

Attention Business Editors:  
Premier provides Red Lake update

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THUNDER BAY, ON, May 26 /CNW/ - PREMIER GOLD MINES LIMITED (TSX:PG) is pleased to provide an update with respect to the Rahill-Bonanza Property, located in the heart of the Red Lake Mining District in Northwestern Ontario, that is being explored under a joint venture with Red Lake Gold Mines Limited ("RLGM"), an affiliate of Goldcorp Inc. A summer drill program is being initiated that will focus on testing prospective exploration targets, and defining potentially significant resources, located in close proximity to Goldcorp's Bruce Channel Deposit.

This program will initially test several new target areas including the main Wilmar Gold Mine system and the West Granodiorite Deposit, in addition to the potential on-strike extension of the Bruce Channel Deposit that is located immediately north of the joint venture property. Several holes were completed during the winter season to test the potential up-dip extension of the Wilmar deposit, highlighted by intersections of 9.13 grams per tonne (g/t) Au across 4.0 metres (m) and 10.2g/t Au across 0.5m.

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BRUCE CHANNEL DEPOSIT EXTENSION

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Recent work immediately north of the Rahill-Bonanza Project suggests that the Bruce Channel Deposit is hosted within a North-South fault structure that could cross onto the joint venture property. A new deep hole will be drilled to test both the West Granodiorite Deposit (located on the JV property) and the potential N-S fault structure on the northwestern portion of the property.

The West Granodiorite Deposit ("WGD") is a large, near-surface, bulk-tonnage deposit that could become part of the early mine planning in this area. The WGD is host to a significant historical resource, 5,700,000 tons (at) 0.10-0.15 oz/ton (3.4-5.1g/t) Au, that is open both along strike and at depth (a qualified person has not done sufficient work to verify the historical resource, the company is not treating the historical resource as a current resource and the historical resource should not be relied upon).

The primary target will be testing a North-South fault structure along strike from the Bruce Channel Deposit. This fault structure is believed to host the Bruce Channel Deposit to the north of the joint venture property. Of particular interest is a hole drilled due west from the 1300 foot Level workings of the Wilmar Gold Mine that intersected two high-grade gold bearing zones that assayed 10.29g/t Au across 0.6m and 23.31g/t Au across 0.2m up-dip from the target area.

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PROLIFIC "MINE HORIZON" NEAR WILMAR GOLD MINE

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Two of the targets are located in close proximity to the past-producing Wilmar Gold Mine where, over a period of four years, 203,256 tons of ore was mined at an average grade of 0.30 oz/ton Au (10.3g/t Au). The deposit remained open at depth when the mine shutdown and drilling performed down-dip of the mine workings by the joint venture in 2007 returned numerous significant intersections including 18.1 g/t Au over 2.0 m and 14.2g/t Au over 5.0 m. The targets of the current program will include the Footwall Diorite Zone ("FDZ") and the deep Wilmar target.

Initial drilling will involve extending a surface hole that was stopped short of its target. This hole will test the main Wilmar ultramafic system in an area of little previous drilling, in addition to testing the FDZ in an area where a lone historic hole returned high-grade gold assays up to 72g/t Au. Pending a favourable intersection, wedge drilling is planned off this initial

hole.

Additional drilling will involve extending a deeper hole to test for the potential projection of the Wilmar gold system intersection with the main "Mine Horizon" at depth. A deep hole drilled by the joint venture in 2008, which veered away from its intended target, intersected what is interpreted to represent the prolific "Mine Horizon" approximately 3 kilometres from the western-most occurrence of this deformation corridor at the Red Lake Gold Mines (RLGM) complex. The RLGM has produced more than 18 Million ounces of gold, discovered nearly 10 Million additional ounces of resources, and is widely considered to be the world's richest gold mine. This deformation system was encountered over a core length of approximately 500 metres and has an estimated true width of 300-350 metres. The potential intersection of the two structures is considered to have the potential to host high-grade gold mineralization.

Pursuant to its press release dated May 7, 2009, Goldcorp announced several major development initiatives that are being considered on and around the Joint Venture Property. De-watering of the Cochenour (and Wilmar) mine workings has started for the potential development of the Bruce Channel Deposit. This de-watering will also provide underground access to the Wilmar and West Granodiorite Zones located on the Joint Venture Property immediately to the southeast. Additionally, Goldcorp is considering a high-speed tram system to link Bruce Channel to the Red Lake Gold Mines complex. A straight line from the RLGM complex would pass through the Joint Venture Property and would provide exploration access to several kilometres of favourable, untested, geology.

A presentation providing an update of the Red Lake program is available on the company's website, [www.premiergoldmines.com](http://www.premiergoldmines.com). The Rahill-Bonanza Project covers several kilometres of the main Red Lake "Mine Trend" that is host to the world class Red Lake Gold Mines to the east, and Goldcorp's "Bruce Channel" discovery to the west of the Joint Venture Property.

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To view Rahill-Bonanza JV map, please visit:  
<http://files.newswire.ca/598/rahillbonanza.pdf>  
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Stephen McGibbon, 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. Core from Rahill-Bonanza is sent to Accurassay Laboratories, an accredited mineral analysis laboratory in Thunder Bay, Ontario, for preparation and analysis utilizing both fire assay and screen metallic methods.

Premier Gold Mines Limited is a well financed Canadian-based mineral exploration and development company with several projects and deposits in Northwestern Ontario and a joint venture in Mexico. In the Red Lake gold mining camp, two of these are operated in joint venture with Red Lake Gold Mines. The company has active drill programs at its Hardrock Project near Geraldton, Ontario and PQ North Project that is strategically located on the main Musselwhite Gold Mine trend.

The statements made in this Press Release may contain forward-looking statements that may involve a number of risks and uncertainties. Actual events or results could differ materially from the Company's expectations and projections.

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