

The logo consists of three vertical bars of increasing height from left to right, colored in a golden-brown hue.

PRIME MINING CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the years ended December 31, 2024 and 2023

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

The following is management's discussion and analysis ("MD&A") of Prime Mining Corp. together with its wholly owned subsidiaries (the "Company" or "Prime"), is prepared as of March 5, 2025, and relates to the financial condition and results of operations for the years ended December 31, 2024 and 2023. Past performance may not be indicative of future performance. This MD&A should be read in conjunction with the audited consolidated financial statements ("consolidated financial statements") and related notes for the years ended December 31, 2024 and 2023, which have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The first, second, third, and fourth quarters of the Company's fiscal years are referred to as "Q1", "Q2", "Q3" and "Q4", respectively. The years ended December 31, 2024 and 2023, are also referred to as "fiscal 2024" and "fiscal 2023", respectively. All amounts are presented in Canadian dollars, the Company's presentation currency, unless otherwise stated. References to "US\$" and "MXN" are to United States dollars and Mexican pesos, respectively.

Certain information contained in this MD&A may constitute forward-looking statements. Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements. Refer to the "Risks and Uncertainties" and "Cautionary Note Regarding Forward-Looking Statements" sections of this document.

OVERVIEW OF THE BUSINESS

The Company was incorporated on May 14, 1981 in British Columbia. Prime is a reporting issuer in British Columbia and Alberta, and an issuer on the TSX Exchange ("TSX"). The Company's head office and principal place of business is located at Suite 710 - 1030 West Georgia Street, Vancouver, BC, V6E 2Y3. The Company has wholly owned subsidiaries in Suriname and Mexico although only the Mexican subsidiaries are active. The Company is focused on advancing gold exploration properties in Mexico with the potential to be brought to near-term production.

The Company's common shares are traded on the TSX under the symbol "PRYM", on the Frankfurt Stock Exchange under the symbol "O4V3" and on the OTCQB market under the symbol "PRMNF".

As Prime works to advance the Los Reyes Gold and Silver Project ("Los Reyes" or the "Los Reyes Project"), the Company's focus is on three areas:

- 1) health and safety of our team and the communities in which we work;
- 2) use of resources to create maximum value at Los Reyes; and
- 3) corporate responsibility and governance.

During the year ended December 31, 2024, the Company has seen progress in all three areas with continued emphasis on operating under appropriate health guidelines, strengthened exploration team performance and advances in our corporate administration.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

Los Reyes Gold and Silver Project

Los Reyes is a low-sulphidation epithermal gold-silver project located in Sinaloa State, Mexico. Since acquiring Los Reyes in 2019, Prime has spent \$62,666,342 on direct exploration activities and has completed over 220,000 metres of drilling. On October 15, 2024, Prime announced an updated multi-million-ounce high-grade open pit constrained resource based on exploration drilling up to July 17, 2024 (refer to the October 15, 2024 news release for more details).

October 15, 2024 Resource Statement

(based on a \$1950/oz gold price, \$25.24/oz silver price, economic-constrained estimate)

Mining Method and Process	Class	Tonnage (kt)	Gold Grade (g/t)	Gold Contained (koz)	Silver Grade (g/t)	Silver Contained (koz)	Gold Equiv. (g/t)	Gold Equiv. (koz)	Silver Equiv. (g/t)	Silver Equiv. (koz)
Open Pit - Mill	Indicated	24,657	1.13	899	35.7	28,261	1.60	1,265	123.3	97,723
	Inferred	7,211	0.89	207	42.8	9,916	1.45	335	111.8	25,911
Underground	Indicated	4,132	3.02	402	152.4	20,243	5.00	664	386.1	51,290
	Inferred	4,055	2.10	273	78.6	10,247	3.12	406	240.7	31,380
Total Mill	Indicated	28,789	1.41	1,301	52.4	48,504	2.08	1,928	161.0	149,012
	Inferred	11,266	1.33	480	55.7	20,163	2.05	741	158.2	57,291
Open Pit - Heap Leach	Indicated	20,254	0.29	190	8.4	5,492	0.40	261	31.0	20,201
	Inferred	5,944	0.30	58	7.3	1,398	0.40	76	30.6	5,856
Total	Indicated	49,042	0.95	1,491	34.2	53,995	1.39	2,190	107.3	169,213
	Inferred	17,210	0.97	538	39.0	21,561	1.48	817	114.1	63,147

⁽¹⁾ Refer to the *Additional Technical Notes* section for the gold equivalent ("AuEq") grade calculation method.

Drilling suggests that the three known main deposit areas (Guadalupe, Central and Z-T) are larger than previously reported. Potential also exists for new discoveries where mineralized trends have been identified outside of the currently defined resource areas. Historic operating results indicate that an estimated 1 million ounces of gold and 60 million ounces of silver were recovered from five separate operations at Los Reyes between 1770 and 1990. Prior to Prime's acquisition, recent operators of Los Reyes had spent approximately US\$20 million on exploration, engineering, and prefeasibility studies.

HIGHLIGHTS AND KEY DEVELOPMENTS

Summary of Exploration Activities During Fiscal 2024

- The 2024 drill program commenced January 8, 2024 with 6 core drill rigs and continued until December 14, 2024.
- Completed 50,874 metres ("m") of drilling over 142 holes following success-based exploration program; 125 drill holes intercepted mineralization above approximately 0.2 grams per tonne ("gpt") Au cutoff.
- Expanded high-grade mineralization along strike at Z-T and Central by 400 and 250 m, respectively. Also drill defined multiple high-grade shoots by several hundred metres down dip.
- At Guadalupe East, we expanded high-grade mineralization to the west and the east, where we discovered several new high-grade antithetic veins.
- Continued to develop generative targets, with particular success at Las Primas and Fresnillo.
- Advanced our metallurgical, geochemical, geotechnical and project understanding through testwork and field studies.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

Z-T Trend – Expansion Drilling and Interpretation

During fiscal 2024, the Company's drilling continued to encounter high grades and wide zones of mineralization at the Z-T Trend, supporting expansion of the Au-Eq grade shell.

Drilling at silver-rich Tahonitas extended mineralization 400 m to the southeast.

High-grade plunging shoots were extended and remain open at depth and along strike in multiple areas along the Z-T Trend. While Prime has drill tested high-grade mineralization along a more than 4km strike length at Z-T, surface mapping has defined a strike length of more than 5km for the Z-T structure.

Z-T Drill Highlights

High gold grade area remains open, and continues at depth and along trend:

- 7.68 gpt AuEq (5.83 gpt Au and 142.7 gpt Ag) over 7.7 m estimated true width ("ETW") in hole 24TA-116, including:
 - 31.49 gpt AuEq (24.31 gpt Au and 554.7 gpt Ag) over 1.8 m ETW, including:
 - 55.72 gpt AuEq (44.1 gpt Au and 898.0 gpt Ag) over 0.6 m ETW;
- 1.98 gpt AuEq (1.21 gpt Au and 59.7 gpt Ag) over 16.9 m ETW in hole 24TA-110, including:
 - 3.99 gpt AuEq (2.41 gpt Au and 122.0 gpt Ag) over 4.5 m ETW;
- 23.97 gpt AuEq (7.66 gpt Au and 1,260.0 gpt Ag) over 0.8 m ETW in hole 24TA-111.

Demonstrated high-grade nature of the Z-T Trend and its continuity at depth and along strike:

- 6.93 gpt AuEq (6.64 gpt Au and 22.4 gpt Ag) over 2.9 m ETW in hole 24TA-117, including:
 - 19.71 gpt AuEq (18.90 gpt Au and 62.8 gpt Ag) over 1.0 m ETW;
- 1.51 gpt AuEq (1.0 gpt Au and 39.6 gpt Ag) over 14.2 m ETW in hole 24TA-119, including:
 - 4.34 gpt AuEq (2.60 gpt Au and 134.5 gpt Ag) over 2.4 m ETW.
- 1.47 gpt AuEq (1.21 gpt Au and 19.9 gpt Ag) over 10.7 m ETW in hole 24TA-131, including:
 - 7.28 gpt AuEq (6.80 gpt Au and 37.4 gpt Ag) over 0.8 m ETW.

Extension of mineralization 550m along strike from the southeast Z-T pit (2023 MRE) crest:

- 9.39 gpt AuEq (2.63 gpt Au and 522.1 gpt Ag) over 10.5 m ETW in hole 24TA-139, including:
 - 10.29 gpt AuEq (2.89 gpt Au and 572.0 gpt Ag) over 8.0 m ETW,
- 4.55 gpt AuEq (2.87 gpt Au and 130.0 gpt Ag) over 4.1 m ETW in hole 24TA-138, including:
 - 8.06 gpt AuEq (5.23 gpt Au and 218.3 gpt Ag) over 2.1 m ETW, and,
- 3.56 gpt AuEq (2.92 gpt Au and 49.2 gpt Ag) over 4.6 m ETW in hole 24TA-138, including:
 - 5.57 gpt AuEq (4.84 gpt Au and 56.8 gpt Ag) over 2.7 m ETW,
- 2.95 gpt AuEq (2.88 gpt Au and 5.5 gpt Ag) over 4.1 m ETW in hole 24TA-135, including:
 - 13.21 gpt AuEq (12.95 gpt Au and 20.3 gpt Ag) over 0.7 m ETW, and,
- 4.24 gpt AuEq (4.08 gpt Au and 12.2 gpt Ag) over 2.3 m ETW in hole 24TA-135, including:
 - 13.92 gpt AuEq (13.40 gpt Au and 40.4 gpt Ag) over 0.6 m ETW.

Guadalupe Trend – Expansion Drilling and Interpretation

The Guadalupe Trend, in particular Guadalupe East, hosts significant high-grade material. In 2024 drill hole 24GE-159 returned one of the highest-grade silver intercepts recorded at the Project at 20.5 gpt Au and 2,620 gpt Ag (54.41 gpt AuEq over 0.7 m ETW). This hole expanded the very-high grade mineralization to the west outside the 2023 resource pit.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

Guadalupe Drill Highlights

High grade silver values in addition to gold:

- 6.90 gpt AuEq (2.67 gpt Au and 326.6 gpt Ag) over 3.5 m ETW in hole 24GE-149;
- 12.65 gpt AuEq (4.06 gpt Au and 664.0 gpt Ag) over 1.1 m ETW in hole 24GE-150;
- 7.8 gpt AuEq (2.38 gpt Au and 419.0 gpt Ag) over 1.5 m ETW in hole 24GE-151;
- 9.86 gpt AuEq (3.71 gpt Au and 475.0 gpt Ag) over 1.0 m ETW in hole 24GE-158;
- 54.41 gpt AuEq (20.5 gpt Au and 2,620 gpt Ag) over 0.70 m ETW in hole 24GE-159.

High grade mineralization 400 m from main Estaca vein and 300 metres from the Echeguren Shaft:

- 42.07 gpt AuEq (14.25 gpt Au and 2,150.0 gpt Ag) over 1.0 m ETW in hole 24GE-160, and:
 - 11.33 gpt AuEq (3.34 gpt Au and 617.4 gpt Ag) over 1.3 m ETW, including:
 - 21.28 gpt AuEq (6.27 gpt Au and 1,160.0 gpt Ag) over 0.7 m ETW;
- 5.32 gpt AuEq (1.80 gpt Au and 271.8 gpt Ag) over 2.4 m ETW in hole 24GE-162, including:
 - 7.34 gpt AuEq (2.41 gpt Au and 381.0 gpt Ag) over 1.5 m ETW.

Las Primas – Generative Drilling and Interpretation

Las Primas, located between the Central and Guadalupe Trends, was first identified through historical records and the Company's earlier sampling and mapping work. Las Primas mineralization lies entirely outside of the 2023 MRE and contains high-grades and significant thicknesses. The precious metals mineralization is in high-grade plunging shoots containing multiple gram-per-tonne AuEq centers with outer, lower-grade halos.

In 2024, drilling at Las Primas followed up on previous drilling and confirmed the continuity of multiple anastomosing structures ranging from less than a metre to 30 metres in width. Drilling at Las Primas intercepted several new high grade mineralized structures that appear to have many similarities to Guadalupe East, which is located 500 m to the northeast. Early mineralization modeling suggests a vertical extent of over 300 m and 500 m which is open along strike.

Las Primas Area – Prime discovery

High Grade intersection, high grades at shallow depths:

- 11.81 gpt AuEq (4.07 gpt Au and 598.1 gpt Ag) over 3.0 m ETW in hole 24LP-30, including:
 - 19.8 gpt AuEq (6.77 gpt Au and 1007.1 gpt Ag) over 1.7 m ETW
- 3.42 gpt AuEq (1.44 gpt Au and 153.1 gpt Ag) over 9.4 m ETW in hole 24LP-33, including:
 - 4.48 gpt AuEq (1.94 gpt Au and 196.1 gpt Ag) over 5.0 m ETW
- 1.75 gpt AuEq (0.83 gpt Au and 71.1 gpt Ag) over 3.6 m ETW in hole 24LP-24
- 1.75 gpt AuEq (1.21 gpt Au and 41.9 gpt Ag) over 3.8 m ETW in hole 24LP-28, including:
 - 2.75 gpt AuEq (1.78 gpt Au and 74.7 gpt Ag) over 2.1 m ETW.

Central Trend – Expansion Drilling and Interpretation

2024 drilling at Noche Buena, located in the southeastern-most end of the Central Trend, targeted the gap between Noche Buena and San Miguel East to the north and was incorporated in the 2024 MRE. The drilling demonstrated mineralization continues along the structure in this gap and confirms the ongoing expansion of potential gold-silver resources in addition to and not included in the Company's MRE. Additionally, Prime has continued drilling to the southeast to extend the known mineralization at Noche Buena.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

Fresnillo – Generative Drilling and Interpretation

Fresnillo, located between the Z-T and Central Trends, was identified through the Company's detailed mapping and geochemical sampling.

Drilling at Fresnillo in 2024 expanded previous mineralization to the south and was incorporated in the 2024 MRE.

Exploration Activities During Q1 2025

In Q1 2025, the Company plans to focus drilling activities in the following areas:

- Tahonitas at the Z-T Trend;
- Las Primas, and
- Noche Buena at the Central Trend.

Drilling was paused on January 28, 2025. Refer to the *2025 Outlook* section below for more details regarding the 2025 drill program.

During the quarter, the Company highlighted certain drill results from 2024 in the following news releases (further summarized in the above-noted 2024 summary of exploration):

Prime Tahonitas Footwall Discovery: Intersects New Continuous High-Grade Veins at Tahonitas in the Z-T Trend (January 15, 2025)

Expansion Drilling Highlights at Z-T

The Company is reporting 25 core holes at the Z-T Trend, 14 of which are from Tahonitas, located in the south-east end of the Z-T Trend, with the following highlights:

- 5.67 gpt AuEq (2.23 gpt Au and 266.1 gpt Ag) over 4.2 m ETW in hole 24TA-149, including:
 - 9.49 gpt AuEq (3.94 gpt Au and 428.7 gpt Ag) over 2.1 m ETW;
- 1.62 gpt AuEq (1.36 gpt Au and 19.9 gpt Ag) over 15.2 m ETW in hole 24TA-144, including:
 - 4.94 gpt AuEq (4.22 gpt Au and 55.3 gpt Ag) over 3.7 m ETW;
- 4.93 gpt AuEq (2.55 gpt Au and 184.0 gpt Ag) over 3.3 m ETW in hole 24TA-153, including:
 - 14.09 gpt AuEq (7.09 gpt Au and 541.0 gpt Ag) over 1.1 m ETW;
- And also, 0.92 gpt AuEq (0.72 gpt Au and 15.2 gpt Ag) over 19.2 m ETW in hole 24TA-153.

Prime's Central Trend Continues to Deliver Strong Grades and Continuity, Defining a 400-metre High-Grade Shoot at Noche Buena (January 30, 2025)

Expansion Drilling Highlights in the Central Trend

The Company is reporting 14 core holes at the Central Trend, 9 of which are from Noche Buena, at the southernmost part of the trend, with the following highlights:

- 3.48 gpt AuEq (3.12 gpt Au and 27.7 gpt Ag) over 7.6 m ETW in hole 24NB-78, including:
 - 8.64 gpt AuEq (7.8 gpt Au and 64.8 gpt Ag) over 2.8 m ETW, including:
 - 16.22 gpt AuEq (15.00 gpt Au and 94.0 gpt Ag) over 1.4 m ETW;
- 2.16 gpt AuEq (1.75 gpt Au and 31.9 gpt Ag) over 11.3 m ETW in hole 24NB-67, including:
 - 8.65 gpt AuEq (7.42 gpt Au and 95.3 gpt Ag) over 2.3 m ETW;
- 1.65 gpt AuEq (1.03 gpt Au and 47.6 gpt Ag) over 11.2 m ETW in hole 24NB-77, including:
 - 4.24 gpt AuEq (2.40 gpt Au and 142.0 gpt Ag) over 1.8 m ETW.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

Prime's Fresnillo Generative Target Extended by 120 metres (February 24, 2025)**Generative Drilling Highlights: Fresnillo – A Prime Original Discovery**

The Company is reporting 14 core holes, two that intersected only Fresnillo structures, four that intersected both Noche Buena and Fresnillo structures, and eight that intersected Mariposa structures. Fresnillo is located between the Z-T and Central Trends with the following highlights in today's results:

- 1.99 g/t gold-equivalent ("AuEq") (1.82 g/t Au and 13.1 g/t Ag) over 9.6 m estimated true width ("ETW") in hole 24NB-75, including:
 - 20.02 g/t AuEq (18.4 g/t Au and 125.0 g/t Ag) over 0.8 m ETW;
- 2.83 g/t AuEq (2.52 g/t Au and 23.6 g/t Ag) over 6.2 m ETW in hole 24NB-71, including:
 - 5.99 g/t AuEq (5.38 g/t Au and 47.0 g/t Ag) over 2.8 m ETW;
- 1.46 g/t AuEq (1.08 g/t Au and 29.7 g/t Ag) over 9.8 m ETW in hole 24NB-69, including:
 - 6.76 g/t AuEq (5.35 g/t Au and 109.0 g/t Ag) over 1.4 m ETW;
- 1.45 g/t AuEq (1.17 g/t Au and 21.6 g/t Ag) over 6.8 m ETW in hole 24FRE-29.

Drilling Summary

	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Fiscal 2024
Drill holes completed	36	30	34	42	142
Drilling metres	11,341	10,331	11,867	17,335	50,874
	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Fiscal 2023
Drill holes completed	53	35	44	52	184
Drilling metres	17,215	11,768	14,201	15,712	58,896

Project Expenditures

Project expenditures during the years ended December 31, 2024 and 2023, are summarized as follows:

	Fiscal 2024	Fiscal 2023
Drilling	\$ 7,334,264	\$ 8,215,329
Salaries and personnel	3,661,076	3,896,133
Resource assaying, estimation and technical services	1,939,471	2,534,064
Equipment and field supplies	1,145,095	1,474,474
Land payments and maintenance	394,933	487,214
General and administrative	442,548	508,702
	\$ 14,917,387	\$ 17,115,916

Review of expenditures for Q4 2024 compared to Q4 2023

Drilling decreased to \$1,669,756 compared to \$2,309,570 during Q4 2023. The Q4 2024 exploration program has drilled fewer metres than Q4 2023 exploration program decreasing expenditures.

Salaries and personnel decreased to \$1,305,204 compared to \$1,458,511 during Q4 2023. Staffing levels and bonuses are consistent with Q4 2023 leading to similar personnel expenditures.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

Resource and estimation and technical services decreased to \$475,436 compared to \$931,301 during Q4 2023. As a result of fewer metres drilled during Q4 2024, assaying expenditures have decreased. Furthermore, the cost per sample for assaying has decreased due to improved contracted rates. This decrease was offset by increased spending on project and technical studies.

Equipment and field supplies decreased to \$220,190 compared to \$377,272 during Q4 2023. Fewer field supplies, such as core boxes, were required as a result of decreased metres drilled.

Land payments and maintenance decreased to \$52,513 compared to \$71,086 during Q4 2023. Road works and land payments to the Ejido were similar in both periods.

General and administrative expenditures relate primarily to local consulting, accounting, and legal support. Expenditures were \$103,250 compared to \$98,081 during Q4 2023, reflecting only minimal changes in support requirements.

Review of expenditures for fiscal 2024 compared to fiscal 2023

Drilling decreased to \$7,334,264 compared to \$8,215,329 during fiscal 2023. The fiscal 2024 exploration program drilled fewer metres compared to the fiscal 2023 program leading to less expenditures.

Salaries and personnel decreased to \$3,661,076 compared to \$3,896,133 during fiscal 2023. Staffing levels are consistent with fiscal 2023 leading to similar personnel expenditures.

Resource and estimation and technical services decreased to \$1,939,471 compared to \$2,534,064 during fiscal 2023. As a result of fewer metres drilled, assaying expenditures have reduced. Furthermore, the cost per sample for assaying has decreased due to improved contracted rates. This decrease was offset by increased spending on project and technical studies.

Equipment and field supplies decreased to \$1,145,095 compared to \$1,474,474 during fiscal 2023. A fewer amount of field supplies, such as core boxes, were required as a result of fewer metres drilled.

Land payments and maintenance decreased to \$394,933 compared to \$487,214 during fiscal 2023. Property concession payments have remained consistent with fiscal 2023. Road works and additional land access payments to Ejido members decreased during fiscal 2024.

General and administrative expenditures relate primarily to local consulting, accounting, and legal support. The expenditures decreased to \$442,548 compared to \$508,702 during fiscal 2023. There has been decreased legal and consulting expenses as a result of a reduction in review of mining law changes in Mexico and work with the Ejido as this work was substantially completed during fiscal 2023.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

Aggregate Los Reyes Project expenditures

Project expenditures since acquisition, are summarized as follows:

	Total
Drilling	\$ 30,511,551
Salaries and personnel	14,183,525
Resource assaying, estimation, and technical services	9,328,921
Equipment and field supplies	5,269,123
Land payments and maintenance	1,591,186
General and administrative	1,782,036
	\$ 62,666,342

Resource Estimate

On October 15, 2024, the Company reported significant open pit expansion and new underground resources in its 2024 Mineral Resource Estimate ("MRE") based on the addition of Prime's drilling up to July 17, 2024 of 86,650 metres drilled by Prime since the cutoff of the May 2023 MRE. In total, the 2024 MRE is based on 240,172 metres of drilling, of which Prime has drilled 191,451 metres. Prime's discovery cost is just over US\$20 per Resource ounce added since acquisition. The new 2024 MRE (contained within economically constrained pits or underground stope shapes) comprised 49.0 million tonnes Indicated resources (1,491,000 ounces contained Au at 0.95 g/t and 54.00 million ounces contained Ag at 34.2 g/t) and an additional 17.2 million tonnes (538,000 ounces contained Au at 0.97 g/t and 21.56 million ounces contained Ag at 39.0 g/t) of Inferred material.

Indicated Resources have increased 49% to 2.2 million AuEq ounces and Inferred Resources have increased 11% to 0.8 million AuEq ounces compared to the May 2023 MRE. Open-Pit Milled Indicated and Inferred Resources have grown to 1.27 million ounces AuEq (24.7 million tonnes at 1.60 g/t AuEq) and 335,000 ounces AuEq (7.2 million tonnes at 1.45 g/t AuEq), respectively. New Underground Milled Indicated and Inferred Resources of 664,000 ounces AuEq (4.1 million tonnes at 5.00 g/t AuEq) and 406,000 ounces AuEq (4.1 million tonnes at 3.12 g/t AuEq), respectively. Open Pit Heap Leach Indicated and Inferred Resources have grown to 261,000 ounces AuEq (20.3 million tonnes at 0.40 g/t AuEq) and 76,000 ounces AuEq (5.9 million tonnes at 0.40 g/t AuEq), respectively.

This MRE was completed under the supervision of John Sims, a member of the American Institute of Professional Geologists since 2004, an 'Independent Qualified Person' as defined by NI 43-101 guidelines, with over 35 years of related experience. In support of this resource update, Prime filed an updated Technical Report on November 27, 2024, in accordance with NI 43-101.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

Corporate

Management

During February 2024, Mr. Scott Hicks, assumed the role of Chief Executive Officer. Mr. Daniel Kunz remained as a strategic advisor and director.

Directors

During January 2024, Mr. Scott Hicks was appointed to the Board of Directors, concurrent with his CEO appointment.

During September 2024, Sunny Lowe was appointed to the Board of Directors.

Deferred share units grants

During January and September 2024, deferred share units ("DSUs") were granted to acquire 661,202 and 88,415 common shares, respectively. These DSUs, issued to directors, have fully vested.

Restricted share units grant

During January 2024, restricted share units ("RSUs") were granted to purchase 455,846 common shares. The RSUs will vest over a three-year period, with one-third vesting on the first-year anniversary of the grant, one-third on the second-year anniversary, and one-third on the third-year anniversary. Settlement will occur at the end of the third year.

Stock options grants

During January 2024, stock options were granted to purchase up to 991,626 common shares at a price of \$1.83 per share. The stock options granted have a five-year life with one-third vesting on the first anniversary of the grant date, one-third vesting on the second anniversary of the grant date, and one-third vesting on the third anniversary of the grant date.

Mining law ruling

Following a process commenced by the Company in July 2023, a Federal judge in Mexico has granted its applications for Federal protection, or 'Amparos', to conduct its activities under the previous (1994) mining-related laws, and is thereby not subject to the 2023 reforms for both the Los Reyes Project, as well as the adjacent El Rey claim once the latter claim is granted.

Critical to the rulings, the granted applications protect the Los Reyes Project and El Rey claims constitutionally from any further changes to mining related laws in Mexico. This protection extends to the 2023 mining-related laws, which included reforms to water usage, reclamation considerations and the scope and term of mining concessions.

The ruling is currently under appeal by the Mexican government.

Annual general meeting

During June 2024, the Company held the annual general meeting which resulted in the election of all the directors listed as nominees in the management's information circular dated May 3, 2024, as well as the approval of all matters presented. Mr. Daniel Kunz ended being a strategic advisor and director.

ESG

During May 2024, the Company issued its 2023 sustainability report.

Financial advisory firm fee

During June 2024, the Company issued 64,286 common shares and 64,286 warrants to pay a financial advisory firm fee. Each warrant is exercisable into one common share at an exercise price of \$2.47 until June 10, 2027.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

2025 OUTLOOK

The Company plans to continue its success-based approach to drilling into 2025, with an initial program of 40,000 metres to further identify new prospects. Additional work will include geological mapping and geochemical sampling to identify further discovery areas.

Six drill rigs are on site at Los Reyes, with fiscal 2025 exploration focused on:

- Extending the high-grade Z-T Area shoots that remain open at depth, as well as along strike, both north and south.
- Expanding the known high-grade mineralization at Guadalupe East.
- Increasing the Central Area resource through additions southeast at Noche Buena and its connection to San Miguel East.
- Generative target drilling of high-grade intercepts at Las Primas, Fresnillo and Mariposa to further grow these emerging resources, as well as other target discovery areas to demonstrate the significant resource expansion potential at Los Reyes.

Project activities are also planned to include:

- *Technical*: Further refine metallurgical, geotechnical, mine planning and development parameters for project development, including process and underground mining optimization, infrastructure assessment and permitting requirements.
- *Community Engagement*: Continue to engage with and support local ejidos (communities) through educational, community and environmental programming, access (road) improvements and infrastructure development.

On January 28, 2025, drilling was temporarily suspended in response to recent changes in the security situation in parts of Sinaloa, including the Los Reyes area. This suspension is not expected to have an impact on the Company's ability to execute the 2025 drill program, as drill rigs remain on site and drill contractors are on standby to resume drilling as soon as the local security situation improves. The Company will continue to work with local authorities to monitor the situation.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

ANNUAL AND QUARTERLY RESULTS**Annual Results**

	Fiscal 2024	Fiscal 2023	Fiscal 2022
Loss for the year	\$ (21,621,536)	\$ (24,389,430)	\$ (27,372,260)
Loss per share – basic and diluted	(0.15)	(0.18)	(0.24)
Total assets	33,177,148	47,908,403	38,105,206
Total non-current liabilities	845,562	825,152	883,021
Cash balance	19,056,585	33,811,215	23,811,434
Working capital	\$ 17,132,132	\$ 31,532,347	\$ 22,853,882

Quarterly Results

	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Loss for the period	\$ (5,375,605)	\$ (4,309,953)	\$ (5,485,836)	\$ (6,450,142)
Loss per share – basic and diluted	(0.04)	(0.03)	(0.04)	(0.04)
Total assets	33,177,148	35,248,369	38,580,058	41,969,945
Total non-current liabilities	845,562	807,590	829,302	832,584
Cash balance	19,056,585	21,239,893	24,524,731	27,897,697
Working capital	\$ 17,132,132	\$ 20,528,812	\$ 23,765,176	\$ 26,684,339

	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Loss for the period	\$ (7,444,384)	\$ (5,235,461)	\$ (5,714,118)	\$ (5,995,467)
Loss per share – basic and diluted	(0.05)	(0.04)	(0.04)	(0.05)
Total assets	47,908,403	53,352,971	57,756,010	33,829,051
Total non-current liabilities	825,152	851,979	846,486	872,751
Cash balance	33,811,215	39,231,792	43,669,878	19,240,951
Working capital	\$ 31,532,347	\$ 38,434,520	\$ 43,109,164	\$ 18,692,657

Review of Consolidated Financial Information for Q4 2024 compared to Q4 2023

Loss for the Company was \$5,375,605 (\$0.04 per share) compared to \$7,444,384 (\$0.05 per share) during Q4 2023, as a result of the following factors:

General and administrative expense

General and administrative expenses decreased to \$1,670,780 compared to \$2,242,862 during Q4 2023. The significant cash components of these expenses include salaries and personnel, consulting and professional fees and investor relations.

Salaries and personnel decreased to \$924,267 compared to \$1,167,603 during Q4 2023, as a result of increases to senior management salaries, offset by, reductions to the senior management group.

Consulting and professional fees include legal, accounting, capital and strategic advisors, decreased to \$156,819 compared to \$223,341 during Q4 2023, as a result of reduced financial advisory firm fees.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

Investor relations expenses includes news releases, communications programs, and participation at conferences. The expense decreased to \$106,594 compared to \$141,608 during Q4 2023. During Q4 2024, similar investor relations efforts were undertaken. Additionally, there were more website enhancement expenses during Q4 2023.

The significant non-cash component of these expenses includes share-based compensation, which was \$324,528 compared to \$420,261 during Q4 2023. This decrease is primarily due to a decrease in the vesting value of granted options and DSUs. Offset by the vesting of RSUs, which resulted in an expense increase of \$149,527.

Exploration and evaluation

Exploration and evaluation expense was \$3,826,349 compared to \$5,245,821 during Q4 2023. The Company decreased exploration activities at the Los Reyes Project. Refer to the *Highlights and Key Developments* section above.

Value added tax provision

Value added tax provision of \$61,013 compared to \$481,737 as a result of reduced project expenditures, VAT refunds, and foreign exchange adjustments.

Foreign exchange

Foreign exchange represents changes in the value of monetary assets and liabilities denominated in foreign currencies. During the current quarter, the Company recorded an unrealized foreign exchange loss due to fluctuations in the average MXN exchange rate.

Interest income

Interest income decreased to \$281,300 compared to \$502,563 during Q4 2023. This decline is primarily due to a reduced cash balance compared to Q4 2024, resulting in lower interest earnings.

Review of Consolidated Financial Information for fiscal 2024 compared to fiscal 2023

Loss for the Company was \$21,621,536 (\$0.15 per share) compared to \$24,389,430 (\$0.18 per share) during fiscal 2023, as a result of the following factors:

General and administrative expense

General and administrative expenses increased to \$7,027,530 compared to \$6,790,482 during fiscal 2023. The significant cash components of these expenses include salaries and personnel, consulting and professional fees and investor relations.

Salaries and personnel decreased to \$2,288,964 compared to \$2,362,075 during fiscal 2023, as a result of adjustments to senior management salaries. Additionally, a severance amount was paid to a member of the senior management group.

Consulting and professional fees include legal, accounting, capital and strategic advisors, decreased to \$730,589 compared to \$763,426 during fiscal 2023, as a result of additional financial advisory firm fees. Additionally, legal and accounting expenses increased due to TSX regulatory compliance.

Investor relations expenses includes news releases, communications programs, and participation at conferences. The expense decreased to \$546,546 compared to \$636,064 during fiscal 2023. During fiscal 2024, similar investor relations efforts were undertaken.

Office and other decreased to \$458,857 compared to \$637,635 during fiscal 2023, primarily due to TSX listing fees incurred in Q4 2023 that were not required in the current year.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

The significant non-cash component of these expenses includes share-based compensation, which was \$3,002,574 compared to \$2,391,282 during fiscal 2023. This increase is primarily due to the increase in vesting of DSUs totalling \$1,472,056, which is attributed to the updated DSU plan which allows for immediate vesting of units. Additionally, vesting of RSUs increased the expense to \$650,897. These increases were offset by a decrease in vesting value of granted options.

Exploration and evaluation

Exploration and evaluation expense was \$14,917,387 compared to \$17,115,916 during fiscal 2023, as the Company drilled fewer meters at the Los Reyes Project. Refer to the *Highlights and Key Developments* section above.

Value added tax provision

Value added tax provision decreased to a recovery of \$241,606 compared to an expense of \$2,575,666 as a result of reduced project expenditures, VAT refunds, and foreign exchange adjustments.

Foreign exchange

Foreign exchange represents changes in the value of monetary assets and liabilities denominated in foreign currencies. During fiscal 2024, the Company incurred unrealized foreign exchange loss related to the VAT receivable.

Interest income

Interest income decreased to \$1,440,504 compared to \$1,654,941 during fiscal 2023. The Company maintained significant cash balances that earned interest during fiscal 2024 and fiscal 2023.

Significant Quarterly Variations

- Q1 2023 - The Company incurred additional salaries and personnel expense of \$380,301 related to normal operations. There was share-based compensation expense of \$752,057. Additionally, exploration and evaluation expenses of \$3,987,651 were incurred at the Los Reyes Project. A value added tax provision of \$920,008 further increased the loss for the period.
- Q2 2023 - The Company incurred additional salaries and personnel expense of \$399,604 related to normal operations. There was share-based compensation expense of \$681,663. Additionally, exploration and evaluation expenses of \$4,039,306 were incurred at the Los Reyes Project. A value added tax provision of \$707,922 further increased the loss for the period.
- Q3 2023 - The Company incurred additional salaries and personnel expense of \$414,567 related to normal operations. There was share-based compensation expense of \$537,301. Additionally, exploration and evaluation expenses of \$3,848,138 were incurred at the Los Reyes Project. A value added tax provision of \$465,999 further increased the loss for the period.
- Q4 2023 - The Company incurred additional salaries and personnel expense of \$1,167,603 related to normal operations and bonus awarded to senior management. There was share-based compensation expense of \$420,261. Additionally, exploration and evaluation expenses of \$5,245,821 were incurred at the Los Reyes Project. A value added tax provision of \$481,737 further increased the loss for the period.
- Q1 2024 - The Company incurred additional salaries and personnel expense of \$646,029 related to normal operations and a severance payment to a senior management member. There was share-based compensation expense of \$737,896. Additionally, exploration and evaluation expenses of \$4,507,283 were incurred at the Los Reyes Project. A value added tax provision of \$733,219 further increased the loss for the period.
- Q2 2024 - The Company incurred additional salaries and personnel expense of \$367,671 related to normal operations. There was share-based compensation expense of \$1,396,762. Additionally, exploration and evaluation expenses of \$3,474,984 were incurred at the Los Reyes Project. A value added tax recovery of \$612,576 offset the loss for the period.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

- Q3 2024 - The Company incurred additional salaries and personnel expense of \$350,997 related to normal operations. There was share-based compensation expense of \$543,388. Additionally, exploration and evaluation expenses of \$3,108,771 were incurred at the Los Reyes Project. A value added tax recovery of \$423,262 offset the loss for the period.
- Q4 2024 - The Company incurred additional salaries and personnel expense of \$924,267 related to normal operations. There was share-based compensation expense of \$324,528. Additionally, exploration and evaluation expenses of \$3,826,349 were incurred at the Los Reyes Project. A value added tax provision of \$61,013 increased the loss for the period.

Cash Flows

	Year ended December 31, 2024	Year ended December 31, 2023
Cash used in operating activities	\$ (20,128,202)	\$ (21,803,972)
Cash provided by financing activities	3,950,355	30,202,875
Cash provided by investing activities	1,423,217	1,600,878
(Decrease) increase in cash	(14,754,630)	9,999,781
Cash, beginning of year	33,811,215	23,811,434
Cash, end of year	\$ 19,056,585	\$ 33,811,215

Operating activities

During fiscal 2024, salaries and personnel expenditures of \$2,288,964 were incurred by the Company which is a significant portion of the operating expenditures. There were office rent and administrative expenditures of \$458,857. Investor relations expenditures of \$546,546 were also incurred. Additional expenditures of \$14,917,387 were incurred relating to Los Reyes Project.

During fiscal 2023, salaries and personnel expenditures of \$2,362,075 were incurred by the Company which is a significant portion of the operating expenditures. There were office rent and administrative expenditures of \$637,635. Investor relations expenditures of \$636,064 were also incurred. Additional expenditures of \$17,115,916 were incurred relating to Los Reyes Project. The Company incurred VAT expenditures of \$2,575,666.

Financing activities

During fiscal 2024, the Company had the following significant financing activities:

- Issued 1,716,181 common shares for gross proceeds of \$1,887,799 upon exercise of warrants.
- Issued 3,350,000 common shares for gross proceeds of \$2,113,500 upon exercise of options.

During fiscal 2023, the Company had the following significant financing activities:

- Accelerated the exercise of the \$2.00 warrants and issued 14,025,410 common shares for gross proceeds of \$28,050,820, 4,590 warrants expired without being exercised.
- Issued 1,836,319 common shares for gross proceeds of \$2,019,951 upon exercise of warrants.
- Issued 150,000 common shares for gross proceeds of \$266,750 upon exercise of options.

Investing activities

During fiscal 2024, the Company received interest of \$1,440,504.

During fiscal 2023, the Company received interest of \$1,654,941.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

LIQUIDITY AND CAPITAL RESOURCES

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations associated with its financial liabilities and other contractual obligations.

The Company is a mineral exploration company and currently has no operating income or positive operating cash flows. The Company depends upon share issuances and property option agreements to fund its exploration activities and administrative expenses.

Factors that may affect the Company's liquidity are continuously monitored. These factors include the market price of gold, operating costs, exploration expenditures, the timing of VAT recoveries, foreign currency fluctuations, health and safety risks, and risks and uncertainties (refer to *Risks and Uncertainties* section).

The Company will need to raise additional funds to fully develop its mineral properties. There can be no assurance that the Company will succeed in obtaining additional financing, now or in the future. Consequently, the Company is subject to liquidity risk.

At December 31, 2024, the Company had working capital of \$17,132,132 including cash of \$19,056,585, compared to a working capital of \$31,532,347 at December 31, 2023. Accounts payable and accruals decreased to \$2,159,027 compared to \$2,430,553, at December 31, 2023, as there was similar operational activity and year end bonuses. The long-term payable of \$803,799 requires payment when the value added tax receivable of \$893,110 is refunded.

At December 31, 2024, the Company has the following capital resource commitments:

- The Company must undertake exploration and make cash progress payments to maintain its exploration property rights.
- The Company is committed to make payments under property and equipment leases totalling \$94,894 through 2027.

RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company and includes both executive and non-executive directors, officers, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

Key management compensation includes:

	Fiscal 2024	Fiscal 2023
Salaries, personnel and benefits	\$ 2,255,575	\$ 2,353,601
Directors fees	318,699	279,493
Consulting fees	60,000	79,148
Share-based compensation	2,858,581	2,058,243
	\$ 5,492,855	\$ 4,770,485

Trade payables and accruals include \$664,430 (December 31, 2023 - \$875,993) owed to directors and officers of the Company.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

OUTSTANDING SHARE DATA

At March 5, 2025, the Company had the following equity securities outstanding:

	Authorized	Outstanding
Equity securities – voting	Unlimited common shares	149,517,158 common shares
Stock options - convertible to voting common shares	Stock options to acquire up to 10% of the outstanding common shares	Stock options to acquire 8,376,626 common shares
Restricted share units – convertible to voting common shares	Restricted share units to acquire up to 10% of the outstanding common shares less any common shares reserved for issuance under any other share-based compensation arrangements.	Restricted share units to acquire 570,562 common shares
Deferred share units – convertible to voting common shares	Deferred share units to acquire up to 10% of the outstanding common shares less any common shares reserved for issuance under any other share-based compensation arrangements.	Deferred share units to acquire 1,004,536 common shares
Warrants convertible to voting common shares		Warrants to acquire 15,832,544 common shares

MATERIAL ACCOUNTING POLICY INFORMATION

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, effective as of December 31, 2024. The Company's material accounting policy information are described in note 3 of the Company's consolidated financial statements for the years ended December 31, 2024 and 2023.

CRITICAL ACCOUNTING ESTIMATES

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in total comprehensive loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about such judgements and estimates is contained in the description of accounting policies (note 3) and other notes to the Company's consolidated financial statements. Management has made the following critical accounting judgements and estimates:

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

Critical judgments in applying accounting policies**Exploration and evaluation assets**

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after the expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off to profit or loss in the period the new information becomes available.

Key sources of estimation uncertainty**Share-based payment transactions**

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 11 of the Company's consolidated financial statements.

VAT receivable

The Company pays VAT on expenditures incurred in Mexico. Such VAT payments are considered to be refundable, however, it involves a complex application process, and the timing and success of collection is uncertain.

CHANGES IN ACCOUNTING POLICIES

The accounting policies applied in the preparation of the Company's consolidated financial statements for the years ended December 31, 2024 and 2023, are consistent with those applied and disclosed in the Company's consolidated financial statements.

FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist of cash, trade payables and accruals, and lease liabilities. The carrying value of all the Company's financial instruments approximates their fair value except for cash. The fair value of cash is measured using Level 1 inputs. It is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments.

The Company's activities expose it to a variety of financial risks, of which the primary ones are liquidity risk and foreign exchange risk. The Company does not have a practice of trading derivatives.

The Company manages liquidity risk by attempting to maintain adequate cash balances. If necessary, the Company may raise funds through the issuance of debt, equity or sale of non-core assets. The Company ensures that there is sufficient capital to meet its obligations by continuously monitoring and reviewing actual and forecasted cash flows and matching the maturity profile of financial assets to development, capital and operating needs.

The Company is exposed to foreign exchange fluctuations, primarily on value added tax receivable balances denominated in Mexican pesos and the long-term payable balance denominated in US dollars.

The Company's financial risks are described in note 17 of the consolidated financial statements.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

MANAGEMENT'S REPORT ON INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Canadian Securities Administrators have issued National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109") which requires public companies in Canada to submit annual and interim certificates relating to the design and effectiveness of the disclosure controls and procedures that are in use at the Company. The Company's disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported on a timely basis to senior management, including the Company's Chief Executive Officer and Chief Financial Officer, to enable this information to be reviewed and discussed so that appropriate decisions can be made regarding the timely public disclosure of the information. Management has evaluated the effectiveness of the Company's disclosure controls and procedures and has concluded that they were effective as at December 31, 2024.

Internal Control over Financial Reporting

NI 52-109 also requires public companies in Canada to submit interim and annual certificates relating to the design of internal control over financial reporting ("ICFR") and an annual certificate that includes evaluating the operating effectiveness of ICFR. The Company's ICFR is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards. Management is responsible for establishing and maintaining ICFR. The Company used the 2013 Commission of Sponsoring Organizations of the Treadway Commission ("COSO") framework as the basis for designing its ICFR. Due to its inherent limitations, ICFR may not prevent or detect misstatements on a timely basis as such systems can only be designed to provide reasonable as opposed to absolute assurance. Also, projections of any evaluation of the effectiveness of ICFR to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. There have been no significant changes in the Company's internal controls during the three months ended December 31, 2024 that have materially affected, or are reasonably likely to materially affect, ICFR. The individuals performing the duties of the Company's Chief Executive Officer and the Chief Financial Officer have each evaluated the operating effectiveness of the Company's ICFR as at December 31, 2024 and have concluded that the ICFR are effective.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

PROPOSED TRANSACTIONS

At December 31, 2024, and the date hereof, the Company had no proposed transaction.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

RISKS AND UNCERTAINTIES

The Company's business is the acquisition, exploration, and development of mining properties. As a result, the operations of the Company are speculative due to the high-risk nature of its business. The risk factors described below are not the only risks and uncertainties that the Company faces. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair its business. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking information relating to the Company.

Mineral Exploration

The Company is engaged in mineral exploration and development activities which, by their nature, are speculative due to the high-risk nature of the Company's business and the present stage of its development. The Company's mineral property interests are of high risk and are considered to be speculative in nature. There is no certainty that the expenditures made by the Company towards the search for and evaluation of minerals with regard to its mineral property interests, or otherwise, will result in discoveries of commercial quantities of silver or other minerals.

In addition, the Company may expend substantial funds in exploring some of its properties only to abandon them and lose its entire expenditure on the properties if no commercial or economic quantities of minerals are found. Even if commercial quantities of minerals are discovered, the exploration properties might not be brought into a state of commercial production.

Finding mineral deposits is dependent on a number of factors, including the technical skill of exploration personnel involved. The commercial viability of a mineral deposit once discovered is also dependent on a number of factors, some of which are the particular attributes of the deposit, such as content of the deposit including harmful substances, size, grade, and proximity to infrastructure, as well as metal prices and the availability of power and water in sufficient supply to permit development. Most of these factors are beyond the control of the entity conducting such mineral exploration. Where expenditures on a property have not led to the discovery of mineral reserves, such incurred expenditures will generally not be recoverable. Furthermore, the exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate or even mitigate. While the discovery of a mineral-bearing structure may result in an increase in value for shareholders, few properties which are explored are ultimately developed into producing mines. Substantial expenditures are required to locate and establish mineral reserves through drilling, for development of metallurgical processes to extract the metal from the ore, and in the case of new properties, for construction of the mining and processing facilities and infrastructure at any site chosen for mining.

It is difficult to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation. Whether gold, silver or other precious or base metal or mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as quantity and quality of mineralization and proximity to infrastructure; mineral prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, and environmental protection. Other factors include: the ability to hire and retain qualified people, the ability to obtain suitable machinery, equipment or labour, and the ability to obtain necessary services in jurisdictions in which the Company operates. Unfavourable changes to these and other factors have the potential to negatively affect the Company's operations and business.

In the exploration and development phases of a project, no absolute assurance can be given that any particular level of recovery of minerals will be realized or that any potential quantities and/or grade will ever qualify as a resource, or that any such resource will ever qualify as a commercially mineable (or viable) deposit which can be legally and economically exploited. In addition, if production is commenced, mineral reserves are finite and there can be no assurance that the Company will be able to locate additional reserves as its existing reserves are depleted.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

In general, mining operations involve a high degree of risk. The Company's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of silver, precious metals and other minerals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding, and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage, and possible legal liability.

Skilled Labour

The Company depends on a skilled workforce, including but not limited to mining and mineral, metallurgical and geological engineers, geologists, environmental and safety specialists, and mining operators to explore and develop the Los Reyes Project. The Company has programs and initiatives in place to attract, develop, and retain a skilled workforce. However, the Company, or its contractors, are potentially faced with a shortage of skilled professionals due to competition in the industry and the continued exit of experienced employees from the workforce, both locally and in the foreign jurisdiction in which the Company operates.

Liquidity Risk

The Company has in the past and may in the future seek to acquire additional funding by the sale of Common Shares, the sale of assets or through the assumption of additional debt. Movements in the price of the Common Shares have been volatile in the past and may be volatile in the future. Approximately 15% of the Common Shares are held by an insider, 45% are held by institutions and 15% are held by management and directors.

Additional Capital

The Company has limited financial resources, no history of mineral production, operations or sources of operating cash flow and experience losses from operations, a trend the Company expects to continue. The exploration and development of the Los Reyes Project, including continuing exploration, will require additional financing. Historically, the Company has been financed through the issuance of Common Shares or other equity securities. Although the Company has been successful in the past in obtaining financing, the Company has limited financial resources. The Company has no assurance that additional funding will be available to it in the future to fulfill the Company's existing obligations or further exploration and development and, if obtained, on terms favourable to the Company. The ability of the Company to arrange additional financing in the future will depend, in part, on prevailing capital market conditions as well as the business performance of the Company.

The most likely source of future financing presently available to the Company is through the sale of additional Common Shares, which would mean that each existing shareholder would own a smaller percentage of the Common Shares then outstanding. Alternatively, the Company may rely on debt financing and assume debt obligations that require it to make interest and capital payments. Also, the Company may issue or grant warrants or options in the future pursuant to which additional Common Shares may be issued. Exercise of such warrants or options will result in dilution of equity ownership to the Company's existing shareholders.

Failure to obtain required financing could result in delay or indefinite postponement of its anticipated activities in the coming years and could cause the Company to forfeit its interests in some or all of the Company's properties or to reduce or terminate the Company's operations. Failure to obtain required financing would have a material adverse effect on the Company's business, financial condition, and results of operations.

Dependence on Single Project

The Los Reyes Project is currently the Company's sole project and therefore, any adverse development with respect to the Los Reyes Project will have a material adverse effect on the Company.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

Permitting Risk

The Company's operations in each of the jurisdictions in which it operates are subject to receiving and maintaining permits (including environmental permits) from appropriate governmental authorities.

Furthermore, prior to any development on any of its properties, the Company must receive permits from appropriate governmental authorities. The Company can provide no assurance that necessary permits will be obtained, that previously issued permits will not be suspended for a variety of reasons, including through government or court action, or that delays will not occur in connection with obtaining all necessary permits, renewals of permits for existing operations, or additional permits for any possible future changes to operations, or additional permits associated with new legislation. The Company can provide no assurance that it will continue to hold or obtain, if required to, all permits necessary to develop or continue operating at any particular site, which would materially adversely affect its operations.

Foreign Country Risk

The Company's sole material property is located in Mexico. The Company is subject to certain risks as a result of conducting foreign operations, including, but not limited to: currency fluctuations; possible political or economic instability that may result in the impairment or loss of mineral titles or other mineral rights; opposition from environmental or other non-governmental organizations; government regulations relating to the mining industry; renegotiation, cancellation or forced modification of existing contracts; expropriation or nationalization of property; changes in laws or policies or increasing legal and regulatory requirements including those relating to taxation, royalties, imports, exports, duties, currency, or other claims by government entities, including retroactive claims and/or changes in the administration of laws, policies and practices; uncertain political and economic environments; war, terrorism, narco-terrorist actions or activities, sabotage and civil disturbances; delays in obtaining or the inability to obtain or maintain necessary governmental or similar permits or to operate in accordance with such permits or regulatory requirements; currency fluctuations; import and export regulations, including restrictions on the export of gold, silver or other minerals; limitations on the repatriation of earnings; and increased financing costs. Any changes in regulations or shifts in political attitudes are beyond the control of the Company and may adversely affect its business. The introduction of new tax laws, regulations or rules, or changes to, or differing interpretation of, or application of, existing tax laws, regulations, or rules in any of the countries in which the Company currently conducts business or in the future may conduct business, could result in an increase in taxes, or other governmental charges, duties, or impositions. No assurance can be given that new tax laws, rules or regulations will not be enacted or that existing tax laws will not be changed, interpreted, or applied in a manner that could result in the Company being subject to additional taxation or that could otherwise have a material adverse affect on the Company.

Further, violence in Mexico is well documented and has, over time, been increasing. Conflicts between the drug cartels and violent confrontations with authorities are not uncommon. Other criminal activity, such as kidnapping and extortion, is also an ongoing concern. Many incidents of crime and violence go unreported and efforts by police and other authorities to reduce criminal activity are challenged by a lack of resources, corruption, and the pervasiveness of organized crime. Incidents of criminal activity have occasionally affected the communities in the vicinity of the Company's operations. Such incidents may prevent access to the Company's Los Reyes Project, property or offices; halt or delay operations and production; result in harm to employees, contractors, visitors, or community members; increase employee absenteeism; create or increase tension in nearby communities; or otherwise adversely affect the Company's ability to conduct business. The Company can provide no assurance that security incidents, in the future, will not have a material adverse effect on its operations.

The operation of the Company's business may also be impacted by anti-terrorism, economic or financial sanction laws (collectively, "sanctions laws"). Such sanctions laws and any regulations, orders or policies issued thereunder may impose restrictions and prohibitions on trade, financial transactions, investments and other economic activities with sanctioned or designated foreign individuals or companies from a target industry, market, country, countries or regions within countries. These restrictions and prohibitions may also apply to dealings with non-state actors such as terrorist organizations and may change from time to time, as evidenced by recent US Executive Order 14157

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

designating multiple Mexican cartels as terrorist organizations. Sanctions laws are continually being updated in order to respond to unexpected events and occurrences across the globe. There is no assurance that the Company is or will be in full compliance with such laws and that there will not be a material adverse effect on its reputation, business, capital, financial condition and Common Share price should such laws change in the future.

Inflation Risks

Inflation rates in the jurisdictions in which the Company operates have continued to increase. A significant portion of the upward pressure on prices has been attributed to the rising costs of labour and energy, the fiscal and monetary stimuli provided by governments in response to the COVID-19 pandemic as well as continuing global supply-chain disruptions, with global energy costs increasing significantly following the invasion of Ukraine by Russia in February 2022. Moreover, the Middle East is an important contributor to global oil supplies and any instability in the region, such as the Israel-Hamas conflict that commenced in October 2023, can cause price hikes due to anticipated supply disruptions, which can in turn affect global inflation rates and trade balances. These inflationary pressures have affected the Company's labour, commodity and other input costs and such pressures may or may not be transitory. Any continued upward trajectory in the inflation rate for the Company's inputs may have a material adverse effect on the Company's operating and capital expenditures for the development of its projects as well as its financial condition and results of operations.

Mine Development Risks

Mine development projects require significant expenditures during the development phase before production is possible. Development projects are subject to the completion of successful feasibility studies and environmental assessments, issuance of necessary governmental permits and availability of adequate financing. The economic feasibility of development projects is based on many factors such as: estimation of mineral reserves, anticipated metallurgical recoveries, environmental considerations and permitting, and anticipated capital and operating costs of these projects. Development projects are uncertain, and it is possible that actual capital and operating costs and economic returns will differ significantly from those estimated for a project prior to production. Particularly for development projects, estimates of proven and probable mineral reserves and cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies that derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, the configuration of the ore body, expected recovery rates of metals from the ore, estimated operating costs, anticipated climatic conditions and other factors. As a result, it is possible that actual capital and operating costs and economic returns will differ significantly from those currently estimated for a project prior to production. Any of the following events, among others, could affect the profitability or economic feasibility of a project: unanticipated changes in grade and tons of ore to be mined and processed, unanticipated adverse geological conditions, unanticipated metallurgical recovery problems, incorrect data on which engineering assumptions are made, availability and costs of labour, costs of processing and refining facilities, availability of economic sources of power, adequacy of water supply, availability of surface on which to locate processing and refining facilities, adequate access to the site, unanticipated transportation costs, government regulations (including regulations with respect to prices, royalties, duties, taxes, permitting, restrictions on production, quotas on exportation of minerals and environment), fluctuations in metals prices, accidents, labour actions, the availability and delivery of critical equipment, successful commissioning and start-up of operations, including the achievement of designed mill recovery rates and force- majeure events.

If actual results are less favourable than currently estimated, the Company's business, results of operations, financial condition and liquidity could be materially adversely affected. Fluctuations in the market price of gold, silver and other metals may significantly adversely affect the value of the Company's securities and the ability of the Company to develop the Los Reyes Project. The value of the Company's securities may be significantly affected by the market price of gold, silver and other metals, which are cyclical and subject to substantial price fluctuations. Market prices can be affected by numerous factors beyond the Company's control, including levels of supply and demand for a broad range of industrial products, economic growth rates of various international economies, expectations with respect to the rate of inflation, the relative strength of various currencies, interest rates, speculative activities, global

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

or regional political or economic circumstances and sales or purchases of gold and silver or other metals by holders in response to such factors.

History of Losses

The Company is an exploration and development stage company and has not generated cash flow from operations. The Company is devoting significant resources to the development of the Los Reyes Project and to actively pursue exploration and development opportunities, however, there can be no assurance that it will generate positive cash flow from operations in the future. The Company expects to continue to incur negative consolidated operating cash flow and losses until such time as it achieves commercial production at a particular project. Historically, the Company's primary source of funding has been the issuance of equity securities for cash. While the Company has successfully raised equity financing in the past, its access to exploration and construction financing is always uncertain, and there can be no assurance of access to significant equity or debt funding. The Company currently has negative cash flow from operating activities.

Limited Operating History

The Company has no history of generating operating revenues or profits. The Company expects to continue to incur losses unless and until such time as it develops its properties and commences operations on its properties. The development of the properties will require the commitment of substantial financial resources. The amount and timing of expenditures will depend on a number of factors, some of which are beyond the Company's control, including the progress of ongoing exploration, studies and development, the results of consultant analysis and recommendations, and the execution of any joint venture agreements with strategic parties, if any. There can be no assurance that the Company will generate operating revenues or profits in the future.

Mining Law Reform

On May 8, 2023, the Mexican Congress introduced a number of changes to the Mexican mining law and mining regulations, including the process by which mining concessions are granted, the term and scope of mining concessions, the legal nature of mining concessions and the ability to transfer title to mining concessions. Proceedings challenging the constitutionality of the reforms have been initiated, although the potential outcome of these proceedings cannot be determined at this time. In the interim, the Company has obtained a ruling from a federal judge in Mexico providing that the previously enacted mining-related laws will continue to govern its activities at the Los Reyes Project. This ruling is currently being appealed by the Mexican government. In the event the reforms remain in place, as enacted, and the Mexican government is successful in overturning the existing ruling on appeal, they could impact the timeline and the process by which development is advanced at the Los Reyes Project.

Commodity Prices

The mineral exploration and development businesses can be impacted by commodity prices, general economic conditions, external trade agreements, competitor activities, political instability and many other factors beyond the Company's control.

Risks Related to the Cyclical Nature of the Mining Business

The mining business and the marketability of the products that are produced are affected by worldwide economic cycles. Fluctuations in supply and demand in various regions throughout the world are common.

As the Company's mining and exploration business is in the exploration stage and as the Company does not carry on production activities, its ability to fund ongoing exploration is affected by the availability of financing which is, in turn, affected by the strength of the economy and other general economic factors.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

Share Price Fluctuations

The Common Shares are listed and posted for trading on the TSX. An investment in the Company's securities is highly speculative. In recent years, the securities markets have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered exploration, or development-stage companies such as the Company, have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur.

Natural Disasters, Terrorist Acts, Health Crises and Other Disruptions and Dislocations, Including Pandemics

Upon the occurrence of a natural disaster, pandemic or upon an incident of war, riot or civil unrest, the impacted region, country, and/or the overall global economy, may not efficiently and quickly recover from such an event, which could have a material adverse effect on the Company. Terrorist attacks, public health crises including epidemics, pandemics or outbreaks of new infectious diseases or viruses, extreme weather and related events can result in volatility and disruption to global supply chains, operations, mobility of people, patterns of consumption and service and the financial markets, which could affect interest rates, credit ratings, credit risk, inflation, business, financial conditions, results of operations and other factors relevant to the Company.

Global markets have been adversely impacted by emerging infectious diseases and/or the threat of outbreaks of viruses, other contagions or epidemic diseases, and many industries, including the mining industry have been impacted. There may not be an adequate response to emerging infectious diseases, or significant restrictions may be imposed by a government, either of which may impact mining operations. There are potentially significant economic and social impacts, including labour shortages and shutdowns, delays and disruption in supply chains social unrest, government or regulatory actions or inactions, including quarantines, travel restrictions, declaration of national emergencies, permanent changes in taxation or policies, decreased demand or the inability to sell and deliver commodities, declines in the price of commodities, delays in permitting or approvals, suspensions or mandated shut downs of operations, governmental disruptions or other unknown events with potentially significant impacts. At this time, management cannot accurately predict what impacts there will be or what effects these conditions will have on the business, including those uncertainties relating to the ultimate geographic spread, the duration of the outbreak, and the length of restrictions or responses that have been or may be imposed by the governments. Given the international nature of the Company's operations, the Company may not be able to accurately predict which operations will be impacted. Any outbreak or threat of an outbreak of a contagious or epidemic disease could have a material adverse effect on the Company, its business and operational results and the market price of its securities.

Current Global Financial Condition

Market events and conditions, including the disruptions in the international credit markets and other financial systems, along with political instability, falling currency prices expressed in United States dollars and the uncertainty surrounding global supply chains have resulted in commodity prices remaining volatile. These conditions have also caused fear and a loss of confidence in global credit markets, resulting in a climate of greater volatility, tighter regulations, less liquidity, widening credit spreads, increased credit losses and tighter credit conditions. Notwithstanding various actions by governments, concerns about the general condition of the capital markets, financial instruments, banks and investment banks, insurers and other financial institutions have caused the broader credit markets to be volatile and interest rates to remain at historical lows. These events are illustrative of the effect that events beyond the Company's control may have on commodity prices; demand for metals, including gold and silver; availability of credit; investor confidence; and general financial market liquidity, all of which may adversely affect the Company's business.

These factors may impact the ability of the Company to obtain equity or debt financing in the future and, if obtained, on terms favourable to the Company.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

Increased levels of volatility and market turmoil can adversely impact the Company's operations and the value, and the price of the Common Shares could be adversely affected.

Currency Fluctuations

The Company's operations in Mexico make it subject to foreign currency fluctuations and such fluctuations may materially affect the Company's financial position and results. The Company reports its financial results in Canadian dollars with the majority of transactions denominated in Canadian dollars. As the exchange rates of the US dollar and Mexican peso fluctuate against the Canadian dollar, the Company will experience foreign exchange gains or losses. The Company does not use an active hedging strategy to reduce the risk associated with currency fluctuations but may decide to do so in the future.

Title Risks

The acquisition of title to mineral tenures in Mexico is a detailed and time-consuming process. Although the Company has diligently investigated title to all mineral tenures and, to the best of its knowledge, title to all of its properties is in good standing, this should not be construed as a guarantee of title. The Company can provide no assurances that there are no title defects affecting its properties. Other parties may dispute title to any of the Company's mineral properties and any of the Company's properties may be subject to prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected encumbrances or defects or governmental actions. Title to the Company's properties may also be affected by undisclosed and undetected defects. If any claim or challenge is made regarding title, the Company may be subject to monetary claims or be unable to develop properties as permitted or to enforce its rights with respect to its properties.

Foreign Subsidiary

The Company conducts certain of its operations through foreign subsidiary and some of its assets are held in such entity. Any limitation on the transfer of cash or other assets between the Company and such entities, or among such entities, could restrict the Company's ability to fund its operations efficiently. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on the Company's valuation and stock price.

Mine Development Risks

The business of mineral exploration and extraction involves a high degree of geological, technical and economic uncertainty because of the difficulty of locating a viable mineral deposit, the costs and other risks involved in bringing a Deposit into production and the uncertainty of future mineral prices.

Uninsurable Risks

Exploration, development, and production operations on mineral properties involve numerous risks, including but not limited to unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, landslides, earthquakes and other environmental occurrences, risks relating to the storage and shipment of precious metal concentrates and political and social instability. Such occurrences could result in damage to mineral properties, damage to underground development, damage to production facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in the ability to undertake exploration, monetary losses, and possible legal liability. Should such liabilities arise, they could reduce or eliminate future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers reasonable, its insurance policies do not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not always available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which it may not be insured against

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

or which the Company may elect not to insure against because of premium costs or other reasons. The Company does not currently maintain insurance against political risks, underground development risks, production facilities risks, business interruption or loss of profits, theft, the economic value to re-create core samples, environmental risks, and other risks. Furthermore, insurance limits currently in place may not be sufficient to cover losses arising from insured events. Losses from any of the above events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Reliance on Management and Experts

Engineering studies and development depends on the efforts of key members of management and employees. Loss of any of these people could have a material adverse effect. The Company does not have key person insurance with respect to any of its key employees.

Competition

Significant and increasing competition exists for mineral deposits in each of the jurisdictions in which the Company conducts operations. As a result of this competition, much of which is with large established mining companies with substantially greater financial and technical resources than the Company has, it may be unable to acquire additional attractive mining claims or financing on terms it considers acceptable. The Company also competes with other mining and mineral processing and refining companies in the recruitment and retention of qualified employees. Consequently, the Company's revenues, operations and financial condition could be materially adversely affected.

Conflicts of Interest

Certain of the Company's directors, officers and other members of management do, and may in the future, serve as directors, officers, promoters and members of management of other mineral exploration and development companies and, therefore, it is possible that a conflict may arise between their duties as a director, officer, promoter or member of the Company's management team and their duties as a director, officer, promoter or member of management of such other companies. The Company's directors and officers are aware of the laws establishing the fiduciary duties of directors and officers including the requirement that directors disclose conflicts of interest and abstain from voting on any matter where there is a conflict of interest. The Company will rely upon these laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers.

Environmental Regulatory and Hazards

The activities of the Company are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation generally provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving to stricter standards, and enforcement, fines and penalties for noncompliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers, and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. Environmental hazards may exist on the properties in which the Company holds its interests or on properties that will be acquired which are unknown to the Company at present and which have been caused by previous or existing owners or operators of those properties.

The Company's current or future activities, including exploration and development activities and operations of the Company require licenses, permits or other approvals from various governmental authorities and activities are and will be governed by laws and regulations governing exploration, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, safety, mine permitting and other matters. Companies engaged in exploration and development activities generally experience increased costs and delays as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all permits

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

that the Company may require for exploration and development will be obtainable on reasonable terms or on a timely basis, or that such laws and regulations would not have an adverse effect on any project that the Company may undertake. The Company believes it is in substantial compliance with all material laws and regulations that currently apply to its activities and that it does not currently have any material environmental obligations. However, there may be unforeseen environmental liabilities resulting from exploration, development and/or mining activities and these may be costly to remedy.

The Company does not maintain insurance against all environmental regulatory risks. As a result, any claims against the Company may result in liabilities that could have a significant adverse effect on the operations and financial condition of the Company.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in expenditures and costs or require abandonment or delays in developing new mining properties.

The Company cannot give any assurances that breaches of environmental laws (whether inadvertent or not) or environmental pollution will not materially or adversely affect its financial condition. There is no assurance that future changes to environmental regulation, if any, will not adversely affect the Company.

Infrastructure

Exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources, and water supply are important determinants for capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration of the Los Reyes Project. If adequate infrastructure is not available in a timely manner, there can be no assurance that the further exploration of the Los Reyes Project will be completed on a timely basis, if at all. In addition, unusual weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's exploration and development activities.

Climate Change Risk

Climate change is a global challenge that may affect the business of the Company in a range of possible ways. Mining and processing operations can be water and energy intensive, resulting in a carbon footprint either directly or through the purchase of fossil-fuel based electricity. As a result, the Company is impacted by current and emerging policy and regulation relating to emission levels, energy efficiency and reporting of climate-change related risks. While some of the costs associated with reducing emissions may be offset by increased energy efficiency and technological innovation, the current regulatory trend may result in additional costs.

In addition, the physical risks of climate change may also have an adverse effect including increased incidence of extreme weather events, resource shortages, changes in rainfall and storm patterns and intensities, water shortages, changing sea levels and changing temperatures. Associated with these physical risks is an increasing risk of climate-related litigation (including class actions) and the associated costs. Stakeholders are seeking enhanced disclosure on the material risks, opportunities, financial impacts and governance processes related to climate change. Inaccurate disclosure, adverse publicity or climate-related litigation could have an adverse effect on the Company's reputation or financial condition.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

Water Supply Management and Availability

The Company acknowledges the right to clean, safe water and recognizes that access to a reliable water supply is critical to the hygiene, livelihood and environmental health of its communities. Water is a critical input to mining operations, and the increasing pressure on water resources in the area of operations requires the Company to consider current and future conditions in its management of water resources. The Company operates in a region where seasonal water abundance and scarcity is an inherent risk and where rainfall can vary greatly from year to year.

Operations may face challenges related to seasonally abundant and limited supply, increased demand, and impacted water in various forms. Water shortages may result from environmental and climate events that are out of the Company's control and ability to manage. For example, excessive seasonal rainfall or flooding may also result in operational difficulties, including geotechnical instability and additional water management requirements. The inability to secure water rights, or shortages of water to which the Company has established rights, could impact future operations or exploration. In addition, laws and regulations may be introduced in the jurisdictions in which the Company operates which could limit access to sufficient water resources.

Accounting Policies and Internal Controls

The Company prepares its financial reports in accordance with international financial reporting standards applicable to publicly accountable enterprises. In preparing financial reports, management may need to rely upon assumptions, make estimates or use their best judgment in determining the financial condition of the Company. Significant accounting policies are described in more detail in the Company's annual consolidated financial statements. In order to have a reasonable level of assurance that financial transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported, the Company has implemented and continues to analyze its internal control systems for financial reporting. Although the Company believes its financial reporting and annual consolidated financial statements are prepared with reasonable safeguards to ensure reliability, the Company cannot provide absolute assurance.

Community Relations

The Company's relationships with the communities in which it operates, and other stakeholders are critical to ensuring the future success of the construction and development of its projects. Despite the many positive attributes of and impacts of mining on local communities, there is an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. Publicity adverse to the Company, its operations, or extractive industries generally, could have an adverse effect on the Company and may impact relationships with the communities in which the Company operates and other stakeholders. While the Company is committed to operating in a socially responsible manner, there can be no assurance that its efforts in this respect will mitigate this potential risk. Further, damage to the Company's reputation can be the result of the perceived or actual occurrence of any number of events, and could include any negative publicity, whether true or not. The increased usage of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users has made it increasingly easier for individuals and groups to communicate and share opinions and views in regard to the Company and its activities, whether true or not. While the Company strives to uphold and maintain a positive image and reputation, the Company does not ultimately have control over how it is perceived by others. Reputation loss may lead to increased challenges in developing, maintaining community relations and advancing its projects and decreased investor confidence, all of which may have a material adverse impact on the financial performance and growth of the Company.

Information Technology

The Company is reliant on the continuous and uninterrupted operations of its IT systems. User access and security of all IT systems are critical elements to the operations of the Company. The Company's operations depend, in part, on how well the Company and its suppliers protect networks, equipment, IT systems and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, hacking, computer viruses, vandalism and theft. The Company's operations also depend

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any IT failure pertaining to availability, access or system security could result in disruption for personnel and could adversely affect the reputation, operations or financial performance of the Company.

The Company's IT systems could be compromised by unauthorized parties attempting to extract business sensitive, confidential or personal information, corrupting information or disrupting business processes or by inadvertent or intentional actions by the Company's employees or vendors. A cyber security incident resulting in a security breach or failure to identify a security threat, could disrupt business and could result in the loss of business sensitive, confidential or personal information or other assets, as well as litigation, regulatory enforcement, violation of privacy and security laws and regulations and remediation costs.

Although to date the Company has not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that it will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Litigation Risk

All industries, including the mining industry, are subject to legal claims, with and without merit. Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation and dispute resolution process, the litigation process could take away from management time and efforts and the resolution of any particular legal proceeding to which the Company may become subject could have a material adverse effect on the Company's financial position, results of operations or the Company property development.

Acquisitions and Integration

From time to time, the Company may examine opportunities to acquire additional mining assets and businesses. Any acquisition that the Company may choose to complete may be of a significant size, may change the scale of the Company's business and operations, and may expose the Company to new geographic, political, operating, financial and geological risks. The Company's success in its acquisition activities depends on its ability to identify suitable acquisition candidates, negotiate acceptable terms for any such acquisition, and integrate the acquired operations successfully with those of the Company. Any acquisitions would be accompanied by risks. For example, there may be a significant change in commodity prices after the Company has committed to complete the transaction and established the purchase price or exchange ratio; a material property may prove to be below expectations; the Company may have difficulty integrating and assimilating the operations and personnel of any acquired companies, realizing anticipated synergies and maximizing the financial and strategic position of the combined enterprise, and maintaining uniform standards, policies and controls across the organization; the integration of the acquired business or assets may disrupt the Company's ongoing business and its relationships with employees, customers, suppliers and contractors; and the acquired business or assets may have unknown liabilities which may be significant. In the event that the Company chooses to raise debt capital to finance any such acquisition, the Company's leverage will be increased. If the Company chooses to use equity as consideration for such acquisition, existing shareholders may experience dilution. Alternatively, the Company may choose to finance any such acquisition with its existing resources. There can be no assurance that the Company would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

No Dividends

No dividends on the Common Shares have been paid by the Company to date and the Company may not declare or pay any cash dividends in the foreseeable future. Any payments of dividends will be dependent upon the financial requirements of the Company to finance future growth, the financial condition of the Company and other factors which the Company's Board may consider appropriate in the circumstances.

Shareholder Activism

Publicly traded companies are often subject to demands or publicity campaigns from activist shareholders advocating for changes to corporate governance practices, such as executive compensation practices, social issues, or for certain corporate actions or reorganizations. There can be no assurance that the Company will not be subject to any such campaign, including proxy contests, media campaigns, or other activities. Responding to challenges from activist shareholders can be costly and time consuming and may have an adverse effect on the Company's reputation. In addition, responding to such campaigns would likely divert the attention and resources of the Company's management, which could have an adverse effect on the Company's business and results of operations. Even if the Company were to undertake changes or actions in response to activism, activist shareholders may continue to promote or attempt to effect further changes and may attempt to acquire control of the Company. If shareholder activists are ultimately elected to the Board, this could adversely affect the Company's business and future operations. This type of activism can also create uncertainty about the Company's future strategic direction, resulting in loss of future business opportunities, which could adversely affect the Company's business, future operations, profitability, and the Company's ability to attract and retain qualified personnel.

ADDITIONAL TECHNICAL NOTES

Metres is represented by "m"; "ETW" is Estimated True Width and is based on drill hole geometry or comparisons with other on-section drill holes; "Au" refers to gold, and "Ag" refers to silver; "gpt" or "g/t" is grams per metric tonne; "mt" refers to millions of metric tonnes; "kt" refers to thousands of metric tonnes; "oz" or "ozs" refers to troy ounces and "koz" refers to thousands of troy ounces; some figures may not sum due to rounding; Composite assay grades presented in summary tables are calculated using a Au grade minimum average of 0.20 gpt or 1.0 gpt as indicated in "Au Cut-off" column of Summary Tables. Maximum internal waste included in any reported composite interval is 3.00 m. The 1.00 gpt Au cut-off is used to define higher-grade "cores" within the lower-grade halo.

Gold equivalent grades are calculated based on an assumed gold price of US\$1,950 per ounce and silver price of \$25.24 per ounce, based on the formula $\text{AuEq grade (gpt)} = \text{Au grade} + (\text{Ag grade} \times \$25.24 / \$1,950)$. Metallurgical recoveries are not considered in the in-situ grade estimate but are estimated to be 95.6% and 81% for gold and silver, respectively, when processed in a mill, and 73% and 25% respectively when heap-leached. Additional details will be available in the forthcoming associated Los Reyes Technical Report.

NEWS RELEASES WITH SUPPORTING TECHNICAL DATA

Refer to the following news releases, published on SEDAR, for additional technical data:

- *PRIME INTERCEPTS HIGH GRADES AT LAS PRIMAS AND RECORD HIGH GRADES AT GUADALUPE EAST* dated January 10, 2024.
- *PRIME ANNOUNCES 2024 OUTLOOK FOR ITS HIGH-GRADE LOS REYES GOLD-SILVER PROJECT* dated January 24, 2024.
- *PRIME INTERSECTS 3.74 GPT AUEQ OVER 5.7M AT Z-T IN NEW HIGH-GRADE MINERALIZED ZONE 350M BEYOND CURRENT RESOURCE PIT WHILE EXTENDING HIGH-GRADE SHOOT AT DEPTH* dated February 6, 2024.
- *PRIME RELEASES FINAL 2023 DRILLING RESULTS AND RECAP FROM LOS REYES* dated February 21, 2024.
- *Prime Discovers New High-Grade Shoot Containing 7.68 g/t gold-equivalent over 7.7 m* dated April 10, 2024.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

- *Prime Reports 11.8 gpt gold-equivalent over 3.0 metres at Las Primas And Continues to Discover High Grades at Shallow Depths* dated April 17, 2024.
- *Prime Extends High-Grade Silver and Gold Mineralization at Guadalupe East* dated May 28, 2024.
- *Prime Intersects 7 gpt Gold-Equivalent over 2.9m at Z-T* dated June 25, 2024.
- *Prime Intersects 9.4 gpt Gold Equivalent over 10.5 metres at Tahonitas in the Z-T Trend* dated September 3, 2024.
- *Prime Reports Significantly Expanded Gold and Silver Mineral Resource with Exceptional Upside Potential at its Los Reyes Property* dated October 15, 2024.
- *Prime Tahonitas Footwall Discovery: Intersects New Continuous High-Grade Veins at Tahonitas in the Z-T Trend* dated January 15, 2025.
- *Prime's Central Trend Continues to Deliver Strong Grades and Continuity, Defining a 400-metre High-Grade Shoot at Noche Buena* dated January 30, 2025.
- *Prime's Fresnillo Generative Target Extended by 120 metres* dated February 24, 2025.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This MD&A includes “forward-looking statements”, within the meaning of applicable 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 statements. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results could differ materially from any estimates, forecasts, predictions, projections, assumptions, or other future performance suggested herein.

Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “budget”, “plan”, “continue”, “estimate”, “expect”, “forecast”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar words suggesting future outcomes or statements regarding an outlook. These statements do not take into account the effect of transactions or other items announced or occurring after the statements are made. Forward-looking statements are based upon a number of expectations and assumptions and are subject to certain risks and uncertainties, many of which are beyond our control, that could cause actual results to differ materially from those that are disclosed in or implied by such statements.

These forward-looking statements may include but are not limited to statements concerning:

- The Company's success at completing future financings;
- The Company's strategies and objectives;
- The completion of further exploration and development activity at the Los Reyes Project;
- General business and economic conditions;
- General political climate; and
- The Company's ability to meet its financial obligations as they become due.

Although the Company believes that the assumptions and expectations reflected in such forward-looking statements are reasonable, we can give no assurance that these assumptions and expectations will prove to be correct, and since forward-looking statements inherently involve risks and uncertainties, undue reliance should not be placed on such statements. Events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied, by these forward-looking statements. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, investors in securities of the Company should not place undue reliance on these forward-looking statements.

PRIME MINING CORP.

Management's Discussion and Analysis

For the years ended December 31, 2024 and 2023

(In Canadian dollars, except where noted)

CAUTIONARY NOTES TO U.S. INVESTORS CONCERNING RESOURCE ESTIMATES

This MD&A has been prepared in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of the U.S. securities laws. In particular, and without limiting the generality of the foregoing, the terms "mineral reserve", "proven mineral reserve", "probable mineral reserve", "inferred mineral resources," "indicated mineral resources," "measured mineral resources" and "mineral resources" used or referenced in this presentation are Canadian mineral disclosure terms as defined in accordance with NI 43-101 under the guidelines set out in the CIM Standards. The CIM Standards differ from the mineral property disclosure requirements of the U.S. Securities and Exchange Commission (the "SEC") in Regulation S-K Subpart 1300 (the "SEC Modernization Rules") under the U.S. Securities Act of 1933, as amended (the "Securities Act"). As a foreign private issuer that is eligible to file reports with the SEC pursuant to the multijurisdictional disclosure system, the Company is not required to provide disclosure on its mineral properties under the SEC Modernization Rules and will continue to provide disclosure under NI 43-101 and the CIM Standards. Accordingly, the Company's disclosure of mineralization and other technical information may differ significantly from the information that would be disclosed had the Company prepared the information under the standards adopted under the SEC Modernization Rules.

QUALIFIED PERSON

Scientific and technical information contained in this MD&A was reviewed and approved by the Company's EVP, Exploration, Scott Smith, P. Geo, a "qualified person" as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects.