

**OFFERING DOCUMENT
UNDER THE LISTED ISSUER FINANCING EXEMPTION**

DECEMBER 5, 2022



PRISMO METALS INC.
(the "Company")

PART 1 SUMMARY OF THE OFFERING

WHAT ARE WE OFFERING?

Offering:	A maximum of 5,800,000 units (the " Units ") at a price of \$0.52. Each Unit consists of one (1) common share of the Company (a " Common Share ") and one-half of one (1/2) Common Share purchase warrant (each whole Common Share purchase warrant referred to as a " Warrant "). Each Warrant is exercisable into one Common Share at a price of \$0.75 for a period of three (3) years (the " Offering ").
Offering Price:	\$0.52 per Unit.
Offering Amount:	A maximum of 5,800,000 Units, for maximum gross proceeds of \$3,016,000.
Closing Date:	On or about December 12, 2022.
Exchange:	The Common Shares of the Company are listed on the Canadian Securities Exchange (" CSE ") under the trading symbol "PRIZ".
Last Closing Price:	On December 2, 2022, the closing price of the Common Shares on the CSE was \$0.64.

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 Metals Inc. is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 Prospectus Exemptions. 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; completion of the Offering, 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 minimum or 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 gold, silver and other precious 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 or policies; technical difficulties in connection with mining activities; changes in environmental regulation; environmental compliance issues; other risks of the mining industry; and risks related to the effects of COVID-19. 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.sedar.com. 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?

The Company is a mineral exploration company focused on acquiring, exploring, and developing precious metal projects in Mexico. The Company completed an Initial Public Offering in September 2020, and its Common Shares are listed and posted for trading on the CSE. The Company has options to acquire a 100% interest in two projects: the (i) Palos Verdes project, consisting of 22 hectares in the Panuco district of Sinaloa State; and (ii) the Los Pavitos project, consisting of 5,289 hectares in the Alamos district of Sonora State.

Recent Developments

On January 19, 2022, the Company announced that it has mobilized a crew of geologists to the Company's Los Pavitos project and has planned a four to five-month exploration program that would include comprehensive mapping and extensive sampling of the concession to define drill targets.

On May 11, 2022, the Company announced that in regards to the initial exploration program at the Los Pavitos project, assay results had been received for 169 samples with the best results from the Las Auras and Santa Cruz areas with individual samples yielding 10.15 and 28 g/t gold, respectively (see press release dated May 11, 2022 for more information). On June 17, 2022, the Company announced that it had reached an agreement with certain of its warrant holders, to exercise a total of up to 6,821,250 outstanding founder warrants for gross proceeds of \$682,125, the proceeds of which would 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.

On July 20, 2022, the Company announced that it had selected a drill contractor for its upcoming drilling campaign on its Palos Verdes project. On July 27, 2022, the Company announced that its Common Shares have been approved for listing on the OTCQB Venture Market and would commence trading under the symbol PMOMF.

On August 18, 2022, the Company announced that its 2,000-meter drill program at its Palos Verdes project had commenced. On August 29, 2022, the Company announced that it has received the data from the LiDAR survey carried out at its Los Pavitos project and that several structural features and small mine workings were visible in the data and that the analysis of the data to date has identified several areas with small prospect pits that have not yet been visited or sampled. On September 21, 2022, the Company announced that, in regards to the drilling program underway at its Palos Verdes project, it had drilled

approximately 560 meters in two core holes of a planned minimum of 2,000-meter drill program, with the second hole in progress (see press release dated September 21, 2022 for more information).

On August 23, 2022, the Company announced that it had closed a non-brokered private placement pursuant to which it issued 750,000 Common Shares at a price of \$0.20 per share for gross proceeds of \$150,000.

On October 11, 2022, the Company announced that, in regards to the drill program at its Palos Verdes project, the program had drilled a total of 1,062 meters to date out of a planned minimum of 2,000 metres (see press release dated October 11, 2022 for more information). On October 20, 2022, the Company announced that a total of 1,203 meters had been drilled out of a planned minimum of 2,000 metres in regards to the drill program at its Palos Verdes project (see press release dated October 20, 2022 for more information).

On November 24, 2022, the Company announced that it had signed a non-binding letter of intent with Vizsla Silver Corp. (“**Vizsla**”) pursuant to which Vizsla intends to make a strategic investment for 4,000,000 units of the Company for aggregate consideration of C\$2,000,000 with Vizsla acquiring a right of first refusal to purchase the Palos Verdes project from the Company. Each unit consists of one common share of the Company and one-half of one common share purchase warrant, with each warrant entitling the holder to acquire one common share of the Company at a price of C\$0.75 for a period of two years. The consideration for the strategic investment will consist of a cash payment of C\$500,000 at closing and 1,000,000 common shares of Vizsla (see press release dated November 24, 2022 for more information).

On December 1, 2022, the Company announced assay results for the first five holes in the drilling program at its Palos Verdes project. The first drill hole of the season, PV-22-11, cut 0.7 meters downhole length with 553g/t AgEq or 4.18 g/t gold and 207 g/t silver. All five holes reported cut significant mineralization, and in general intercepts were relatively gold and base-metal rich (see press release dated December 1, 2022 for more information).

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.

Business Objectives and Milestones

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

The Company intends to use the net proceeds from the Offering to further drill the Palos Verdes project, identify drill targets at Los Pavitos project and for initial drilling at the Los Pavitos project. With the anticipated funding, the Company’s priorities are to:

1. Complete the first pass mapping and sampling program at the Los Pavitos project and conduct an initial diamond drilling program. The cost to complete this work is estimated to be approximately \$1.5 million.
2. Continue exploration drilling on the Palos Verdes project. The cost to complete this work is estimated to be approximately \$750,000.

PART 3 USE OF AVAILABLE FUNDS

Available Funds

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

The expected availability of funds is \$2,800,000 for the maximum offering size.

		Assuming 100% of this offering
A	Amount to be raised by this offering	\$3,016,000
B	Selling commissions and fees	\$211,120
C	Estimated offering costs (e.g. legal, accounting, audit)	\$130,000
D	Net proceeds of offering: $D=A - (B+C)$	\$2,674,880
E	Working capital as at most recent month end (deficiency)	\$140,000
F	Additional sources of funding	–
G	Total available funds: $G = D+E+F$	\$2,814,880

Use of Available Funds

How will we use the available funds?

The expected availability of funds is \$2,814,880, assuming a maximum offering size, as further described in the table below:

Description of intended use of available funds listed in order of priority	Assuming 100% of offering
Conduct 3,000 - meter drill program at Palos Verdes project	\$750,000
Option payments relating to the Palos Verdes and Los Pavitos projects	\$240,000

Mapping and sampling Los Pavitos	\$175,000
Ground geophysics at Los Pavitos	\$75,000
5,000-meter drill program at Los Pavitos	\$1,250,000
General and administrative expenses	\$324,880
Total	\$2,814,880

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 with the goal of advancing its mineral properties, and is not expected to affect the decision to include a going concern note in the next annual financial statements of the Company.

Use of Funds from Previous Financings

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

Date of Financing and Funds Raised	Intent of Use of Funds	Use of funds to date
Dec 29, 2021, private placement of gross proceeds totalling \$1,000,000	Corporate, property payments and land holding costs, exploration at the Los Pavitos and Palos Verdes projects	\$1,000,000
June 28, 2022, warrant exercises totalling \$682,125	Property payments and exploration at Palos Verdes, mainly a minimum 2,000-meter drill program	\$650,000

August 23, 2022, private placement of gross proceeds totalling \$150,000	General working capital	\$75,000
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PART 4 FEES AND COMMISSIONS

Involvement of dealers or finders and their fees

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

Agent:	PI Financial Inc.
Compensation Type:	Cash fee and compensation options.
Cash Commission:	The Company will pay a commission of 7.0% of the gross proceeds of the Offering on the closing of the Offering to the Agent.
Compensation Options:	The Company will issue non-transferable compensation options entitling the holder to purchase that number of common shares of the Company equal to 7.0% of the aggregate number of Units issued by the Company under the Offering at a price of \$0.52 per common share for a period of three (3) years.

Dealer Conflicts

Does PI Financial Inc. have a conflict of interest?

To the knowledge of the Company, it is not a “related issuer” or “connected issuer” of or to PI Financial, as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*.

PART 5 PURCHASERS’ RIGHTS

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 the Company, or
- b. to damages against the Company 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

Additional Information

Where can you find more information about us?

Security holders can access the Company's continuous disclosure at www.sedar.com and on the Company's website <https://prismometals.com/>.

PART 7 DATE AND CERTIFICATE

Certificate

This offering document, together with any document filed under Canadian securities legislation on or after December 5, 2021, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

Dated: December 5, 2022

(signed) "Peter Craig Gibson"

PETER CRAIG GIBSON
Chief Executive Officer

(signed) "Carmelo Marrelli"

CARMELO MARRELLI
Chief Financial Officer