

Shares Issued: 183,131,604

THUNDER BAY, ON, Aug. 29, 2016 /CNW/ - [Premier Gold Mines Ltd.](#) ("Premier" or "The Company") (TSX:PG) is pleased to provide an update of ongoing development and mining activities at the Company's 40%-owned South Arturo Mine located in the Carlin Trend, Nevada. The South Arturo Mine is a joint venture between Premier and [Barrick Gold Corp.](#)'s wholly-owned subsidiary Barrick Gold Exploration Inc. ("Barrick"). Barrick as the operator, processes the ore from South Arturo at their Goldstrike facility located approximately 5 kilometres to the south.

Development of the mine was completed on-time and on budget with ore being processed beginning on August 1st. To the end of July, approximately 55 million tons of material (ore and waste) has been mined in 2016. The Q2 average mining cost was \$1.16/ton vs a budgeted cost of \$1.28/ton. The savings are primarily related to Barrick's company-wide cost savings program. The 2016 gold production attributable to Premier is estimated to be 80,000 ounces and the project is expected to be cash flow positive for the year, net of capital.

"It has been almost ten years to the day, that Premier's shares were listed for trading on the TSX Exchange and it is with great pride that we have celebrated this landmark event with the Company's first ever gold pour", stated Ewan Downie on the Company's C-Suite Blog (<http://www.premiergoldmines.com/news/c-suite-blog>). "Premier's vision has been to transform from explorer to a mid-tier producer by operating in world-class mining jurisdictions. Successful mine development at South Arturo, the recently announced acquisition of the Mercedes Mine, and advancing our best-in-class portfolio of advanced-stage projects will ensure that we can continue to realize this vision".

Following the recent quarterly joint venture meeting, several members of the Premier team participated in the Company's first official gold pour (see images below) commemorating the milestone event for Premier.

The joint venture continues to assess additional opportunities for future development including other potential open pit and underground deposits on the Property. Drilling from the Arturo pit will be completed to further define the El Nino underground deposit situated down plunge of the current Phase 2 pit. Permitting work associated with a potential underground ramp to be driven from the pit is currently underway. Bulk samples from the underground portal at the historic Storm mine as well as additional planned drilling will be used to complete more detailed metallurgical test work to refine the economic opportunity of additional open pits on the Property.

Stephen McGibbon, P. Geo., Executive Vice-President Corporate & Project Development of Premier, is a Qualified Person within the meaning of National Instrument 43-101 and has reviewed and approved the technical information contained in this press release.

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.

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 the estimation of mineral resources and mineral reserves, 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.

SOURCE [Premier Gold Mines Ltd.](#)

Contact

Ewan Downie, President & CEO, Phone: 807-346-1390, Fax: 807-346-0100, e-mail: Info@premiergoldmines.com, Web Site: www.premiergoldmines.com