

Prime Mining Reports Up To 30 Metres at 3.9 gpt Gold and 40 gpt Silver Between Zapote North and South at Los Reyes

Trench Sampling Suggests Area Between Zapote North and South Can Potentially Merge Two Planned Pits

VANCOUVER, British Columbia, Jan. 21, 2020 -- Andrew Bowering, CEO of **Prime Mining Corp. (TSX.V:PRYM) (OTCQB:EPWMF) (Frankfurt:04V3)** ("Prime" or the "Company") announced today that results from new trenches and road cuts in the Company's ongoing surface exploration program show mineralized areas carrying good grades over significant widths in an area outside the historical resource of Zapote North and South.

These initial results support Prime's belief that Zapote North and South, the two largest known deposits at Los Reyes, can potentially be joined into one large body, ultimately adding additional tonnes and minable ounces to the resource model. Importantly, the latest discovery occurs at an initial access point to the deposits and, provided mineralization proves consistent at depth, will likely result in this area becoming the starting point for our planned open-pit development.

Table 1 – Road Cut Sampling

Location	Interval (m)	Gold (g/t)	Silver (g/t)
ZS-RS2	25.5	7.94	58.9
including	13.5	12.17	71
RS-13	27.0	1.53	24.8
including	1.5	10.1	66.3
RS-14	37.5	0.76	18.0

Table 2 – Zapote Central Surface Trenches

Trench #	From (m)	To (m)	Interval (m)	Gold (g/t)	Silver (g/t)
ZA5225 N	16.5	46.5	30.0	3.93	40.1
including	27.0	34.5	7.5	8.71	60.0
ZA5250 N	7.5	18.0	10.5	0.88	61.6
ZA5185 N	18.0	43.5	25.5	0.33	15.2

Readers are encouraged to refer to: Los Reyes – Surface Sampling Progress Figure 4 for graphic representation at: <https://primeminingcorp.ca/maps-technical-data>.

COO Greg Liller notes, "I am very pleased with the positive results of our surface sampling program. Prime continues to fill in gaps in the existing data base, expand the known limits of the mineralization in the open pit deposits and, most importantly, add shareholder value to the Los Reyes Gold Mine project. In the near term we plan on increasing this program to test previously undrilled exploration targets and add further value."

The sampling program is providing valuable information in determining the surface expression of mineralized structures, planning pit locations and in establishing where structures remain open to expansion. Evidence at Zapote Central suggests mineralization is continuous between the north and south deposits and that erosion has displaced the surface expression down slope. Historic drilling in the area was too shallow or did not take into consideration the dip of the structure. One historic drill hole appears to have drilled through the central zone returning insignificant grades through the structure. Samples from the north end of the historic proposed Zapote South Pit returned some of the highest grades from surface samples on the property so far. See Table 1 and 2 for a summary of results from this area.

The sampling program continues to provide valuable information for planning exploration and future mining. To date, 1981 trench, road-cut and underground samples have been collected of a planned 3500 samples. Results for 1002 samples have been received and interpreted. Assay results range from below detection to 33.6 gpt gold and 170.3 gpt silver. True mineralized widths have not been determined from the surface sampling. Additional samples results are expected to be released shortly. Prime is evaluating doubling the sampling program from 5,000 metres to 10,000 given the success of the program so far and the new mineralized areas discovered.

Site preparation continues with D6 dozers opening an established network of roads and trails and sampling crews working to complete a systematic 5,000 metre surface trenching and road cut sampling program on outcropping mineralized structures. A surface sampling program of this magnitude has never been completed on the Los Reyes project.

Sampling consists of crews collecting continuous 1.5 metre rock chip and channel samples targeting quartz bearing alteration zones in hand dug trenches where bedrock is covered by overburden and from exposed road cuts across mapped and unmapped structures. Photos of the project area and current sampling operations are available at <https://primeminingcorp.ca/gallery>.

The Los Reyes Gold-Silver Project is an overlooked, underexplored epithermal gold-silver project in a prolific mining region of Mexico. Over \$20 million in exploration and engineering has already been spent on the project over 2 1/2 decades. Previous operators completed various prefeasibility studies and plans yet held back from development due to declining gold prices. Work that has been completed has provided sufficient understanding of existing resources to allow Los Reyes to be fast-tracked to production. However, Los Reyes holds gold and silver exploration optionality. It is a large epithermal system with the bulk of work being conducted over less than 40% of the known structures leaving significant opportunity to expand known resources.

QA/QC Protocols and Sampling Procedures

Quality control of the sampling program includes the insertion of reference standards and blanks as well as reject duplicate analysis to monitor the integrity of all assay results. All samples are stored until picked up by Bureau Veritas Minerals and transported to its laboratory in Durango, Mexico. Samples are then dried, crushed, split and pulp samples are prepared for analysis. Gold is determined by fire assay with an atomic absorption spectroscopy (AAS) finish, and silver plus 34 other elements by multi-acid digestion and ICP finish, over-limits by fire assay and gravimetric finish.

Bruce Kienlen, P.Geo. Vice President of Exploration, a qualified person for the purposes of National Instrument 43-101, has reviewed and approved the technical content in this news release.

About Prime Mining Corp (TSX.V: PRYM)

Prime Mining is an ideal mix of successful mining executives, strong capital markets personnel and experienced local operators who have united to build a low cost, near-term gold producer at the historically productive Los Reyes project in Mexico. The location boasts a mining history spanning hundreds of years of activity alongside a stable and established regional mining infrastructure. Decades of extensive fieldwork and technical study have positioned Los Reyes to advance to gold production quickly and cost effectively.

In addition to its readiness for near-term gold production, Los Reyes holds substantial resource upside based on open extensions of known resources, 10 kilometres of undrilled strike length and at least 8 additional exploration targets.

Prime Mining has a well-planned capital structure with significant team and insider ownership. For more information please visit www.primeminingcorp.ca and follow us on [Twitter](#), [Facebook](#) or [LinkedIn](#).

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