

Drilling Intercepts 35 Metres of 4.9 gpt Gold Extending Los Reyes Z-T Structure 450 Metres

Vancouver, February 17, 2022 – Prime Mining Corp. (“Prime” or the “Company”) (TSX-V: PRYM, OTCQB: PRMNF, Frankfurt: 04V3) announces new drill results that continue to expand known mineralized structures at its wholly-owned Los Reyes gold-silver project (“Los Reyes”) in Sinaloa State, Mexico.

Results reported today are from 17 new core holes from the Company’s exploration program targeting the northern extension of the Zapote-Tahonitas structure (“Z-T Structure”). Seven of the 17 core holes are near the historical underground Mariposa Mine and the other 10 new core holes are from Zapote North (see Figures 1 and 2) in a previously untested mineralized gap between Zapote North and Mariposa. These holes confirm that gold-silver mineralization extends from Zapote North to Mariposa, increasing the total length of the gold-silver mineralized Z-T Structure by 450 metres (“m”) to approximately 3.0 kilometres. (“km”)

Holes reported today are from Phase 1 drilling through October 30, 2021, and Phase 2 drilling that began November 1, 2021. Approximately 15,000 m of the planned 50,000 m Phase 2 drill program are targeting the Mariposa, Zapote North, Zapote South and Tahonitas gold-silver mineral deposits that make up the Z-T Structure (see Figure 2). There are currently 3 drill rigs working on the west side of the property at the Z-T Structure and 5-rigs working on the east side of the property at the Guadalupe and El Orito structures. The Company continues to work with the assay laboratory to resolve, and where possible accelerate, the previously reported current backlog of drill hole samples requiring assaying. The assay turnaround time is now 6-8 weeks, including completion of QA/QC procedures. Despite the assay delays, the efficient ramp up of drilling and mobilization of a reverse circulation drill rig has kept Phase 2 progress on target with 21,530 m, comprising 69 holes, already drilled including approximately 5,440 m in November, 4,550 m in December and 6,850 m in January.

Highlight Drill Intercepts

Mariposa Step Out Drilling

- 4.89 grams per tonne (“gpt”) gold (“Au”) and 22.2 gpt silver (“Ag”) over 35.3 m (34.7 m estimated true width (“etw”) including 23.13 g/t Au and 61.4 g/t Ag over 2.9 m (2.9 m etw) and 41.50 g/t Au and 40.4 g/t Ag over 1.5 m (1.5 m etw) plus 1.08 gpt Au and 18.4 gpt Ag over 2.4 m (2.3 m etw) (21MA-06);
- 1.34 gpt Au and 24.5 gpt Ag over 16.7 m (12.8 m etw) including 3.22 g/t Au and 36.2 g/t Ag over 2.5 m (1.9 m etw) and 1.27 g/t Au and 5.8 g/t Ag over 1.4 m (1.0 m etw) (21MA-01); and,
- 3.06 gpt Au and 30.2 gpt Ag over 1.5 m (1.5 m etw) (21MA-03).

Zapote North Step Out Drilling

- 1.29 gpt Au and 25.7 gpt Ag over 10.5 m (7.4 m etw), including 4.93 gpt Au and 42.3 gpt Ag over 0.8 m (0.5 m etw) and 2.74 gpt Au and 40.5 gpt Ag over 1.9 m (1.3 m etw) (21ZAP-28); and,
- 1.00 gpt Au and 5.6 gpt Ag over 12.0 m (10.4 m etw) (21ZAP-39),

Daniel Kunz, Prime’s Chief Executive Officer, commented: “Connecting Mariposa to Zapote North is an important development for the evolving Z-T Structure. Drilling on the Z-T Structure continues to target Zapote North to further evaluate the new Mariposa extension and Zapote South and Tahonitas to better define and expand the higher-grade, potentially open-pit mineable material identified to date. Drilling is also focused on exploring the down dip, potentially underground mineable extensions that are below the current depths of known boiling zone mineralization. To-date for Phase 1 and 2 combined, Prime already drilled 191 holes totalling 47,200 metres.”

Z-T Structure and Mariposa

The Mariposa Mine is situated within the continuation of the Z-T Structure. The historical workings occur on three levels with the small-scale mine centred on a 35° change in strike of the structure from ~300° in the southeast to 265° in the northwest. This strike change is similar to the flexure in the Zapote South deposit and is probably responsible for, or related to, the development of a dilation zone with localization of higher-grade mineralization.

Stockwork structures with greenish coloured quartz have been observed at Mariposa. In the historical underground mine, the mineralized structure is exposed in a 135-m long, 3 m wide adit with several drifts and cross cuts. Historical reports indicate that there are several other adits along the structure. The Z-T Structure consists of quartz veins, stringer zones and quartz breccias that range from 5 to 35+ m wide with the structure averaging between 15 and 20 m wide over its recently expanded 3.0 km length.

Figure 3 shows a new grade shell longitudinal section demonstrating the connecting mineralization between Zapote North and Mariposa. At Zapote-North, the apparent optimum elevation for higher-grade deposition appears to be between 710 m and 580 m above sea level (“masl”) (see Figure 4). At Mariposa, the apparent optimum elevation for higher-grade deposition appears to be between 650 m and 500 masl (see Figure 5). Silver has an uneven distribution throughout the mineralized system, but in general, higher-grade silver appears to be correlated with higher-grade gold. Phase 2 drilling continues to evaluate the continuity of mineralization in the gap between Zapote North and the higher-grade intercept in 21MA-06 at Mariposa.

Table 1: Drill Holes includes all the drill hole intercepts reported in this release and Table 2: All Drill Holes provides data from all the previously reported Phase 1 and Phase 2 drill hole intercepts to date for Los Reyes.

Link 1- [PDF Figures 1 through 5](#)

Link 2 – [PDF Drill Hole Table 1 and Table 2](#)

QA/QC Protocols and Sampling Procedures

Drill core at the Los Reyes project is drilled in predominately HQ size (63.5 millimetre “mm”), reducing to NQ or BQ size ranges (47.6 mm and 36.5 mm respectively) when required. Drill core samples are generally 1.50 m long along the core axis with allowance for shorter or longer intervals if required to suit geological constraints. Each entire hole is split, and one half is submitted for assay. Sample QA/QC measures of unmarked certified reference materials, blanks, and field duplicates as well as preparation duplicates are inserted into the sample sequence and make up approximately 8% of the samples submitted to the lab for each drill hole.

Samples are picked up from the Project by the laboratory personnel and transported to their facilities in Durango or Hermosillo Mexico, for sample preparation. Sample analysis is carried out by Bureau Veritas and ALS Labs, with fire assay, including over limits fire assay reanalysis, completed at their respective Hermosillo, Mexico laboratories and multi-element analysis in North Vancouver, British Columbia, Canada. Drill core sample preparation includes fine crushing of the sample to at least 70% passing less than 2 mm, sample splitting using a riffle splitter, and pulverizing a 250-gram split to at least 85% passing 75 microns.

Gold in diamond drill core is analyzed by fire assay and atomic absorption spectroscopy of a 30 g sample (code FA430 or Au-AA23). Multi-element chemistry is analyzed by 4-Acid digestion of a 0.25-gram

sample split (code MA300 or ME-ICP61) with detection by inductively coupled plasma emission spectrometer for a full suite of elements.

Gold assay techniques FA430 and Au-AA23 have an upper detection limit of 10 ppm. Any sample that produces an over-limit gold value via the initial assay technique is sent for gravimetric finish via method FA-530 or Au-GRA21. Silver analyses by MA300 and ME-ICP61 have an upper limit of 200 ppm and 100 ppm, respectively. Samples with over-limit silver values are reanalyzed by fire assay with gravimetric finish FA530 or Au-GRA21.

Both Bureau Veritas and ALS Labs are ISO/IEC accredited assay laboratories. Drill core assay results range from below detection to 93.80 gpt gold and 4,955.0 gpt silver. Composite intervals use a cut-off grade of 0.20 gpt gold.

Qualified Person

Scott Smith, P.Geo., Executive Vice President of Exploration, is a qualified person for the purposes of National Instrument 43-101 and has reviewed and approved the technical content in this news release.

Los Reyes Gold and Silver Project

Los Reyes is a rapidly evolving high-grade, low sulphidation epithermal gold-silver project located in Sinaloa, Mexico, within the prolific Sierra Madre mining region. 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 USD 20 million on exploration, engineering, and prefeasibility studies. The Project remains underexplored as only 40% of the known structures have been systematically drilled, leaving 10 kilometres of untested strike length. Los Reyes holds potential for additional discovery and resource expansion.

Prime Mining acquired Los Reyes in 2019, completed initial data compilation that included 51,000 metres of historical drilling, field mapping and trenching in 2020, and in 2021, executed a Phase 1 exploration program that included 25,650 metres of drilling. Results suggest the eight known deposits are much larger than previously reported and potential exists for new discoveries outside of current defined resource areas. The Company is currently undertaking a 50,000 metre Phase 2 exploration program.

About Prime Mining

Prime Mining (member of the TSX Venture 50) is an ideal mix of successful mining executives, strong capital markets personnel, and experienced local operators focused on unlocking the full potential of the high-grade Los Reyes Gold-Silver Project in Mexico. Prime Mining has a well-planned capital structure with significant team and insider ownership.

ON BEHALF OF THE BOARD OF DIRECTORS

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Forward Looking Information

This news release contains certain “forward-looking information” and “forward-looking statements” within the meaning of Canadian securities legislation as may be amended from time to time, including, without limitation, statements regarding the perceived merit of the Company’s properties, including additional exploration potential of Los Reyes, potential quantity and/or grade of minerals, the potential size of the mineralized zone, metallurgical recoveries, the timing and results of permitting and the Company’s exploration and development plans in Mexico and expectations on the potential extension of the expired mineral concessions and granting of new mineral concessions with respect to El Rey. Forward-looking statements are statements that are not historical facts which address events, results, outcomes, or developments that the Company expects to occur. Forward-looking statements are based on the beliefs, estimates and opinions of the Company’s management on the date the statements are made, and they involve several risks and uncertainties. Certain material assumptions regarding such forward-looking statements were made, including without limitation, assumptions regarding the price of gold, silver and copper; the accuracy of mineral resource estimations; that there will be no material adverse change affecting the Company or its properties; that all required approvals will be obtained, including concession renewals and permitting; that political and legal developments will be consistent with current expectations; that currency and exchange rates will be consistent with current levels; and that there will be no significant disruptions affecting the Company or its properties. Consequently, there can be no assurances that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements involve significant known and unknown risks and uncertainties, which could cause actual results to differ materially from those anticipated. These risks include, but are not limited to: risks related to uncertainties inherent in the preparation of mineral resource estimates, including but not limited to changes to the cost assumptions, variations in quantity of mineralized material, grade or recovery rates, changes to geotechnical or hydrogeological considerations, failure of plant, equipment or processes, changes to availability of power or the power rates, ability to maintain social license, changes to interest or tax rates, changes in project parameters, delays and costs inherent to consulting and accommodating rights of local communities, environmental risks, title risks, including concession renewal, commodity price and exchange rate fluctuations, risks relating to COVID-19, delays in or failure to receive access agreements or amended permits, risks inherent in the estimation of mineral

resources; and risks associated with executing the Company's objectives and strategies, including costs and expenses, as well as those risk factors discussed in the Company's most recently filed management's discussion and analysis, as well as its annual information form dated August 31, 2021, available on www.sedar.com. Except as required by the securities disclosure laws and regulations applicable to the Company, the Company undertakes no obligation to update these forward-looking statements if management's beliefs, estimates or opinions, or other factors, should change.