

Premier Gold Provides 2019 Production Guidance

Thunder Bay, February 28, 2019 – Premier Gold Mines Limited (“Premier” or “The Company”) (TSX:PG) is pleased to provide 2019 production guidance for the Mercedes Mine as well as pre-commercial production guidance for the South Arturo Mine.

MERCEDES

Production guidance for 2019 (see Table 1) reflects mining at the Mercedes Mine only which is expected to see a meaningful improvement over 2018.

Table 1: Production Guidance for 2019

PROPERTY	Gold (Au ozs)	Silver (Ag ozs)	Cash Costs (US\$/oz Au)	AISC (US\$/oz Au)
Mercedes	75,000 - 85,000	225,000 - 250,000	730 - 780	900 - 950

SOUTH ARTURO

The planned transition at the South Arturo Mine in Nevada, a joint venture operated by Barrick Gold Corporation (“Barrick”), from Phase 2 mining to commercial production at Phase 1 (open pit) and El Niño (underground) is well underway with the development of these two mining projects setting the stage for renewed commercial production expected to begin in 2020. The Company expects it will recover between 5,000 to 10,000 ounces of gold from development during the year (see Table 2), the proceeds of which will be applied as a reduction in development capital. Premier’s proportionate share of development capital at South Arturo for 2019 (excluding proceeds from pre-commercial production gold sales) is budgeted at US\$39 million.

Table 2: South Arturo Pre-Commercial Production Estimate for 2019 ⁽¹⁾

PROPERTY	Gold (Au ozs)
South Arturo	5,000- 10,000

⁽¹⁾ Premier’s proportionate share of development capital at South Arturo for 2019 (excluding proceeds from pre-commercial production gold sales) is \$39 million. Proceeds from pre-commercial production gold sales will be credited against development capital.

The joint venture is assessing the feasibility of Phase 3 open-pit mining and heap leach processing of stockpiled ore and will provide a longer-term outlook for this project once this work is complete.

“With production quickly stabilizing at Mercedes and associated reduction in costs, our focus now includes developments such as the Marianas deposit,” stated Ewan Downie, President & CEO. “Ongoing initiatives at South Arturo, including two new mines under development, are setting the stage for increased production and sustained operations”.

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.

Premier Gold Mines Limited is a gold-producer with a respected exploration and development pipeline of high-quality precious metal projects in proven, accessible and safe mining jurisdictions in Canada, the United States, and Mexico. Premier remains focused on creating a low-cost, mid-tier gold producer through its two producing gold mines- South Arturo and Mercedes- as well as mine development opportunities at McCoy-Cove in Nevada and Hardrock in Ontario.

For further information, please contact:

Ewan Downie, President & CEO

1.888.346.1390

Info@premiergoldmines.com

www.premiergoldmines.com

This Press Release contains certain information that may constitute “forward-looking information” under applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements regarding the Company’s achievement of the full-year projections for ounce production (including pre-commercial production ounces), production costs, ASIC costs per ounce, cash cost per ounce and realized gold/silver price per ounce, development capital cost estimate at the South Arturo Mine, the Company’s ability to meet annual operations estimates, about strategic plans, including future operations, future work programs, capital expenditures, discovery and production of minerals, price of gold and currency exchange rates, timing of geological reports and corporate and technical objectives. Forward-looking information is necessarily based upon a number of assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information, including the risks inherent to the mining industry, adverse economic and market developments and the risks identified in Premier’s annual information form under the heading “Risk Factors.” There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. All forward-looking information contained in this press release is given as of the date hereof and is based upon the opinions and estimates of management and information available to management as at the date hereof. Premier disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

Non-IFRS Measures:

The Company has included certain terms or performance measures commonly used in the mining industry that are not defined under International Financial Reporting Standards (“IFRS”) in this document. These include; cash cost per ounce sold, all in sustaining cost (“AISC”) per ounce sold and average realized price per ounce. Non-IFRS measures do not have any standardized meaning prescribed under IFRS, and therefore, they may not be comparable to similar measures employed by other companies. The data presented is intended to provide additional information and should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS and should be read in conjunction with the Company’s consolidated financial statements. Readers should refer to the Company’s Management Discussion and Analysis under the heading “Non-IFRS Measures” for a more detailed discussion of how such measures are calculated.