

Prismo Metals Closes \$1 Million Private Placement

Vancouver, British Columbia--(Newsfile Corp. - December 29, 2021) - Prismo Metals Inc. (CSE: PRIZ) ("**Prismo**" or the "**Company**") is pleased to announce that it has completed the first closing of a non-brokered private placement (the "**Offering**") by issuing a total of 3,666,666 units (the "**Units**") at a price of \$0.30 per Unit for total gross proceeds of \$1,010,000.

"On December 7th, 2021, the Company announced Prismo's intention to complete a private placement of up to \$2 million. This remains our plan. Given the holiday season, we decided to proceed with two closings of \$1 million. We expect the second closing of the private placement at the same terms and conditions to take place in the first half of January 2022," said Craig Gibson, President and CEO of the Company.

Each Unit is comprised of one common share of the Company and one-half of one common share purchase warrant (each, a "**Warrant**"). Each Warrant entitles the holder thereof to purchase one common share of the Company at a price of C\$0.45 for a period of 24 months following the closing date of the Offering. The securities issued in the private placement are subject to a four-month hold period expiring on April 23, 2022.

As announced by the Company on December 13, 2021, Units were also offered to Prismo shareholders (the "**Eligible Prismo Shareholders**") of record as of the close of business on December 7, 2021 pursuant to the "*Exemption from prospectus requirement for certain trades to existing security holders*" of BC Instrument 45-534, and similar prospectus exemptions in other provinces of Canada.

Subscriptions by Eligible Prismo Shareholders were subject to a number of conditions, including a limit of \$15,000 unless such Eligible Prismo Shareholder had received advice regarding the suitability of an investment in the Units from a registered investment dealer.

The Company will use expected \$2 million gross proceeds from the Units to complete a 4,000-meter drilling campaign on its Palos Verdes property (estimated at \$1.0 million), conduct exploration on its Los Pavitos property with a view of identifying drilling targets (estimated at \$400,000), the costs of the offering (estimated at \$125,000 which includes payment of finders fees described below) and for general working capital.

An insider of the Company subscribed for 60,000 Units. As such, his participation constitutes a "related party transaction" as defined under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("*MI 61-101*"). Such participation is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the Units acquired by the insider nor the consideration for the Units paid by such insider, exceed 25% of the Company's market capitalization. The Company did not file a material change report 21 days prior to the closing date of the Offering as details of the participation of such insider in the Offering was unknown at such time.

As a result of the closing of the private placement, there are now 21,228,723 common shares of the Company issued and outstanding. The private placement was carried out pursuant to prospectus exemptions of applicable securities laws and is subject to final acceptance by the Canadian Securities Exchange. In connection with the Closing, finder's fees equal to an aggregate amount of \$43,050 in cash were paid, and 143,500 non-transferable finder's warrants were issued to arm's length third parties of the Company. Each finder's warrant entitles the holder to acquire one common share of the Company for the price of \$0.30 per common share for a period of two years following the closing.

About Prismo

Prismo (CSE: PRIZ) is junior mining company focused on precious metal exploration in Mexico.

ON BEHALF OF THE BOARD

Craig Gibson, Chief Executive Officer and Director

Prismo Metals Inc.

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Neither the Canadian Securities Exchange accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward-Looking Statements

This press release contains 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, including without limitation, statements regarding the anticipated content, commencement and exploration program results, the ability to complete future financings, required permitting, exploration programs and drilling, and the anticipated business plans and timing of future activities of the Company, are forward-looking statements. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or are those, which, by their nature, refer to future events. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct.

The Company cautions investors that any forward-looking statements by the Company are not guarantees of future results or performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, the state of the financial markets for the Company's equity securities, the state of the commodity markets generally, variations in the nature, the analytical results from surface trenching and sampling program, including diamond drilling programs, the results of IP surveying, the results of soil and till sampling program. the quality and quantity of any mineral deposits that may be located, variations in the market price of any mineral products the Company may produce or plan to produce, the inability of the Company to obtain any necessary permits, consents or authorizations required, including CSE acceptance, for its planned activities, the inability of the Company to produce minerals from its properties successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies, the potential impact of COVID-19 (coronavirus) on the Company's exploration program and on the Company's general business, operations and financial condition, and other risks and uncertainties. All of the Company's Canadian public disclosure filings may be accessed via www.sedar.com and readers are urged to review these materials, including the technical reports filed with respect to the Company's mineral properties.

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