Premier Gold Mines Limited - Drilling Intersects High Grade Gold at Red Lake Footwall Discovery

21.04.2011 | CNW

THUNDER BAY, ON, April 21 /CNW/ - PREMIER GOLD MINES LIMITED (TSX: PG) is pleased to announce that drilling has extended mineralization in the Footwall Discovery Zone at the East Bay Project located in the Red Lake mining camp.

The East Bay Project is strategically located on the East Bay Ultramafic Trend and is one of two joint ventures with Red Lake Gold Mines ("RLGM"), a partnership between Goldcorp Inc. and Goldcorp Canada Ltd., held by Premier in the heart of the prolific Red Lake gold mining district. RLGM is the operator and manages the activities at both the East Bay and Rahill-Bonanza projects. A portion of the East Bay Property, including the Footwall Zone discovery area, is held 35% by Premier and 65% by RLGM while the "Rivard Block", adjacent to the new discovery, is held 50/50 with RLGM.

Highlights from 2011 drilling include:

- Step-out drilling has extended the strike length of the high-grade core of the zone to 400 metres and it remains open in all directions.

- The first two holes of the 2011 program, drilled from the same set-up returned intersections of 22.35 grams per tonne gold (g/t Au) across 1.0 metre (m) or 0.65 ounces per ton (oz/t) across 3.3 feet (ft), 56.54 g/t Au across 0.9m (1.65 oz/ton across 3.0 ft), and 44.82 g/t Au across 1.5m (1.31 oz/ton across 4.9 ft).

East Bay Project

Drilling in 2010 discovered gold mineralization within shear zones along the East Bay Ultramafic Trend located between the known 'GAZ' deposit on the East Bay Property and Rubicon's F2 Zone at the Phoenix Gold Project. In 2010, the two discovery holes in the "Footwall Zones" returned assays of 51.04 g/t Au across 0.7 m, 7.25g/t Au across 2.7m, 297.61 g/t Au across 1.0 m (8.68 oz/ton across 3.3 feet), and 14.17 g/t Au across 0.8 m. The 2011 exploration program is designed to expand the horizon along strike and infill the known area to confirm continuity. Additional assays are pending. Results from drilling in the Footwall Zones are presented in Table 1 and a presentation on East Bay is available on the Company's website: www.premiergoldmines.com.

Table 1: Summary of East Bay Drill Results

Hole-ID	UTM Coordinates (m) NAD 27	Dip/Azimuth (degrees)	From (m)	To (m)	Interval (m)	Grade (g/tonne)	Interval (ft)	Grade (oz/ton)	Zo
EBJV10174*	5667676 N 450845 E	-59/133	510.3	511.0	0.7	51.04	2.3	1.49	MF
			565.65	568.4	2.8	7.25	9.2	0.21	FW
EBJV10176*	5667525 N 451435 E	-44/283	90.9	91.7	0.8	14.17	2.6	0.41	FW
			296.0	297.0	1.0	297.61	3.3	8.68	MF
EBJV10178	5667865N 451214E	-59/121	289.0	290.0	1.0	22.35	3.3	0.65	MF
EBJV10179	5667865N 451214E	-71/134	327.5	328.4	0.9	56.54	3.0	1.65	MF
			527.9	529.4	1.5	44.82	4.9	1.31	FW

** Previously released*
** True widths of new intercepts estimated at 40-70% of intersection width ** MFW = Footwall Zone, FW2 = Footwall 2 Zone*

“The Footwall discovery continues to yield exceptional high-grade results in an area that has received little previous exploration,“ said Tim Twomey, Vice-President of Exploration of Premier. “It is located along strike from, and shares several similarities with, Rubicon's F2 Discovery Zone and is wide open for expansion. Our drilling several hundred metres north of the main area also intersected similar geology and mineralization with assays pending.“

In addition to the East Bay Project, Premier's core Red Lake Project is the Rahill-Bonanza Project that is host to several gold deposits having historical and NI43-101 compliant mineral resources, including the past-producing Wilmar Gold Mine. The Rahill-Bonanza joint venture Project (49% Premier, 51% RLGM) covers approximately 4.5 kilometres of the main Red Lake “Mine Trend“ between the world class Red Lake Gold Mines complex to the east, and the Cochenour (Bruce Channel) complex to the west, where an underground exploration tram designed to link the two operations is under construction. The Rahill-Bonanza Project represents the last piece of the main mine horizon in the Red Lake gold camp not 100% owned by Goldcorp.

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. Assay results are from core samples sent to Activation Laboratories, an accredited mineral analysis laboratory in Ancaster, Ontario, or 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 are operated in joint venture with Red Lake Gold Mines. The company also owns strategic projects located in the heart of the Carlin Trend, Nevada, on the main Musselwhite Gold Mine trend, and holds a 70% interest in the Hardrock Project.

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.

For further information:

Ewan Downie, President & CEO
Phone: 807-346-1390
Fax: 807-346-0100
e-mail: Info@premiergoldmines.com
Web Site: www.premiergoldmines.com