

Premier Reports 2018 Production Results

2018 gold production of 89,699 ounces

Press Release – January 16, 2019 – Thunder Bay, Ontario

Premier Gold Mines Limited (“Premier” or “The Company”) (TSX:PG) is pleased to announce its fourth quarter and full year production results for 2018.

Q4 2018 Production Highlights:

- Best quarterly gold production at Mercedes in 2018 with 22,465 ounces produced
- Continued processing of stockpiles at South Arturo with 577 ounces of gold produced
- Total quarterly silver production of 120,730 ounces

Full-Year 2018 Production Highlights:

- Gold production of 89,699 ounces
- Silver production of 321,814 ounces

Gold production from South Arturo exceeded annual guidance, benefiting from a decision to accelerate processing of the Phase 2 ore stockpile. The Mercedes mine delivered second half production consistent with Company expectations. Steady improvements in the second half resulted in Q4 being the best quarter of the year with production of 22,465 ounces of gold.

Table 1 below provides a summary of production results by mine site.

Mine	Q4 Gold Production (ounces)	Full Year Gold Production (ounces)	Q4 Silver Production (ounces)	Full Year Silver Production (ounces)
Mercedes, Mexico	22,465	68,719	119,039	309,165
South Arturo, Nevada	577	20,980	1,691	12,649
Consolidated Production	23,042	89,699	120,730	321,814

“With Mercedes operations back on track, Premier exceeded its internal production expectations during the fourth quarter,” stated John Begeman, Executive Chairman of Premier. “Annual production met initial guidance. A strong fourth quarter combined with the development of two additional mine projects at South Arturo, is positioning the Company for a strong future”.

South Arturo Mine, Nevada

The South Arturo Mine, a joint venture operated by Barrick Gold Corporation (“Barrick”), has delivered exceptional results since achieving commercial production. Processing of ore stockpiled from the Phase 2 open pit was intermittent during the fourth quarter with annual production exceeding guidance for the year.

Future production will come from two additional developments underway at the Property. Both the Phase 1 open pit and the El Nino underground mine are now under construction with production expected to ramp up late in the second half of 2019 at El Nino.

Mercedes Mine, Mexico

The Mercedes Mine continues to remain focused on cost reduction and developing new deposits to increase flexibility and productivity.

During the fourth quarter, development continued on the drift from the Lagunas mine to access the higher-grade Marianas deposit that is located on-strike to the northwest. Underground drilling at Marianas commenced late in the fourth quarter and will continue throughout 2019.

Exploration and resource definition drilling continue to be a priority at Mercedes. Surface and underground drilling programs are currently underway.

Q4 and year end 2018 financial results and conference call details:

Full financial results for the three and twelve months ended December 31, 2018, will be released before market open on March 7, 2019 and a conference call with senior management will be held at 10:00am EST.

Details for the conference call and webcast can be found below and will be accessible on the Company’s website.

Toll Free (North America): (+1) 888 390 0605

International: (+1) 416 764 8609

Conference ID: 10218835

Webcast Link

<https://event.on24.com/wcc/r/1918438/329EB9095CAF51273BA2CBOC75E8F404>

Conference Call Replay

The conference call replay will be available from 1:00pm EST on March 7, 2019 until 11:59pm EST on March 14, 2019.

Toll Free Replay Call (North America): (+1) 888 390 0541

International Replay Call: (+1) 416 764 8677

Passcode: 218835#

Premier Gold Mines Limited is a gold producer and respected exploration and development company with a high-quality pipeline of 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, and through future mine development opportunities at McCoy-Cove in Nevada and Hardrock in Ontario (Greenstone Gold JV) where permitting and development initiatives are ongoing.

Stephen McGibbon, P. Geo., Executive Vice President, Corporate and Project Development, 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.

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