Prime Reports Results Including 8.95 gpt Au and 74.5 gpt Ag over 4.5 m and 1.96 gpt Au and 63.6 gpt Ag over 18.7 m from Ongoing Drilling at Los Reyes

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VANCOUVER, April 06, 2021 - Prime Mining Corp. ("Prime" or the "Company") (TSX-V: PRYM, OTCQB: PRMNF, Frankfurt: A2PRDW) is pleased to release additional positive results from its ongoing 15,000-metre Phase 1 drill program at its wholly owned Los Reyes gold-silver project in Sinaloa State, Mexico ("Los Reyes, or the "Project"). Currently, 5 diamond drills are active until the commencement of the rainy season in August 2021. The results announced today include initial core assay results from the Zapote-South, Noche Buena and San Miguel East deposits, which are three of eight known deposits that comprise the current mineral resource at Los Reyes. Thirteen drill holes are being reported on, including eight holes from Zapote-South, four from Noche Buena and one from San Miguel East.

Key Highlights:

- Drilling encountered several higher-grade intervals within the Zapote-South mineralized envelope, with drill hole 21ZAP-04 intersecting 4.5 metres ("m") (or 3.6 m estimated true width) at 8.95 grams per tonne ("gpt") gold ("Au") and 74.5 gpt silver ("Ag").
- Drill hole 21ZAP-03 intersected 13.0 m at 0.76 gpt Au and 33.0 gpt Ag, including 1.66 gpt Au and 41.5 gpt Ag over 4.6 m. This expands the Zapote deposit 35 m down-dip on the most southerly drilled section. The mineralized zone in this area of Zapote-South now has a 150.0 m dip length and is completely open to the southeast and down-dip.
- Drill holes 21ZAP-04, 05, and 06 all intersected discrete zones of higher-grade adularia-bearing quartz mineralization within a broader lower grade envelope. 21ZAP-07 intersected 11.3 m at 0.97 gpt Au and 29.2 gpt Ag and 21ZAP-08 yielded 18.7 m at 1.96 gpt Au and 63.1 gpt Ag, including 2.44 g/t Au and 85.3 g/t Ag over 7.2 m.
- The eight Zapote-South holes provide: (1) information on the key geological and structural controls for the mineralized intervals that can be used to effectively target higher-grade mineralization along structures within the optimal boiling point elevation, (2) missing silver assay data for the block model, and (3) higher confidence in resource categories that will upgrade the currently defined in-pit resources.
- The four step-out holes completed at Noche Buena expanded in-pit mineralization both down-dip and to the southeast. Noche Buena also remains open along strike. Drill hole 21NB-02 intersected 3.17 gpt Au and 141.2 gpt Ag over 2.9 m within a broader zone of 39.0 m at 0.7 gpt Au and 29.5 gpt Ag. This expands Noche Buena down dip by 20.0 m. Drill hole 21NB-03 expands this mineralized zone 25.0 m along strike with an intersection of 1.12 gpt Au and 29.7 gpt Ag over 6.0 m.

Daniel Kunz, Prime's Chief Executive Officer, summarized progress to date: "These are Prime's first results from three of the larger deposits at the western end of Los Reyes. They are in-fill drill holes largely designed to improve our geological understanding, upgrade known resources and test local extensions to the currently interpreted in-pit resources. At this early stage, we have extended the margins of known deposits, and the gold and silver grades encountered appear consistent with current resource grades. Drilling also gathered silver assay data in an area of the Project where limited silver assaying had occurred historically and was potentially underrepresented in our current resource. Silver is already a valuable contributor to the economics of any potential operation at Los Reyes; while incorporating the additional silver assays is expected to have a positive impact on silver grades in the resource and improve project economics. As these are the first holes in our Phase 1 program, they were drilled from more easily accessible locations. Later in our current program, with an improved geological understanding gained from these holes, we plan to aggressively drill step-out holes and test the numerous targets for resource expansion within the district-scale epithermal system at Los Reyes."

Figure 1: Los Reyes Project - Location of Principal Deposits
https://www.globenewswire.com/NewsRoom/AttachmentNg/d5488a47-4da6-43f4-90cd-c7838d86c44d

Objectives of Phase 1 Exploration and Drill Program

Of the 493 historic drill holes that were completed by prior operators on the eight Los Reyes deposits, only 18% are diamond drill core holes ("Core") with the majority being reverse circulation drill holes (RC"). Each deposit has approximately one dozen Core holes spread across a mineralized trend that is typically approximately 1 kilometre long. Since acquiring the Project, Prime has been working to obtain a full understanding of the controls of mineralization for the extensive low sulphidation epithermal system of gold-silver mineralization at Los Reyes.

Phase 1 exploration includes: (1) the first property-wide program of surface prospecting, mapping, sampling and trenching, (2) re-logging of the 89 historical Core holes, and (3) 15,000 m of Core drilling. During the rainy season that typically occurs between August and November, the Company will complete an updated geological model that will be utilized to plan the Phase 2 drill program, which will likely include both Core and RC drilling and is expected to commence in November or December.

The initial thirteen Core holes drilled by Prime reported today are on the western-most deposits at Los Reyes and had the following objectives:

- Collection of key information for structure, geology, and mineralogy to effectively target higher-grade mineralization along structures within the optimum boiling point elevation;
- Upgrade resources from inferred to higher categories in and around the currently defined in-pit resources; and
- Infill significant areas of these deposits that lack silver assay data. Many of the Los Reyes deposits contain significant silver grades and silver is expected to have a positive impact on Project economics.

Zapote-South

Initial drilling at Zapote-South was primarily focused on in-fill drilling and was completed in areas of the deposit that are easily accessible from current infrastructure. A program of road rehabilitation is underway to permit the drilling of future step-out holes and exploration holes to the south of Zapote-South and at Tahonitas.

Figure 2: Zapote-South Drill Program - Progress Map
https://www.globenewswire.com/NewsRoom/AttachmentNg/2e0348ee-0e2e-4b13-96df-07758eae33ff

Mineralization at Zapote-South consists primarily of white to grey crystalline to chalcedonic quartz, quartz breccia and stockwork exploiting 45-degree southwest dipping fault structures within or along the margins of rhyolite dykes that intrude both andesitic tuffs and rhyolite. Quartz is massive to crustiform, locally displaying colliform to bladed replacement textures. Higher-grade intervals are marked by finely banded green adularia. Gold distribution appears to be zoned within the quartz bearing structure, having a 1.0 to 5.0 m thick higher-grade section of over 4.0 gpt Au enveloped by a broader zone of over 10.0 m of lower-grade mineralization. Higher-grade structures appear continuous along the section dip-planes.

At Zapote-South, the apparent optimum elevation for higher-grade deposition appears to be between 710 m and 580 m above sea level ("masl"). Above this elevation, quartz and quartz breccia zones generally become narrower and lower grade. Immediately below 580 masl, the quartz bearing zones appear to broaden into wider and lower-grade zones before thinning at depth. Silver appears to have an uneven distribution throughout the mineralized interval, but in general, highest-grade silver appears to associate with higher-grade gold.

- Drill hole 21ZAP-03 intersected 13.0 m at 0.76 gpt Au and 33.0 gpt Ag, including 1.66 gpt Au and 41.5 gpt Ag over 4.6 m. This expands the Zapote deposit approximately 35 m down-dip on the most southerly section of drilling completed to date. The on-section mineralized zone in this area of the deposit has a 150.0 m dip length and is open for expansion to the southeast and further down dip.
- Drill holes 21ZAP-04, 05 and 06 all intersected discrete zones of higher-grade adularia-bearing quartz mineralization within a broader lower-grade envelope. The best intersection is 8.95 gpt Au and 74.5 gpt Ag over 4.5 m in drill hole 21ZAP-04.
- Drill holes 20ZAP-02, 20ZAP-07 and 21ZAP-08 all intersected wide intervals of mid-grade mineralization, with 21ZAP-08 returning 18.7 m at 1.96 gpt Au and 63.1 gpt Ag.

Table 1: Zapote South - Summary of Core hole assay results [1]

Hole ID	From (m)	To (m)	Interval (m)	True Width (m)[2]	Au (gpt)	Ag (gpt)	Au Cut-off [3]	Structure
20ZAP-01	43.50	46.00	2.50	1.25	0.39	28.3	0.20	Main
20ZAP-02	43.50	52.50	9.00	8.55	0.50	2.9	0.20	Secondary
and	74.70	77.20	2.50	2.38	2.50	5.0	1.00	Secondary
and	106.10	132.00	25.90	24.61	0.86	30.1	0.20	Main
including	107.60	109.85	2.25	2.14	1.84	16.6	1.00	Main
& including	117.00	123.00	6.00	5.70	1.41	53.2	1.00	Main
21ZAP-03	140.00	153.00	13.00	10.40	0.76	33.0	0.20	Main
including	145.50	150.10	4.60	3.68	1.66	41.5	1.00	Main
21ZAP-04	103.60	115.30	11.70	9.36	3.68	52.0	0.20	Main
including	109.50	114.00	4.50	3.60	8.95	74.5	1.00	Main
21ZAP-05	97.50	109.50	12.00	9.60	3.23	60.0	0.20	Main
including	102.00	108.00	6.00	4.80	5.83	67.2	1.00	Main
and	123.00	126.00	3.00	2.40	1.22	9.6	0.20	Secondary
21ZAP-06	78.95	85.25	6.30	3.15	0.73	32.1	0.20	Secondary
and	94.50	104.00	9.50	4.75	2.06	30.9	0.20	Main
including	101.75	104.00	2.25	1.13	7.15	56.0	1.00	Main
21ZAP-07	137.2	148.5	11.30	10.17	0.97	29.2	1.00	Main
21ZAP-08	51.60	70.25	18.65	18.65	1.96	63.1	0.20	Main
including	52.80	55.50	7.20	7.20	2.44	85.3	1.00	Main
& including	63.00	70.25	7.25	7.20	2.43	46.6	1.00	Main

Noche Buena

The initial drilling at Noche Buena is primarily focused on step-out drilling to add new resources and to upgrade the pit-constrained gold and silver resource confidence categories. Drilling will continue to step out to the southeast from readily accessible road locations, targeting extensions of the main mineralized zone, before moving to the northwest to target areas with no silver data, where large silver gaps appear in the block model.

Figure 3: Noche Buena Drill Program - Progress Map
https://www.globenewswire.com/NewsRoom/AttachmentNg/ebaaad94-be0c-4813-b5d1-6b575a9f782a

The four drill holes each intersected the main quartz-bearing mineralized structure that is associated with rhyolitic dykes intruding andesitic lithic tuffs. The dykes exhibit moderate to strong silicification and locally have grey-green quartz veinlets with fine bands of adularia. This main mineralized zone is open to the southeast and at depth. The quartz is locally coarsely crystalline and where highly thickened zones are present, the mineralization is dominantly stockwork.

- Drill hole 21NB-02 intersected 3.17 gpt Au and 141.2 gpt Ag over 2.9 m within a broader zone of 39.0 m at 0.7 gpt Au and 29.5 gpt Ag. This expands Noche Buena down dip by 20.0 m.
- Drill hole 21NB-03 expands this mineralized zone 25.0 m along strike with an intersection of 1.12 gpt Au and 29.7 gpt Ag over 6.0 m.

Table 2: Noche Buena- Summary of Core hole assay results [1]

Hole ID	From (m)	To (m)	Interval (m)	True Width (m)[2]	Au (gpt)	Ag (gpt)	Au Cut-off [3]	Structure
21NB-01	87.00	93.35	6.35	4.13	0.56	31.1	0.20	Main
including	87.00	88.95	1.95	1.27	1.34	61.5	1.00	Main
21NB-02	91.50	130.50	39.00	25.35	0.70	29.5	0.20	Main
including	119.15	122.00	2.85	1.85	3.17	141.2	1.00	Main
21NB-03	100.50	108.00	7.50	4.88	0.78	35.2	0.20	Main
and	112.50	118.50	6.00	3.90	1.12	29.7	0.20	Main
21NB-04	92.50	96.50	4.00	2.60	0.61	28.8	0.20	Main

San Miguel East

Complete assay results have only been received for one hole at San Miguel East to date. Results of this single hole are included here for completeness. Step out drilling is on-going towards the southeast.

Figure 4: San Miguel East Drill Program - Progress Map
https://www.globenewswire.com/NewsRoom/AttachmentNg/a0ad83f2-73e1-4892-86ba-c1e591db54e1

The first core hole from San Miguel East intersected 4.5 m at 1.0 gpt Au and 130.7 gpt Ag. The drill hole is a 50.0 m step down and the deepest intersection to date at San Miguel East. The mineralized intersection is 10.0 m below bottom of the currently defined open pit resource. The interval consists of white to green banded and, locally, adularia bearing quartz within a weakly magnetic andesitic dyke.

Table 3: San Miguel East - Summary of Core hole assay results [1]

Hole ID	From (m)	To (m)	Interval (m)	True Width (m) [2]	Au (gpt)	Ag (gpt)	Au Cut-off [3]	Structure
21SME-01	218.00	222.50	4.50	4.50	1.00	130.8	0.20	Main

Footnotes

[1] A complete table of assay results from all secondary zones intersected utilizing a 0.2 gpt Au cut off see link here.

[2] True widths are estimated based on drill hole geology or comparisons with other on-section drill holes.

[3] Composite assay grades presented in summary tables are calculated using an Au grade minimum average of 0.2 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 3.0 m. The 1.0 g/t Au cut-off is used to define higher-grade "cores" within the lower-grade halo. These cores reflect geology and are comprised of solid quartz veining with notable adularia as opposed to quartz breccia and stockwork zones.

QA/QC Protocols and Sampling Procedures

Drill core at the Los Reyes project is drilled in predominately HQ size (63.5 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. Each entire hole is split, and one half is submitted for assay. Sample QA/QC measures of unmarked certified reference materials (CRMs), 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 lab for each drill hole.

Samples are picked up from the project by Bureau Veritas and transported to their laboratory in Durango, Mexico, for sample preparation. Sample analysis is carried out by Bureau Veritas, with fire assay, including over limits fire assay reanalysis, completed at their Hermosillo, Mexico, laboratory and multi-element analysis in North Vancouver, British Columbia, 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 g split to at least 85% passing 75 microns (code PRP70-250).

Gold in diamond drill core is analyzed by fire assay and atomic absorption spectroscopy (AAS) of a 30 g sample (code FA430). Multi-element chemistry is analyzed by 4-Acid digestion of a 0.25 g sample split (code MA300) with detection by inductively coupled plasma emission spectrometer (ICP-ES) for 35 elements (Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, K, La, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, S, Sb, Sc, Sn, Sr, Th, Ti, U, V, W, Y, Zn, Zr).

Gold assay technique FA430 has an upper detection limit of 10 ppm. Any sample that produces an over-limit gold value via the FA430 technique is sent for gravimetric finish via method FA-530. Silver analysis by MA300 has an upper limit of 200 ppm. Sample with over limit silver are reanalyzed by fire assay with gravimetric finish (FA530).

Bureau Veritas is an ISO/IEC accredited laboratory. Drill core assay results range from below detection to

11.7 gpt gold and 953.0 gpt silver.

Qualified Person

Kerry Sparkes, 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 district-scale low sulphidation epithermal gold-silver project located in a prolific mining region of Mexico. Over $20 million in exploration, engineering and prefeasibility studies have been spent on the project over 2 1/2 decades by previous operators with development plans being held back due to declining gold prices. Historic data coupled with an existing and recently updated resource estimate has provided sufficient understanding to fast-track the project to production. However, there is substantial resource expansion upside based on open extensions of known deposits, multiple untested high priority exploration targets, and only 40% of the known structures systematically explored leaving 10 kilometres of untested strike length. Potential for significant growth of the resource remains strong.

Current Measured and Indicated pit-constrained oxide mineral resources include 19.8 million tonnes ('mt') containing 633,000 ounces of gold at 1.0 gpt and 16,604,000 ounces of silver at 26.2 gpt plus an additional 7.1 mt Inferred containing 179,000 ounces gold at 0.78 gpt and 6,831,000 ounces silver at 30 gpt.

About Prime Mining

Prime Mining, a member of the TSX Venture 50, 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. Prime Mining has a well-planned capital structure with significant team and insider ownership. For more information please visit: https://primeminingcorp.ca.

The TSX Venture 50 is a ranking of the top performers in each of 5 industry sectors on the TSX Venture Exchange over the last year.

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