

PRIME INTERCEPTS HIGH GRADES AT LAS PRIMAS AND RECORD HIGH GRADES AT GUADALUPE EAST

Mineralization at Las Primas shows strong similarities to Guadalupe East

Vancouver, January 10, 2024 – Prime Mining Corp. (“Prime” or the “Company”) (TSX: PRYM) (OTCQX: PRMNF) (Frankfurt: 04V3) is reporting expansion and generative drill results from its 2023 drill program at the Company’s Los Reyes Project (the “Project”), located in Sinaloa State, Mexico.

Drilling at Las Primas has intercepted several new high grade mineralized structures that appear to have many similarities to Guadalupe East, located 500m to the northeast. This discovery highlights the potential at Las Primas, which lies entirely outside of the previously reported 2023 Mineral Resource Estimate (“MRE”). Early mineralization modeling suggests a vertical extent of over 300m and 450m along strike.

Drill hole 23GE-147 at Guadalupe East contains one of the highest grade intercepts ever recorded at the Project, with 45.3 gpt Au and 2,723 gpt Ag over 4.75m (80.6 gpt AuEq). 23GE-147 expands the very-high grade mineralization along several antithetic structures within the 2023 resource pit and returned substantially higher grades than previously estimated in many instances.

Drill Highlights - Generative

Las Primas Area

The Company is reporting five core holes at Las Primas. Highlights are listed below:

- 15.63 grams per tonne (“gpt”) gold-equivalent (“AuEq”) (11.60 gpt Au and 311.1 gpt Ag) over 4.5 metres (“m”) estimated true wide (“etw”) in hole 23LP-18, including:
 - 27.52 gpt AuEq (20.39 gpt Au and 550.8 gpt Ag) over 2.5 m etw, and including,
 - 56.28 gpt AuEq (41.90 gpt Au and 1,111.0 gpt Ag) over 1.1 m etw;
- 1.91 gpt AuEq (1.29 gpt Au and 47.7 gpt Ag) over 10.20 m etw in 23LP-20, including
 - 6.43 gpt AuEq (2.2 gpt Au and 327 gpt Ag) over 1.3 m etw;
- 1.89 gpt AuEq (0.73 gpt Au and 89.61 gpt Ag) over 2.6 m etw in hole 23LP-17, including:
 - 5.61 gpt AuEq (1.97 gpt Au and 281 gpt Ag) over 1.0 m etw.

Drill Highlights - Expansion

Guadalupe Zone

Guadalupe East Area

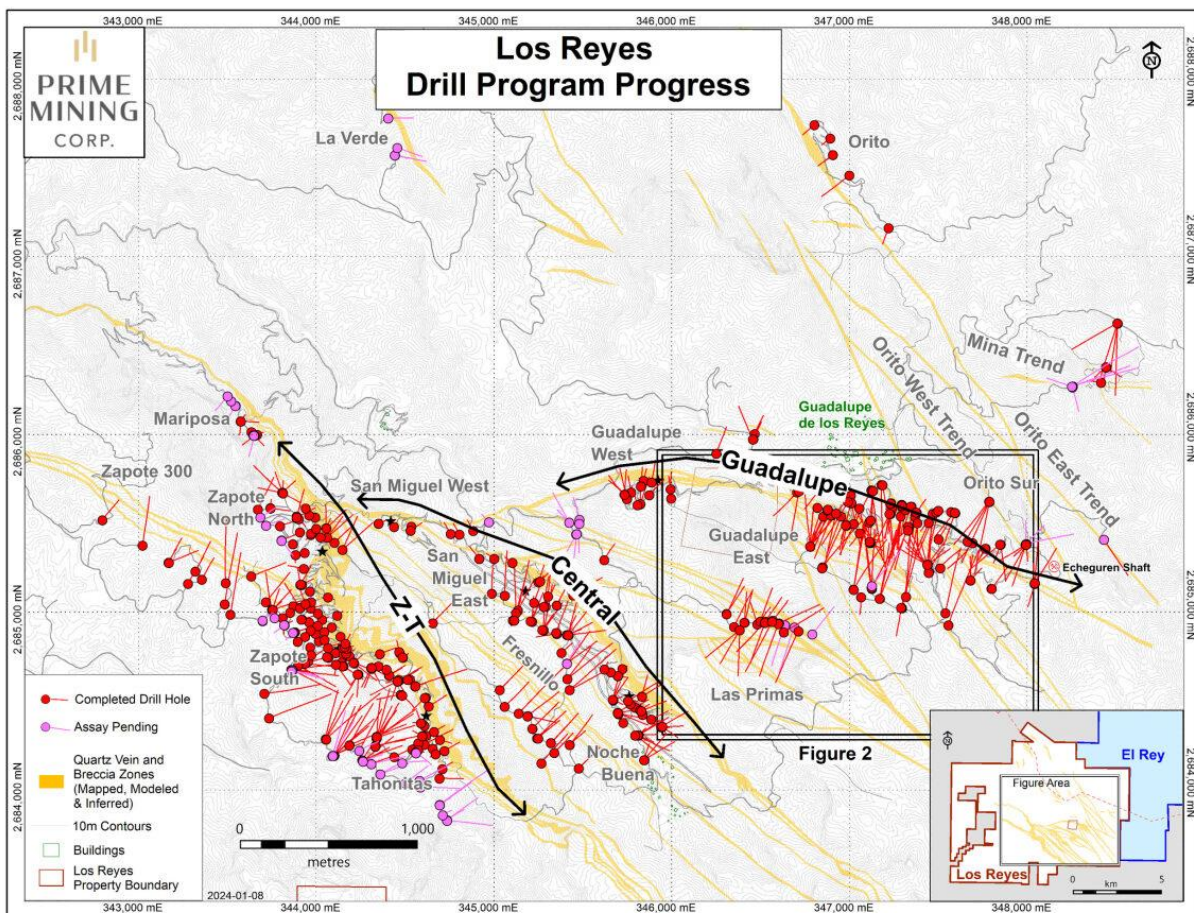
The Company is reporting one core hole at Guadalupe East. Highlights are listed below:

- 17.95 gpt AuEq (9.69 gpt Au and 638.55 gpt Ag) over 31.25 m etw in hole 23GE-147, including:
 - 52.67 gpt AuEq (29.41 gpt Au and 1,797.3 gpt Ag) over 6.45 m etw, and including,
 - 80.57 gpt AuEq (45.34 gpt Au and 2,722.6 gpt Ag) over 3.90 m etw.

Prime Mining Corp. Chief Executive Officer Daniel Kunz commented, “The incredibly high-grade intercepts at Guadalupe East are exciting from a resource expansion perspective. 23GE-147 lies almost entirely within the 2023 economic Resource pit. The upper intercepts returned higher grades than what was predicted in the MRE block model while the lower intercepts are in what was previously estimated to be waste in the model. This material has the potential to substantively increase economic ounces in this part of Guadalupe East in our next Resource update.”

Scott Smith, Executive Vice President of Exploration added, “We believe the currently defined veins at Las Primas may intersect at depth in a similar manner to that seen in the high-grade ‘flower’ structure in the Laija area of Guadalupe East. If confirmed, these structural intersections have the potential to host similarly large volumes of high-grade gold-silver mineralization. The results reported today represent a very exciting area of generative growth at Las Primas, and we look forward to developing our knowledge of this area in 2024.”

Figure 1: Drilling update



INTERPRETATION OF RESULTS

The drilling described in this news release is the result of Prime's success-based exploration program.

The Guadalupe Zone 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.

As noted earlier, Las Primas appears to have multiple points of similarity to Guadalupe East, including:

- Surface mapping and drill intercepts to date show a network of quartz veins similar to the Laija area of Guadalupe East, with antithetic, steeply NE-dipping veins emanating from steeply SW-dipping veins.
- High-grade silver, including multiple kilogram grades, which to-date have been unique to GE.
- Geochemical and Short-wave Infrared (SWIR) mineralogical analyses from Las Primas show similar pathfinder geochemistry and alteration mineralogy to Guadalupe East, with highly elevated silver to gold ratios, anomalous base metal concentrations, and pervasive adularia alteration observed in both target areas.

As noted above, the mineralization appears continuous along a strike length of 450m, measured from drill hole 23LP-13 (previously released) to 23LP-19.

Geologic modelling and interpretation continue at Las Primas, and the exploration team will use today's results to set priorities and drill targets for 2024 drilling.

Prime is targeting a material resource expansion at Los Reyes through a combination of new generative area discoveries and growth, such as those being reported today, in addition to ongoing expansion along strike and down dip within previously reported mineral resource areas.

Drill Hole Highlights ¹

Hole ID	From (m)	To (m)	Interval (m)	ETW (m) ²	Au (gpt)	Ag (gpt)	AuEq ³	Au Cut-off ⁴	Area / Structure
23LP-16	148.40	149.40	1.00	0.70	0.67	88.80	1.82	0.2	Las Primas
23LP-17	167.75	169.10	1.35	0.95	1.15	165.00	3.29	1.0	Las Primas
23LP-17	346.40	350.10	3.70	2.60	0.73	89.61	1.89	0.2	Las Primas
including	349.10	350.10	1.00	0.70	1.97	281.00	5.61	1.0	Las Primas
23LP-18	224.40	230.75	6.35	4.50	11.60	311.07	15.63	0.2	Las Primas
including	224.40	227.95	3.55	2.50	20.39	550.77	27.52	0.2	Las Primas
including	225.50	227.00	1.50	1.05	41.90	1111.00	56.28	0.2	Las Primas
23LP-19	343.00	343.80	0.80	0.55	2.88	347.00	7.37	1.0	Las Primas
23LP-20	333.00	334.60	1.60	1.15	1.73	215.44	4.52	1.0	Las Primas
23LP-20	426.30	438.10	11.80	10.20	1.29	47.71	1.91	0.2	Las Primas
including	428.00	430.40	2.40	2.10	3.67	3.34	3.71	1.0	Las Primas
including	428.00	429.05	1.05	0.90	6.76	6.10	6.84	1.0	Las Primas
& including	436.65	438.10	1.45	1.25	2.20	327.00	6.43	1.0	Las Primas
23GE-147	18.00	18.65	0.65	0.50	0.29	16.40	0.50	0.2	Guadalupe East
23GE-147	60.20	60.90	0.70	0.30	0.61	25.30	0.94	0.2	Estaca
23GE-147	68.75	74.35	5.60	2.35	0.93	29.66	1.31	0.2	Estaca
23GE-147	77.95	79.25	1.30	1.05	0.34	1.20	0.36	0.2	Estaca HW Splay
23GE-147	80.70	81.40	0.70	0.55	2.59	56.30	3.32	1.0	Estaca HW Splay
23GE-147	82.90	84.20	1.30	1.05	0.25	10.50	0.39	0.2	Estaca HW Splay
23GE-147	84.90	107.40	22.50	18.45	5.48	94.16	6.70	0.2	Estaca HW Splay
23GE-147	108.40	125.20	16.80	13.75	5.26	95.42	6.49	0.2	Estaca HW Splay
23GE-147	126.70	140.05	13.35	10.95	5.82	110.62	7.25	0.2	Estaca HW Splay
23GE-147	142.15	144.70	2.55	2.10	0.24	8.21	0.35	0.2	Estaca HW Splay
23GE-147	148.00	149.15	1.15	0.95	0.74	11.80	0.89	0.2	Estaca HW Splay
23GE-147	155.35	193.50	38.15	31.25	9.69	638.55	17.95	0.2	Estaca HW Splay
23GE-147	198.00	213.50	15.50	12.70	0.81	52.08	1.48	0.2	Estaca HW Splay
23GE-147	216.55	218.90	2.35	1.95	1.85	43.75	2.42	0.2	Estaca HW Splay
23GE-147	253.20	255.45	2.25	1.85	4.50	174.54	6.76	0.2	Estaca HW Splay
23GE-147	274.45	275.30	0.85	0.70	1.29	8.80	1.40	1.0	Estaca HW Splay
23GE-147	289.60	291.05	1.45	1.20	0.27	35.50	0.73	0.2	Estaca HW Splay

Table 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, as well as accompanying notes on composite grades.
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).

Figure 2: Las Primas and Guadalupe East drilling update

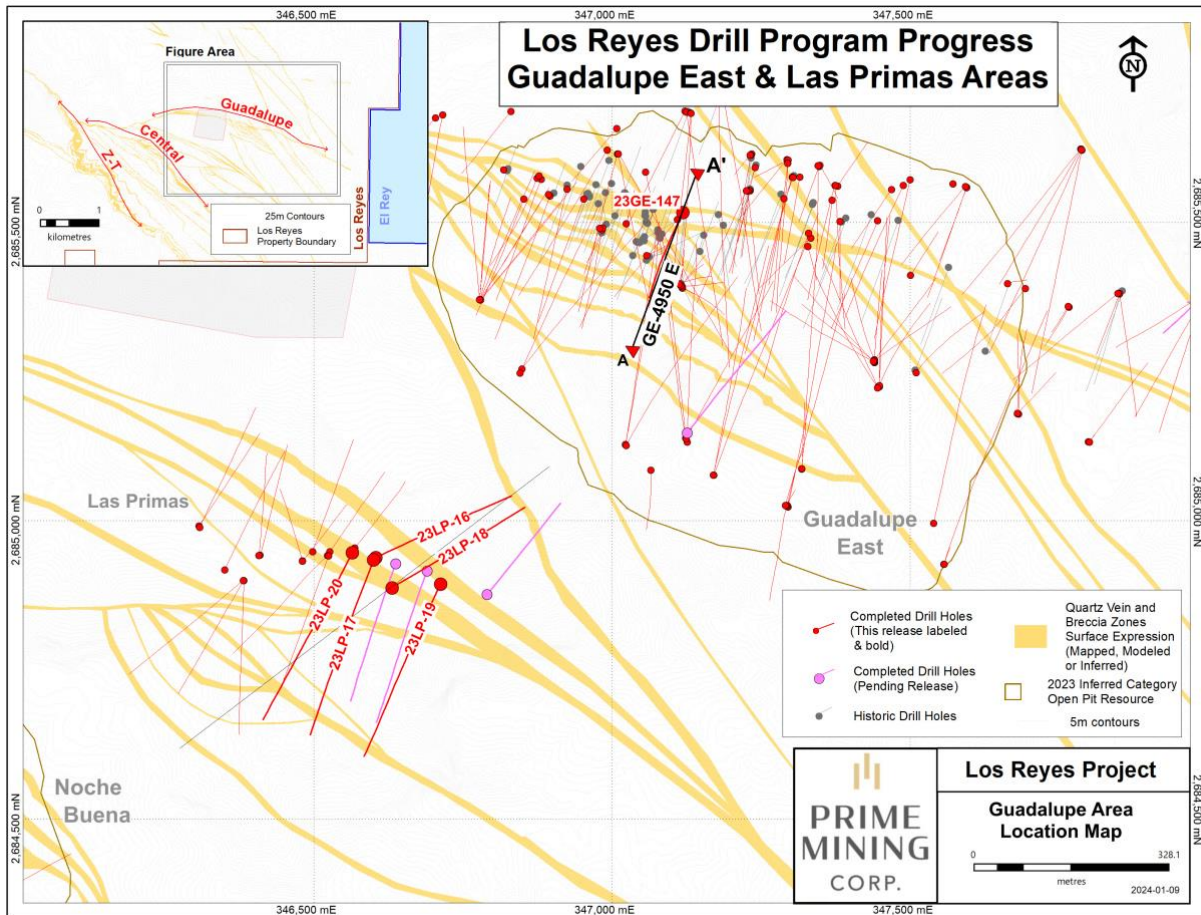


Figure 3: Las Primas and Guadalupe Drilling update with grade shells

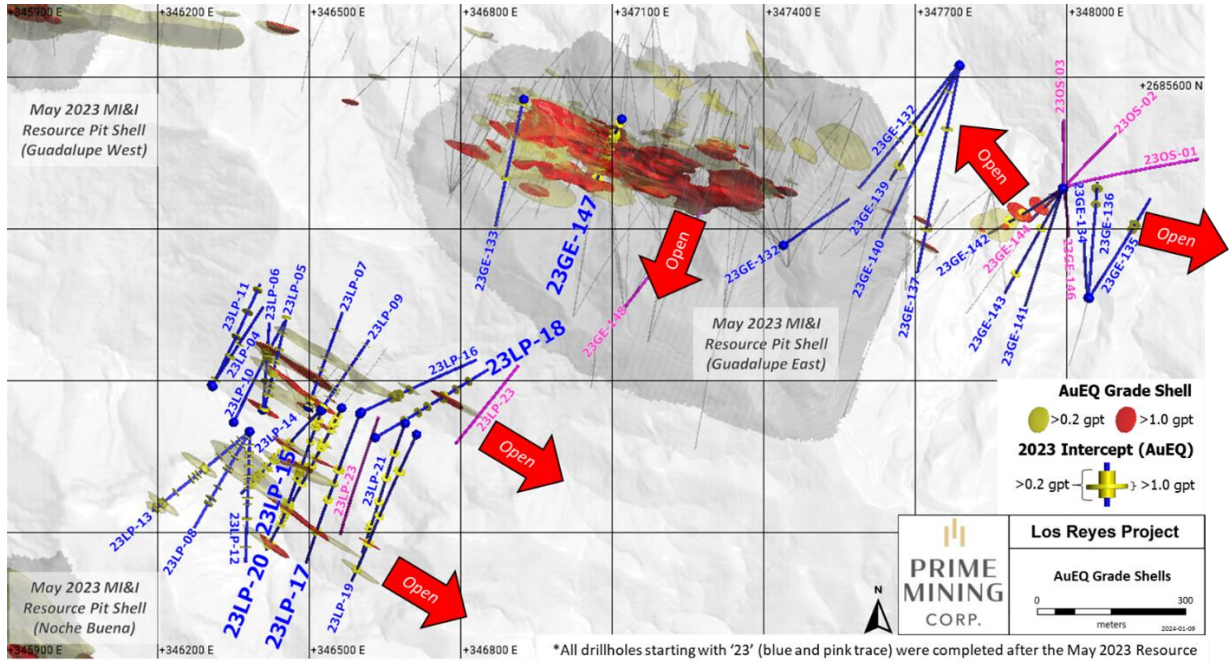
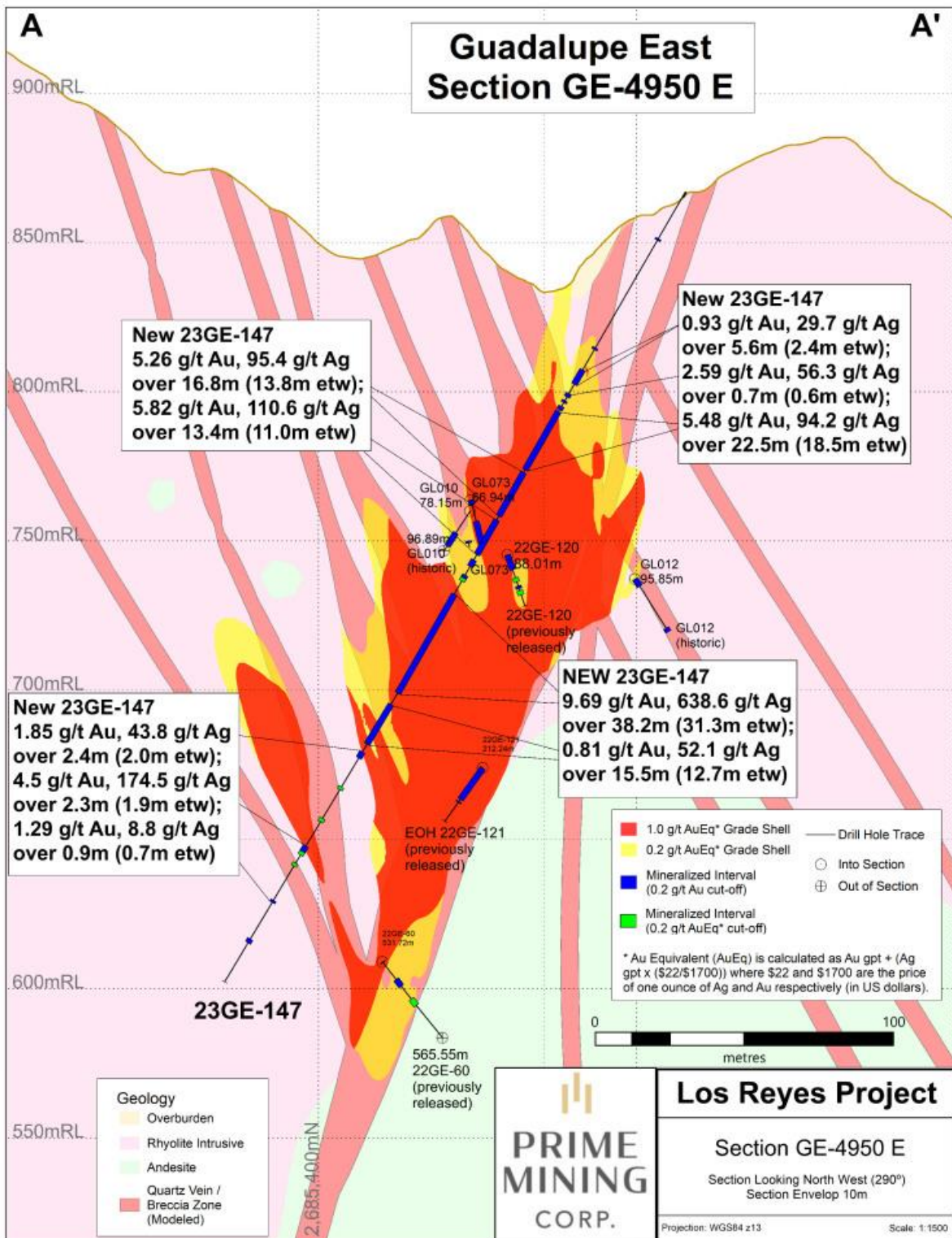


Figure 4: Guadalupe East Area cross section A-A'



Drilling is resuming at the Los Reyes Project following the holiday break, and the six drill rigs at site have a near term focus as follows:

- three rigs at Tahonitas, in the Z-T Zone;
- two rigs at Las Primas; and,
- one rig at Guadalupe East.

Once all of Prime's 2023 drill results are received, the Company will finalize and communicate its 2024 exploration strategy in accordance with its success-based approach.

Link 1– [PDF Figures](#)

Link 2 – [PDF Drill Hole Tables](#)

Note: Gold equivalent grades are calculated based on an assumed gold price of \$US 1700 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.

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 two 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.

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

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.

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 US\$32 million on direct exploration activities and has completed over 158,000 m of drilling. On May 2, 2023, Prime announced an updated multi-million-ounce high-grade open pit constrained resource (see below, and refer to Note 1 and 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	40.40	35,263	1.68	1,470
<i>M+I</i>	27.2	1.16	1,013	40.40	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.

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.

ON BEHALF OF THE BOARD OF DIRECTORS

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Chief Executive Officer

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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.