

Shares Issued: 201,530,687

THUNDERBAY, ON, April 18, 2017 /CNW/ - [Premier Gold Mines Ltd.](#) ("Premier" or "The Company") (TSX:PG) is pleased to announce its first quarter production results for 2017 that underscore a continuation of strong performance being realized from the Company's 40% ownership in the South Arturo Mine located in Carlin, Nevada and its 100% owned Mercedes Mine located in Mexico. South Arturo is a joint venture between Premier and [Barrick Gold Corp.](#)'s wholly-owned subsidiary Barrick Gold Exploration Inc. ("Barrick") which achieved commercial production on August 1, 2016.

Operational Highlights Attributable to Premier Include:

- Total gold production of 50,979 ounces
- Total silver production of 88,572 ounces
- Total gold Sales of 51,593 ounces
- Average realized gold sale price of USD\$1,224 per ounce

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

These first quarter results demonstrate the Company's (and its partner's) focus on operating productivity and performance and reconfirm the 2017 production guidance of 125,000 to 135,000 ounces of gold and 325,000 to 350,000 ounces of silver.

Table 1: Q1- 2017 Production results

Mine	Q1 2017 Gold Production (ounces)	Q1 2017 Silver Production (ounces)
South Arturo Mine, Nevada	28,815	-
Mercedes Mine, Mexico	22,164	88,572
Consolidated	50,979	88,572

"We are extremely pleased with the continued strong performance at both sites during the quarter, especially at Mercedes where we have recognized a seamless transition from the previous operators," stated Ewan Downie, President and CEO of Premier, in the company's C-Suite Blog <https://www.premiergoldmines.com/news/c-suite-blog/all>, "Numerous initiatives at Mercedes have resulted in increased throughput, particularly beginning late in the quarter, and production from South Arturo continues to surpass expectations. We are on track to meet the top end of our 2017 production guidance and remain focused on further operational initiatives to ensure long-term production from both mines.

South Arturo Mine, Nevada

The South Arturo Mine, operated by Barrick Gold, has delivered exceptional performance results since achieving commercial production in August 2016. Higher than forecasted grades in the mine and revised pit wall slopes are expected to result in production levels above guidance.

The joint venture continues to advance three additional mining opportunities on the property; the El Nino underground project and two potential open pit projects (Phases 1&3). A Plan of Operations for the construction of a ramp at El Nino to access high-grade mineralization down-dip of the current pit has been submitted for approval with Nevada regulatory authorities. Upon receipt of the required permits, the partnership plans to develop underground access to complete further definition drilling and mine planning to verify the potential for future production.

Mercedes Mine, Mexico

The Mercedes Mine has delivered solid performance results since it was acquired from Yamana Gold in 2016. Our operations team continues to identify and implement measures intended to increase productivity and reduce costs. During the first quarter, development crews achieved underground access to the Diluvio deposit, located immediately east of the Lupita mine workings, which has resulted in ore from the additional working faces and the potential to increase future gold production from this deposit. Production efficiencies currently being implemented, including reduced dilution and improved gold and silver recoveries, are expected to reduce the overall operating costs.

Exploration and resource definition drilling are a priority in 2017. Surface and underground drilling activity significantly increased in the last month of this quarter with a total of six drills being active.

Other Developments

Premier remains focused on achieving mid-tier producer status through its two producing gold mines; South Arturo and Mercedes, and through future mine development at McCoy-Cove in Nevada and Hardrock in Ontario (Greenstone Gold JV) where permitting and development initiatives are ongoing.

Other Q1-2017 Highlights

- Released maiden resource for the Hasaga Property in Red Lake, Ontario
- Released updated resource for the McCoy-Cove Property in Battle Mountain, Nevada

Financial results for the three months ended March 31, 2017 will be released before market open on May 12, 2017. A webcast and conference call to present Q1 Financial Results will be held by senior management at 10:00 a.m. EST that same day.

Details regarding how to access the webcast and conference call will be accessible on the Company's website.

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.

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.

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