

PRIMARY ENERGY METALS AMENDS DEFINITIVE AGREEMENT WITH EXCO MINING SPAIN

Focused in Strategic Green Energy Metals - Vanadium Assets in Spain and Utah

Vanadium prices have risen by over 150% in the past year current price US\$25.55/lb

VANCOUVER, BC, CANADA (December 18th, 2018) – Primary Energy Metals Inc. (CSE-PRIM FSE: 1WZ:GR OTC: PEMTF) (“Primary” or the “Company”) is pleased to announce that it has reached an agreement with Exco Mining S.A. (“Exco Mining”) to amend the definitive agreement to permit the parties to independently develop a series of projects in Spain. As previously announced, the Company entered into an agreement with Exco Mining dated effective July 30, 2018 (the “Definitive Agreement”), pursuant to which the parties agreed to invest and jointly develop a series of research permits located in Spain, and commonly referred to as the Buran (Cobalt), Beatriz (Cobalt), Altair (Vanadium) and Odin (Vanadium) projects (collectively, the “Property”).

Under the terms of the amendment, Exco Mining will assign all rights to the Altair (Vanadium) permit to the Company, and the Company will be granted the right to earn up to a 90% interest in and to the Odin (Vanadium) permit by completing the issuance of 1,500,000 common shares to Exco Mining, and arranging to incur exploration expenditures of not less than €1,398,792 over the next thirty-six months. At the same time, the Company will assign all rights to the Buran (Cobalt) and Beatriz (Cobalt) projects to Exco Mining.

The Company has also arranged to engage Exco Mining to provide consulting services to the Company with respect to the administration of the Odin (Vanadium) permits, at a rate of €2,500 per month.

The amended agreement with Exco Mining will allow the parties to continue to develop the permits independently, and will allow the Company to focus on the permits which are prospective for Vanadium.

Patrick Morris CEO stated: “We are very pleased to come to an agreement that will allow us to focus on our Vanadium assets in Spain and Utah in order to achieve our near term goals to provide Vanadium, to markets in Europe and abroad. Vanadium prices have risen by over 150% in the past year due to a number of factors, including production cuts and significant increases in demand due to the implementation on November 1, 2018 of new rebar standards in China that can only be achieved through increased use of Vanadium (with limited substitution). So much so that prices in China have tripled over this year after the passage of this law that requires the country's construction companies to use Vanadium in steel bars to increase the resistance of buildings against earthquakes and other natural catastrophes. In addition, Vanadium demand could increase significantly in the coming years due to the commercialization of (Redox) Vanadium batteries used in connection with off-grid storage. In fact, the International Renewable Energy Agency estimates that this type of storage batteries could reach 250 GW in 2030 with the strong increase in demand for EEB (Energy Efficient Batteries). As of December 16, 2018, the mid-point price of V2O5 as reported by Metal Bulletin was \$25.55 per pound, as compared to \$9.00 per pound on September 29, 2017.”

About Primary

PRIMARY Energy Metals Inc. (CSE: PRIM FSE: 1WZ:GR OTC: PEMTF) is a listed junior exploration and development company and is engaged in the business of acquiring, exploring and developing ethically sourced Vanadium, Cobalt, Copper, and Nickel focussed mineral resource properties to create value for its shareholders. Current projects include, the Altair and Odin Vanadium permits in Spain, 375 Vanadium and Uranium claims in Utah, Cobalt/Gold permits in Hazelton British Columbia, and 39 Cobalt claims in Quebec.



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ACQUISITION FOCUS - Other projects Primary is investigating are in the clean energy sector. In this sector, the Company is focused specifically upon exploration opportunities to source green energy power minerals for use in battery production. Primary's interests in this sector are guided by the following:

- Identifying opportunities in regions that are conducive to mining due to the regulatory nature of the government with existing infrastructure.
- Identifying opportunities in geographical locations that provide easy access large markets for these metals.
- Identifying opportunities with locations with existing mine shafts.

ON BEHALF OF THE BOARD OF DIRECTORS

/s/ Patrick Morris

CEO and President

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Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. All statements other than statements of historical fact are forward- looking statements, including, without limitation, statements regarding future financial position, business strategy, use of proceeds, corporate vision, proposed acquisitions, partnerships, joint-ventures and strategic alliances and co- operations, budgets, cost and plans and objectives of or involving the Company. Such forward-looking information reflects management's current beliefs and is based on information currently available to management. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "predicts", "intends", "targets", "aims", "anticipates" or "believes" or variations (including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. A number of known and unknown risks, uncertainties and other factors may cause the actual results or performance to materially differ from any future results or performance expressed or implied by the forward-looking information. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of the Company including, but not limited to, the impact of general economic conditions, industry conditions and dependence upon regulatory approvals. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The Company does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by securities laws.