FORM 5A

ANNUAL LISTING SUMMARY

Introduction

The requirement to file this Form 5A does not apply to NV Issuers. NV Issuers must file a Form 51-102F2 Annual Information Form.

This Annual Listing Summary must be posted on or before the day on which the Issuer's annual financial statements are to be filed under the Securities Act. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies.

General Instructions

(a) Prepare this Annual Listing Summary using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

(b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.

(c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Listed Issuer Name: Prismo Metals Inc. **Website: https://prismometals.com/** **Listing Statement Date: May 06, 2024** **Description(s) of listed securities(symbol/type): PRIZ (common shares)**
Brief Description of the Issuer's Business: The Issuer is a mining exploration company focused on two precious metals projects in Mexico (Palos Verdes and Los Pavitos) and a copper project in Arizona (Hot Breccia).
Description of additional (unlisted) securities outstanding: There are no additional (unlisted) securities outstanding.

Jurisdiction of Incorporation: Canada		
Fiscal Year End: December 31		
Date of Last Shareholders' Meeting and Date of Next Shareholders' Meeting (if scheduled): June 20, 2023 and May 14, 2024		
Financial Information as at: December 31, 2023		
	Current	**Previous**
Cash	**$ 132,792**	**$ 2,581,225**
Current Assets	**$ 1,473,598**	**$ 2,784,158**
Non-current Assets	**$ 5,820,296**	**$ 2,038,015**
Current Liabilities	**$ 1,391,271**	**$ 277,177**
Non-current Liabilities	**$ 0**	**$ 0**
Shareholders' equity	**$ 5,902,623**	**$ 4,544,996**
Revenue	**$ 0**	**$ 0**
Net Income	**$ (2,164,712)**	**$ (1,000,589)**
Net Cash Flow from Operations	**$ (877,734)**	**$ (1,015,761)**

SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in the Schedules. If the required details are included in Schedule A or B, provide specific reference to the page or note.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

(a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.

(b) A description of the transaction(s), including those for which no amount has been recorded.

(c) The recorded amount of the transactions classified by financial statement category.

(d) The amounts due to or from Related Persons and the terms and conditions relating thereto.

(e) Contractual obligations with Related Persons, separate from other contractual obligations.

(f) Contingencies involving Related Persons, separate from other contingencies.

See note 15 of the Audited Annual Financial Statements for the year ended December 31, 2023.

2. Summary of securities issued and options granted during the period.

Provide the following information for the Listed Issuer's fiscal year:

(a) summary of securities issued during the period,

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid

See note 8 of the Audited Annual Financial Statements for the year ended December 31, 2023.

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant

See note 10 of the Audited Annual Financial Statements for the year ended December 31, 2023.

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

(a) description of authorized share capital including number of securities outstanding for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

See note 8 of the Audited Annual Financial Statements for the year ended December 31, 2023.

(b) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

See notes 10, 11, 12, and 13 of the Audited Annual Financial Statements for the year ended December 31, 2023.

(c) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

No shares are subject to escrow or pooling agreements or any other restriction on transfer.

4. List the names of the directors and officers and include the position(s) held and the date of appointment, as at the date this report is signed and filed.

Name	**Position Held**	**Date of Appointment**
Craig Gibson	Chief Exploration Officer	2024-05-01
Carmelo Marrelli	Chief Financial Officer	2022-01-31
Steve Robertson	President	2024-05-01
Alain Lambert	Chief Executive Officer	2024-05-01

Jorge Rafael Gallardo Romero	Director	2020-09-08
Maria Guadalupe Yeomans Otero	Director	2020-09-08
Louis Doyle	Director	2022-06-27
Martin Dupuis	Director	2023-06-20
Lambert, Alain	Director	2023-06-20

5. Financial Resources

a) State the business objectives that the Issuer expects to accomplish in the forthcoming 12-month period;

See Management's Discussion and Analysis, page 4, for the year ended December 31, 2023.

b) Describe each significant event or milestone that must occur for the business objectives in (a) to be accomplished and state the specific time period in which each event is expected to occur and the costs related to each event;

See Management's Discussion and Analysis, page 4, for the year ended December 31, 2023.

c) Disclose the total funds available to the Issuer and the following breakdown of those funds:

(i) the estimated consolidated working capital (deficiency) as of the most recent month end prior to filing the Listing Statement, and

(ii) the total other funds, and the sources of such funds, available to be used to achieve the objectives and milestones set out in paragraphs (a) and (b); and

(iii) describe in reasonable detail and, if appropriate, using tabular form, each of the principal purposes, with approximate amounts, for which the funds available described under the preceding paragraph will be used by the Issuer.

See Management's Discussion and Analysis, page 5, for the year ended December 31, 2023.

6. Status of Operations

During the fiscal year, did the Listed Issuer

(a) reduce or impair its principal operating assets; or

(b) cease or substantively reduce its business operations with respect to its stated business objectives in the most recent Listing Statement?

Provide details:

The Listed Issuer did not reduce or impair its principal operating assets or cease or substantively reduce its business operations.

7. Business Activity

a) Activity for a mining or oil and gas Listed Issuer

(i) For the most recent fiscal year, did the Listed Issuer have positive cash flow, significant revenue from operations, or $50,000 in exploration or development expenditures?

Provide details.

(ii) If the response to (i) above is "no", for the three most recent fiscal years did the Listed Issuer have an aggregate of $100,000 in exploration or development expenditures?

Provide details.

b) Activity for industry segments other than mining or oil & gas

(i) For the most recent fiscal year, did the Listed Issuer have positive cash flow, or $100,000 in revenue from operations or $100,000 in development expenditures?

Provide details.

(ii) If the response to (i) above is “no”, for the three most recent fiscal years, did the Listed Issuer have either $200,000 in operating revenues or $200,000 in expenditures directly related to the development of the business?

See Management’s Discussion and Analysis, page 5, for the year ended December 31, 2023.

SCHEDULE A: **AUDITED ANNUAL FINANCIAL STATEMENTS**

SCHEDULE B: MANAGEMENT DISCUSSION AND ANALYSIS

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Annual Listing Summary.

2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated **May 06, 2024** .

Carmelo Marrelli
Name of Director or Senior Officer

"Carmelo Marrelli"
Signature

Chief Financial Officer
Official Capacity

Issuer Details Name of Issuer **Prismo Metals Inc.**	For Year Ended **December 31, 2023**	Date of Report YY/MM/D **24/05/06**
Issuer Address **Suite 1100, 1111 Melville Street**		
City/Province/Postal Code **Vancouver, BC V6E 3V6**	Issuer Fax No. ( )	Issuer Telephone No. **(416) 848-0106**
Contact Name **Carmelo Marrelli**	Contact Position **President, CEO and Director**	Contact Telephone No. **(416) 848-0106**
Contact Email Address **carm@marrellisupport.ca**	Web Site Address **https://prismometals.com/**	

PRISMO METALS INC.

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2023 AND 2022

(EXPRESSED IN CANADIAN DOLLARS)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Prismo Metals Inc.

Opinion

We have audited the accompanying consolidated financial statements of Prismo Metals Inc. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2023 and 2022, and the consolidated statements of loss and comprehensive loss, cash flows, and changes in shareholders' equity for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company incurred losses since inception and had a working capital of $82,327 as at December 31, 2023. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year ended. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined that the matter described below to be a key audit matter to be communicated in our auditor's report.

Assessment of Impairment Indicators of Exploration and Evaluation Assets ("E&E Assets")

As described in Note 15 to the consolidated financial statements, the carrying amount of the Company's E&E Assets was $5,820,296 as of December 31, 2023. As more fully described in Notes 2 and 3 to the consolidated financial statements, management assesses E&E Assets for indicators of impairment whenever facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

The principal considerations for our determination that the assessment of impairment indicators of the E&E Assets is a key audit matter are that there was judgment made by management when assessing whether there were indicators of impairment for the E&E Assets, specifically relating to the assets' carrying amount which is impacted by the Company's intent and ability to continue to explore and evaluate these assets. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of indicators of impairment that could give rise to the requirement to prepare an estimate of the recoverable amount of the E&E Assets.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the financial statements. Our audit procedures included, among others:

- Evaluating management's assessment of impairment indicators.
- Evaluating the intent for the E&E Assets through discussion and communication with management.
- Reviewing the Company's recent expenditure activity.
- Assessing compliance with agreements and expenditure requirements including reviewing option agreements and vouching cash payments and share issuances.
- Assessing the Company's rights to explore E&E Assets including sending confirmation requests to optionors to ensure good standing of agreements.
- Obtaining, on a test basis, confirmation of title to ensure mineral rights underlying the E&E Assets are in good standing.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Peter Maloff.

Davidson & Company LLP

Vancouver, Canada — Chartered Professional Accountants

April 25, 2024

Prismo Metals Inc.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	As at December 31, 2023	As at December 31, 2022
ASSETS		
Current assets		
Cash	**$ 132,792**	$ 2,581,225
Marketable securities (Note 4)	**1,267,500**	-
Receivables	**22,253**	26,875
Prepaid expenses	**51,053**	176,058
	1,473,598	2,784,158
Non-current assets		
Exploration and evaluation assets (Note 15)	**5,820,296**	2,038,015
Total assets	**$ 7,293,894**	$ 4,822,173
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 5)	**$ 1,150,825**	$ 244,330
Short-term loans (Note 6)	**177,090**	1,090
Due to related parties (Note 14)	**63,356**	31,757
Total liabilities	**1,391,271**	277,177
Shareholders' equity		
Share capital (Note 8)	**8,055,009**	5,819,192
Contributed reserves (Notes 10, 11, 12 and 13)	**1,537,300**	379,028
Shares to be issued (Note 7)	**128,250**	-
Deficit	**(3,817,936)**	(1,653,224)
Total shareholders' equity	**5,902,623**	4,544,996
Total liabilities and shareholders' equity	**$ 7,293,894**	$ 4,822,173

Nature of operations and going concern (Note 1)
Subsequent events (Note 20)

Approved on behalf of the Board:

(Signed) "Peter Craig Gibson ", Director

(Signed) "Louis Doyle", Director

Prismo Metals Inc.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

Year ended December 31,	2023	2022
Operating expenses		
Office and administrative expenses (Note 16)	**$ 2,151,475**	$ 1,000,589
Realized loss on marketable securities (Note 4)	**(65,737)**	-
Fair value adjustment on marketable securities (Note 4)	**52,500**	-
Loss and comprehensive loss for the year	**$ (2,164,712)**	$ (1,000,589)
Basic and diluted loss per share	**$ (0.05)**	$ (0.03)
Weighted average number of common shares outstanding - basic and diluted (Note 9)	**40,410,583**	28,770,366

The accompanying notes are an integral part of these consolidated financial statements.

Prismo Metals Inc.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

Year ended December 31,	2023	2022
Operating activities		
Loss for the year	**$ (2,164,712)**	$ (1,000,589)
Fair value adjustment on marketable securities	**(52,500)**	-
Share-based payments	**1,066,186**	165,784
Realized loss on marketable securities	**65,737**	-
Changes in non-cash working capital items:		
Receivables	**4,622**	(23,364)
Prepaid expenses	**125,005**	(176,058)
Accounts payable and accrued liabilities	**46,329**	61,856
Due to related parties	**31,599**	(43,390)
Net cash (used in) operating activities	**(877,734)**	(1,015,761)
Investing activities		
Investment in exploration and evaluation assets	**(2,677,740)**	(1,110,715)
Proceeds from sale of marketable securities	**339,263**	-
Net cash used in investing activities	**(2,338,477)**	(1,110,715)
Financing activities		
Shares issued for cash	**500,000**	3,166,000
Shares issued on exercise of warrants	**-**	890,582
Shares issued on exercise of stock options	**-**	63,601
Share issue costs	**(36,472)**	(367,279)
Short-term loans	**176,000**	(20,503)
Shares subscription received in advance	**128,250**	-
Net cash provided by financing activities	**767,778**	3,732,401
Net change in cash	**(2,448,433)**	1,605,925
Cash, beginning of year	**2,581,225**	975,300
Cash, end of year	**$ 132,792**	$ 2,581,225

Supplemental information

	2023	2022
Non-cash financing activities:		
Share issuance costs settled	**$ 120,000**	$ -
Fair value of warrants exercised	**-**	101,264
Fair value of stock options exercised	**-**	46,072
Non-cash investing activities:		
Marketable securities acquired through strategic investment	**$ 1,500,000**	$ -
Shares issued for exploration and evaluation assets	**244,375**	-
Exploration and evaluation assets included in accounts payable	**860,166**	-

The accompanying notes are an integral part of these consolidated financial statements.

Prismo Metals Inc.
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Number of shares	Share capital	Contributed reserves	Shares to be issued	Deficit	Total
Balance, December 31, 2021	**21,228,723**	**$ 1,976,962**	**$ 302,570**	$ -	**$ (652,635)**	**$ 1,626,897**
Issuance of shares from exercise of warrants	7,383,947	991,836	(101,254)	-	-	890,582
Issuance of shares from exercise of options	508,810	109,673	(46,072)	-	-	63,601
Private placement	6,550,000	3,108,000	58,000	-	-	3,166,000
Share issue costs	-	(367,279)	-	-	-	(367,279)
Share-based payments	-	-	165,784	-	-	165,784
Loss for the year	-	-	-	-	(1,000,589)	(1,000,589)
Balance, December 31, 2022	**35,671,480**	**$ 5,819,192**	**$ 379,028**	**$ -**	**$ (1,653,224)**	**$ 4,544,996**

	Number of shares	Share capital	Contributed reserves	Shares to be issued	Deficit	Total
Balance, December 31, 2022	**35,671,480**	**$ 5,819,192**	**$ 379,028**	$ -	**$ (1,653,224)**	**$ 4,544,996**
Strategic investment	4,000,000	1,900,000	220,000	-	-	2,120,000
Shares issued to agent	240,000	114,000	6,000	-	-	120,000
Share issue costs	-	(156,472)	-	-	-	(156,472)
RSUs converted to shares	360,000	133,914	(133,914)	-	-	-
Shares issued for exploration and evaluation assets	575,000	244,375	-	-	-	244,375
Shares subscription received in advance	-	-	-	128,250	-	128,250
Share-based payments	-	-	1,066,186	-	-	1,066,186
Loss for the year	-	-	-	-	(2,164,712)	(2,164,712)
Balance, December 31, 2023	**40,846,480**	**$ 8,055,009**	**$ 1,537,300**	**128,250**	**$ (3,817,936)**	**$ 5,902,623**

The accompanying notes are an integral part of these consolidated financial statements.

1. Nature of operations and going concern

Prismo Metals Inc. (the "Company" or "Prismo") was incorporated under the provisions of the Canada Business Corporations Act on October 17, 2018, and registered as an extra-provincial corporation under the laws of British Columbia on November 6, 2018. The addresses of the Company's offices are:

- Administration: Suite 1100 – 1111 Melville St., Vancouver, BC V6E 3V6, Canada.
- Registry and Records: 800 Victoria Square, Suite 3700, Montreal, Quebec, H4Z 1E9.

The Company is in the business of acquisition and exploration of mineral properties, and is in one operating segment, namely mineral exploration in Mexico.

These consolidated financial statements have been prepared on a going concern basis which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

On October 1, 2020, the Company's shares started trading on the Canadian Securities Exchange (the "CSE") under the trading symbol PRIZ. On July 27, 2022, the Company commenced trading on the OTCQB ® under the symbol PMOMF. The Company's common shares continue to trade on the CSE under the symbol PRIZ.

The Company has incurred losses since inception, and had a working capital of $82,327 as at December 31, 2023. Continued operations of the Company are dependent on the Company's ability to obtain private and/or public equity financing or to receive continued financial support from its controlling shareholders and other investors. There can be no assurance the Company will be successful in achieving these goals and, accordingly, there are material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern.

These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern, and these adjustments could be material.

2. Basis of preparation

(a) Statement of compliance

These consolidated financial statements are prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements were approved by the Board of Directors ("Board") for issue on April 25, 2024.

(b) Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis except for financial instruments classified as financial instruments at fair value through profit or loss which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash-flow information.

(c) Basis of consolidation

These consolidated financial statement includes the accounts of the Company and its wholly-owned subsidiary, Prismo Metals (Arizona) Inc., which was incorporated by the Company on December 7, 2023.

2. Basis of preparation (continued)

(c) Basis of consolidation (continued)

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of the subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. All inter-company balances and transactions have been eliminated in preparing the consolidated financial statements.

(d) Functional and presentation currency

In management's judgment the functional currency of the Company is the Canadian dollar. The presentation currency used in preparing the consolidated financial statements of the Company is the Canadian dollar.

(e) Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual results may differ from these estimates.

Critical accounting estimates

i. Share-based payments are subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected share price volatility. Because the Company's warrants have characteristics significantly different from those of traded options and because the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

ii. The carrying value and recoverability of exploration and evaluation assets requires management to make certain estimates, judgments and assumptions about each project. Management considers the economics of the project, including the latest resources prices and the long-term forecasts, and the overall economic viability of the project. Management has assessed these indicators and does not believe an impairment provision is required.

iii. Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

iv. The determination of deferred tax assets and liabilities are determined based on differences between the financial statement carrying values of assets and liabilities and their respective income tax bases ("temporary differences"), and losses carried forward. The determination of the ability of the Company to utilize tax loss carry-forwards to offset deferred tax liabilities requires management to exercise judgment and make certain assumptions about the future performance of the Company. Management is required to assess whether it is "probable" that the Company will benefit from these prior losses and other deferred tax assets. Changes in economic conditions, metal prices and other factors could result in revisions to the estimates of the benefits to be realized or the timing of utilizing the losses.

3. Material accounting policy information

a) Foreign currencies

Determination of functional currency
In determining the functional currency of the Company in accordance with IAS 21, The Effects of Changes in Foreign Exchange Rates, the following was considered:

- the currency that mainly influences the cost of labour, materials, service and other costs of exploration and evaluation activities; and
- the currency used to maintain the amounts charged by operating activities.
- the currency of financing activities.

Foreign currency translation
Transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

b) Loss per share

Basic loss per share is calculated using the weighted average number of common shares outstanding during the year. Diluted loss per share amounts are calculated in accordance with the treasury stock method which assumes that proceeds received from the exercise of stock options and warrants would be used to repurchase common shares at the prevailing market rate. Under the treasury stock method, the basic and diluted loss per share are the same, as the effect of common shares issuable upon the exercise of warrants and stock options of the Company would be anti-dilutive.

c) Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Any tax currently payable is based on taxable profit for the year. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for taxable temporary differences except investments in subsidiaries and joint ventures where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

3. Material accounting policy information (*continued*)

c) Income taxes *(continued)*

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

d) Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value of stock options is determined by the Black-Scholes Option Pricing Model with assumptions for risk-free interest rates, dividend yields, volatility factors of the expected market price of the Company's common shares and an expected life of the options (including any estimated forfeitures). The fair value of direct awards of shares is determined by the quoted market price of the Company's stock.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a graded-vesting basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to contributed surplus.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

Valuation of equity units issued in private placements
The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the most easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

Share appreciation right ("SAR")

Under the long-term incentive plan (the "LTIP"), selected employees are granted SARs where each SAR entitling the recipient to receive a payment in common shares equal to the current market price less the grant price of the SAR as determined by the Board at the time of the grant for each SAR. The fair value is measured at the grant date and recognized over the period during which the SARs vest. The fair value of the SARs granted is measured using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense (share-based payments) is adjusted to reflect the actual number of SARs that are expected to vest.

Restricted stock unit ("RSU")

Under the LTIP, selected employees are granted RSUs where each RSU has a value equal to one Prismo common share. RSUs are measured at fair value on the grant date. The fair value of RSUs are recognized as a charge to share-based payments as an office and administrative expense over the vesting period with a corresponding increase in equity.

3. Material accounting policy information (*continued*)

e) Exploration and evaluation assets

The exploration and evaluation phase of a mineral project is assumed to commence at the time the Company obtains the legal right to explore a property. Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Costs related to activities occurring before the exploration and evaluation of a project are expensed in the period in which they occur. Costs incurred during the exploration and evaluation phase are initially capitalized to the extent that these costs can be related directly to operational activities in the relevant area of interest where it is considered likely to be recoverable by future exploitation or sale or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. Under this method, all amounts shown as exploration and evaluation assets represent costs incurred to date less amounts amortized and/or written off and do not necessarily represent present or future values.

Exploration and evaluation assets are assessed for impairment if facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

If the properties are put into commercial production, the expenditures will be depleted based upon the proven reserves available. If the properties are sold or abandoned, the expenditures will be charged to profit or loss. The Company does not accrue the estimated future costs of maintaining in good standing its mineral properties.

From time to time, the Company may acquire or dispose of properties pursuant to the terms of option agreements. Due to the fact that options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as mineral property or cost recoveries when the payments are made or received.

f) Provision

Environmental rehabilitation provisions
The Company recognizes liabilities for statutory, contractual, constructive or legal obligations, including those associated with the reclamation of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. Initially, a liability for an environmental rehabilitation obligation is recognized at its fair value in the period in which it is incurred if a reasonable estimate of cost can be made. The Company records the present value of estimated future cash flows associated with reclamation as a liability when the liability is incurred and increases the carrying value of the related assets for that amount. Subsequently, these capitalized asset retirement costs are amortized over the life of the related assets. At the end of each period, the liability is increased to reflect the passage of time (accretion expense) and changes in the estimated future cash flows underlying any initial estimates (additional rehabilitation costs). The Company recognizes its environmental liability on a site-by-site basis when it can be reliably estimated. Environmental expenditures related to existing conditions resulting from past or current operations and from which no current or future benefit is discernible are charged to profit or loss. The Company had no significant rehabilitation obligations as at December 31, 2023 and 2022.

3. Material accounting policy information (*continued*)

f) Provision(continued)

Other provisions
Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. An amount equivalent to the discounted provision is capitalized within tangible fixed assets and is depreciated over the useful lives of the related assets. The increase in the provision due to passage of time is recognized as interest expense.

g) Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

h) Financial assets

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as FVTOCI.

The Company's accounting policy for each of the categories is as follows:

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets held at FVTPL are included in the consolidated statement of comprehensive loss in the period.

Financial assets at FVTOCI: Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive (loss) income in which they arise.

3. Material accounting policy information (*continued*)

h) Financial assets (continued)

Financial assets at amortized cost: A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date, and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Impairment of financial assets at amortized cost: The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

Below is a summary showing the classification and measurement bases of financial instruments:

Financial Asset / Liability	IFRS 9 Classification
Cash	Amortized Cost
Receivables	Amortized Cost
Marketable securities	FVTPL
Accounts payable and accrued liabilities	Amortized Cost
Due to related parties	Amortized Cost
Short-term loans	Amortized Cost

i) Financial liabilities

Financial liabilities are carried at FVTPL or amortized cost and include accounts payable and accrued liabilities, due to related parties and short-term loans. They are initially recognized at the amount required to be paid, and subsequently measured at amortized cost using the effective interest rate method with gains or losses recorded in the consolidated statement of comprehensive loss.

j) New and upcoming standards

During the year ended December 31, 2023, the Company adopted amendments made to IAS 1 *Presentation of Financial Statements and IFRS Pratice statement 2 Making Materiality judgements* in which guidance and examples are provided to help entities apply materiality judgements to accounting policy disclosures. The adoption of this amendment did not have a material impact on the consolidated financial statements.

Certain pronouncements were issued by the IASB that are mandatory for accounting periods commencing on or after January 1, 2024. Many are not applicable and none are expected to have a significant impact to the Company.

(Expressed in Canadian Dollars, except where indicated)

4. Marketable securities

As at December 31, 2023, the Company's publicly traded investment consisted of the following:

Public issuer	Security description	Cost	Unrealized gain	Fair market value
Vizsla Silver Corp. ("Vizsla")	750,000 common shares	$ 1,215,000	$ 52,500	$ 1,267,500

The Company received these marketable securities pursuant to a strategic investment with Vizsla. Refer to Note 8(b)(i).

During the year ended December 31, 2023, 250,000 common shares of Vizsla were sold for a gross proceeds of $339,263 and a realized loss of $65,737 was recorded in the consolidated statements of loss.

There were no marketable securities as at December 31, 2022.

5. Accounts payable and accrued liabilities

The Company's accounts payable and accrued liabilities are as follows:

	As at December 31, 2023	As at December 31, 2022
Trade payables	**$ 946,436**	$ 178,312
Accrued liabilities and provisions	**204,389**	66,018
	$ 1,150,825	$ 244,330

6. Short-term loans

During the year ended December 31, 2021, the Company entered into two short-term promissory notes for an aggregate amount of $30,000 which $10,000 was due to a company controlled by a director of the Company. The loans bore a 6% annual interest rate, repayable at the time the principal amount is repaid. During the year ended December 31, 2023, the company entered into two short-term promissory notes for an aggregate amount of $176,000. The loans bore no interest rate.

7. Subscription received in advance for private placement

As at December 31, 2023, the Company has received a total proceeds of $128,250 for a non-brokered private placement completed subsequent to year end. Refer to Note 20.

8. Share capital

a) Authorized share capital

The Company is authorized to issue an unlimited number of common shares without par value. There are no restrictions on transfers.

(Expressed in Canadian Dollars, except where indicated)

8. Share capital (continued)

b) Common shares issued

As at December 31, 2023, the issued share capital amounted to $8,055,009. The change in issued share capital for the years presented were as follows:

	Number of Shares	Amount
Balance, December 31, 2021	21,228,723	$ 1,976,962
Exercise of warrants (ii)	7,383,947	991,836
Exercise of stock options (iii)	508,810	109,673
Private placement(iv)(v)	6,550,000	3,108,000
Share issue costs	-	(367,279)
Balance, December 31, 2022	**35,671,480**	**$ 5,819,192**

	Number of Shares	Amount
Balance, December 31, 2022	**35,671,480**	**$ 5,819,192**
Strategic investment (i)	4,000,000	1,900,000
Shares issued to agent (i)	240,000	114,000
Shares issued for exploration and evaluation assets (Note 15(d))	575,000	244,375
RSUs converted to shares (Note 13)	360,000	133,914
Share issue costs	-	(156,472)
Balance, December 31, 2023	**40,846,480**	**$ 8,055,009**

(i) On January 6, 2023, the Company completed a strategic investment with Vizsla for 4,000,000 units of the Company for aggregate consideration of $2,120,000 with Vizsla acquiring a right of first refusal to purchase the Palos Verdes project from the Company. Each unit consisted of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant will entitle the holder to acquire one common share of the Company at a price of $0.75 for a period of two years. The 2,000,000 warrants were valued at $220,000 using the residual value method. The consideration for the strategic investment consisted of a cash payment of $500,000 at closing and 1,000,000 common shares of Vizsla valued at $1,620,000. Refer to Note 4.

In addition, the Company issued 240,000 units to the agent valued at $120,000. These units have the same terms as the units issued to Vizsla. The 120,000 warrants were value at $6,000 using the residual value method.

(ii) During the year ended December 31, 2022, the Company issued an aggregate of 7,383,947 common shares on exercise of warrants for cash proceeds to the Company of $890,582.

(iii) During the year ended December 31, 2022, the Company issued an aggregate of 508,810 common shares on exercise of stock options for cash proceeds to the Company of $63,601.

(iv) On August 22, 2022, the Company closed a non-brokered private placement, issuing 750,000 common shares at a price of $0.20 per share for gross proceeds of $150,000. There was no finder fee paid in this private placement.

(v) On December 12, 2022, the Company closed a brokered private placement, issuing 5,800,000 common units at a price of $0.52 per share for gross proceeds of $3,016,000. Each unit comprises of one common share in the capital of the Company and one-half of one of a common share purchase warrant of the Company. Each whole warrant entitles the holder thereof to acquire one additional common shares at a price of $0.75 for a period of 3 years from the closing date of the offering. The warrants were valued at $58,000 using the residual value method.

(Expressed in Canadian Dollars, except where indicated)

9. Loss per common share

The calculation of basic loss per share for the year ended December 31, 2023 was based on the loss attributable to common shareholders of $2,164,712 (year ended December 31, 2022 - loss of $1,000,589) and the weighted average number of common shares outstanding for the year ended December 31, 2023 of 40,410,583 (year ended December 31, 2022 - 28,770,366). Diluted loss per share for the year ended December 31, 2023 and 2022 did not include the effect of stock options, SARs, warrants and RSU as they are anti-dilutive.

10. Stock options

The existing option plan (the "Plan") provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company. The Plan provided that the number of common shares issuable under the Plan, together with all of the Company's other previously established or proposed share compensation arrangements, may not exceed 10% of the total number of issued and outstanding common shares. All options expire on a date not later than ten years after the date of grant of such option. Vesting is determined by the Board.

The following summarizes the stock option activity for the years ended December 31, 2023 and 2022:

	Number of stock options	Weighted average exercise price ($)
Balance, December 31, 2021	**1,483,810**	**0.125**
Granted (i)(ii)(iii)	1,460,000	0.160
Exercised	(508,810)	0.125
Balance, December 31, 2022	**2,435,000**	**0.145**

Balance, December 31, 2022	**2,435,000**	**0.145**
Granted (iv)(v)	965,000	0.329
Balance, December 31, 2023	**3,400,000**	**0.198**

The following table reflects the Company's stock options outstanding and exercisable as at December 31, 2023:

Options outstanding	Exercise price ($)	Options exercisable	Weighted average remaining contractual life (years)	Expiry date
200,000	0.170	200,000	0.52	July 7, 2024
150,000	0.460	150,000	1.09	January 31, 2025
975,000	0.125	975,000	1.75	September 30, 2025
500,000	0.150	500,000	3.39	May 19, 2027
760,000	0.165	760,000	3.49	June 26, 2027
815,000	0.305	203,750	4.58	July 27, 2028
3,400,000	0.198	2,788,750	2.95	

10. Stock options (continued)

(i) On May 20, 2022, the Company granted an aggregate of 500,000 stock options to a director. Each option is exercisable into one common share of the Company at a price of $0.150 per share for a period of five years. Vesting of the options is as follows: 25% as of the date of grant; 25% on August 19, 2022; 25% on November 19, 2022 and 25% on May 19, 2023. The grant date fair value of $60,431 or $0.12 per option was valued using the Black-Scholes valuation model with the following assumptions: share price $0.150; expected dividend yield of 0%; risk-free interest rate of 2.70%; volatility of 112% and an expected life of 5 years.

(ii) On June 26, 2022, the Company granted an aggregate of 760,000 stock options to its directors and a consultant. Each option is exercisable into one common share of the Company at a price of $0.165 per share for a period of five years. Vesting of the options is as follows: 25% as of the date of grant and 25% every three-months thereafter. The grant date fair value of $101,305 or $0.13 per option was valued using the Black-Scholes valuation model with the following assumptions: share price $0.165; expected dividend yield of 0%; risk-free interest rate of 3.19%; volatility of 112% and an expected life of 5 years.

(iii) On July 7, 2022, the Company granted an aggregate of 200,000 stock options to a consultant. Each option is exercisable into one common share of the Company at a price of $0.17 per share for a period of two years. Vesting of the options is as follows: 25% as of the date of grant and 25% every three-month thereafter. The grant date fair value of $19,627 or $0.10 per option was valued using the Black-Scholes valuation model with the following assumptions:share price $0.170; expected dividend yield of 0%; risk-free rate of 3.19%; volatility of 110% and an expected life of 2 years.

(iv) On January 31, 2023, the Company granted an aggregate of 150,000 stock options to a consultant. Each option is exercisable into one common share of the Company at a price of $0.460 per share for a period of two years. Vesting of the options are as follows: 25% as of the date of grant; 25% every three-months thereafter. The grant date fair value of $43,830 or $0.29 per option was valued using the Black-Scholes valuation model with the following assumptions: share price $0.42; expected dividend yield of 0%; risk-free interest rate of 3.76%; volatility of 146% and an expected life of 2 years.

(v) On July 27, 2023, the Company has granted 815,000 incentive stock options, to certain directors, officers, and consultants of the Company. Each option is exercisable into one common share of the Company at a price of $0.305 per share for a period of five years. Vesting of the options are as follows: 25% as of the date of grant; 25% every three-months thereafter. The grant date fair value of $229,232 or $0.28 per option was valued using the Black-Scholes valuation model with the following assumptions: share price $0.34; expected dividend yield of 0%; risk-free interest rate of 4.00%; volatility of 114% and an expected life of 5 years.

(vi) The portion of the estimated fair value of options granted in the current and prior periods and vested during the year ended December 31, 2023, amounted to $267,950 (year ended December 31, 2022 - $165,784).

11. SARs

In 2022, the Company's Board approved a long-term performance incentive plan, which included SARs. Key employees and directors are eligible to receive grants of SARs, entitling the recipient to receive a payment in common shares equal to the current market price less the grant price of the SAR as determined by the Board at the time of the grant for each SAR. Notwithstanding the foregoing, the Board may, in its sole discretion, satisfy payment of the entitlement in cash rather than in common shares. The exercise price of the SAR (the "SAR Grant Price") shall be determined by the Board at the time the SAR is granted. In no event shall the SAR Grant Price be lower than the discounted market price permitted by the CSE. SARs shall be granted on such terms as shall be determined by the Board and set out in the award agreement (including any terms pertaining to vesting and settlement), provided the term of any SAR granted under this Plan shall not exceed ten (10) years.

(Expressed in Canadian Dollars, except where indicated)

11. SARs (continued)

The following summarizes the SARs activity for the years ended December 31, 2023 and 2022:

	Number of SARs	Weighted average exercise price ($)
Balance, December 31, 2021 and December 31, 2022	**-**	**-**
Balance, December 31, 2022	**-**	**-**
Granted (i)(ii)	1,000,000	0.380
Balance, December 31, 2023	**1,000,000**	**0.380**

(i) On January 8, 2023, the Company granted an aggregate of 475,000 SARs to directors, officers and consultants. Each SAR is exercisable for a period of five years at a price $0.475. Vesting of the SARs are as follows: 25% as of the date of grant and 25% every three-months thereafter. The grant date fair value of $192,190 or $0.405 per SAR was valued using the Black-Scholes valuation model with the following assumptions: share price $0.475; expected dividend yield of 0%; risk-free interest rate of 3.24%; volatility of 125% and an expected life of 5 years. For the year ended December 31, 2023, $192,190 was expensed to share-based payments.

(ii) On July 27 2023, the Company granted an aggregate of 525,000 SARs to directors, officers and consultants. Each SAR is exercisable for a period of five years at a price $0.305. Vesting of the SARs are as follows: 25% as of the date of grant and 25% every three-months thereafter. The grant date fair value of $148,757 or $0.283 per SAR was valued using the Black-Scholes valuation model with the following assumptions: share price $0.283; expected dividend yield of 0%; risk-free interest rate of 4.00%; volatility of 114% and an expected life of 5 years. For the year ended December 31, 2023, $128,024 was expensed to share-based payments

The following table reflects the Company's SARs outstanding and exercisable as at December 31, 2023:

SARs outstanding	Exercise price ($)	SARs exercisable	Weighted average remaining contractual life (years)	Expiry date
475,000	0.475	475,000	4.02	January 8, 2028
525,000	0.305	131,250	4.58	July 27, 2028
1,000,000	**0.386**	**606,250**	**4.31**	

(Expressed in Canadian Dollars, except where indicated)

12. Warrants

The following summarizes the warrant activity for the years ended December 31, 2023 and 2022:

	Number of warrants	Weighted average exercise price ($)
Balance, December 31, 2021	**9,526,833**	**0.17**
Granted (Note 8(b)(v))	2,900,000	0.75
Exercised	(7,383,947)	0.12
Balance, December 31, 2022	**5,042,886**	**0.57**
Balance, December 31, 2022	**5,042,886**	**0.57**
Granted (Note 8(b)(i))	2,120,000	0.75
Expired	(1,442,886)	0.45
Balance, December 31, 2023	**5,720,000**	**0.67**

The following table reflects the Company's warrants outstanding and exercisable as at December 31, 2023:

Number of warrants	Exercise price ($)	Expiry Date
350,000	0.10	August 12, 2024
350,000	0.10	October 11, 2024
2,900,000	0.75	December 12, 2025
2,120,000	0.75	January 6, 2025
5,720,000	**0.67**	

13. RSU plan

In 2022, the Company's Board approved a LTIP, which included RSUs. Key employees and directors (as such terms are defined in the LTIP), are eligible to receive grants of RSUs, entitling the holder to receive one common share for each RSU, subject to restrictions as the Board may, in its sole discretion, establish in the applicable award agreement.

On January 8, 2023, the Company granted 475,000 RSUs to officers, directors and consultants of the Company under the terms of the RSU Plan. Vesting of the RSUs are as follows: 25% as of the date of grant and 25% every three-months thereafter.

On March 17, 2023, the Company granted 310,000 RSUs to consultants of the Company under the terms of the RSU Plan. Vesting of the RSUs are as follows: 50% on June 17, 2023 and 50% on September 17, 2023.

On July 27, 2023, the Company granted 525,000 RSUs to officers, directors and consultants of the Company under the terms of the RSU Plan. Vesting of the RSUs are as follows: 25% as of the date of grant and 25% every three-months thereafter.

(Expressed in Canadian Dollars, except where indicated)

13. RSU plan (continued)

During the year ended December 31, 2023, 1,047,500 RSUs vested and 360,000 of these RSUs converted to common shares with a value $133,914.

Compensation for the year ended December 31, 2023 related to the vesting of RSUs was $490,215,and was recorded as a share-based payments in the consolidated financial statement of loss and comprehensive loss.

	RSUs outstanding
Balance, December 31, 2021 and December 31, 2022	**-**
Balance, December 31, 2022	**-**
Granted	1,310,000
Converted to common shares	(360,000)
Balance, December 31, 2023	**950,000**

14. Related party transactions

Key management personnel comprise the Chief Executive Officer, the Chief Financial Officer and Corporate Secretary and the Directors of the Company.

The below noted transactions are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board.

Transactions with key management personnel and other related parties of the Company was as follows:

For the year ended December 31,	**2023**	**2022**
Consulting fees paid or accrued to a company controlled by the former Chief Financial Officer of the Company:	**$ -**	$ 6,279
Consulting fees paid to the Chief Executive Officer of the Company for supervision of exploration programs:	**93,812**	117,421
Accounting fees paid to Marrelli Support Services Inc., a company controlled by the Chief Financial Officer of the Company:	**36,448**	35,847
Share-based payments:	**660,191**	72,365

(Expressed in Canadian Dollars, except where indicated)

14. Related party transactions (continued)

In addition to the above transactions, both the ProDeMin Option (Note 15(a)) and the Cascabel Option (Note 15(c)) are related party transactions, as ProDeMin is controlled by a director of the Company, and two directors of the Company have an interest in the project related to the Cascabel option.

The following amounts were due to related parties:

December 31,		2023		2022
Amounts owed to the President of the Company in consulting fees and reimbursable expenses:	**$**	**26,823**	$	25,103
Amounts owed to Marrelli Support Services Inc., a company controlled by the Chief Financial Officer of the Company:		**25,634**		2,587
Amount owed to a company controlled by the directors of the Company		**10,899**		4,067
	$	**63,356**	$	31,757

15. Exploration and evaluation assets

a) ProDeMin Option

On May 7, 2019, the Company entered into an Option Agreement with ProDeMin, a company incorporated under the laws of Mexico and carrying mineral exploration contracting activities and controlled by a director of the Company (the "ProDeMin Option"). Pursuant to the terms of the ProDeMin Option, ProDeMin granted the Company an option to earn up to 75% interest in the Palos Verdes property, located in the state of Sinaloa, Mexico, over a period of five years, as follows:

- on May 10, 2019, the Company paid ProDeMin US $25,000 in cash (paid);
- on August 12, 2019, the Company issued ProDeMin 2,000,000 units with a fair value of $0.05 per unit; each unit consisted of one common share and one share purchase warrant of the Company; each warrant being exercisable at a price of $0.10 per share, expiring of the fifth anniversary of the date of issuance of these units;
- on August 12, 2019, the Company reimbursed ProDeMin for expenditures already incurred in the amount of $25,000 by the issuance of 500,000 common shares with a fair value of $0.05 per share (issued); and
- the Company is required to incur US $1,500,000 in exploration expenses over the five-year period of the ProDeMin Option, pay an additional US $46,823 and issue ProDeMin an additional 2,000,000 common shares, as follows:
    - on December 31, 2021, the Company paid ProDeMin an amount of US $21,823 upon the Company's closing of its first financing following the listing of its common shares on a recognized CSE;
    - incurred a minimum of $100,000 in exploration expenditures within the first two years of the date of the ProDeMin Option, and by paying all fees and duties required to maintain the mineral concessions in good standing;
    - pay US $25,000 to ProDeMin and incurred a minimum of US $100,000 in exploration expenditures on the property for each of the third and fourth year following the date of the ProDeMin Option, and also paying during such period all fees and duties required to maintain the mineral concession in good standing;

(Expressed in Canadian Dollars, except where indicated)

15. Exploration and evaluation assets (continued)

a) ProDeMin Option (continued)

- Issue to ProDeMin, or as directed by ProDeMin, 2,000,000 common shares, and incurring a minimum of US $500,000 in expenditures on the Property in the fifth year following the date of the ProDeMin Option, and also paying during such period all fees and duties required to maintain the mineral concession in good standing; and

- the following payments have been or are to be made:

	USD $
On or before May 20, 2019 (paid)	15,000
6 months from the above date (paid)	25,000
12 months from the above date (paid)	25,000
18 months from the above date (paid)	25,000
24 months from the above date (paid)	25,000
30 months from the above date (paid)	25,000
36 months from the above date (paid)	50,000
48 months from the above date (paid)	50,000
Total payments	240,000

b) Option for remaining 25% stake in Palos Verdes

On November 30, 2020, the Company entered into an option agreement with the underlying owner of the remaining 25% of the Palos Verdes property (the “Palos Verdes 25% Agreement”), thus securing the possibility of earning up to 100% interest in the property. Under the terms of the Palos Verdes 25% Agreement, the Company will make aggregate payments of US $250,000 over a period of four years (US $90,000 paid) and issued 100,000 share purchase warrants (issued) with an exercise price of $0.35 and valid for two years. The schedule of cash payments is as follows:

	USD $
On or before November 30, 2020 (paid)	30,000
6 months from the above date (paid)	15,000
12 months from the above date (paid)	15,000
18 months from the above date (paid)	15,000
24 months from the above date (paid)	15,000
30 months from the above date (paid)	25,000
36 months from the above date (paid)	25,000
42 months from the above date (paid)	50,000
48 months from the above date	60,000
Total payments	250,000

During the year ended December 31, 2023, the Company sold a right of first refusal on sale of the project. Refer to Note 8(b)(i).

(Expressed in Canadian Dollars, except where indicated)

15. Exploration and evaluation assets (continued)

c) Cascabel Option

On October 11, 2019, the Company entered into an Option Agreement with Cascabel (the "Cascabel Option"). Pursuant to the terms of the Cascabel Option, Cascabel grants the Company an option to earn up to 100% in the Los Pavitos concession, located in the state of Sonora, Mexico, over a period of five years, as follows:

- on October 11, 2019, the Company issued Cascabel 2,000,000 units with a fair value of $0.05 per unit; each unit consisting of one common share and one share purchase warrant of the Company; each warrant being exercisable at a price of $0.10 per share, expiring of the fifth anniversary of the date of issuance of these units (issued); and

- the Company is required to maintain the Los Pavitos concession in good standing. During the year ended December 31, 2020, the Company reimbursed Cascabel for $137,796 for concession dues that were due for 2019 and 2020. The Company is temporarily delinquent for payment of mineral concession dues corresponding to the first semester of 2021 of approximately US $35,000 and a similar amount for the second semester of 2021 as well as approximately US $65,000 corresponding to the first semester of 2022 for working capital preservation.

For the exercise of the option, the Company will be required to incur US $1,500,000 in exploration expenses over the five-year period of the Cascabel Option, pay an additional US $500,000 and issue Cascabel an additional 2,000,000 common shares. The yearly minimum expenditures, payments and issuance of shares to Cascabel are as follows:

Period		Work commitment	Cash payment (USD)	Shares issued	Other requirements
First two years, cumulative	$	75,000	nil	nil	Technical report to NI 43-101 standards
Each of the third and fourth years	$	100,000	$100,000	nil	nil
Fifth year	$	500,000	$300,000	2,000,000	Drilling program of at least 2,500 metres

The Company will perform sufficient assessment work to satisfy the applicable government work commitment costs on the property; and

The Company will maintain the mineral concessions in good standing.

d) Hot Breccia Option

On February 1, 2023, the Company signed a definitive agreement (the "Agreement") with Infinitum Copper Corp. ("Infinitum") to acquire a 75% interest in the Hot Breccia porphyry copper-skam project (the "Hot Breccia Option") located in Arizona copper belt. Under the terms of the Agreement, the Company paid $350,000 in cash and issued 500,000 common shares at a price of $0.425 per share for a value of $212,500, in addition to assuming certain earn-in obligations of Infinitum under the option agreement with Walnut Mines LLC, in order to acquire a 75% ownership interest in Hot Breccia Option.

Earn-in obligations to Walnut:

As at Jan 31,	**Work commitments** *To be satisfied by Prismo*	**Property Payments** *To be made by Prismo*	**Share payments** *To be made by Infinitum*
2024	$500,000	$165,000	250,000 shares
2025	1,000,000	100,000	500,000 shares
2026	1,750,000	275,000	875,000 shares
2027	2,000,000	-	750,000 shares
Total	**5,250,000**	**540,000**	**2,375,000 shares**

(Expressed in Canadian Dollars, except where indicated)

15. Exploration and evaluation assets (continued)

d) Hot Breccia Option (continued)

In connection with the transaction, the Company also issued to an arm's-length party 75,000 common shares valued at $31,875 as an advisory fee.

The Company has incurred the following exploration and evaluation investments:

		CAD
Balance, December 31, 2021	**$**	**927,300**
ProDeMin Project		
Concession payments under the ProDeMin Option - paid		15,000
Palos Verdes remaining 25% option-cash		223,134
Drilling and related		724,560
Payments under the ProDeMin Option for remaining 25%		19,426
Other		128,595
Additions to ProDeMin Project		1,110,715
Balance, December 31, 2022	**$**	**2,038,015**
ProDeMin Project		
Concession payments under the Cascabel Option (payable)		111,795
Palos verdes remaining 25% option - cash		162,173
Drilling		1,606,457
Other		20,183
Additions to ProDeMin Project		1,900,608
Hot Breccia Project		
Option payment		616,316
Drilling		89,642
Other		234,163
Additions to Hot Breccia Project		940,121
Los Pavitos Project		
Option payment		229,964
Drilling		640,889
Other		70,699
Additions to Los Pavitos Project		941,552
Balance, December 31, 2023	**$**	**5,820,296**

16. Office and administrative expenses

Year ended December 31,	2023	2022
Conference and investor relations	**$ 130,949**	$ 23,797
Consulting fees	**148,745**	450,370
Foreign exchange loss	**68,054**	53,896
Marketing expense	**281,881**	-
Office and administration	**26,010**	15,002
Professional fees (Note 14)	**134,402**	127,678
Regulatory and transfer agent fees	**121,094**	101,625
Stock exchange, authorities and communication	**10,466**	32,791
Share-based payments (Note 10, 11, 13 and 14)	**1,066,186**	165,784
Travel, meals and conventions	**148,688**	29,646
Interest expense	**15,000**	-
	$ 2,151,475	$ 1,000,589

17. Financial Instruments

The Company classifies cash, receivables, marketable securities, accounts payable and accrued liabilities, short-term loans and due to related parties at amortized cost. At present, the Company does not have any FVTPL or FVTOCI financial assets.

The Company provides disclosures that enable users to evaluate (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the date of the statement of financial position, and how the entity manages these risks.

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).
The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from the previous year.

a) Currency Risk

As at December 31, 2023, all of the Company's cash was held either in Canadian dollars or US dollars. The Company incurs expenditures in Canada and Mexico, and as such is exposed to currency risk associated with these costs. However, at this stage, the Company believes that the currency risks are immaterial. A 10% change in rates, based on USD balance of cash would affect the Company by $347, during a twelve-month period.

17. Financial Instruments (continued)

b) Interest rate and credit risk

The Company's credit risk is primarily attributable to cash and receivables. The Company has no significant concentration of credit risk arising from operations. Financial instruments included in receivables consist of goods and services tax due from the Federal Government of Canada. Management believes that the credit risk concentration with respect to financial instruments included in receivables is remote.

The Company has cash balances subject to interest. Management does not believe the Company is exposed to significant interest rate risk.

In the event that the Company held interest bearing debt, the Company could be exposed to interest rate risk. However, the Company does not have any interest-bearing debt.

c) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2023, the Company had current assets balance of $132,792 to settle current liabilities of $1,391,271.The Company's ability to continue operations and fund its exploration property expenditures is dependent on management's ability to secure additional financing. Management is continuing to pursue various financing initiatives in order to provide sufficient cash flow to finance operations as well as funding its exploration expenditures. The Company's financial liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms.

d) Price risk

The Company's marketable securities are subject to fair value fluctuations. As at December 31, 2023, if the fair value of the Company's marketable securities had increased/decreased by 20% with all other variables held constant, profit and loss for the year ended December 31, 2023, would have been approximately $253,500 lower/higher. Similarly, as at December 31, 2023, the Company's reported shareholders' equity would have been approximately $253,500 higher/lower as a result of a 20% increase/decrease in marketable securities.

18. Capital management

The Company’s objective when managing capital is to maintain a flexible capital structure for its projects for the benefit of its stakeholders. Capital is comprised of the Company’s shareholders’ equity. The Company's main source of funds is from the funds received from private and or public investors (Notes 8).

The Company manages the capital structure and makes appropriate adjustments to it based upon changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets.

The Company’s investment policy is to invest its available cash in Canadian chartered banks and from time to time in guaranteed term deposits at fixed interest rates established at the time of investment.

The Company considers cash to include amounts held in banks. The Company will place its cash with institutions of high credit worthiness.

The Company is not subject to any externally imposed capital requirements and there has been no changes in approach for the years presented.

(Expressed in Canadian Dollars, except where indicated)

19. Income taxes

Provision for income taxes

The reconciliation of the combined Canadian federal and provincial statutory income tax rate of 27% (2022 - 27%) to the effective tax rate is as follows:

	December 31 2023	December 2022
Combined Canadian federal and provincial statutory income tax rates	**27.00 %**	27.00 %
Loss before income taxes	**$ (2,164,712)**	$ (1,000,589)
Expected income taxes owing (recovery)	**(584,000)**	(270,000)
Adjustment to prior year provision	**86,000**	-
Increase (decrease) to the income tax benefit resulting from:		
Share issue cost	**-**	(99,000)
Permanent differences	**290,000**	(45,000)
Other	**(10,000)**	(22,000)
Change in benefit of tax assets not recognized	**218,000**	436,000
Income tax (recovery) expense	**$ -**	$ -

Future Income tax benefits which may arise as a result of non-capital losses and unclaimed foreign exploration and development expenditures have not been recognized in these financial statements as their realization is uncertain.

The significant components of the Company's future income tax assets are as follows:

	December 31 2023 $	December 31 2022 $
Deferred tax assets:		
Share issue costs	**-**	116,000
Non-capital losses available for future period	**41,000**	455,000
	41,000	571,000
Unrecongnized deferred tax assets	**-**	(571,000)
Marketable securities	**(39,000)**	-
Share issuance costs	**(2,000)**	-
Net deferred tax assets	**-**	-

20. Subsequent events

i) On April 5, 2024, the Company completed a debt settlement agreement with certain creditors of the Company and issued an aggregate of i) 2,883,692 common shares of the Company at a price of $0.17 per common share in full and final settlement of accrued and outstanding indebtedness in the aggregate amount of $552,570. The settlement included shares issued to ProDeMin, (a total of 588,235 common chares) an exploration services company located in Mexico and controlled by our President & CEO Dr. Gibson; to Walnut Mines LLC, an Arizona based company which owns the Hot Breccia project (a total of 832,571 common shares), and as consideration of an option payment on the Palos Verdes property (a total of 200,000 common shares).

The Company completed a non-brokered private placement for one subscription of 754,411 units of the Company at a price of $0.17 per unit for total gross proceeds of $128,250 (refer to Note 7). Each unit consist of one common share and one-half common share purchase warrant. Each warrant is exercisable for one additional common share at an exercise price of $0.25 for a period of 24 months.

The Company issued 200,000 common shares pursuant to the exercise of stock options for proceeds of $34,000.

ii) On April 9, 2024, the Company granted 550,000 incentive stock options, to certain consultants of the Company subject to certain vesting requirements. Each stock option is exercisable upon vesting into one common share of the Company at a price of $0.20 per option Share, for a period of five years. Vesting of the options is as follows: 1/4 on the date which is 3 months after the date of grant and 1/4 every 3 months thereafter.

The Company also granted 200,000 RSUs to consultants of the Company under the terms of the RSU Plan. Vesting of the RSUs are as follows: 1/4 on the date which is the 3 months after the date of grant, and 1/4 every 3 months thereafter.

The Company granted 550,000 SARs to consultants of the Company. Each SAR is exercisable for a period of five years at a price of $0.20. Vesting of the SARs are as follows:1/4 on the date which is the 3 months after the date of grant, and 1/4 every 3 months thereafter.

iii) On April 11, 2024, 462,500 RSUs were converted to common shares.

PRISMO METALS INC.

(An Exploration Stage Company)

Management's Discussion and Analysis (MD&A)

Year ended December 31, 2023

(Expressed in Canadian Dollars)

The following Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of Prismo Metal Inc. ("Prismo" or the "Company") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended December 31, 2023. This MD&A was prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the consolidation financial statements of the Company for the years ended December 31, 2023, and 2022, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's consolidated financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. Information contained herein is presented as of April 25, 2024, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations is available on the Company's website at **www.prismo.ca** or on SEDAR+ at **www.sedarplus.ca**.

This MD&A contains forward-looking information as further described in the "Cautionary Note Regarding Forward-Looking Statements" at the end of this MD&A. Please also make reference to those risk factors identified or otherwise indirectly referenced in the "Risks and Uncertainties" section below.

Description of Business and Nature of Operations

Prismo Metals Inc. was incorporated under the provisions of the Canada Business Corporations Act on October 17, 2018, as 11047612 Canada Inc., renamed as Prismo Metals Inc. on November 1, 2018, and registered as an extra-provincial corporation under the laws of the Province of British Columbia on November 6, 2018.

The Company is in the business of acquisition, exploration, and development of mineral properties, and is in one operating segment, namely mineral exploration in Mexico and Arizona, USA.

Financial and Operating Highlights

Corporate

On January 6, 2023, the Company completed a strategic investment with Vizsla Silver Corp. ("Vizsla") for 4,000,000 units of the Company for aggregate consideration of $2,000,000 with Vizsla acquiring a right of first refusal to purchase the Palos Verdes project from the Company. The consideration for the strategic investment consisted of a cash payment of $500,000 at closing and 1,000,000 common shares of Vizsla valued at $1,500,000. In addition, the Company issued 240,000 units to the agent valued at $120,000.

On January 8, 2023, the Company granted an aggregate of 475,000 share appreciation rights ("SARs") to directors, officers and consultants. Each SAR is exercisable for a period of five years at a price $0.475. Vesting of the SARs are as follows: 25% as of the date of grant and 25% every three-months thereafter

On January 8, 2023, the Company granted 475,000 Restricted stock units ("RSUs") to officers, directors and consultants of the Company under the terms of the RSU Plan. Vesting of the RSUs are as follows: 25% as of the date of grant and 25% every three-months thereafter.

On January 31, 2023, the Company granted an aggregate of 150,000 stock options to a consultant. Each option is exercisable into one common share of the Company at a price of $0.460 per share for a period of two years. Vesting of the options are as follows: 25% as of the date of grant; 25% every three-months thereafter.

On January 29, 2023, the Company signed a definitive agreement (the "Hot Breccia Agreement") with Infinitum Copper Corp ("Infinitum") to acquire a 75% interest in the Hot Breccia porphyry copper-skam project ("Hot Breccia Option") located in Arizona copper belt. Under the terms of the Hot Breccia Agreement, Prismo paid $350,000 in cash and issued 500,000 common shares of Prismo to Infinitum, in addition to assuming certain earn-in obligations of Infinitum under an option agreement with Walnut Mines LLC, a Tucson, Arizona based company ("Walnut"), which is the owner of Hot Breccia property, in order to acquire a 75% ownership interest in Hot Breccia property.

Prismo earn-in obligation to Walnut:

As at Jan 31,	**Work commitments** *To be satisfied by Prismo*	**Property Payments** *To be made by Prismo*
2024	$500,000	$165,000
2025	1,000,000	100,000
2026	1,750,000	275,000
2027	2,000,000	-
Total	**5,250,000**	**540,000**

In connection with the transaction, the Company also issued to an arm's-length party 75,000 common shares valued at $31,875 as an advisory fee.

On March 17, 2023, the Company granted 310,000 RSUs to consultants of the Company under the terms of the RSU Plan. Vesting of the RSUs are as follows: 50% on June 17, 2023 and 50% on September 17, 2023.

On July 27, 2023, the Company announced that it granted 815,000 incentive stock options, 525,000 SARs, and 525,000 RSUs to certain directors, officers, and consultants of the Company subject to certain vesting requirements. Each stock option is exercisable upon vesting into one common share of the Company at a price equal to the greater of (i) $0.285 and (ii) the closing market price of the Company's shares on the Canadian Securities Exchange on July 28, 2023 (the "Grant Pricing"), for a period of five years from July 27, 2023. Upon vesting, each SAR entitles the holder to receive common shares in an amount equal to the difference between the Grant Pricing and the closing market price of the common shares on the settlement date, for a period of five years from July 27, 2023.

During the year ended December 31, 2023, 1,047,500 RSUs vested and 360,000 of these RSUs converted to common shares with a value of $133,914.

On April 5, 2024, the Company announced that it completed a debt settlement agreement with certain creditors of the Company issued an aggregate of i) 2,833,692 common shares of the Company at a price of $0.17 per common share in full and final settlement of accrued and outstanding indebtedness in the aggregate amount of $552,570 (the "Debt Settlement"). Almost sixty percent of the shares issued were issued to Prospeccion y Desarrollo Minero del Norte SA de CV ("ProDeMin"), (a total of 588,235 common chares) an exploration services company located in Mexico and controlled by our President & CEO Dr. Gibson; to Walnut Mines LLC, an Arizona based company which owns the Hot Breccia project (a total of 832,571 common shares), and as consideration of an option payment on the Palos Verdes property (a total of 200,000 common shares).

In addition, the Company announced it completed a non-brokered private placement for one subscription of 754,411 units of the Company at a price of $0.17 per unit for total gross proceeds of $128,250. Each unit consist of one common share and one-half common share purchase warrant. Each warrant is exercisable for one additional common share at an exercise price of $0.25 for a period of 24 months.

On April 9, 2024, the Company granted 550,000 incentive stock options, to certain consultants of the Company subject to certain vesting requirements. Each stock option is exercisable upon vesting into one common share of the Company at a price of $0.20 per option Share, for a period of five years. Vesting of the options is as follows: 1/4 on the date which is 3 months after the date of grant and 1/4 every 3 months thereafter.

The Company also granted 200,000 RSUs to consultants of the Company under the terms of the RSU Plan. Vesting of the RSUs are as follows: 1/4 on the date which is the 3 months after the date of grant, and 1/4 every 3 months thereafter.

The Company granted 550,000 SARs to consultants of the Company. Each SAR is exercisable for a period of five years at a price of $0.20. Vesting of the SARs are as follows:1/4 on the date which is the 3 months after the date of grant, and 1/4 every 3 months thereafter.

On April 11, 2024 462,500 RSUs were converted to common shares.

Trends and Economic Conditions

- Prices of minerals are extremely volatile and there are times when there is very limited availability of equity financing for the purposes of mineral exploration and development;
- The Company's future performance is largely tied to the outcome of future drilling results and the overall financial markets; and
- Current financial markets are likely to be volatile in Canada for the calendar 2024, reflecting ongoing economic concerns due to inflation and the war in Ukraine. The actual and perceived impacts of these and other macro influences may have a material adverse effect on the global economy and on the stock market, including trading prices of the Company's shares and its ability to raise new capital. Companies worldwide have been negatively affected by these trends. As a result, the Company may have difficulties raising equity financing for the purposes of base and precious metals exploration and development, particularly without excessively diluting the interest of current shareholders of the Company.

These trends may limit the Company's ability to discover and develop an economically viable mineral deposit. See "Cautionary Note Regarding Forward-Looking Statements" and "Risk and Uncertainties" below.

Outlook

The Company intends to continue exploring properties that have the potential to contain precious metals in its properties located in Mexico and base metals in its property located in Arizona, USA. In addition, management will review project submissions, and conduct independent research, for projects in such jurisdictions and commodities as it may consider prospective. In our forward planning for the 2024 year, we recognized that economic uncertainties and market challenges are factors that need to be considered.

Selected Annual Financial Information

	Year Ended December 31, 2023 ($)	**Year Ended December 31, 2022 ($)**	**Year Ended December 31, 2021 ($)**
Revenues	-	-	-
Net loss	(2,164,712)	(1,000,589)	(181,815)
Net loss per share - basic	(0.05)	(0.03)	(0.01)
Net loss per share - diluted	(0.05)	(0.03)	(0.01)
	As at December 31, 2023 ($)	**As at December 31, 2022 ($)**	**As at December 31, 2021 ($)**
Total assets	7,293,894	4,822,173	1,906,111
Total non-current financial liabilities	nil	nil	nil
Distribution or cash dividends	nil	nil	nil

- The net loss for the year ended December 31, 2023, consisted primarily of conference and investor relations of $130,949, consulting fees of $148,745, foreign exchange loss of $68,054, marketing expense of $281,881, office and administration of $26,010, professional fees of $134,402, regulatory and transfer agent fees of $121,094, stock exchange, authorities and communication of $10,466, share-based payments of $1,066,186, travels, meals and convention expense of $148,688, interest expense of $15,000 and realized loss on marketable securities of $65,737 which was offset by fair value adjustment on marketable securities of $52,500.

- The net loss for the year ended December 31, 2022, consisted primarily of consulting fees of $450,370, share-based payments of $165,784, stock exchange, authorities and communication expense of $32,791, professional fees of $127,678, foreign exchange loss of $53,896, travels, meals and convention expense of $29,646, conference and investors relations expense of $23,797, regulatory and transfer agent fees of $101,625 and office and administration expense of $15,002.

- The net loss for the year ended December 31, 2021, consisted primarily of consulting fees of $61,900, professional fees of $37,291, conference and investors relations of $25,168, office and administrative of $21,371, regulatory and transfer fees of $20,615, exploration and evaluation expenditures of $8,245, stock exchange, authorities and communication expense of $3,507, travels, meals and convention expense of $2,371, interest expenses of $794 and foreign exchange loss of $553.

Financial Highlights

Year ended December 31, 2023 compared with year ended December 31, 2022

The Company's net loss totaled $2,164,712 for the year ended December 31, 2023, with basic and diluted loss per share of $0.05. This compares with a net loss of $1,000,589 with basic and diluted loss per share of $0.03 for the year ended December 31, 2022. The Company had no revenue in both years presented. The increase in net loss was principally due to:

- Share-based payments increased in the year ended December 31, 2023, to $1,066,186 compared with $165,784 for the year ended December 31.2022. The increase is due to the timing of expensing the estimated fair value of stock options, SARs and RSUs granted in prior and current periods. The Company expenses its stock options, SARs and RSUs in accordance with the vesting terms of the stock options, SARs and RSUs granted.

- Marketing increased in the year ended December 31, 2023, to $281,881 compared with $nil for the year ended December 31, 2022. The increase is due to a marketing firm engaged in the current year was to create and expand market awareness.

- Travel, meals and conventions increased in the year ended December 31, 2023, to $148,688 compared with $29,646 for the year ended December 2022. The increase is due to travelling expenses due to the strategic investment with Vizsla and Hot Breccia property completed during the current year.

- Consulting fees decreased in the year ended December 31, 2023, to $148,745 compared with $450,370 for the year ended December 31, 2022. The decrease is due to the strategic investment with Vizsla and Hot Breccia property was majorly completed in prior year.

- Conference and investor relations for the year ended December 31, 2023 was $130,949 compared to $23,797 for the year ended December 31, 2022. The decrease is due to an investor relations firm that was engaged by the Company with a one-year contract in prior period to create and expand market awareness.

- Professional fees for the year ended December 31, 2023 was $134,402 compared to $127,678 for the year ended December 31, 2022. The increase is mainly due to increase in year end audit fees.

- Realized loss on marketable securities increased in the year ended December 31, 2023, to $65,737 compared with $nil for the year ended December 31, 2022. The increase in realized loss was due to the sale of 250,000 common shares of Vizsla during the year.

- Unrealized gain on marketable securities increased in the year ended December 31, 2023, to $52,500 compared with $nil for the year ended December 31, 2022. The increase in unrealized gain was due to change in fair value of marketable securities acquired during the current period.

- All other expenses related general working capital purposes.

Three months ended December 31, 2023 compared with three months ended December 31, 2022

The Company's net loss totaled $457,218 for the three months ended December 31, 2023, with basic and diluted loss per share of $0.01. This compares with a net loss of $404,362 with basic and diluted loss per share of $0.01 for the three months ended December 31, 2022. The Company had no revenue in both periods presented. The increase in net loss was principally due to:

- Share-based payments increased for the three months ended December 31, 2023, to $198,065 compared with $32,995 for the three months ended December 31.2022. The increase is due to the timing of expensing the estimated fair value of stock options, SARs and RSUs granted in prior and current periods. The Company expenses its stock options, SARs and RSUs in accordance with the vesting terms of the stock options, SARs and RSUs granted.

- Marketing increased for the three months ended December 31, 2023, to $109,173 compared with $nil for the three months ended December 31, 2022. The increase is due to a marketing firm engaged in the current period to create and expand market awareness.

- Travel, meals and conventions increased in the three months ended December 31, 2023, to $45,269 compared with $720 for the three months ended December 31, 2022. The increase is due to travelling expenses due to the strategic investment with Vizsla and Hot Breccia property.

- Consulting fees decreased in the three months ended December 31, 2023, to $50,339 compared with $126,532 for the three months ended December 31, 2022. The decrease is due to the strategic investment with Vizsla and Hot Breccia property that was majorly completed in prior period.

- Conference and investor relations for the three months ended December 31, 2023, was $9,829 compared to $44,400 for the three months ended December 31, 2022. The decrease is due to an investor relations firm that was engaged by the Company with a one-year contract in prior period to create and expand market awareness.

- Professional fees for the three months ended December 31, 2023, was $49,021 compared to $84,865 for the three months ended December 31, 2022. The decrease is mainly due to timing of the accrued audit fees.

- All other expenses related general working capital purposes.

The Company's total assets as of December 31, 2023 were $7,293,894 (December 31, 2022 - $4,822,173) against total liabilities of $1,391,271 (December 31, 2022 - $277,177). The increase in total assets of $2,471,721 resulted from the strategic investment with Vizsla completed during the current period for consideration of a cash payment of $500,000 and 1,000,000 common shares of Vizsla and increase in exploration and evaluation assets which was offset by operating costs. The Company has sufficient current assets to pay its existing liabilities of $1,391,271 on December 31, 2023.

Quarterly Information

The following table provides a summary of the financial indicators of the last eight quarters:

	Quarter ended (three-month figures) ($)							
	31-Dec 2023 Q4	30-Sep 2023 Q3	30-Jun 2023 Q2	31-Mar 2023 Q1	31-Dec 2022 Q4	30-Sep 2022 Q3	30-Jun 2022 Q2	31-Mar 2022 Q1
Loss	(457,218)	(712,375)	(877,462)	(117,657)	(404,362)	(226,420)	(282,279)	(87,528)
Per share, basic and diluted	(0.00)	(0.02)	(0.02)	(0.00)	(0.01)	(0.01)	(0.01)	(0.00)
Total assets	7,293,894	6,271,545	6,363,156	7,032,196	4,822,173	2,193,219	2,175,611	1,932,436
Total liabilities	1,391,271	358,019	82,695	78,996	277,177	180,709	169,453	393,067
Shareholders' equity	5,902,623	5,913,526	6,280,461	6,953,200	4,544,996	2,012,510	2,006,158	1,539,369
Cash dividends declared	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

- Q4 2023 had a net loss of $453,720 principally relates to consulting fees of $50,339, professional fees of $49,021, regulatory filing of $27,010, foreign exchange loss of $1,856, conference & investors relations of $9,829, marketing cost of $109,173, share-based payment $198,065, stock exchange, authorities, and communication of $724, office and administration of $16,149, travel, meals and conventions $45,269 and interest expenses of $15,000.

- Q3 2023 had a net loss of $712,375 principally relates to conference and investors expenditures of $43,918, share -based payments of $345,440, regulatory fees of 22,703, professional fees of $13,242, marketing cost of $19,981, administrative cost of $1,369, Travel expenses of $4,885 and foreign exchange loss of $70,825.

- Q2 2023 had a net loss of $877,462 principally relates to conference and investors relation expenses of $50,137, share-based payment of $204,723, regulatory & filing fees of $45,031, consulting fee of $11,720, professional fees of $55,466, marketing costs of $27,948, Travel expenses of $20,578, administrative expenses of $7,161 and compensated with a foreign exchange gain of $5,302.

- Q1 2023 had a net loss of $117,657 principally relates to investors relations expenses of $27,065, share-based payment of $317,958, consulting fees of $85,128, professional fees of $16,673, filing and transfer agent fees of $26,350, marketing cost of $124,779, travelling expenses of $77,956, foreign exchange loss of $675 and administrative expenses of $1,331.

- Q4 2022 had a net loss of $404,362 principally relates to consulting fees of $126,532, professional fees of $84,685, regulatory filing of $57,892, foreign exchange loss of $49,840, conference & investors relations of $44,400, share-based payment $32,995, stock exchange, authorities, and communication of $3,804, office and administration of $3,494 and travel, meals and conventions $720.

- Q3 2022 had a net loss of $226,420 principally relates to conference and investors expenditures of $105,972, share -based payments of $78,436, regulatory fees of 18,865, professional fees of $15,816, administrative cost of $3,702, Travel expenses of $2,509 and foreign exchange loss of $1,750.

- Q2 2022 had a net loss of $282,279 principally relates to conference and investors relation expenses of $144,264, share-based payment of $54,353, regulatory & filing fees of $34,042, consulting fee of $25,000, professional fees of $20,293, Travel expenses of $2,704, administrative expenses of $1,125 and foreign exchange loss of $498.

- Q1 2022 had a net loss of $87,528 principally relates to investors relations expenses of $63,782, professional fees of $13,794, filing and transfer agent fees of $5,254, travelling expenses of $1,871, foreign exchange loss of $1,805 and administrative expenses of $1,022.

- Per share amount are rounded to the nearest cent, therefore aggregating quarterly amounts may not reconcile to year-to-date per share amounts.

Liquidity and Capital Resources

From management's point of view, the Company cash of $132,792 and marketable securities of $1,267,500 as of December 31, 2023, additional financings will be required to fund future exploration and to cover current expenditures.

The Company may, from time to time, when marketing and financing conditions are favourable, proceed with fundraising to fund exploration and property acquisition projects.

The activities of the Company, principally the acquisition and exploration of properties that have the potential to contain precious and base metals, are financed through the completion of equity transactions such as equity offerings and the exercise of stock options. There is no assurance that equity capital will be available to the Company in the future in the amounts or at the times desired or on terms that are acceptable to the Company, if at all. See "Risk and Uncertainties" below.

As of December 31, 2023, and to the date of this MD&A, the cash resources of the Company are held with certain Canadian chartered banks.

Regardless of whether the Company discovers a significant silver deposit, its working capital of $82,327 as of December 31, 2023, is anticipated that the Company would need to inject funds for it to continue operations for the twelve-month period ending December 31, 2024.

Working Capital Resources

Additional financing will be required to fund future exploration and for working capital purposes.

Most of the Company's requirements for capital to maintain its ownership level in its properties, as well as pay for exploration expenditures and administrative expenses have been met through the completion of private placements and the exercise of stock options and warrants. Typically, these monies have come from institutional and high net worth investors and the amounts raised have been a function of the level of market interest in the junior resource industry as well as the general level of interest in the equity and mineral commodity markets. The Company will have to rely on further equity financings to maintain an adequate liquidity base with which to support its general operations and exploration and development mandate.

The mineral exploration business is risky and most exploration projects will not become mines. The Company may offer other mining companies the opportunity to acquire interests in any of its properties in return for funding by such companies of all or part of the exploration and development of such properties. For the funding of any property acquisitions or exploration conducted by the Company; the Company depends on the issue of shares from treasury to investors. Such financing will depend, in turn, on various factors, such as a positive mineral exploration climate, positive stock market conditions, the Company's track record and the experience of management. If such financing is unavailable for any reason, the Company may become unable to retain its mineral interests and carry out its business plan. The Company will have to seek additional financing in order to sustain its operations for the next year. The longer-term ability of the Company to continue its business is dependent on the continuing success of its exploration programs coupled with available funding through sale of its share capital.

Environmental Contingency

The Company's exploration activities are subject to various laws and regulations relating to the protection of the environment. These environmental regulations are continually changing and are generally becoming more restrictive. As of December 31, 2023, the Company does not believe that there are any significant environmental obligations requiring material capital outlays in the immediate future.

Cash Flows

As of December 31, 2023, the Company had cash of $132,792. The decrease in cash of $2,448,433 from the December 31, 2022 cash balance of $2,581,225 was a result of cash outflows in operating activities of $887,734, cash outflows in investing activities of $2,338,447 and cash inflows in financing activities of $767,778.

Operating activities were affected by adjustments of fair value adjustment on marketable securities of $52,500, share-based payments of $1,066,186, realized loss on marketable securities of $65,737 and net change in non-cash working capital balances of $207,555 because of a decrease in receivables of $4,622, a decrease in prepaid expenses of $125,005, a decrease in accounts payable and accrued liabilities of $46,329 and a decrease in due to related parties of $31,599.

Cash used in investing activities was $2,338,477 for the year ended December 31, 2023. This cash related to cash used for exploration and evaluation assets of $2,677,740 which was offset by proceeds from sale of marketable securities of $339,263.

Cash provided by financing activities was $767,778 for the year ended December 31, 2023. Financing activities were affected by the proceeds from shares issued for cash of $500,000, proceeds from short-term loans of $176,000, shares subscription received in advance of $128,250 which was offset by share issue costs of $36,472.

Mineral Properties Update

Mineral Properties

The Company has option agreements with respect to two mineral exploration projects in Mexico (Palos Verdes and Los Pavitos), and one mineral exploration project in Arizona, USA, as follows:

a) Palos Verdes project and ProDeMin Option

Palos Verdes is an intermediate stage exploration project located about 65km northeast of Mazatlán in Sinaloa State, Mexico and is accessed via the interstate highway from Mazatlán to Durango near the village of Santa Lucía. The property consists of one concession, Palos Verdes, comprising 22.7707 hectares (the "Palos Verdes Property"). The Palos Verdes Property is within the Pánuco-Copala mining district, a historically important mining area in the region. Numerous small mines and prospects are located in the region with several intermittently active mines and mills. The district is known for precious- and base-metal bearing epithermal veins.

On May 7, 2019, the Company entered into an option agreement with Prospeccion Y Desarrollo Minero Del Norte, S.A. de C.V., a company incorporated under the laws of Mexico ("ProDeMin") and carrying mineral exploration contracting activities and controlled by the President and CEO of the Company (the "ProDeMinOption"). Pursuant to the terms of the ProDeMin Option, ProDeMin granted the Company an option to earn up to 75% interest in the Palos Verdes Property, located in the state of Sinaloa, Mexico, over a period of five years, as follows:

- on May 10, 2019, the Company paid ProDeMin US $25,000 in cash; on August 12, 2019, the Company issued ProDeMin 2,000,000 units, of which 900,000 remain in escrow as at December 31, 2022 and 776,100 as of the date of this MD&A, with a fair value of $0.05 per unit; each unit consisted of one common share and one share purchase warrant of the Company; each warrant being exercisable at a price of $0.10 per share, expiring of the fifth anniversary of the date of issuance of these units;

- on August 12, 2019, the Company reimbursed ProDeMin for expenditures already incurred in the amount of $25,000 by the issuance of 500,000 common shares with a fair value of $0.05 per share (issued) of which 225,000 of these shares remained held in escrow as at December 31, 2022; and

- the Company is required to incur US $1,500,000 in exploration expenses over the five-year period of the ProDeMin Option, pay an additional US $46,823 and issue ProDeMin an additional 2,000,000 common shares, as follows:

    - on December 31, 2021, the Company paid ProDeMin an amount of US$21,823 upon the Company's closing of its first financing following the listing of its common shares;

    - incur a minimum of $100,000 in exploration expenditures within the first two years of the date of the ProDeMin Option, and by paying all fees and duties required to maintain the mineral concessions in good standing;

    - pay US $25,000 to ProDeMin and incurring a minimum of US $100,000 in exploration expenditures on the property for each of the third and fourth year following the date of the ProDeMin Option, and also paying during such period all fees and duties required to maintain the mineral concession in good standing; and

    - issue to ProDeMin, or as directed by ProDeMin, 2,000,000 common shares, and incurring a minimum of US $500,000 in expenditures on the Property in the fifth year following the date of the ProDeMin Option, and also paying during such period all fees and duties required to maintain the mineral concession in good standing.

The following payments have been made or are to be made:

	USD $
On or before May 20, 2019 (paid)	15,000
6 months from the above date (paid)	25,000
12 months from the above date (paid)	25,000
18 months from the above date (paid)	25,000
24 months from the above date (paid)	25,000
30 months from the above date (paid)	25,000
36 months from the above date (paid)	50,000
48 months from the above date (paid)	50,000
Total payments	240,000

A full technical report for the Palos Verdes Property, prepared under the standards of National Instrument NI 43-101 is presented with the Prospectus, filed on SEDAR+ on September 8, 2020. Readers are encouraged to review this technical information. See the technical report titled "Geology and Exploration of the Palos Verdes Property, Municipality of Concordia, Sinaloa State, Mexico" dated October 4, 2019 and amended April 26, 2020 and June 16, 2020.

The Company does not currently have a subsidiary in Mexico and is in the process of establishing one, as Mexican mineral concessions can only be held by Mexican entities.

On November 18, 2020, the Company announced that it had secured surface access to the Palos Verdes Property through a 10-year agreement with the local community. This allowed Prismo to undertake a drilling program of approximately 500 metres in December 2020 through a drilling contract awarded to HR Drilling of Hermosillo, Sonora.

On November 30, 2020, the Company entered into an option agreement with the underlying owner of the remaining 25% of the Palos Verdes Property (the "Palos Verdes 25% Agreement"), thus securing the possibility of earning up to 100% interest in the property. Under the terms of the Palos Verdes 25% Agreement, the Company will make aggregate payments of US $250,000 over a period of four years (US $90,000 paid) and issued 100,000 share purchase warrants with an exercise price of $0.35 and valid for two years. The schedule of cash payments is as follows:

	USD $
On or before November 30, 2020 (paid)	30,000
6 months from the above date (paid)	15,000
12 months from the above date (paid)	15,000
18 months from the above date (paid)	15,000
24 months from the above date (paid)	15,000
30 months from the above date (paid)	25,000
36 months from the above date (paid)	25,000
42 months from the above date	50,000
48 months from the above date	60,000
Total payments	250,000

The Company undertook a core drilling program in December 2020 and published an update on December 21, 2020 with four holes completed. The identification of quartz vein material along a northwest striking structure that was previously recognized by a zone of clay alteration was also reported.

On February 16, 2021, the Company published the results of the exploration program at the Palos Verdes Property. The drill program consisted of five HQ diameter core holes for a total of 573 m. Table 1 below shows the drill hole data, including the previous drilling by ProDeMin in 2018. The drill program was designed to test the vein lateral to, and below, high-grade intercepts drilled by ProDeMin, with the best intercept from that program being 8.4 g/t Au and 2,336 g/t Ag, over 0.8m true width (See Prismo press release of September 30, 2020). A northwest trending shear zone near the portal of the Palos Verdes adit was also tested.

Table 1. Drill hole data for past drilling and Prismo's drill holes.

Hole	Easting	Northing	Elev.	Azimuth		
		Inclination Depth (m) ProDeMin drill holes (2018)				
PV-18-01	413,759	2,593,160	1,222	318	-50°	80.00
PV-18-02	413,762	2,593,161	1,222	318	-75°	120.10
PV-18-03	413,762	2,593,160	1,222	280	-45°	63.00
PV-18-04	413,759	2,593,160	1,222	270	-65°	100.00
PV-18-05	413,607	2,593,040	1,257	335	-60°	94.00
Prismo drill holes (2020)						
PV-20-06	413,767	2,593,146	1,207	330	-75°	101.40
PV-20-07	413,768	2,593,146	1,207	355	-60°	104.40
PV-20-08	413,765	2,593,098	1,208	345	-60°	125.40
PV-20-09	413,764	2,593,099	1,208	330	-50°	107.40
PV-20-10	413,597	2,592,994	1,240	10	-55°	134.40

Coordinates in UTM WGS84 from a handheld GPS

The results of the Company's drilling are shown in Table 2 along with the results from the previous drilling. All five of the Company's holes cut mineralized vein ranging from weakly anomalous to the best hole (PV-06) which cut vein breccia and stockwork over 3.2 m (estimated true width) grading 69 g/t Ag, 0.13 g/t Au and negligible Base Metals, including a 0.5 m (ETW) sulfide-rich zone grading 315 g/t (10 oz/T) silver and 0.46 g/t gold with negligible Base Metals. (See Table 2 for Results and www.prismometals.com for maps and sections). The mineralized intervals reported are similar to many of those reported by Vizsla from drilling on veins further west in the same district.

Four of the holes explored the Palos Verdes system and intersected the vein between about 75 and 100m below the surface. In all cases the vein structure showed multiple discrete quartz vein stages showing distinctly differing mineralogy and textures lacing between breccia fragments of wall rock and vein material. Selective sampling of three discrete vein stages in surface exposures (Table 3) shows two extremes: 1. A Precious Metals-rich stage that reported 18 g/t Au, 1468 g/t Ag, 1.73 % Cu, 2.93% Pb and 10.1% Zn over 0.3m; and 2. A Base metals-rich stage that reported 0.16 g/t Au, 110 g/t Ag,0.2 % Cu, 9.2% Pb and 23.8% Zn. A similar variation is observed in individual samples from the drill holes as can be seen in Table 1.

Hole PV-20-07 was the first ever test of a clay altered shear zone that cuts across the Palos Verdes concession in a northwest orientation, and that hosts the inferred "Northwest Vein", which Prismo geologists recognized by tracing isolated outcrops of massive, banded and brecciated quartz vein material. Hole PV-20-07 cut this shear zone obliquely near its intersection with the Palos Verdes vein and intersected a wide brecciated and sheared interval containing anomalous precious and base metals values but was not drilled at an orientation that allowed testing of the Northwest Vein.

Dr. Craig Gibson, President and Chief Executive Officer of the Company stated "So far all the drilling in the Palos Verdes vein has been very shallow and these new results, combined with older data, reveal the sort of variability of width and grade that we expect to see in the very top of veins in this district. This supports our interpretation that we are well above any coherent Bonanza-grade zones in the system, and we are very eager to trace the Palos Verdes vein to greater depths and along strike. We are also pleased to have confirmed the suspected Northwest vein and look forward to including it in our next campaign as we trace both veins to depth, hopefully into more consistent widths and grades.

On July 20, 2022, the Company announced that it selected a drill contractor for its upcoming drilling campaign on the Palos Verdes Property. The drill program was designed to test the Palos Verdes vein and a structural intersection with a second vein at depths where it is believed that potential for a large ore shoot is present, similar to the drilling accomplished by Vizsla on their adjacent land package. A minimum 2,000 meter program was contracted.

On July 28, 2022, the Company announced that it received an extension to its environmental permit which allows for drilling at its Palos Verdes Property. The agency responsible for environmental regulation in Mexico, Semarnat, issued an extension to the original drill permit that allowed drilling on existing roads. The Company also announced that Semarnat was continuing its review of an additional application for a permit for new road construction.

On August 18, 2022, the Company announced that its 2,000-meter drill program at its Palos Verdes Property had commenced. The drilling campaign was expected to last approximately two months. The drill program was designed to test the Palos Verdes vein and a structural intersection with a second vein at depths where it is believed that potential for a large ore shoot is present, similar to the drilling accomplished by Vizsla on their adjacent land package. A minimum 2,000-meter program was contracted with MW Drilling.

On September 21, 2022, the Company provided an update on progress for the drilling program and announced wide mineralized structures were being intersected at depth below the shallow intercepts of Previous drilling campaigns.

Table 2. Drill results for all Prismo and previously drilled holes at the Palos Verdes Project

Hole	From (m)	To (m)	Width (m)	Est True width (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
ProDeMin holes (previously released)									
PV-01	23.90	28.80	4.90	4.2	0.89	31	0.21	0.30	2.63
PV-02	40.35	48.70	8.35	5.5	1.69	474	0.54	1.09	3.84
incl.	45.25	48.70	3.45	2.3	3.75	1098	0.67	1.99	3.00
incl.	46.55	47.70	1.15	0.8	8.42	2336	0.27	1.72	2.46
PV-03	31.30	40.65	9.35	7.0	1.45	15	0.05	0.11	1.04
incl.	39.55	40.65	1.10	0.8	12.15	50	0.26	0.53	5.01
PV-04	55.45	59.00	3.55	3.0	0.12	37	0.31	0.12	0.74
PV-05	54.25	57.40	3.15	2.0	0.25	23	0.06	0.32	0.62
Prismo holes									
PV-06	70.55	75.85	5.3	3.2	0.13	69	0.14	0.12	0.29
	75.00	75.85	0.85	0.5	**0.46**	**317**	0.12	0.09	0.21
PV-07	32.40	34.20	1.8	?	0.01	9	0.35	0.24	0.47
PV-08	92.70	96.05	3.35	2.5	0.24	17	0.09	0.19	0.58
	92.70	93.65	0.95	0.7	0.55	37	0.24	0.61	1.21
PV-09	87.10	88.95	1.85	1.3	0.73	38	0.19	0.61	3.89
PV-10	125.30	126.50	1.20	0.9	0.03	6	0.06	0.03	1.4

Data for holes PV-01 to PV-05 was included in a news release of September 30, 2020. True width of the intercept in hole PV- 07 is unknown.

Table 3. Assays for samples of the Palos Verdes and Northwest veins, Palos Verdes Property.

Sample	Width m	Description	Au g/t	Ag g/t	Cu %	Pb %	Zn %
Palos Verdes Vein							
Sulfide bands							
58954	0.10	Sulfide rich vein with little gangue.	0.08	67.0	0.43	0.82	15.50
58955	0.15	Sulfide rich vein with 10% quartz.	0.16	111.5	0.19	9.20	23.80
58956	0.30	Sulfide rich band in 1m quartz vein	18.10	1,468.5	1.73	2.93	10.10
In Tunnel*							
465801	0.50	Half of vein, quartz with sulfide band	6.17	45	0.15	1.12	1.62
465833	1.10	Quartz vein breccia with rock fragments	0.09	24	0.13	0.26	0.28
465834	0.60	Fault breccia with fragments of quartz	0.34	3	0.01	0.01	0.16
465835	1.80	Vein breccia with galena and chalcopyrite	0.02	4	0.03	0.02	0.05
465836	1.30	Vein breccia with sphalerite and galena	6.71	544	0.06	0.08	0.13
NW vein							
Prismo samples (one vein exposure)							
58951	0.70	Quartz vein breccia, iron oxide and pyrite	0.03	11	-	0.05	-
58952	0.70	Quartz vein breccia with fine gray sulfides	0.06	14	-	0.11	0.06
58953	1.10	Quartz vein breccia, hematite and jarosite	0.02	8	-	0.01	0.01
Older samples*							
465817	0.60	Banded quartz vein, traces of pyrite	0.11	19	-	0.03	-
465837	2.30	Quartz vein, traces of galena	0.11	31	0.01	0.11	0.19

*Samples from the Palos Verdes tunnel and the older samples of the NW vein were taken by ProDeMin in 2017.

The Company announced updates on the 2022 drill program on Oct 11 and Oct 20, 2022, with a new sample protocol to included wallrock with veinlets adjacent to the main structure, and interception of additional wide mineralized structure in the 4th hole of the program (Hole PV-14).

On Nov 24, 2022, the Company announced that Vizsla signed an LOI to complete a strategic investment in Prismo, including a first right of refusal on the Palos Verdes concession. The Strategic investment would include a cash payment of 500,000 and issuance of $1.5 million in Vizsla shares for 4,000,000 units of Prismo, with each unit consisting of one share and one half of one purchase warrant. This agreement also contemplated the formation of a joint Technical Committee consisting of one member of each company and one additional member acceptable to both parties. The agreement also gives Vizsla the right to nominate one director to Prismo's board of directors and allows for Vizsla to maintain its percentage equity position with future financings.

On Dec. 1, 2022, the Company announced the final assay results for the 2022 drill program consisting of about 2,100 meters. 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. Several holes cut wide zones of mineralization, including nine meters downhole in hole PV-22-15 that averaged 187 g/t AgEq or 1.02 g/t Au with 1.1 % Pb and 1.4 % Zn. The intercepts range from 50 to 150 meters below previous shallow drilling that had several high-grade intercepts, with the best being 3,175 g/t AgEq over a true width estimated at 0.8 meters within a larger mineralized interval with 795 g/t AgEq over a true width of 5.5 meters (see Prismo's news releases dated September 30 and December 20, 2020).

"The drill program was successful in extending the mineralization to depth below the shallow drill holes completed previously and provided important information on the distribution of metal values," stated Craig Gibson, President and CEO of the Company. "Under the current environmental permit, we had access to limited drill sites, which leaves ample room to significantly extend the higher-grade zones in the mineralized ore shoot along strike." Dr. Gibson emphasized that "Approximately 70% of the strike length of the Palos Verdes vein remains untested, including the central portion of the southwestern segment of the vein, and all of the northeastern extension."

On December 5, 2022, the Company announced a brokered private placement of $3,016,000, consisting of 5,800,000 units at a price of $0.52. Each unit consisted of one common share and one half of a common share purchase warrant exercisable at a price of $0.75 for three years following the closing. The Company announced the closing of the private placement on Dec. 12.

Table 4. Assays for drill holes in the 2022 program.

Hole	From (m)	To (m)	Width (m)	Est True width (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	Ag eq (g/t)
PV-11	114.85	115.55	0.7	0.42	4.18	207	0.02	0.02	0.02	553
PV-12	117.9	118.8	0.9	0.54	3.18	13	0.01	-	-	276
PV-13	118.5	120.0	1.5	0.9	0.66	93	-	-	-	148
PV-14	165.0	172.2	7.2	4.3	0.06	21	0.08	0.49	0.85	77
incl	169.4	171.0	1.6	2.5	0.07	28	0.12	0.52	1.01	88
	179.9	184.2	4.3	2.6	0.03	27	0.41	0.81	1.01	92
	193.0	195.9	2.9	1.7	0.05	12	0.27	0.14	1.88	93
incl	194.1	195.9	1.8	1.1	0.07	14	0.36	0.13	2.80	133
PV-15	238.5	243.0	4.5	2.7	0.18	43	0.29	0.36	1.60	131
	263.5	272.5	9	5.4	1.02	16	0.23	1.10	1.41	187
incl	266.45	272.5	6.05	3.6	0.91	22	0.33	1.61	2.04	222

Silver equivalent values are calculated using the following metals prices: Au, US$1,750/oz, Ag, $21.24/oz, Pb, $0.97/lb and Zn, $1.34/lb. Cu was not used in the calculation, and metallurgical recoveries were not considered as there is no data available.

Table 5. Drill hole data for holes from the 2022 program.

Hole	Easting	Northing	Elev	Azim	Incl	Depth (m)
PV-22-11	413,761	2,593,096	1,209	355	-82	393.00
PV-22-12	413,759	2,593,095	1,209	325	-75	207.00
PV-22-13	413,758	2,593,094	1,209	300	-80	300.00
PV-22-14	413,610	2,529,919	1,230	330	-75	303.00
PV-22-15	413,607	2,529,918	1,230	15	-80	337.50
PV-22-16	413,767	2,593,098	1,209	70	-60	288.00
PV-22-17	413,765	2,593,148	1,205	340	-50	115.00
PV-22-18	413,770	2,593,149	1,205	40	-50	156.00

Coordinates in UTM WGS84 using handheld Garmin GPS.

On January 9, 2023 the Company signed the definitive Strategic Investment agreement with Vizsla previously announced on Dec. 19, 2022.

On March 6, 2023, the Company announced that it has received authorization to drill approximately 70% of the Palos Verdes vein strike length that was not previously accessible for drilling. On April 26, 2023, Prismo announced formation of the Technical Committee further to Vizsla strategic investment in Prismo completed in January 2023. Prismo and Vizsla have formalized the establishment of a joint technical committee which will allow for the pursuit of district-scale exploration of Panuco silver-gold district comprised of Dr. Craig Gibson, President and CEO of Prismo, Jesus Velador, Vice President Exploration of Vizsla and Dr. Peter Megaw, CPG.

On May 11, 2023, the Company announced the start of the 2023 drilling Campaign in the Panuco mining district of Sinaloa State Mexico.

On July 27, the Company announced assay results for the first 7 holes of the 2023 Phase IV drill program. The highest-grade recorded at Palos Verdes was intercepted, with 102 g/t Au and 3,100 g/t Ag over 0.5 m (11,520 g/t Ag equivalent).

Table 6. Assays for the first 7 drill holes in the 2023 program.

Hole	From (m)	To (m)	Width (m)	Est True width (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	Ag eq (g/t)
New from this release										
PV-19					Anomalous Ag					
PV-20	2.99	3.90	0.91	0.90	1.58	58	-	0.01	0.01	189
	36.80	37.00	0.20	0.20	0.21	53	-	-	0.01	71
PV-21					Anomalous Au & Ag					
PV-22					No significant values					
Pv-23					No significant values					
PV-24	120.05	123.90	2.85	2.00	0.87	43	0.07	0.04	1.46	178
Incl.	121.40	122.60	1.20	0.84	**1.84**	**95**	0.05	0.05	1.26	**302**
	150.22	152.85	2.63	1.83	**3.30**	32	0.14	0.40	**1.57**	**384**
Incl.	150.22	150.92	0.70	0.49	**11.9**	60	0.20	0.75	**3.93**	**1,234**
PV-25	78.70	79.00	0.30	-	1.36	**384**	0.11	0.15	0.27	**512**
	134.10	135.45	1.35	-	**38.2**	**1,157**	0.08	0.06	0.10	**4,311**
Incl.	134.60	135.10	0.50	-	**102**	**3,100**	0.20	0.17	0.26	**11,520**

Silver equivalent values are calculated using the following metals prices: Au, US$1,750/oz, Ag, $21.24/oz, Pb, $0.97/lb and Zn, $1.34/lb. Cu was not used in the calculation, and metallurgical recoveries were not considered as there is no data available for the Palos Verdes vein. True width estimated from hole inclination and estimated vein dip, where known.

Table 7. Drill hole data for the first 7 holes from the 2023 program.

Hole	Target	Easting	Northing	Elev	Azim	Incl	Depth (m)
PV-23-19	NE block	414,023	2,593,310	1,313	326	-44	93.00
PV-23-20	NE block	414,049	2,593,296	1,296	324	-59	201.00
PV-23-21	NE block	414,004	2,593,260	1,294	330	-45	160.00
PV-23-22	NE block	414,008	2,593,262	1,294	330	-60	129.00
PV-23-23	NE block	413,963	2,593,219	1,261	300	-45	144.00
PV-23-24	PV vein	413,806	2,593,118	1,226	315	-70	201.00
PV-23-25	PV vein	413806	2593083	1236	320	-68	258.00

Coordinates in UTM WGS84 using handheld Garmin GPS.

On August 3rd the Company announced that it planned to expand the Palos Verdes drill program to include deep drill holes collared on an adjacent concession controlled by its Strategic Investment Partner, Vizsla Silver, and recommended by the Joint Panuco Technical Committee.

Subsequent to year end 2023, on February 6, 2024, the company announced drill results for the remaining eight holes in the 2023 program (Tables 8 & 9) that totaled 2,923 meters in 15 holes.

Table 8. Highlights for the final 8 holes from the 2023 drill program at Palos Verdes

Hole	From (m)	To (m)	Width (m)	Est True width (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)	*Ag eq (g/t)
PV-27	0.90	1.30	0.40	0.10	0.216	107	-	0.02	0.02	126.2
PV-32	109.40	111.60	2.20	1.41	0.16	17.5	0.27	0.92	1.30	115.4
	111.30	111.60	0.30	0.19	0.83	45.0	0.68	4.32	4.67	333.9
	150.10	155.65	5.55	3.57	0.20	20.7	0.16	0.61	1.09	103.8
	155.25	155.65	0.40	0.26	0.04	17	0.21	3.56	6.03	391.5
``	225.65	226.40	0.75	0.26	0.03	94.8	2.28	0.31	3.39	253.4
	225.95	226.40	0.45	0.14	0.04	144	3.65	0.45	5.12	382.2

*Silver equivalent values are calculated using the following metals prices: Au, US$1,750/oz, Ag, $21.24/oz, Pb, $0.97/lb and Zn, $1.34/lb. Cu was not used in the calculation, and metallurgical recoveries were not considered as there is no data available for the Palos Verdes vein. True width estimated from hole inclination and estimated vein dip, where known.

Table 9. Drill hole data for the final 8 holes from the 2023 drill program.

Hole	Target	Easting	Northing	Elev	Azim	Incl	Depth (m)
PV-23-26	NW fault	413,807	2,593,082	1,236	10	-45	327.00
PV-23-27	PV vein	413,814	2,593,082	1,226	320	-75	234.00
PV-23-28	NW fault	413,801	2,593,136	1,244	35	-60	117.00
PV-23-29	SW PV gap	413,735	2,593,073	1,216	330	-75	183.00
PV-23-30	SW PV gap	413,707	2,592,990	1,202	330	-50	180.00
PV-23-31	SW PV gap	413,709	2,592,990	1,200	330	-75	246.00
PV-23-32	SW PV gap	413,677	2,592,942	1,211	315	-50	199.50
PV-23-33	SW PV gap	413,678	2,592,938	1,216	330	-75	250.50

Coordinates in UTM WGS84 using handheld Garmin GPS.

b) Los Pavitos project and the Cascabel Option

Los Pavitos is an early-stage exploration project located in the Álamos area of Sonora State, Mexico. The project consists of one concession, Los Pavitos Reducción, that covers 5,289 hectares. The concession is located on the paved highway between Navajoa and Álamos at about the 17 km marker, and the main mineralized area is about 6 km North of the highway and can be reached by unmaintained dirt roads that access local ranches. Several interior concessions owned by third parties cover mineralized occurrences within the boundaries of the Los Pavitos concession.

Mineralization at Los Pavitos consists of quartz veins and stockworks hosted in metasediments, in shear zones and parallel to foliation and crossing foliation. Three mineralized trends have been recognized through limited exploration that has been carried out. Two trends, the NE Santa Cruz trend and the NW Las Auras trend intersect in an area of small mines and prospects on the internal concessions mentioned previously and extend onto the Los Pavitos concession. The NE Omuri trend is parallel to the Santa Cruz trend about two kilometers to the northwest of the intersection of the other trends, and also intersect the La Auras trend.

Prior to the exploration conducted by the Company in 2022, limited exploration work had been carried out on the project. One hundred rock chip samples and 55 soil samples have been taken. Rock samples of as much as 40.9 g/t Au and 99 g/t Ag over 0.3m have been taken. Numerous samples have returned 1 to 6 g/t

Au and 3 to 60 g/t Ag. Soil sample lines that cross the Santa Cruz trend where projected along strike from outcrops and small prospects show Au, As and Ag anomalies.

On October 11, 2019, the Company entered into an option agreement (the "Cascabel Option") with Minera Cascabel S,A. de C.V. ("Cascabel"). Pursuant to the terms of the Cascabel Option, Cascabel granted the Company an option to earn up to 100% in the Los Pavitos concession, located in the state of Sonora, Mexico, over a period of five years, as follows:

- on October 11, 2019, the Company issued Cascabel 2,000,000 units with a fair value of $0.05 per unit; each unit consisting of one common share and one share purchase warrant of the Company; each warrant being exercisable at a price of $0.10 per share, expiring of the fifth anniversary of the date of issuance of these units (issued). 900,000 of these units remain held in escrow as at September 30, 2022;
- the Company is required to maintain the Los Pavitos concession in good standing. During the year ended December 31, 2020, the Company reimbursed Cascabel for $137,796 for concession dues that were due for 2019 and 2020. The Company is temporarily delinquent for payment of mineral concession dues corresponding to the first semester of 2021 of approximately $35,000 and a similar amount for the second semester of 2021 as well as approximately $65,000 corresponding to the first semester of 2022 for working capital preservation. The amount is included in amounts due to related parties;
- for the exercise of the option, the Company will be required to incur US $1,500,000 in exploration expenses over the five-year period of the Cascabel Option, pay an additional US $500,000 and issue Cascabel an additional 2,000,000 common shares. The yearly minimum expenditures, payments and issuance of shares to Cascabel are as follows:

Period	Work Commitment	Cash Payment (USD)	Shares Issued	Other requirements
First two years cumulative	75,000	nil	nil	Technical report to NI 43-101 standards
Each of the third and fourth years	100,000	$100,000	nil	nil
Fifth year	500,000	$300,000	2,000,000	Drilling program of at least 2,500 metres

- Prismo will perform sufficient assessment work to satisfy the applicable government work commitment costs on the Property through the end of each tax period; and
- Prismo will maintain the mineral concessions in good standing.

On March 19, 2021, the Company received an NI 43-101 Technical Report on the Los Pavitos property, commissioned as one of the requirements of the Cascabel Option Agreement. This report, titled "Geology and Exploration of the Los Pavitos Property, Municipality of Alamos, Sonora State, Mexico" and dated March 18, 2021, is available on SEDAR+. The report concluded that Los Pavitos has potential for both Epithermal Gold-Silver veins and Orogenic (Shear-hosted) Gold deposits. Epithermal veins are the most abundant mineralization style in the area, and several have been located in Los Pavitos. The project is hosted by Mesozoic metasediments that are part of older terranes that underlie much of Northwest Mexico and these rocks have been regionally sheared and later intruded by plutons of intermediate composition. Rocks of similar composition and history host several large Orogenic Gold deposits that have been discovered elsewhere in western Sonora and the Company believes Los Pavitos is also prospective for them.

The NI 43-101 Technical Report recommended more work to ascertain the dominant mineralization styles at Los Pavitos through a preliminary exploration program consisting of project and target scale geologic mapping and sampling starting in the areas of known gold mineralization with the goal of projecting the geology laterally into areas with partial to completer cover.

Dr. Craig Gibson, President and Chief Executive Officer of the Company, stated "Los Pavitos provides Prismo a foothold in a long-established but underexplored mining region and provides an excellent opportunity for advancing a potentially large-scale gold project".

On January 19, 2022, the Company announced its mobilization of a crew of geologists to the Los Pavitos project. The Company conducted an exploration program that included comprehensive mapping and extensive sampling of the concession to define drill targets. A LIDAR survey to obtain detailed topography and identify historic mine prospects and structural trends was also conducted.

On May 11, 2022, the Company announced preliminary results for its ongoing exploration mapping and sampling program. Highlights of assay results were reported for the 169 samples received to date 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 Table 4 below). Also, a service provider for the planned LiDAR survey was selected and data collection performed in late May or early June, 2022.

The current exploration work is partly directed towards determining whether the mineralization is related to an orogenic gold system similar to those in northwestern Sonora state, or whether the mineralization is more similar to that in the Alamos epithermal vein district 25 km to the southeast. The presence of large northwesterly trending shear zones, quartz textures in veins and the association of gold with arsenic and bismuth supports the orogenic gold model, but more work is necessary to be definitive.

Selected assays, Los Pavitos project.

Sample	Location	Type	Width m	Length m	Au g/t	Ag g/t	Cu ppm	Pb ppm	Zn ppm
LP22001	La Auras	Channel	0.4	0.8	0.442	1.7	3.4	105	178
LP22002	La Auras	Selected	0.2	0.3	2.06	16.5	7	1345	141
LP22004	La Auras	Channel	0.3	0.5	1.49	8.99	13.6	1080	345
LP22007	La Auras	Chip	1	1	1.94	15.7	18.5	492	752
LP22008	La Auras	Channel	0.4	2	3.97	12	17.5	164.5	430
LP22009	La Auras	Channel	0.3	0.6	2.39	16.2	19.2	307	535
LP22010	La Auras	Chip	0.65	0.65	0.955	6.16	25.2	763	811
LP22012	La Auras	Channel	1	3	2.46	3.5	11.7	571	1035
LP22013	La Auras	Dump			10.15	21.2	8.7	4480	321
LP22020	Oromuri	Channel	0.15	0.3	0.185	0.57	113	2	6
LP22021	Oromuri	Channel	0.2	1	0.222	0.45	23.5	4.3	12
LP22024	San Jorge	Channel	0.2	0.5	0.331	0.63	58.4	6.4	12
LP22102	La Espanola	Channel	0.1		0.054	0.99	599	2.3	41
LP22103	La Espanola	Channel	1.9		0.076	0.99	642	4.4	77
LP22104	La Espanola	Channel	2	4	0.024	1	691	4.6	41
LP22106	La Auras	Channel	1		0.352	1.71	10	87.9	83
LP22107	Oromuri	Channel	0.5		0.658	1.22	6.2	107	54
LP22108	Oromuri	Channel	0.5		0.722	6.64	10.8	830	92
LP22114	San Jorge	Channel	1.5		0.037	4.11	1545	4.2	138
LP22115	San Jorge	Channel	2	7	0.014	21.5	2050	15.6	84
LP22116	Oromuri	Chip			0.412	1.52	164	11.6	6
11633	Santa Cruz	Channel	0.1	1	0.569	0.4	181.5	15.9	54
11638	Santa Cruz	Channel	0.3	2.5	0.184	3.8	84.8	33.3	7
11640	La Ramada	Dump	1	1	3.35	42.9	574	563	554
11641	La Ramada	Channel	0.3	1.5	0.762	10.5	512	31.2	411
11642	Santa Cruz	Dump			4.47	25.8	341	1625	527
11646	Santa Cruz	Channel	0.3	1	28	398	180	11750	123
11647	Santa Cruz	Dump			0.652	2.38	398	51.1	120
11648	Santa Cruz	Chip	1	1	3.98	7.92	253	454	100

11649	Santa Cruz	Channel	0.5	2	1.35	12.2	389	1995	318
11681	Santa Cruz	Channel	2	7	12.25	95.1	838	9740	1160
11682	Santa Cruz	Channel	2	7	10.5	86.3	376	7940	260
11684	Santa Cruz	Channel	1	1	1.23	14.45	226	319	158
11685	Santa Cruz	Channel	1	1	0.638	12.1	24.2	269	36
11688	Santa Cruz	Chip	1	1	0.317	43.9	18600	11.9	598
11695	Santa Cruz	Channel	1	2	2.42	4.2	135	84.8	451
11696	Santa Cruz	Chip	2	2	0.609	1.64	298	190.5	81
11697	Santa Cruz	Chip	2	1	0.307	3.98	91.6	358	63

Sample	Location	Type	Width m	Length m	Au g/t	Ag g/t	Cu ppm	Pb ppm	Zn ppm
11698	Santa Cruz	Chip	2	2	0.161	23.1	157	4770	2940
11701	Santa Cruz	Channel	0.3	1	0.148	0.26	70.8	16.6	66
11708	Santa Cruz	Chip	0.5	0.5	0.526	51.9	48.5	6740	64
11711	Santa Cruz	Channel	0.2	2	0.166	1.01	89.1	30.3	54
11713	Santa Cruz	Channel	0.3	1.5	0.079	30.4	46.8	5420	539

On August 29, 2022, the Company announced that it had received the results of a LiDAR survey over the Los Pavitos property. Preliminary interpretation of the data show that several mineralized structures are highlighted. Further interpretation is planned.

On February 8, 2023, the Company announced that its drilling permit application for Los Pavitos has been submitted, opening the door to a drilling program. The Los Pavitos project consists of a 5,289-hectare (the equivalent of 53 square km or 20 square miles) concession located in the well mineralized Alamos region of southern Sonora State, Mexico.

On April 3, 2023, the Company announced assay result from the Santa Cruz area of the Los Pavitos Project. The mapping and sampling program at Santa Cruz is the first systematic exploration conducted at the project, with prior work being mostly regional exploration. A total of 176 samples (not including control samples) were taken. Thirty-seven samples yielded 0.5 g/t or more Au, and seven samples also assayed over 100 g/t Ag. The best structure shows 20.3 g/t gold over 0.6 meters. The associated elements As and Bi are also generally strongly anomalous.

Analytical results for selected samples from the Santa Cruz area

Sample	Type	Style	Width (m)	Easting	Northing	Au_g/t	Ag g/t	As_ppm	Bi_ppm
11801	Channel	Veinlets	0.20	677,110	3,002,140	0.68	9.52	2620	0.57
11802	Channel	Veinlets	0.20	677,109	3,002,145	**5.81**	24.4	4510	2.11
11815	Channel	Veinlets	0.50	677,273	3,002,198	3.88	1.16	592	0.51
11819	Chip	Chip	1	677,068	3,002,117	0.74	5.47	620	0.12
11821	Chip	Chip	0.40	677,068	3,002,115	1.12	6.87	287	0.1
11825	Chip	Chip	0.60	676,817	3,001,854	**6.09**	6.31	2770	1.89
11826	Channel	Vein	0.70	676,816	3,001,851	1.92	43.7	>10000	12.4
11829	Chip	Iron staining	1	676,847	3,001,885	1.55	20.1	659	0.34
11830	Chip	Breccia	0.10	676,846	3,001,885	1.67	7.04	1745	0.78
11831	Channel	Veinlets	0.5	677,273	3,002,201	0.948	0.75	416	0.17
11833	Channel	Veinlets	0.5	677,289	3,002,198	**18.85**	27.8	1355	0.34
11834	Channel	Veinlets	0.5	677,289	3,002,198	**5.51**	83.5	4570	0.42
11847	Channel	Vein	0.60	676,855	3,001,895	**7.18**	63.9	6780	3.26
11848	Channel	Vein	0.60	676,853	3,001,895	1.81	29.5	4320	1.06
11849	Channel	Vein	0.60	676,855	3,001,895	**9.55**	**252**	>10000	2.5
11850	Channel	Vein	0.60	676,859	3,001,899	**20.3**	**171**	1625	2.44
11852	Channel	Vein	0.60	676,864	3,001,904	2.88	10.15	>10000	0.61
11857	Chip	Iron staining	0.30	676,810	3,001,936	2.43	**184**	2230	102.5
11858	Channel	Vein	0.70	676,810	3,001,935	1.27	21	292	24.9
11859	Channel	Vein	0.70	676,808	3,001,933	1.88	26.6	1100	24.4
Sample	Type	Style	Width (m)	Easting	Northing	Au_g/t	Ag g/t	As_ppm	Bi_ppm
11863	Chip	Chip	1	676,808	3,001,941	2.1	26	295	22.7
11872	Channel	Vein	0.60	677,068	3,001,780	1.73	**211**	>10000	0.9
11876	Channel	Vein	0.60	676,794	3,001,830	0.776	0.82	588	1.1
11877	Channel	Vein	1	676,795	3,001,829	2.95	1.67	1740	3.57
11878	Channel	Vein	0.80	676,803	3,001,814	0.884	3.08	954	2.03
11879	Chip	Disseminated	0.80	676,803	3,001,812	0.933	1.82	2100	3.16
11890	Channel	Veinlets	1	677,413	3,002,336	0.831	1.52	418	0.35
11896	Channel	Veinlets	0.50	677,288	3,002,195	**7.74**	63	2900	1.07
11981	Channel	Veinlets	0.20	677,048	3,001,732	1.06	**180**	>10000	2.98
11986	Channel	Veinlets	0.20	677,102	3,001,758	1.1	15.5	9040	0.59
12008	Chip	Disseminated	1	676,833	3,001,870	4.44	14.75	4400	5.55
12018	Chip	Iron staining	1	676,541	3,001,450	1.57	39.9	>10000	1.72
12021	Channel	Vein	1	676,918	3,001,691	0.545	**181**	>10000	1.25
12022	Chip	Iron staining	1	676,913	3,001,690	0.517	**112**	8360	0.65
12025	Channel	Veinlets	0.20	676,509	3,001,402	0.631	32.3	>10000	0.31
12033	Chip	Chip	1	677,268	3,002,193	**7.52**	19.8	2810	11.65
12034	Chip	Chip	1	677,283	3,002,201	**9.77**	83.3	4040	1.15

On April 5, 2023, Prismo announced that it received its drill permit for its Los Pavitos project. The permit contemplates construction of as many as 23 trenches and 30 drill sites. Detailed exploration mapping and sampling is continuing to refine drill targets at each of the main mineralized areas previously identified. Repair of access roads and trenching will be undertaken in April and drilling is anticipated to begin in June.

On April 24, 2023, the Company announced results for sampling at the Las Auras and Santa Cruz areas. The best results from Las Auras show 14.35 g/t gold over 0.5 meters and 12.25 g/t Au over 1 meter in two separate areas. On-going sampling at Santa Cruz continued to yield good gold as well as silver values with the best results being 5.48 g/t Au and 269 g/t Ag over 0.5 meters. Another sample assayed 543 g/t Ag and 1 g.t Au over 1.5m.

The most recent focus for systematic mapping and sampling was in the Las Auras target area, where 199 samples were taken. Follow-up sampling at Santa Cruz was also completed with 94 samples taken. Of the 293 samples, forty-nine samples yielded 0.5 g/t or more Au, and eleven samples also assayed over 100 g/t Ag. Pathfinder elements As and Bi are also generally strongly anomalous. Highlight assays are shown in the tables below.

The Company announced further results of surface sampling, trenching and the results of trench sampling and the mobilization of a drill rig with news releases on May 29, 2023, June 16, 2023, June 28, 2023, July 21, 2023 and Aug 1, 2023. Trench sampling has identified wider zones of mineralization adjacent to the high grade quartz veins identified during surface sampine.

Highlight assays from the Las Auras area

Sample	Type	Style	Width (m)	Easting	Northing	Au_g/t	Ag g/t	As_ppm	Bi_ppm
12092	Chip	Vein	0.5	674653	3003803	9.4	17.75	1155	10.7
12093	Chip		0.65	674655	3003805	0.673	2.33	1040	12.55
12094	Chip	Vein	0.2	674660	3003799	2.38	9.27	891	0.46
12095	Chip		0.6	674661	3003781	0.539	8.37	183	11.55
12096	Chip		0.5	674667	3003797	5.83	14.65	>10000	3.15
12097	Chip		0.6	674670	3003796	1.06	2.86	1390	1.74
12098	Chip	Vein	0.15	674669	3003796	3.84	4.26	>10000	9.01
12115	Chip	Vein	0.15	674673	3003795	0.583	1.1	4070	4.92
12116	Chip	Area	0.6	674670	3003786	6.43	4.74	>10000	8.53
12117	Chip	Area	0.6	674685	3003782	1.25	1.65	4550	1.48
12121	Chip	Vetilla	0.6	674643	3003815	0.599	1.92	1670	0.53
12124	Chip	Vein	0.15	674606	3003830	1.19	1.73	6200	4.32
12125	Chip	Disseminated	0.6	674606	3003831	1.85	3.29	887	1.16
12165	Chip	Vetilla	1.5x2.5x1	674414	3004129	12.25	47.3	2290	16.1
12196	Chip	Area	1	673725	3003886	0.563	1.72	493	5.02
12209	Chip	Vetilla	0.4	674807	3003451	0.74	42.7	6780	137
12210	Chip	Vetilla	0.5	674758	3003443	0.555	4.77	3880	7.69
12211	Chip	Vetilla	0.5	674750	3003433	14.35	52.7	5630	14.3
12217	Chip	Skarn	0.6	674684	3003137	0.551	89.7	>10000	25.6
12218	Chip	Skarn	0.6	674685	3003137	0.739	8.18	>10000	11.95
12219	Chip	Skarn	0.6	674686	3003142	0.716	224	>10000	0.39
12251	Chip	Vein	0.25	674881	3003235	1.31	0.95	8190	3.22
12252	Chip	Area	1	674879	3003236	1.2	1.31	5510	2.19
12253	Chip	Vein	0.25	674877	3003235	0.771	1.32	6340	4.17
12255	Chip	Vein	0.4	674893	3003232	2.24	10.05	>10000	7.22
12256	Chip	Vein	0.4	674887	3003234	0.829	9.26	3810	1.08
12257	Chip	Area	1	674889	3003230	1.47	4.8	8140	2.15

Additional highlight assays from the Santa Cruz area

Sample	Type	Style	Width (m)	Easting	Northing	Au_g/t	Ag g/t	As_ppm	Bi_ppm
12289	Chip	Breccia	0.5	677099	3001780	0.67	46.5	>10000	0.67
12293	Chip	Area	1	677243	3001862	1.98	72.6	>10000	0.54
12305	Chip	Area	2	676715	3001722	1.89	3.37	652	0.6
12314	Chip	Vein	1.5	676966	3001737	1.42	64.2	>10000	3.37
12315	Chip	Vein	1.5	676977	3001741	0.876	329	>10000	1.69
12323	Chip	Vein	1.5	676924	3001704	1.01	542	>10000	0.97
12327	Chip	Vein	1.5	676891	3001676	5.14	88.1	>10000	5.05
12330	Chip	Vein	1	676934	3001760	0.707	447	3030	4.5
12349	Chip	Vein	1.8	677015	3001702	1.07	37.1	5640	0.55
12359	Chip	Vein	0.5	677240	3001858	3.08	295	>10000	0.73
12361	Chip	Vein	0.5	677231	3001850	5.48	269	>10000	0.11
12384	Chip	Vein	0.5	677327	3001888	0.869	35.3	8860	0.06
12385	Chip	Vein	0.5	677311	3001880	0.872	7.58	>10000	0.21
12387	Chip	Vein	0.5	677279	3001869	1.95	70.2	6360	0.2
12388	Chip	Vein	0.5	677266	3001861	2.24	181	>10000	1.84
12389	Chip	Vein	0.5	677208	3001844	2.62	326	>10000	0.72
12391	Chip	Vein	0.5	677181	3001831	1.5	54.5	>10000	0.68
12393	Chip	Vein	0.5	677164	3001818	0.654	21.9	4010	0.23
12395	Chip	Vein	0.5	677123	3001800	0.533	184	9790	1.02
12397	Chip	Vein	0.5	677076	3001730	3.15	398	>10000	5.48
12398	Chip	Vein	0.5	677000	3001692	0.645	8.81	4400	0.58

Highlight assays from Los Pavitos trenches

Trench	Location	Length (m)	Au_g/t	Ag g/t
ZA1	Auras	6.4	0.1	-
ZA2 includes	Auras	19.0 4.0	2.2 10.3	22.9 104.3
ZSC4	Santa Cruz	18.5	0.2	-
ZSC3-1	Santa Cruz	2.1	1.7	-
ZSC9	Santa Cruz	8.0	0.5	-
ZSC10	Santa Cruz	7.8	2.3	13.0
ZSC12	Santa Cruz	2.5	0.9	69.6
ZSC1	Santa Cruz	2.00 2.30	0.95 0.50	- -
ZSC7 includes and	Santa Cruz	17.70 8.80 2.90	0.13 0.16 0.25	- - 35.2
ZSC13	Santa Cruz	2.00	0.22	-
ZE3	Española	1.40	0.74	-
New Data				
ZH1	Santa Cruz	1.00	3.98	5.1
ZH2	Santa Cruz	2.80	1.18	15.8

On October 17, 2023, the Company announced assay results for the first 8 holes drilled at Los Pavitos. The holes targeted the Hedionda mine zone along the Santa Cruz structure (Figures 1 and 2) and were designed to determine the overall nature, geometry and lateral and vertical continuity of mineralization around this small historic working. Mineralization consisting of foliation-parallel sulphides surrounded by silicification was cut in several holes (Figure 3). The best hole, **LP-SC-23-02, intersected 6.65 meters (core length) reporting 10.2 g/t gold and 47.0 g/t silver, within a wider interval of 11.93 meters (core length) averaging 5.77 g/t gold and 28.7 g/t silver.**

Selected drill intercepts from the Los Pavitos project

Hole	From (m)	To (m)	Interval (m)	True Width (m)	Au g/t	Ag g/t	Cu %	Pb %	Zn %
LP-SC-23-01	20.30	27.70	7.40	5.2	2.34	14.7	0.08	0.18	0.74
includes	21.80	23.84	2.04	1.4	7.04	43.1	0.19	0.57	2.33
LP-SC-23-02	21.75	24.07	2.32	1.2	0.27	0.5	0.01	0.00	0.01
	52.27	64.20	11.93	6.0	5.77	*28.7	0.15	0.16	0.38
includes	54.88	61.53	6.65	3.3	10.22	*47.0	0.17	0.29	0.65
LP-SC-23-03			No		Values				
LP-SC-23-04			No		Values				
LP-SC-23-05	62.24	66.74	4.50	3.6	0.50	2.1	0.01	0.00	0.01
LP-SC-23-06			No		Values				
LP-SC-23-07	49.00	59.40	10.40	8.3	1.52	18.9	0.11	0.09	0.06
	49.00	55.00	6.00	4.8	2.52	28.7	0.15	0.14	0.10
LP-SC-23-08	74.30	82.10	7.80	7.0	3.78	19.2	0.19	0.08	0.22
includes	77.15	82.10	4.95	4.5	5.33	27.5	0.27	0.13	0.33

Au by fire assay for holes 1, 2, 7, & 8 others by ICP. *One overlimit Ag assay >100g/t taken at 100 g/t for the calculation of the average.

Mapping and surface sampling over the last year have delineated several kilometer-long mineralized structures with initial drilling at the Santa Cruz Southeast target to be followed by drilling of the Las Auras, Oromuri and Española targets (Figs. 1 and 2). At Las Auras surface sampling has encountered high grade gold values in several areas, and the latter two targets have characteristics indicating that similar high-grade mineralization may exist beneath cover. The abundance of sulphides at very shallow depths in the initial high-grade holes has led to consideration of geophysical surveys to trace such structures through cover. Exploration work is also advancing to develop additional new areas for drilling in several areas identified during reconnaissance work.

On December 5th the Company announced that the Phase I drill program has been completed with 2370 meters drilled in 25 holes and announced results for a second group of holes. The highlight hole was **LP-AU-23-01, the first hole ever drilled at Las Auras (Fig. 1), which intersected 3.58 g/t gold over 1.15 meters (core length) within a wider interval of 3.65 m (core length) with 2.33 g/t gold and 87.6 g/t silver**. Adding these results to the high gold reported in the first drilling at the Mina Hedionda in the Santa Cruz zone (See Table 1 and Press Release of October 17, 2023) shows that significant gold grades are being encountered across the property.

Also notable are the results for hole **LP-SE-23-09** drilled on the Southeast Santa Cruz structure (Figs. 2, 3) **that also showed this gold plus silver signature, intersecting 106g/t silver with 0.51 g/t gold over 5.27 meters** (core length). The Southeast Santa Cruz structure also has a relatively silver rich surface expression (Fig. 3). Several of the remaining holes reported here intersected wide zones of anomalous gold mineralization, including 40.8 meters (core length) with 0.16 g/t Au in hole LP-SC-23-12.

Drill hole data for the Phase I program at the Los Pavitos project

Hole	Target	Easting	Northing	Elev	Azim	Incl	Depth (m)
LPSC-23-01	Hedionda mine	677,103	3,002,113	215	310	-45	27.70
LPSC-23-02	Hedionda mine	677,109	3,002,109	207	310	-55	87.00
LPSC-23-03	Hedionda mine	677,082	3,002,157	201	130	-45	60.00
LPSC-23-04	Hedionda mine	677,082	3,002,157	201	130	-60	75.00
LPSC-23-05	Hedionda mine	677,109	3,002,109	207	270	-45	75.00
LPSC-23-06	Hedionda mine	677,060	3,002,060	210	325	-45	72.00
LPSC-23-07	Hedionda mine	677,048	3,002,147	202	130	-45	81.00
LPSC-23-08	Hedionda mine	677,055	3,002,147	205	160	-45	109.50
LPSC-23-09	SE Santa Cruz SE	676,953	3,001,754	255	140	-45	110.00
LPSC-23-10	Santa Cruz SE	677,118	3,001,736	245	320	-45	123.00
LPSC-23-11	Santa Cruz West	676,885	3,001,875	232	305	-45	114.00
LPSC-23-12	Santa Cruz West	676,815	3,001,873	239	133	-55	63.00
LPSC-23-13	Santa Cruz West	676,798	3,001,887	247	140	-60	108.00
LPSC-23-14	Santa Cruz West	676,700	3,001,736	232	130	-50	71.00
LPSC-23-15	Santa Cruz West	676,700	3,001,736	232	130	-50	132.00
LPSC-23-16	Santa Cruz West	676,700	3,001,736	232	130	-50	96.00
LPAU-23-01	Las Auras	674,692	3,003,822	192	210	-45	50.00
LPAU-23-02	Las Auras	674,692	3,003,822	192	210	-60	75.00
LPAU-23-03	Las Auras	674,692	3,003,822	192	260	-45	151.50
LPAU-23-04	Las Auras	674,712	3,003,803	190	210	-47	144.00
LPAU-23-05	Las Auras	674,779	3,003,830	180	210	-45	171.00
LPAU-23-06	Las Auras	675,339	3,003,664	190	200	-45	57.80
LPAU-23-07	Las Auras	674,884	3,003,271	175	185	-45	52.50
LPOR-23-01	Oromuri	674,420	3,002,616	196	314	-45	162.00
LPES-23-01	La Española	675,390	3,002,811	202	290	-47	102.00

Coordinates in UTM WGS84 using handheld Garmin GPS.

Selected drill intercepts for the second batch of holes from the Los Pavitos project

Hole	From (m)	To (m)	Interval (m)	True Width (m)	Au g/t	Ag g/t	Cu %	Pb %	Zn %
Santa Cruz: Hedionda mine (**previously released with updated Ag assays**)*									
LP-SC-23-02	52.27	64.20	11.93	6.0	5.77	***31.1**	0.15	0.16	0.38
includes	54.88	61.53	6.65	3.3	10.22	***51.3**	0.17	0.29	0.65
SE Santa Cruz									
LP-SC-23-09	20.63	25.90	5.27	3.7	0.51	106.3	0.02	0.06	0.20

LP-SC-23-10	96.13	98.68	2.55	1.8	0.31	5.9	0.01	0.00	0.01
	103.40	105.19	1.79	1.3	1.20	7.8	0.01	0.01	0.02
Santa Cruz West									
LP-SC-23-11			No	Values					
LP-SC-23-12	18.35	58.30	40.80	23.4	0.16	2.4	0.05	0.02	0.16
	23.00	33.00	10.00	5.7	0.19	5.6	0.07	0.08	0.52
includes	23.00	29.13	6.13	3.5	0.25	7.7	0.10	0.12	0.70
LP-SC-23-13			No	Values					
LP-SC-23-14	6.00	16.00	10.00	6.4	0.18	6.7	0.04	0.07	0.08
includes	12.00	16.00	4.00	2.6	0.23	16.5	0.08	0.16	0.12
Las Auras									
LP-AU-23-01	31.85	35.50	3.65	2.6	2.33	87.6	0.00	0.17	0.18
includes	31.85	33.00	1.15	0.8	3.58	45.9	0.00	0.15	0.36
LP-AU-23-02	33.53	38.17	4.64	2.3	0.34	4.5	0.00	0.00	0.04
LP-AU-23-03	32.15	39.00	6.85	4.8	0.11	2.0	0.00	0.01	0.02
	93.00	98.00	5.00	3.5	0.15	0.4	0.00	0.00	0.00

Au by fire assay for all holes except SC 11 & SE-13, by ICP. *SC-02 updated with a silver assay for one sample at 124 g/t, reported previously with the average for silver using 100g/t for the sample that was initially reported at >100g/t.

After the end of the reporting period, the Company announced the results for the final eight holes of the 2023 program.

Selected drill intercepts for the final holes from the Los Pavitos project

Hole	From (m)	To (m)	Interval (m)	Au g/t	Ag g/t	Cu %	Pb %	Zn %
Santa Cruz West								
LP-SC-23-15		No significant values						
LP-SC-23-16		No significant values						
Las Auras								
LP-AU-23-04	36.61	37.11	**0.50**	**2.61**	9.7	0.00	0.09	0.07
	52.75	53.05	**0.30**	**1.47**	20.1	0.01	0.01	1.47
LP-AU-23-05	111.90	112.45	**0.55**	**0.70**	8.8	0.00	0.01	0.70
LP-AU-23-06		No significant values						
LP-AU-23-07		No significant values						
Oromuri								
LP-OR-23-01	108.48	109.00	**0.52**	**1.18**	0.8	0.01	0.00	0.00

Española

LP-ES-23-01	No significant values

Au by fire assay for all holes except LP-SC-23-16 & LP-Au-23-04, by ICP. True widths unknown at this time.

Additionally, a new zone with several structures was identified and sampled in the previously unexplored Northeastern portion of the project area (See Table 2). Surface sampling along the northeastern projection of the gold and silver-rich Santa Cruz structure (See Press Releases of October 17th and December 5th, 2023) yielded the highest silver assay from the project to date: 1,130 g/t Ag, with 1.33 g/t Au over 0.15 meter. Other results from this new work area include numerous samples reporting anomalous gold and the pathfinder elements arsenic and bismuth (As and Bi) (Table 1). None of these structures has been drilled.

Highlight rock chip assays from new sampling at Los Pavitos

Sample	Type	Style	Width (m)	Easting	Northing	Au_g/t	Ag g/t	As_ppm	Bi_ppm
Southeast Santa Cruz zone									
543654	Chip	Oxidation	0.15	677,762	3,002,358	**1.33**	**1,130**	>10.000	0.6
543653	Chip	Oxidation	0.1	678,108	3,002,454	0.18	77.1	1,815	0.2
Eastern zone									
543669	Chip	Oxidation	0.5	678,498	3,001,703	0.16	0.4	362	1.7
543668	Chip	Oxidation	1.0	678,499	3,001,698	**2.14**	2.2	>10,000	17.4
543642	Chip	Breccia	1.0	678,566	3,001,841	0.82	6.1	>10,000	7.8
543643	Chip	Breccia	1.0	678,578	3,001,856	0.11	5.6	>10,000	1.9
543644	Chip	Breccia	1.0	678,648	3,001,900	0.24	3.4	3,730	1.1
543646	Chip	Oxidation	0.4	678,750	3,001,945	0.25	4.4	3,950	2.0
543664	Chip	Veinlets	1.0	679,096	3,001,934	0.55	7.9	692	4.7
543663	Chip	Veinlets	1.0	679,096	3,001,935	0.49	5.1	344	4.6
543662	Chip	Veinlets	0.45	679,097	3,001,935	0.34	3.7	885	1.9
543659	Chip	Veinlets	1.5	679,100	3,001,941	1.82	2.7	5,130	2.0
543661	Chip	Veinlets	1.5	679,100	3,001,939	0.60	3.5	729	2.6
543671	Chip	Oxidation	0.3	679,154	3,001,968	0.12	9.0	2,220	6.4
543672	Chip	Oxidation	1.0	679,155	3,002,083	0.03	0.1	44	0.9
543727	Chip	Vein	0.4	679,156	3,001,949	**2.66**	2.6	>10,000	1.7
543673	Chip	Oxidation	1.0	679,311	3,002,175	0.68	0.4	17.2	1.1
543687	Chip	Vein	1.0	679,353	3,002,365	0.16	16.2	416	6.0
543686	Chip	Vein	1.0	679,355	3,002,365	0.34	21.9	714	2.7
543688	Chip	Vein	1.0	679,356	3,002,367	0.64	22.7	673	26.3
543681	Chip	Stockwork	0.5	679,544	3,001,897	0.60	3.1	923	1.3
543716	Chip	Stockwork	0.5	679,547	3,001,899	0.50	4.8	953	0.9

As of the date of this MD&A, the option payment in the amount of USD100,000 for the fourth-year of the Cascabel Option Agreement was not made. The satisfaction of this liability will be resolved in due course.

c) Hot Breccia project

On Jan. 29, 2023, the Company entered into a definitive agreement to acquire a 75% interest in the Hot Breccia project located in the Southern Arizona Copper Belt.

The Hot Breccia project consists of 227 mining concessions that lie about four kilometers from the historic Christmas mine which recorded production of about 481.6 Mlbs of copper from 20.2 M tons at a grade of 1.2% Cu plus significant gold and silver (Sources: Arizona Geological Society Spring Field Trip Guide in 2014). The Company has not been able to verify the production information and it is not necessarily indicative of the mineralization on the Hot Breccia property. It is believed that the Hot Breccia property may contain high grade skarn mineralization similar to that originally mined at the Christmas mine and the historical information is being used by the Company solely to plan and guide future exploration.

Dr. Gibson, President and CEO of Prismo stated that “This acquisition agreement gives Prismo exposure to a copper system in the world class Arizona copper belt with possible precious metal values. We anticipate beginning exploration work at the project quickly and expect to be drilling before the end of the year. Prismo has enough cash on hands to meet property payments and minimum exploration expenditures on all its projects, including Hot Breccia, through 2024.”

The Project is currently subject to an option agreement between Infinitum and Walnut. Walnut provided data from several drill holes completed by Bear Creek Mining, a subsidiary of Kennecott Copper Co., on a portion of the property in the 1970's and 80's. Although the data is not complete and not NI 43-101compliant, several intercepts of high-grade mineralization were reported as detailed below. Under the terms of the Hot Breccia Agreement, Prismo paid $350,000 in cash and issued 500,000 common shares of Prismo to Infinitum, in addition to assuming certain earn-in obligations of Infinitum under the option agreement with Walnut, in order to acquire a 75% ownership interest in Hot Breccia.

Prismo Earn-In Obligations to Walnut:

As at January 31	Work Commitments	Property Payments
2024	$500,000	$165,000
2025	$1,000,000	$100,000
2026	$1,750,000	$275,000
2027	$2,000,000	-
Total	**$5,250,000**	**$540,000**

Upon satisfaction of the earn-in obligations and the option being exercised, Prismo and Infinitum will enter into a joint venture agreement whereby Prismo will be the initial operator of the project. After all earn-in obligations are satisfied, Prismo will have acquired 75% of the Hot Breccia property, subject to a 2% NSR royalty to Walnut.

Kennecott drilled seven holes from 1972 to 1981 and Phelps Dodge drilled two holes on and near the current property in the same era.

All drill holes intersected hydrothermal alteration within the volcanic rocks that overlie the typically better mineralized Paleozoic carbonate rocks with increasing alteration intensity downwards. The carbonate host units have several copper intercepts reported to exceed 1% copper and elevated zinc.

Kennecott reported highlights:

OC-1: 77' with 0.54% Cu at 2,100'

OCC-7 60′ of 1.4% Cu, 4.6% Zn at 2900′

OCC-8: 25' with 1.73% Cu and 0.11% Zn at 2,305' and 15' with 1.4% Cu and 0.88% Zn at 2,350'

Phelps Dodge drill hole PD 2 reported:

1,270 feet of variably mineralized skarn with several intercepts over 1% copper and a high of 3.16% copper

The source for the drill hole data above is Keating, L. DSc, CPG (2021): "The HotBx Claims, Winkelman, Pinal County, Arizona". Data package prepared for Infinitum Copper Corp. by Walnut Mines LLC.

The drill data presented in the Company's January 9th, 2023 press release is incomplete and is not qualified under NI 43-101, but is believed to be accurate. The Company has not verified the historic data presented and it cannot be relied upon, and it is being used solely to aid in exploration plans.

Drill hole data for holes from the Kennecott program

Hole	Easting	Northing	Elev. (ft)	Azim	Incl	Depth (ft)
OC-1	526,901	3,653,535	Unknown	Vert	-	2406
OC-2	526,090	3,653,577	Unknown	Vert	-	+970?
OC-3	527,117	3,653,763	Unknown	Vert	-	+970?
UnknownOC-5	525,869	3,653,946	Unknown	Vert	-	+500?
OCC-6	526,890	3,653,709	2,520	Vert	-	3,704
OCC-7	527,078	3,653,356	2,500	Vert	-	3,587
OCC-8	526,957	3,653,368	2,500	Vert	-	2,908

Coordinates in UTM NAD27 estimated from drill logs.

On June 16, 2023, the Company provided an update on exploration, including completion a surface survey for an environmental report, the contracting of an airborne ZTEM geophysical survey, and initial results of a LiDAR survey conducted over the area of historic drilling at Hot Breccia. On July 11, 2023, the Company announced that the airborne ZTEM geophysical survey had been completed, and also announced assay results for initial sampling at the project.

Highlight assays for samples from Hot Breccia

Sample	Type	Sampler	Width (m)	Easting	Northing	Cu_%	Au g/t
74304	Chip	Vendor, 1989		525,879	3,653,846	-	0.13
75000	Chip	Vendor, 1989		527,574	3,654,602	-	**2.1**
84835	Chip	Vendor, 1989		526,967	3,653,733	**1.28**	0.062
84836	Selected	Vendor, 1989		526,175	3,652,946	-	**18**
84837	Selected	Vendor, 1989		526,153	3,652,908	**0.55**	**28**
84838	Chip	Vendor, 1989		526,054	3,653,161	-	0.125
84839	Chip	Vendor, 1989		526,030	3,653,200	-	0.1
84841	Chip	Vendor, 1989		525,862	3,653,505	-	0.375
84843	Selected	Vendor, 1989		525,700	3,654,197	-	**1.2**
84844	Selected	Vendor, 1989		525,665	3,654,294	-	**2.4**
84845	Chip	Vendor, 1989		525,734	3,654,348	-	0.53
W147767	Chip	Vendor, 2023	1.5	526,911	3,653,668	-	0.18
W147768	Subcrop grab	Vendor, 2023	2.0	526,971	3,653,681	**1.17**	0.074
22006	Selected	Prismo	0.2 x 0.5	526,703	3,654,137	-	0.334
22007	Chip-channel	Prismo	0.5	526,529	3,653,988	-	0.404
22008	Channel	Prismo	1	526,053	3,652,802	**1.11**	**3.75**
22013	Selected	Prismo	1	526,901	3,653,654	0.21	0.005

Coordinates in WGS84.

After the reporting period, on February 9th, the Company announced that priority drill targets had been identified at Hot Breccia through the ZTEM survey, where a large conductive body was identified at depth below the surface exposure of a large dike swarm that hosts the namesake breccias. Anomalous copper and gold assays are locally present at the surface in this area (see press release of July 11, 2023), and high-grade copper and zinc assays are present above this anomaly in historic drill holes completed by major copper producers in the 1970's and early 1980's (see press release of January 29, 2023). While a ll of the historic drill holes intersected hydrothermal alteration within the volcanic rocks that overlie the typically better mineralized Paleozoic carbonate rocks with increasing alteration intensity downwards, no historic drilling targeted this newly identified conductive zone identified in Prismo's ZTEM survey . The carbonate host units above the anomaly have several copper intercepts reported to exceed 1% copper and elevated zinc levels.

Dr. Craig Gibson, President and CEO commented: "The ZTEM survey conducted in 2023 has identified a priority conductive anomaly at depth that appears to be related to a dike swarm with associated polymictic breccia. We are looking forward to drilling this target which has characteristics that are similar to the mineralized copper and base metal deposits at the adjacent Christmas mine, an important historic producer and location of an unmined porphyry copper deposit owned by Freeport. The project is also located along the trend of several very large porphyry copper deposits, including Resolution, 40 km to the north, and San Manuel / Kalamazoo 35 km to the south."

On March 4th the Company announced that it had engaged ExploreTech Inc. to apply xFlare, their Artificial Intelligence (AI)-Optimized drill planning solution, to its Hot Breccia Project where a number of features suggests well mineralized Arizona-style Copper Porphyry lies at depth. The xFlare AI approach is specifically designed to combine surface geology and drilling results with computationally intensive remodeling of existing geophysical datasets to optimize targeting of covered targets. The process quickly generates thousands of solutions that cluster on the best fits between the geological and geophysical data and then generates drillhole trajectories designed to cut those clusters most effectively.

On March 26th the Company announced further results for samples taken in February during ther ongoing exploration program at. The Hot Breccia property hosts a cluster of hydrothermal breccias originating from at least 1 kilometre depth that incorporated a wide range of wallrock fragments including variably copper and gold mineralized sedimentary and intrusive units. Assay results **include a fragment of mineralized magnetite skarn encased within a quartz diorite porphyry that assayed 5.69% copper, 0.24 g/t gold and 32.8 g/t silver**.

Assays for samples taken in February from Hot Breccia

Sample	Easting	Northing	Type	Width (m)	Cu_%	Au_g/t	Ag_g/t
256613	526,484	3,653,645	Dump	-	**0.98**	**6.5**	1.4
256614	527,025	3,654,496	Dump	-	0.24	0.7	1.6
256615	526,754	3,654,359	Chip	0.5	0.02	**9.7**	2.5
256616	526,563	3,653,713	Chip	0.5	0.02	0.3	0.5
256617	526,843	3,654,224	Chip	0.2	0.04	**2.2**	3.2
256618	525,978	3,653,864	Chip	2.3	0.10	0.6	9.5
256619	525,979	3,653,898	Selected	0.5	0.00	0.0	0.1
256621	527,204	3,654,235	Chip	2.0	0.12	0.1	7.3
256622	527,276	3,653,903	Chip	2.5	**0.40**	1.8	1.6

256623	527,581	3,654,583	Channel	0.8	0.14	0.6	10.9
256624	527,525	3,654,538	Channel	1.2	0.03	**4.7**	**50.7**
256625	527,174	3,654,280	Chip	1.2	0.01	0.0	1.2
256626	526,781	3,652,615	Chip	0.8	0.01	**2.6**	5.7
256627	526,770	3,652,485	Chip		0.03	0.0	0.8
256628	526,777	3,652,470	Chip	0.7	0.00	0.0	0.5
256629	526,817	3,652,229	Chip	1.0	0.00	<0.005	0.1
256630	526,670	3,652,304	Chip	1.5	**0.68**	0.0	2.6
256631	526,213	3,652,904	Chip	0.4	0.00	0.8	0.4
256632	526,160	3,652,867	Chip	1.2	**1.86**	0.2	1.7
256633	526,138	3,652,852	Chip	1.6	**0.67**	1.2	1.7
256634	526,609	3,654,216	Chip	0.9	0.02	0.2	1.1
256635	526,555	3,654,221	Selected	0.2	0.02	**2.9**	2.1
256636	526,578	3,654,232	Dump	Dump	0.01	**3.6**	2.2
256637	525,734	3,654,260	Chip	2.5	0.00	0.0	0.0
256638	525,699	3,654,310	Dump	Dump	0.01	**5.6**	1.1
256639	525,754	3,654,322	Chip	0.4	0.00	**2.1**	0.7
256641	526,123	3,654,474	Chip	1	0.02	0.5	4.3
256642	525,974	3,654,483	Chip	1.5	0.03	0.3	0.8
256643	525,905	3,654,416	Dump	Dump	0.01	**2.4**	0.4
256644	526,935	3,653,704	Selected	Grab	**5.69**	0.2	**32.8**

Coordinates in WGS84.

As of the date of this MD&A, the option payment in the amount of USD100,000 for the second-year of the Option Agreement was not made. The satisfaction of this liability will be resolved in due course. A shortfall in exploration expenditures was settled by issuing shares to the property vendors.

The following amounts have been invested in exploration and evaluation assets:

	CAD
Balance December 31, 2021	**$ 927,300**
ProDeMin Project	
Concession payments under the ProDeMin option-paid	15,000
Palos Verdes remaining 25% option-cash	223,134
Drilling and related	724,560
Payment under the ProDeMin option for remaining 25%	19,426
Other	128,595
Addition to ProDeMin Project	1,110,715
Balance December 31, 2022	**$ 2,038,015**
Palos Verdes Project	
Palos Verdes option for remaining 25% - cash	162,173
Concession payments under Cascabel option	111,795
Drilling and related	1,606,457
Other	20,183
	1,900,608
Hot Breccia project	
Option payment	616,316
Drilling and related	89,642
Other	234,163
	940,121
Los Pavitos Project	
Option payment	229,964
Drilling	640,889
Other	70,699
	941,552
Balance, December 31, 2023	**$ 5,820,296**

Technical Information

Prismo's disclosure of a technical or scientific nature has been reviewed and approved by Dr. Peter Craig Gibson, Ph.D., Director, President and Chief Executive Officer of the Company and a Qualified Person ("QP") under the definition of National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

Transactions with Related Parties

The following transactions with related parties took place:

	2023	2022
Consulting fees paid or accrued to a company controlled by the former Chief Financial Officer of the Company:	**$ -**	$ 6,279
Consulting fees paid to the Chief Executive Officer of the Company for supervision of exploration programs:	**93,812**	117,421
Accounting fees paid to Marrelli Support Services Inc., a company controlled by the Chief Financial Officer of the Company:	**36,448**	35,847
Share-based payments	**660,191**	72,365

In addition to the above transactions, both the ProDeMin Option and the Cascabel Option are related party transactions, as ProDeMin is controlled by a director of the Company, and two directors of the Company have an interest in the project related to the Cascabel option.

The following amounts were due to related parties:

	December 31, 2023	**December 31, 2022**
Amounts owed to the President of the Company in consulting fees and reimbursable expenses	**$ 26,823**	$ 25,103
Amounts owed to Marrelli Support Services Inc., a company controlled by the Chief Financial Officer of the Company	**25,634**	2,587
Amount owed to a company controlled by the directors of the Company	**10,899**	4,067
	$ 63,356	$ 31,757

Off-Balance Sheet Arrangements

As of the date of this filing, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company including, without limitation, such considerations as liquidity and capital resources that have not previously been discussed.

Proposed Transactions

There are no proposed transactions of a material nature being considered by the Company. The Company continues to evaluate properties and corporate entities that it may acquire in the future.

Accounting Policies

Please refer to notes 2 and 3 to the annual audited consolidated financial statements for the year ended December 31, 2023, for a complete description of the basis of presentation and the accounting policies followed, respectively.

Capital Management

The Company's objective when managing capital is to maintain a flexible capital structure for its projects for the benefit of its stakeholders. Capital is comprised of the Company's shareholders' equity. The Company's main source of funds is from the funds received from private and or public investors.

The Company manages the capital structure and makes appropriate adjustments to it based upon changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets.

The Company's investment policy is to invest its available cash in Canadian chartered banks and from time to time in guaranteed term deposits at fixed interest rates established at the time of investment. The Company considers cash to include amounts held in banks. The Company will place its cash with institutions of high credit worthiness.

The Company is not subject to any externally imposed capital requirements and there has been no changes in approach for the years presented.

Financial Instruments

The Company classifies cash, receivables, accounts payable and accrued liabilities, short-term loans and due to related parties at amortized cost. At present, the Company does not have any FVTPL or FVTOCI financial assets.

The Company provides disclosures that enable users to evaluate (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the date of the statement of financial position, and how the entity manages these risks.

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial risk factors

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

Currency Risk

As at December 31, 2023, all of the Company's cash were held either in Canadian dollars or US dollars. The Company incurs expenditures in Canada and Mexico, and as such is exposed to currency risk associated with these costs. However, at this stage, the Company believes that the currency risks are immaterial. A 10% change in rates, based on USD balance of cash would affect the Company by $347, during a twelve-month period.

Interest rate and credit risk

The Company's credit risk is primarily attributable to cash and receivables. The Company has no significant concentration of credit risk arising from operations. Financial instruments included in receivables consist of goods and services tax due from the Federal Government of Canada. Management believes that the credit risk concentration with respect to financial instruments included in receivables is remote. The Company has cash balances subject to interest. Management does not believe the Company is exposed to significant interest rate risk. In the event that the Company held interest bearing debt, the Company could be exposed to interest rate risk. However, the Company does not have any interest-bearing debt.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2023, the Company had a cash balance of $132,792 to settle current liabilities of $1,391,271. The Company's ability to continue operations and fund its exploration property expenditures is dependent on management's ability to secure additional financing. Management is continuing to pursue various financing initiatives in order to provide sufficient cash flow to finance operations as well as funding its exploration expenditures. The Company's financial liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms.

Price risk

The Company's marketable securities are subject to fair value fluctuations. As at December 31, 2023, if the fair value of the Company's marketable securities had increased/decreased by 20% with all other variables held constant, profit and loss for the year ended December 31, 2023, would have been approximately $253,500

lower/higher. Similarly, as at December 31, 2023, the Company's reported shareholders' equity would have been approximately $253,500 higher/lower as a result of a 20% increase/decrease in marketable securities.

Risk Factors

The Company's principal business activities are the acquisition, exploration, and definition of potentially economically viable mineral resource deposits on mineral properties, which, by nature, are speculative. Companies in this industry are subject to many and varied kinds of risks, including but not limited to; environmental, fluctuating commodity prices, social, political, financial and economics. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practicable. Due to the high-risk nature of the Company's business and the present stage of the Company's various mineral properties, an investment in the Company's common shares should be considered a highly speculative investment that involves significant financial risks, and prospective investors should carefully consider all of the information disclosed in this MD&A, the risk factors discussed below, and the Company's other public disclosures, prior to making any investment in the Company's common shares.

The risk factors described below do not necessarily comprise all of the risks and uncertainties that the Company faces. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also adversely affect the Company's business, results of operations, financial results, prospects and price of common shares. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

Mineral Property Exploration and Mining Risk

Mineral exploration and development are highly speculative and are characterized by a number of significant inherent risks, which may result in the inability to successfully develop a project for commercial, technical, political, regulatory or financial reasons, or if successfully developed, may not remain economically viable for their mine life owing to any of the foregoing reasons. The Company's ability to identify Mineral Resources in sufficient quantity and quality to justify development activities and/or its ability to commence and complete development work and/or commence and/or sustain commercial mining operations at any of its projects will depend upon numerous factors, many of which are beyond its control, including exploration success, the obtaining of funding for all phases of exploration, development and commercial mining, the adequacy of infrastructure, geological characteristics, metallurgical characteristics of any deposit, the availability of processing and smelting capacity, the availability of storage capacity, the supply of and demand for silver and other metals, the availability of equipment and facilities necessary to commence and complete development, the cost of consumables and mining and processing equipment, technological and engineering problems, accidents or acts of sabotage or terrorism, civil unrest and protests, currency fluctuations, changes in regulations, the availability of water, the availability and productivity of skilled labour, the receipt of necessary consents, permits and licenses (including mining licenses), and political factors, including unexpected changes in governments or governmental policies towards exploration, development and commercial mining activities.

Financing and Share Price Fluctuation Risk

The Company has no source of operating cash flow and has no assurance that additional funding will be available to it for further exploration and development of its mineral properties. Future exploration and development of the Company's mineral properties may be dependent upon the Company's ability to obtain financing through equity, debt or other means. There can be no assurance that needed financing will be available in a timely or economically advantageous manner, or at all. Failure to obtain sufficient financing could result in delay or indefinite postponement of further exploration and development on any or all of its mineral properties which could result in the loss of its property, in which case, the Company's ability to operate would be adversely affected. To obtain substantial additional financing, the Company may have to sell additional securities including, but not limited to, its common shares or some form of convertible securities, the effect of which may result in substantial dilution of the present equity interests of the Company's shareholders. In recent years, securities markets have experienced a high degree of price and volume volatility, and the market price of securities of many companies,

particularly those considered to be exploration stage companies such as the Company, have experienced wide fluctuations in share prices which have not necessarily been related to their operating performance, underlying asset values or prospects. There can be no assurance that these kinds of share price fluctuations will not continue to occur in the future, and if they continue to occur, how severe the impact may be on the Company's ability to raise additional funds through equity issues.

Trends

The Company's financial success is dependent upon the discovery of mineral resources which could be economically viable to develop. Such development could take years to complete and the resulting income, if any, is difficult to determine. The sales value of any mineralization discovered by the Company is largely dependent upon factors beyond the Company's control, such as market value of the products produced and availability of capital from the public marketplace. Other than as disclosed herein, the company is not aware of any trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect on the Company's results or financial position.

Macro-Economic Risks

Economic and geopolitical events may create uncertainty in global financial and equity markets. The global debt situation may cause increased global and political financial instability resulting in downward price pressure for many asset classes and increased volatility and risk spreads. Additionally, if a public health crisis, such as an epidemic or pandemic related to COVID-19 or another virus, terrorist activity, armed conflict or political instability, including as a result of the invasion of Ukraine by Russia in February of 2022, or natural disaster occurs in Canada, Mexico, the United States or other locations, such events could cause macro-economic conditions to deteriorate, cause supply chain shortages or otherwise negatively impact the Company's operations. Difficult, or worsening general economic conditions, including on account of recessions or increased inflation, could have a material adverse effect on the Company's business, financial condition, and operating results. Such disruptions could also make it more difficult for the Company to obtain financing for its operations, or increase the cost of such financing, among other things. If the Company is unable to raise capital when needed or access capital on reasonable terms, it could have a material adverse effect on the Company's business.

Inflation Risks

Inflation rates in the jurisdictions in which the Company operates have continued to increase. This upward pressure can be largely attributed to the rising cost of labour and energy, as well as continuing global supply-chain disruptions, with global energy costs increasing significantly following the invasion of Ukraine by Russia in February of 2022. These inflationary pressures may affect the Company's input costs and such key pressures may not be transitory. Any continued upward trajectory in the inflation rate for the Company's inputs may have a material adverse effect on the Company's operating and capital expenditures for the development of its projects as well as its financial condition and results of operations.

Global Financial Risks

Global financial conditions have been subject to continued volatility, most recently when considering the numerous interest rate hikes in Canada and the United States and the significant fluctuations in fuel, energy costs and metal prices. Government debt, the risk of sovereign defaults, political instability and wider economic concerns in many countries have been causing significant uncertainties in the markets. Disruptions in the credit and capital markets can have a negative impact on the availability and terms of credit and capital. Uncertainties in these markets could have a material adverse effect on the Company's liquidity, ability to raise capital and cost of capital. High levels of volatility and market turmoil could adversely affect commodity prices, demand for metals, including silver, exchange rates and interest rates and have a detrimental effect on the Company's business, financial condition and financial performance including a possible negative impact on the market price of the Company's securities.

Operating Hazards and Risks

Mineral exploration involves many risks. The operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of resources, any of which could result in work stoppages and damage to persons or property or the environment. and possible legal liability for any and all damages. Fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are some of the risks involved in the operation of mines and the conduct of exploration programs. Although the Company will,

when appropriate, secure liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities might exceed policy limits, the liability and hazards might not be insurable, or the Company might elect not to insure itself against such liabilities due to high premium costs or other reasons, in any of which events the Company could incur significant costs that could have a material adverse effect upon its financial condition.

Economics of Developing Mineral Properties

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract metal from ore and to develop the mining and processing facilities and infrastructure at any site chosen for mining. No assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis. The marketability of any minerals acquired or discovered may be affected by numerous factors which are beyond the Company's control and which cannot be predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. Depending on the price of minerals produced, the Company may determine that it is impractical to commence or continue commercial production.

Ownership of Property Interests and Assets

Although the Company has exercised the usual due diligence with respect to title to properties in which it has a material interest, there is no guarantee that title to the properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers or land claims and title may be affected by undetected defects. In addition, certain of the mining claims in which the Company has an interest are not recorded in the name of the Company and cannot be recorded until certain steps are taken by other parties. Before a number of claims under option can be recorded in the Company's name, the underlying title holder has to assign title to the Company once the Company satisfies its option agreement obligations. There are no assurances that the underlying title holder will assign title.

In order to satisfy itself of its ownership of its property interests in Mexico, the Company has, among other things: (i) obtained and reviewed title opinions from certain local law firms in Mexico; (ii) obtained and reviewed certificates of compliance issued by the appropriate governmental officials in Mexico; (iii) conducted searches in Mexico; and (iv) reviewed, negotiated and executed various agreements with the Government of Mexico relating to the acquisition and/or transfer of certain mining titles and concessions.

Environmental Factors

The Company conducts exploration activities in various parts of Mexico and Arizona. Such activities are subject to various laws, rules and regulations governing the protection of the environment, including, in some cases, posting of reclamation bonds. Extensive environmental legislation has been enacted in the jurisdictions in which the Company conducts its exploration activities by federal, state and municipal governments. All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which requires stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed properties and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations or to preclude entirely the economic development of a property. Environmental hazards may exist on the Company's properties, which hazards are unknown to the Company at present, which have been caused by previous or existing owners or operators of the properties. The Company is not aware of any environmental hazards on any of the properties held or formerly worked by the Company. The approval of new mines is subject to detailed review by regulatory authorities and there is no assurance that such approval can be obtained. Further, under such review process, there is no assurance that regulatory and environmental approvals will be obtained on a timely basis or at all. Failure to comply with the legislation may have serious consequences. Orders may be issued requiring operations to cease or be curtailed or requiring installation of additional facilities or equipment. Violators may be required to compensate those suffering loss or damage by reason of its mining activities and may be fined if convicted of an offense under such legislation.

Applicable mining and environmental laws establish requirements for the decommissioning, reclamation and rehabilitation of mining properties in a state of temporary or permanent closure. Such closure requirements relate to the protection and restoration of the environment and the protection of the public safety. Some former mining properties must be managed for long periods of time following closure in order to fulfill closure requirements. The costs of closure of mining properties, and, in particular, the cost of long-term management of mining properties can be substantial. The Company intends to progressively rehabilitate its mining properties during their period of operation, should any properties become operational, so as to reduce the cost of fulfilling closure requirements after the termination or suspension of production.

The Company has adopted environmental practices designed to ensure that it continues to comply with or exceeds all environmental regulations currently applicable to it. All of the Company's activities are in compliance in all material respects with applicable environmental legislation. The Company is currently engaged in exploration with minimal environmental impact.

Community Relations Risk

The Company's relationships with the communities in which it operates, and other stakeholders are critical to ensure the future success of the development of its properties. There is an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. Publicity adverse to the Company, its operations or extractive industries generally, could have an adverse effect on the Company and may impact relationships with the communities in which the Company operates and other stakeholders. While the Company is committed to operating in a socially responsible manner, there can be no assurance that its efforts in this respect will mitigate this potential risk. Further, damage to the Company's reputation can be the result of the perceived or actual occurrence of any number of events, and could include any negative publicity, whether true or not. The increased usage of social media and other web-based tools used to generate, publish and discuss user-generated content and to connect with other users has made it increasingly easier for individuals and groups to communicate and share opinions and views in regard to the Company and its activities, whether true or not. While the Company strives to uphold and maintain a positive image and reputation, the Company does not ultimately have control over how it is perceived by others. Reputation loss may lead to increased challenges in developing, maintaining community relations and advancing its projects and decreased investor confidence, all of which may have a material adverse impact on the financial performance and growth of the Company.

Litigation Risk

All industries, including the mining industry, may be made subject to legal claims and proceedings, with and without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit. The Company may also in the future become the subject of a legal claim or proceeding at any time, and without advance notice of the commencement of the proceeding. To the extent the Company becomes subject to any such claim or proceeding, it may materially impact management's time and the Company's financial resources to defend, even if it is without merit. As well, due to the inherent uncertainty of the litigation process, the resolution of any particular legal claim or proceeding could have a material adverse effect on the Company's business, results of operations, financial condition (including its cash position) and prospects.

Climate Change Risk

The potential physical impacts of climate change on the Company's exploration projects is highly uncertain and are particular to the geographic circumstances. These may include changes in rainfall and storm patterns and intensities, water shortages, changing sea levels and changing temperatures. The Company's future exploration

and work programs may require water and a lack of necessary water could disrupt exploration programs and adversely impact future development and mining activities. Climate change is an international concern and as a result poses the risk of changes in government policy including introducing climate change legislation and treaties at all levels of government that could result in increased costs. The trend towards more stringent regulations and carbon-pricing mechanisms aimed at reducing the effects of climate change could impact the Company's decision to pursue future opportunities, or maintain our existing exploration programs, which could have an adverse effect on our business.

Fluctuations in the Price of Consumables Risk

Fluctuations in the prices and availability of consumables used in connection with exploration, development and mining, such as natural gas, diesel, oil, electricity and reagents can significantly impact the operating cost of exploration and mining activities. These fluctuations can be unpredictable, can occur over short periods of time and may have a materially adverse impact on operating costs, the costs of exploration, and the timing and future costs of undeveloped properties.

Foreign Currency Risk

The Company's reporting currency is the Canadian dollar. Exploration activities in Mexico are primarily incurred in Mexican pesos, exploration activities in the USA are primarily incurred in US dollars, and administrative activities in Canada are mainly incurred in Canadian dollars. Exchange rate fluctuations in these currencies are beyond the Company's control and such fluctuations could have an adverse effect on the Company's exploration and development activities, financial condition, results of operations, business and prospects.

History of Losses Risk

The Company has no history of generating profits and has incurred losses since its inception. The Company expects to continue to incur losses in the future until such time that it develops its properties, commences mining operations and derives sufficient revenues from its operating activities. The amount and timing of expenditures will depend on a number of factors, some of which are beyond the Company's control, including, but not limited to, the progress of exploration and development activities and the rate at which operating losses accumulate. There can be no assurance that the Company will generate operating revenues or profits in the future.

Licensing and Permitting Risk

The Company's operations are subject to receiving and maintaining licenses, permits and approvals from appropriate government authorities. Although the Company's projects have all required licenses, permits and approvals that the Company believes are necessary for operations as currently conducted, no assurance can be provided that the Company will be able to maintain and renew such permits or obtain any other permits that may be required.

Insured and Uninsurable Risks

In the course of exploration, development and production of mineral properties, the Company is subject to a number of hazards and risks in general, including adverse environmental conditions, operational accidents, labor disputes, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods, and earthquakes. Such occurrences could result in damage to the Company's properties or facilities and equipment, personal injury or death, environmental damage to properties of the Company or others, delays, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers reasonable, its insurance may not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums or for other reasons. Should such liabilities arise, they could reduce or eliminate future profitability and result in increased costs, have a material adverse effect on the Company's results and could cause a decline in the value of the securities of the Company.

Competition and Agreements with Other Parties

The Company competes with other mining companies for the acquisition of mineral claims and other mining interests as well as for the recruitment and retention of qualified employees and contractors. There is significant and increasing competition for a limited number of resource acquisition opportunities and as a result, the Company may be unable to acquire attractive mining properties on terms it considers acceptable. The Company competes with other companies that may have substantially greater financial resources than the Company. The Company may, in the future, be unable to meet its obligations under agreements to which it is a party and the Company may have its interest in the properties subject to such agreements reduced as a result. Furthermore, if other parties to such agreements do not meet their share of such costs, the Company may be unable to finance the cost required to complete recommended programs.

Metals Prices

The Company's revenues, if any, and ability to attract equity financing is expected to be in large part derived from the discovery of mineral properties and the sale of minerals contained or interests related thereto. The price of those commodities has fluctuated widely, particularly in the last three years, and is affected by numerous factors beyond the Company's control including international economic and political conditions, expectations of inflation, international currency exchange rates, interest rates, global or regional consumptive patterns, speculative activities, levels of supply and demand, increased production due to new mine developments and improved mining and production methods, availability and costs of metal substitutes, metal stock levels maintained by producers and others and inventory carrying costs. The effect of these factors on the price of base and precious metals, and therefore the economic viability of the Company's operations, cannot accurately be predicted.

Acquisition and Integration Risk

As part of its business strategy, the Company has sought and will continue to seek new development and exploration opportunities in the mining industry. In pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable arrangements, including arrangements to finance acquisitions or integrate the acquired business and their personnel into the Company. The Company can provide no assurances that it will complete any acquisition or business arrangement that it pursues, or is pursing, on favourable terms, if at all, or that any acquisition or business arrangement completed will ultimately benefit such business. Such acquisitions may be significant in size, relative to the Company, may change the scale of the Company's business and may expose the Company to new geographic, political, operating, financial and geological risks. Further, any acquisition the Company makes will require a significant amount of time and attention of management, as well as resources that otherwise could be spent on the operation and development of the Company's existing business.

Retention of Key Personnel Risk

The Company's business is dependent on retaining the services of a number of key personnel of the appropriate calibre as the business develops. The Company's success is, and will continue to be dependent on, the expertise and experience of the directors and senior management, and the loss of one or more of such persons could have a material adverse effect on the Company.

Conflicts of Interest

Certain of the Directors and Officers of the Company are also in their personal capacities, or as Directors or Officers of other companies, engaged in mineral exploration and development. Accordingly, exploration opportunities or prospects of which they become aware may not necessarily be made available to the Company. The Directors and Officers intend to allocate opportunities or prospects from time to time on the basis of prudent business judgment. The Directors are required by law to act honestly and in good faith with a view to the best interest of the Company and its shareholders and to disclose any personal interest which they may have in any material transaction which is proposed to be entered into with the Company and to abstain from voting as a director for the approval of such transaction.

Price Fluctuations: Share Price Volatility

In recent years, the international securities markets have experienced high levels of price and volume volatility, and the market prices of securities of many mineral exploration companies have experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that the continual fluctuations in market price will not occur which may impact the Company's market capitalization as well as its ability to facilitate equity financing.

Foreign Operations Risk

The Company's operations are currently conducted in Mexico and the state of Arizona, in the United States. These operations are subject to various levels of political, economic and other risks and uncertainties. These risks and uncertainties vary from country to country and may include: extreme fluctuations in currency exchange rates; high rates of inflation; labour unrest; risks of war or civil unrest; expropriation and nationalization; renegotiation or nullification of existing concessions, licences, permits and contracts; illegal mining; corruption; restrictions on foreign exchange and repatriation; restrictions or travel; hostage taking; security issues (including theft); changing political conditions; and currency controls. In addition, the Company must comply with multiple and potentially conflicting regulations in Canada, Mexico, and the United States, including export requirements, taxes, tariffs, import duties and other trade barriers, as well as health, safety and environmental requirements.

Although the Company strives to maintain good relations with the local communities in the jurisdictions in which it operates, local opposition to mine development projects could arise. There can be no assurance that such local opposition will not arise with respect to the Company's foreign operations. If the Company were to experience resistance or unrest in connection with its operations, it could have a material adverse effect on its operations.

Changes, if any, in mining or investment policies or shifts in political attitude in Mexico or the United States may adversely affect the Company's operations or profitability. Operations may be affected in varying degrees by government regulations with respect to matters including restrictions on production, price controls, export controls, currency controls or restrictions, currency remittance, income and other taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims, water use and mine safety. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure could result in loss, reduction or expropriation of entitlements or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

In addition, Mexico and the United States have significantly different laws and regulations than Canada and there are cultural and, in the case of Mexico, language differences with Canada. Also, the Company faces challenges inherent in efficiently managing employees over large geographical distances, including the challenges of staffing and managing operations in various international locations and implementing appropriate systems, policies, benefits and compliance programs. These challenges may divert management's attention to the detriment of the Company's other operations. There can be no assurance that difficulties associated with the Company's foreign operations can be successfully managed.

In the future, the Company may choose to operate in foreign jurisdictions other than Mexico and the United States. Such operations would inherently be subject to various levels of political, economic and other risks and uncertainties.

Government Regulation

The Company's mineral exploration activities will be subject to various laws governing prospecting, mining, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land

use, water use, land claims of local people and other matters. No assurance can be given that the new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner that could limit, suspend, terminate or curtail production or development. Government approvals and permits are currently, and may in the future be, required in connection with the Company's operations. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed

on them for violations of applicable laws or regulations. Amendments to current laws and regulations governing operations or more stringent implementation thereof could have a substantial adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in the development of new mining properties.

The Company is at the exploration stage on all of its properties. Exploration on the Company's properties requires responsible best exploration practices to comply with Company policy, government regulations, and maintenance of claims and tenure. The Company is required to be registered to do business and have a valid prospecting license in any territory in which it is carrying out work. In Mexico, mineral exploration primarily falls under federal jurisdiction, but there are state, municipal, local and community issues to be addressed.

If any of the Company's projects are advanced to the development stage, those operations will also be subject to various laws and regulations concerning development, production, taxes, labour standards, environmental protection, mine safety and other matters. In addition, new laws or regulations governing operations and activities of mining companies could have a material adverse impact on any project in the mine development stage that the Company may possess.

Surface Exploration Rights

The Company does not own all of the surface rights at its properties and there is no assurance that surface rights owned by the government or third parties will be granted, nor that they will be on reasonable terms if granted. Failure to acquire surface rights may impact the Company's ability to access its properties, as well as its ability to commence and/or complete construction or production, any of which would have a material adverse effect on the profitability of the Company's future operations.

Impact of the Russia-Ukraine Conflict Risk

On February 24, 2022, Russian military forces launched a full-scale military invasion of Ukraine. In response, the Ukrainian military and civilians are actively resisting the invasion. The outcome of the conflict is uncertain and is likely to have wide ranging consequences on the peace and stability of the region and the world economy. Certain countries including Canada and the United States, have imposed strict financial and trade sanctions against Russia and such sanctions may have far reaching effects on the global economy. As Russia is a major exporter of oil and natural gas, the disruption of supplies of oil and natural gas from Russia could cause a significant worldwide supply shortage of oil and natural gas and significantly impact pricing of oil and gas worldwide.

A lack of supply and high prices of oil and natural gas could have a significant adverse impact on the world economy. The long-term impacts of the conflict and the sanctions imposed on Russia remain uncertain.

Cautionary note for USA readers

As a Canadian corporation, the Company is subject to certain rules and regulations issued by the Canadian securities regulators such as the British Columbia Securities Commission, Alberta Securities Commission, Ontario Securities Commission and other provincial regulators as may be required. The Company is required to provide detailed information regarding its properties including mineralization, drilling, sampling and analysis, on security of samples and mineral reserve estimates. Further, the Company describes any mineral resources associated with its properties utilizing terminology such as “inferred” or “indicated” which are terms recognized by Canadian securities regulators but not recognized by the United States' Securities and Exchange Commission.

Management's Responsibility Over Financial Information

The Company's management is responsible for presentation and preparation of the quarterly and annual consolidated financial statements and the MD&A. These consolidated financial statements have been prepared in accordance with IFRS. The MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators.

The quarterly and annual consolidated financial statements and information in the MD&A necessarily include amounts based on informed judgments and estimates of the expected effects of current events and transactions with appropriate consideration to materiality. In addition, in preparing the financial information we must interpret the requirements described above, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect reported information. The MD&A also includes information regarding the impact of current transactions and events, sources of liquidity and capital resources, operating trends, risks and uncertainties. Actual results in the future may differ materially from our present assessment of this information because future events and circumstances may not occur as expected.

Outstanding Share Data

As at the date of this MD&A, the Company had a total of 45,097,081 common shares issued and outstanding. An additional 6,097,206 common shares are subject to issuance pursuant to the exercise of warrants. Each warrant will be exercisable to acquire one common share at a price of $0.10 to $0.75 per common share with an expiry date of August 12, 2024, to April 5, 2026. An additional 3,950,000 common shares are subject to issuance pursuant to the exercise of stock options. Each stock option will be exercisable to acquire one common share at a price of $0.125 to $0.460 per common share with an expiry date of July 7, 2024, to April 9, 2029. An additional 1,550,000 common shares are subject to issuance pursuant to the exercise of SARs. Each SARs will be exercisable to acquire one common share at a price of $0.285 to $0.475 per common share with an expiry date of January 8, 2028, to April 9, 2029. An additional 687,500 common shares are subject to issuance pursuant to the exercise of RSUs. Each RSUs will be exercisable to acquire one common share at a price on the vesting date.

Disclosure of Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that the consolidated financial statements (i) do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, and (ii) fairly present in all material respects the financial condition, results of operations and cash flow of the Company, in each case as of the date of and for the periods presented by such statements.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate filed by the Chief Executive Officer and Chief Financial Officer of the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as such terms are defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with IFRS.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of the Company's certifying officers of a venture issuer to design and

implement, on a cost-effective basis, DC&P and ICFR may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports required to be provided under securities legislation.

For further information, the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the annual filings on SEDAR+ at [www.sedarplus.ca.](http://www.sedarplus.ca)

Legal Proceedings

As at the date of this document, there were no legal proceedings against or by the Company.

Cautionary Note Regarding Forward-Looking Statements

This MD&A contains certain "forward-looking information" as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "budgeted", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved.

The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statements. The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Forward-looking statements	Assumptions	Risk factors
Regardless of whether the Company discovers a significant precious or base metal deposit, its working capital of $142,217 as at December 31, 2023 additional financings will be required to fund future exploration for the twelve-month period ending December 31, 2024	The operating and exploration activities of the Company for the twelve-month period ending December 31, 2024, and the costs associated therewith, will be consistent with the Company's current expectations; and equity markets, exchange and interest rates and other applicable economic conditions will be favourable to the Company	Unforeseen costs to the Company will arise; any particular operating cost increase or decrease from the date of the estimation; changes in operating and exploration activities; changes in economic conditions; timing of expenditures.
The Company's properties may contain economic deposits of minerals	The actual results of the Company's exploration and development activities will be favourable; operating, exploration and development costs will not exceed the Company's expectations; all requisite regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions are favourable to the Company; the price of applicable commodities and applicable interest and exchange rates will be favourable to the Company; no title disputes exist or will arise with respect to the Company's properties; and the Company has or will obtain adequate property rights to support its exploration and development activities	Commodity price volatility; uncertainties involved in interpreting geological data and confirming title to acquired properties; inability to secure necessary property rights; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; environmental compliance and changes in environmental and other applicable legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions
The Company's anticipated business plans, including costs and timing for future exploration on its property interests and acquisitions of additional mineral resource properties or interests therein	The exploration activities of the Company and the costs associated therewith, will be consistent with the Company's current expectations; and equity markets, exchange and interest rates and other applicable economic conditions will be favourable to the Company; financing will be available for the Company's exploration and development activities on favourable terms; the Company will be able to retain and attract skilled staff; all applicable regulatory and governmental approvals for exploration projects and other operations will be received on a timely basis upon terms acceptable to the Company; the Company will not be adversely	Commodity price volatility; changes in the condition of debt and equity markets; timing and availability of external financing on acceptable terms may not be as anticipated; the uncertainties involved in interpreting geological data and confirming title to acquired properties; inability to secure necessary property rights; the possibility that future exploration results will not be consistent with the Company's expectations; increases in costs; environmental compliance and changes in environmental and other applicable legislation and regulation; interest rate and exchange rate fluctuations; changes in economic and political conditions; the Company may be unable to retain and attract skilled staff; receipt of applicable permits is subject to governmental and/or regulatory

	affected by market competition; the price of applicable commodities will be favourable to the Company; no title disputes exist or will arise with respect to the Company's properties; the Company has or will obtain adequate property rights to support its exploration and development activities; and the Company will be able to successfully identify and negotiate new acquisition opportunities.	approvals; the Company does not have control over the actions of its joint venture partners and/or other counterparties
Management's outlook regarding future trends and exploration programs	Financing will be available for the Company's exploration and operating activities; the price of applicable commodities will be favourable to the Company; the actual results of the Company's exploration and development activities will be favourable; management is aware of all applicable environmental obligations	Commodity price volatility; changes in the condition of debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions; the possibility that future exploration results will not be consistent with the Company's expectations; changes in environmental and other applicable legislation and regulation

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors identified or otherwise indirectly referenced in the "Risks and Uncertainties" section above. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements contained in this MD&A, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward- looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary note. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

Additional Disclosure for Venture Issuers Without Significant Revenue

Administration	**Year ended December 31, 2023 $**	**Year ended December 31, 2022 $**
Conference and investor relations	130,949	23,797
Consulting fees	148,745	450,370
Foreign exchange loss	68,054	53,896
Interest expense	15,000	Nil
Marketing expenses	281,881	Nil
Office and administration	26,010	15,002
Professional fees	134,402	127,678
Regulatory and transfer agent fees	121,094	101,625
Stock exchange, authorities and communication	10,466	32,791
Share-based payments	1,066,186	165,784
Travel, meals and conventions	148,688	29,646
Total	**2,151,475**	**1,000,589**