

Prize Mining Reports Results from Diamond Drilling at the Manto Negro Copper Project, Mexico and Provides Corporate Update

VANCOUVER, Dec. 20, 2018 /CNW/ - **PRIZE MINING CORPORATION** ("Prize" or the "Company") (TSXV:PRZ) (OTCQB:PRZFF) (MQSP:GR:FRANKFURT) announces that step-out diamond drill holes at the Pilar Grande area of the Manto Negro Copper Project in Coahuila State, Mexico continues to intersect copper-silver mineralization. Drilling at the El Granizo site has encountered complex faulting that is yet to be fully interpreted as to the impact on mineralization.

"Our first drill program at the Pilar Grande and El Granizo areas continues to provide important geological information on the continuity of copper-silver mineralization", stated Michael McPhie, President & CEO of Prize Mining. *"In detail, the areas are more structurally complex than we had anticipated but our geologists are working on an interpretation that will help guide our ongoing drill program."*

As reported on November 14, 2018, the first two holes from each of the El Granizo and Pilar Grande Mine areas intersected consistent thicknesses and relatively consistent grades of copper and silver. Holes DDHDI-18-03 and 05 at Pilar Grande intersected similar mineralization, while hole DDHDI-18-04 returned no significant values.

At El Granizo, holes DDHMN-18-03 to 07 appear to have been drilled within a fault block that is not mineralized at the same horizon as the first two holes. The main north-easterly trending faults defining this block are therefore interpreted to be pre-mineral and likely played a role in localizing metalliferous brines. As such, it is possible that a separate, lower mineralized horizon exists. If the structures are post-mineral, then a simple offset of the mineralization would be expected.

Highlights of Drill Intersections

Hole Number	Area	From (m)	To (m)	Width (m)	Cu %	Ag g/t
DDHDI-18-03	Pilar Grande	85.75	87.80	2.05	0.59	20
DDHDI-18-05	Pilar Grande	75.05	77.55	2.50	0.72	46
<i>Including</i>		75.05	75.60	0.55	1.43	126
<i>And</i>		77.10	77.55	0.45	1.74	87
DDHDI-18-05	Pilar Grande	80.90	83.05	2.15	0.79	37
DDHDI-18-05	Pilar Grande	87.70	90.60	2.90	0.72	24

Note: Intersections above are drilled core lengths. True thicknesses are thought to be approximately 80-90% of drilled lengths.

Due to performance issues, the drilling contractor has been changed and the program is continuing with a single rig at the moment with a new contractor. Performance has improved significantly as a result of this and production expectations are being met or exceeded on a daily basis. A second rig may be added in the New Year.

Copper-silver mineralization on the Manto Negro Project belongs to the category of sediment-hosted stratabound copper deposits, similar in style to the world class deposits of the Kupferschiefer in Poland.

Sampling QA/QC and Analysis

The Company followed a rigorous Quality Assurance/Quality Control program over the chain-of-custody of samples with the insertion of blanks and duplicates into the sample stream submitted to the laboratory for analysis. Sample preparation and analysis took place at the SGS facility in

Durango, Mexico.

The analysis completed on all samples was the 32 Element Package by 4-acid digestion and Inductively Coupled Plasma Optical Emission Spectrometry (ICP-OES) (package GE-ICP40B). Samples with Cu or Pb over the upper detection limit of 10,000 ppm were re-analyzed by Sodium Peroxide Fusion and ICP-OES (package GO-ICP90Q). Samples with Ag over the upper detection limit of 100 ppm were re-analyzed by Lead Fusion Fire Assay with Gravimetric Finish (package GO-FAG313).

Robert Archer, P.Geo., a Director of the Company, and a Qualified Person under NI 43-101, is the Company's nominated qualified person responsible for monitoring the supervision and quality control of the programs completed on the Company's properties. Mr. Archer has approved and verified the scientific and technical information in this news release.

Corporate Update

On June 21, 2018 Prize announced that the amount sought to be raised under a previously announced private placement had been increased to \$8 million and that the proceeds would be used for marketing, advertising and investor relations activities, corporate development and M&A financial advisory services, in addition to funding exploration programs on Prize's Manto Negro Copper Project and Kena Gold Project, property payments, and general and administrative expenses. On July 9, 2018, Prize announced that the initial tranche of this private placement was completed for proceeds of \$6.5 million and that the net proceeds were intended to be used by the Company for:

1. Marketing, advertising and Investor Relations activities;
2. Corporate Development and M&A financial advisory services;
3. Drilling, geological, engineering and metallurgical investigations and associated consulting services on the Manto Negro Copper Project located in Coahuila State, Mexico;
4. Property payments/leases/option payments, and
5. Corporate General and Administrative expenses.

As of the date of this release the company has completed two drilling programs at the Kena Gold Project located in southeastern British Columbia since July of this year. That program has consisted of drilling a total of 20 holes and 3,886 meters (see Prize Press Release on December 12, 2018). The company has also been undertaking the first phase of drilling at the Manto Negro Copper Project in northeastern Mexico as discussed above. This initial 3,000 meter diamond drill program is ongoing now and assay results are pending.

In conjunction with the closing in July, the Company also entered into several contractual agreements (the "Agreements") for the provision of marketing, advertising and investor relation activities, corporate development and M&A advisory and financial accounting and advisory services. These Agreements totaled \$5.5 million, are prepaid and the services were to be carried out over a twelve-month period. On November 1, 2018 the Company reallocated it's corporate spending, cancelled and allocated \$1,220,000 from five agreements towards project related initiatives. Prize undertook this initiative to address revised corporate priorities and a focus on drilling and exploration opportunities at its properties in Mexico and British Columbia.

As part of the Company's ongoing evaluation of priorities and direction and our internal processes where we follow up with all of our contracts and consultants on a regular basis to evaluate their work and deliverables, the Company has decided to shift its focus on the remaining work programs associated with certain additional Agreements. These Agreements had an initial value of \$3,710,000 at inception. The Company has determined to cancel the remaining work associated with these Agreements and is in discussions with the service providers involved to facilitate that decision.

About Prize Mining Corp.

Prize is a junior mining issuer listed on the TSX Venture Exchange. Prize is focused on the exploration and development of the Manto Negro Copper Property in Mexico and the Kena Gold Property in BC. Find out more at: www.prizemining.com

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The forward-looking statements are based on certain key expectations and assumptions made by Prize, including the assay results of the 2018 diamond drilling program on Prize's Manto Negro Property and the demand for refunds under terminated Agreements. 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 the result of these exploration programs will be successful or that additional refunds under the Agreements will be received. 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, exploration risks and that required regulatory and third-party approvals and consents are not obtained on terms satisfactory to the parties within the timelines provided.

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.

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