

Offering Document under the Listed Issuer Financing Exemption

November 29, 2024

Prismo Metals Inc. (“Prismo”, the “Company” or the “issuer”)

PART 1 SUMMARY OF OFFERING

What are we offering?

Offering:	Units (“Units”) of the Company, with each Unit being comprised of one common share of the Company (a “Share”) and one-half of one common share purchase warrant (a “Warrant”). Each Warrant will be exercisable to acquire an additional Share at an exercise price of \$0.25 per Share for a period of 24 months.
Offering Price:	\$0.15 per Unit (the “Issue Price”).
Offering Amount:	13,500,000 Units for gross proceeds of \$2,025,000 (the “LIFE Offering”). ⁽¹⁾⁽²⁾
Closing Date:	The closing of the LIFE Offering is expected to occur on or about December 19, 2024 (the “Closing Date”).
Exchange:	The Company’s common shares are listed on the Canadian Securities Exchange (the “CSE”) under the trading symbol PRIZ.
Last Closing Price:	The last closing price of the Company’s common shares on the CSE on November 28, 2024 was \$0.165.

Notes:

- (1) The LIFE Offering is subject to an aggregate minimum subscription of 13,500,000 Units.
- (2) Concurrent with the closing of the LIFE Offering, the Company anticipates closing a private placement offering of up to 6,500,000 Units for gross proceeds of up to \$975,000 in reliance on the accredited investor and friends, family and business associate, and minimum amount exemptions provided under sections 2.3(1), 2.5 and 2.10 of NI 45-106, respectively, as well as the existing securityholder exemption set out in BC Instrument 45-534 - *Exemption From Prospectus Requirement for Certain Trades to Existing Security Holders* (the “Non-LIFE Offering” and together with the LIFE Offering, the “Offering”). On a combined basis under the Offering, the Company will issue a minimum of 13,500,000 Units for aggregate gross proceeds of \$2,025,000 up to a maximum of 20,000,000 Units for aggregate gross proceeds of up to \$3,000,000.

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this document. Any representation to the contrary is an offence. This offering may not be suitable for you and you should only invest in it if you are willing to risk the loss of your entire investment. In making this investment decision, you should seek the advice of a registered dealer.

Prismo is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 *Prospectus Exemptions* (“NI 45-106”). In connection with this offering, the issuer represents the following is true:

- The issuer has active operations and its principal asset is not cash, cash equivalents or its exchange listing.
- The issuer has filed all periodic and timely disclosure documents that it is required to have filed.
- The total dollar amount of this offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption in the 12 months immediately before the date of this offering document, will not exceed \$5,000,000.
- The issuer will not close this offering unless the issuer reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.
- The issuer will not allocate the available funds from this offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the issuer seeks security holder approval.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This offering document contains “forward-looking information” within the meaning of applicable Canadian and United States securities laws, which is based upon the Company’s current internal expectations, estimates, projections, assumptions and beliefs. The forward-looking information included in this offering document are made only as of the date of this offering document. Such forward-looking statements and forward-looking information include, but are not limited to, statements concerning future exploration plans at the Company’s mineral properties, including exploration timelines, and anticipated costs; the Company’s expectations with respect to the use of proceeds and the use of the available funds following completion of the Offering; raising the maximum proceeds of the Offering; and completion of the Offering and the date of such completion. Forward-looking statements or forward-looking information relate to future events and future performance and include statements regarding the expectations and beliefs of management based on information currently available to the Company. Such forward-looking statements and forward-looking information often, but not always, can be identified by the use of words such as “plans”, “expects”, “potential”, “is expected”, “anticipated”, “is targeted”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Forward-looking statements or forward-looking information are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements or forward-looking information, including, without limitation, risks and uncertainties relating to: general business and economic conditions; regulatory approval for the Offering; completion of the Offering; changes in commodity prices; the supply and demand for, deliveries of, and the level and volatility of the price of copper and other metals; changes in project parameters as exploration plans continue to be refined; costs of exploration including labour and equipment costs; risks and uncertainties related to the ability to obtain or maintain necessary licenses, permits or surface rights; changes in credit market conditions and conditions in financial markets generally; the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; the availability of qualified employees and contractors; the impact of value of Canadian dollar and U.S. dollar, foreign exchange rates on costs and financial results; market competition; exploration results not being consistent with the Company’s expectations; changes in taxation rates; the ability to obtain or maintain necessary licenses, permits, or water rights; technical difficulties in connection with mining activities; changes in environmental regulation; environmental compliance issues; and other risks of the mining industry. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements or forward-looking information. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that could cause results not to be as anticipated, estimated or intended. For more information on the Company and the risks and challenges of its business, investors should review the Company’s annual filings that are available at www.sedarplus.ca.

The Company provides no assurance that forward-looking statements or forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements and information. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, changing circumstances, or otherwise.

PART 2 SUMMARY DESCRIPTION OF BUSINESS

What is our business?

Prismo is a growth-stage exploration company led by a team of experienced mining professionals with a track record of successful discoveries. The team is focused on creating shareholder value by acquiring, exploring and developing precious and base metal projects in Mexico and the USA.

Prismo is actively exploring two precious metal projects in Mexico (Palos Verdes and Los Pavitos) and a copper project in Arizona (Hot Breccia). The Palos Verdes Project is a 22.8-hectare property located in the historic Panuco-Copala silver-gold district in southern Sinaloa, Mexico. The Los Pavitos Project consists of a 5,289-hectare property position located in southern Sonora, Mexico. The Hot Breccia property consists of 1,420 hectares of contiguous mining claims located in the world-class Arizona Copper Belt.

Recent developments

On September 3, 2024, the Company announced that it had updated the mineralization model for the Hot Breccia project in Southern Arizona based on important historical information recently acquired from a third party. The information includes historic Bear Creek Mining Company exploration data, gathered between the completion of a masters thesis by Larry Barrett (1972) through the completion of their first drill hole on the Hot Breccia property between 1972 and mid-1974. The recently acquired information includes a complete log and assays for hole OC-1 and a geological interpretation after holes OC-1 to OC-3 were completed.

On September 24, 2024, the Company announced that drilling at its Palos Verdes project in Mexico had started. Hole PV-24-34 of this collaborative drilling program with Vizsla Silver Corp. ("**Vizsla**") was collared on Vizsla's property. The planned length of the first hole is 250 meters out of a total expected 1,250 meters in the first phase of the program now underway.

On October 15, 2024, the Company announced it received the results of the artificial intelligence ("**AI**") study at the Hot Breccia project in Southern Arizona undertaken by Exploration Technologies Inc. The AI study results provided support for the Company's exploration plan at the project, identifying the most likely location for a large body of sulfide mineralization as the same general area as the historic drilling and the dike swarm with xenoliths of Cu-bearing skarn as well as the conductive anomaly from the 2023 ZTEM survey. The postulated sulfide mineralization measures 1,100 meters by 1,150 meters.

Material facts

There are no material facts about the securities being distributed that have not been disclosed in this offering document or in any other document filed by the Company in the 12 months preceding the date of this offering document.

What are the business objectives that we expect to accomplish using the available funds?

Prismo expects to continue exploration work on its Hot Breccia copper project using its available funds upon completion of the Offering, including up to 5,000 meters of drilling. Prismo also intends to use a portion of the funds to cover general corporate overhead expenses. In order to accomplish these objectives, Prismo must: (a) complete the Offering; and (b) continue the planned exploration program on the Hot Breccia copper project.

PART 3 USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the Offering?

Our expected available funds upon the closing of the Offering will be \$2,684,140, assuming the minimum amount is raised in the LIFE Offering and the maximum amount is raised in the Non-LIFE Offering. Assuming only the LIFE Offering is completed, our expected available funds upon closing will be \$1,709,140.

		Assuming LIFE Offering only	Assuming 100% of the Offering ⁽²⁾
A	Amount to be raised by the LIFE Offering ⁽¹⁾	\$2,025,000	\$2,025,000
B	Selling commissions and fees	\$121,500	\$121,500
C	Estimated offering costs (e.g., legal, accounting, audit)	\$25,000	\$25,000
D	Net proceeds of offering: D = A – (B+C)	\$1,878,500	\$1,878,500
E	Working capital as at most recent month end (deficiency)	\$(169,360)	\$(169,360)
F	Additional sources of funding	\$Nil	\$975,000 ⁽²⁾
G	Total available funds: G = D+E+F	\$1,709,140	\$2,684,140

(1) The LIFE Offering is subject to an aggregate minimum subscription of 13,500,000 Units.

(2) Concurrent with the closing of the LIFE Offering, the Company anticipates issuing up to 6,500,000 Units for gross proceeds of up to \$975,000 pursuant to the Non-LIFE Offering. On a combined basis under the Offering, the Company will issue a minimum of 13,500,000 Units for aggregate gross proceeds of \$2,025,000 up to a maximum of 20,000,000 Units for aggregate gross proceeds of up to \$3,000,000.

How will we use the available funds?

Description of intended use of available funds listed in order of priority	Assuming LIFE Offering only ⁽¹⁾	Assuming 100% of the Offering ⁽¹⁾⁽²⁾
Drilling and exploration and development at Hot Breccia copper project	\$1,359,140	\$2,000,000
Corporate G&A including legal, audit, salaries	\$350,000	\$350,000
Unallocated working capital	\$Nil	\$334,140
Total	\$1,709,140	\$2,684,140

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The above noted allocation and anticipated timing represents the Company's current intentions with respect to its use of proceeds based on current knowledge, planning and expectations of management of the Company. Although the Company intends to expend the proceeds from the Offering as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including the Company's ability to execute on its business plan.

The most recent audited annual financial statements and interim financial report of the Company included a going-concern note. The Company is still in the exploration stage and the Company has not yet generated positive cash flows from its operating activities, which may cast doubt on the Company's ability to continue as a going concern. The Offering is intended to permit the Company to continue to explore its properties and conduct additional drilling and is not expected to affect the decision to include a going-concern note in the next annual financial statements of the Company.

How have we used the other funds we have raised in the past 12 months?

Previous financing	Intended Use of Funds	Explanation of Variances	Impact of Variances
\$1,147,500 June 2024 private placement ⁽¹⁾	To fund drilling at its Palos Verdes project and for general working capital purposes.	No variances.	N/A
\$128,450 April 2024 private placement ⁽²⁾	General working capital purposes.	No variances.	N/A

- (1) Non-brokered private placement of units of the Company for gross proceeds of \$1,147,500 announced in the Company's news release dated June 19, 2024.
- (2) Non-brokered private placement of units of the Company for gross proceeds of \$128,450 announced in the Company's news release dated April 5, 2024.

PART 4 FEES AND COMMISSIONS

Who are the dealers or finders that we have engaged in connection with this offering, if any, and what are their fees?

Finder:	Certain arm's length finders (the "Finders").
Compensation Type:	Cash fee and finder's warrants.
Cash Commission:	Cash fee equal to 6.0% of the gross proceeds raised in the LIFE Offering from purchasers located by the Finders.
Finder's Warrants:	Non-transferable finder's warrants equal to 6.0% of the number of Units sold pursuant to the LIFE Offering to purchasers located by the Finders. Each finder's warrant will be exercisable into one common share at a purchase price of \$0.15 for a period of 24 months following the date of issuance.

PART 5 PURCHASERS' RIGHTS

Rights of Action in the Event of a Misrepresentation

If there is a misrepresentation in this offering document, you have a right

- a) to rescind your purchase of these securities with Prismo, or
- b) to damages against Prismo and may, in certain jurisdictions, have a statutory right to damages from other persons.

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.

You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.

PART 6 ADDITIONAL INFORMATION

Where can you find more information about us?

Security holders can access Prismo's continuous disclosure filings on SEDAR+ at www.sedarplus.ca under Prismo's profile.

For further information regarding Prismo, visit our website at: www.prismometals.com

PART 7 DATE AND CERTIFICATE

This offering document, together with any document filed under Canadian securities legislation on or after November 29, 2023, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

Dated this 29th day of November, 2024.

By: (signed) "Alain Lambert"

Name: Alain Lambert

Title: Chief Executive Officer

By: (signed) "Stephen Robertson"

Name: Stephen Robertson

Title: President