

LETTER FROM THE CEO

Dear Stakeholders,

It is with great pride that we present Prime Mining's third annual Sustainability Report. In 2024 we formalized our approach to community, environment and responsible mineral development in our Vision, Mission and Values Statements, as we work towards unlocking the full potential of our high-grade, gold-silver Los Reyes Project in Mexico:

VISION

To become a North American leader in responsible precious metals mineral resource advancement.

MISSION

Prime's mission is to do well for all of our stakeholders by responsibly advancing our high-grade Los Reyes gold-silver project. Our purpose is to have a net positive impact: on people, places and the planet.

VALUES

Pride in the quality, safety and positive impact of our work.

Respect for self, colleagues, community and environment.

Integrity in our actions.

Mentorship to enable skill and knowledge sharing, and enhance teamwork.

Empathy in our interactions.

These Statements were developed by our local geologists and Mexican workforce given their close relationships with the communities in which we work.

In support of our Vision, we announced on February 19, 2025 that we were working towards a Preliminary Economic Assessment to demonstrate the economic value of the development potential at Los Reyes. While this is the first formal step in assessing the viability of project development, it will leverage the significant investment that we have already made in our neighboring Ejidos (communities), our previous environmental baseline study and excellent technical engineering foundation established by Prime Mining in the areas of geology, mining and metallurgy.

Our Mission Statement emphasizes that we will continue to consider the net benefit to all stakeholders in our planning process. Our Values describe how we will evaluate our development plans and execute on them.

Reflecting further on 2024, we achieved significant milestones -

Operational Excellence:

- Enhanced our safety programs through:
 - Training - showing a significant increase reaching on average 25 hours of safety training per employee.
 - Tracking system – every near-miss, incident or accident is recorded in a tracking system developed to identify most common incidents and prevention of these.
- Announced a robust Resource update on October 15, 2024:
 - Increased resource ounces significantly.
 - Added an underground mining approach to the resource statement and subsequent Technical Report.
 - Increased the percentage of stated ounces in the higher-confidence “Indicated” classification, which is suitable for more advanced engineering studies.
- Completed further engineering studies on metallurgy, geotechnical parameters and other key study parameters.
- Completed just over 50,000m of exploration drilling.



Community Engagement:

- Organized community meetings and gatherings, providing an opportunity to receive feedback and make direct support payments.
- Support to Ejiditarios (community members) during periods of security instability, including food programs.
- School capital to improve elementary and senior school student retention.
- Provision of school supplies for academics and athletics.
- Support for local ranchers with water storage tanks.
- Local purchasing and labour opportunities.
- Community road access improvements.

Environmental Stewardship:

- Reduced our environmental footprint by concurrent reclamation and clean-up of older drill pad locations.
- Evaluation of underground mining applications to lower overall potential impact of Los Reyes project development.
- Included consideration for dry stack tailings in project assessment studies to reduce our legacy environmental footprint and increase water stewardship.
- Strategic planning meetings regarding sustainable development and environmental permitting with the Director of Mines for Sinaloa and CIMA SC, a highly regarded environmental permitting and sustainability engineering firm.

Corporate Governance:

- In-person training in Mexico and Canada for all employees.
- Continuing best practice audits in 2024 following our December, 2023 graduation to the Toronto Stock Exchange main board.
- Strengthened the capabilities of our Board of Directors.
- Formalized and implemented our internal whistleblower platform to support our Whistleblower Policy.

As we look forward to the development of the Los Reyes project, we will continue to make decisions aligned with the United Nations Guiding Principles on Business and Human Rights and the Sustainable Development Goals in keeping with International Council on Mining and Metals Principles. We will also continue to evaluate and incorporate international “best practices” standards and environmental impacts as we pursue mining, processing and waste management project development strategies.

As we embark on the next phase of our journey, we remain steadfast in our pursuit of excellence, sustainability, and responsible resource development as guided by our stated Mission and Values. Thank you for your continued trust and partnership as we strive to create a more sustainable future for generations to come.



Best Regards,

Scott Hicks

Chief Executive Officer