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Prize Mining Enters Agreement to Acquire the Manto Negro Copper Project in Mexico

Canada NewsWire

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CALGARY, Nov. 23, 2017 /CNW/ - **PRIZE MINING CORPORATION** ("Prize" or the "Company") (TSXV:PRZ) (OTCQB: PRZFF) (MQSP:GR:FRANKFURT) is pleased to announce that it has entered into an agreement pursuant to which it has agreed to indirectly acquire a 100% interest the Manto Negro Copper Project in exchange for 6 million common shares (the "Acquisition"). The Project is not encumbered by any royalties.

The Manto Negro Copper Project

The Manto Negro Copper Project consists of seven mining concessions covering a total of 17,959 hectares and is located in the State of Coahuilla approximately 315 km northwest of Monterrey, Mexico and 100 km west of Monclova.

The Project has been the subject of exploration programs consisting of drilling, sampling and trenching over the past number of years and is considered to be a brownfield project. In addition, prior operators have constructed roads on the Project which will facilitate future exploration and development programs.

At least 35 showings on the Project have been the subject of the historical work, including metallurgy. The grades of historical sampling, trenching and drilling range from 0.73% to 5.55% Cu, 19 to 793 g/t Ag, 1.5 to 15% Pb and 0.3 to 3.64% Zn.

The Project is identified as a stratabound Cu-Ag (+/- Pb-Zn) oxidized "Red Bed type" copper deposit analogous to the Zambian and DRC Copper Belts. The Project area is hosted by Cretaceous carbonates and sandstones with exposures of mineralization being identified in numerous locations occurring in concordant layers ranging from 2 to 23 metres thick that are referred to as "Mantos". Exposures of this mineralization have been identified over the 50-kilometre length of the Project running northwest-southeast along the Sierra San Marcos y Pinos mountain range. The regulatory and community environment for the Project is favorable and exploration access agreements for the exploration and development of the project are already in place with local communities.

"In our search for a great quality exploration and development copper asset, Prize looked for three key things: good grade and favorable metallurgy, size and exploration upside potential and the ability to bring the project into near term production to take advantage of a rising copper market" states Feisal Somji President and CEO of Prize. "The average grade of samples taken from a large number of showings throughout the Manto Negro Copper Project range from 1.5 to 2% Cu and 60 to 90 g/t Ag, with many showings having average grades well above this range. The Project has excellent exploration potential extending over 50 kilometres in length giving ample opportunity to put together world class tonnage. Lastly, this is a near surface oxidized deposit and the existing metallurgical information suggests straightforward and relatively inexpensive processing options."

The Acquisition

The Manto Negro Copper Project is owned by Scion Mines S.A. de C.V. ("Scion"). Prize has agreed to issue 6 million common shares (the "Purchase Price Shares") in exchange for 100% of the shares of Scion. The 6 million Purchase Price Shares will be subject to a 3-year lock-up and restricted resale period during which they may not be sold or otherwise transferred. Ten percent of the Purchase Price Shares will be released from the lock-up upon closing of the Acquisition and an additional 15% will be released on each of the 6, 12, 18, 24, 30 and 36-month anniversaries of the closing date. The Company

has agreed to issue up to an additional 6 million common shares (the "Bonus Shares") to Scion's shareholder upon the satisfaction of the following conditions:

- 2 million Bonus Shares if the estimated copper resource of the Manto Negro Copper Project (as determined in accordance with NI 43-101 and set out in a technical report prepared in accordance with NI 43-101) is equal to or greater than 500 million pounds.
- 2 million Bonus Shares if the estimated copper resource of the Manto Negro Copper Project (as determined in accordance with NI 43-101 and set out in a technical report prepared in accordance with NI 43-101) is equal to or greater than 750 million pounds.
- 2 million Bonus Shares if the estimated copper resource of the Manto Negro Copper Project (as determined in accordance with NI 43-101 and set out in a technical report prepared in accordance with NI 43-101) is equal to or greater than 1 billion pounds.

The completion of the Acquisition remains subject to the satisfaction of customary closing conditions, including the acceptance of the TSX Venture Exchange. The Manto Negro Copper Project is not presently considered to be a property material to Prize.

"The acquisition of the Manto Negro Copper Project in no way diminishes Prize's expectations and excitement on the Kena/Daylight Gold Project in BC." Comments Feisal Somji. "The Company continues to move ahead with the Daylight and Toughnut exploration program and we anticipate releasing the first set of assay results from our drilling program in December. With this Acquisition, Prize is now a two commodity, two jurisdiction company which allows us to build strength, reduce risk and meet its business model to grow our asset value on our balance sheet and move towards near term production."

William Dynes P.Geol., a Qualified Person under NI 43-101, has reviewed and approved the scientific and technical information in this news release.

About Prize Mining Corp.

Prize is a Calgary-based junior mining issuer with offices in Calgary, Alta., and is listed on the TSX Venture Exchange. Prize is engaged in the acquisition, exploration and development of mining properties. Find out more at: www.prizemining.com.

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Reader Advisory

Forward-Looking Statements. This news release contains forward-looking statements. More particularly, this document contains statements concerning the option to acquire the Toughnut Property. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "scheduled", "potential", or other similar words, or statements that certain events or conditions "may", "should" or "could" occur.

The forward-looking statements are based on certain key expectations and assumptions made by Prize, including expectations and assumptions concerning timing of receipt of required regulatory approvals, the satisfaction of other conditions to the completion of the Acquisition and the exploration and development prospects for the Manto Negro Copper Project.

Although Prize believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Prize can give no assurance that they will prove to be correct. There is no assurance that Prize will complete the Acquisition and acquire Scion and the Manto Negro Copper Project nor is there any assurance that the future exploration programs on the Project will be successful. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks that required regulatory and third party approvals and consents are not obtained on terms satisfactory to the parties within the timelines

provided for and risks that other conditions to the completion of the transactions are not satisfied on the timelines set forth in this news release or at all. Other factors that might cause actual results or future events to differ from the forward-looking statements include, but are not limited to, changes in the worldwide price of precious metals and commodities, the speculative nature of mineral exploration and development, operating or technical difficulties in connection with the Company's exploration and development programs, the future demand for minerals, the future price of minerals, increasing costs as a result of inflation or scarcity of human resources and input materials or equipment.

The reader is cautioned that assumptions used in the preparation of such information, although considered reasonable by the Company at the time of preparation, may prove to be incorrect and readers are cautioned not to place undue reliance on forward-looking information, which speaks only as of the date hereof. The Company does not undertake any obligation to release publicly any revisions to forward-looking information contained herein to reflect events or circumstances that occur after the date hereof or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

SOURCE Prize Mining Corporation

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