

Prime Extends High-Grade Silver and Gold Mineralization at Guadalupe East

Drilling discovers 6.9 gpt gold-equivalent over 3.5 metres located 350m along strike from 2023 Resource pit bottom

VANCOUVER, British Columbia, May 28, 2024 -- **Prime Mining Corp. (“Prime” or the “Company”)** (TSX: PRYM) (OTCQX: PRMNF) (Frankfurt: 04V3) is reporting expansion drilling results from the Company’s Los Reyes Project (the “Project”), located in Sinaloa State, Mexico. These results are from 2024 drilling at the Guadalupe East Area within the Guadalupe Trend, and are not included in the Company’s May 2, 2023 Mineral Resource Estimate (“MRE”).

Expansion Drilling Highlights in the Guadalupe Trend

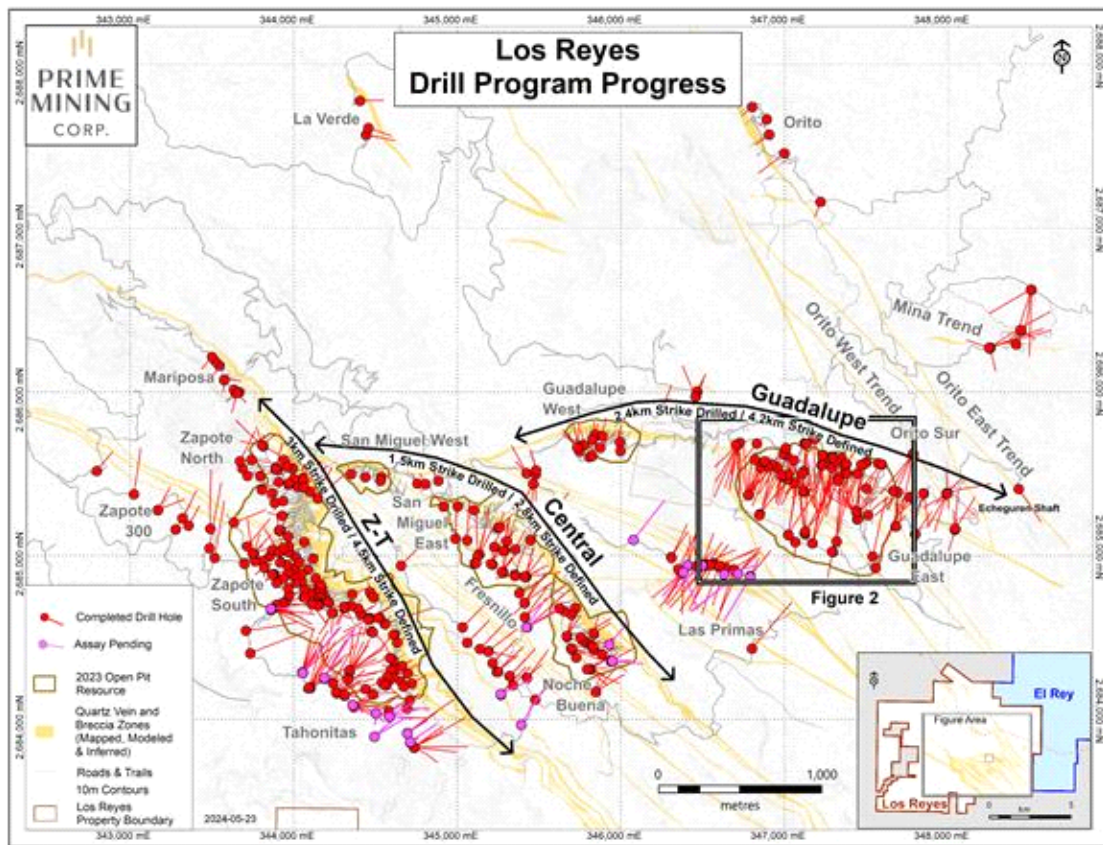
The Company is reporting 11 core holes at Guadalupe East with the following highlights:

- 6.9 grams per tonne (“gpt”) gold-equivalent (“AuEq”) (2.67 gpt Au and 326.6 gpt Ag) over 3.5 metres (“m”) estimated true width (“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.

Prime Mining Corp. Chief Executive Officer Scott Hicks commented, “Today’s results build upon the quality of mineralization that we continue to discover at Guadalupe East and indicate that mineralization remains open in all directions. This area continues to return impressive silver values in addition to gold, including an intercept assaying just over 2,600 grams per tonne in 24GE-159 – one of the highest-grade silver intercepts we have recorded on the property. These high-grade results indicate tremendous optionality between potential open pit or underground mining approaches.”

Scott Smith, Executive Vice President of Exploration, added, “These results demonstrate strong potential to grow the Guadalupe East Resource, having returned high gold-equivalent grades from multiple quartz veins over a significant strike length and vertical extent beyond our 2023 economic resource pits. Mineralization remains open in many directions including to the east under the 2023 economic Resource pit as seen in Figure 3 of today’s release. Further, given the similarities between Las Primas and Guadalupe East, we continue to explore for comparable mineralization and structures at Las Primas in 2024.”

Figure 1: Expansion drilling update



Guadalupe East Drill Hole Highlights¹

Hole ID	From (m)	To (m)	Interval (m)	ETW (m) ²	Au (gpt)	Ag (gpt)	AuEq ³	Au Cut-off ⁴
24GE-149	229.2	233.7	4.5	3.5	2.67	326.6	6.90	1.0
24GE-150	151.4	152.5	1.1	1.1	4.06	664.0	12.65	1.0
24GE-151	198.6	199.4	0.9	0.3	6.88	5.2	6.95	1.0
24GE-151	334.4	336.0	1.7	1.5	2.38	419.0	7.80	1.0
24GE-153	38.2	40.6	2.4	TBD	1.29	180.5	3.63	0.2
including	38.2	39.5	1.3	TBD	2.13	302.0	6.04	1.0
24GE-158	146.4	147.5	1.1	1.0	3.71	475.0	9.86	1.0
24GE-159	202.6	203.3	0.7	0.7	20.50	2620.0	54.41	1.0

Notes:

- 1) A complete table of assay results from all deposits and all secondary zones intersected utilizing a 0.20 gpt Au cut-off is on the Company's website.
- 2) Estimated True Widths (ETW) are estimated based on drill hole geology or comparisons with other on-section drill holes.
- 3) Au Equivalent (AuEq) is calculated as $Au\ gpt + (Ag\ gpt \times (\$22/\$1700))$ where \$22 and \$1700 are the price of one ounce of Ag and Au respectively (in US dollars).
- 4) 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.
- 5) "TBD" – to be determined: the highlighted intercepts in 24GE-153 are from newly discovered veins and further modeling is required to determined estimated true widths of these structures.

INTERPRETATION

The target of this drilling at Guadalupe East was high-grade antithetic veins stepping out to the west. Antithetic veins are footwall and hanging wall splays that intersect the main Estaca vein at Guadalupe East. High-grade areas or "clavos" are often present at these intersections.

Drill hole 24GE-149 is located approximately 350m along strike from, and at a similar elevation to, the MRE pit bottom.

Together with previously released 22GE-69R approximately 75m to the west, this represents a 425m extension to high-grade mineralization along strike from the current MRE pit bottom. These holes, along with high-grade 24GE-159, primarily targeted antithetic veins in the Estaca Vein hanging wall, and further emphasize the potential for Resource growth along multiple structures at Guadalupe East as well as the potential for underground extraction, after further study.

Given the multiple points of similarity between Las Primas and Guadalupe East (see Jan 10, 2024 news release), Prime continues drilling at the Las Primas “generative target” to identify similar mineralization and structures there.

The Guadalupe Trend hosts approximately one-half of the Indicated gold-equivalent ounces reported in the MRE. Z-T, Central and Guadalupe are the three main zones hosting the gold-silver MRE at the Los Reyes Project. The 2023 Technical Report outlining the MRE can be found on the Company’s website at <https://primeminingcorp.ca/> and on SEDAR at www.sedarplus.ca, under the Company’s Issuer Profile.

Figure 2: Guadalupe East Area drilling update

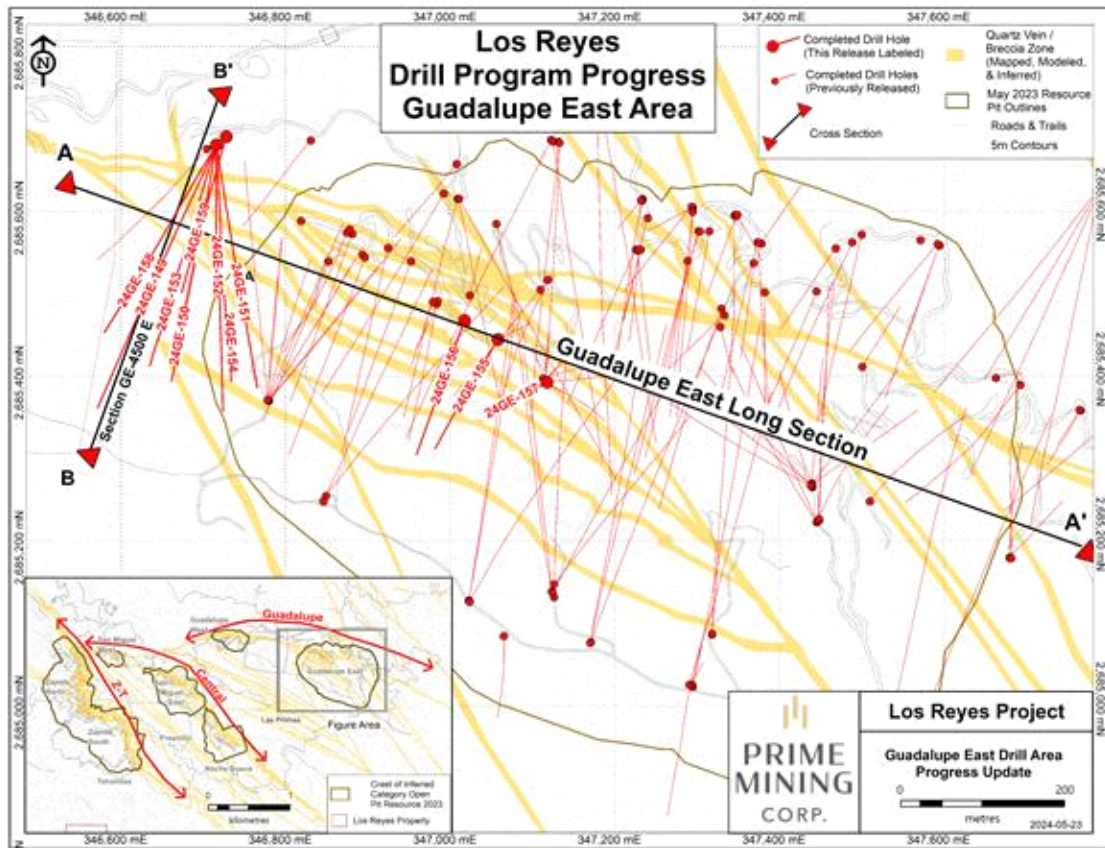


Figure 3: Guadalupe East Area long section with drill holes highlighted (A-A')

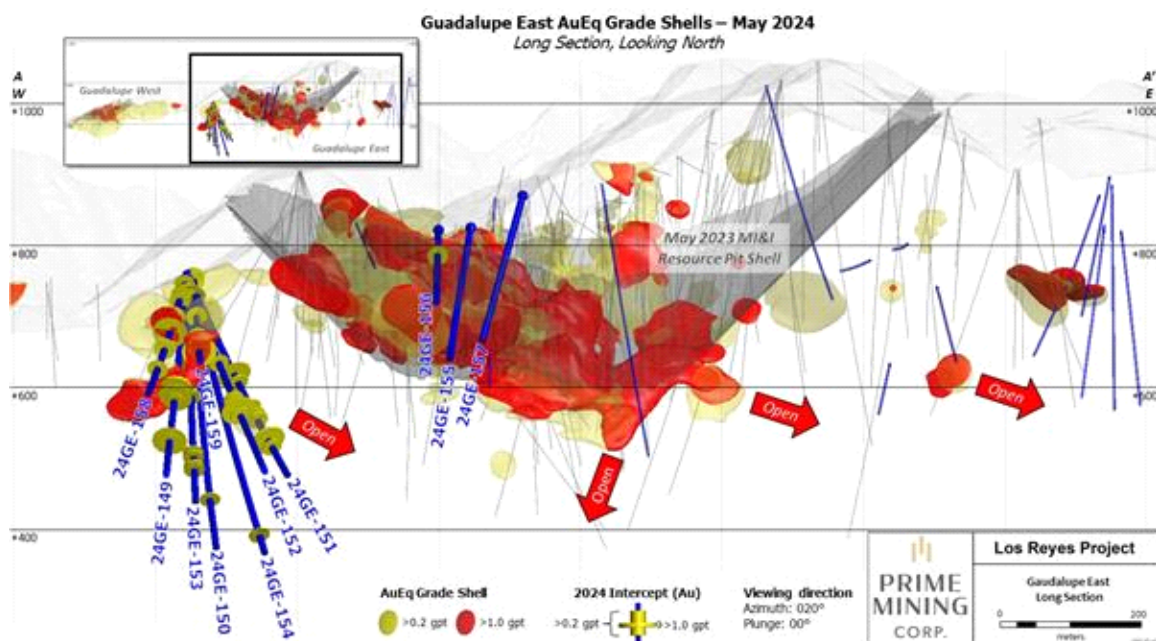
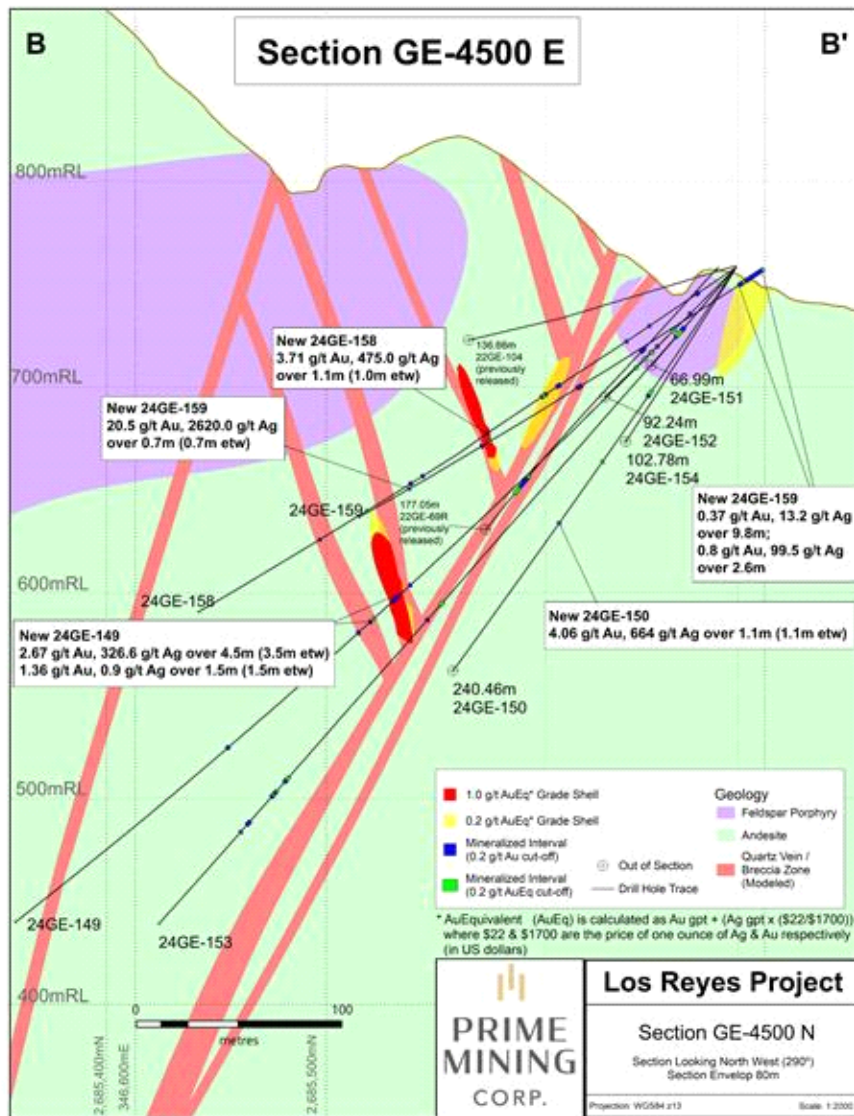


Figure 4: Guadalupe East Area cross section B-B'



2024 Outlook

Prime has completed over 24,000 metres of its targeted 40,000-metre 2024 drill program to-date (within budget) and will continue to evaluate drilling plans using its success-based approach. This evaluation will also include prioritization of targets based on probability of resource development and generative area discovery potential.

Four drill rigs are currently active on site at Los Reyes, with 2024 exploration focused on:

- Extending the **high-grade Z-T Trend** 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 Trend resource** through additions at Noche Buena and its connection to San Miguel East.
- **Generative target drilling of high-grade intercepts** at Las Primas, Mariposa, Fresnillo, Mina and others to further develop the resource potential at Los Reyes.

Links

Figures:

- [Figure 1](#) – Expansion drilling update
- [Figure 2](#) – Guadalupe East drilling update
- [Figure 3](#) – Guadalupe East long section with drill holes highlighted (A-A')
- [Figure 4](#) – Guadalupe East cross section (B-B')

Tables:

- [Table 1](#) – Drill Intercepts in this Release
- [Table 2](#) – Drill Intercepts to Date

About the Los Reyes Gold and Silver Project

Los Reyes is a rapidly evolving high-grade, low sulphidation epithermal gold-silver project located in Sinaloa State, Mexico. Since acquiring Los Reyes in 2019, Prime has spent approximately CAD\$52 million on direct exploration activities and has completed over 185,000 metres of drilling (to March 31, 2024). On May 2, 2023, Prime announced an updated multi-million-

ounce high-grade open pit constrained resource (see the May 2, 2023 press release for more details).

May 2, 2023 Resource Statement

Assurance Category	Ore Tonnes Mt	Average Gold Grade (g/t)	Contained Gold (k ozs)	Average Silver Grade (g/t)	Contained Silver (k ozs)	Average AuEq Grade (g/t)	Contained AuEq (k ozs)
Measured (M)	-	-	-	-	-	-	-
Indicated (I)	27.2	1.16	1,013	40.4	35,263	1.68	1,470
<i>M+I</i>	27.2	1.16	1,013	40.4	35,263	1.68	1,470
Inferred	18.1	0.85	497	31.52	18,334	1.26	734

Drilling is on-going and 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.

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 (47.6 mm) 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. After logging intervals are identified to be sampled, the core is cut 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, with one half submitted for analysis and the other half stored.

Sample QA/QC measures include 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 laboratory 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 re-analysis, completed at their respective Hermosillo, Mexico laboratories and multi-element analysis completed in North Vancouver, 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 re-analyzed by fire assay with gravimetric finish FA530 or Au-GRA21.

Both Bureau Veritas and ALS Labs are ISO/IEC accredited assay laboratories.

Additional 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" is grams per metric tonne; 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\$1,700 per ounce and silver price of \$22 per ounce, based on the formula $AuEq\ grade\ (gpt) = Au\ grade + (Ag\ grade \times (\$22 / \$1,700))$. Metallurgical recoveries are not considered in the in-situ grade estimate but are estimated to be 93% and 83% for gold and silver, respectively, when processed in a mill, and 72% and 25% respectively when heap-leached. See the June 12, 2023 Los Reyes Technical Report for additional details.

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.

About Prime Mining

Prime is managed by an ideal mix of successful mining executives, strong capital markets personnel and experienced local operators all focused on unlocking the full potential of the Los Reyes Project. The Company has a well-planned capital structure with a strong management team and insider ownership. Prime is targeting a material resource expansion at Los Reyes through a combination of new generative area discoveries and growth, while also building on technical de-risking activities to support eventual project development.

For further information, please visit <https://primeminingcorp.ca/> or direct enquiries to:

Scott Hicks

CEO & Director

Indi Gopinathan

VP Capital Markets & Business Development

Prime Mining Corp.
710 – 1030 West Georgia St.
Vancouver, BC V6E 2Y3 Canada
+1(604) 238-1659
info@primeminingcorp.ca

Cautionary Notes to U.S. Investors Concerning Resource Estimates

This news release 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 National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”) under the guidelines set out in the 2014 Canadian Institute of Mining, Metallurgy and Petroleum Standards for Mineral Resources and Mineral Reserves, Definitions and Guidelines, May 2014 (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.

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, and the Company’s exploration and development plans in Mexico. 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 21, 2023, available on www.sedarplus.ca. 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.

Photos accompanying this announcement are available at

<https://www.globenewswire.com/NewsRoom/AttachmentNg/8081859d-406a-4ada-a854-9bd7a21cfe5a>

<https://www.globenewswire.com/NewsRoom/AttachmentNg/2b9b6618-d419-4b1a-ac86-ba4cdbfa4d44>

<https://www.globenewswire.com/NewsRoom/AttachmentNg/bad15895-5179-4a7f-a74f-2221c0ffc29a>
<https://www.globenewswire.com/NewsRoom/AttachmentNg/bc8c4759-93b2-47ab-8dca-e356eff20cee>