



Press Release

Thunder Bay: September 12, 2016

Shares Issued: 183,448,004

PREMIER GOLD ANNOUNCES FLOW-THROUGH SHARE PRIVATE PLACEMENT OF UP TO \$4,675,000

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THUNDER BAY, ON, September 12, 2016 /CNW/ – PREMIER GOLD MINES LIMITED (PG:TSX) ("Premier" or the "Corporation") is pleased to announce that it intends to complete a non-brokered private placement (the "Offering") of up to 850,000 common shares that are "flow-through shares" within the meaning of the *Income Tax Act* (Canada) (each, a "Flow-Through Share") at a price of \$5.50 per Flow-Through Share for aggregate gross proceeds of up to approximately \$4,675,000.

The securities to be issued under this Offering will be offered by way of private placement in the provinces of British Columbia, Alberta and Ontario and such other provinces or territories of Canada as may be determined by the Corporation, in each case, pursuant to applicable exemptions from the prospectus requirements under applicable securities laws. Securities issued under the Offering will be subject to a four-month hold period which will expire four months and one day from the date of closing of the Offering.

Closing of the Offering is anticipated to occur on or about October 14, 2016. The Offering is subject to approval by the Toronto Stock Exchange and other customary conditions for a transaction of this nature. The proceeds from the Offering will be used for exploration activities on the Corporation's Canadian mineral exploration projects.

Premier Gold Mines Limited is one of North America's leading junior producing companies with a high-quality pipeline of projects focused in proven, safe and accessible mining jurisdictions in Canada and the United States that includes world class gold mining districts such as Red Lake and Geraldton in Ontario and the Carlin and Eureka-Battle Mountain Trends in Nevada. The Company is currently in the process of acquiring the Mercedes Mine located in Sonora, Mexico.

FOR FURTHER INFORMATION PLEASE CONTACT:

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: 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 use of proceeds of the Offering and other terms of the Offering, the ability to satisfy conditions to completion of the Offering, the anticipated closing date of the Offering, strategic plans, future operations, future work programs, capital expenditures, discovery and production of minerals, price of gold and currency exchange rates, timing of geological reports, mineral resource estimates 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 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.