

Prime Intercepts 62 gpt Au and 978 gpt Ag over 3.6 Metres in Step Out Drilling at Guadalupe East

VANCOUVER, British Columbia, June 01, 2022 -- **Prime Mining Corp. (“Prime” or the “Company”)** (TSX-V: PRYM, OTCQB: PRMNF, Frankfurt: 04V3) announces additional Phase 2 drill results from 12 step out drill holes at the Guadalupe East deposit. Guadalupe East is one of eight known gold-silver deposits that comprise the current resource at Los Reyes (see Figure 1).

Highlight Drill Intercepts

Guadalupe East

- 22GE-53 has 4 intercepts - 61.99 grams per tonne (“gpt”) gold (“Au”) and 977.6 gpt silver (“Ag”) over 3.6 metres (“m”) estimated true width (“etw”); and
 - 9.67 gpt Au and 314.0 gpt Ag over 1.1 m etw;
 - 3.01 gpt Au and 220.0 gpt Ag over 1.0 m etw;
 - 5.90 gpt Au and 341.0 gpt Ag over 0.7 m etw.
- 22GE-48 has 9 intercepts - 2.93 gpt Au and 61.6 gpt Ag over 6.1 m etw; and
 - 4.29 gpt Au and 125.5 gpt Ag over 3.75 m etw;
 - 1.78 gpt Au and 81.9 gpt Ag over 1.5 m etw;
 - 3.19 gpt Au and 34.1 gpt Ag over 1.5 m etw;
 - 3.68 gpt Au and 161.0 gpt Ag over 1.2 m etw;
 - 2.31 gpt Au and 97.6 gpt Ag over 2.0 m etw;
 - 1.62 gpt Au and 120.0 gpt Ag over 1.5 m etw;
 - 1.16 gpt Au and 79.3 gpt Ag over 3.8 m etw;
 - 1.24 gpt Au and 88.0 gpt Ag over 1.5 m etw.
- 22GE-45 - 12.79 gpt Au and 300.2 gpt Ag over 3.3 m etw.
- 22GE-51 - 3.01 gpt Au and 161.0 gpt Ag over 0.6 m etw; and
 - 1.25 gpt Au and 26.9 gpt Ag over 1.5 m etw.
- 22GE-46 - 1.95 gpt Au and 154.9 gpt Ag over 2.4 m etw.

Chief Executive Officer, Daniel Kunz commented, “The high-grade drill results reported today will continue to expand the resource potential at Guadalupe East considerably. We are encouraged by multiple intercepts of high-grade gold-silver mineralization being encountered in individual drill holes on the west end of this area. We await assay results from more step out drill holes and expect to report these results as soon as they become available. Ongoing drilling has now defined the Guadalupe East vein group length over 420 metres and the total strike length of the Guadalupe East vein system now over 1,000 metres.”

Since the inception of the Company, Prime has drilled approximately 75,002 m and completed 283 holes at Los Reyes. As a result of greater efficiencies and operational successes, the current phase 2 program, originally planned at 50,000 m, is going to be expanded significantly as crews have now completed 49,350 m with drilling planned to continue until the end of October. To date, 161 Phase 2 drill holes have been completed and eight drills continue to operate. Including the drilling results herein, 196 drill holes have been released and 87 are pending.

Guadalupe East

Phase 2 drilling at Guadalupe East has been highly successful in identifying significant potential to expand the pit-constrained resource within the Estaca mineralized system. To date, Phase 2 drilling has targeted only a small portion of the over 1,000 m long Estaca Vein and a vertical height of at least 400 m. The vein mineralization is still open along strike and up dip to the surface. A trail used by previous historic mining has been identified using detailed LIDAR data that once restored can lead to year-round drilling, shorter drill holes at Guadalupe East as well as an improved angle into the orebody.

Twelve new drill holes are being released (see Table 1 and 2), 10 of which successfully intersected the main Estaca Vein system (see Figures 2, 3, and 4). Six drill holes intersected high-grade gold and silver mineralization below the current pit-constrained resource, while four holes were widely spaced and drilled to the east of the pit-constrained resource (one hole was abandoned at 30 m due to technical issues and redrilled with slight change to direction and dip). All holes intercepted the high-grade Estaca epithermal vein with 22GE-48 and 53 each intercepting a vein group within the Estaca zone within and 50 m below the pit-constrained resource.

The six drill holes (22GE-45, 46, 48, 51, 53 and 60) with high-grade mineralized intercepts below the pit-constrained resource limits demonstrate strong potential for near-pit resource expansion. The main intercepts in 22GE-53 started 50 m below the pit

-constrained resource and encountered old workings. It had a 11.2 m interval (474 to 485.2 m) that included 5.3 m of high-grade mineralization (no waste intervals) and 3 different stopes/workings totaling 5.0 m, with backfill encountered in the first stope/working that returned 13.7 gpt over 1.7 m. Drill holes (22GE-50R, 52, 55R, 56R and 58) were drilled 250 to 600 m east of the boundary of the pit-constrained resource and up to 200 m east of the nearest drill intersection. Drill hole 22GE-55R was abandoned at 30 m due to technical issues on the drill rig and was redrilled with a slight change to direction and dip (22GE-58).

[Link 1 – PDF Figures](#)

[Link 2 – PDF Drill Hole Tables](#)

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. RC drilling returns rock chips and fines from a 133.35 mm diameter tricone bit. The returns are homogenized and split into 2 halves, one submitted for analysis and the other stored.

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 163.0 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.Geol., 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, a 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

Daniel Kunz

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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.