

# Prismo Metals Announces Drilling at Palos Verdes Warrant Exercise Financing and Investor Update Call

Vancouver, British Columbia--(Newsfile Corp. - June 17, 2022) - Prismo Metals Inc. (CSE: PRIZ) ("Prismo" or the "Company") is pleased to announce that it has reached an agreement with certain of its warrant holders, including a number of insiders (collectively, the "Warrant holders"), to exercise a total of up to 6,821,250 outstanding founder warrants (the "Warrants") for gross proceeds of \$682,125. The Warrants were issued to such Warrant holders in 2018 and 2019, prior to the Company's initial public offering. Each Warrant entitles the holder thereof to purchase one common share of Prismo at a price of \$0.10 per share.

The proceeds received by Prismo following the exercise of the Warrants will be primarily used to drill a minimum of 2,000 meters of HQ core at the Company's Verdes property in several holes to test mineralization at depth under the high-grade intercepts from previous drilling campaigns. Two of these holes intersected high-grade mineralization similar in grade and width to the results of Vizsla Silver Corp. in the Panuco district, whose property is contiguous to Palos Verdes. The best intercepts of these previous drilling campaigns were 2,336 g/t Ag and 8.42 g.t Au over a true width estimated at 0.8 meters within a larger mineralized interval with 1,098 g/t Ag and 3.75 g/t Au over a true width of 2.3 meters (see Prismo's news release dated September 30, 2020). The Company believes these intercepts indicate the presence of a potentially large Ag-Au shoot of the type being defined by Vizsla Silver.

The Company also expects to use some of the proceeds to finalize surface exploration work on the Los Pavitos property to advance to the drill ready stage, with expected drilling in the fall.

"Immediately following the exercise of the warrants, Prismo will be selecting a drilling contractor and expects drilling to begin in late-July pending reception of our environmental permit," said Dr. Craig Gibson, President and CEO of Prismo. He added: "The results recently announced by Vizsla Silver (<https://vizslasilvercorp.ca/news/2022>) support the large vertical extent of mineralization in the Napoleon vein system, but importantly show the presence of multiple mineralized strands or splits to the vein system, a feature we see at high structural levels at Palos Verdes."

Regarding exploration at Prismo's other project in Mexico, Dr. Gibson said: "We are also pleased to announce that we recently completed a LiDAR survey conducted over almost 40 square kilometres at the Los Pavitos project. We expect to receive the analysis of the LiDAR results in a few weeks to aid in the delineation of important structural trends and complete the work to identify drill targets this summer."

Prismo will be hosting an investor update ZOOM call on Friday June 17<sup>th</sup>, 2022 at 4:00 pm EDT.

**Topic:** Prismo - Investor Update

Time and date: Jun 17, 2022 4:00 PM Eastern Time

**Format:** Management presentation (15 to 20 minutes) followed by question period (5 to 10 minutes).

Please email your questions to [jason.frame@prismometals.com](mailto:jason.frame@prismometals.com)

**Zoom Meeting Link:** <https://us02web.zoom.us/j/85855536358?pwd=ZitnS0xGbUlzQUk2OGN6NjNKL3NWUT09>

Meeting ID: 858 5553 6358

Passcode: CyDF90

The investor update will be posted on the Company's website immediately following the meeting.

Prior to the exercise of the Warrants, and as a condition precedent thereto, the Warrant holders have agreed to sell up to 4,547,500 common shares of Prismo (the "Share Sale") at a price of \$0.15 per

share to various third-party investors identified by Haywood Securities Inc. and other registered dealers. The Company will pay Haywood Securities Inc. and other registered dealers a finder's fee in the amount of five percent of the gross proceeds received by Prismo in connection with these trades. Prismo has entered into a finder's fee agreement with Haywood Securities to assist with these trades.

The Share Sale will be conducted during the week of June 20th, 2022 in an alternative market prior to the opening of the markets. The Company does not anticipate the creation of any new insider of the Company as a result of the Share Sale.

The Warrantholders have agreed with Prismo to use the entirety of the proceeds from the Share Sale to individually exercise Warrants. As a result of the aforementioned transactions, insiders forming part of the group of Warrantholders are expected to exercise 3,671,250 Warrants for aggregate gross proceeds of \$367,125 and to sell 2,447,500 common shares through the Share Sale.

After giving effect to these Warrant exercises, the Company will have 28,049,973 common shares issued and outstanding and the insiders of the Company, will own and control 5,174,001 common shares after the Share Sale representing approximately 18.4% of the Company's outstanding shares. Such insiders will also own and control 778,750 Warrants.

## **About Prismo**

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

Contact: Craig Gibson, Chief Executive Officer and Director  
1100 - 1111 Melville St., Vancouver, British Columbia V6E 3V6  
[craig.gibson@prismometals.com](mailto:craig.gibson@prismometals.com)

Jason Frame, Manager of Communications  
[jason.frame@prismometals.com](mailto:jason.frame@prismometals.com)

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

## **Cautionary Note Regarding Forward-Looking Statements**

This news release includes certain forward-looking statements concerning the warrants exercise financing, the proceeds received from such warrant exercise financing, the use of proceeds of the warrant exercise financing, the future performance of our business, its operations and its financial performance and condition, as well as management's objectives, strategies, beliefs and intentions. Forward-looking statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. Forward-looking statements are based on the current opinions and expectations of management. All forward-looking information is inherently uncertain and subject to a variety of assumptions, risks and uncertainties, including the speculative nature of mineral exploration and development, fluctuating commodity prices, competitive risks, the availability of financing, the potential impact of COVID-19 on the Company's exploration program and on the Company's general business, operations and financial condition, and other risks and uncertainties described in more detail in our recent securities filings available at [www.sedar.com](http://www.sedar.com). Actual events or results may differ materially from those projected in the forward-looking statements and we caution against placing undue reliance thereon. We assume no obligation to revise or update these forward-looking statements except as required by applicable law.



To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/128128>