

## MATERIAL CHANGE REPORT

### Item 1. Name and Address of Company

**PRIME MINING CORP.**  
Suite 710, 1030 West Georgia Street  
Vancouver, BC V6E 2Y3

### Item 2. Date of Material Change

December 22, 2022

### Item 3. News Release

News Release was disseminated on December 22, 2022 and subsequently filed on SEDAR.

### Item 4. Summary of Material Change

On December 22, 2022, Prime Mining Corp. (the “**Company**”) completed a brokered bought deal private placement (the “**Offering**”) for aggregate gross proceeds of C\$21,045,000.

### Item 5. Full Description of Material Change

On December 22, 2022, the Company completed a bought deal private placement (the “**Offering**”) of a total of 14,030,000 units (the “**Units**”), including the full exercise of the over-allotment option at a price of \$1.50 per Unit for gross proceeds of \$21,045,000. Each Unit consists of one common share in the Company (each, a “**Common Share**”) and one common share purchase warrant (each, a “**Warrant**”) exercisable at a price of \$2.00 until December 22, 2025. If, following December 22, 2022, the volume weighted average trading price of the Common Shares on the TSX Venture Exchange (“**TSXV**”) for any 10 consecutive trading days equals or exceeds \$2.50, the Company may, upon providing written notice to the holders of Warrants, accelerate the expiry date of the Warrants to the date that is 20 days following the date of such written notice.

Desjardins Capital Markets acted as sole bookrunner, on behalf of a syndicate of underwriters co-led by Desjardins Capital Markets and TD Securities Inc., and including BMO Capital Markets, PI Financial, and Stifel GMP, in connection with the Offering.

Concurrent to the closing of the Offering, the Company also announced that it had issued 74,013 units (each, an “**Advisory Unit**”) at a deemed price of \$1.52 per Advisory Unit, to an arms length advisor, in payment of a fee of \$112,500 owing in connection with a services agreement renewed by the Company on June 8, 2022. Each Advisory Unit consists of one Common Share and one share purchase warrant exercisable at a price of \$2.25 until December 22, 2025.

All securities issued in connection with the Offering, and to the advisor, are subject to a statutory hold period in accordance with applicable Canadian securities law until April 23, 2023.

#### *Purpose and Business Reasons for the Transaction*

The net proceeds from the Offering will be used by the Company for exploration and development of the Company’s Los Reyes Gold-Silver Project (the “**Property**”) and for general corporate purposes.

*The Anticipated Effect of the Transaction on the Issuer’s Business and Affairs*

The net proceeds raised from the Offering will be added to the existing treasury of the Company and will allow the Company to continue exploration and development activities at the Property and will provide working capital for general corporate purposes.

*The Interest in the Transaction of Every Related Party*

Related Party	Percentage of Common Shares (undiluted) before the effective date	Insider Participation in the Offering	Percentage of Common Shares (undiluted and fully diluted) on the effective date
Chantal Gosselin	0.04% Common Shares	110,000 Common Shares and 110,000 Warrants	0.12% undiluted (0.15% fully diluted)
Daniel Kunz & Associates, LLC	1.14% Common Shares	100,000 Common Shares and 100,000 Warrants	1.09% undiluted (1.29% fully diluted)
Scott Hicks	0.004% Common Shares	200,000 Common Shares and 200,000 Warrants	0.16% undiluted (0.23% fully diluted)
Firelight Holdings LLC	14.39% Common Shares	2,200,000 Common Shares and 2,200,000 Warrants	14.52% undiluted (13.00 fully diluted)
Andrew Bowering	6.31% Common Shares	200,000 Common Shares and 200,000 Warrants	5.76% undiluted (4.25% fully diluted)
Marc A Prefontaine	0.18% Common Shares	30,000 Common Shares and 30,000 Warrants	0.18% undiluted (0.15% fully diluted)
Paul Larkin	0.31% Common Shares	65,000 Common Shares and 65,000 Warrants	0.33% undiluted (0.45% fully diluted)

The effect of the insider participation on the percentage of securities of the Company beneficially owned or controlled by the insiders is referred to in the table above.

*Discussion of the Review and Approval Process Adopted by the Board of Directors*

All the terms and conditions of the Offering were reviewed and approved by the board of directors of the Company by way of consent resolutions dated November 28, 2022 and December 22, 2022.

*Formal Valuation and Minority Approval Exemptions Relied Upon*

For the insider participation, the Company has relied on the exemption from the formal valuation requirements contained in Section 5.5(a) of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) and has relied on the exemption from the minority shareholder requirements contained in Section 5.7(1)(a) of MI 61-101.

**Item 6. Reliance on Section 7.1(2) of National Instrument 51-102**

Not applicable.

**Item 7. Omitted Information**

There is no information of a material nature that has been omitted.

**Item 8. Executive Officer**

To obtain further information, contact Daniel Kunz, Chief Executive Officer and Director at +1 (208) 926-6379.

**Item 9. Date of Report**

December 30, 2022

**Forward-Looking Information**

*This material change report contains certain “forward-looking information” and “forward-looking statements” within the meaning of Canadian securities legislation as may be amended from time to time, including, without limitation, statements regarding the completion of the Offering and the intended use of proceeds. Forward-looking statements are statements that are not historical facts which address events, results, outcomes or developments that the Company expects to occur. Forward-looking statements are based on the beliefs, estimates and opinions of the Company’s management on the date the statements are made, and they involve a number of risks and uncertainties. Certain material assumptions regarding such forward-looking statements were made, including without limitation, assumptions regarding the price of gold, silver and copper; the accuracy of mineral resource estimations; that there will be no material adverse change affecting the Company or its properties; that all required approvals will be obtained, including concession renewals and permitting; that political and legal developments will be consistent with current expectations; that currency and exchange rates will be consistent with current levels; and that there will be no significant disruptions affecting the Company or its properties. Consequently, there can be no assurances that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements involve significant known and unknown risks and uncertainties, which could cause actual results to differ materially from those anticipated. These risks include, but are not limited to: risks related to uncertainties inherent in the preparation of mineral resource estimates, including but not limited to changes to the cost assumptions, variations in quantity of mineralized material, grade or recovery rates, changes to geotechnical or hydrogeological considerations, failure of plant, equipment or processes, changes to availability of power or the power rates, ability to maintain social license, changes to interest or tax rates, changes in project parameters, delays and costs inherent to consulting and accommodating rights of local communities, environmental risks, title risks, including concession renewal, commodity price and exchange rate fluctuations, risks relating to COVID-19, delays in or failure to receive access agreements or amended permits, risks inherent in the estimation of mineral resources; and risks associated with executing the Company’s objectives and strategies, including costs and expenses, as well as those risk factors discussed in the Company’s most recently filed management’s discussion and analysis, as well as its annual information form dated April 22, 2022, available on [www.sedar.com](http://www.sedar.com). Except as required by the securities disclosure laws and regulations applicable to the Company, the Company undertakes no obligation to update these forward-looking statements if management’s beliefs, estimates or opinions, or other factors, should change. Forward-looking statements in this material change report include the intended use of proceeds of the Offering.*