

# PREMIER

## Gold Mines Limited

Proven Management – Proven Gold Districts – Safe Jurisdictions

## Corporate Update September 2014

Symbol: PG  
Exchange: TSX

1-888-346-1390  
[www.premiergoldmines.com](http://www.premiergoldmines.com)

This presentation may contain "forward looking information" within the meaning of Canadian securities legislation, which are based on the opinions and estimates of management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward looking information. Such risks and uncertainties include, but are not limited to, risks associated with the mining industry, the risk of commodity price and foreign exchange rate fluctuations, the ability of Premier to fund the capital and operating expenses necessary to achieve the business objectives of Premier, as well as those risks described in public disclosure documents filed by Premier. Due to the risks, uncertainties and assumptions inherent in forward-looking information, prospective investors in securities of Premier should not place undue reliance on these forward-looking information.

This presentation has been completed by Premier. Certain corporate projects referred to herein are subject to agreements with third parties who have not prepared, reviewed nor approved this presentation. The presentation is not intended to reflect the actual plans or exploration and development programs contemplated for such projects.

The Hardrock PEA is preliminary in nature and it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applies to them that would enable them to be categories as mineral reserves, and there is no certainty that the Hardock PEA will be realized. Economic studies will need to be completed prior to accurate guidance being provided

For further information on the technical data provided in this presentation, refer to the Sedar filings as listed below:

Note	Project/Property	Company	Date
(1)	Hardrock Mineral Resource	Premier Gold Mines Limited	July 8, 2014
(2)	Trans-Canada PEA	Premier Gold Mines Limited	January 28, 2014
(3)	Hardrock (Trans-Canada)	Premier Gold Mines Limited	December 13, 2013
(4)	Trans-Canada	Premier Gold Mines Limited	February 1, 2013
(5)	Bonanza	Premier Gold Mines Limited	September 17, 2009
(6)	Helen (Cove)	Premier Gold Mines Limited	January 2, 2014
(7)	Trans-Canada	Premier Gold Mines Limited	February 1, 2013
(8)	Hardrock	Premier Gold Mines Limited	May 17, 2011
(9)	Hardrock	Premier Gold Mines Limited	March 4, 2010
(10)	Kailey	Premier Gold Mines Limited	May 17, 2011
(11)	Brookbank	Goldstone Resources Inc.	May 15, 2009
(12)	East Bay	Wolfden Resources Inc.	June 5, 2006
(13)	Helen (Cove)	Victoria Gold Corp	May 5, 2011

### **NORTH AMERICAN-FOCUSED**

Pro-mining jurisdictions (Ontario/Nevada) offer reduced political risk.

### **EXPERIENCED MANAGEMENT TEAM**

Strong history in exploration, mining & corporate development.

### **THREE CORE PROJECTS**

Trans-Canada (Hardrock), Cove (Nevada) and Rahill-Bonanza (Red Lake)

### **SIGNIFICANT GOLD RESOURCES**

Growing mineral resource base with multiple projects advancing towards development

### **INFRASTRUCTURE**

All projects are located in the heart of some of North America's "premier" gold mining camps

### **STRONG BALANCE SHEET**

Approximately \$55 M in cash and investments.



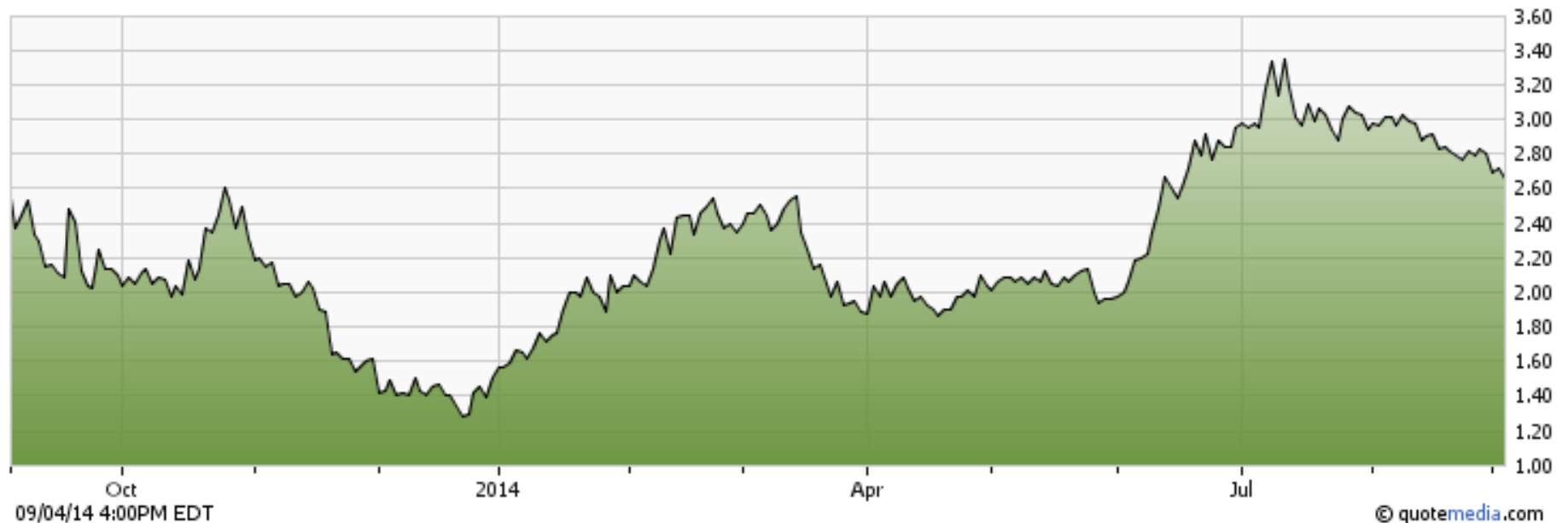
## Share Structure

Total Shares I/O: 153,748,463  
 Stock Options: 12,823,048  
 Warrants: 0  
 Fully Diluted: 166,571,511  
 Cash Position: ~C\$50 Million

\*52 week range: \$3.52 - \$1.28  
 \*Close: \$2.66  
 \*Market Cap: C\$417M

\*as at Sept 4, 2014

## Research Coverage



## BOARD OF DIRECTORS

### **Ebe Scherkus, Chairman**

- Formerly President & COO of Agnico Eagle Mines (AEM:TSX)
- More than 37 years of experience in exploration and mine development

### **Ewan S. Downie, President & CEO**

#### **John Seaman**

- CFO of Premier from 2006-2012
- Previously CFO of Wolfden Resources Inc.

#### **Henry Knowles**

- Over 40 years of experience in the financial community
- Served as the Chairman of OSC in early 1980's

#### **Claude Lemasson**

- 20+ years of mine development experience in North America including senior operational roles with Goldcorp
- Previously President, COO and Director of Guyana Goldfields Inc.

#### **John Begeman**

- Mining engineer with more than 35 years of mining experience
- Previously held roles as President of Goldcorp USA and CEO of Avion
- Director of Yamana Gold Inc.

#### **Michael S. Vitton**

- Former Executive Managing Director, Head, US equity sales BMO capital markets
- Managing director, Burns Fry Ltd 1984-1994

## MANAGEMENT TEAM

### **Ewan S. Downie, President & CEO**

- Founder, President & CEO of Wolfden Resources Inc.
- 25+ years of experience in exploration and project development
- 2004 recipient of the PDAC "Bill Dennis Prospector of the Year" Award, and several other industry awards

### **Stephen McGibbon, Executive V-P**

- Formerly Chief Geologist and Exploration Manager at Goldcorp's flagship Red Lake Gold Mine
- Played key role in the discovery of the "High Grade Zone"

### **Eric Lamontagne, Director Projects**

- Operational experience includes Operations Manager at Agnico's Meadowbank Mine and Mining Superintendent at Inmet's Troilus Mine

### **Warren Thompson, US Division Manager**

- Masters Degree in Geology with more than 30 years of Nevada exploration/development experience

### **Steve Filipovic, Chief Financial Officer**

- Chartered Accountant with 15 years experience in the mining and oil & gas industries

## **TRANS-CANADA PROPERTY – Advancing Towards Production**



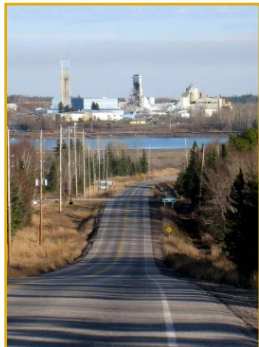
- 100% owned project located in Geraldton, Ontario, Canada
- PEA completed (Jan 2014), resource estimate update planned for Q2-2014
- Feasibility Study expected (H1 2015)

## **COVE-McCOY PROJECT – Secures Development Pipeline**



- 100% owned Located in the heart of the prolific Battle Mountain Trend
- Large property package immediately south of the Phoenix Mine
- Excellent opportunity to define multiple mineralized horizons:
  - Potential for near-surface heap leachable mineralization at McCoy
  - Continued definition of high-grade mineralization at Cove

## **RAHILL-BONANZA PROJECT – Blue Sky Potential in the Heart of Red Lake**



- Located adjacent to Goldcorp's Red Lake Gold Mine in Ontario
- Project covers several kilometres of the main Red Lake "Mine Trend"
- Underground drill program underway testing primary Wilmar target



**OWNERSHIP:** 100% Premier

**LOCATION:** Geraldton, Ontario

**STATUS:** - Positive PEA results  
- Feasibility Study Underway

### **PROJECT HIGHLIGHTS**

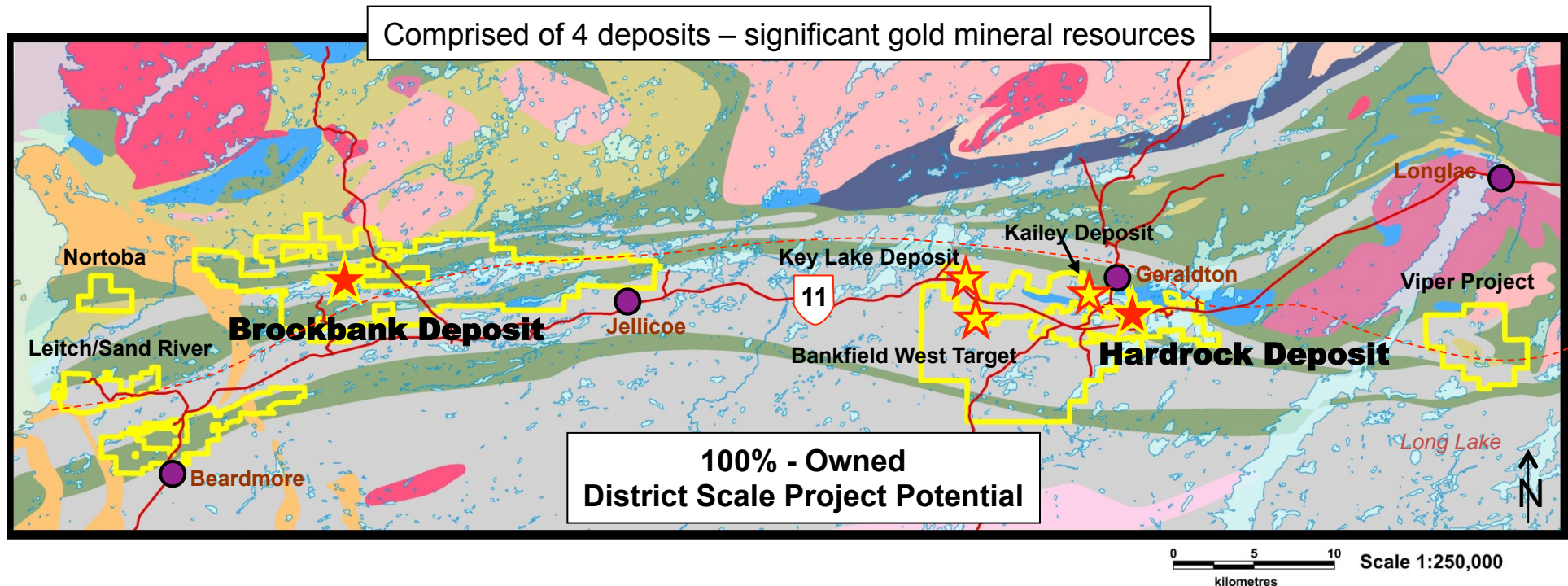
- 4 Deposits in the heart of the Beardmore Geraldton Mining Camp
- PEA completed (Jan 2014)
- Upside offered by multi-million ounce underground resource, various open pit options and regional exploration

### **CURRENT DEVELOPMENTS**

- Delineation drill program to be completed
- Resource model update completed
- Feasibility Study to be released in H1-2015

### **Open Pit and Underground Potential**





**Key Highlights:**

- 1) Four deposits: Hardrock (primary deposit), Brookbank, Kailey, Key Lake
- 2) District wide property package located along the Trans-Canada Highway
- 3) PEA Studies completed: Hardrock & Brookbank deposits indicate favourable economics
- 4) Feasibility Study to be released in H1-2015
- 5) New open pit targets identified (BFW & Viper) drilling in 2014-15



**HARDROCK DEPOSIT**

<b>Cut-off Category</b>	<b>Resource Category</b>	<b>Tonnes ('000)</b>	<b>Gold (Au) Grade (g/t)</b>	<b>Au Ounces ('000)</b>
<b>Open Pit (O/P)</b> (0.50 g/t Au COG)	<b>Indicated</b>	<b>83,868</b>	<b>1.47</b>	<b>3,972</b>
	<b>Inferred</b>	<b>10,225</b>	<b>1.53</b>	<b>501</b>
<b>Underground (U/G)</b> (3.00 g/t Au COG)	<b>Indicated</b>	<b>5,169</b>	<b>5.40</b>	<b>898</b>
	<b>Inferred</b>	<b>12,922</b>	<b>5.40</b>	<b>2,242</b>
<b>Combined</b>	<b>Total Indicated</b>	<b>89,037</b>	<b>1.70</b>	<b>4,870</b>
	<b>Total Inferred</b>	<b>23,147</b>	<b>3.69</b>	<b>2,744</b>

\* See Note 1

- **Total Indicated resources of 4.87 million (M) ounces, an increase of 1.63M ounces or 50% over the 2013 resource estimate**
- **Open Pit Indicated resource of 3.97M ounces, an increase of 1.62M ounces or 69% with coincident increases in resource grades**
- **New estimate utilizes identical grade capping, COG's and gold price (in Canadian dollar terms) versus previous estimate as well as 86,500 metres of additional infill drilling for a total of 621,000 metres**
- **47 shells (using a combination of gold price and cut off grade) were generated**
- **Base case and upside options available for future consideration**

### SENSITIVITY OF ESTIMATE TO A RANGE OF COG's

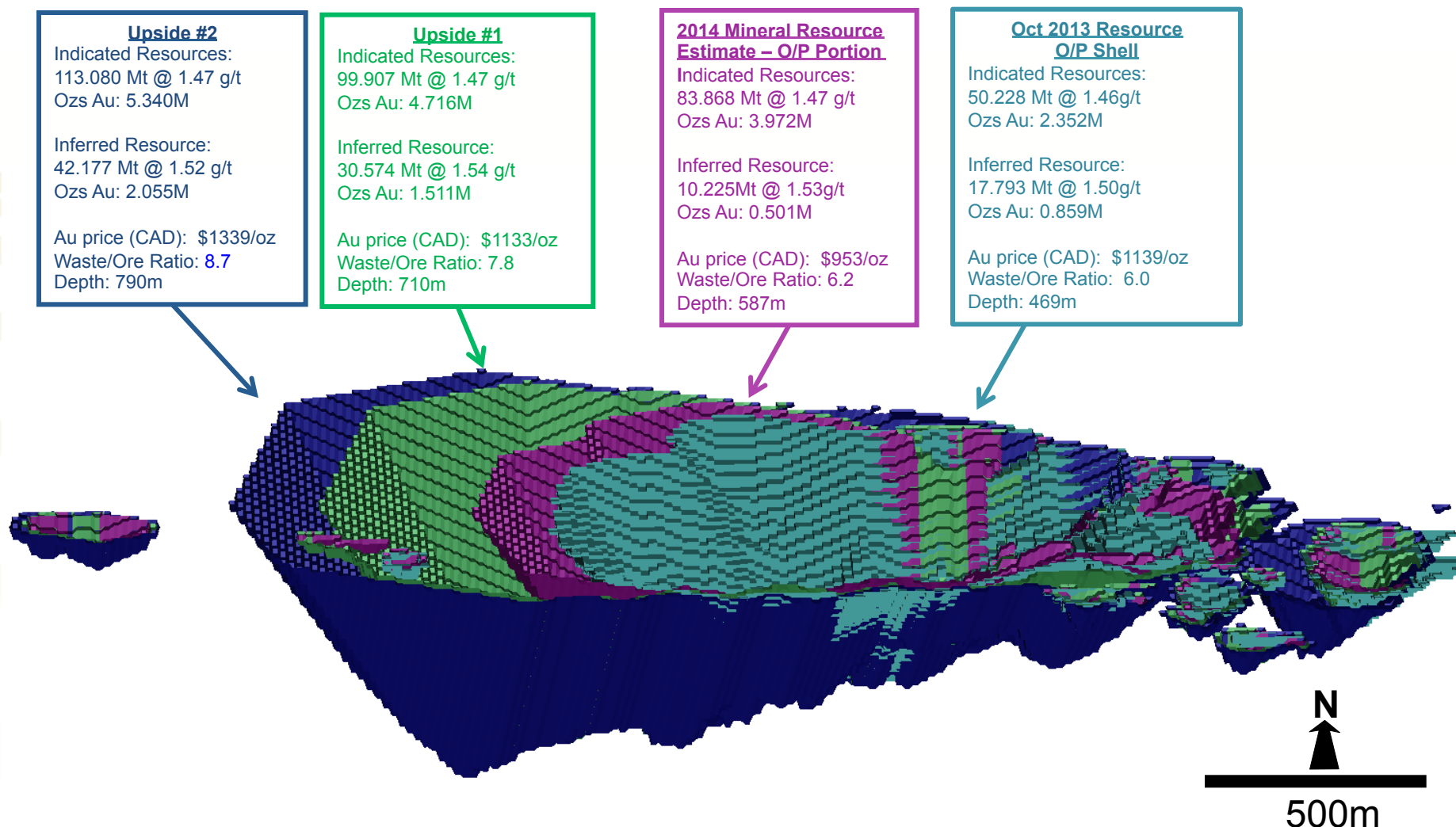
Portion of Deposits	Cut-off Increment (g/t)	Resource Category	Tonnes ('000)	Au Grade (g/t)	Au Ounces ('000)	W:O (Strip) Ratio
O/P	0.70	Indicated	59,128	1.84	3,503	9.1
		Inferred	7,396	1.88	448	
O/P	0.60	Indicated	69,781	1.66	3,725	7.6
		Inferred	8,526	1.72	471	
<b>O/P</b>	<b>0.50</b>	<b>Indicated</b>	<b>83,868</b>	<b>1.47</b>	<b>3,973</b>	<b>6.2</b>
		<b>Inferred</b>	<b>10,225</b>	<b>1.53</b>	<b>501</b>	
O/P	0.40	Indicated	103,414	1.28	4,254	4.8
		Inferred	12,369	1.34	532	
O/P	0.30	Indicated	131,631	1.08	4,568	3.6
		Inferred	15,005	1.16	562	
U/G	4.00	Indicated	3,043	6.78	663	N/A
		Inferred	7,941	6.61	1,689	
U/G	3.50	Indicated	3,894	6.11	765	N/A
		Inferred	10,119	6.00	1,951	
<b>U/G</b>	<b>3.00</b>	<b>Indicated</b>	<b>5,169</b>	<b>5.40</b>	<b>898</b>	<b>N/A</b>
		<b>Inferred</b>	<b>12,922</b>	<b>5.40</b>	<b>2,242</b>	
U/G	2.50	Indicated	7,095	4.68	1,067	N/A
		Inferred	17,886	4.66	2,678	
U/G	2.00	Indicated	10,134	3.94	1,285	N/A
		Inferred	26,086	3.89	3,263	

O/P = Open Pit

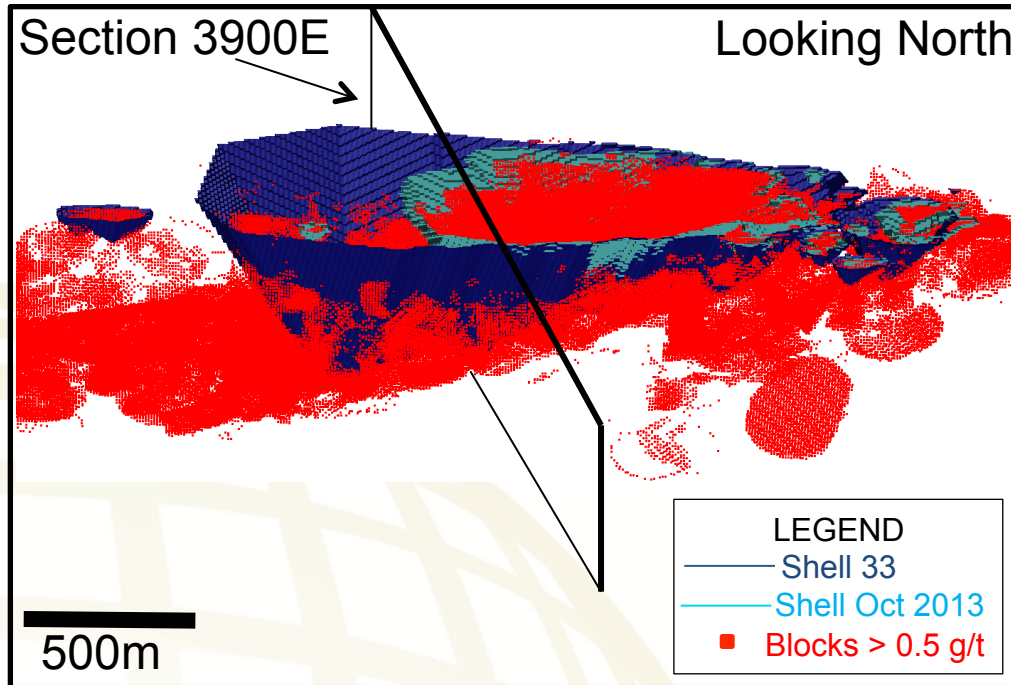
U/G = Underground

\* See Note 1

## ADDITIONAL OPEN PIT OPTIONS IDENTIFIED



\* See Note 1



ROCKGROUP	GRADEGROUP	Tonnage T x 1000	AU CUT Grade	AU Oz
ORE_IND	> 0.90 Au g/t	59,166.378	2.202	4,188,653.2
	> 0.80 Au g/t	67,937.725	2.027	4,427,729.2
	> 0.70 Au g/t	78,933.108	1.849	4,692,018.2
	> 0.60 Au g/t	93,616.637	1.660	4,997,751.9
	> 0.50 Au g/t	113,079.958	1.469	5,340,261.7
	> 0.40 Au g/t	140,397.978	1.270	5,733,143.8
	> 0.34 Au g/t	162,466.922	1.148	5,994,739.6
	> 0.30 Au g/t	180,462.916	1.065	6,179,536.1
	> 0.20 Au g/t	243,239.852	0.854	6,676,021.2
	> 0.10 Au g/t	352,027.554	0.635	7,182,469.0
	> 0.00 Au g/t	845,333.607	0.280	7,619,706.0
Total		845,333.607	0.280	7,619,706.0
ORE_INF	> 0.90 Au g/t	23,619.847	2.182	1,657,250.9
	> 0.80 Au g/t	26,725.452	2.027	1,742,034.4
	> 0.70 Au g/t	30,786.727	1.859	1,839,641.2
	> 0.60 Au g/t	35,541.875	1.696	1,938,560.1
	> 0.50 Au g/t	42,176.996	1.516	2,055,411.7
	> 0.40 Au g/t	51,751.543	1.318	2,193,416.8
	> 0.34 Au g/t	59,020.780	1.202	2,280,018.5
	> 0.30 Au g/t	64,792.618	1.123	2,339,322.4
	> 0.20 Au g/t	85,053.644	0.914	2,500,337.2
	> 0.10 Au g/t	124,037.462	0.672	2,680,885.9
	> 0.00 Au g/t	462,881.924	0.194	2,885,750.7
Total		462,881.924	0.194	2,885,750.7
ORE_CAT0	> 0.00 g/t Au	160,025.611	0.000	0.0
	Total	160,025.611	0.000	0.0
OVB	> 0.00 g/t Au	34,272.927	0.000	0.0
	Total	34,272.927	0.000	0.0
VOIDS	> 0.00 g/t Au	4,586.551	0.000	0.0
	Total	4,586.551	0.000	0.0
Total		1,507,100.620	0.217	10,505,456.7

**Open Pit Indicated :** 113.080 Mt @ 1.47 g/t Au, 5.340 Moz (72% of ounces Indicated)

**Open Pit Inferred :** 42.177Mt @ 1.52 g/t Au, 2.055 Moz (28% of ounces Inferred)

COG: 0.50 g/t au

Waste/Ore ratio: 8.7 @ COG 0.5 g/t

Total Tonnes : 1.507 Mt

Shell 33 Gold Price: \$US 1300 (\$CAD 1339)

Currency Exchange Rate: US\$1=CAD\$1.03

\* See Note 1



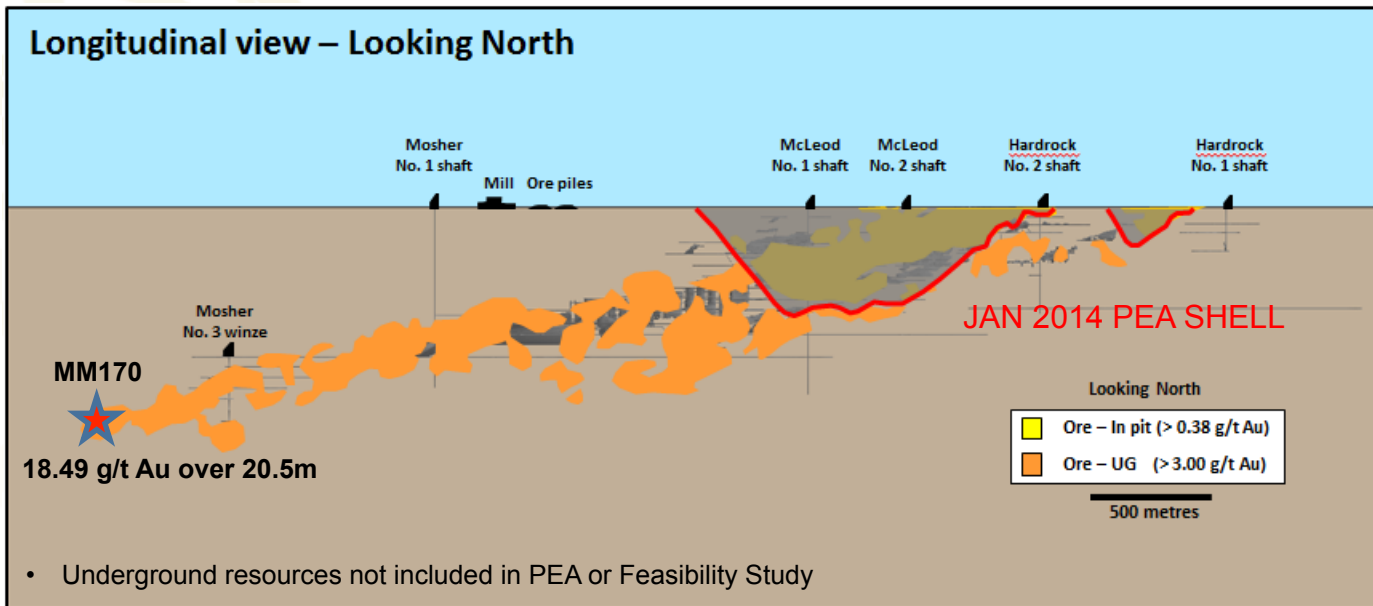
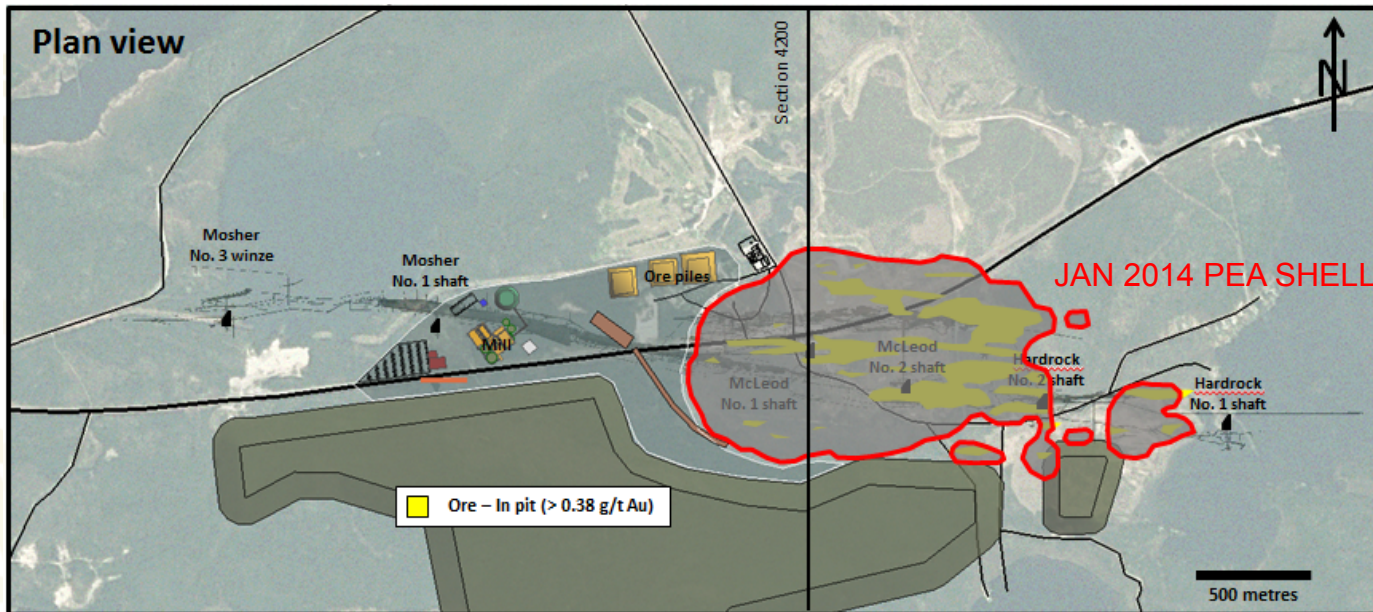
## PEA PRODUCTION METRICS AND FINANCIAL HIGHLIGHTS

- Average annual gold production: 253,100 ounces @ 1.50 g/t Au (first 8 years)
- **15 year mine life**
- **Total gold production: 3,041,000 ounces**
- Pre-production capex: \$410.6 M
- Years 1-8: Cash Costs: \$652/oz , All-in Sustaining: \$738/oz

Pre-tax	\$1,050 US/oz	\$1,250 US/oz	\$1,450 US/oz
IRR (%)	10.3%	23.0%	33.6%
NPV5% (CA\$M)	\$128	\$519	\$909
Payback (Years)	6.2	3.5	2.8
After-tax	\$1,050 US/oz	\$1,250 US/oz	\$1,450 US/oz
IRR (%)	8.2%	19.0%	27.7%
NPV5% (CA\$M)	\$72	\$359	\$633
Payback (Years)	7.2	3.9	2.9

Exchange Rate CAN\$1.00 = US\$ 0.95

**Feasibility Study Underway – Open Pit portion only**



- Underground resources not included in PEA or Feasibility Study

**\*See note 2**

**OWNERSHIP:** 100% Premier

**LOCATION:** Battle Mountain, Nevada

**STATUS:** Surface Exploration

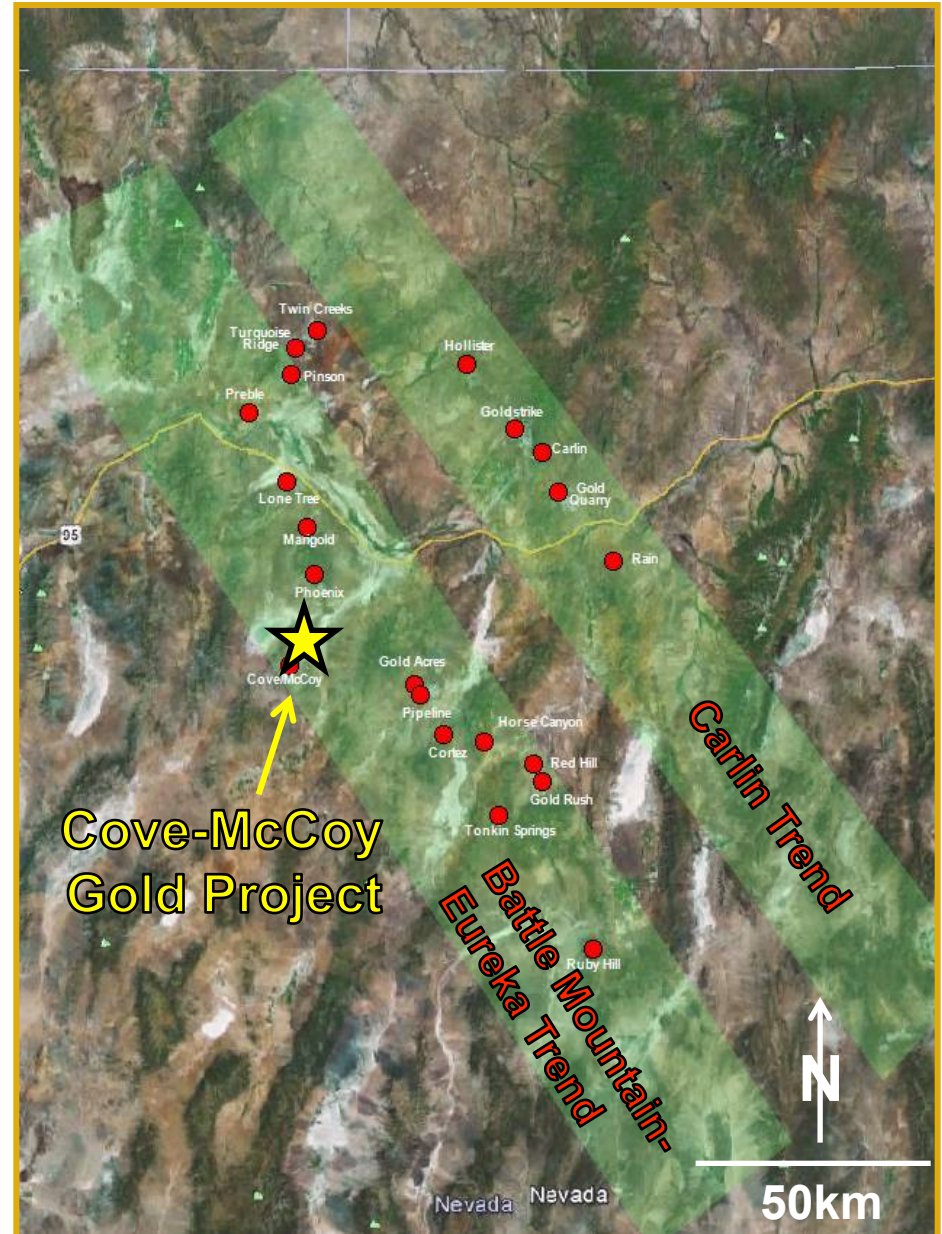
**MINERAL RESOURCES:**

Deposit	Cut-off Category	Resource Category	Tonnes (Mt)	Gold (Au) Grade (g/t)	Au Ounces (Mozs)
Helen	Underground	Indicated	0.425	10.46	0.143
		Inferred	0.882	9.81	0.279

\* See note 2

**RECENT DEVELOPMENTS:**

- Consolidated 100% ownership in large property package in the heart of the prolific Battle Mountain - Eureka Trend
- Eliminated back-in rights previously held by Newmont and secured a “good faiths” processing arrangement
- Potential for open pit and underground mining opportunities

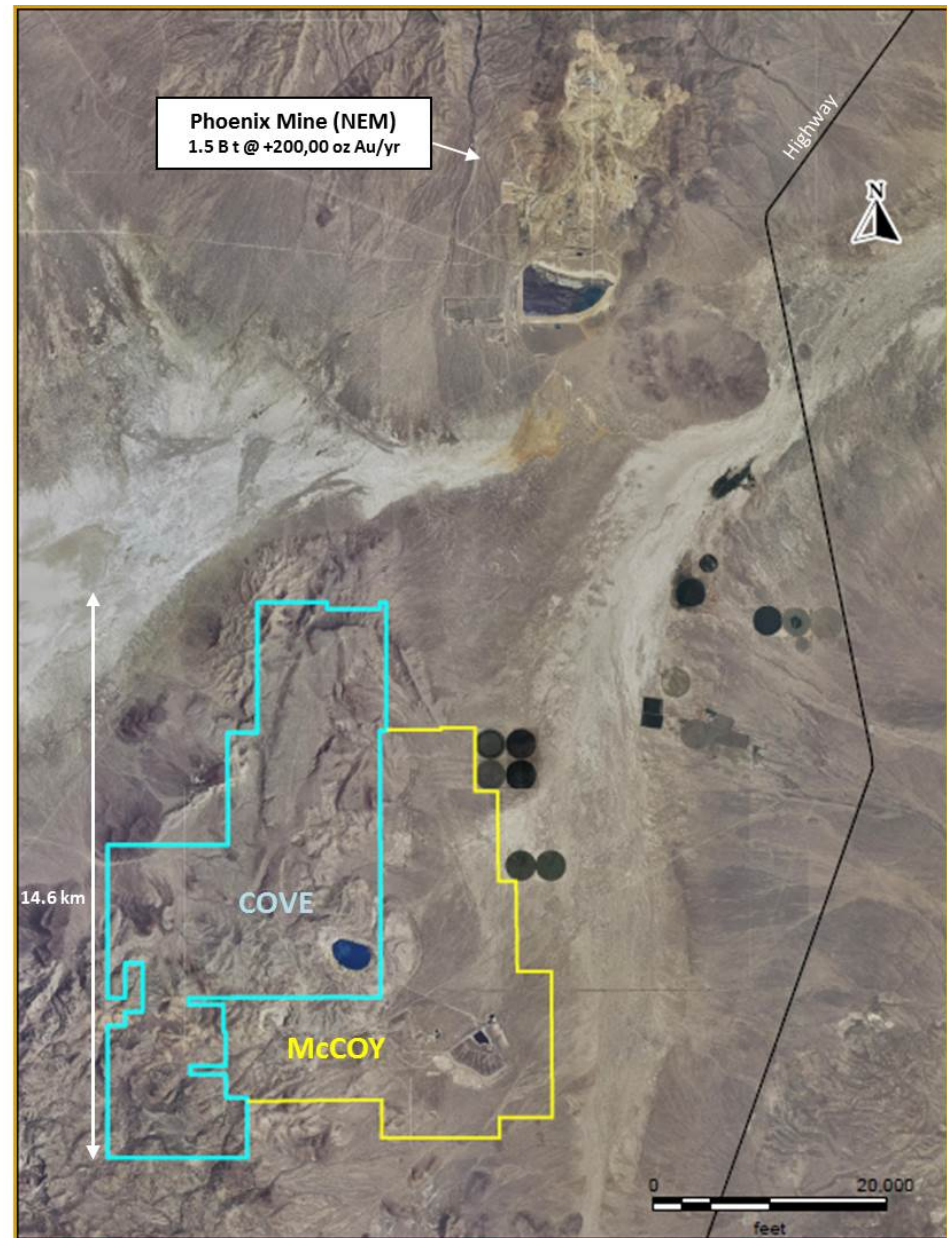




## Consolidated Cove-McCoy Land Package

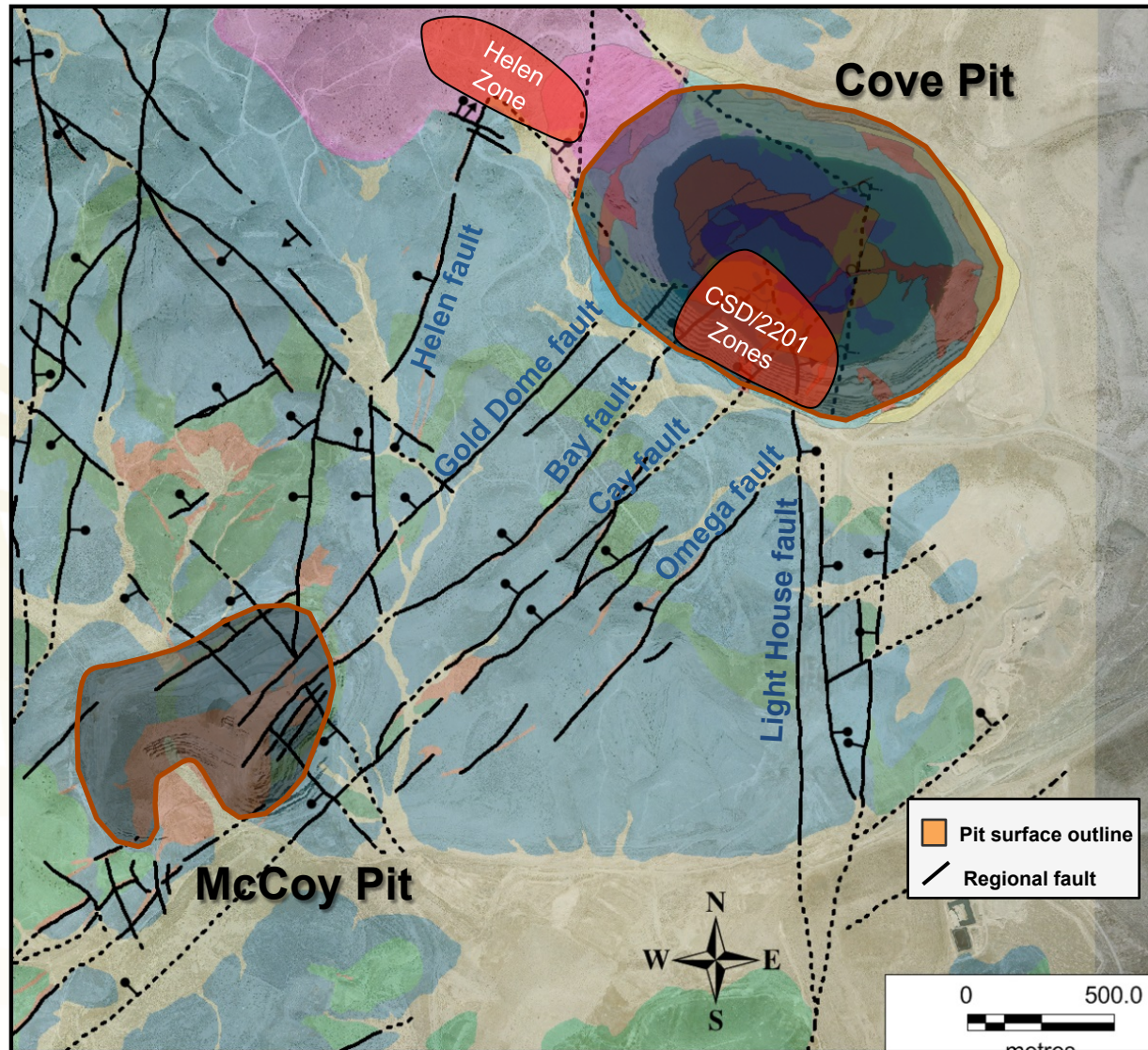
- Located immediately south of the multi-million ounce (+ copper) Phoenix Mine operated by Newmont
- Large underexplored land package of approx. 31,000 acres (~48 sq miles)
- Past-production at Cove-McCoy: ~3.3 M ounces gold and ~110M ounces silver
- Cove Mine is the fourth largest silver producer in the history of Nevada \*
- **NEAR-TERM RESOURCE POTENTIAL:**
  - 2201 discovery at Cove
  - Helen Zone and CND target at Cove
  - Open pit expansion at McCoy
  - Deep high-grade potential at McCoy

\* - Geology of the Cove Mine, Johnston et al, 2008



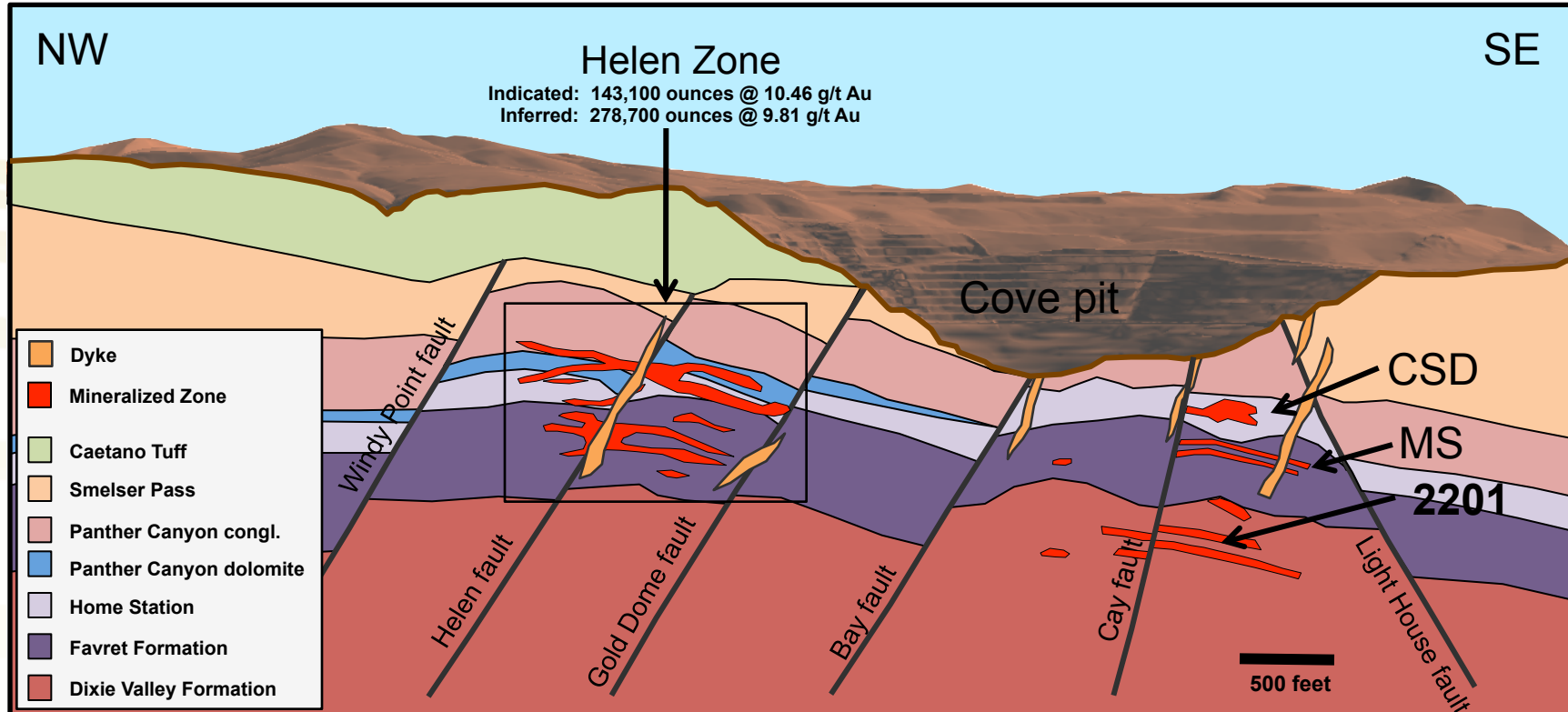


**Cove / McCoy Plan View**



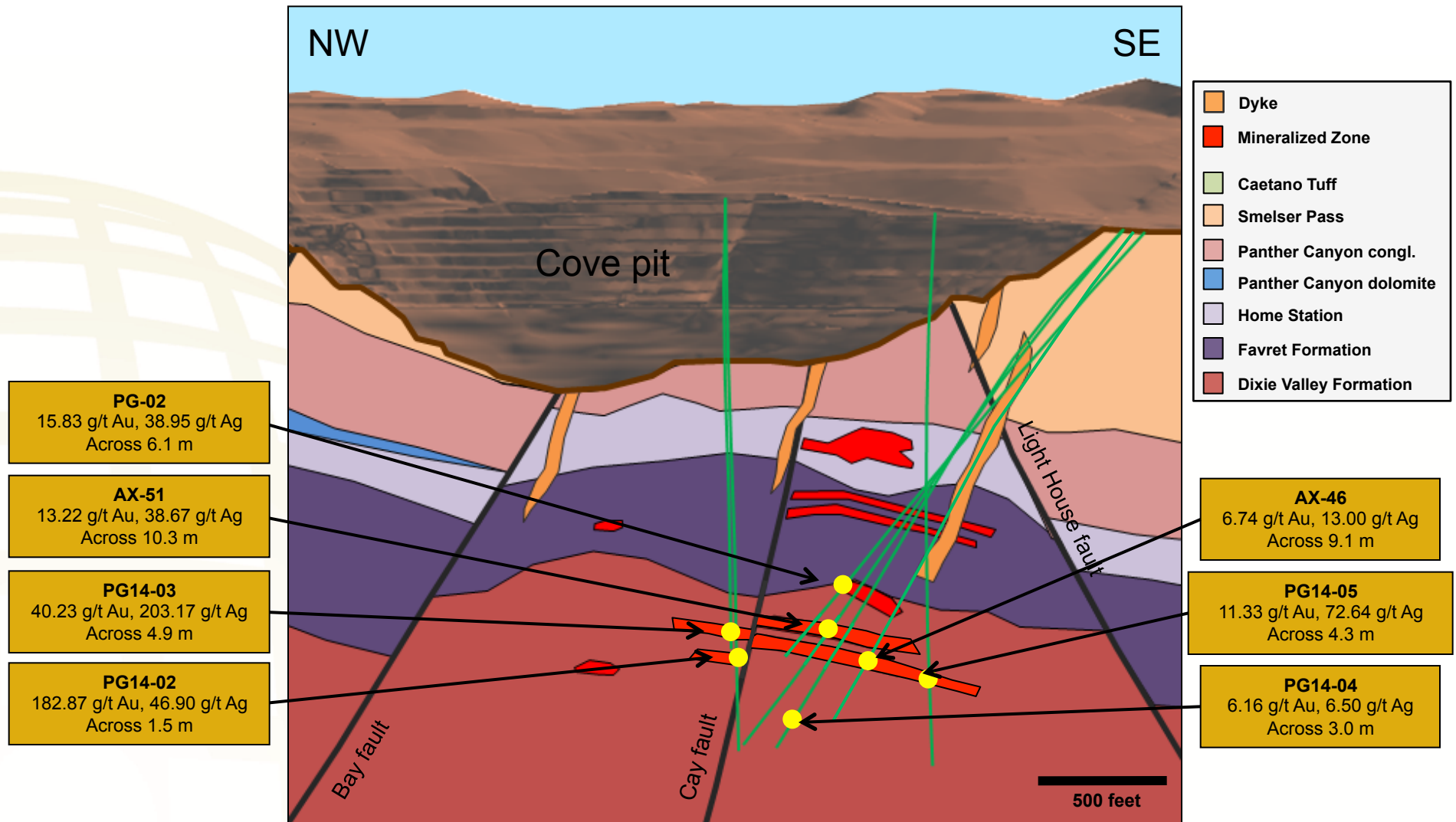
**Host fault structures between deposits offer substantial upside**

## Long Section View – Looking Northeast



Multiple “Feeder” structures offer the potential for multiple discoveries  
Recent discovery of the high-grade 2201 Zone offers substantial upside

**Long Section View – Looking Northeast**







**Advanced-stage project opportunity, Battle Mountain, Nevada**



**Existing infrastructure, including lined heap leach pads, could potentially be utilized under a renewed development scenario**

**OWNERSHIP:** 49% Premier – 51% Goldcorp

**LOCATION:** Red Lake, Ontario

**STATUS:** Underground Exploration/Development

## MINERAL RESOURCES

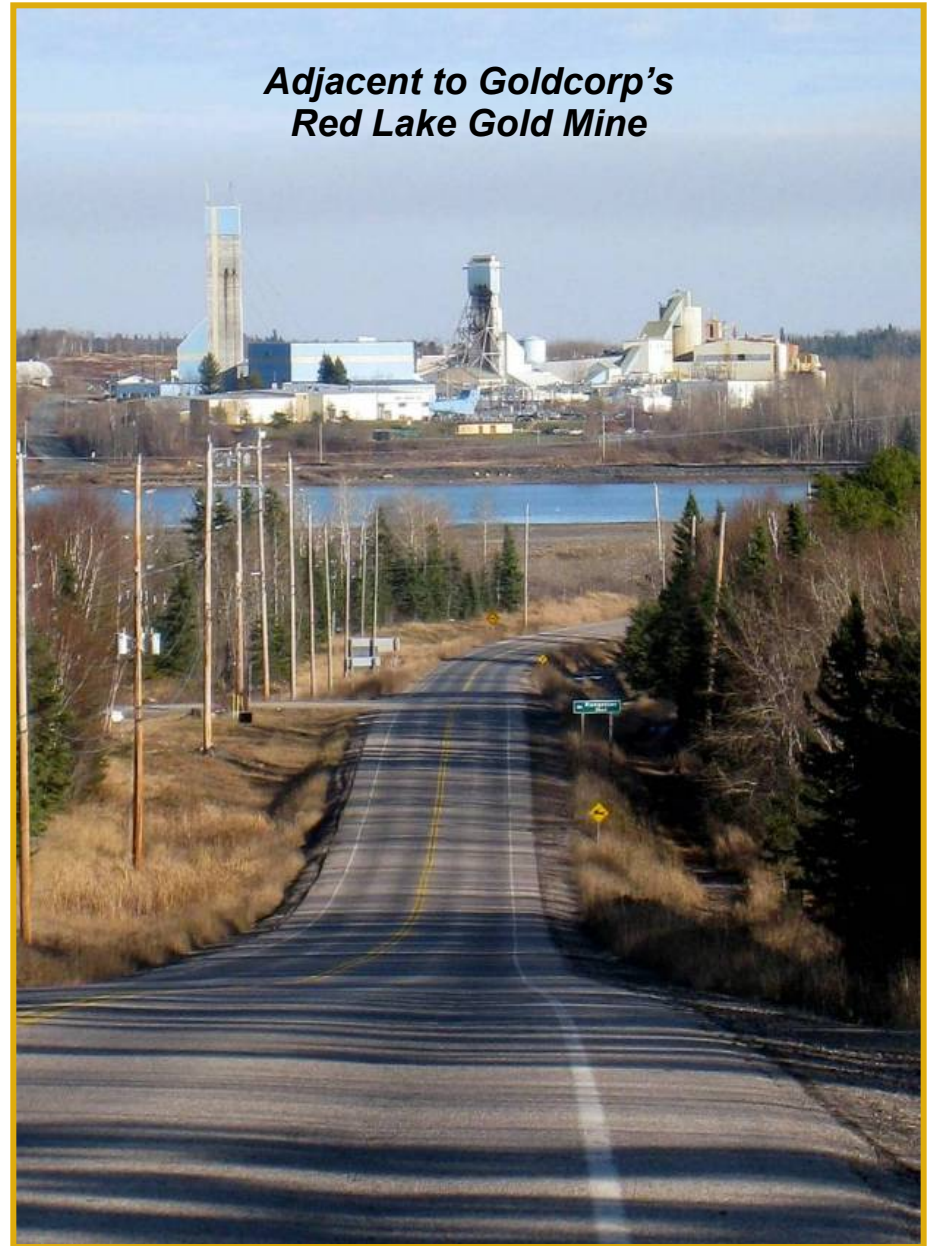
Deposit	Cut-off Category	Resource Category	Tonnes (Mt)	Gold (Au) Grade (g/t)	Au Ounces (Mozs)
Bonanza	Underground	Inferred	2.468	6.46	512

\* See note 4

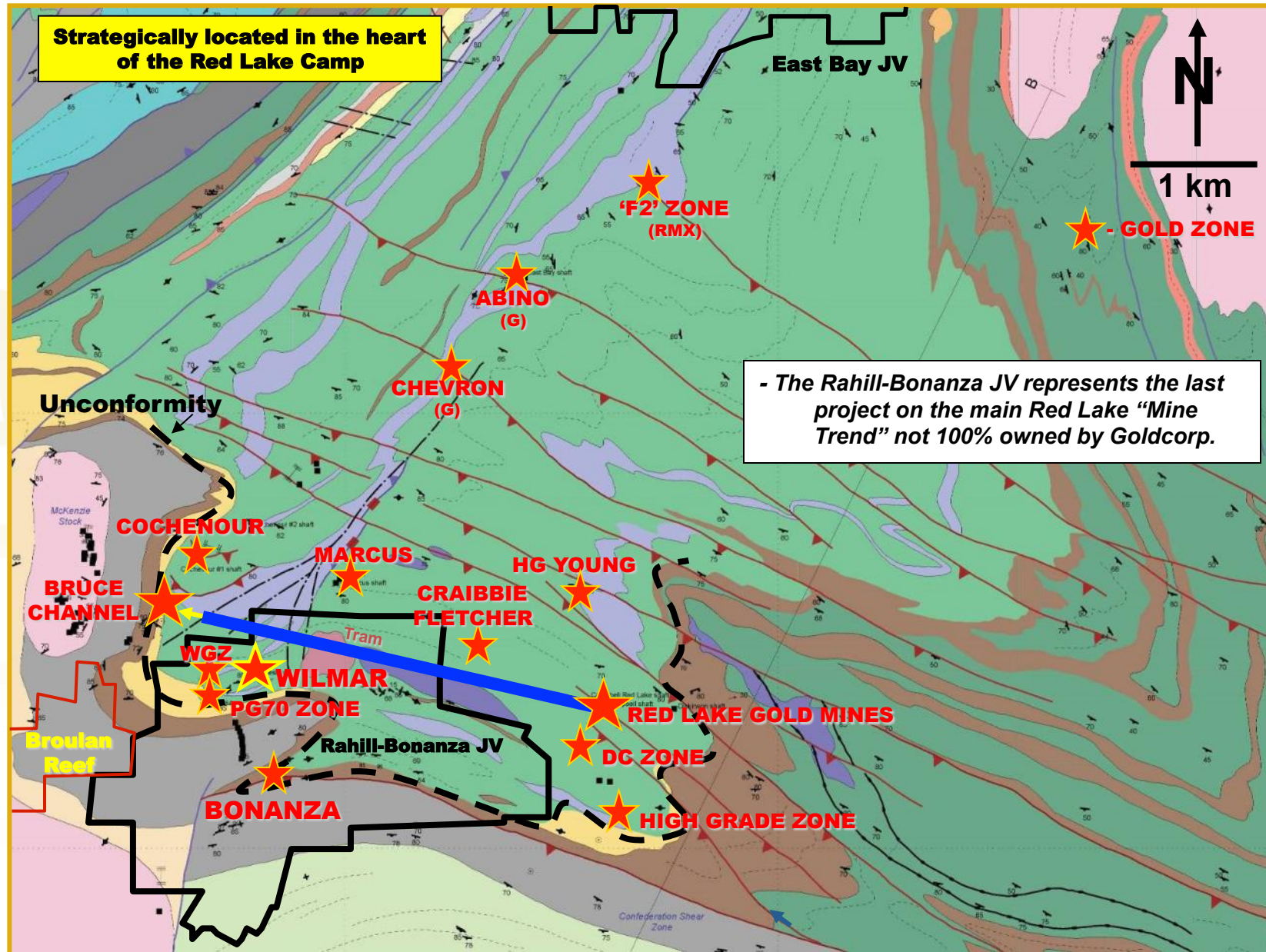
## RECENT DEVELOPMENTS

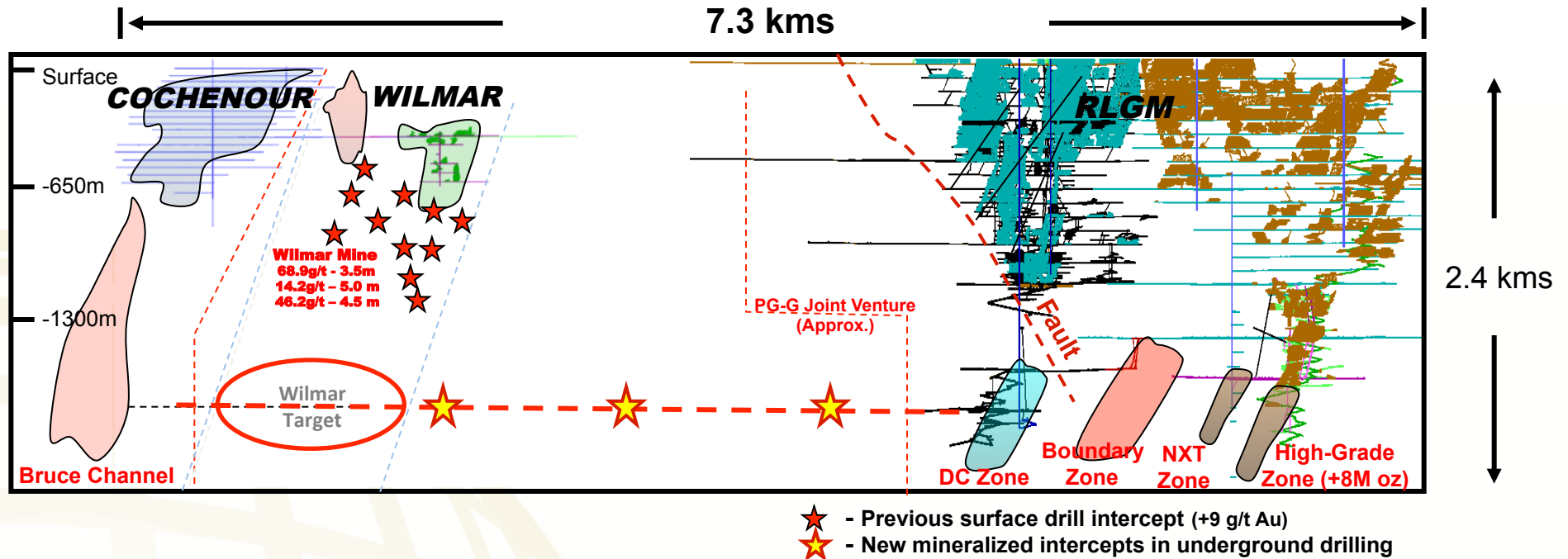
- *Underground drill program underway, testing primary Wilmar target in 2014*
- *Discovered new gold zone with initial assays returning up to 134.7 g/t Au across 0.3m*
- *Acquired Broulan Reef Project along strike from Cochenour (Bruce Channel) mine*

*Adjacent to Goldcorp's Red Lake Gold Mine*





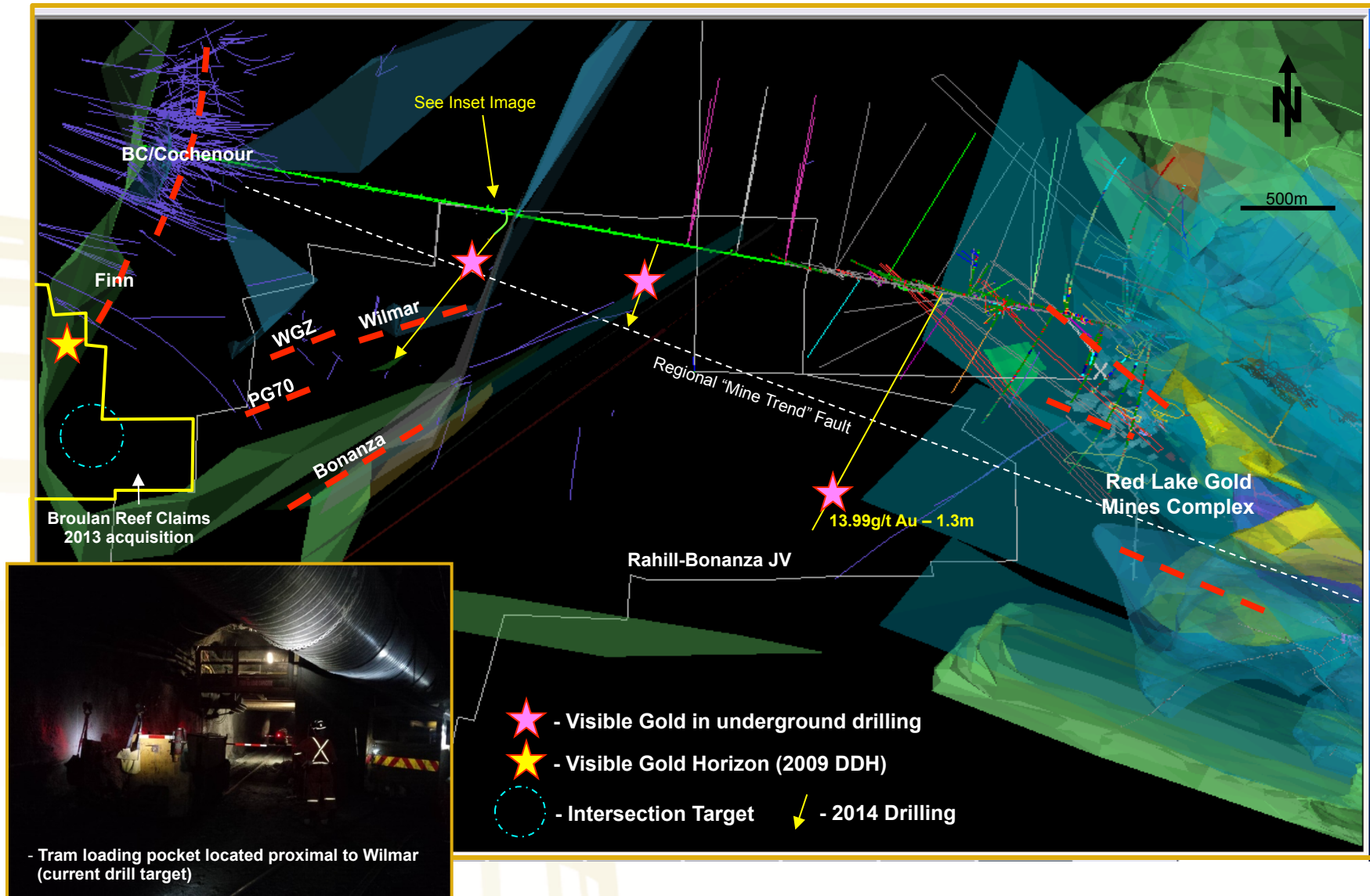




- New mineralized horizons have been intersected in initial drilling with grades up to 134.7 g/t Au (3.39 oz/t)
- Off-set target has been identified and will be subject to further follow-up
- Testing the down-dip extension of the Wilmar Deposit is the primary target



## Underground Drill Program Underway

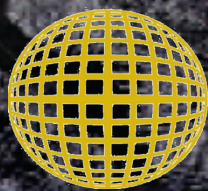


- Positive economic studies for Hardrock and Brookbank deposits could pave the way for mine development, transition from explorer to producer
- Company is well-funded to meet short, medium and several long-term goals
- Three active “premier” gold properties located in favourable mining jurisdictions
- Exciting new discoveries at Cove offer substantial exploration upside
- Consolidation of Cove-McCoy Gold Project
- Management continues to evaluate potentially strategic growth opportunities

### **NEWS FLOW**

- Infill and exploration results from ongoing drill program at Hardrock
- Project status update and preliminary guidance at McCoy
- Expansion drilling at recently discovered 2201 Zone at Cove
- Underground and surface drilling at Red Lake JV Projects
- Hardrock Feasibility Study in H1-2015





# **PREMIER**

## **Gold Mines Limited**

### **KEY CONTACTS:**

**Ewan Downie**  
*President & CEO*

**(807) 346-1390**

**Ebe Scherkus**  
*Chairman*

**(416) 317-4877**

**Stephen McGibbon**  
*Executive Vice President*  
*Corporate & Project Development*

**(613) 376-6782**

**Matthew Gollat**  
*Corporate Development*  
*Investor Relations*

**(807) 346-1397**

**Shobana Thaya**  
*IR & Corporate Communications*

**(416) 807-1009**

## **A World of Opportunity**

**- Premier Performance – Premier Growth – Premier Opportunity -**

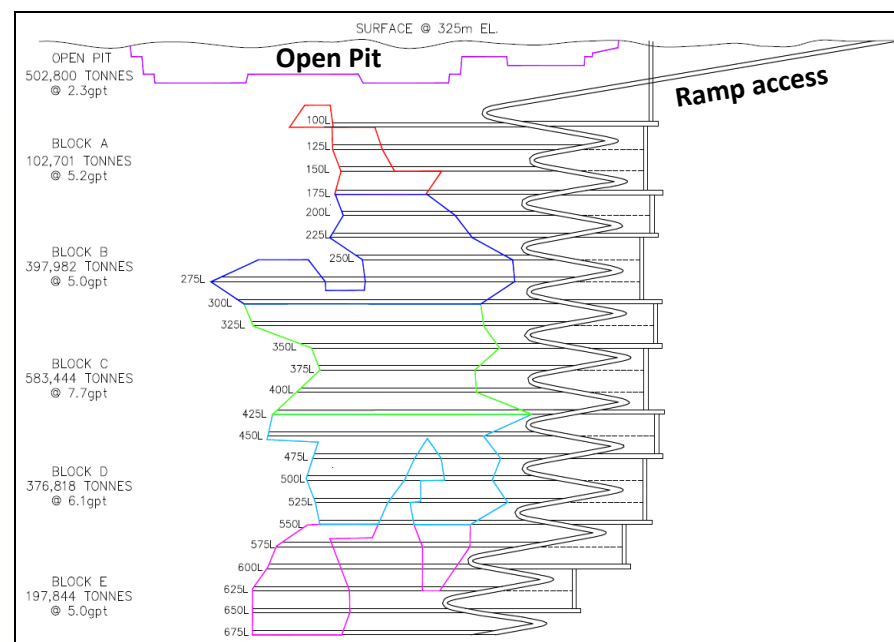
**Symbol: PG**

**Exchange: TSX**

\* - Cove Underground image (Source: Echo Bay Annual Report 2000)

## PEA PRODUCTION METRICS

- Satellite project - ore processed at Hardrock
- Average gold production:  
**48,700 ounces per year**
- Open Pit years 1 to 3:  
502,800t at 2.31 g/t Au (diluted)
- Underground LOM years 2 to 7:  
1,659,000 at 6.30 g/t Au (diluted)
- 7 year mine life
- Metallurgical recovery: 92%
- Pre-Production Capital: CA\$106.6 million
- Average LOM Cash Cost: \$620/oz (incl. royalties)



Longitudinal Section View Looking North

Pre-tax	\$1,050 US/oz	\$1,250 US/oz	\$1,450 US/oz
IRR (%)	14.4%	30.7%	43.6%
NPV5% (CA\$M)	\$27	\$76	\$126
Payback (Years)	5.3	4.3	3.7

Exchange Rate CAN\$1.00 = US\$ 0.95

After-tax	\$1,050 US/oz	\$1,250 US/oz	\$1,450 US/oz
IRR (%)	9.4%	24.7%	38.1%
NPV5% (CA\$M)	\$11	\$52	\$87
Payback (Years)	5.6	4.4	3.8

\*See note 1



## WILMAR TARGET

