

# Prime Mining Files NI 43-101 Technical Report for the High-Grade Los Reyes Gold-Silver Project 2024 Mineral Resource Estimate Inaugural Underground Resource Estimated and Overall Resource Expanded

VANCOUVER, British Columbia, Nov. 27, 2024 -- Prime Mining Corp. ("Prime" or the "Company") (TSV: PRYM) (OTCQX: PRMNF) (Frankfurt: O4V3) is pleased to announce the filing of a technical report for the updated mineral resource estimate ("MRE"), reported on October 15, 2024, for its Los Reyes gold-silver project ("Los Reyes" or the "Project") located in Sinaloa State, Mexico. The report, dated November 27, 2024, is titled "The Los Reyes Project, México Technical Report" (the "**2024 Technical Report**") and reflects drilling up to July 17, 2024.

The 2024 Technical Report was prepared under the supervision of Mr. John Sims, CPG. Mr. Sims is President of Sims Resources LLC and is an "Independent Qualified Person" in accordance with National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("**NI 43-101**"). The 2024 Technical Report supersedes the previous technical report on the Project dated effective May 2, 2023.

The 2024 Technical Report can be found on the Company's website at <https://primeminingcorp.ca/> and on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca), under the Company's Issuer Profile.

**Key Details of the MRE** (see Table 1 for summary and see Figure 1 for map):

**Open-Pit Milled Indicated and Inferred Resources** have grown to 1.27 million Indicated ounces gold-equivalent<sup>1</sup> ("AuEq") (24.7 million tonnes at 1.60 g/t AuEq) and 335,000 Inferred ounces AuEq (7.2 million tonnes at 1.45 g/t AuEq), respectively.

**New Underground Milled Indicated and Inferred Resources** of 664,000 Indicated ounces AuEq (4.1 million tonnes at 5.00 g/t AuEq) and 406,000 Inferred ounces AuEq (4.1 million tonnes at 3.12 g/t AuEq), respectively.

**Open Pit Heap Leach Indicated and Inferred Resources** have grown to 261,000 Indicated ounces AuEq (20.3 million tonnes at 0.40 g/t AuEq) and 76,000 Inferred ounces AuEq (5.9 million tonnes at 0.40 g/t AuEq), respectively.

## Resource Highlights:

- **Indicated Resources increased 49% to 2.2 million AuEq and Inferred Resources increased 11% to 0.8 million AuEq ozs compared to the May 2023 MRE.**
- Substantial resource growth from higher-grade open pit and underground zones, validating the Company's strategy of targeting a high-recovery, high-margin milling operation.
  - Milled Indicated Resources have grown 48% to 1.93 million AuEq ozs at 2.08 g/t AuEq.
  - Milled Inferred Resources have grown 19% to 0.74 million AuEq ozs at 2.05 g/t AuEq.
- Technical de-risking included in the updated MRE includes both higher gold recoveries based on extensive metallurgical test work and geotechnical parameter updates.
- The 2024 MRE includes an additional 86,650 metres drilled by Prime since the cutoff of the May 2023 MRE. In total, the 2024 MRE is based on 240,172 metres of drilling, of which Prime has drilled 191,451 metres. Prime's discovery cost is just over \$US 20 per resource ounce added since acquisition.
- Considerable upside potential: mineralization at Los Reyes remains open along strike and at depth, with the ongoing drill program targeting high-grade mineralization along both the northwest and southeast extensions of the Z-T Trend, the southeast extension of the Guadalupe and Central Trends, as well as emerging Generative Areas (see Figure 2).

**Table 1 – 2024 Resource Estimate**

(\$1950/oz gold price, \$25.24/oz silver price, economic-constrained estimate)<sup>2</sup>

Mining Method and Process	Class	Tonnage (kt)	Gold Grade (g/t)	Gold Contained (koz)	Silver Grade (g/t)	Silver Contained (koz)	Gold Equiv. (g/t)	Gold Equiv. (koz)	Silver Equiv. (g/t)	Silver Equiv. (koz)
Open Pit - Mill	Indicated	24,657	1.13	899	35.7	28,261	1.60	1,265	123.3	97,723
	Inferred	7,211	0.89	207	42.8	9,916	1.45	335	111.8	25,911
Underground	Indicated	4,132	3.02	402	152.4	20,243	5.00	664	386.1	51,290
	Inferred	4,055	2.10	273	78.6	10,247	3.12	406	240.7	31,380
Total Mill	Indicated	28,789	1.41	1,301	52.4	48,504	2.08	1,928	161.0	149,012
	Inferred	11,266	1.33	480	55.7	20,163	2.05	741	158.2	57,291
Open Pit - Heap Leach	Indicated	20,254	0.29	190	8.4	5,492	0.40	261	31.0	20,201
	Inferred	5,944	0.30	58	7.3	1,398	0.40	76	30.6	5,856
Total	Indicated	49,042	0.95	1,491	34.2	53,995	1.39	2,190	107.3	169,213
	Inferred	17,210	0.97	538	39.0	21,561	1.48	817	114.1	63,147

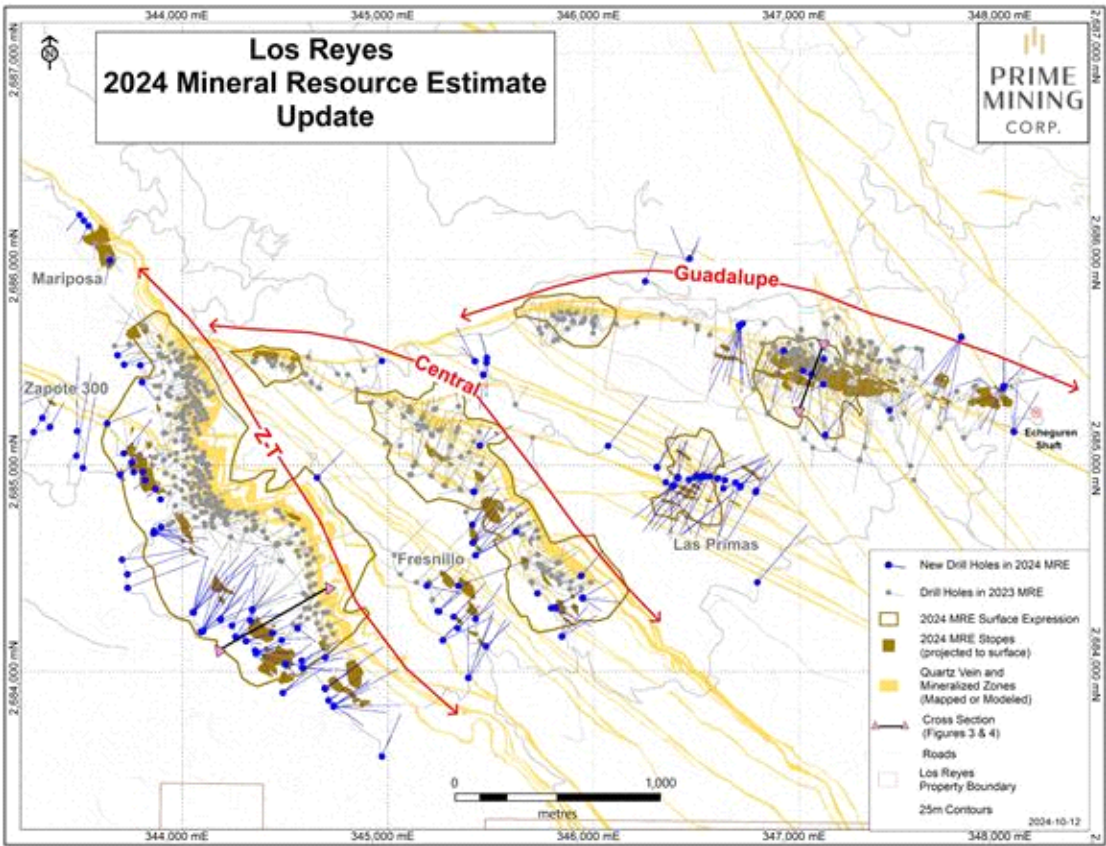
Underground Sensitivity<sup>3</sup>

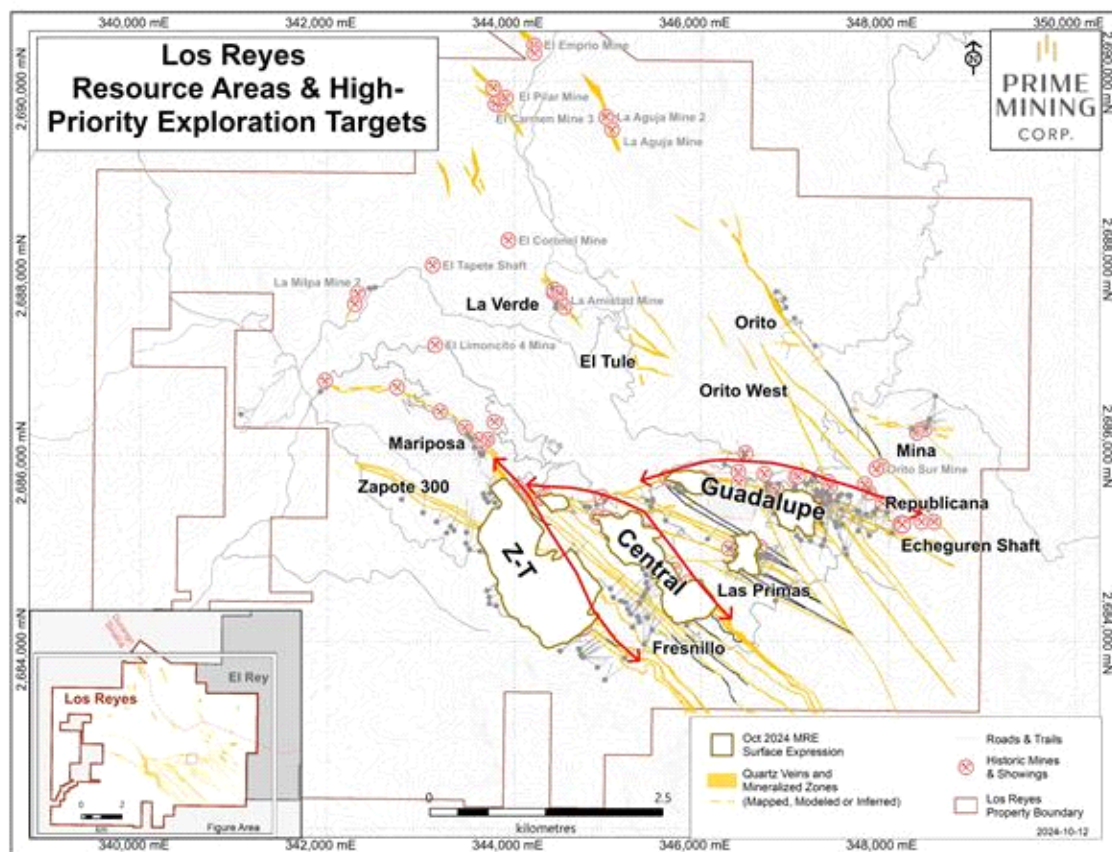
The Project is also amenable to a more substantial underground mining approach. In the following sensitivity table (Table 2), Los Reyes is assumed to be mined by underground methods, backfilled, and then economically-constrained residual open pits<sup>4</sup> are estimated at a 0.17 g/t Au only cutoff.

Table 2 – Sensitivity: Underground Mining Prioritized Scenario  
(\$1950/oz gold price, \$25.24/oz silver price, economic-constrained estimate)<sup>2</sup>

Mining Method	Class	Tonnage (kt)	Gold Grade (g/t)	Gold Contained (koz)	Silver Grade (g/t)	Silver Contained (koz)	Gold Equivalent (g/t)	Gold Equivalent (koz)	Silver Equivalent (g/t)	Silver Equivalent (koz)
Underground	Indicated	8,231	2.68	709	103.2	27,306	4.01	1,062	310.2	82,083
	Inferred	8,979	2.14	617	81.4	23,492	3.19	921	246.4	71,147
Open Pit (Residual)	Indicated	19,166	0.56	345	16.0	9,842	0.77	472	59.2	36,469
	Inferred	3,483	0.50	56	15.4	1,721	0.70	79	54.3	6,079
Total	Indicated	27,397	1.20	1,053	42.2	37,148	1.74	1,534	134.6	118,552
	Inferred	12,462	1.68	673	62.9	25,212	2.49	999	192.7	77,226

Figure 1 –Resource Areas and MRE Drilling





**Figure 2 – Current Resource Areas and High-Priority Exploration Target Locations**

## Notes

- Gold and silver equivalencies are calculated as in-situ contained precious metals, applying the assumed ratio of gold to silver prices using the following formula:  $\text{AuEq grade (g/t)} = \text{Gold grade (g/t)} + (\text{Silver grade (g/t)} \times \$25.24 / \$1950)$ . Silver equivalencies are calculated using the inverse of this ratio. Relative recoveries are not considered in the in-situ contained grade estimate but are stated below and utilized in the resource shell economic pit and Mineable Shape Optimizer constraints. All dollar values are in US dollars unless otherwise stated.
- Resource estimates are based on economically constrained open pits and underground stopes using the following optimization parameters (all dollar values are in US dollars):
  - \$1,950/ounce gold price and \$25.24/ounce silver price.
  - Mill recoveries of 95.6% and 81% for gold and silver, respectively.
  - Heap leach recoveries of 73% and 25% for gold and silver, respectively.
  - Economically constrained open pit estimates consider:
    - pit slopes by area ranging from 42-47 degrees overall slope angle
    - 5% ore loss and 5% dilution factor applied to the 5 x 5 x 5m open pit resource block models
    - Mining costs of \$2.00 per tonne of waste mined and \$2.50 per tonne of ore mined
    - G&A cost of \$2.00 per tonne of material processed
    - A 0.17 g/t gold only cutoff was applied to ex-pit processed material (which is above the heap-leaching net smelter return cutoff)
  - Mineable Shape Optimizer (“MSO”) estimation parameters applied to the 2.5 x 2.5 x 2.5m MSO resource block models:
    - Mechanized cut and fill mining with a \$60.00 per tonne cost
    - Diluted to a minimum 4m stope width with a 98% mining recovery
    - G&A cost of \$4.00 per tonne of material processed
  - Milling costs of \$16.81 per tonne and heap leaching costs of \$5.53 per tonne processed.
  - 3% royalty costs and 1% selling costs were also applied.
  - Mineral resources are not mineral reserves and do not have demonstrated economic viability.
- This and any other sensitivities presented are in lieu of, and not in addition to the 2024 MRE inventories.
- Where mentioned, “residual open pits” assumes that any underground stopes are backfilled with zero grade material at two-thirds of the original rock density. Economic-constrained open pits are then estimated with this mined-out,



backfilled material in the open pit block selective mining unit model and assuming the resource parameters above.

## 2024 Outlook

Given the results from Prime's success-based drilling program, the Company has expanded its fiscal 2024 program to 50,000 metres from 40,000 metres. The drill program 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.

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

- Extending the **high-grade Z-T Area** 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 Area 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.

## About the Los Reyes Gold and Silver Project

Los Reyes is a high-grade, low-sulphidation epithermal gold-silver project located in Sinaloa State, Mexico. Since acquiring Los Reyes in 2019, Prime has spent more than \$59 million on direct exploration activities and has completed over 210,000 metres of drilling. On October 15, 2024, Prime announced an updated multi-million-ounce high-grade open pit constrained resource based on exploration drilling up to July 17, 2024.

Drilling is ongoing 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 millimetres "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

Prime's MRE as of October 15, 2024 is classified in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum ("**CIM**") "**CIM Definition Standards - For Mineral Resources and Mineral Reserves**" adopted by the CIM Council (as amended, the "**CIM Definition Standards**") and in accordance with the requirements of NI 43-101. Mineral resources are not mineral reserves and do not have demonstrated economic viability.

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\$1,950 per ounce and silver price of \$25.24 per ounce, based on the formula  $\text{AuEq grade (gpt)} = \text{Au grade} + (\text{Ag grade} \times \$25.24 / \$1,950)$ . Metallurgical recoveries are not considered in the in-situ grade estimate but are estimated to be 95.6% and 81% for gold and silver, respectively, when processed in a mill, and 73% and 25% respectively when heap-leached. Additional details are available in the associated 2024 Technical Report.

### **Qualified Person**

John Sims, CPG, is a Qualified Person for the purposes of NI 43-101 and has reviewed and approved the technical content in this news release pertaining to the MRE.

Scott Smith, P.Geo., Executive Vice President of Exploration, is a Qualified Person for the purposes of NI 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 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://www.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](mailto: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 NI 43-101 under the guidelines set out in 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 and other future pandemics, 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 March 25, 2024, available on [www.sedarplus.ca](http://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/6500bd11-b746-41c5-864a-217f892be1aa>

<https://www.globenewswire.com/NewsRoom/AttachmentNg/4001c4e5-a609-48b2-862b-8ca93b8d53cb>

<https://www.globenewswire.com/NewsRoom/AttachmentNg/1f8df55c-f49e-4bc5-b27a-0edeecd1fc80>

<https://www.globenewswire.com/NewsRoom/AttachmentNg/5dd341c8-cc70-4b81-8c79-20baa47455c6>