

Drilling Intersects High-grade at Marianas, Mercedes Mine

Delineation program intersects 31.0 m of 4.96 g/t Au & 71.06 g/t Ag

Thunder Bay, May 7, 2019- Premier Gold Mines Limited (TSX: PG) (“Premier”, “the Company”) is pleased to announce high-grade intercepts from initial underground drilling at the east margin of the Marianas Zone, one of the primary exploration targets at the Company’s 100%-owned Mercedes Mine, located in the State of Sonora, Mexico.

Highlights of this delineation drill program include:

- **31.0 m of 4.96 g/t Au & 71.06 g/t Ag including 3.1 m of 25.65 g/t Au & 171.30 g/t Ag** (UG-MR19-011)
- **20.5 m of 4.51 g/t Au & 64.09 g/t Ag including 3.8 m of 11.04 g/t Au & 94.09 g/t Ag** (UG-MR19-007)
- **3.5 m of 7.29 g/t Au & 8.25 g/t Ag** (UG-MR19-010)

“Initial drilling confirms our belief that Marianas will be important to the future of Mercedes”, commented Stephen McGibbon, Executive Vice-President. “The drill program is in its very early stages, testing the margins of Marianas from new ramp development. We expect stronger and more consistent results as the drilling progresses toward the core of the Marianas resource later in 2019”.

Marianas

The Marianas Zone comprises the down-plunge extension of the main Mercedes mine trend (Figure 1). Previous surface drilling suggests Marianas has the potential to host economic mineralization of higher than the current reserve grade. It is the Company’s goal to convert a portion of Marianas mineral resources to mineral reserves with a delineation drill program during the balance of 2019. Ore development could commence in 2020.

Mercedes is an underground gold and silver mine that exploits quartz veins and quartz-carbonate stockworks in a low sulphidation epithermal system at an extraction rate approaching 2,000 tonnes per day. The main Mercedes mine trend is host to a series of high grade sub-vertical quartz veins that strike in a northwesterly direction. It represents the property’s most substantial producing area with total past-production of some 687,000 recovered ounces from 2011 through 2018. Premier has been extending the mine’s production ramp to support the delineation and possible expansion of mineral resources into the “Indicated” category with more than 13,000 m of surface and underground drilling planned in 2019. Table 1 provides highlights of significant intercepts from 11 holes completed at the margin of the Marianas East area, away from the core of the mineral resource. Locally, the grade and width of mineralization is exceeding expectations with intercepts of up to 31.0 m of true width grading 4.96 g/t Au and 71.06 g/t Ag in hole MR-UG-011 from drill bay #1 (Figure 2). Importantly, this mineralization is located within 100 m of the main ramp.

Figure 1 –Mercedes Trend location map

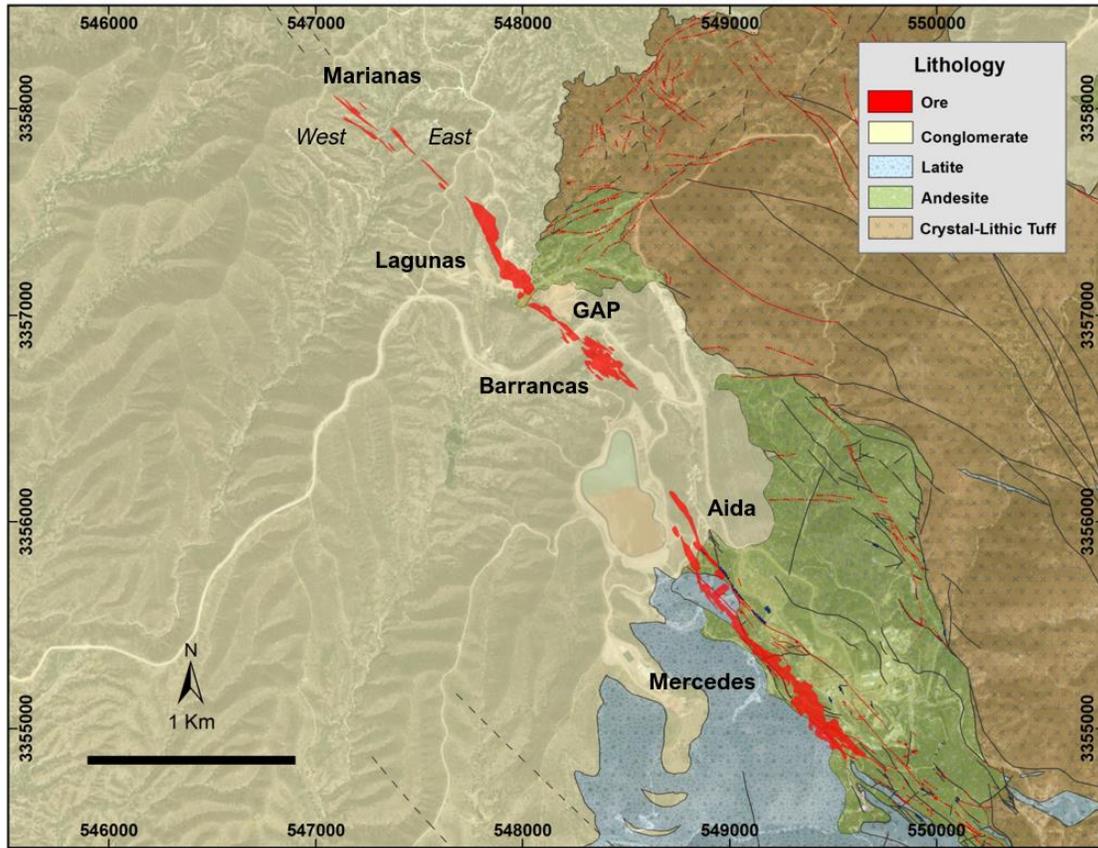


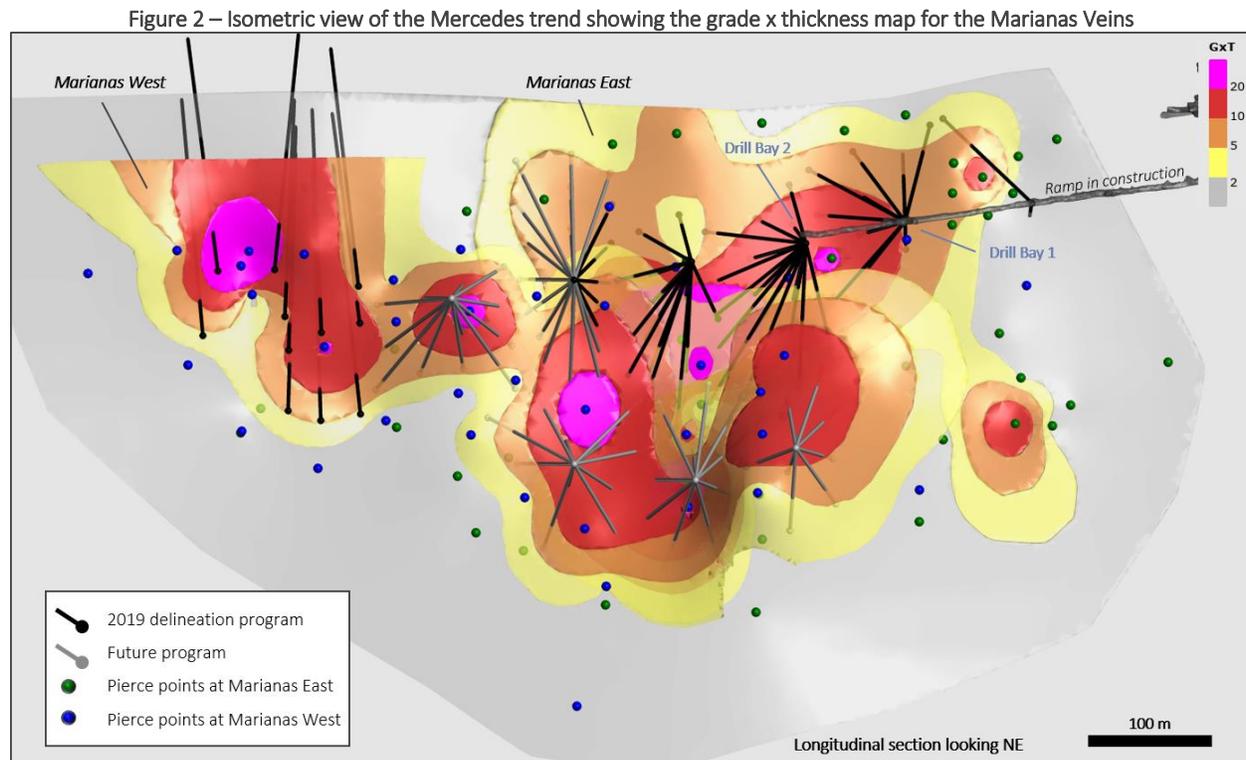
Table 1 – Highlight composites summary from underground drilling at Marianas East (DB: Drill Bay)

Hole ID		From m	To m	Length m	True Width m	Au g/t	Ag g/t
UG-MR19-003	DB 1	95.7	98.0	2.4	2.3	2.91	114.26
UG-MR19-006	DB 1	132.6	135.7	3.1	2.5	7.87	54.07
UG-MR19-007	DB 1	91.5	112.9	21.4	20.5	4.51	64.09
<i>Including</i>		91.5	96.1	4.6	3.8	11.04	94.09
<i>Including</i>		103.7	106.8	3.1	2.7	7.96	46.50
<i>Including</i>		111.3	112.9	1.5	1.4	9.89	33.00
UG-MR19-008		98.6	99.6	1.1	1.0	6.58	17.00
UG-MR19-010	DB 2	118.4	121.9	3.6	3.5	7.29	8.25
<i>Including</i>		119.4	120.4	1.1	1.0	14.55	6.00
UG-MR19-011	DB 1	87.3	118.9	31.6	31.0	4.96	71.06
<i>Including</i>		95.9	99.0	3.2	3.1	25.65	171.30
<i>Including</i>		103.3	104.8	1.5	1.5	6.51	95.00
<i>Including</i>		110.9	112.4	1.5	1.4	15.05	51.00
<i>Including</i>		117.1	118.9	1.8	1.8	7.24	66.72

Note that addition errors in tables are due to rounding.

Delineation Program

At the end of 2018, mineral resources in the Marianas area stood at 21 kt at 18.39 g/t Au for 13,000 ounces of gold (Indicated) and 645 kt at 4.46 g/t Au for 92,000 ounces of gold (Inferred). The grade x thickness image profiles the current distribution of drilling planned in 2019 and beyond (Figure 2). The delineation program started at the beginning of the year with the development of the ramp west to the Lagunas deposit. The current results are from drill bays 1 & 2, intersecting the Marianas East vein which will be the focus of the 2019 underground program. Delineation from surface is planned on the north side of the deposit, mainly within the Marianas West vein. The objective from the 2019 campaign is to convert half of the inferred mineral resources in this area. In addition to Marianas, the Mercedes team is targeting the Lupita, Diluvio and Rey de Oro areas in 2019 to offset mining depletion and focus on mineral resource growth.



Julie-Anaïs Debreil, Ph.D., P.Geo., 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. Mercedes assay results are from core samples sent to ALS Chemex, an accredited mineral analysis laboratory in Lima, Peru or Vancouver, British Columbia, for preparation and analysis utilizing both fire assay and ICP methods. For a complete description of Mercedes's sample preparation, analytical methods and QA/QC procedures refer to the technical report for the Mercedes Mine dated April 18, 2018 (effective date December 31, 2017), entitled "Technical Report on the Mercedes Gold-Silver Mine, Sonora State, Mexico."

Premier Gold Mines Limited is a gold producer with a respected exploration and development pipeline of high-quality precious metal projects in proven, accessible and safe mining jurisdictions in Canada, the United States, and Mexico. Premier remains focused on creating a low-cost, mid-tier gold producer through its two producing gold mines- South Arturo and Mercedes- as well as mine development opportunities at McCoy-Cove in Nevada and Hardrock in Ontario.

Table 2 - Collar coordinates

UTM	Project	Hole ID	North m	East m	Elevation m	Azimuth	Dip
NAD27 Zone 12	Mercedes	UG-MR19-003	3357542	547584	890	004	6
	Mercedes	UG-MR19-006	3357544	547585	891	038	26
	Mercedes	UG-MR19-007	3357544	547585	890	035	7
	Mercedes	UG-MR19-008	3357544	547585	890	003	18
	Mercedes	UG-MR19-010	3357604	547500	875	015	-14
	Mercedes	UG-MR19-011	3357544	547584	891	018	10

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.