

THUNDER BAY, ON, Jan. 11, 2017 /CNW/ - [Premier Gold Mines Ltd.](#) ("Premier" or "The Company") (TSX:PG) is pleased to confirm a maiden Mineral Resource estimate for the Company's 100%-owned Hasaga Property, located in Red Lake, Ontario, Canada some 440 kilometres northwest of Thunder Bay. The estimate, completed by MRB and Associates of Val-d'Or, Quebec (with an effective date of December 30th, 2016) has been completed following a two-year exploration and delineation drilling campaign by Premier that focussed on the Central, Hasaga and Buffalo target areas.

Table 1 provides a property-wide summary of the Mineral Resources at Hasaga, while Table 2 separates the Mineral Resources into respective target areas described in earlier press releases.

Highlights of the December 30th, 2016 Hasaga estimate include:

- Total Indicated Mineral Resources of 1,123,900 ounces of gold
- Total Inferred Mineral Resources of 630,500 ounces of gold
- Central Zone Indicated Mineral Resources of 803,900 ounces of gold and 583,000 ounces inferred
- Resources restricted to having open-pit potential only; underground potential untested
- Mineral resources constrained by property boundary and within an optimized pit shell

All abbreviations used in this press release are available by following this link ([click here](#)).

"Our focus on resource delineation at Hasaga has resulted in a discovery cost of less than \$17.00 per indicated resource ounce" commented Premier Executive Vice-President Stephen McGibbon on the Company's C-Suite Blog (<http://www.premiergoldmines.com/news/c-suite-blog>). "This is the result of excellent work by our on-site team and an important first step toward assessing the future mining potential at Hasaga."

Importantly, the estimated resources are hosted within mineralization that remains open at depth. Premier will seek to increase property-wide resources by testing for potential higher grade mineralization in 2017 that may be amenable to underground mining methods.

Table 1 - Hasaga Mineral Resource Estimate (Dec 30th, 2016)

Property	Resource Category	Tonnes Gold ('000t)	Grade (g/t)	Contained Au ('000 oz)
	Measured	-	-	-
	Indicated	42,294	0.83	1,124
HASAGA Measured +				
	Indicated	42,294	0.83	1,124
	Total Inferred	25,143	0.78	631

- Independent Qualified Persons for the Hasaga Mineral Resources Estimate are Abderazzak Ladidi P. Geo and Vincent Jourdain, Eng., Ph.D from MRB & Associates and the effective date of the estimate is December 30th 2016
- CIM definitions were followed for Mineral Resources
- Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
- The estimate includes 13 mineralized zones (3 in Buffalo sector, 6 in Hasaga sector, 4 in Central sector) and 2 lithological envelopes
- High gold assays were capped at 15 g/t
- Bulk density data were averaged on a per zone basis (1220, 1230, 1320: 2.71 t/m³; 1330, 1510, 1540, 2399: 2.72 t/m³; 1520, 1525: 2.74 t/m³; 1210, 1340: 2.75 t/m³; 1515, 2599: 2.77 t/m³; 1530: 2.79 t/m³; 1310: 2.83 t/m³)
- Resources were evaluated from drill hole and channel samples using a 5-pass ID2 interpolation in a block model (block size = 5 x 5 x 5 metres)
- Open pit resources are constrained to the property limit in an optimized pitshells at a cut-off grade of 0.5 g/t Au
- Pitshell optimization parameters: Mining cost = CAD\$2.50/t, milling cost = CAD\$12.00/t, G&A = CAD\$3.00/t, Gold price US\$1400/oz (exchange rate CAD\$1.30 = US\$1.00), milling recovery = 94%, mining recovery = 100%, mining dilution = 0.0%, pit slope = 55°

- Totals may not add correctly due to rounding

The Mineral Resource estimate used the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Definition Standards for Mineral Resources and Mineral Reserves, Definitions and Guidelines prepared by CIM Standing Committee on Reserve Definitions and adopted by CIM Council on May 10, 2014. The mineral resource estimate is classified as "measured", "indicated", or "inferred" as defined by CIM.

Table 2 - Hasaga Mineral Resources by Target Area

Deposit	Category	Tonnes Gold ('000t)	Grade (g/t)	Contained Au ('000 oz)
Central Zone	Indicated	31,613	0.79	804
	Inferred	23,733	0.76	583
Hasaga Zone	Indicated	9,050	0.89	258
	Inferred	806	1.00	26
Buffalo Zone	Indicated	1,632	1.18	62
	Inferred	604	1.12	22
Total	Indicated	42,294	0.83	1,124
	Inferred	25,143	0.78	631

- Independent Qualified Persons for the Hasaga Mineral Resources Estimate are Abderazzak Ladidi P.Geo and Vincent Jourdain, Eng., Ph.D. from MRB & Associates and the effective date of the estimate is December 30th 2016
- CIM definitions were followed for Mineral Resources
- Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
- The estimate includes 13 mineralized zones (3 in Buffalo sector, 6 in Hasaga sector, 4 in Central sector) and 2 lithological envelopes
- High gold assays were capped at 15 g/t
- Bulk density data were averaged on a per zone basis (1220, 1230, 1320: 2.71 t/m³; 1330, 1510, 1540, 2399: 2.72 t/m³; 1520, 1525: 2.74 t/m³; 1210, 1340: 2.75 t/m³; 1515, 2599: 2.77 t/m³; 1530: 2.79 t/m³; 1310: 2.83 t/m³)
- Resources were evaluated from drill hole and channel samples using a 5-pass ID2 interpolation in a block model (block size = 5 x 5 x 5metres)
- Open pit resources are constrained to the property limit in an optimized pitshells at a cut-off grade of 0.5 g/t Au
- Pitshell optimization parameters: Mining cost = CAD\$2.50/t, milling cost = CAD\$12.00/t, G&A = CAD\$3.00, Gold price US\$1400/oz (exchange rate CAD\$1.30 = US\$1.00), milling recovery = 94%, mining recovery = 100%, mining dilution = 0.0%, pit slope = 55°
- Totals may not add correctly due to rounding

The key assumptions and parameters used in the estimate of the Mineral Resources are summarized as follows:

- The 5-pass ID2 interpolation method was used in this mineral resource estimate.
- The optimized pit shell used reflects a revenue factor of 0.74.
- High grade (outlier) assays managed utilizing a 15 g/t Au capping grade on raw assays as well as using a restricted search approach with a grade threshold established on composites on a per zone basis (generally 3-6 g/t Au) within half of the variography derived search range.
- An exchange rate of CAD \$1.30 to US\$1.00 has been assumed.
- Mineral resources have been restricted to no closer than 50 metres of any shoreline, but are not restricted by cultural effects such as roads and buildings.
- Total number of below cut-off (waste) tonnes contained within the optimized pits is some 94,000,000 tonnes.

Table 3 is a sensitivity analysis of the of the Hasaga Property mineral resource estimate across a range of potential cut-off grades.

Table 3 Sensitivity Analysis for Hasaga Mineral Resource Estimate

Cut-off Parameter	Category	Tonnes (‘000t)	Gold Grade (g/t)	Contained Au (‘000 oz)
>0.90 g/t Au	Indicated	11,687	1.25	471
	Inferred	5,383	1.28	221
>0.70 g/t Au	Indicated	22,853	1.03	754
	Inferred	11,177	1.02	368
>0.50 g/t Au	Indicated	42,294	0.83	1,124
	Inferred	25,143	0.78	631
>0.30 g/t Au	Indicated	70,821	0.65	1,490
	Inferred	49,589	0.59	940

A comprehensive description of key assumptions and parameters used are set out in a technical report that will be available on SEDAR and Premier's website within 45 days of this press release.

Hasaga Metallurgy Summary

In December, Premier reported on a recently completed metallurgical scoping program on samples from the Hasaga, Central and Buffalo Zones with the intent to characterize the lithological and mineralization domains of the project areas, and to complement the Hasaga mineral resource estimate. Although bottle roll tests utilizing coarser crush sample composites (¼", ½", ¾" crush sizes) does not support a potential heap leach recovery process, the baseline bottle roll cyanidation study indicated very good recoveries for all grade ranges with metallurgical results of between 94% and 97% when grinding to 80% passing 200 mesh.

Investor Day

Premier will be hosting an Investor Day presentation at the Toronto Board of Trade (4th floor, rooms A/B), 1 First Canadian Place, Toronto, Ontario at 10:00am (EST) on Thursday, January 12, 2017. The Company invites all current and future shareholders to attend this event.

Abderazzak Ladidi, P.Geo and Vincent Jourdain, Eng., Ph.D. are the independent Qualified Persons who have reviewed and approved the contents of this press release for the purposes of National Instrument 43-101.

Premier Gold Mines Limited is a respected production, exploration and development company with a high-quality pipeline of gold projects focused in proven, safe, and accessible mining jurisdictions in Canada, the United States, and Mexico.

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.

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