

Prismo Metals Receives Permit Extension for Palos Verdes

Vancouver, British Columbia--(Newsfile Corp. - October 6, 2020) - Prismo Metals Inc. (CSE: PRIZ) (the "**Company**" or "**Prismo**") announces receipt of an extension to the environmental permit for its Palos Verdes Project in southern Sinaloa State from SEMARNAT, the Mexican federal environmental permitting agency. Prismo has also successfully negotiated general terms to extend its surface access agreement. Extension of the environmental permit and surface right agreements allows completion of a minimum 500-meter drill program at Palos Verdes without time pressures.

"Receiving the permit extension is welcome evidence that the permitting process is fully functional despite earlier slow-downs stemming from the Covid-19 crisis," said Dr. Craig Gibson, Prismo Metals President and CEO. "The combined extensions will let our drilling program follow the geology, not the clock as we seek to follow the high-grade mineralization encountered earlier into untested ground at depth."

The Palos Verdes drilling program will consist of about five holes, with the longest hole planned at 150-175m, designed to test the vein on strike and below the high-grade intercepts from a previous drill program carried out in May 2018. The best intercept from that program was 8.42 g/t Au and 2,336 g/t Ag, over an estimated 0.8m true width (see Prismo press release of September 30, 2020). The grades are similar to those reported by Vizsla Resources Corp. from veins further west in the same district. The drill program is planned to take place in November, with results probably available in January 2021.

About Prismo

Prismo is engaged in mineral property acquisitions and exploration in Mexico. The Company entered into an option agreement with Prospeccion Y Desarrollo Minero Del Norte, S.A. de C.V. (ProDeMin), effective May 7, 2019, pursuant to which it was granted the option to acquire a 75% interest in the Palos Verdes Property, which constitutes the material property of the Company. Prismo's Palos Verdes Project lies in southern Sinaloa State in northwestern Mexico, approximately 65 kilometers NE of Mazatlán, Sinaloa. Palos Verdes lies in the historic Panuco-Copala silver-gold district where Vizsla Resources Corp. have reported considerable success recently.

The Panuco-Copala district is characterized by a swarm of north to northwesterly oriented veins that stretch laterally for 15 km along a northeast-southwest trend. Northeasterly-trending veins that link and/or cross the northwesterly veins are locally well developed within the district. The eastern part of the district is topographically much higher than the western zone where veins are prominently exposed. Vein outcrops are subtle in the eastern zone, suggesting they are exposed at a much higher level and have not lost their uppermost high-grade zones to erosion.

The Palos Verdes concession (claim) covers 700 meters of strike length of the Palos Verdes vein, a member of the northeasterly trending vein family located in the eastern part of the district outside of the area of modern exploration. Geologic mapping indicates that a northwesterly striking structure intersects the Palos Verdes vein in the center of the concession. Drilling conducted in 2018 on the Palos Verdes Vein by ProDeMin was relatively shallow (< 100M) and cut a well mineralized multistage vein 2 to 7 m wide with bonanza grade precious metal values and subordinate base metals 30 to 50 meters underneath largely barren vein outcrops. Mineralization is open along strike and at depth.

For more information, please refer to the Company's prospectus dated September 8, 2020 available on SEDAR (www.sedar.com).

Qualified Person

Dr. Craig Gibson, Ph.D., the President and Chief Executive Officer of the Company, a Qualified Person

under NI 43-101 - *Standards of Disclosure for Mineral Projects*, has prepared and approved the technical content of this release.

On Behalf of the Board of Directors

Craig Gibson
Chief Executive Officer, President and Director

For further information, please contact:

Jason Frame
Investor Relations
Jason.frame@prismometals.com

Cautionary Statement Regarding Forward-Looking Information

This news release includes certain forward-looking statements and forward-looking information (collectively, "**forward-looking statements**") within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, included herein including, without limitation, statements regarding future capital expenditures, anticipated content, commencement, and cost of exploration programs in respect of the Company's projects and mineral properties, anticipated exploration program results from exploration activities, resources and/or reserves on the Company's projects and mineral properties, and the anticipated business plans and timing of future activities of the Company, are forward-looking statements. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Often, but not always, forward looking information can be identified by words such as "will", "pro forma", "plans", "expects", "may", "should", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes", "potential" or variations of such words including negative variations thereof, and phrases that refer to certain actions, events or results that may, could, would, might or will occur or be taken or achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, statements as to the anticipated business plans and timing of future activities of the Company, including the Company's option to acquire a 75% interest in and to the Palos Verdes Property, the proposed expenditures for exploration work thereon, the ability of the Company to obtain sufficient financing to fund its business activities and plans, delays in obtaining governmental and regulatory approvals (including of the Canadian Securities Exchange), permits or financing, changes in laws, regulations and policies affecting mining operations, the Company's limited operating history, currency fluctuations, title disputes or claims, environmental issues and liabilities, as well as those factors discussed under the heading "**Risk Factors**" in the Company's prospectus dated September 8, 2020 and other filings of the Company with the Canadian Securities Authorities, copies of which can be found under the Company's profile on the SEDAR website at www.sedar.com.

Readers are cautioned not to place undue reliance on forward-looking statements. The Company undertakes no obligation to update any of the forward-looking statements in this presentation or incorporated by reference herein, except as otherwise required by law.



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