

Prime Meridian Resources Corp. La Sarita Copper Silver Project Purchase Option on a Former Copper / Silver Producer

News Highlights:

- Prime Meridian signs LOI on the La Sarita Copper-Silver Project, in Sonora, Mexico
- La Sarita encompasses historical underground copper / silver workings dating back to the late 1800's, including the Puerta Verde 2 Mine
- Recent, limited check sampling at La Sarita returned up to 3.8% copper over 1 metre and 774.9 g/t Ag over 1.7 metres in channel samples with other historical samples returning up to 6.83% Cu and 310 g/t Ag over 1.2 metres.
- 3D IP (Induced Polarization) identified a large, tabular chargeability anomaly defined over a strike length of 1.0 to 1.5km (open to southeast) and modelled to a depth of 250 metres

Vancouver, British Columbia--(Newsfile Corp. - December 1, 2022) - **Prime Meridian Resources Corp. (TSXV: PMR)** ("**PMR**" or the "**Company**") is pleased to announce that the Company has executed a letter of intent dated November 26th (LOI) for the right to purchase up to a 100-per-cent interest in the 829.5-hectare La Sarita Copper-Silver Project (the "**Project**" or "**La Sarita**"), located in Sonora, Mexico, 17 kilometres southeast of the town of Moctezuma and 195 kilometres east of Hermosillo.

Brian Leeners, CEO of Prime Meridian, stated, "We are building a copper and silver portfolio in Mexico to address imminent demand and supply transitions in both these metals. As an example of the dire situation, the Chairman of Codelco (Maximo Pacheco - <https://miningdigital.com/articles/codelco-to-see-copper-deficit>) recently stated that the annual global copper deficit could be 8 million tonnes in 10 years. La Sarita presents a low-cost entry into a significant value proposition with the combination of copper-silver skarn mineralization extending from surface alongside the exciting prospect of a new copper porphyry discovery in one of the most productive copper porphyry belts in the world."

Mineralization at the La Sarita Copper-Silver Project is dominantly copper, and silver hosted within skarn and vein/replacement zones. The Company's plan is to fast-track the exploration and development of the copper-silver skarn mineralization, while evaluating the highly prospective surrounding ground for additional copper porphyry mineralization near the primary skarn zones.

The Project encompasses historical small-scale artisanal mine workings, assumed to have been intermittently active since the late 1800's, and several areas of copper-iron oxides in outcrop. Old mine workings are developed on structurally controlled epithermal quartz-carbonate veins and associated lateral replacement zones. Disseminated and replacement type copper mineralization also occurs on the Project. The mineralization types appear to include porphyry-style disseminated copper, porphyry-related skarn-manto replacement zones in limestone, and epithermal quartz-carbonate copper-silver veins. The project is situated within a region endowed with copper and precious metal deposits.

Puerta Verde 2 Mine

The Puerta Verde 2 Mine is the site of the largest underground workings at La Sarita, consisting of two tunnels driven into the hill in a northeast direction. Tunnel #1, with a length of 16 metres, lies approximately 17 metres to the west of Tunnel #2 and was mined entirely into mineralization. Tunnel #2 has a length of approximately 40 metres to the face, also entirely within mineralization. At the Tunnel #2 entrance there is a 23-metre-deep shaft, where copper oxide can be seen on the walls. Towards the end of Tunnel #2, a >33 metre vertical winze shows continuous copper mineralization to an unknown depth.

The mineralization at Puerta Verde 2 is hosted within carbonate rocks of the Bisbee Group and appears to be a replacement of the carbonate that is controlled by moderate to steeply dipping faults intersecting shallow dipping bedding.

Geochemical analyses conducted by previous works returned significant values for copper and silver. The results indicate potential high-value silver-copper mineralization in structurally controlled veins and replacements zones, and potential for low-grade, bulk tonnage copper mineralization in granodiorite.

In 2008, porphyry-style mineralization located 400 metres north of the Puerta Verde 2 portal returned 0.5 to 2.0% Cu and 20 to 40 g/t Ag. Sampling in this same area reportedly also returned up to 3.59% Cu and 53.8g/t Ag over 2.0 metres.

Sampling within Tunnel #2 reportedly returned up to 6.83% Cu and 310 g/t Ag over 1.2 metres, with several other locations within the tunnel and shaft returning similar grades as well as one sample of 459 g/t Ag and 0.3% Cu over 1.2 metres.*

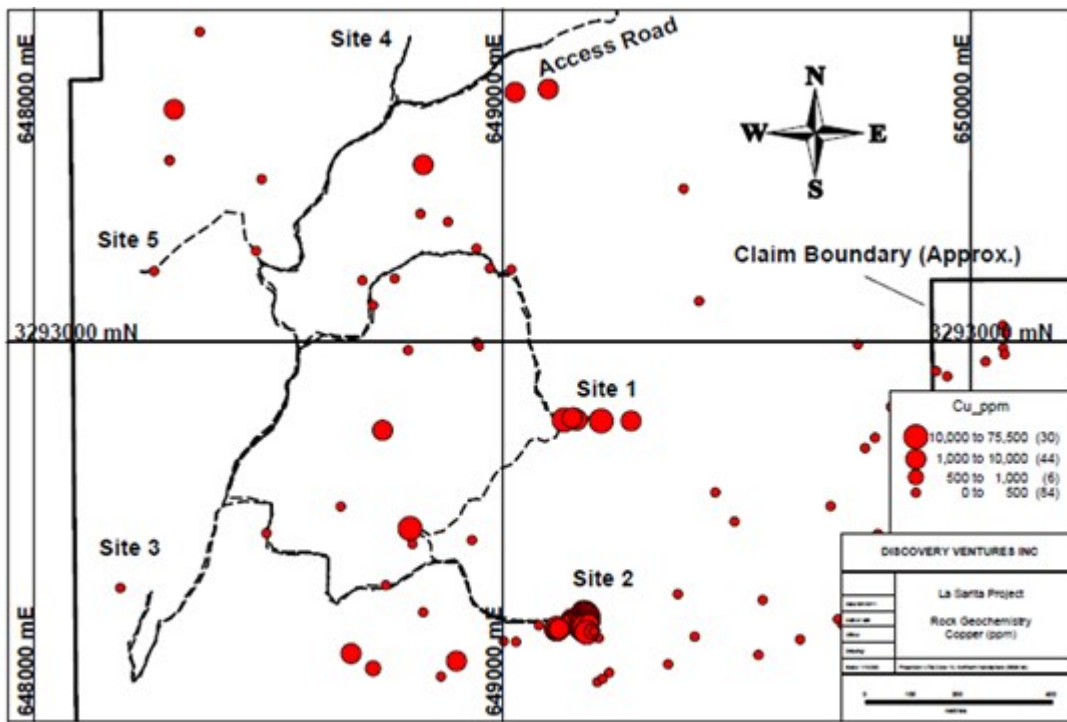


Figure 1. Underground workings at Puerta Verde 2 Mine

To view an enhanced version of this graphic, please visit:

https://images.newsfilecorp.com/files/5386/146445_c601bf6d647aeb89_001full.jpg

Select check sampling, carried out for the 2011 NI 43-101 Technical Report on La Sarita returned up to 3.8% Cu from a 1.0 metre chip/channel sample of oxidised mineralization in the Puerta Verde 2 Mine. Other results ranged from 0.34 to 2.28% Cu. Silver assays from La Sarita ranged up to 774.9 g/t Ag from a 1.7 metre chip/channel sample of oxidised mineralization, also from the Puerta Verde 2 Mine. Six other anomalous results for silver ranged between 41.1 and 147.4 g/t Ag. *

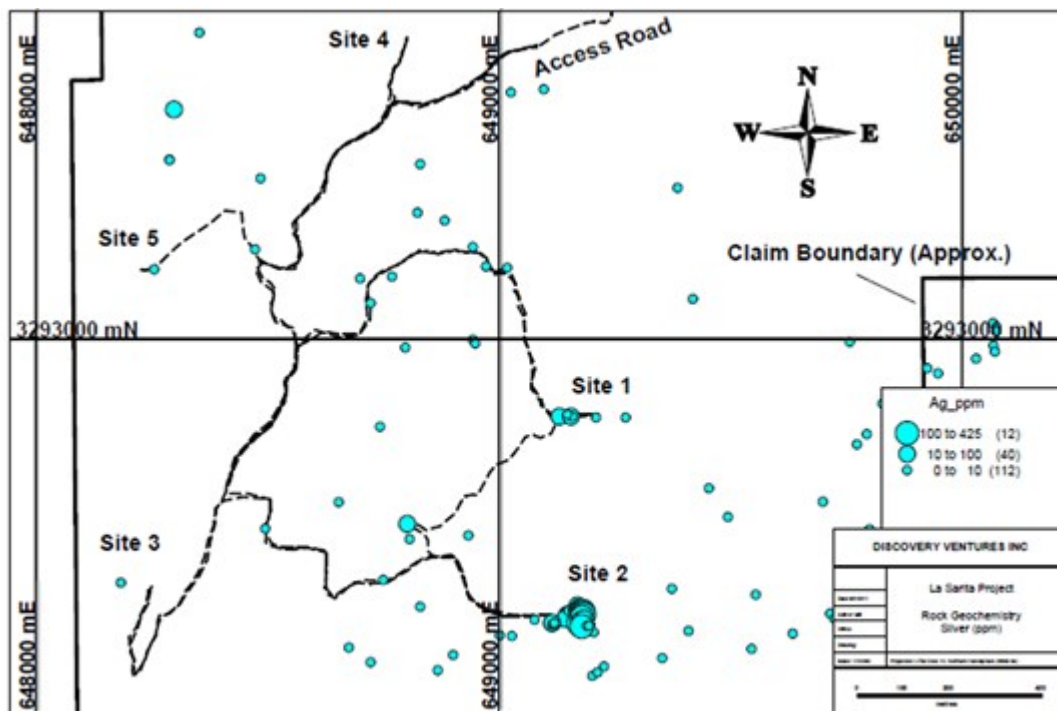


Copper values from historical rock geochemistry (10,000 ppm = 1%)

Figure 2. Historical rock sampling - Copper

To view an enhanced version of this graphic, please visit:

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Silver values from historical rock geochemistry (1 ppm = 1 gram)

Figure 3. Historical rock sampling - Silver

To view an enhanced version of this graphic, please visit:

https://images.newsfilecorp.com/files/5386/146445_c601bf6d647aeb89_003full.jpg

* *Cautionary Note: The reader is cautioned that grab rock samples and their respective photographs are selective by nature and may not represent the true grade or style of mineralization across the Project.*

Qualified person

The technical contents of this release were approved by Case Lewis, P.Geo., a qualified person as defined by National Instrument 43-101.

Transaction Details

In order to exercise the Purchase Option, PMR will make cash payments totaling US\$230,000, exploration expenditures of \$2,225,000 and common share payments totaling 3,250,000 common shares to the vendor (Quirina Vasquez Vargas - QVV) for a 100% ownership of the La Sarita Project, over a 5-year term after the date of the execution of the Definitive Agreements, as follows:

	Cash Payments	Exploration Expenditures	Common Shares
Year 1	\$30,000	\$ -	-
Year 2	\$50,000	\$ -	250,000
Year 3	\$50,000	\$ -	500,000
Year 4	\$50,000	\$ -	1,000,000
Year 5	\$50,000	\$ -	1,500,000
	<hr/> \$230,000	<hr/> \$2,225,000	<hr/> 3,250,000

(a) PMR will have the right at any time prior to the termination of the Purchase Option to offer a one-time payment to QVV for 100% of the La Sarita Project.

(b) The Exploration Expenditures will be made on the timing and at the discretion of PMR and must total \$2,250,000 by the end of the 5th year after the date of the execution of the Definitive Agreements.

(c) The Parties agree that QVV will retain a one percent (1%) Net Smelter Royalty ("NSR"), registered with the Mining Ministry of Mexico. PMR, will have a right to buy back the NSR for US\$1.5 million and PMR, will also have a right of first refusal to buy back the NSR from QVV.

(d) PMR will only be required to make the initial cash payment of \$30,000 to QVV upon written confirmation from PMR counsel in Mexico that the accrued Mining Taxes/Duties/Fees are paid, and the concessions are in active status or are awaiting active status.

(e) PMR will pay for all legal fees and accrued Mining Taxes/Duties/Fees to bring the concessions to active status and maintain the concessions in active status during the term of the Purchase Option, including all legal fees pertaining to all transactions in order to effect the Purchase Option, such as but not limited to, legal fees to produce the Mexican Formal Agreement, fees to Register the Formal Agreement in Mexico, transfer of title(s) fees, legal fees involved in the purchase of the NSR by PMR, and all IVA taxes on all transactions to maintain the concessions in good standing during the Purchase Option. These fees will be accounted for and included as Exploration Expenditures, subject to copies of the invoices / receipts for these expenditures being provided to QVV.

The La Sarita project concessions are currently not in good standing and PMR will be obliged to bring the concessions to good standing. Upon obtaining good standing for the concessions, PMR will then make the initial cash payment of \$30,000 to QVV.

The execution of the Definitive Agreements will be subject to the following conditions:

- The satisfactory completion of due diligence by both parties.
- Determination and quantification of the outstanding concession obligations.
- Each Party obtaining all necessary and appropriate governmental, regulatory, contractual, board of director, shareholder, member and other third-party licences, permits, approvals and/or consents which are required to execute the Definitive Agreements.
- Such other necessary and appropriate conditions as the parties shall mutually agree during their negotiations of the Definitive Agreements.

About Prime Meridian Resources

Prime Meridian Resources is focused on the exploration and development to production of copper and silver projects in Mexico.

On behalf of the Board of Directors of Prime Meridian Resources Corp.

"Brian Leeners"

Brian Leeners, CEO & Director (brianleeners@gmail.com)

The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved or disapproved the contents of this press release.



**PRIME MERIDIAN
RESOURCES CORP.**

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<https://www.newsfilecorp.com/release/146445>