

Premier Gold Mines Reports 2019 Fourth Quarter and Year End Results

All amounts discussed herein are denominated in U.S. dollars

Thunder Bay, March 5, 2020 – Premier Gold Mines Limited (“Premier” or “The Company”) (TSX:PG) is pleased to announce operating results for the three months and year ended December 31, 2019. The Company previously released its production results for the fourth quarter in a news release dated January 23, 2020.

Premier is a gold-producer and respected exploration and development company with high-quality precious metal projects in proven, accessible and safe mining jurisdictions in Canada, the United States, and Mexico. Premier’s team is focused on creating a low-cost, mid-tier gold-producer from its two producing gold mines and two advanced-stage, multi-million ounce development projects.

2019 Fourth Quarter Highlights

- Production of 16,880 ounces of gold and 45,500 ounces of silver
- Sales of 19,909 ounces of gold at an average realized price⁽¹⁾ of \$1,416 per ounce
- Cash costs⁽¹⁾ of \$1,087 per ounce of gold sold
- AISC⁽¹⁾ of \$1,217 per ounce of gold sold
- Revenue of \$28.9 million
- Mine operating income of \$1 million
- Net loss of \$4.9 million

2019 Year End Highlights

- Production of 67,427 ounces of gold and 192,829 ounces of silver
- Sales of 67,973 ounces of gold at an average realized price⁽¹⁾ of \$1,332 per ounce
- Cash costs⁽¹⁾ of \$998 per ounce of gold sold
- AISC⁽¹⁾ of \$1,218 per ounce of gold sold
- Revenue of \$93.7 million
- Mine operating income of \$3.6 million
- Net loss of \$20 million

CEO Commentary

“Q4 was the first full quarter of production at South Arturo following the successful construction of the El Nino underground mine”, stated Ewan Downie, President & CEO. “Its addition is expected to contribute positively to Premier’s 2020 operating results”.

2019 Highlights – Fourth quarter and year ended December 31, 2019

A total of 16,880 ounces of gold and 45,500 ounces of silver were produced during Q4 2019 compared to 23,042 ounces of gold and 120,730 ounces of silver during Q4 2018. Co-product cash costs⁽¹⁾ during the period were \$1,087 per ounce sold compared to \$1,095 for Q3 2019 and \$619 for Q4 2018. All-in sustaining costs (AISC)⁽¹⁾ were \$1,217 per ounce of gold sold for Q4 2019 compared to \$1,354 for Q3 2019 and \$798 for Q4 2018.

The Company reported total revenue of \$28.9 million during the fourth quarter compared to \$19.9 million during Q4 2018. Despite lower production, the increase in revenue when compared to Q4 2018 is the result of a higher average realized gold price per ounce of \$1,416 compared to \$1,250 in Q4 2018 and reduced ounces sold in Q4 2018.

A total of 67,427 ounces of gold and 192,829 ounces of silver were produced during 2019 compared to 89,699 ounces of gold and 321,814 ounces of silver during the prior year of which 60% of the reduction is related to the South Arturo production profile and 40% related to the Mercedes mine. Co-product cash costs⁽¹⁾ in 2019 were \$998 and AISC⁽¹⁾ were \$1,218 per ounce of gold sold compared to \$788 and \$927 respectively for 2018 primarily related to the reduction in overall production.

The Company reported total revenue of \$93.7 million in 2019 as compared to \$113.9 million in the prior year. The reduction in revenue is the result of lower sales from both South Arturo and Mercedes Mines. This was anticipated as the Company transitioned from Phase 2 production to El Nino underground at South Arturo.

Multiple factors led to lower production and sales at Mercedes than the prior year. Production was primarily impacted by higher than planned dilution in several mining zones as well as some unexpected events such as a large natural void (vug) that was encountered in the Rey de Oro zone. Combined, this resulted in lower head grades for this period.

In keeping with its longer-term objective of increased annual production over the next several years, the Company invested \$24.1 million in exploration and pre-development initiatives during 2019. When factored with the reduction in mine operating income, this investment contributed to a net loss of \$20 million. Total capital spending during the year was \$52.2 million, including the construction of the El Nino underground and the Phase I open pit mines initiated at South Arturo.

The Company closed the year with cash and cash equivalents of \$58.4 million as the result of several initiatives including: a finance package early in the year; a revolving line of credit agreement; and the sale of royalties. The Company held inventory of 1,585 ounces of gold, 4,459 ounces of silver at year end.

Consolidated quarter and year end operating results are provided in Table 1 below.

Table 1 – Selected Consolidated Operational and Financial Information

| | | Three months ended December 31 | | Year ended December 31 | |
|--|-----------------|-----------------------------------|---------|---------------------------|---------|
| <i>(in millions of U.S. dollars, unless otherwise stated) ⁽ⁱⁱⁱ⁾</i> | | 2019 | 2018 | 2019 | 2018 |
| Ore milled | <i>tonnes</i> | 183,714 | 188,444 | 712,805 | 861,058 |
| Gold produced | <i>ounces</i> | 16,880 | 23,042 | 67,427 | 89,699 |
| Silver produced | <i>ounces</i> | 45,500 | 120,730 | 192,829 | 321,814 |
| Gold sold | <i>ounces</i> | 19,909 | 15,653 | 67,973 | 87,036 |
| Silver sold | <i>ounces</i> | 46,722 | 90,135 | 201,374 | 299,819 |
| Realized Price | | | | | |
| Average realized gold price ^(i,ii) | <i>\$/ounce</i> | 1,416 | 1,250 | 1,332 | 1,264 |
| Average realized silver price ^(i,ii) | <i>\$/ounce</i> | 17 | 15 | 16 | 16 |
| Non-IFRS Performance Measures | | | | | |
| Co-product cash costs per ounce of gold sold ^(i,ii) | <i>\$/ounce</i> | 1,087 | 619 | 998 | 788 |
| Co-product all-in sustaining costs per ounce of gold sold ^(i,ii) | <i>\$/ounce</i> | 1,217 | 798 | 1,218 | 927 |
| Co-product cash costs per ounce of silver sold ^(i,ii) | <i>\$/ounce</i> | 15 | 10 | 12 | 10 |
| Co-product all-in sustaining costs per ounce of silver sold ^(i,ii) | <i>\$/ounce</i> | 17 | 13 | 15 | 13 |
| By-product cash costs per ounce of gold sold ^(i,ii) | <i>\$/ounce</i> | 1,083 | 591 | 987 | 771 |
| By-product all-in sustaining costs per ounce of gold sold ^(i,ii) | <i>\$/ounce</i> | 1,217 | 785 | 1,215 | 917 |
| Financial Measures | | | | | |
| Gold revenue | <i>m \$</i> | 28.1 | 19.4 | 90.5 | 109.6 |
| Silver revenue | <i>m \$</i> | 0.8 | 0.5 | 3.2 | 4.2 |
| Total revenue | <i>m \$</i> | 28.9 | 19.9 | 93.7 | 113.9 |
| Mine operating income / (loss) | <i>m \$</i> | 1.0 | 6.1 | 3.6 | 16.5 |
| Net income / (loss) | <i>m \$</i> | (4.9) | (8.9) | (20.0) | (20.4) |
| Earnings / (loss) per share | <i>/share</i> | -0.02 | -0.04 | -0.10 | -0.10 |
| EBITDA ^(i,ii) | <i>m \$</i> | 2.5 | (5.4) | 4.4 | 9.3 |
| Cash & cash equivalents balance | <i>m \$</i> | 58.4 | 43.9 | 58.4 | 43.9 |
| Cash flow from operations | <i>m \$</i> | 22.8 | (7.5) | 23.2 | (10.7) |
| Free cash flow ^(i,ii) | <i>m \$</i> | 9.0 | (14.5) | (28.9) | (37.6) |
| Exploration, evaluation & pre-development expense | <i>m \$</i> | 6.1 | 4.4 | 24.1 | 22.2 |
| Capital | | | | | |
| Total capital expenditures | <i>m \$</i> | 13.8 | 7.0 | 52.2 | 27.0 |
| Capital expenditures - sustaining ^(i,ii) | <i>m \$</i> | 2.2 | 1.6 | 10.7 | 7.0 |
| Capital expenditures - expansionary ^(i,ii) | <i>m \$</i> | 11.6 | 5.4 | 41.5 | 20.0 |

⁽ⁱ⁾ A cautionary note regarding Non-IFRS financial metrics is included in the "Non-IFRS Measures" section of this Management's Discussion and Analysis.

⁽ⁱⁱ⁾ Cash costs, all-in sustaining costs, free cash flow, EBITDA, sustaining and expansionary capital expenditures as well as average realized gold/silver price per ounce are Non-IFRS metrics and discussed in the section "Non-IFRS Measures" of this Management's Discussion and Analysis.

⁽ⁱⁱⁱ⁾ May not add due to rounding.

Mercedes

The Mercedes Mine is 150 km northeast of the city of Hermosillo in the state of Sonora, Mexico. Operations are exploiting low-sulfidation quartz veins and quartz veinlet stockwork for gold and silver, utilizing underground modified overhand cut-and-fill and longhole mining methods at an ore extraction rate targeting 2,000 tonnes per day.

Quarter and full year operating results are provided in Table 2 below.

Table 2 – Mercedes Selected Financial and Operating Results

| | | Three months ended December 31 | | Year ended December 31 | |
|--|-----------------|-----------------------------------|---------|---------------------------|---------|
| <i>(in millions of U.S. dollars, unless otherwise stated) ⁽ⁱⁱⁱ⁾</i> | | 2019 | 2018 | 2019 | 2018 |
| Ore & Metals | | | | | |
| Ore milled | <i>tonnes</i> | 161,914 | 183,158 | 667,723 | 665,522 |
| Gold produced | <i>ounces</i> | 12,274 | 22,465 | 59,901 | 68,719 |
| Silver produced | <i>ounces</i> | 44,809 | 119,039 | 191,306 | 309,165 |
| Gold sold | <i>ounces</i> | 13,628 | 14,373 | 60,774 | 65,760 |
| Silver sold | <i>ounces</i> | 46,722 | 90,135 | 201,374 | 299,819 |
| Average gold grade | <i>grams/t</i> | 2.49 | 3.96 | 2.91 | 3.34 |
| Average silver grade | <i>grams/t</i> | 27.37 | 44.78 | 26.18 | 35.34 |
| Average gold recovery rate | <i>%</i> | 94.8 | 96.3 | 95.8 | 96.0 |
| Average silver recovery rate | <i>%</i> | 31.4 | 45.2 | 34.0 | 40.9 |
| Realized Price | | | | | |
| Average realized gold price ^(i,ii) | <i>\$/ounce</i> | 1,395 | 1,247 | 1,319 | 1,251 |
| Average realized silver price ^(i,ii) | <i>\$/ounce</i> | 17 | 15 | 16 | 16 |
| Non-IFRS Performance Measures | | | | | |
| Co-product cash costs per ounce of gold sold ^(i,ii) | <i>\$/ounce</i> | 1,244 | 639 | 1,034 | 908 |
| Co-product all-in sustaining costs per ounce of gold sold ^(i,ii) | <i>\$/ounce</i> | 1,388 | 808 | 1,263 | 1,073 |
| Co-product cash costs per ounce of silver sold ^(i,ii) | <i>\$/ounce</i> | 15 | 10 | 12 | 10 |
| Co-product all-in sustaining costs per ounce of silver sold ^(i,ii) | <i>\$/ounce</i> | 17 | 13 | 15 | 13 |
| By-product cash costs per ounce of gold sold ^(i,ii) | <i>\$/ounce</i> | 1,237 | 609 | 1,022 | 885 |
| By-product all-in sustaining costs per ounce of gold sold ^(i,ii) | <i>\$/ounce</i> | 1,388 | 795 | 1,260 | 1,060 |
| Financial Measures | | | | | |
| Gold revenue | <i>m \$</i> | 18.9 | 17.8 | 80.2 | 81.9 |
| Silver revenue | <i>m \$</i> | 0.8 | 0.5 | 3.2 | 4.2 |
| Total revenue | <i>m \$</i> | 19.7 | 18.2 | 83.4 | 86.1 |
| Mine operating income / (loss) | <i>m \$</i> | (3.2) | 5.3 | (1.2) | 4.1 |
| Exploration, evaluation & pre-development expense | <i>m \$</i> | 0.0 | 0.0 | 1.3 | 1.3 |
| Capital | | | | | |
| Total capital expenditures | <i>m \$</i> | 4.4 | 3.1 | 18.8 | 17.4 |
| Capital expenditures - sustaining ^(i,ii) | <i>m \$</i> | 2.0 | 1.6 | 10.5 | 7.0 |
| Capital expenditures - expansionary ^(i,ii) | <i>m \$</i> | 2.4 | 1.6 | 8.3 | 10.4 |

⁽ⁱ⁾ A cautionary note regarding Non-IFRS financial metrics is included in the "Non-IFRS Measures" section of this Management's Discussion and Analysis.

⁽ⁱⁱ⁾ Cash costs, all-in sustaining costs, sustaining and expansionary capital expenditures as well as average realized gold/silver price per ounce are Non-IFRS metrics and discussed in the section "Non-IFRS Measures" of this Management's Discussion and Analysis.

⁽ⁱⁱⁱ⁾ May not add due to rounding.

Mine production at Mercedes during Q4 2019 was 12,274 ounces of gold and 44,809 ounces of silver compared to 22,465 ounces of gold and 119,039 ounces of silver during Q4 2018. For the year, mine production totalled 59,901 ounces of gold and 191,306 ounces of silver compared to 68,719 ounces of gold and 309,165 ounces of silver in the prior year. The decrease in gold ounces produced compared to the prior year is primarily due to the lower grade delivered to the mill. Silver production was down as a result of the lower grade and recovery. Unit operating costs on a co-product basis at Mercedes were cash costs⁽¹⁾ of \$1,244 and all-in sustaining costs (AISC)⁽¹⁾ of \$1,388 per ounce of gold sold for the quarter and cash costs⁽¹⁾ of \$1,034 and all-in sustaining costs (AISC)⁽¹⁾ of \$1,263 per ounce of gold sold for the year. Sustaining capital costs at Mercedes were \$10.5 million for the year. Mercedes generated free cash flow of \$1.9 million during 2019 despite recent challenges.

The exploration drilling program was finalized in the third quarter of 2019 with no capital expenditures during the fourth quarter. The exploration program will continue in 2020 with a focus on the expansion of high-grade targets that may be upgraded to mineral resources and mineral reserves while also supporting the development of new deposits to increase mining flexibility and productivity. The budget includes testing of the NW-SE major structure and the Diluvio-Lupita basin that hosts San Martin, Lupita Extension and Neo, the main discoveries from 2019. The budget will also explore the potential new deposit type at La Mesa, an extension of Santa Gertrudis deposit on Premier's property. The expensed exploration during the quarter is related to administration.

Capital expenditures were primarily related to underground mine infrastructure and development, being higher in 2019 but similar in quarter over quarter comparison. For the three months ended December 31, 2019, total capital expenditures at Mercedes were \$4.4 million and in the prior-year period was \$3.1 million. The increase is mainly due to definition drilling done in 2019 compared to 2018.

For the full year, total capital expenditures were \$18.8 million in 2019 and \$17.4 million in 2018 focusing on underground mine infrastructure and development, as well as exploration and the replacement of old mining equipment. Of the total capital expenditures, \$10.5 million was sustaining in nature. The increment in a year over year comparison is mainly a more aggressive definition drilling campaign than in the previous year to address the decrease in grades.

South Arturo

The South Arturo Mine in Nevada is a joint venture operated by Nevada Gold Mines LLC with Barrick Gold Corporation ("Barrick") as operator. Mine development during 2019 focused on two new mining centers: the El Nino underground mine and the Phase 1 open pit. The El Nino mine declared commercial production ahead of schedule in Q3 2019 and is contributing positively to the Company's production profile. The fourth quarter was the first full quarter of production from this new mining operation. Stripping of the Phase 1 open pit was suspended late in 2019 to allow the joint venture to reassess the current mine plan in order to further enhance its value within the joint venture. Positive reconciliation of heap leach material within the Phase 1 pit, positive grade reconciliation realized in 2019 drilling at the Phase 3 pit project, and the identification of mineralization well outside of the Phase 3 pit design all suggest the need for additional drilling in order to optimize the long-term mine planning.

The El Nino underground mine declared commercial production at the end of Q3, more than three months ahead of schedule. The mine recovered a total of 5,964 ounces of gold (including 562 pre-production ounces) to Premier's account during 2019, with an additional 3,855 contained ounces stockpiled for future processing. In addition, 2,124 ounces of gold were recovered from the Phase 2 open pit stockpile during the year and an additional 392 pre-

production ounces from the Phase 1 open pit. Underground core drilling at El Nino returned numerous positive results including 24.4 m of 20.60 g/t Au (SEC19010), 32.0 m of 10.09 g/t Au (IER19021), and 51.8 m of 11.13 g/t Au (IER19031).

Exploration drilling to increase reserves and resources was also completed elsewhere at South Arturo. Primary Phase 3 pit targets returned highlight intercepts including 112.8 m of 7.29 g/t Au (MAD19004) and 62.5 m of 7.39 g/t Au (MAD19002) (See press release dated October 28, 2019 for complete results).

Quarter and year to date operating results are provided in Table 3 below.

Table 3: South Arturo Selected Financial and Operating Results

| | | Three months ended December 31 | | Year ended December 31 | |
|---|-----------------|-----------------------------------|-------|------------------------------|---------|
| | | 2019 | 2018 | 2019 | 2018 |
| <i>(in millions of U.S. dollars, unless otherwise stated) ^(iv)</i> | | | | | |
| Ore & Metals | | | | | |
| Ore milled | <i>tonnes</i> | 21,800 | 5,286 | 45,082 | 195,536 |
| Gold produced | <i>ounces</i> | 4,606 | 577 | 7,526 | 20,980 |
| Gold sold | <i>ounces</i> | 6,281 | 1,280 | 7,199 | 21,276 |
| Silver produced | <i>ounces</i> | 691 | 1,691 | 1,523 | 12,649 |
| Average gold grade | <i>grams/t</i> | 7.69 | 4.14 | 6.16 | 3.97 |
| Average gold recovery rate | <i>%</i> | 85.4 | 82.2 | 84.2 | 84.1 |
| Realized Price | | | | | |
| Average realized gold price ^(i,ii) | <i>\$/ounce</i> | 1,462 | 1,279 | 1,438 | 1,305 |
| Non-IFRS Performance Measures | | | | | |
| Co-product cash costs per ounce of gold sold ^(i,ii) | <i>\$/ounce</i> | 748 | 385 | 692 | 419 |
| Co-product all-in sustaining costs per ounce of gold sold ^(i,ii) | <i>\$/ounce</i> | 846 | 678 | 836 | 478 |
| By-product cash costs per ounce of gold sold ^(i,ii,iii) | <i>\$/ounce</i> | 748 | 385 | 692 | 419 |
| By-product all-in sustaining costs per ounce of gold sold ^(i,ii,iii) | <i>\$/ounce</i> | 846 | 678 | 836 | 478 |
| Financial Measures | | | | | |
| Gold revenue | <i>m \$</i> | 9.2 | 1.6 | 10.4 | 27.8 |
| Mine operating income | <i>m \$</i> | 4.1 | 0.8 | 4.8 | 12.5 |
| Exploration, evaluation & pre-development expense | <i>m \$</i> | 0.0 | 0.2 | 0.1 | 1.3 |
| Capital | | | | | |
| Total capital expenditures | <i>m \$</i> | 9.1 | 3.6 | 27.9 | 8.4 |
| Capital expenditures - sustaining ^(i,ii) | <i>m \$</i> | 0.2 | 0.0 | 0.2 | 0.0 |
| Capital expenditures - expansionary ^(i,ii) | <i>m \$</i> | 8.9 | 3.6 | 27.7 | 8.4 |

⁽ⁱ⁾ A cautionary note regarding Non-IFRS metrics is included in the "Non IFRS Measures" section of this Management's Discussion and Analysis.

⁽ⁱⁱ⁾ Cash costs, all-in sustaining costs, sustaining and expansionary capital expenditures as well as average realized gold/silver price per ounce are Non-IFRS metrics and discussed in the section "Non-IFRS Measures" of this Management's Discussion and Analysis.

⁽ⁱⁱⁱ⁾ Given the small nature and timing of South Arturo silver output, no silver by-product credits are reported

^(iv) May not add due to rounding.

Greenstone Gold Mines

Spending at Greenstone totaled \$10.9 million (CA\$14.2 million) for the quarter and \$34.4 million (CA\$45.7 million) for the year. Key activities included finalization of the mineral resource and related economic update to support financing initiatives and signing of the final Long-Term Relationship agreement with local First Nation communities. The joint venture also continued to advance detailed engineering work for key infrastructure items, permitting, community engagement and financing initiatives during the period. The Company's joint venture partner Centerra Gold Inc, ("Centerra") continues to fund one hundred percent of the costs associated with project development, with total funding by Centerra to date approaching CA\$140 million. An additional CA\$45 million in funding is required before Centerra will have satisfied its deferred funding obligation to the joint venture.

Q4 financial results and conference call details:

Full financial results for the three and year ended ended December 31, 2019, will be released before market open on March 5, 2020 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: 12570368

Webcast Link: <https://event.on24.com/wcc/r/2170433/9BF07975F01997539A4A558FF039F0F8>

Conference Call Replay:

The conference call replay will be available from 1:00pm EST on March 5, 2020 until 11:59pm EST on March 12, 2020.

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

International Replay Call: (+1) 416 764 8677

Passcode: 570368 #

Qualified Person

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.

Non-IFRS Measures

The Company has included certain terms and performance measures commonly used in the mining industry that are not defined under International Financial Reporting Standards ("IFRS") within this document. These include cash cost per ounce sold, all in sustaining cost ("AISC") per ounce sold, earnings before interest, tax, depreciation and amortization ("EBITDA"), adjusted earnings before interest, tax, depreciation and amortization ("Adjusted EBITDA"), adjusted earnings / (loss) per share, free cash flow, capital expenditures (expansionary), capital expenditures

(sustaining) 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.

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 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.