, title-related, taxation, socio-political, marketing or other relevant issue that could materially affect the Mineral Resource Estimate.
* Mineral resources have been estimated at a cut-off grade of 0.17 opt or 5.83 g/t Au calculated with a US $1,300 per ounce gold price;
* Mining parameters used: Mining cost=100 US$/t, milling cost=6.0 US$/t, Haulage=30.0 US$/t, G&A=10.00 US$/t, Refining and Sales costs= 5.0 US$/oz, mining recovery=100%, mining dilution=10%, milling recovery=90%.

The mineral resource estimate used the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by CIM Standing Committee on Reserve Definitions and adopted by CIM Council on November 27, 2010. The mineral resource estimate is classified as “indicated”, or “inferred” as defined by CIM. The Company intends to file a National Instrument 43-101 (“NI 43-101”) compliant technical report in respect of the updated mineral resource estimate on SEDAR and on the Company's website within 45 days of this news release.

### Additional Details on Mineral Resource Estimate

The mineral resource estimate of the Helen gold deposit is based on interpolation of sample composites (approximately 3m each) constrained within sixteen grade shell wireframes which honor the drillhole database. The resource has been established using a 5.83 g/t Au COG. Key assumptions of the updated mineral resource estimate are summarized in Table 2.

The Inverse Distance Cubed (ID3) method, paired with the 1.52 m sub-block size at the boundaries gives a high level of resolution in the resource estimate to ensure that zones with internal waste remained distinct. The resource models were validated visually by sectioning, and running a parallel estimate using Nearest Neighbor method (NN). The Practical Mining staff with responsibility for this resource estimate is Mr. Mark Odell, P.E. (Nevada 13708) and Mr. Karl Swanson, P.Geo (SME 4043076). All are Qualified Persons as defined in NI 43-101, and are independent of Premier Gold Mines Ltd. Mr. Odell and Mr. Swanson acknowledge that they have read this press release and the Helen Zone mineral resource estimate is accurately portrayed.
The database used for this mineral resource estimate reflects fully complete drillhole assay and survey data as of September 30th, 2013. At that time, Premier had completed some 18,149 metres of diamond drilling during 2013. It is estimated that by the end of 2013, some 21,149 metres of diamond drilling will have been completed.

The Helen Zone deposit remains open for expansion in several directions. Current drilling is testing the north side of the Cove anticline where the Helen Zone is located, an area that has seen very little previous drilling.

**Poly-Metallic Discovery**

A new zone of poly-metallic mineralization was discovered in Premier’s first pure exploration hole completed at the Cove property. This discovery occurs approximately 400 metres north of the historic Cove (open pit) mine along the interpreted northern strike extension of the “feeder” structures at the Cove mine within the [Dixie Valley] formation, a deeper rock unit not previously tested in this area of the property. The discovery was made in an area previously condemned by shallow reverse circulation drilling for mine waste dumps.

Mineralization consists of stockwork to semi-massive polymetallic veins of primarily pyrite, sphalerite, galena, and arsenopyrite as well as lesser chalcopyrite and pyrrhotite. PG-03 returned two horizons of widespread base and precious metal mineralization. Table 2 highlights select assay composites from the first hole into this new area.

**Table 2 – Highlight Assay Results From PG-03**

<table>
<thead>
<tr>
<th>Hole ID</th>
<th>Dip/Az</th>
<th>From (m)</th>
<th>To (m)</th>
<th>Interval (m)</th>
<th>Grade (Au – g/t)</th>
<th>Grade (Ag – g/t)</th>
<th>Interval (ft)</th>
<th>Grade (Au - oz/ton)</th>
<th>Grade (Ag - oz/ton)</th>
<th>% Zn</th>
<th>% Pb</th>
<th>Zone</th>
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</thead>
<tbody>
<tr>
<td>PG-03</td>
<td>70/270</td>
<td>463.3</td>
<td>553.2</td>
<td>89.9</td>
<td>0.82</td>
<td>54.78</td>
<td>295.0</td>
<td>0.02</td>
<td>1.60</td>
<td>0.05</td>
<td>0.05</td>
<td>CND</td>
</tr>
<tr>
<td>PG-03</td>
<td>Incl.</td>
<td>493.8</td>
<td>496.8</td>
<td>3.1</td>
<td>3.17</td>
<td>60.15</td>
<td>10.0</td>
<td>0.09</td>
<td>1.76</td>
<td>0.06</td>
<td>0.07</td>
<td>CND</td>
</tr>
<tr>
<td>PG-03</td>
<td></td>
<td>582.2</td>
<td>623.3</td>
<td>41.1</td>
<td>0.68</td>
<td>140.19</td>
<td>135.0</td>
<td>0.02</td>
<td>4.09</td>
<td>0.83</td>
<td>0.80</td>
<td>CDN/2201</td>
</tr>
<tr>
<td>PG-03</td>
<td>Incl.</td>
<td>582.2</td>
<td>586.7</td>
<td>4.5</td>
<td>1.23</td>
<td>366.97</td>
<td>15.0</td>
<td>0.04</td>
<td>10.72</td>
<td>2.70</td>
<td>3.28</td>
<td>CND</td>
</tr>
<tr>
<td>PG-03</td>
<td></td>
<td>612.6</td>
<td>614.2</td>
<td>1.6</td>
<td>4.50</td>
<td>195.70</td>
<td>5.0</td>
<td>0.13</td>
<td>5.71</td>
<td>4.34</td>
<td>0.60</td>
<td>2201</td>
</tr>
</tbody>
</table>

“This represents the second discovery of deep seated poly-metallic sulphide veining at Cove in the initial exploration holes drilled into this previously untested area” stated Warren Thompson, U.S. Exploration Manager for Premier. “These discoveries reflect the potential of our large land package located in the heart of one of the world’s most prolific precious metal districts. The high-grade silver is particularly interesting given the fact that
the Cove mine, which operated only for a period of 14 years up until 2001, was the fourth largest producer of silver in the history of Nevada”.

Further discovery of Au with strong Ag mineralization within PG-03 occurs within the same carbonate host rock as the Helen Zone and CSD (Cove South Deep) Zone and is now referred to as the “CND” (Cove North Deep) Zone due to its great distance northward. The newly discovered CND Zone is hosted in Home Station dolostone and Favret limestone and is believed to be stratabound, Carlin-type replacement with very strong potential for lateral continuity.

The PG-03 discovery is located approximately 1 km north of the recently announced “2201” discovery at Cove where drilling intersected multiple zones of poly-metallic mineralization including 6.74 g/t Au, 13.00 g/t Ag, 0.32% Zn and 0.06% Pb across 9.1 m in hole AX-46. Recent follow-up drilling in the 2201 Zone has intersected strong poly-metallic veining and mineralization including visible gold.

Mr. Thompson further stated that “exploration hole PG-03 was a reverse circulation hole in an area of high groundwater flow with potential for sample contamination. It is possible that the water flow could have the effect of washing away fine sulphides that could understate precious metal grades and overestimate base metal grades. As a result, wedging of PG-03 with core is planned.”

**Image 1** – Plan of Cove Pit area showing historic drill hole collars (black dots) in spatial relation to discovery of CND Zone and expanded 2201 Zone 400m north of the pit. Yellow stars show discovery intercepts along PG-03 hole trace projected to the surface.

**Image 2** represents a 3D section showing eastern quarter of drill holes of Cove Pit with view direction due east. This section highlights location of CSD Zone, the new CND Zone discovery and 2201 Zone discovery. Intercepts are illustrated on both discovery holes AX-46 and PG-03. The location of historic underground working of the CSD Zone is circled and shows potential of zone extension with additional drilling. AX-51 is currently being core drilled and has encountered strong poly-metallic veins.
In May, the Bureau of Land Management (BLM) approved the Company’s Plan of Operation (PoO) that allows Premier up to 100 acres of surface disturbance for exploration and development purposes. These key approvals position the Company to aggressively pursue expansion of its mineral resources within the Helen Zone from new surface platforms, and to test many new target areas that have been identified by Premier’s geological team. The first drill holes from these new target areas have successfully intersected numerous new zones that have the potential to become future contiguous mineral resources.

Premier’s management team believes that the Cove Gold Project represents one of the most under-explored projects in Nevada. The property is located in close proximity to excellent infrastructure (including paved roads & power) and is permitted for an expanded surface drill campaign and underground access.

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% under a joint venture arrangement by paying venture expenditures in an amount equal to 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.

**OTHER PROJECTS**

Premier holds several projects that are subject to major exploration programs in 2013. Underground drilling, testing priority target areas, is underway from the haulage drift in Red Lake on the Rahill-Bonanza Project (PG 49% and Red Lake Gold Mines 51%). Several drills are active on the Company’s 100%-owned Trans-Canada Property with activity focussed in preparation for a final mineral resource estimate at Hardrock. Work continues on Preliminary Economic Assessments for the Hardrock and Brookbank deposits.

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 were sent to Inspectorate America Laboratories prep facility located in Elko, Nevada and analysis was performed at their Sparks, Nevada analytical facility utilizing 30 gram fire assay with an AA finish for RC samples and 30 gram fire assay with AA finish and ICP-MS 30 element scan from 4-acid digestion for Core samples.
**Premier Gold Mines Limited** is one of North America’s leading exploration and development companies with a high-quality pipeline of gold projects focused in proven, safe and accessible mining jurisdictions in Canada and the United States. The Company is well financed with a portfolio of advanced-stage assets in world class gold mining districts such as Red Lake and Geraldton in Ontario and the most prolific gold trends in Nevada.

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