

**FORM 51-102F3
MATERIAL CHANGE REPORT**

ITEM 1. NAME AND ADDRESS OF COMPANY

Prismo Metals Inc. (the "**Company**" or "**Prismo**")
1100 - 1111 Melville St., Vancouver,
British Columbia V6E 3V6

ITEM 2. DATE OF MATERIAL CHANGE

June 18, 2024

ITEM 3. NEWS RELEASE

A news release was issued on June 19, 2024 and distributed through the facilities of Accesswire.

ITEM 4. SUMMARY OF MATERIAL CHANGE

The Company completed its previously announced non-brokered private placement (the "**Private Placement**") for gross proceeds of \$1,147,500 through the issuance of 6,750,000 units of the Company ("**Units**").

Prismo also completed its previously announced debt settlement with certain creditors of the Company (the "**Creditors**"), pursuant to which the Company issued to the Creditors an aggregate of 628,206 Units and 873,000 Shares, each at an issue price of \$0.17, in full and final settlement of accrued and outstanding indebtedness in the aggregate amount of approximately \$255,205 (the "**Debt Settlement**").

ITEM 5.1 FULL DESCRIPTION OF MATERIAL CHANGE

The Company completed the Private Placement for gross proceeds of \$1,147,500 through the issuance of 6,750,000 Units.

Each Unit consists of one common share in the capital of the Company (a "**Share**") and one-half of one common share purchase warrant of the Company (each whole warrant, a "**Warrant**"). Each Warrant entitles the holder to purchase one common share in the capital of the Company for a period of twenty-four (24) months from the date of issue at an exercise price of \$0.25.

The Company intends to use the proceeds from the Private Placement to fund drilling at its Palos Verdes project, and for general working capital purposes. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary.

In connection with the Private Placement, the Company issued an aggregate of 198,449 finder's warrants (the "**Finder's Warrants**") and paid finder's commissions in the

aggregate of \$32,441.49 to certain qualified finders. Each Finder's Warrant is exercisable for a period of 24 months from the date of issuance into one Share of the Company at a price of \$0.25.

Prismo also completed the Debt Settlement with the Creditors, pursuant to which the Company issued to the Creditors an aggregate of 628,206 Units and 873,000 Shares, each at an issue price of \$0.17, in full and final settlement of accrued and outstanding indebtedness in the aggregate amount of approximately \$255,205.

The Company issued an aggregate of 136,667 Units pursuant to the Private Placement, and 250,000 Shares pursuant to the Debt Settlement, to certain "related parties" of the Company (the "**Interested Parties**"), in each case constituting, to that extent, a "related party transaction" as defined under Multilateral Instrument 61-101 – *Protection of Minority Securityholders in Special Transactions* ("**MI 61-101**"). The Company is exempt from the requirements to obtain a formal valuation and minority shareholder approval in connection with the participation of the Interested Parties in the Private Placement and the Debt Settlement in reliance on sections 5.5(a) and 5.7(1)(a) of MI 61-101, as neither the fair market value of the Private Placement and the Debt Settlement nor the securities issued in connection therewith, in so far as the Private Placement and the Debt Settlement involves the Interested Parties, exceeds 25% of the Company's market capitalization. The Company did not file a material change report more than 21 days before the expected closing of the Private Placement and the Debt Settlement as the details of the Private Placement and the Debt Settlement and the participation therein by the Interested Parties therein were not settled until recently and the Company wishes to close on an expedited basis for sound business reasons.

The Company further announced that it granted 225,000 stock options, 125,000 of which were granted to an officer of the Company, pursuant to the Company's long-term incentive plan. Each stock option is exercisable to purchase one common share of the Company at an exercise price of \$0.21 for a period of 5 years.

The foregoing securities offered have not been and will not be registered under the U.S. Securities Act and may not be offered or sold in the United States, or to, or for the account or benefit of, U.S. persons or persons in the United States, absent registration or an applicable exemption from the registration requirements. This material change report shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

ITEM 5.2 DISCLOSURE FOR RESTRUCTURING TRANSACTION

Not applicable.

ITEM 6. RELIANCE ON SUBSECTION 7.1(2) OF NATIONAL INSTRUMENT 51-102

Not applicable.

ITEM 7. OMITTED INFORMATION

Not applicable.

ITEM 8. EXECUTIVE OFFICER

Contact: Alain Lambert, CEO
Email: alambert@cpvcgroup.ca
Phone: (438) 925-6410

ITEM 9. DATE OF REPORT

June 26, 2024