

Prime Mining Announces Financial Results

Vancouver, British Columbia – August 12, 2022 – Prime Mining Corp. (“Prime”, or the “Company”) (TSX.V: PRYM) (OTCQB: PRMNF) (Frankfurt: O4V3) is pleased to report its operating and financial results for the three-month period ending June 30, 2022. Unless otherwise stated, all amounts are presented in Canadian dollars. Prime is focused on the exploration and development of its wholly owned Los Reyes Gold-Silver Project in Sinaloa State, Mexico (“Los Reyes” or the “Project”).

Prime Chief Executive Officer Daniel Kunz commented, “We are currently into the rainy season at Los Reyes but still have 5 drill rigs operating and already have completed 63,000 metres of drilling in Phase 2, for a total of 88,500 metres Phase 1 and 2 combined. In July 2022, the Company reported results from eight drill holes at the San Miguel East deposit, which were drilled down dip of the known structure at depth. All eight encountered mineralization with seven of the eight extending mineralization beyond the current historic resource. The southernmost hole, 22SME-11, with an 18-metre intercept returning 2.72 gpt Au and 129.8 gpt Ag (16.9 m etw), was intersected outside the previously reported pit-constrained resource.”

Corporate Highlights During the Quarter

On May 10th, the Company announced financial results for the three-month period, ending March 31st, 2022. On June 8th, the Company announced upgrading to trade on the OTCQX under the symbol PRMNF

Exploration Highlights During the Quarter

On April 12th, the Company announced positive drill results from 26 drill holes into its Guadalupe East deposit. These holes intercepted the high-grade Estaca, the San Nicolas and the San Manuel epithermal veins as well as other sub-parallel veins in the system.

On May 2nd, the Company announced new drill results expanding the Zapote North deposit. These results included 17 new holes targeting the northern extension of the Z-T Structure, including 2 holes from the Mariposa deposit. This drilling confirmed that gold-silver mineralization extends from Zapote North to Mariposa.

On June 1st, the Company announced 12 new step-out drill holes at the Guadalupe East deposit. Six of these holes intersected high-grade gold and silver mineralization below the current pit-constrained resource which demonstrated the strong potential for near-pit resource expansion.

On June 29th, the Company announced 20 additional assays from its expanded Phase 2 step-out and infill drilling program at the Tahonitas deposit on the western side of the project. These results continued to successfully identify shallow near surface mineralization as well as deeper mineralization down to 450 metres above sea level.

Maintaining Health and Safety Protocols

The Company continues to successfully mitigate the impact of Covid-19 on operations. To-date Covid-19 has not had a material effect on the Company’s activities. Prime remains engaged with local stakeholders and is proactive in monitoring employees and contractors during this uncertain period. The Company continues to closely adhere to the directives of all levels of government and relevant health authorities in Mexico and Canada.

Community Engagement and Environmental Stewardship Strategy

We continued to gather environmental and community data in the quarter to help support our ESG programs, including completion of a materiality assessment, strategic plan and disclosure matrix. We strive to minimize the environmental impact of our activities and ensure that Los Reyes has a positive impact on our host communities.

Selected Financial Data

The following selected financial data is summarized from the Company's consolidated financial statements and related notes thereto (the "Financial Statements") for the three and six months ended June 30, 2022. A copy of the Financial Statements and MD&A is available at www.primeminingcorp.ca or on SEDAR at www.sedar.com.

	Three months ended June 30, 2022	Three months ended July 31, 2021
Loss and comprehensive loss	\$7,063,916	\$4,046,624
Loss per share - basic and diluted	\$0.06	\$0.04

	June 30, 2022	December 31, 2021
Cash	\$14,441,284	\$27,413,707
Total assets	\$28,552,940	\$41,785,376
Total current liabilities	\$915,536	\$1,372,458
Total liabilities	\$1,779,915	\$2,470,784
Total shareholders' equity	\$26,773,025	\$39,314,592

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.

Los Reyes Gold and Silver Project

Los Reyes is a rapidly evolving high-grade, low sulphidation epithermal gold-silver project located in Sinaloa, Mexico, within the prolific Sierra Madre mining region. 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 USD 20 million on exploration, engineering, and prefeasibility studies. The Project remains underexplored as only 40% of the known structures have been systematically drilled, leaving 10 kilometres of untested strike length. Los Reyes holds potential for additional discovery and resource expansion.

Since acquiring Los Reyes in 2019, Prime has spent approximately US\$30 million on direct exploration activities and is nearing completion of two phases of comprehensive drilling totaling over 87,000 metres and growing. Results to date suggest the eight known deposits are much larger than previously reported and potential exists for new discoveries outside of current defined resource areas.

About Prime Mining

Prime Mining is an ideal mix of successful mining executives, strong capital markets personnel, and experienced local operators focused on unlocking the full potential of the high-grade Los Reyes Gold-Silver Project in Mexico. Prime Mining has a well-planned capital structure with significant team and insider ownership.

ON BEHALF OF THE BOARD OF DIRECTORS

Daniel Kunz

Chief Executive Officer

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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, the timing and results of permitting 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 a number of 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 April 22, 2022, available on www.sedar.com. 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.