

Prime Drills Several Bonanza Grade Intercepts in Guadalupe including 27.9 gpt Au and 509 gpt Ag over 2.3 Metres

Vancouver, October 24, 2022 – Prime Mining Corp. (“Prime” or the “Company”) (TSX-V: PRYM, OTCQB: PRMNF, Frankfurt: 04V3) announces further Phase 2 drill results from the Guadalupe area where Prime continues to delineate and expand the multi-million-ounce Los Reyes high-grade gold-silver deposit. Located in a highly prospective, 500-year-old mining-friendly district of Sinaloa, Mexico, Los Reyes and its three known gold-silver deposit areas (Guadalupe, Z-T and Central), has a mineralized footprint of over 15 square kilometres.

HIGHLIGHT DRILL INTERCEPTS:

- 27.9 gpt Au and 509 gpt Ag over 2.3m (estimated true width ‘ETW’ 2.2m) in hole 22GE-101
- 23.2 gpt Au and 2,550 gpt Ag over 1.5m (ETW 0.6m) in 22GE-116 and
- 6.08 gpt Au and 913 gpt Ag over 4.4m (ETW 1.9m) in 22GE-116
- 10.5 gpt Au and 284 gpt Ag over 1.8m (ETW 1.8m) in hole 22GE-106

These results are the highlights from 9 significant drill holes in the main Guadalupe deposit shown in detail in Figure 1. Seven of these holes are considered step-out, intersecting high-grade mineralization outside of the April 2020 pit-constrained resource shell. Drilling continues to identify multiple new high-grade mineralized intercepts along the Estaca Vein. Reported intercepts are up to 100 m to the west, 240 m to the east, and 100 m below the 2020 pit-constrained resource.

Drilling is also defining new areas of mineralization inside the current boundaries of the April 2020 resource that were previously classified as waste. Drilling has been successful in delineating a cluster of high-grade mineralized Estaca vein splays in the main Guadalupe deposit, outside of the Estaca Vein. For example, holes 22GE-101 and 22GE-106 intersected multiple mineralized zones ranging from 2m to over 17m estimated true width in the hanging wall of the Estaca Vein. Continued drilling success in these vein assemblages will add high-grade ore tonnes and reduce waste at Guadalupe East.

Chief Executive Officer, Daniel Kunz commented, “The high-grade drill results reported today continue to confirm and expand the resource potential at Guadalupe by several hundred metres along strike, at depth and down plunge. Multiple wide, high-grade gold and silver mineralized intercepts outside the current Guadalupe resource are expected to significantly increase the Los Reyes mineral resource update planned for the first half of 2023. Continued drilling and definition of the newly intercepted vein splays in the hanging wall outside of the main Estaca Vein should also enhance pit economics by lowering the overall strip ratio, converting what were previously considered waste blocks into ore, and contributing new high-grade high-margin ounces.” Executive Vice President of Exploration Scott Smith added, “We are also pleased with the number of intercepts we are encountering through each individual drill hole at Guadalupe. Recent drilling adjustments, targeting these steeply dipping sections of the vein structures, have yielded newly discovered bonanza grade veins as well as new, much longer intercepts of economic mineralization”.

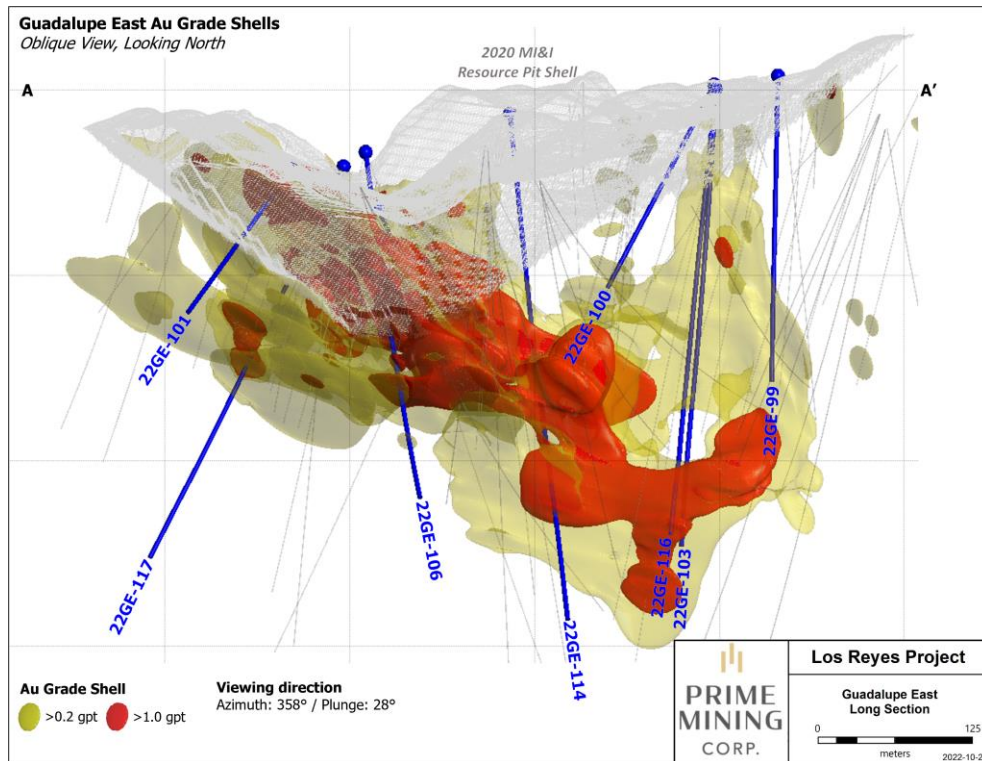


Figure 1: Guadalupe East Grade Shell Long Section

SIGNIFICANT INTERCEPTS FROM RECENT DRILLING AT GUADALUPE:

Drill Hole	From (m)	To (m)	Length (m)	ETW (m)	Au (g/t)	Ag (g/t)	Vein
22GE-99	159.0	162.0	3.0	2.7	2.9	56	San Nicolas
22GE-100	82.4	83.4	1.0	1.0	3.3	266	San Nicolas
22GE-101	42.0	54.0	12.0	11.8	2.7	88	Estaca Splays
<i>including</i>	42.0	45.0	3.0	3.0	4.4	218	
<i>and</i>	118.5	120.8	2.3	2.2	27.9	509	
<i>including</i>	120.0	120.8	0.8	0.7	77.9	1473	
22GE-103	79.0	82.7	3.7	3.7	0.6	29	San Nicolas
<i>and</i>	360.9	364.5	3.6	1.2	2.4	356	Estaca Vein
<i>including</i>	360.9	362.1	1.2	0.4	3.5	571	
<i>and</i>	374.1	374.8	0.7	0.2	1.3	102	
22GE-106	141.3	168.8	27.5	17.0	1.7	59	Estaca Vein
<i>including</i>	148.2	156.0	7.9	4.9	3.2	131	
<i>and</i>	172.1	176.0	3.9	3.9	1.1	28	
<i>including</i>	174.8	176.0	1.2	1.2	2.9	75	
<i>and</i>	185.5	192.3	6.8	6.8	1.7	51	

<i>and</i>	209.5	215.3	5.8	5.8	4.9	176	Estaca Splays
<i>including</i>	213.5	215.3	1.8	1.8	10.5	284	
<i>and</i>	263.4	265.5	2.1	2.1	2.5	113	
22GE-114	339.8	357.0	17.2	12.2	1.7	140	Estaca Vein
<i>including</i>	349.9	353.5	3.6	2.5	4.6	310	
<i>and</i>	360.0	370.0	10.0	7.1	1.2	124	
<i>and</i>	375.0	376.5	1.5	1.1	4.4	191	
22GE-115	0.0	9.0	9.0	4.5	0.7	47	Estaca Splays
22GE-116	334.9	335.7	0.8	0.3	7.1	1040	Estaca Splays
<i>and</i>	345.2	349.6	4.4	1.9	6.1	913	
<i>and</i>	350.4	351.0	0.6	0.3	22.9	1410	
<i>and</i>	360.4	368.6	8.2	3.5	4.9	614	
<i>including</i>	365.3	366.8	1.5	0.6	23.2	2550	
22GE-117	180.5	182.0	1.5	1.4	2.8	269	Estaca Splays
<i>And</i>	183.8	189.0	5.3	4.8	3.2	210	

Five drills have continued to operate during the current rainy season successfully completing 71,750 metres to date with Phase 2 drilling planned to continue until the end of October. To date, 250 Phase 2 drill holes have been completed, including the results from 78 holes that remain to be released, pending the completion of assays and QA/QC protocols.

Link 1- [PDF Figures](#)

Link 2 – [PDF Drill Hole Table](#)

Guadalupe Drilling Results and Interpretation

In addition to the significant intercepts shown above, Prime has released the full current assay table for the Guadalupe area (Link 2 above). While some of the holes included in that table are more exploratory in nature, holes targeting the key mineralized vein structures in Guadalupe continue to indicate potential high-grade, high-margin resource expanding ounces characteristic of the Guadalupe area. Included in these results are intersections of various structures, including previous underground workings. Where previous workings or stopes have encountered what has been interpreted as backfill material, these segments have been included in the table and identified as such in the ‘Vein’ column. While some of this material is mineralized and high-grade (for example, 7.1 g/t Au, 1,040 g/t Ag over 0.8 m and 6.4 g/t Au, 855 g/t Ag over 0.6 m in hole 22GE-116), it will be excluded from future reported resource inventories and will not influence interpolated resource block grades. Highlights and significant intercepts shown above only include what has been interpreted as in situ material, and do not include any assayed backfill material.

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 or BQ size ranges (47.6 mm and 36.5 mm respectively) 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 and split, 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. Drill core assay results range from below detection to 200.0 gpt gold and 4,955.0 gpt silver.

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.

Additional Notes

“ETW” is Estimated True Width and is based on drill hole geology or comparisons with other on-section drill holes; “Au” refers to gold, and “Ag” refers 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.

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. 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. The Project remains underexplored and 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 96,260 metres and growing. Results to date



suggest the three known main deposit areas, Guadalupe, Central and Z-T, are much larger than previously reported. Potential also exists for new discoveries outside of the currently defined resource areas.

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.

ON BEHALF OF THE BOARD OF DIRECTORS

Daniel Kunz

Chief Executive Officer

For further information, please contact:

Daniel Kunz

Chief Executive Officer and Director
Prime Mining Corp.

1307 S. Colorado Ave.

Boise, Idaho 83706

Telephone: +1 (208) 926-6379 office

email: daniel@primeminingcorp.ca

Scott Hicks

Executive Vice President

Prime Mining Corp.

710 – 1030 West Georgia Street

Vancouver, BC, V6E 2Y3

Telephone: +1 (604) 428-6128 office

email: scott.hicks@primeminingcorp.ca

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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, 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 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.