



ANNUAL INFORMATION FORM

Period-Ending April 30, 2021

August 26, 2021

Prime Mining Corp.

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Vancouver, British Columbia, V6E 2Y3

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GLOSSARY

In this Annual Information Form, the following words or phrases have the meanings ascribed thereto:

“Ag”	Means silver;
“AIF”	means an annual information form that is prepared pursuant to Part 6 of National Instrument 51-102 <i>Continuous Disclosure Obligations</i> ;
“airborne”	means a survey made from an aircraft to obtain photographs, or measure magnetic properties, radioactivity, electromagnetic, etc.;
“alteration”	means any change in the mineralogical composition of a rock that is brought about by physical or chemical means;
“anomaly”	means having a geochemical or geophysical character which deviates from regularity; in the case of gold, it refers to abnormally high gold content (eg 70.5 g per tonne); any deviation from conformity or regularity; a distinctive local feature in a geophysical, geological, or geochemical survey over a larger area; an area or a restricted portion of a geophysical survey, such as a magnetic survey or a gravity survey, that differs from the rest of the survey in general;
“assay”	means in economic geology, to analyze the proportions of metal in a rock or overburden sample; to test an ore or mineral for composition, purity, weight or other properties of commercial interest;
“Au”	means gold;
“Audit Committee”	means the Company’s audit committee;
“background”	means traces of elements found in sediments, soils, and plant material that are unrelated to any mineralization and which come from the weathering of the natural constituents of the rocks;
“breccia”	means rock consisting of more or less angular fragments in a matrix of finer-grained material or cementing material;
“Board”	means the Company’s board of directors;
“Bowering Projects”	means Bowering Projects Ltd.;
“claim”	means a portion of land held either by a prospector or a mining company;
“Common Shares”	means common shares in the capital of the Company;
“Company”	means Prime Mining Corp.;
“Compensation Committee”	means the compensation committee of the Company;
“CIM”	means Canadian Institute of Mining, Metallurgy and Petroleum
“cm”	means centimetres
“Cu”	means copper;
“Deferred Plan”	means a registered retirement savings plan, registered education savings plan, registered retirement income fund, locked-in retirement account or tax-free savings account as defined in the <i>Income Tax Act</i> (Canada);
“Deposit”	means a mass of naturally mineral material, proven by drilling, trenching, and/or underground work, and found to contain a sufficient average grade

	of metal or metals to warrant further exploration and/or development expenditures; such a deposit does not qualify as a commercially mineable ore body or as containing ore reserves, until final legal, technical, and economic factors have been resolved;
“diamond drill”	means a type of rotary drill in which the drilling is done by abrasion using diamonds embedded in a matrix rather than by percussion. The drill cuts a core of rock which is recovered in long cylindrical sections;
“dip”	means geological measurement of the angle of maximum slope of planar elements in rocks. Can be applied to beddings, jointing, fault planes, etc.;
“etw”	means estimated true width
“fault”	means a fracture in a rock along which there has been relative movement between the two sides either vertically or horizontally; a break in the continuity of a body of rock;
“Fiscal 2019”	means the Company's fiscal year ended April 30, 2019;
“Fiscal 2020”	means the Company's fiscal year ended April 30, 2020;
“Fiscal 2021”	means the Company's fiscal year ended April 30, 2021;
“geophysical survey”	means the exploration of an area by exploiting differences in physical properties of different rock types. Geophysical methods include seismic, magnetic, gravity, induced polarization and other techniques, and geophysical surveys can be undertaken from the ground or from the air;
“GPS”	means hand held global positioning system
“grade”	means the amount of valuable metal in each tonne of ore, expressed as grams per tonne (g/t) for precious metals, as percent (%) for copper, lead, zinc and nickel;
“GUAD”	means the Guadalupe 3D geologic resource model
“g/t”	means grams per tonne
“Health and Safety Committee”	means the health and safety committee of the Company;
“Host”	means a rock or mineral that is older than rocks or minerals introduced into it;
“I”	means Indicated Mineral Resource
“Ike Project”	means the gold/base mineral exploration prospect in the Yukon Territory;
“Intrusion”	means the process of emplacement of magma in a pre-existing rock. Also, the igneous rock mass so formed;
“IT”	means information technology
“kg”	means kilogram
“km”	means kilometre (3,281 feet);
“Los Reyes Amended Option Agreement”	means the option agreement dated October 23, 2017, as amended on October 24, 2018 and June 12, 2020, as assigned to the Company pursuant to the Los Reyes Assignment Agreement, among the Company, Vista Gold, Minera Gold Stake, S.A. de C.V., Minera Gold Stake Holdings Corp., Granges Inc. and ePower Metals, S.A. de C.V.;

“Los Reyes Assignment Agreement”	means the assignment and assumption agreement among MAI, Vista Gold, and the Mexican subsidiaries of each of MAI and the Company dated June 25, 2019, pursuant to which MAI will assign the rights to an option to earn a 100% interest in the Los Reyes Project;
“Los Reyes Governance Agreement”	means the governance and investor rights agreement between the Company and MAI dated June 25, 2019;
“Los Reyes Option”	means the option to acquire a 100% interest in the Los Reyes Project from Vista Gold;
“Los Reyes Project”	means the Los Reyes gold/silver project located in Sinaloa, México;
“Los Reyes Technical Report”	means the Company’s technical report titled “ <i>Technical Report Los Reyes Project Sinaloa, México</i> ”, dated April 15, 2020 on the Los Reyes Project prepared by Stantec Consulting Ltd.;
“Los Reyes Surface Rights Agreement”	means the 15-year surface rights agreement, with a 15-year renewal option for the Los Reyes Project between the Company and representatives of the landowners dated February 20, 2020;
“m”	means metre (3.28 feet);
“mm”	means millimetre
“Magenta Project”	means the Company’s magenta gold and cobalt project located in Sinaloa, Mexico;
“Magenta Purchase Agreement”	means the purchase agreement between the Company and Bowering Projects dated December 18, 2018 pursuant to which the Company acquired Exploracion Auramex SA de CV and the Magenta Project;
“MAI”	means Minera Alamos Inc.;
“M”	means Measured Mineral Resource
“M&I”	means Measured and Indicated Mineral Resource
“mineral claim”	means a legal entitlement to minerals in a certain defined area of ground;
“Mineral resource”	means the estimated quantity and grade of mineralization that is of potential merit. A resource estimate does not require specific mining, metallurgical, environmental, price or cost data, but the nature and continuity of mineralization must be understood to a specific degree of knowledge;
“Mineralization”	means the concentration of metals and their chemical compounds within a body of rock; the process or processes by which a mineral or minerals are introduced into a rock, resulting in a valuable or potentially valuable deposit;
“MD&A”	means the management’s discussion and analysis, as it relates to the Company’s financial statements;
“NSR”	means Net Smelter Royalty
“NI 43-101”	means National Instrument 43-101 – <i>Standards of Disclosure for Mineral Projects</i> ;
“NI 52-110”	means National Instrument 52-110 – <i>Audit Committees</i> ;
“Options”	means incentive stock options of the Company;

“ore”	means a natural aggregate of one or more minerals which may be mined and sold at a profit, or from which some part may be profitably separated;
“outcrop”	means an exposure of rock at the earth’s surface;
“oz”	means troy ounce
“Panther Creek Project”	means the Panther Creek property located in eastern Idaho;
“Panther Creek Report”	means the Company’s technical report titled “ <i>National Instrument 43-101 Technical Report on the Panther Creek Property, Lemhi County, Idaho, USA</i> ”, dated May 9, 2018 Bruce Kienlen, B.Sc., P.Geo
“Panther Creek UMR Option Agreement”	means the option agreement between the Company and UMR dated October 23, 2017, as amended on October 22, 2018, pursuant to which the Company has the right to purchase a 50% interest and earn up to a 100% interest in the Panther Creek Project;
“ppb”	means parts per billion;
“ppm”	means parts per million, a unit of measurement which is 1000 times larger than ppb (1 ppm = 1000 ppb);
“Prime Mining”	means Prime Mining Corporation
“Property”	means Los Reyes Property
“pyrite”	means a sulphide mineral of iron, FeS ₂ ;
“reserves”	means a natural aggregate of one or more minerals which, at a specified time and place, may be mined and sold at a profit, or from which some part may be profitably separated;
“sample”	means a small amount of material that is supposed to be absolutely typical or representative of the object being sampled;
“SEDAR”	means the <i>System for Electronic Document Analysis and Retrieval</i> , found at www.sedar.com ;
“sedimentary”	means a rock formed from cemented or compacted sediments;
“Stantec”	means Stantec Consulting Ltd.
“strike”	means direction or trend of a geologic structure; the course or bearing of the outcrop of an inclined bed, vein, or fault plane on a level surface; the direction of a horizontal line perpendicular to the direction of the dip;
“TZSM”	means the Tahonitas-Zapote-San Miguel-Noche Buena 3D geologic resource model
“TSXV”	means the TSX Venture Exchange;
“UMR”	means Utah Mineral Resources, LLC;
“vein”	means a thin sheet-like intrusion into a fissure or crack, commonly bearing quartz;
“Vista Gold”	means Vista Gold Corp.; and
“Warrants”	means Common Share purchase warrants of the Company.

PRELIMINARY NOTES

Date of Information

Unless otherwise stated, the information herein is presented as at April 30, 2021, being the date of the Company's most recently completed financial year.

Information Incorporated by Reference

Information may be incorporated by reference into an AIF provided the same is concurrently or previously filed under the Company's profile on SEDAR. This AIF should be read in conjunction with the following documents, all of which have been previously filed on SEDAR and are hereby incorporated by reference herein:

- the Company's consolidated annual financial statements for Fiscal 2019, Fiscal 2020 and Fiscal 2021, and the MD&A related thereto;
- the Company's information circular dated November 6, 2020 and proxy material pertaining to its annual general meeting held on December 11, 2020;
- the Company's technical report titled "*National Instrument 43-101 Technical Report on the Panther Creek Property, Lemhi County, Idaho, USA*", dated May 9, 2018;
- the Company's technical report titled "*Technical Report Los Reyes Project Sinaloa, México*", dated April 15, 2020; and
- all of the Company's news releases and material change reports filed during Fiscal 2021 and thereafter to the date of this AIF; all of which are available on the Company's website at www.primeminingcorp.ca and under the Company's profile on SEDAR.

Currency

Unless otherwise specified, in this AIF all references to "dollars" or to "\$" are to Canadian dollars and references to US\$ are to United States dollars.

Special Note Regarding Forward-Looking Statements

Statements contained in this AIF that are not historical facts are forward-looking statements (within the meaning of the Canadian securities legislation) that involve certain risks and uncertainties. Forward-looking statements include, but are not limited to, financial projections; information or expectations about the Company's business plans, results of operations, products or markets; or which otherwise make statements about future events. Such forward-looking statements can be identified by the use of words such as "intends", "anticipates", "believes", "estimates", "projects", "forecasts", "expects", "plans" and "proposes". Although the Company believes that the expectations reflected in these forward-looking statements are based on reasonable assumptions, there are a number of risks and uncertainties that could cause actual results to differ materially from such forward-looking statements. These include, among others, the cautionary statements under "*Description of the Company's Business*".

These cautionary statements identify important factors that could cause actual results to differ materially from those described in the forward-looking statements and should be kept in mind when considering forward-looking statements in this AIF. Factors that could cause actual results to differ materially from the forward-looking statements include:

- need for additional capital to expand operations;
- dependence on key personnel;

- unexpected results from exploration activities; and
- ability to acquire and manage new mineral property interests.

Although the Company has attempted to identify important factors that could affect the Company and may cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors which have not been anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Except where specifically indicated otherwise, the disclosure in this AIF of scientific and technical information regarding exploration projects on the Company’s mineral properties has been reviewed and approved by Kerry Sparkes, P.Geo., Vice President, Exploration, a Qualified Person as defined by NI 43-101.

CORPORATE STRUCTURE

Name, Address and Incorporation

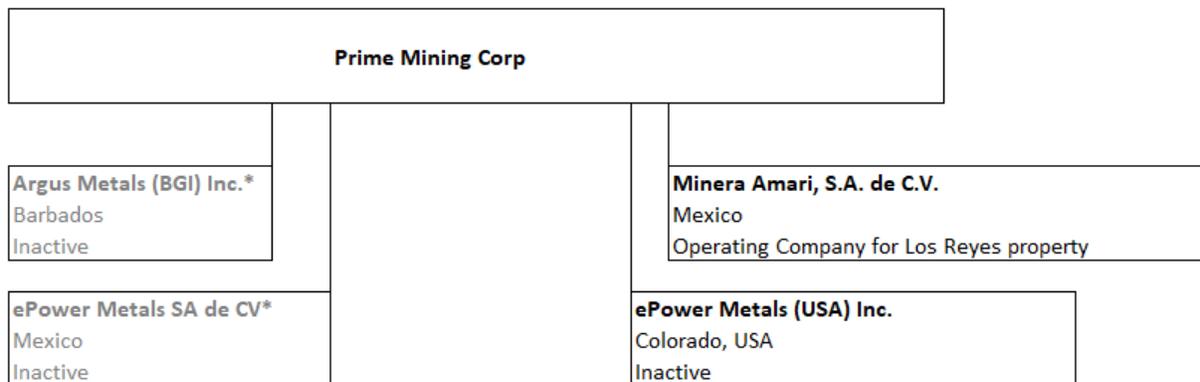
The Company was incorporated on May 14, 1981 pursuant to the British Columbia *Company Act* (as it then was) under the name Better Resources Limited. In October 2005, the Company changed its name to Bluerock Resources Limited. In May 2009, the Company changed its name to Argus Metals Corp. In December 2017, the Company changed its name from Argus Metals Corp. to ePower Metals Inc. and in August 2019 the Company changed its name from ePower Metals Inc. to Prime Mining Corp.

The Company is a reporting issuer in British Columbia and Alberta; and is a Tier 2 issuer on the TSXV under the symbol “PRYM”.

The Company’s head office and principal place of business is located at Suite 1507, 1030 West Georgia Street, Vancouver, BC, V6E 2Y3. The Company’s registered and records office is located at Suite 2200, 885 West Georgia Street, Vancouver, BC, V6C 3E8.

Intercorporate Relationships

The Company has two active and two inactive wholly owned subsidiaries, as follows:



* These companies were inactive and are being allowed to lapse.

GENERAL DEVELOPMENT OF THE BUSINESS

Three-Year History

The Company's business involves the acquisition, exploration and development of interests in mineral projects. The Company's Common Shares are listed for trading on the TSXV. The following describes the development of the Company's business over the last three completed financial years and to the date of this AIF.

Fiscal 2019

- In May 2018, Michael Kobler joined the Board and Catalin Kilofliski resigned from the Board.
- In May 2018, the Company completed the Panther Creek Report which is available on SEDAR.
- In June 2018, the Company granted Options to directors and consultants of the Company to purchase up to an aggregate of 910,000 Common Shares at a price of \$0.20 per Common Share until June 2020.
- In August 2018, the Company secured exploration rights to a cobalt-manganese exploration property in Suriname.
- In December 2018, the Company purchased Exploracion Auramex SA de CV and the Magenta Project in Sinaloa Mexico.
- In January 2019, the Company appointed Tyler Ross, VP Investor Relations.
- In January 2019, the Company granted Options to directors, officers, employees, and consultants of the Company to purchase up to an aggregate of 190,000 Common Shares at a price of \$0.23 per Common Share until January 2021.
- In February 2019, the Company relinquished the Suriname Cobalt Project and shut down its Suriname subsidiary.
- In March 2019, the Company issued 1,250,000 Common Shares to Bowering Projects.
- In April 2019, the Company signed a letter of intent to acquire the Los Reyes Project in Sinaloa, Mexico.
- In April 2019, Alan Savage, Gregg Bruce, and Fred Tejada resigned from the Board, Michael Collins stepped down from his position of Chief Executive Officer and President and continued with the Company as a director and Vice-President of Operations. Andrew Bowering, Gregory Liller and Jorge Ramiro Monroy were appointed to the Board. Andrew Bowering was appointed as Chief Executive Officer, Gregory Liller was appointed as Chief Operating Officer and Alex Langer was appointed as Vice-President of Capital Markets.

Fiscal 2020

- In June 2019, the Company entered into the Los Reyes Assignment Agreement to acquire the Los Reyes Project in Sinaloa, Mexico and entered into the Los Reyes Governance Agreement.
- In August 2019, Michael Collins and Michael Kobler resigned from the Board and Michael Collins stepped down from his position as Vice-President Operations. Daniel Kunz and Paul Larkin joined the Board and Daniel Kunz was named Executive Chairman of the Board.
- In August 2019, the Company consolidated its capital stock on a one-for-two basis and raised gross proceeds of \$8,715,398 by issuing 29,051,327 units (the "**August 2019 Units**") at a price of \$0.30 per August 2019 Unit. Each August 2019 Unit consists of one Common Share and one-half of one Warrant (each whole Warrant an "**August 2019 Warrant**") with each August 2019 Warrant exercisable at a price of \$0.50 for a period of two years from issuance.
- In October 2019, the Company granted Options to certain directors, management and consultants of the Company to purchase up to an aggregate of 4,600,000 Common Shares at a price of \$0.40 per Common Share for a period of five years from the date of grant.
- In February 2020, the Company appointed Alejandro Caraveo as Mexico Country Manager.
- In February 2020, the Company signed the Los Reyes Surface Rights Agreement.

- In February 2020, the Company granted Options to certain consultants of the Company to purchase up to an aggregate 750,000 Common Shares at a price of \$0.42 per Common Share for a period of five years from the date of grant.
- In April 2020, Stantec Consulting Ltd. completed the Los Reyes Report, which is available on SEDAR.

Fiscal 2021

- In May 2020, the Company appointed Murray John to the Board, replacing Bruce Durham.
- In June 2020, the Company completed a brokered private placement of 20,000,000 units of the Company (each a "**June 2020 Unit**") at a price of \$0.50 per Unit for aggregate gross proceeds of \$10,000,000. Each June 2020 Unit consists of one Common Share and one Warrant exercisable at a price of \$1.10 until June 12, 2025.
- In June 2020, the Company granted Options to certain directors, management, and consultants of the Company to purchase up to an aggregate of 3,100,000 Common Shares at a price of \$0.95 per Common Share for a period of five years from the date of grant.
- In June 2020, the Company settled debt of \$1,162,802 owed to Andrew Bowering for his portion of the Bridge Loan (defined below).
- In June 2020, the Company granted Options to certain directors, management, and consultants of the Company to purchase up to an aggregate of 750,000 Common Shares at a price of \$1.30 per Common Share for a period of five years from the date of grant.
- In June 2020, Daniel Kunz was appointed Chief Executive Officer, replacing Andrew Bowering who was appointed Executive Vice-President. Murray John was appointed Chairman of the Board and Gregory Liller and Jorge Ramiro Monroy were replaced by Paul Sweeney and Marc Prefontaine as members of the Board.
- In June 2020, the Company executed the Los Reyes Amended Option Agreement.
- In June 2020, Alex Tsakumis was appointed as Vice-President of Investor Relations.
- In July 2020, the Company completed the acquisition of the Los Reyes Project from Vista Gold.
- In August 2020, Ian Harcus was appointed Chief Financial Officer, replacing Simon Anderson.
- In August 2020, the Company granted Options to certain directors, management, and consultants of the Company to purchase up to an aggregate of 25,000 Common Shares at a price of \$1.92 per Common share and 400,000 at a price of \$2.00 per Common Share for a period of five years from the date of grant.
- In October 2020, Kerry Sparkes was appointed Executive Vice President-Exploration, replacing Greg Liller.
- In October 2020, Greg Liller stepped down as Chief Operating Officer but remained as a technical advisor.
- In October 2020, Bruce Kienlen stepped down as Vice President-Exploration but continued as manager of data and other technical areas.
- On October 1, 2020, the Company granted Options to an Officer to purchase up to 300,000 common shares at a price of \$1.65 per share for a period of five years from the date of grant.
- On December 14, 2020, the Company granted Options to a consultant to purchase up to 125,000 shares at a price of \$1.25 per share for a period of five years from the date of grant.
- On May 11, 2021, the Company granted Options to an Officer to purchase up to 100,000 shares at \$3.83 per share for a period of five years from the date of grant.
- On May 13, 2021, the Company granted Options to an Employee to purchase up to 600,000 shares at a price of \$3.50 per share for a period of five years from the date of grant.

Other than as described in this AIF, there were no acquisitions, dispositions, or financings in the past three fiscal years ending April 30, 2019, 2020 and 2021.

Trends and Outlook

Prime is focused on advancing gold exploration properties in Mexico with the potential to be brought to near-term production. The Company had previously been exploring for cobalt but adverse developments in Fiscal 2019 led the Company to defer cobalt exploration. Conditions did not improve in Fiscal 2020 or Fiscal 2021 and the Company has decided to focus on its Los Reyes Project and abandon its cobalt exploration.

Principal Products

The Company is involved in the acquisition, exploration and development of mineral properties, and does not have any marketable products and is not distributing products at this time.

Competitive Conditions

The mineral acquisition, exploration and development business is a competitive business. The Company competes with numerous other companies and individuals who may have greater financial resources in the search for and acquisition of personnel and funding, and the search for and acquisition, exploration and development of attractive mineral properties. As a result of this competition, the Company may be unable to obtain additional capital or other types of financing on acceptable terms or at all, acquire, explore and develop properties of interest or retain qualified personnel. See “*General Development of the Business – Risk Factors*”.

Employees

As at the date of this AIF, the Company had 62 employees in Canada and Mexico.

Environmental Protection

All phases of the Company's operations are subject to environmental regulation in the jurisdiction in which it operates. These regulations govern exploration, development, tenure, production, taxes, labour standards, occupational health, waste disposal, protection and remediation of the environment, reclamation, mine safety, toxic substances and other matters. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the general handling, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. The costs of compliance with changes in government regulations have the potential to reduce the profitability of future operations. To the best knowledge of the Company, it follows and is in compliance with all environmental laws and regulations in effect where its properties are located. Environmental protection requirements did not have a material effect on the capital expenditures, earnings, or competitive position of the Company during Fiscal 2021 and are not expected to have a material effect during the upcoming year.

Specialized Skills and Knowledge

The Company relies on the specialized skills of management and consultants in the areas of mining and geology. The loss of any of these individuals could have an adverse effect on the Company. For more information see “*General Development of the Business – Risk Factors*”.

Risk Factors

The Company's business is the acquisition, exploration, and development of mining properties. As a result, the operations of the Company are speculative due to the high-risk nature of its business. The risk factors described below are not the only risks and uncertainties that the Company faces. Additional risks and

uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair its business. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

Mineral Exploration

The Company is engaged in mineral exploration and development activities which, by their nature, are speculative due to the high-risk nature of the Company's business and the present stage of its development. An investment in the Common Shares involves significant risks. In addition to information set out elsewhere, or incorporated by reference, in this AIF investors should carefully consider the risk factors set out below. Such risk factors could materially affect the Company's future financial results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company, each of which could cause investors to lose part or all of their investment in the Common Shares.

Liquidity Risk

The Company has in the past and may in the future seek to acquire additional funding by the sale of common shares, the sale of assets or through the assumption of additional debt. Movements in the price of the common shares have been volatile in the past and may be volatile in the future. Approximately 12.5% of the Company's shares are held by an Insider, 25% are held by institutions and 15% are held by management and directors.

Additional Capital

The Company does not have sufficient financial resources available to undertake other extensive development or exploration programs. Commercial development or further exploration will require substantial additional financing. There can be no assurance that needed financing will be available in a timely or economically advantageous manner, or at all. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration, development, or production on any or all of its properties and plants or even a loss of property interests, in which case, the Company's ability to operate would be adversely affected. To obtain substantial additional financing, the Company may have to sell additional securities including, but not limited to, its Common Shares or some form of convertible securities, the effect of which may result in substantial dilution of the present equity interests of the Company's shareholders.

Commodity Prices

The mineral exploration and development businesses can be impacted by commodity prices, general economic conditions, external trade agreements, competitor activities, political instability and many other factors beyond the Company's control.

No Known Mineral Reserves

Although the Company has completed a mineral resource estimation at the Los Reyes Project, it has not identified any "mineral reserves". Only those mineral deposits that the Company can economically and legally extract or produce, based on a comprehensive evaluation of cost, grade, recovery, and other factors, are considered mineral reserves. The mineral resource estimate does not meet this standard, and no assurance can be given that any level of recovery of gold or other minerals from mineralized material will in fact be realized or that an identified mineralized deposit will ever qualify as a commercially mineable (or viable) reserve. Substantial additional work, including mine design and mining schedules, metallurgical flow sheets and process plant designs, would be required to determine if any economic deposits exist on the Los Reyes Project. Substantial expenditures would be required to establish mineral reserves through drilling and metallurgical and other testing techniques. The costs, timing, and complexities of upgrading the mineralized material at the Los Reyes Project to proven or probable mineral reserves may be greater than the Company anticipates and may not be undertaken prior to development, if at all. Failure to discover economically recoverable reserves on a mineral property will require the Company to write-off the costs capitalized for that property in its financial statements. No assurance can be given that any level of recovery of any mineral resources will be realized or that any identified mineral deposit will ever qualify as a commercially mineable ore body that can be legally and economically exploited.

Risk of Global Outbreaks of Contagious Diseases

Risk of global outbreaks of contagious diseases, including the outbreak of a novel coronavirus have the potential to impact the Company's operations and business significantly and adversely. On March 11, 2020, the World Health Organization recognized COVID-19 as a global pandemic. The Company is continuously evaluating the uncertainty and impact of the outbreak on the Company and its ability to operate due to employee absences, the length of travel and quarantine restrictions imposed by governments of affected countries, disruption in the Company's supply chains, information technology constraints, government interventions, market volatility, overall economic uncertainty and other factors currently unknown and not anticipated.

There can be no certainty that COVID-19, or other infectious illness, and the restrictive measures implemented to slow the spread of the virus will not materially impact the Company's operations or personnel in the coming weeks and months. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business, results of operations or ability to raise funds currently.

Current Global Financial Condition

Market events and conditions, including the disruptions in the international credit markets and other financial systems, along with political instability and falling oil and currency prices expressed in United States dollars have resulted in commodity prices remaining volatile. These conditions have also caused a loss of confidence in global credit markets, resulting in a climate of greater volatility, tighter regulations, less liquidity, widening credit spreads, less price transparency, increased credit losses and tighter credit conditions. Notwithstanding various actions by governments, concerns about the general condition of the capital markets, financial instruments, banks and investment banks, insurers and other financial institutions have caused the broader credit markets to be volatile and interest rates to remain at historical lows. These events are illustrative of the effect that events beyond the Company's control may have on commodity prices; demand for metals, including gold; availability of credit; investor confidence; and general financial market liquidity, all of which may affect the Company's business.

History of Losses

The Company has incurred losses since its inception and will continue to incur losses in the future until and unless the Company can derive sufficient revenues from its projects. Such future losses could have an adverse effect on the market price of the Common Shares, which could cause investors to lose part or all their investment in the Common Shares.

Title Risks

While the Company has registered its mining claims and properties with the appropriate authorities and filed all pertinent information and paid all applicable fees, this cannot be construed as a guarantee of title and title to the Company's resource and other properties may be disputed or may be affected by undetected defects.

Mine Development Risks

The business of mineral exploration and extraction involves a high degree of geological, technical and economic uncertainty because of the difficulty of locating a viable mineral deposit, the costs and other risks involved in bringing a deposit into production and the uncertainty of future mineral prices.

Uninsurable Risks

The Company is subject to a number of risks and hazards and no assurance can be given that insurance to cover the risks to which its activities are subject will be available at all or at commercially reasonable premiums. The Company currently maintains insurance within ranges of coverage which it believes to be consistent with industry practice for companies of a similar stage of development.

Reliance on Management and Experts

Development depends on the efforts of key members of management and employees. Loss of any of these people could have a material adverse effect. The Company does not have key person insurance with respect to any of its key employees.

Competition

Significant and increasing competition exists for mineral deposits in each of the jurisdictions in which the Company conducts operations. As a result of this competition, much of which is with large established mining companies with substantially greater financial and technical resources than the Company has, it may be unable to acquire additional attractive mining claims or financing on terms it considers acceptable. The Company also competes with other mining and mineral processing and refining companies in the recruitment and retention of qualified employees. Consequently, the Company's revenues, operations and financial condition could be materially adversely affected.

Conflicts of Interest

Certain of the Company's directors, officers and other members of management do, and may in the future, serve as directors, officers, promoters and members of management of other mineral exploration and development companies and, therefore, it is possible that a conflict may arise between their duties as a director, officer, promoter or member of the Company's management team and their duties as a director, officer, promoter or member of management of such other companies. The Company's directors and officers are aware of the laws establishing the fiduciary duties of directors and officers including the requirement that directors disclose conflicts of interest and abstain from voting on any matter where there is a conflict of interest. The Company will rely upon these laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers.

Environmental Risks and Hazards

All phases of the Company's operations are subject to extensive environmental regulations. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation, provide for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry activities and operations. They also set forth limitations on the generation, transportation, storage and disposal of hazardous waste. A breach of these regulations may result in the imposition of fines and penalties. In addition, certain types of mining operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the viability or profitability of operations. Environmental hazards may exist on the properties in which the Company holds its interests or on properties that will be acquired which are unknown to the Company at present and which have been caused by previous or existing owners or operators of those properties.

Infrastructure

Exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources, and water supply are important determinants for capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration of the Los Reyes Project. If adequate infrastructure is not available in a timely manner, there can be no assurance that the further exploration of the Los Reyes Project will be completed on a timely basis, if at all. In addition, unusual weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's exploration and development activities.

Community Relations

The Company's relationships with the communities in which it operates, and other stakeholders are critical to ensuring the future success of the construction and development of its projects. There is an increasing

level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. Publicity adverse to the Company, its operations, or extractive industries generally, could have an adverse effect on the Company and may impact relationships with the communities in which the Company operates and other stakeholders. While the Company is committed to operating in a socially responsible manner, there can be no assurance that its efforts in this respect will mitigate this potential risk. Further, damage to the Company's reputation can be the result of the perceived or actual occurrence of any number of events, and could include any negative publicity, whether true or not. The increased usage of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users has made it increasingly easier for individuals and groups to communicate and share opinions and views in regard to the Company and its activities, whether true or not. While the Company strives to uphold and maintain a positive image and reputation, the Company does not ultimately have control over how it is perceived by others. Reputation loss may lead to increased challenges in developing, maintaining community relations and advancing its projects and decreased investor confidence, all of which may have a material adverse impact on the financial performance and growth of the Company.

Information Technology

The Company is reliant on the continuous and uninterrupted operations of its IT systems. User access and security of all IT systems are critical elements to the operations of the Company. The Company's operations depend, in part, on how well the Company and its suppliers protect networks, equipment, IT systems and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, hacking, computer viruses, vandalism and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any IT failure pertaining to availability, access or system security could result in disruption for personnel and could adversely affect the reputation, operations or financial performance of the Company.

The Company's IT systems could be compromised by unauthorized parties attempting to extract business sensitive, confidential or personal information, corrupting information or disrupting business processes or by inadvertent or intentional actions by the Company's employees or vendors. A cyber security incident resulting in a security breach or failure to identify a security threat, could disrupt business and could result in the loss of business sensitive, confidential or personal information or other assets, as well as litigation, regulatory enforcement, violation of privacy and security laws and regulations and remediation costs.

Although to date the Company has not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that it will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

DESCRIPTION OF THE COMPANY'S BUSINESS

General

The Company is involved in the acquisition and exploration of mineral properties. Currently the Company holds one property interest that is material to the Company, the Los Reyes Project which is referred to in this section as the "**Property**".

Material Projects

Los Reyes Project

In August 2019, the Company closed the Los Reyes Assignment Agreement with MAI, Vista Gold, and the Mexican subsidiaries of each of MAI and the Company, pursuant to which MAI assigned the rights to the Los Reyes Amended Option Agreement. At the time, MAI had the right to acquire a 100% interest in Los Reyes, pursuant to the Los Reyes Amended Option Agreement. The Company is at arm's-length from each of MAI and Vista Gold.

Initially, to acquire the Los Reyes Option, the Company:

- Paid US\$1,500,000 to MAI, to reimburse MAI for the cost of an option payment required to be made to Vista Gold on April 23, 2019 (the "**April Payment**").
- Assumed MAI's remaining option payments of US\$3,000,000 in favour of Vista Gold, as follows:
 - US\$1,500,000 paid on October 27, 2019; and
 - US\$1,500,000 on the earlier of October 27, 2021, or a production decision (collectively the "**October Payments**").
- Issued to MAI 9,450,000 Common Shares and 3,350,000 Warrants entitling MAI to acquire further Common Shares at a price \$0.50 per Common Share for a period of 24 months from issuance.
- Entered into the Los Reyes Governance Agreement, providing for, among other things, MAI receiving the right to appoint one director to the Board for so long as MAI holds at least 5% of the Company's outstanding Common Shares and MAI receiving the right to participate in future financings. Bruce Durham joined the Board as MAI's initial nominee under the Governance Agreement. As of the date of this AIF, MAI no longer holds at least 5% of the Company's outstanding Common Shares. Bruce Durham resigned from the Board in May 2020.

The Company funded the April Payment through a loan of \$2,000,000 (the "**Bridge Loan**") that was arranged through a group of lenders consisting of Andrew Bowering (the Company's then CEO), George Dengin and Perfect Storm Holdings Ltd. (collectively the "**Lenders**"). The Bridge Loan was unsecured, bears interest at a rate of 12% per year, compounded monthly, and had a term of 12 months. The loan received TSXV approval in August 2019 and the Company repaid \$1,000,000 of the loan plus accrued interest in September 2019. The Company repaid the balance of the remaining loan plus accrued interest in June 2020.

In consideration for providing the Bridge Loan, the Company paid a commitment fee of \$40,000 and issued 1,333,334 Common Shares to the Lenders.

In consideration for introducing the Los Reyes Option to the Company, and for assisting in its facilitation, the Company issued 1,216,250 Common Shares to two arm's-length parties, Jeremy Ross and Sandwedge Consulting Ltd. A total of 556,250 finders' shares were issued, with a further 330,000 finders' shares to be issued upon completion of the October Payment.

On June 12, 2020, the Company amended the Los Reyes Amended Option Agreement for the Los Reyes Project with Vista Gold. The amended Los Reyes Amended Option Agreement provides for the cancellation of all ongoing NSRs and back-in rights ("**Back-in Rights**") held by Vista Gold, in consideration for accelerating the final US\$1,500,000 option payment owing to Vista Gold (the "**Option Payment**") and paying (1) US\$1,100,000 no later than six months from the acquisition date; and (2) US\$1,000,000 no later than 12 months from the acquisition date.

After the Company made the Option Payment, Vista Gold no longer retains a capped NSR on production from open-pit mining or a perpetual NSR on production from underground mining. In addition, Vista Gold no longer has the Back-in Rights to assume a 49% non-carried interest in any underground mining project developed at the Property. If the Company fails to make the US\$1,100,000 and US\$1,000,000 payments, Vista Gold will have the right to reinstate its NSRs and Back-in Rights.

In summary, to acquire the Property, the Company:

- Paid US\$1,500,000 to MAI, to reimburse MAI for the cost of an option payment required to be made to Vista Gold in April 2019.
- Assumed MAI's remaining option payments of US\$3,000,000 in favour of Vista Gold of which US\$1,500,000 was paid in October 2019 and US\$1,500,000 was paid in July 2020.
- Issued to MAI 9,450,000 Common Shares and 3,350,000 Common Share purchase warrants entitling MAI to acquire further Common Shares at a price \$0.50 per share for a period of 24 months.
- Paid to Vista Gold US\$1,100,000 in January 2021 and a further US\$1,000,000 in July 2021

The Company filed a deed in Mexico with the Public Registry of Property and Commerce to record the transfer of the 37 Los Reyes mining concessions. The Company expects to complete registration with the Mines General Directorate's Mining Public Registry in due course.

See "*Mineral Projects – Los Reyes Project*" for additional information.

Non-Material Projects

Panther Creek Project

In October 2017, the Company entered into the Panther Creek UMR Option Agreement to purchase a 50% interest and earn up to a 100% interest in the Panther Creek Project. The Company has earned a 50% interest in the Panther Creek Project by paying US\$175,000 and issuing 5,500,000 Common Shares. The Panther Creek UMR Option Agreement was amended on October 22, 2018, to defer project milestones.

Magenta Project

In December 2018, the Company entered into the Magenta Purchase Agreement to purchase Exploracion Auramex SA de CV and its Magenta Project in Sinaloa, Mexico, from Bowering Projects for US\$150,000 and 1,250,000 Common Shares. The claims are not subject to any royalties. The Company received TSXV approval and issued 1,250,000 Common Shares in March 2019.

Ike Project

The Company owned 100% of the Ike gold project in the Selwyn Basin of Yukon. At October 31, 2018, the Company completed a review of the Ike gold project and, after considering its exploration priorities, the Company fully impaired the project's carrying value. The claims were in good standing until November 2019 but have now lapsed.

Los Reyes Project

Information in this section is relies partially on information contained in a independent 43-101 compliant technical report entitled "*Technical Report Los Reyes Property Sinaloa, México*" prepared by William A. Turner, P. Geol. and A.C. (Chris) Hunter, P. Geol. of Stantec Consulting Ltd. dated April 15, 2020

The Los Reyes Technical Report describes work completed by the Company and prior project operators up to February 2020. The Los Reyes Technical Report Los Reyes has been filed with the securities regulatory authorities in British Columbia and Alberta. Portions of the following information are based on assumptions, qualifications and procedures that are not fully described herein. Reference should be made to the full text of the Los Reyes Report which is available for review on SEDAR.

Additional information for work conducted subsequent to the onset of the Los Reyes Technical Report and up to April 30, 2021 is described below under the section "Worked completed by Prime Mining

Subsequent to the Los Reyes Technical Report". This information is based on news releases issued by the Company, and these news releases are available on the Company's website and on SEDAR.

Los Reyes Technical Report Summary

Introduction

On October 24, 2019, the Company contracted Stantec to prepare a technical report for the Los Reyes Project in accordance with the requirements of NI 43-101 (the "**Los Reyes Technical Report**"). The purpose of the Los Reyes Technical Report was to complete resource estimates for deposits that are included in the Los Reyes Project, which are El Zapote (North and South), San Miguel (East and West), Guadalupe (East and West), Noche Buena, and Tahonitas.

An independent Stantec Qualified Person inspected the Los Reyes Project between January 8, 2020, and January 11, 2020. During this property inspection, the Qualified Person collected 15 outcrop samples from El Zapote (North and South), Guadalupe West, San Miguel (East and West). The samples were transported by the Qualified Person to Calgary, Alberta. The samples were analysed by AGAT Laboratory (AGAT). The effective date of the Technical Report was March 24, 2020.

Reliance on other Experts

The authors of the Technical Report were provided with an opinion document, which is dated May 14, 2019, by the law firm DBR Abogados, S.C., Per: Patricia Vivar, that related to the standing of the Los Reyes Project title documentation, royalties, tax payments, and assessment works. This document was provided to Stantec by the Company on March 29, 2020.

Property Description and Location

The Los Reyes Project is north of the coastal city of Mazatlán, approximately 110 km by air and 200 km by road. The city closest to the Los Reyes Project is Cosalá (with a population of approximately 17,000) which is located 30 km to the southeast of the Property. Enroute to the Los Reyes Project from Cosalá are the villages of Palo Verde and La Tasajera. The village of Guadalupe de los Reyes is on the Los Reyes Project and was the site of Spanish colonial mining (Figure 1-1). The general geographic coordinates of the Los Reyes Project are N-24°16'42" and W-106°30'15" (13R 0347019E, 2685586N). Coordinates are in Nad 27 Mexico.

Property Concessions

The Los Reyes Project is composed of 37 contiguous concessions that have an area of 6,302.7 hectares; however, due to overlap between some of the concessions, the actual area is 6,273 ha. Figure 1-2 shows the concessions and their associated overlap.

The Company has filed an application for mineral rights to a 7,500-hectare claim block adjacent to the eastern and northeastern Los Reyes boundary. The Company is waiting for confirmation that the concession has been granted.

Figure 1-1 Property Location Map

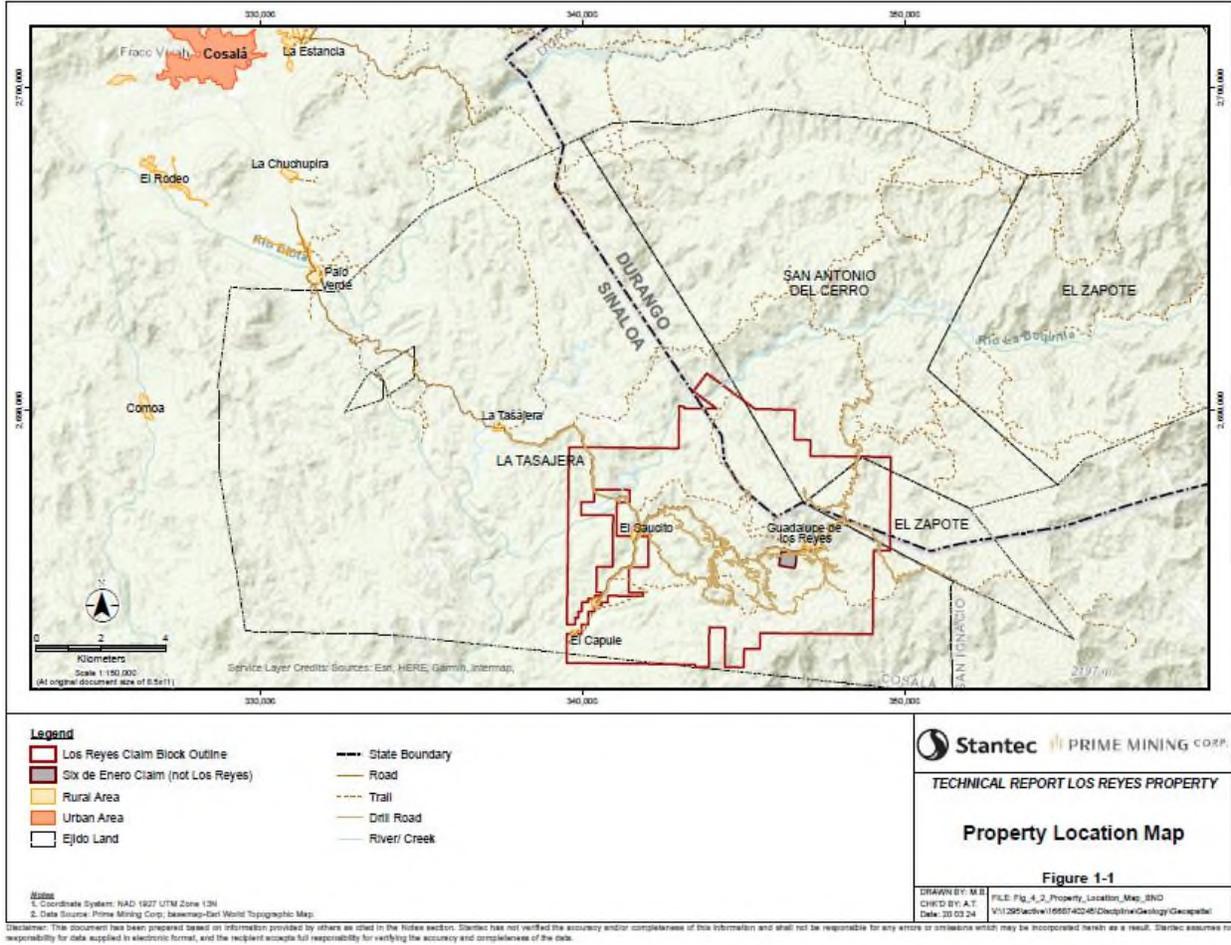
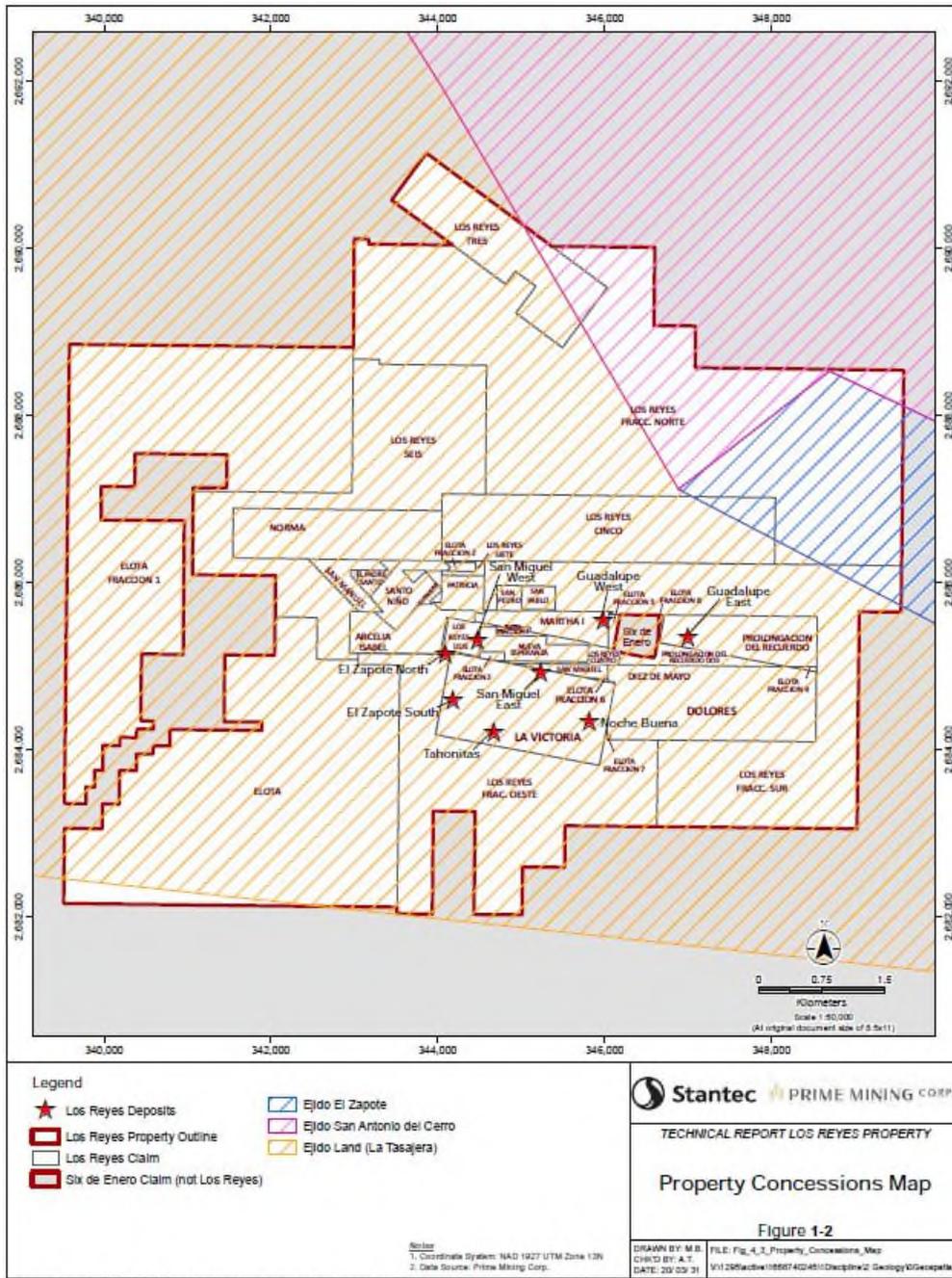


Figure 1-2 Property Concessions Map



Property Royalties and Encumbrances

DBR Abogados, S.C., completed an opinion on the royalties associated with the Los Reyes Property, dated May 14, 2019, that states the following:

The following royalties: “CTSL Royalty 3%”, “DMSL Royalty 1%”, and “DMSL Royalty 3%”, are derived from the transfer agreement entered into Desarrollos Mineros San Luis, S.A. de C.V. and Minera Paredones Amarillos, S.A. de C.V. (now Desarrollos Zapal, S.A. de C.V.), dated January 23, 2008, certified and attested to by Mr. Guillermo Aaron Chapa Vigil, Public Notary number 247 for the Federal District (now México City), as recorded on March 10, 2008, under Entry 95, at Pages 58, Volume 14 of the Mining Acts, Contracts and Agreements Book of the Registry;

- *The mining Concessions subject to CTSL Royalty 3% are: “Los Reyes Dos”; “Los Reyes Tres”; “Los Reyes Cuatro”; Los Reyes Cinco”; Los Reyes 8”; “Los Reyes Fracc. Oeste”; “Los Reyes Fracc. Sur”; and “Los Reyes Fracc. Norte”;*
- *The mining concessions subject to DMSL Royalty 1% are: “Los Reyes Dos”; “Los Reyes Tres”; “Los Reyes Cuatro”; Los Reyes Cinco”; “Los Reyes Seis”; “Los Reyes Siete”; Los Reyes 8”; “Los Reyes Fracc. Oeste”; “Los Reyes Fracc. Sur”; “Los Reyes Fracc. Norte”; “Norma”; “Nueva Esperanza”; “San Miguel”; “San Manuel”; “El Padre Santo”; “El Faisán”; “Santo Niño”; “San Pablo”; “San Pedro”; “Patricia”; and “Martha 1”; and*
- *The mining concessions subject to DMSL Royalty 3% are: “Diez de Mayo”; “Prolongación del Recuerdo”; “Prolongación del Recuerdo Dos”; “Arcelía Isabel”; “Dolores”; and “La Victoria.*

Accessibility, Climate, Local Resources, Infrastructure

The Los Reyes Project is approximately 110 km by air and 200 km by road from the coastal city of Mazatlán, Sinaloa. The Los Reyes Project is near the village of Guadalupe de Los Reyes, located 30 km southwest from the city of Cosalá, and can be accessed year-round by road, with the best time for access being fall through spring. Recent improvements to the area’s infrastructure, such as the high bridge over the Las Habitas River, have enhanced accessibility.

Cosalá has a regional airport, Aeropuerto de Cosalá, located northwest from the city centre. The road from Cosalá through Guadalupe de los Reyes is the only land access to the southeastern mountains in this part of the country. Local facilities include: a hospital and health clinics, schools, banks, retail stores, hotels, restaurants, and tourism companies. The surrounding communities can provide labor, but a skilled workforce would require sourcing from larger cities such as Mazatlán, Culiacán, and Durango, or imported from other countries.

Annual temperatures range from 16°C to 29°C. Precipitation reaches a peak in July, with 212.6 mm of rainfall in 2019.

History

The Property was drilled between 1993 and 2015. Companies that completed drilling during this time span included Northern Crown Mines Ltd. Meridian Gold, Inc. Vista Gold Corp., and Great Panther Silver Limited.

- Northern Crown Mines, Ltd. completed reverse circulation (RC) drilling in 1993, 1994, 1996 and 1997. In total, 381 drill holes were completed that resulted in 36,108 m.
- Meridian Gold, Inc. completed 23 RC drill holes in 2001 that totalled 2,700 m.
- Vista Gold Corp. completed 48 diamond drill core holes in 2011 and 2012 that totalled 7,432 m.
- Great Panther Silver Limited drilled 41 core holes in 2015 that totalled 5,505 m.

Several historical resource estimates have been completed on the Property during the following years by the following companies: 1998 (Northern Crown Mines, Ltd.); 2003 (Vista Gold Corp.); 2005 (Grandcru Resources Corporation); 2009 and 2013 (Vista Gold Corp.); and 2016 (Great Panther Silver Limited).

Geological Setting and Mineralization

The Los Reyes Project is in the Guadalupe de los Reyes mining district in the western foothills of the Sierra Madre Occidental mountain range, Sinaloa State, México. In the vicinity of the Los Reyes Project, the volcanic sequence unconformably overlies a late Cretaceous-aged felsic batholith. This overlying volcanic package is subdivided into Lower and Upper sequences that are separated by an angular unconformity. The Lower Sequence spans from late Cretaceous-early Tertiary, is approximately 1 km thick, and is predominantly composed of intermediate (andesite) volcanics and intercalated sandstone and volcanic conglomerate intervals. The Lower volcanic sequence also contains more felsic units that are dacitic in composition. The upper sequence that is deposited conformably on the lower sequence, is composed of ash-flow and ash-fall tuffs that are rhyolitic to dacitic in composition. This sequence is more than 1 km thick in high elevation areas.

In the main area of mineralization, the deposits dominantly occur along three northwest and west-northwest oriented silicified structural corridors. These mineralized structural corridors are named after the mineralized areas that they host, which include: 1) the Mariposa-El Zapote-Tahonitas trend, which strikes to the south-southeast and dips at approximately 50° to the southwest; 2) San Miguel-Noche Buena trend, which is a regional northwest – southeast striking structure that moderately dips between 50° and 60° to the southwest; and 3) the Guadalupe trend, which bifurcates to the east from the San Miguel West deposit, is subdivided into East and West deposits that are separated by the “6 de Enero” claim.

Mineralized areas that are not along the main structural corridors include Fresnillo, Las Primas, Mina 20/21, Las Palmitas, El Orito, El Apomal, El Mirador, and Las Casitas.

Exploration

In October 2019, Company personnel began a test program, systematically trenching and roadcut sampling approximately 5,000 m, that focused on sampling across outcropping mineralized structures. This program was designed to obtain continuous surface grades in select areas that, when combined with drill hole data, assisted to advance the geological model and refined the resource estimation. The result of this program was the collection of 724 trench samples from 24 trenches, 101 adit samples from four historic underground workings, and 995 road-cut samples from 30 sets of outcrop exposures along historic road cuts.

Sample Methodology and Analyses

Northern Crown Mines, Ltd. and Meridian Gold, Inc.

Northern Crown Mines, Ltd. and Meridian Gold, Inc. collected samples from cuttings during RC drilling. In addition, NCM collected soil and rock samples for geochemical analyses.

RC samples were collected at 1.52 m intervals (five feet) from 133 mm (5.2 inch) diameter drill holes. Samples were collected from the cyclone into collection buckets. Dry samples were split using a Jones riffle splitter, while wet samples were split via a rotary splitter. A five kg split was placed into a plastic sample bag to be sent to the laboratory for analyses, while a duplicate sample, which varied from 15 to 20 kg, was stored in a second sample bag. The lithology, alteration, and mineralization were recorded on site for each sample.

A total of 4,640 soil samples were collected, which typically were a mixture of B and C soil horizons that were collected at a depth of 15-20 cm. Samples were placed in kraft paper bags and shipped to Bondar-Clegg México for sample preparation.

Surface grab and chip rock samples were collected from surface exposures along lengths up to 15 m, with sample lengths varying from 2 to 5 m. Samples typically weighed 5 to 15 kg. Samples were collected from the field camp by Bondar-Clegg México, and directly transported to their preparation facility in Hermosillo.

Vista Gold Corp.

In 2011, Vista Gold collected 271 surface rock samples, which ranged from 1 to 3 kg. Samples were sent to ALS Chemex de México, S.A. de C.V. in Hermosillo, Sonora, for sample preparation.

Vista Gold completed diamond drilling during their 2011-2012 drill campaign. The diamond drill core was boxed and stacked at the rig by the drill crews. Core was then picked up daily by the staff geologist, or his designate, and transported directly to Guadalupe de Los Reyes exploration camp for processing and sampling. The facilities consisted of secured storage and a core cutting area located in the village of Guadalupe de Los Reyes. Processing of the core included digital photographing, geotechnical and geological logging, and marking the core for sampling. Zones of strong alteration, quartz veining, and quartz vein stockworks were sampled for assay.

Great Panther Silver Limited

Great Panther Silver Limited completed drilling using a track mounted HTM 2500 drill rig generating HQ or NQ core. The diamond drill core was boxed and stacked at the rig by the drill crews. Core was then picked up daily by the staff geologist, or his designate, and transported directly to Guadalupe de los Reyes for processing and sampling. Processing of the core included digital photographing, geotechnical and geological logging, and marking the core for sampling. Core intervals that contained strong alteration, quartz veining, and quartz vein stockworks were marked for cutting and sampling. Each sampled interval was tagged and put in plastic bags with unique sample numbers. Samples were not collected across geologic breaks and sample intervals did not exceed 2 m. The minimum core length was 0.35 metres. Half of the core was used for assay testing while the remaining half was conserved for future reference and metallurgical test work. All the samples were kept in a secure area until shipped for assay.

Great Panther Silver Limited collected 406 surface and underground (adit) rock samples. Samples were collected by hand and weighed between 2 kg and 6 kg. All samples were described and tagged in the field with coordinates taken by GPS at each surface sample site and measured from adit entrance for underground samples.

Prime Mining

During the Company's surface sampling program, prior to completion of the Los Reyes Technical Report, the Company collected 724 rock samples from 24 trenches, 101 rock samples from historic underground workings, and 995 rock samples from 30 sets of outcrop exposures along historic road-cuts. All samples were collected from 1.5 m intervals, with careful attention to consistent volume of material along the interval. Samples weighed on average 6.25 kg. Trenches were hand dug using pickaxes and shovels to a depth of not more than 1.5 m for safety considerations. Where the bedrock contact consisted of broken rubble, which is typical, a trench was dug to competent material. Road and adit samples were also at 1.5 m intervals and were collected using a hammer and chisel.

Geologists measured the sample intervals, checking that a consistent sample could be collected. A geologist supervised the sampling team as they collected samples, using chisels and hammers as necessary, putting the material into pre-labeled sample bags. Once collected, the geologist marked the intervals with an aluminum tag indicating sample number, date, and geologist's initials, completed the sample ID tag, and inserted a tear-off identification tag into the sample bag. Each sample was described by a geologist using a standardized sample description form. Following completion of the sample description, the sample bag was then closed using a tie strap. Samples were placed in larger prelabeled rice bags, maximum eight samples to a bag, and tie strapped shut.

Quality Control

Northern Crown Mines, Ltd.

Northern Crown Mines had approximately 10 percent of the sample intervals in the mineralized zone sent for duplicate analysis by a second laboratory to evaluate the quality of the sample analyses. Check assay data for samples were completed between 1992 and 1995, and for the 1996 and 1997 drilling programs. For this work, Bondar-Clegg supplied the sample pulps to Min-En Laboratories (Min-En) in Vancouver, British Columbia. Min-En analyzed the sample pulp material utilizing similar methodology as described by Bondar-Clegg.

Vista Gold Corp.

Control samples were included in each batch of samples that Vista Gold submitted to Chemex at a frequency of one in 20 samples. Control samples consisted of the following:

- Coarse blanks: washed construction gravel obtained locally;
- Standards: certified standards, submitted as pulps (Predominately RockLabs CRMs);
- Replicate assays of a second pulp from coarse rejects by Chemex Labs; and
- Assays of duplicate pulps from the same sample by Acme Labs.

Great Panther Silver Limited

Great Panther Silver Limited geologists inserted a blank and standard every twentieth sample and a duplicate sample was inserted every fortieth sample. Great Panther Silver Limited used standards created by SGS Laboratories. In all, Great Panther Silver Limited submitted 61 standard reference material samples, 61 blanks, and 48 duplicate samples. Three standards returned values more than three standard deviations for gold, and five silver standards were above three standard deviations. All sample batches that exceed the ± 3 standard deviations were re-assayed. Great Panther Silver Limited also submitted 48 duplicate drill core samples for assays.

Prime Mining

A quality assessment program that included blanks, reference standards (certified reference materials or CRMs), and check assays was implemented by the Company to monitor the ongoing integrity of assay results. The surface program (trench, adit, and road-cut sampling) and drill program followed a quality control program. For each batch of samples, control samples were inserted into the sample stream at predetermined intervals as outlined below. Prepared and field blanks as well as prepared gold and silver standards were used as control samples. Standards were purchased from CDN Laboratories Ltd. based in Vancouver, B.C., and Ore Research and Exploration based in Melbourne, Australia.

A selection of sample coarse rejects and corresponding pulps were submitted to SGS laboratories in Durango for check analyses for both the surface sampling and drill core programs. These represented approximately 5% of the sample population. CRMs were also submitted with the rejects and pulps including gold-silver standards and blanks. Samples were selected based on: 1) certificate batches that have any standard/blanks that are reported outside recommended values; 2) samples with elevated silver or gold, but uncharacteristic corresponding silver or gold values based on review of other samples (surface and core/chips) from that particular deposit; 3) other marker elements based on sample reviews; and 4) gaps in the mineralization. Samples selected for coarse reject reanalysis included samples that stood out, based on the above criteria, as well as adjacent samples into a mineralized zone. Checks were also done on samples that ran elevated gold/silver.

Data Verification

The goals of the site investigation by the Qualified Person from Stantec were three-fold: 1) to validate that the proposed mineralized system conformed to textures that align with a low sulphidation epithermal deposit type; 2) to validate sample locations and collect samples so that an independent assessment could be completed to assess the presence of gold and silver across the Los Reyes Project; and 3) to validate the locations of historic drill holes. The Los Reyes Project investigation was completed in January 2020. The authors of the Los Reyes Report were accompanied by a representative of the Company, three site geologists, and a sampler. Most areas of the Los Reyes Project are easily accessible by road.

Due to the ongoing COVID-19 pandemic, no subsequent site visits have been completed by an Independent Qualified Person.

Limitation to Data Validation by Qualified Person

Limitations to the validation that the Qualified Person was able to complete are listed below:

- The Qualified Person was not involved in the Los Reyes Project prior to 2019, and did not complete a field visit until 2020, and therefore cannot validate the field procedures used during drilling and sample collection prior to the involvement by the Company.
- The core storage facility was not proximal to the Los Reyes Project area, and the Qualified Person did not travel to Hermosillo to review the core.
- Laboratory inspections were not completed by the Qualified Person.

Opinion of the Independent Qualified Person

It is the opinion of the Qualified Person(s) that the field procedures and sampling protocols that were implemented by the Company are reasonable. Also, the quality of the laboratory testing completed during the various stages of the Los Reyes project are reasonable. The independent Qualified Person(s) is (are) confident that the samples and associated laboratory datasets that are used in the Technical Report are accurate.

Mineral Processing and Metallurgical Testing

Most of the mineral processing and metallurgical testing was completed between 1998 and 2012. The most recent work completed was done by RDi Inc. in September 2012.

Leach testing was completed on composite samples comparing whole ore agitated leaching carbon in leach, as well as carbon in leach with lead nitrate. Parameters such as cyanide concentration, pulp density, grind size, and leach method were evaluated to determine preliminary operating parameters.

Gravity separation testing was completed to determine if a direct smelter product could be produced with no additional on-site processes. This type of processing would allow for additional gold recovery from concentrations remaining after cyanidation, however, the test work results indicated that the gravity concentrate would not produce high enough recovery rates to substitute for leaching. Due to the wide range of mesh sizes for the samples tested, and the high variability of results for recovery, it was difficult to determine the efficacy of gravity recovery.

Flotation testing was completed on composite samples. Gold and silver recovery rates are ninety percent for all samples except for the third composite sample. This composite sample had a silver recovery of twenty percent, however, sample three had poor silver recovery during leach and gravity testing as well. This could be due to the mineralogy of the sample rather than processing factors.

Mineral Resource Estimates

In accordance with the requirements of NI 43-101 and the CIM Definition Standards, the independent Qualified Person(s) reviewed the available drill hole and sample dataset and created geologic models for the purposes of generating gold and silver mineral resource estimates within the Los Reyes Project.

Two 3D geologic resource models, named TZSM and GUAD, were developed for delineated portions of the Property. The TZSM model encompasses the El Zapote and Tahonitas deposits, as well as the San Miguel and Noche Buena deposits. The GUAD model includes the Guadalupe deposits. The resource estimates calculated in this study were restricted to pit constrained surface resources. The pits were built using a constant 45° pit slope and block revenue minus block cost was used as a driver to determine the overall size of the Lerchs-Grossmann pits. Figure 1-3 shows the extents of the TZSM and GUAD models.

Resource Classification

Resources are classified according to the confidence categories defined by *CIM Mineral Exploration Best Practice Guidelines*, which was published by the CIM Estimation Best Practice Committee on November 23, 2018. The assigned resource classification is currently constrained by a pit floor elevation determined visually from the down dip extent of blocks estimated in the first pass (inferred) and by the maximum search distance of each estimation pass.

Assessment of Reasonable Prospects for Eventual Economic Extraction

In coming to a determination regarding the assessment of reasonable prospects for the eventual economic extraction of the resources on the Los Reyes Project, the authors of the Los Reyes Report considered the following:

The resource estimates are based on pit constrained surface resources. The surface resource includes mineralized gold blocks limited to within a 45-degree constant slope pit shell. All resource estimates include contained ounces within the constrained pit shells as shown on Tables 1.1 and 1.2. Table 1.1 summarize the base case with a cutoff of 0.22 g/t gold resources for each of the deposit areas in metric units. Table 1.2 summarize the historic case with a cutoff of 0.50 g/t gold resources for each of the deposit areas in metric units.

The pit shell is defined by a 0.22 g/t minimum gold cutoff grade, a US\$2.40 per tonne (US\$2.15 per ton) mining cost, a gold price of US\$1,329 per Troy ounce and a silver price of US\$16 per Troy ounce. Mineralization density was based on laboratory analyses on specific lithologies, and a default mine rock density was based on 2.6 tonnes/m³ for all other areas. Modifying factors considered for the definition of mineralized zones into classified resources of eventual economic interest include the following:

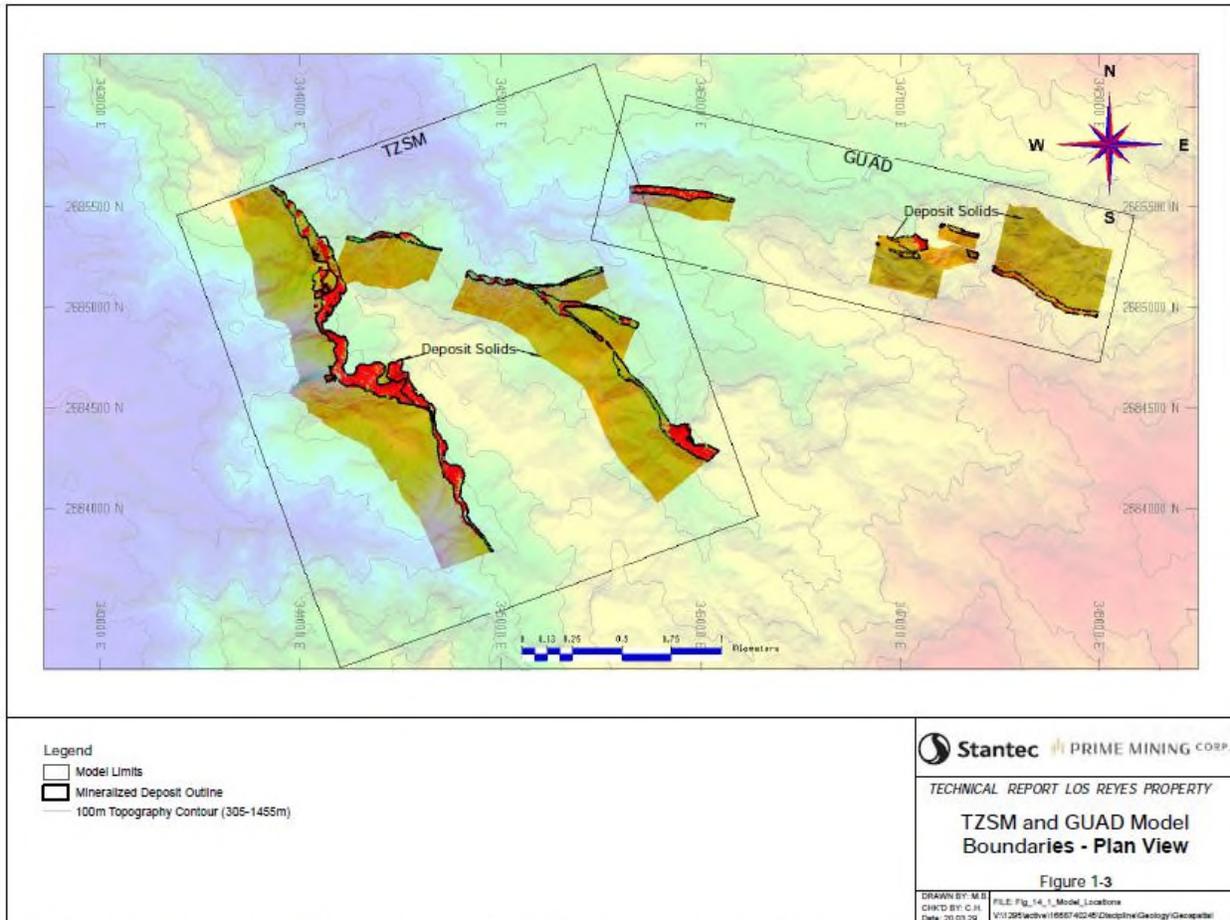
- metallurgical recovery factors of 72% for gold and 25% for silver that are typical for conventional heap leach operations;
- no allowance for dilution and mining losses in the calculation of the cutoff grade;
- mining costs of US\$2.40 per tonne mined;
- combined leaching, site costs and overhead of approximately US\$4.30 per tonne placed on the leach pad; and
- no refining and royalty costs have been applied.

Truck and shovel surface operations are the expected primary mining method. Mining, leaching, site and other cost inputs have been based on comparable property costs. The level of detail of cost estimation and mining evaluation is deemed to be appropriate for the definition of resources prior to undertaking a preliminary economic assessment level evaluation.

There are no tonnages of potential economic interest reported for underground mining of mineralized zone below the projected pit shell limits.

These factors lead the authors of the Los Reyes Technical Report to conclude that the Los Reyes Project could be developed.

Figure 1-3 TZSM and GUAD Model Boundaries – Plan View



Mineral Resource Estimation

The resource estimations were at the base case cutoff of 0.22 g/t gold, as well as cutoffs at 0.50 g/t gold, 0.70 g/t gold, 0.90 g/t gold, and 1.00 g/t gold. Table 1.1 shows each pit at 0.22 g/t gold.

Table 1.1
In-Place Mineral Resource, Effective Date March 24, 2020. Base Case Pit Constrained Resource at 0.22 g/t Gold

Deposit	Assurance Category	Tonnes (000)	Average Gold	Contained Gold	Average Silver	Contained Silver
			Grade (g/t)	(Ounces 000)	Grade (g/t)	(Ounces 000)
Tahonitas - El Zapote (North & South)	Measured (M)	4,576	1.15	169	17.97	2,644
	Indicated (I)	5,622	0.78	141	16.55	2,992
	M+I	10,198	0.95	311	17.19	5,637
	Inferred	2,407	0.91	70	17.17	1,329
Noche Buena	Measured (M)	300	1.25	12	25.93	250
	Indicated (I)	1,939	0.80	50	20.92	1,304
	M+I	2,239	0.86	62	21.59	1,554
	Inferred	1,123	0.73	26	17.34	626
San Miguel East	Measured (M)	650	1.22	26	59.88	1,251
	Indicated (I)	1,784	0.84	48	53.09	3,045
	M+I	2,434	0.94	74	54.91	4,297
	Inferred	2,391	0.81	62	54.89	4,219
San Miguel West	Measured (M)	93	3.15	9	42.26	126
	Indicated (I)	379	1.51	18	20.65	252
	M+I	472	1.83	28	24.91	378
	Inferred	116	0.59	2	10.97	41
Guadalupe East	Measured (M)	2,141	1.46	100	42.08	2,896
	Indicated (I)	809	0.89	23	25.26	657
	M+I	2,950	1.30	124	37.46	3,553
	Inferred	814	0.58	15	18.82	492
Guadalupe West	Measured (M)	767	0.97	24	31.51	777
	Indicated (I)	692	0.53	12	18.37	409
	M+I	1,459	0.76	36	25.27	1,186
	Inferred	243	0.30	2	15.74	123
TOTAL	Measured (M)	8,527	1.24	341	28.98	7,946
	Indicated (I)	11,225	0.81	293	23.99	8,658
	M+I	19,752	1.00	633	26.15	16,604
	Inferred	7,094	0.78	179	29.95	6,831

- Three year rolling gold price of US\$1,329 / Troy ounce and silver price of US\$16 / Troy ounce used

- Cutoff grade of 0.22 g/t gold applied
- Total mining and processing cost of US\$6.70 / tonne applied
- No NSR charges were applied in calculation of cutoff or mining costs
- In-place tonnages constrained to the Lerchs-Grossmann pit solids using combined gold and silver revenue

Table 1.2 shows the estimate of the mineral resource for the Los Reyes Project by each pit at with the historic case cutoff at 0.50 g/t gold as of March 24, 2020.

**Table 1.2
In-Place Mineral Resource Summary, Effective Date March 24, 2020. Pit Constrained at 0.50 g/t Gold Cutoff**

Deposit	Assurance Category	Tonnes (000)	Average Gold	Contained Gold	Average Silver	Contained Silver
			Grade (g/t)	(Ounces 000)	Grade (g/t)	(Ounces 000)
Tahonitas -El Zapote (North & South)	Measured (M)	2,701	1.72	149	22.29	1,936
	Indicated (I)	3,108	1.13	113	20.35	2,033
	M+I	5,809	1.40	262	21.25	3,969
	Inferred	1,384	1.31	58	19.22	855
Noche Buena	Measured (M)	165	2.00	11	36.10	191
	Indicated (I)	1,249	1.05	42	26.61	1,068
	M+I	1,414	1.16	53	27.72	1,260
	Inferred	664	1.00	21	23.98	512
San Miguel East	Measured (M)	386	1.84	23	76.57	950
	Indicated (I)	1,068	1.18	40	70.00	2,403
	M+I	1,454	1.35	63	71.74	3,354
	Inferred	1,306	1.22	51	87.00	3,653
San Miguel West	Measured (M)	50	5.58	9	71.08	114
	Indicated (I)	297	1.82	17	24.18	231
	M+I	347	2.36	26	30.93	345
	Inferred	50	1.02	2	16.04	26
Guadalupe East	Measured (M)	1,518	1.92	94	53.06	2,589
	Indicated (I)	493	1.24	20	34.55	548
	M+I	2,011	1.75	113	48.52	3,137
	Inferred	318	0.86	9	28.60	292
Guadalupe West	Measured (M)	474	1.36	21	40.83	622
	Indicated (I)	313	0.78	8	22.40	225
	M+I	787	1.13	28	33.50	848
	Inferred	234	0.30	2	15.68	118
TOTAL	Measured (M)	5,294	1.80	306	37.62	6,403
	Indicated (I)	6,528	1.15	240	31.01	6,509
	M+I	11,822	1.44	546	33.97	12,912
	Inferred	3,956	1.13	144	42.90	5,456

- Three year rolling gold price of US\$1,329 / Troy ounce and silver price of US\$16 / Troy ounce used
- Cutoff grade of 0.22 g/t gold applied
- Total mining and processing cost of US\$6.70 / tonne applied
- No NSR charges were applied in calculation of cutoff or mining costs
- In-place tonnages constrained to the Lerchs-Grossmann pit solids using combined gold and silver revenue

Table 1.3 shows the estimate of the mineral resource for the Los Reyes Project with the differing gold cutoff grades as of March 24, 2020.

**Table 1.3
In-Place Mineral Resource Summary, Effective Date March 24, 2020. Pit Constrained at varying Gold Cutoffs**

Cutoff	Assurance Category	Tonnes (000)	Average Gold	Contained Gold	Average Silver	Contained Silver
			Grade (g/t)	(Ounces 000)	Grade (g/t)	(Ounces 000)
0.22 g/t cutoff total	Measured (M)	8,527	1.24	341	28.98	7,946
	Indicated (I)	11,225	0.81	293	23.99	8,658
	M+I	19,752	1.00	633	26.15	16,604
	Inferred	7,094	0.78	179	29.95	6,831
0.50 g/t cutoff total	Measured (M)	5,294	1.80	306	37.62	6,403
	Indicated (I)	6,528	1.15	240	31.01	6,509
	M+I	11,822	1.44	546	33.97	12,912
	Inferred	3,956	1.13	144	42.90	5,456
0.70 g/t cutoff total	Measured (M)	4,094	2.15	283	42.46	5,589
	Indicated (I)	4,603	1.38	204	35.48	5,251
	M+I	8,697	1.74	488	38.77	10,840
	Inferred	2,603	1.44	120	54.36	4,549
0.90 g/t cutoff total	Measured (M)	3,323	2.47	264	46.57	4,975
	Indicated (I)	3,423	1.58	174	39.46	4,342
	M+I	6,746	2.02	438	42.96	9,317
	Inferred	1,859	1.71	102	64.23	3,839
1.00 g/t cutoff total	Measured (M)	3,019	2.62	254	48.42	4,700
	Indicated (I)	2,895	1.70	158	41.85	3,895
	M+I	5,914	2.17	413	45.20	8,595
	Inferred	1,685	1.78	97	67.22	3,642

- Three year rolling gold price of US\$1,329 / Troy ounce and silver price of US\$16 / Troy ounce used
- Cutoff grade of 0.22 g/t gold applied
- Total mining and processing cost of US\$6.70 / tonne applied
- No NSR charges were applied in calculation of cutoff or mining costs
- In-place tonnages constrained to the Lerchs-Grossmann pit solids using combined gold and silver revenue

Potential Risks

The accuracy of resource estimates is, in part, a function of the quality and quantity of available data and of engineering and geological interpretation and judgment. Given the data available at the time; the estimates presented herein are considered reasonable. However, they should be accepted with the understanding that additional data and analysis available after the date of the estimates may necessitate revision. These revisions may be material.

Mineral resources are not mineral reserves and there is no assurance that any mineral resources will ultimately be reclassified as reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Potential risks that impact the accuracy of resource estimates include:

- The accuracy of the underground excavation survey data impacting the deposits resource cannot be directly measured since these underground openings are no longer accessible due to safety concerns and /or may have collapsed. Other historic mine workings may be present which have not been documented and would impact the stated resource.
- The mineralized zones used to define and constrain the data analysis and estimations are created using laboratory analysis, core descriptions and field observations. Further exposure of the mineralized zone through mining may modify existing interpretations of the data.
- The resource is limited to the depths of drilling on the Los Reyes Project and is restricted to a depth below surface of approximately 100 m -150 m. Future drilling beyond these depths using appropriately scaled equipment may impact the current understanding of the resources below those depths.

Interpretations and Conclusions

The Los Reyes Project is in the Sierra Madre Occidental Mountain range of the North American Cordillera that extends for hundreds of kilometers from central to northern México in the Basin and Range province. The Property is near the village of Guadalupe de Los Reyes, located 30 km southwest from the city of Cosalá, and can be accessed year-round by road. Since the discovery of gold and silver on the Los Reyes Project in 1772, there have been several changes in ownership.

The Los Reyes Project is composed of 37 contiguous concessions that have an area of 6,302.7 hectares; however, due to overlap between some of the concessions, the actual area is 6,273 ha. The main mineralized trends on the Los Reyes Project occur on three northwest and west-northwest oriented silicified structural corridors that are hosted in intermediate to felsic volcanics. These mineralized structural corridors are named after the mineralized areas that they host, which include: 1) the Mariposa-El Zapote-Tahonitas trend; 2) San Miguel-Noche Buena trend; and 3) the Guadalupe trend. The mineralization conforms to the Low Sulphidation Epithermal deposit classification type.

Two 3D geologic resource models, named TZSM and GUAD, were developed for delineated portions of the Property. The TZSM model encompasses the El Zapote and Tahonitas deposits, as well as the San Miguel and Noche Buena deposits. The GUAD model includes the Guadalupe deposits. The resource estimates calculated in this study were restricted to pit constrained surface resources. The pits were built using a constant 45° pit slope and block revenue minus block cost was used as a driver to determine the overall size of the Lerchs-Grossmann pits.

The resource estimations were completed using the following parameters:

- Three year rolling gold price of US\$1,329 / Troy ounce and silver price of US\$16 / Troy ounce used;
- Cutoff grade of 0.22 g/t gold applied;
- Total mining and processing cost of US\$6.70 / tonne applied;
- No NSR charges were applied in calculation of cutoff or mining costs; and

- In-place tonnages constrained to the Lerchs-Grossmann pit solids using combined gold and silver revenue.

Table 1.4 below is taken from the Los Reyes Technical Report and details the drilling, sampling, and testing recommended by Stantec for an initial Phase 1 exploration program and doesn't reflect the actual Phase 1 program executed by the Company described below

**Table 1.4
Recommended Drilling, Sampling, Testing**

Estimated Number of Holes	Estimated Average Hole Depth (m)	US\$ (000)			
		Drilling (RC & Core)	Testing (assay, metallurgical, mineralogical)	Field Personnel	Total
40	250	1,125	500	175	1,800

Worked completed by Prime Mining Subsequent to the Los Reyes Technical Report

This section describes exploration work completed by the Company subsequent to the filing of the Los Reyes Technical Report. Detailed results from the Company's exploration program are described in news releases issued by the Company, these news releases are available on the Company's website and on SEDAR.

Introduction

Work initiated prior to the commencement of the Los Reyes Technical Report continued uninterrupted following publishing of the report. Kerry Sparkes, P.Geol., Executive Vice President of Exploration, is a qualified person for the purposes of National Instrument 43-101 and has reviewed this document.

Trench, Adit and Road Cut Sampling

Surface rock chip sampling in trenches has been ongoing since October 2019 and has continued through Phase 1. To date, 5,059 samples have been collected from 7,590 metres of surface outcrop, including 2,960 trench channel samples and 2,099 road cut channel samples. In addition, 569 samples from underground adits, representing 850 metres, have been collected.

Mapping and Sampling

The Company is currently undertaking the first-ever comprehensive modern geologic mapping effort for the entire ~6,300-hectare Los Reyes concession area. Up to four teams are mapping the rock types, alterations, geologic structures, and other physical features.

Additionally, new rock chip sampling and assaying has been on-going in concert with geological mapping, to generate grass roots targets across the rest of the 6,300-hectare concession.

Metallurgical Test Work

New drill sampling material sent to the assay lab will also be selectively analyzed for cyanide solubility using bottle roll tests to build a strong database of metal recovery data across the Los Reyes Project. Prior metallurgical test work has confirmed heap leach and mill gold and silver recovery are viable alternatives.

Airborne Geophysical Survey

The Company initiated the first detailed helicopter high resolution aeromagnetic and radiometric survey over the Los Reyes Project. The ~1,060 km survey was flown in March 2021 and final processed data is expected by early summer. In addition, a helicopter-borne Lidar and Orthophotographic survey was flown immediately following the geophysical survey.

Soil Sampling

A soil sampling program has been implemented to help generate new targets. This survey will be integrated with a historic soil survey completed by Northern Crown Mines in the 1990s.

Re-logging Program

The Los Reyes Project has had several previous operators, so the Company is also undertaking a comprehensive re-logging program to improve the understanding of the geological model. Some 11,200 m of core in 77 holes of a total of nearly 13,000 m from 89 historic drill holes has been re-logged to confirm the reported rock type, alteration, and mineralization data. This core is currently stored in the Company's core warehouse in Hermosillo.

The core re-logging activity is expected to be completed by June 2021.

Phase 1 Diamond Drilling Program

The Company is currently conducting its first drill program on the Los Reyes Project. Drilling began in November 2020 and expanded to seven drill rigs in early 2021. The Company contracted Tecindyser S. A. De C.V. and Major Drilling de Mexico, S.A. de C.V. Both drilling companies used a variety of portable and track/tractor mounted drill rigs, all capable of drilling HQ to NQ core.

To April 30, 2021, 40 core drill holes have been completed, totalling 7,850 m, with drill holes into the El Zapote, Tahonitas, Noche Buena, San Miguel East and Guadalupe East deposits. All core is geologically logged at the Company's core facilities in the village of El Saucito. A total of 4,757 half-split core samples, along with quality control samples, were picked-up by to Inspectorate de Mexico S.A. de C.V., a division of Bureau Veritas Minerals, from the Company's Cosalá warehouse.

Improvements to surface infrastructure and project access mean that Phase 1 drill program is expected to continue with approximately two drill rigs through much of the wet season which typically occurs between June and October.

Surface-Use Agreement

In February 2020, the Company and representatives of Ejido Tasajera signed a new long-term agreement for surface use and compensation for disturbance of the Los Reyes project area ("Surface Rights Agreement"). The surface-use agreement has an initial term of 15 years and can be extended for an additional 15-year period. It covers project access and land use for exploration, engineering, construction, commissioning and commercial operations and is important to the long-term viability of a mining operation as Los Reyes.

At a meeting on September 5, 2019, Ejido Tasajera approved access rights and the trenching work that Prime has been undertaking. Since then, the parties have worked to remedy a few outstanding legal matters, complete negotiations and enter into a binding agreement. Upon the execution of the Surface Rights Agreement, the Company made an initial payment of US\$38,300 to Ejido Tasajera.

The commercial terms of the Surface Rights Agreement are divided into three stages of activities: exploration, construction and commercial production. Key elements are as follows:

- For an initial period of three years while conducting exploration, Prime paid an upfront fee of MXN 700,000 (US\$38,300) that includes the exploration work completed over the past six months and a three-year prepayment of three MXN\$200,000 annual payments.
- Prime has the right to extend the exploration period for up to two additional years by making an annual payment of US\$20,000 in year four and US\$30,000 in year five.
- Prime has the right to initiate construction of a mine at any time. If construction begins prior to the fifth year, the annual payment is increased to US\$30,000.
- Upon commencement of commercial production, the annual payment increases to US\$200,000, paid in semi-annual installments of US\$100,000.
- Payments due to Ejido Tasajera during commercial production are subject to adjustments based on Unidad de Medida de Actualizacion, the official Mexican index for the adjustment of government pensions, social security payments, taxes, etc. For reference, last year's increase in such payments was 2.8% and this year is estimated to be 2.83%.
- During commercial production, Prime will also make, collectively, a US\$15,000 annual "apoyo" or gift distributed to the local families of Ejido Tasajera.
- During the dry season months, the Company will arrange to haul water to the Tasajera village if requested.

The Company also intends to maximize employment of qualified local and Ejido Tasajera residents in its activities with individuals having the necessary skill levels and capability.

The Surface Rights Agreement is fully transferable without further approval of the Ejido Tasajera.

In addition to the Surface Rights Agreement, an agreement has also been completed that establishes specific, non-material payments to local individuals whose traditional land use within the ejido becomes affected by the Company's exploration, construction and production activities.

Summary of Drill Exploration Results

The Company is currently conducting its first drill program on the Los Reyes Project. To April 30, 2021, 40 core drill holes have been completed, totalling 7,850 m, with drill holes into the El Zapote, Tahonitas, Noche Buena, San Miguel East and Guadalupe East deposits. A total of 4,757 half-split core samples, along with quality control samples, have been submitted for analysis. The Company has had up to seven drills on the Los Reyes Project during program.

At the Guadalupe East deposit, results have been received and publicly released from drill hole 21GE-01. 21GE-01, intersected 20.1 m (6.85 m etw) at 3.25 g/t Au and 380.0 g/t Ag, including 6.6 m (2.25 m etw) at 6.51 g/t Au and 587.5 g/t Ag. At 320 m below surface, this Estaca Vein intersection is the deepest exploration drilling ever on the Los Reyes project. This intercept is approximately 40 m below any historic underground development and extends bonanza grade mineralization 150 m below any drilling by previous operators. 21GE-01 also intersected 3.8 m (3.1 m etw) at 3.69 g/t Au and 305.1 g/t Ag including 2.1 m (1.7 m etw) at 6.18 g/t Au and 507.1 g/t Ag in the San Nicholas Vein below the bottom of the currently defined open pit resource and 80 m along strike from any historic drilling.

At the Zapote South deposit, results have been released for eight drill holes, 21ZAP-01 to 08. Drilling encountered several higher-grade intervals within the Zapote-South mineralized envelope, with drill hole 21ZAP-04 intersecting 4.5 m (3.6 m etw) at 8.95 g/t Au and 74.5 g/t Ag. Drill hole 21ZAP-03 intersected 13.0 m at 0.76 g/t Au and 33.0 g/t Ag, including 1.66 g/t Au and 41.5 g/t 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 g/t Au and 29.2

g/t Ag and 21ZAP-08 yielded 18.7 m at 1.96 g/t Au and 63.1 g/t 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 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. 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 g/t Au and 141.2 g/t Ag over 2.9 m (1.9 m etw) within a broader zone of 39.0 m (25.35 m etw) at 0.7 g/t Au and 29.5 g/t 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 g/t Au and 29.7 g/t Ag over 6.0 m (3.9 m etw).

Complete assay results have only been received for one hole at San Miguel East to date. Step out drilling is on-going towards the southeast. The first core hole from San Miguel East intersected 4.5 m (4.5 m etw) at 1.0 g/t Au and 130.7 g/t 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.

In addition to the drilling results, field work over the last three months has rediscovered several historic adits containing several gold-silver mineralized structures located 1.3 km northeast of the Guadalupe East deposit. These adits are believed to have been mined in the early 1900s and are not recorded on any "modern" exploration maps. One area, referred to as Mina 20/21, 1.3 km northeast of Guadalupe East, and 500 m from the original Los Reyes eastern property boundary, has evidence of historic small-scale mining and gold-silver extraction. Surface and underground sampling in Mina 20/21 returned 42 chip sample assay results ranging 0.015g/t to 29.8 g/t Au and 0.5 g/t to 1,132 g/t Ag with the best chip assay returning 2.3 m at 29.8 g/t Au and 1,132 g/t Ag.

Composite assay grades are calculated using an Au grade minimum average of 0.2 g/t. Maximum internal waste included in any reported composite interval is 3.0 m. True widths are estimated based on drill hole geology or comparisons with other on-section drill holes. A complete table of assay results from all main and secondary zones intersected utilizing a 0.2 g/t Au cut off are shown under "*Appendix – Drill Results*".

QA/QC Protocols and Sampling Procedures

The Company's drilling at the Los Reyes project is predominately HQ size (63.5 mm diameter), 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-gram 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-gram sample (code FA430). Multi-element chemistry is analyzed by 4-Acid digestion of a 0.25 gram 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 g/t gold and 953.0 g/t silver.

DIVIDENDS AND DISTRIBUTIONS

The Company has never declared or paid any cash or stock dividends on its Common Shares since inception. Since the Company currently has a policy of investing earnings in the expansion of its business, the Company does not anticipate paying cash or stock dividends on its Common Shares for the foreseeable future. Future dividends on its Common Shares will be determined by the Board considering circumstances existing at the time, including earnings and financial condition. There is no assurance that dividends will ever be paid.

DESCRIPTION OF CAPITAL STRUCTURE

The Company's authorized capital consists solely of an unlimited number of Common Shares without par value. All the issued Common Shares of the Company are fully paid and non-assessable. Each Common Share entitles the holder thereof to one vote per share at all meetings of shareholders. All the Common Shares issued rank equally as to dividends, voting rights and distribution of assets on winding up or liquidation. Shareholders have no pre-emptive rights, nor any right to convert their Common Shares into other securities. There are no existing indentures or agreements affecting the rights of shareholders other than the notice of articles and articles of the Company.

As of April 30, 2021, there were (i) 100,841,583 Common Shares; (ii) an aggregate of 7,565,000 Options; and (iii) an aggregate of 35,995,699 Warrants, issued and outstanding.

As of the date of this AIF there are:

- (a) 112,059,038 Common Shares issued and outstanding.
- (b) 8,000,000 Options exercisable at an average of \$1.70 per Common Share:
 - 2,400,000 Options exercisable at \$0.40 per Common Share until October 4, 2024;
 - 250,000 Options exercisable at \$0.42 per Common Share until February 7, 2024;
 - 3,100,000 Options exercisable at \$0.95 per Common Share until June 15, 2025;
 - 700,000 Options exercisable at \$1.30 per Common Share until June 30, 2025;
 - 425,000 Options exercisable at \$1.92 per Common Shares until August 1, 2025;
 - 400,000 Options exercisable at \$2.00 per Common Share until August 1, 2025;
 - 300,000 Options exercisable at \$1.65 per Common Share until October 1, 2025;
 - 125,000 Options exercisable at \$1.75 per Common Share until December 14, 2025;
 - 100,000 Options exercisable at \$3.83 per Common Share until May 11, 2026; and
 - 600,000 Options exercisable at \$3.50 per Common Share until May 13, 2026.

(c) 25,037,292 Warrants exercisable at an average of \$2.20 per Common Share:

- 204,167 Warrants at \$0.50 expiring on August 28, 2021;
- 19,960,000 Warrants at \$1.10 expiring on June 12, 2025;
- 4,873,125 Warrants at \$5.00 expiring on April 27, 2024.

MARKET FOR SECURITIES

Market

The Common Shares of the Company are listed and posted for trading on the TSXV under the symbol “PRYM”, on the Frankfurt Stock Exchange under the symbol “O4V2” and on the OTCQB under the symbol “EPWMF”.

Trading Price and Volume

The following table sets forth the particulars of the trading of the Common Shares on the TSXV during the most recently completed financial year ended April 30, 2021:

Month	High (\$)	Low (\$)	Volume
May 2020	0.90	0.64	4,832,569
June 2020	1.37	0.83	7,761,731
July 2020	2.00	1.3	12,328,038
August 2020	2.17	1.66	7,311,621
September 2020	2.11	1.43	4,842,662
October 2020	1.94	1.40	8,948,888
November 2020	1.73	1.32	3,534,659
December 2020	2.08	1.55	4,685,891
January 2021	2.61	1.84	9,441,251
February 2021	2.8	1.97	4,487,416
March 2021	3.34	1.93	12,336,006
April 2021	3.35	2.76	6,447,200

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTIONS ON TRANSFER

None of the Company’s outstanding securities are subject to escrow. There are no securities of the Company that are subject to any other contractual restriction on transfer.

DIRECTORS AND OFFICERS

Name, Occupation and Security Holding

The name, province or state and country of residence, position with and principal business or occupation in which each director and executive officer of the Company has been engaged during the immediately preceding five years, is as follows as at the date of this AIF:

Name, Position, Province or State and Country of Residence	Principal Occupation or Employment for the Past Five Years	Director Since	Security Holding
Murray John ⁽¹⁾⁽²⁾ <i>Chairman</i> <i>British Columbia, Canada</i>	Chairman of the Board of Discovery Silver Corp., Lead Director of O3 Mining Inc. and a Director of Osisko Gold Royalties Ltd. Prior to December 2014, he was the President and CEO of Dundee Resources Limited, a resource merchant bank and Managing Director and a Portfolio Manager with Goodman & Company, Investment Counsel Inc.	May 2020	2,000,000
Andrew Bowering <i>Executive Vice President and Director</i> <i>British Columbia, Canada</i>	President and CEO of Bowering Projects since 1992, a mineral exploration and consulting firm. Former CEO of the Company from April 2019 to June 15, 2020. Until 2020, President of Sunrise Drilling Ltd., a North American-based mineral exploration drilling company.	April 2019	6,534,302 ⁽⁴⁾
Daniel Kunz ⁽²⁾ <i>Chief Executive Officer and Director</i> <i>Idaho, USA</i>	Managing Partner of Daniel Kunz & Associates, LLC, a natural resource-focused consulting company started in 2014. From 2014 to 2018, Chairman and CEO of Gold Torrent, Inc. a mine development company with a gold project in Alaska that was sold to the project lender in 2018.	August 2019	955,000
Paul Larkin ⁽¹⁾⁽³⁾ <i>Director</i> <i>British Columbia, Canada</i>	Founder and President of New Dawn Holdings Ltd. since June 1983, an investment and financial consulting firm providing administration and financial advisory services to private and public companies, Mr. Larkin has also served as director or officer of a number of public companies listed on the NYSE and TSXV/NEX.	August 2019	100,000 ⁽⁵⁾
Marc Prefontaine ⁽²⁾⁽³⁾ <i>Director</i> <i>British Columbia, Canada</i>	Chief Executive Officer Orla Mining Ltd. served as from 2015 until 2019. Currently an independent geological consultant.	June 2020	200,000

Name, Position, Province or State and Country of Residence	Principal Occupation or Employment for the Past Five Years	Director Since	Security Holding
Paul Sweeney ⁽¹⁾⁽³⁾ <i>Director British Columbia, Canada</i>	Independent business consultant since May 2011.	June 2020	750,000
Ian Harcus <i>Chief Financial Officer British Columbia, Canada</i>	Vice President Finance of Alio Gold Inc. (August 2018 to July 2020) and Corporate Controller (May 2015 to August 2018)	Officer since August 2020	Nil
Kerry Sparkes <i>Executive VP Exploration Newfoundland & Labrador, Canada</i>	Vice President Geology for Franco Nevada Corporation from 2013 to 2020. Currently serving as Director for Aurion Resources Ltd.	Officer since October 2020	225,000
Alex Tsakumis <i>Vice-President Investor Relations British Columbia, Canada</i>	Mr. Tsakumis was the Vice President of Corporate Development at the Belcarra Group of Companies (Barsele Minerals, Orex Minerals, Silver Viper Minerals and Dolly Varden Silver) from 2017 to 2020. Prior to that he was Vice President of Alio Gold Inc. / Timmins Gold Corp.	Officer since June 2020	Nil

Notes:

- (1) Member of Audit Committee.
- (2) Member of Health and Safety Committee.
- (3) Member of Compensation Committee.
- (4) Of these shares, 1,020,634 are held indirectly in the name of Bowering Projects Ltd., a private company controlled by Andrew Bowering.
- (5) Held indirectly by New Dawn Holdings Ltd., a private company controlled by Paul Larkin.

Term of Office

The term of office for each of the Company's directors expires immediately before each annual meeting of shareholders.

Share Ownership

As of the date of this AIF, the directors and executive officers of the Company, as a group, beneficially owned, directly or indirectly, or exercised control or direction over an aggregate of 10,764,302 Common Shares, which represents 11.6% of the Company's issued and outstanding Common Shares. In addition, directors and executive offices held options to purchase 6,250,000 Common Shares and Warrants to purchase 3,673,750 Common Shares.

The statement as to the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by the directors and executive officers of the Company as a group is based upon information furnished by the directors and executive officers.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as noted below, none of the directors or executive officers of the Company, is at the date of the AIF, or was within the past ten years before the date of the AIF, a director, chief executive officer or chief financial officer of any other company (including the Company), that:

- (a) was subject to an order (as defined below) that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer and chief financial officer.

In this section, "order" means:

- (a) a cease trade order;
- (b) an order similar to a cease trade order; or
- (c) an order that denied the relevant company access to any exemption under securities legislation.

Murray John was a director of insolvent African Minerals Limited, a company that appointed Deloitte LLP as its administrator by order of the High Court of Justice, Chancery Division, Companies Court on March 26, 2015.

Paul Larkin is a director of Esrey Resources Ltd., a TSXV listed company that was cease-traded on April 3, 2019 for failure to file its 2018 audited financial statements and MD&A in a timely manner.

No director or executive officer of the Company nor any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company is, or has been within the past ten years, a director, officer or promoter of another company which was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement or compromise with any creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that company.

No director or executive officer of the Company nor any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company has, within the past ten years, declared bankruptcy or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement or compromise with any creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that director, executive officer or shareholder.

No director or executive officer of the Company nor any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company has been subject to:

- a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

There are potential conflicts of interest to which the directors and officers of the Company may be subject in connection with its operations. All of the directors and officers are, to a greater or lesser extent, engaged in and will continue to be engaged in other corporations or businesses. Accordingly, situations may arise where some or all of the directors and officers will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies as provided under applicable corporate law and

corporate governance, including disclosing of any interest in a proposed transaction, and abstaining from voting on such matters.

PROMOTERS

Andrew Bowering is considered a promoter of the Company, in that he has been primarily responsible for reorganizing the business of the Company over the past year. Mr. Bowering holds 6,943,302 Common Shares, 1,373,750 Warrants and 800,000 Options, representing 6.8% (undiluted) and 8.6% (diluted) in the capital of the Company. Mr. Bowering has not received anything of value, including money, property, contracts, options or rights of any kind, directly or indirectly, from the Company other than through the Company's purchase of Exploracion Auramex SA de CV and the Magenta Project from Mr. Bowering's company (Bowering Projects) in March 2019 for US\$150,000 and 1,250,000 Common Shares. This consideration was negotiated between the parties which were at arm's length when the negotiations took place.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

The Company and its properties or holdings are not subject to any legal or other actions, current or pending, which may materially affect the Company's operating results, financial position or property ownership.

Regulatory Actions

The Company has not: (i) had any penalties or sanctions imposed against it by a court relating to securities legislation or by a securities regulatory authority during the most recently completed financial year; (ii) had any other penalties or sanctions imposed against it by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision; or (iii) entered into any settlement agreements with a court relating to securities legislation or with a securities regulatory authority during the most recently completed financial year.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

For the purposes of this AIF, "informed person" means:

- a) a director or executive officer of the Company;
- b) a person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of any class or series of the outstanding voting securities of the Company; and
- c) any associate or affiliate of any of the persons or companies referred to in paragraphs (a) or (b) above.

No informed person, no proposed director of the Company and no associate or affiliate of any such informed person or proposed director, has or has had any material interest, direct or indirect, in any transaction undertaken by the Company during its three most recently completed fiscal years or during the current fiscal year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries, save and except for remuneration for services received by each of the Company's senior officers in Fiscal 2021.

TRANSFER AGENTS AND REGISTRARS

The registrar and transfer agent of the Company is Computershare Trust Company of Canada. The Company's register of transfer of Common Shares is located in Vancouver, BC.

MATERIAL CONTRACTS

The Company has entered into the following contracts, other than contracts entered into in the ordinary course of business, that are material to the Company and that were entered into within the most recently completed financial year, or prior thereto but are still in effect:

1. Listing Agreement with TSXV;
2. Register and Transfer Agent agreement with Computershare Trust Company of Canada;
3. Los Reyes Surface Rights Agreement; and
4. Los Reyes Amended Option Agreement.

INTERESTS OF EXPERTS

Davidson & Company LLP is the independent auditor of the Company and is independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

The scientific and technical information in this AIF regarding: (i) the Los Reyes Project is based on the Los Reyes Report prepared by William A. Turner P. Geol. and A.C. (Chris) Hunter, P. Geol. Of Stantec Consulting Ltd.; (ii) the Panther Creek Project is based on the Panther Creek Report prepared by Bruce Kienlen, P. Geo; and (iii) the Ike Project is based on the Ike Report prepared by Paul D. Gray, P. Geo. of PDG Geological Consultants

None of the aforementioned firms or persons or any of their “designated professionals” as defined in NI 51-102, holds any registered or beneficial interest in any securities or other property of the Company.

ADDITIONAL INFORMATION

Audit Committee

Pursuant to the provisions of NI 52-110, reporting issuers in those jurisdictions which have adopted NI 52-110 are required to provide disclosure with respect to its audit committee including the text of the audit committee’s charter, composition of the committee, and the fees paid to the external auditor. Disclosure of the Company’s audit committee and audit committee charter is set forth in the Company’s Information Circular dated November 6, 2020, which Information Circular is filed on SEDAR and is incorporated herein by reference.

Other Additional Information

Additional information relating to the Company may be found on SEDAR at www.sedar.com.

Additional information, including directors’ and officers’ remuneration and indebtedness, principal holders of the Company’s Common Shares and Options, is contained in the Company’s Information Circular dated November 6, 2020 pertaining to the shareholders’ meeting held December 11, 2020.

Additional financial information is provided in the Company’s financial statements and MD&A for its most recently completed financial year ended April 30, 2021, as filed on SEDAR.

APPENDIX – DRILL RESULTS

Los Reyes Project

Drill Hole Intercepts

Au g/t cut-off = 0.2, 1.0

Max internal waste = 3.0m core
length

Guadalupe Area

Drill Hole	From	To	Interval	Au (g/t)	Ag (g/t)	Interval Type	Composite / Sample Grade	Au Cut-Off	Area
21GE-01	13.40	19.55	6.15	0.54	9.11	Zone Interval	0.54g/t Au, 9.11g/t Ag over 6.15m	0.2	Guadalupe East
21GE-01	20.70	21.85	1.15	0.22	2.20	Single Interval	0.22g/t Au, 2.2g/t Ag over 1.15m	0.2	Guadalupe East
21GE-01	37.40	41.20	3.80	3.69	305.11	Zone Interval	3.69g/t Au, 305.11g/t Ag over 3.8m	0.2	Guadalupe East
including	37.40	39.50	2.10	6.10	507.10	Zone Interval	6.1g/t Au, 507.1g/t Ag over 2.1m	1.0	Guadalupe East
21GE-01	72.10	73.20	1.10	0.36	9.00	Single Interval	0.36g/t Au, 9g/t Ag over 1.1m	0.2	Guadalupe East
21GE-01	179.00	183.50	4.50	0.47	31.33	Zone Interval	0.47g/t Au, 31.33g/t Ag over 4.5m	0.2	Guadalupe East
21GE-01	218.90	219.40	0.50	0.26	9.30	Single Interval	0.26g/t Au, 9.3g/t Ag over 0.5m	0.2	Guadalupe East
21GE-01	377.00	400.05	23.05	2.88	341.72	Zone Interval	2.88g/t Au, 341.72g/t Ag over 23.05m	0.2	Guadalupe East
including	392.45	399.00	6.55	6.51	587.53	Zone Interval	6.51g/t Au, 587.53g/t Ag over 6.55m	1.0	Guadalupe East
21GE-01	401.00	402.50	1.50	0.29	34.20	Single Interval	0.29g/t Au, 34.2g/t Ag over 1.5m	0.2	Guadalupe East

Noche Buena Area

Drill Hole	From	To	Interval	Au (g/t)	Ag (g/t)	Interval Type	Composite / Sample Grade	Au Cut-Off	Area
21NB-01	87.00	93.35	6.35	0.56	31.14	Zone Interval	0.56g/t Au, 31.14g/t Ag over 6.35m	0.2	Noche Buena
including	87.00	88.95	1.95	1.34	61.48	Zone Interval	1.34g/t Au, 61.48g/t Ag over 1.95m	1.0	Noche Buena
21NB-01	101.75	103.50	1.75	0.53	9.18	Zone Interval	0.53g/t Au, 9.18g/t Ag over 1.75m	0.2	Noche Buena
21NB-01	108.00	111.45	3.45	0.25	5.10	Zone Interval	0.25g/t Au, 5.1g/t Ag over 3.45m	0.2	Noche Buena
21NB-01	126.00	127.50	1.50	0.68	2.00	Single Interval	0.68g/t Au, 2g/t Ag over 1.5m	0.2	Noche Buena
21NB-02	88.50	89.50	1.00	0.31	23.80	Single Interval	0.31g/t Au, 23.8g/t Ag over 1m	0.2	Noche Buena
21NB-02	91.50	130.50	39.00	0.70	29.52	Zone Interval	0.7g/t Au, 29.52g/t Ag over 39m	0.2	Noche Buena
including	119.15	122.00	2.85	3.17	141.20	Zone Interval	3.17g/t Au, 141.2g/t Ag over 2.85m	1.0	Noche Buena
21NB-03	100.50	108.00	7.50	0.78	35.22	Zone Interval	0.78g/t Au, 35.22g/t Ag over 7.5m	0.2	Noche Buena
including	103.50	105.00	1.50	2.12	92.80	Single Interval	2.12g/t Au, 92.8g/t Ag over 1.5m	1.0	Noche Buena
21NB-03	112.50	118.50	6.00	1.12	29.72	Zone Interval	1.12g/t Au, 29.72g/t Ag over 6m	0.2	Noche Buena
including	113.45	114.40	0.95	5.21	49.90	Single Interval	5.21g/t Au, 49.9g/t Ag over 0.95m	1.0	Noche Buena
21NB-03	121.50	123.05	1.55	0.36	17.70	Single Interval	0.36g/t Au, 17.7g/t Ag over 1.55m	0.2	Noche Buena
21NB-03	128.55	129.30	0.75	0.20	2.00	Single Interval	0.2g/t Au, 2g/t Ag over 0.75m	0.2	Noche Buena
21NB-03	133.85	135.00	1.15	0.21	1.30	Single Interval	0.21g/t Au, 1.3g/t Ag over 1.15m	0.2	Noche Buena
21NB-03	157.50	159.00	1.50	0.21	3.90	Single Interval	0.21g/t Au, 3.9g/t Ag over 1.5m	0.2	Noche Buena
21NB-04	88.75	90.00	1.25	0.20	24.30	Single Interval	0.2g/t Au, 24.3g/t Ag over 1.25m	0.2	Noche Buena
21NB-04	92.50	96.50	4.00	0.61	28.83	Zone Interval	0.61g/t Au, 28.83g/t Ag over 4m	0.2	Noche Buena

including	94.50	95.50	1.00	1.68	77.70	Single Interval	1.68g/t Au, 77.7g/t Ag over 1m	1.0	Noche Buena
21NB-04	101.35	109.50	8.15	0.34	5.57	Zone Interval	0.34g/t Au, 5.57g/t Ag over 8.15m	0.2	Noche Buena

San Miguel East Area

Drill Hole	From	To	Interval	Au (g/t)	Ag (g/t)	Interval Type	Composite / Sample Grade	Au Cut-Off	Area
21SME-01	0.00	1.50	1.50	0.35	1.10	Single Interval	0.35g/t Au, 1.1g/t Ag over 1.5m	0.2	San Miguel East
21SME-01	218.00	222.50	4.50	0.99	130.77	Zone Interval	0.99g/t Au, 130.77g/t Ag over 4.5m	0.2	San Miguel East
21SME-01	231.00	232.00	1.00	1.07	24.10	Single Interval	1.07g/t Au, 24.1g/t Ag over 1m	1.0	San Miguel East
21SME-01	314.00	315.50	1.50	0.44	59.70	Single Interval	0.44g/t Au, 59.7g/t Ag over 1.5m	0.2	San Miguel East
21SME-01	324.50	326.00	1.50	0.27	3.60	Single Interval	0.27g/t Au, 3.6g/t Ag over 1.5m	0.2	San Miguel East

Zapote South Area

Drill Hole	From	To	Interval	Au (g/t)	Ag (g/t)	Interval Type	Composite / Sample Grade	Au Cut-Off	Area
20ZAP-01	36.00	37.50	1.50	0.25	24.10	Single Interval	0.25g/t Au, 24.1g/t Ag over 1.5m	0.2	Zapote
20ZAP-01	43.50	46.00	2.50	0.39	28.34	Zone Interval	0.39g/t Au, 28.34g/t Ag over 2.5m	0.2	Zapote
20ZAP-01	62.85	63.75	0.90	0.61	18.20	Single Interval	0.61g/t Au, 18.2g/t Ag over 0.9m	0.2	Zapote
20ZAP-02	43.50	52.50	9.00	0.50	2.92	Zone Interval	0.5g/t Au, 2.92g/t Ag over 9m	0.2	Zapote
20ZAP-02	74.70	77.20	2.50	2.47	5.04	Zone Interval	2.47g/t Au, 5.04g/t Ag over 2.5m	0.2	Zapote
20ZAP-02	106.10	132.00	25.90	0.86	30.07	Zone Interval	0.86g/t Au, 30.07g/t Ag over 25.9m	0.2	Zapote
including	107.60	109.85	2.25	1.84	16.60	Zone Interval	1.84g/t Au, 16.6g/t Ag over 2.25m	1.0	Zapote
& including	117.00	123.00	6.00	1.41	53.18	Zone Interval	1.41g/t Au, 53.18g/t Ag over 6m	1.0	Zapote

20ZAP-02	135.00	136.50	1.50	0.30	1.50	Single Interval	0.3g/t Au, 1.5g/t Ag over 1.5m	0.2	Zapote
20ZAP-02	148.50	150.00	1.50	0.20	5.50	Single Interval	0.2g/t Au, 5.5g/t Ag over 1.5m	0.2	Zapote
20ZAP-02	153.00	156.00	3.00	0.26	2.00	Zone Interval	0.26g/t Au, 2g/t Ag over 3m	0.2	Zapote
20ZAP-02	163.50	165.00	1.50	0.27	3.80	Single Interval	0.27g/t Au, 3.8g/t Ag over 1.5m	0.2	Zapote
21ZAP-03	140.00	153.00	13.00	0.76	33.03	Zone Interval	0.76g/t Au, 33.03g/t Ag over 13m	0.2	Zapote
including	145.50	150.10	4.60	1.66	41.50	Zone Interval	1.66g/t Au, 41.5g/t Ag over 4.6m	1.0	Zapote
21ZAP-04	103.60	115.30	11.70	3.68	52.06	Zone Interval	3.68g/t Au, 52.06g/t Ag over 11.7m	0.2	Zapote
including	109.50	114.00	4.50	8.95	74.50	Zone Interval	8.95g/t Au, 74.5g/t Ag over 4.5m	1.0	Zapote
21ZAP-05	81.50	82.50	1.00	1.16	33.60	Single Interval	1.16g/t Au, 33.6g/t Ag over 1m	1.0	Zapote
21ZAP-05	97.50	109.50	12.00	3.23	60.04	Zone Interval	3.23g/t Au, 60.04g/t Ag over 12m	0.2	Zapote
including	102.00	108.00	6.00	5.83	67.23	Zone Interval	5.83g/t Au, 67.23g/t Ag over 6m	1.0	Zapote
21ZAP-05	123.00	126.00	3.00	1.22	9.55	Zone Interval	1.22g/t Au, 9.55g/t Ag over 3m	0.2	Zapote
21ZAP-06	43.00	43.90	0.90	0.21	2.90	Single Interval	0.21g/t Au, 2.9g/t Ag over 0.9m	0.2	Zapote
21ZAP-06	52.50	54.00	1.50	0.54	4.50	Single Interval	0.54g/t Au, 4.5g/t Ag over 1.5m	0.2	Zapote
21ZAP-06	76.35	77.00	0.65	0.29	29.10	Single Interval	0.29g/t Au, 29.1g/t Ag over 0.65m	0.2	Zapote
21ZAP-06	78.95	85.25	6.30	0.73	32.13	Zone Interval	0.73g/t Au, 32.13g/t Ag over 6.3m	0.2	Zapote
21ZAP-06	94.50	104.00	9.50	2.06	30.95	Zone Interval	2.06g/t Au, 30.95g/t Ag over 9.5m	0.2	Zapote
including	100.25	102.50	2.25	7.15	55.97	Zone Interval	7.15g/t Au, 55.97g/t Ag over 2.25m	1.0	Zapote
21ZAP-06	125.00	127.50	2.50	0.29	6.28	Zone Interval	0.29g/t Au, 6.28g/t Ag over 2.5m	0.2	Zapote
21ZAP-06	135.00	140.00	5.00	0.53	6.46	Zone Interval	0.53g/t Au, 6.46g/t Ag over 5m	0.2	Zapote
21ZAP-07	132.00	133.50	1.50	0.23	3.40	Single Interval	0.23g/t Au, 3.4g/t Ag over 1.5m	0.2	Zapote
21ZAP-07	137.20	148.50	11.30	0.97	29.21	Zone Interval	0.97g/t Au, 29.21g/t Ag over 11.3m	1.0	Zapote
21ZAP-08	51.60	70.25	18.65	1.96	63.05	Zone Interval	1.96g/t Au, 63.05g/t Ag over 18.65m	1.0	Zapote

including	52.80	60.00	7.20	2.44	85.30	Zone Interval	2.44g/t Au, 85.3g/t Ag over 7.2m	1.0	Zapote
& including	61.75	69.00	7.25	2.43	46.57	Zone Interval	2.43g/t Au, 46.57g/t Ag over 7.25m	1.0	Zapote
21ZAP-08	77.00	78.00	1.00	0.21	5.70	Single Interval	0.21g/t Au, 5.7g/t Ag over 1m	0.2	Zapote