

Prime Mining Warrant Exercise Provides Working Capital Exceeding \$31 Million

Vancouver, August 30, 2021 - – **Prime Mining Corp. (“Prime” or the “Company”)** (TSX-V: PRYM, OTCQB: PRMNF, Frankfurt: 04V3) is pleased to report that 19,040,256 common share purchase warrants, with an exercise price of C\$0.50 issued on August 28, 2019, have now been fully exercised prior to their August 28, 2021 expiry, resulting in 112,059,038 common shares being issued and outstanding in the Company. The exercise generated gross proceeds of C\$9.52 million, resulting in the Company’s cash position today exceeding C\$31.9 million.

From the 15,000 metre (“m”) Phase 1 diamond drill program at Los Reyes completed in June 2021, 29 unreported holes are expected to be released in the coming weeks. Since the completion of Phase 1, Prime has continued to operate 2 drills and completed an additional 4,537 metres in an extended Phase 1 program. In preparation for an active drilling campaign in the fall, Prime has engaged a third contractor, Maza Diamond Drilling, SA DE CV of Mazatlán, Sinaloa, Mexico, to add an additional drill. Three rigs will continue drilling until commencement of Phase 2 in about November.

Prime CEO Daniel Kunz comments, “As we continue to unlock value for our shareholders, the exercise of these warrants strengthens our cash position for ongoing exploration at Los Reyes. We are actively planning new drill hole locations for Phase 2 and have added a third drill contractor who begins drilling now in preparation for the much larger program.”

Los Reyes Gold and Silver Project

Los Reyes is a district scale low sulphidation epithermal gold-silver project located in a prolific mining region of Mexico. Over \$20 million in exploration, engineering and prefeasibility studies have been spent on the project over 2 1/2 decades by previous operators with development plans being held back due to declining gold prices. Historic data coupled with an existing and recently updated resource estimate has provided sufficient understanding to fast-track the project to production. However, there is substantial resource expansion upside based on open extensions of known deposits, multiple untested high priority exploration targets, and only 40% of the known structures systematically explored leaving 10 kilometres of untested strike length. Potential for significant growth of the resource remains strong.

Current Measured and Indicated pit-constrained oxide mineral resources from an April 2020 technical report include 19.8 million tonnes (‘mt’) containing 633,000 ounces of gold at 1.0 gpt and 16,604,000 ounces of silver at 26.2 gpt plus an additional 7.1 mt Inferred containing 179,000 ounces gold at 0.78 gpt and 6,831,000 ounces silver at 30 gpt.

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 who have united to undertake exploration drilling to expand the known gold-silver resource at the historically productive Los Reyes project in Mexico. Prime Mining has a well-planned capital structure with significant team and insider ownership.

The TSX Venture 50 is a ranking of the top performers in each of 5 industry sectors on the TSX Venture Exchange over the last year.

ON BEHALF OF THE BOARD OF DIRECTORS

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Forward Looking Information

Information set forth in this document may include forward-looking statements. While these statements reflect management's current plans, projections, and intents, by their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond the control of the Company. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on these forward-looking statements. There is no assurance the transactions noted above will be completed on the terms as contemplated, or at all. The Company's actual results, programs, activities, and financial position could differ materially from those expressed in or implied by these forward-looking statements.