

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 – Name and Address of Company:

Prismo Metals Inc. (the “Company”)
1100 - 1111 Melville Street
Vancouver, BC V6E 3V6

Item 2 - Date of Material Change:

December 16, 2022.

Item 3 – News Release:

The Company issued a news release with respect to the material change described below on December 19, 2022 via Newsfile.

Item 4 – Summary of Material Change:

On December 19, 2022, the Company announced that it has entered into a binding strategic investment agreement (the "**Definitive Agreement**") with Vizsla Silver Corp. ("**Vizsla**"). Pursuant to the Definitive Agreement, Vizsla will make a strategic investment in Prismo by acquiring 4 million units of Prismo (the "**Prismo Units**"), for an aggregate consideration of \$2 million (the "**Strategic Investment**").

Item 5 – Full Description of Material Change

5.1. Full Description of Material Change

On December 19, 2022, the Company announced that it has entered into the Definitive Agreement with Vizsla. Pursuant to the Definitive Agreement, Vizsla will make a strategic investment in Prismo by acquiring 4 million Prismo Units, for an aggregate consideration of \$2 million. Vizsla will also acquire a right of first refusal to purchase the Palos Verdes project from Prismo.

Transaction Highlights of Strategic Investment

- The Strategic Investment will provide Prismo with a cash injection of \$500,000 and the issuance of one million Vizsla shares valued at \$1.5 million which will provide Prismo shareholders with further exposure to the Panuco district in Mexico via an equity ownership position in Vizsla.
- Prismo and Vizsla will form a joint technical committee to allow for the pursuit of district-scale exploration of the Panuco silver-gold. The technical committee will be comprised of one nominee from Prismo, one nominee from Vizsla and one nominee mutually acceptable by both parties.

- Following completion of the Strategic Investment, Vizsla will own approximately 10.1% of Prismo on a basic basis and 14.4% on a partially diluted basis.

Transaction Details

Vizsla will subscribe to 4 million Prismo Units (each a "**Unit**") of Prismo. Each Unit consists of one common share of Prismo and one-half of one common share purchase warrant (each whole common share purchase warrant, a "**Warrant**"). Each Warrant entitles Vizsla to acquire one common share of Prismo at a price of \$0.75 for a period of two years.

The consideration for the Strategic Investment will consist of a cash payment of \$500,000 at closing and the issuance of 1 million common shares of Vizsla.

The common shares received by Vizsla, and the Vizsla common shares received by Prismo will be subject to (i) a regulatory four-month hold period and (ii) a voluntary hold period of up to twenty-four months with 25% of the shares being released every six months.

The Definitive Agreement includes, subject to certain conditions, the following rights:

- Prismo and Vizsla forming a technical committee, funded by Vizsla, to focus on a district scale understanding of the combined land package without regard to ownership.
- Vizsla having the right to nominate one director to Prismo's board of directors.
- Vizsla being granted a right of first refusal to purchase the Palos Verdes project for a duration of four years, subject to an acceleration clause if Vizsla's ownership in Prismo drops below 8.0% for a period of more than 60 days.
- Vizsla being granted the right to maintain its pro-rata ownership in Prismo in future financings and standard top-up rights (subject to Vizsla maintaining a minimum 8.0% equity ownership position in Prismo).

The closing of the Strategic Investment is conditional upon obtaining all regulatory and third-party approvals and consents which may be required.

5.2 - Disclosure for Restructuring Transactions

Not applicable.

Item 6 – Reliance on subsection 7.1(2) or (3) of National Instrument 51-102:

Not applicable.

Item 7 - Omitted Information:

Not applicable.

Item 8 – Executive Officer:

Carmelo Marrelli, Chief Financial Officer and Corporate Secretary
416 848-0106

Item 9 – Date of Report:

December 23, 2022.