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: April 30, 2025** **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 metal projects in Mexico, Palos Verdes, 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): October 2, 2025		
Financial Information as at: December 31, 2025		
	Current	**Previous**
Cash	**$ 1,219,357**	**$ 7,184**
Current Assets	**$ 1,337,040**	**$ 251,753**
Non-current Assets	**$ 7,567,370**	**$ 5,912,656**
Current Liabilities	**$ 1,173,187**	**$ 1,305,828**
Non-current Liabilities	**$ 0**	**$ 0**
Shareholders' equity	**$ 7,731,223**	**$ 4,858,581**
Revenue	**$ 0**	**$ 0**
Net Income	**$ (1,530,978)**	**$ (3,806,921)**
Net Cash Flow from Operations	**$ (1,261,510)**	**$ (1,471,154)**

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, 2025.

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 Notes 7 to 12 of the Audited Annual Financial Statements for the year ended December 31, 2025.

(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 9 of the Audited Annual Financial Statements for the year ended December 31, 2025.

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 7 of the Audited Annual Financial Statements for the year ended December 31, 2025.

(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 9 to 12 of the Audited Annual Financial Statements for the year ended December 31, 2025.

(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	Director, Chief Exploration Officer	2024-05-01
Carmelo Marrelli	Chief Financial Officer	2022-01-31
Steve Robertson	President	2024-05-01
Alain Lambert	Director, 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

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 2, for the year ended December 31, 2025.

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 2, for the year ended December 31, 2025.

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, 2025.

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 8, for the year ended December 31, 2025.

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 **April 30, 2026** .

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, 2025**	Date of Report YY/MM/D **26/04/30**
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/**	

SCHEDULE A: AUDITED ANNUAL FINANCIAL STATEMENTS

SCHEDULE B: MANAGEMENT DISCUSSION AND ANALYSIS

PRISMO METALS INC.

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2025 AND 2024

(EXPRESSED IN CANADIAN DOLLARS)

DeVISSER GRAY LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

401-905 West Pender St
Vancouver BC V6C 1L6
www.devissergray.com
t 604.687.5447
f 604.687.6737

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Prismo Metals Inc.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Prismo Metals Inc. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of the material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards ("IFRS").

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 ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company has incurred losses since inception and has a working capital deficit. As stated in Note 1, the Company's ability to continue as a going concern is dependent on the ability to obtain private and/or public equity financing or to receive continued financial support from its controlling shareholders or other investors. These matters, along with other matters as set forth in Note 1, 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there is the following key audit matter to communicate in our auditor's report.

Key audit matter:	**How our audit addressed the key audit matter:**
Assessment of impairment indicators of the Exploration and evaluation assets.	Our approach to addressing the matter included the following procedures, among others:
Refer to note 2 – Critical accounting estimates, note 3 – Accounting policy for Exploration and evaluation assets and note 14 Exploration and evaluation assets Management assesses at each reporting period whether there is an indication that the carrying value of the exploration and evaluation assets may not be recoverable. Management applies significant judgement in assessing	Evaluated the reasonableness of management's assessment of impairment indicators, which included the following: • Assessed the Company's market capitalization in comparison to the Company's net assets, which may be an indication of impairment.

whether indicators of impairment exist that necessitate impairment testing. Internal and external factors, such as (i) a significant decline in the market value of the Company's share price; (ii) changes in the Company's assessment of whether commercially viable quantities of mineral resources exist within the properties; and (iii) changes in metal prices, capital and operating costs, are evaluated by management in determining whether there are any indicators of impairment. We considered this a key audit matter due to (i) the significance of the exploration and evaluation asset balance and (ii) the significant audit effort and subjectivity in applying audit procedures to assess the factors evaluated by management in its assessment of impairment indicators, which required significant management judgement.	• Assessed the completeness of the factors that could be considered indicators of impairment, including consideration of evidence obtained in other areas of the audit. • Confirmed that the Company's right to explore the properties had not expired. • Obtained management's written representations regarding the Company's future plans for the exploration and evaluation assets. • Assessed the reasonability of the Company's financial statement disclosure regarding their exploration and evaluation assets.

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis" but does not include the consolidated financial statements and our auditor's report thereon.

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. 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, 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.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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 period 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 James Roxburgh.

De Visser Gray LLP

Chartered Professional Accountants

Vancouver, BC, Canada
April 30, 2026

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

		As at December 31, 2025		As at December 31, 2024
ASSETS				
Current assets				
Cash and cash equivalents	**$**	**1,219,357**	$	7,184
Marketable securities (Note 4)		**-**		127,089
Receivables		**18,805**		25,803
Prepaid expenses		**98,878**		91,677
		1,337,040		251,753
Non-current assets				
Exploration and evaluation assets (Note 14)		**7,567,370**		5,912,656
Total assets	**$**	**8,904,410**	$	6,164,409
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Accounts payable and accrued liabilities (Note 5)	**$**	**615,091**	$	658,859
Short-term loans (Note 6)		**204,537**		166,090
Due to related parties (Note 15)		**353,559**		480,879
Total liabilities		**1,173,187**		1,305,828
Shareholders' equity				
Share capital (Note 7)		**14,493,089**		10,764,631
Contributed reserves (Notes 9, 10, 11 and 12)		**2,383,969**		1,668,807
Shares to be issued		**10,000**		50,000
Deficit		**(9,155,835)**		(7,624,857)
Total shareholders' equity		**7,731,223**		4,858,581
Total liabilities and shareholders' equity	**$**	**8,904,410**	$	6,164,409

Nature of operations and going concern (Note 1)
Subsequent events (Note 19)

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,	2025	2024
Operating expenses		
Office and administrative expenses (Note 13)	**$ 1,626,841**	$ 2,448,797
Realized (gain) on marketable securities (Note 4)	**(26,424)**	(526,476)
Unrealized (gain) on marketable securities (Note 4)	**-**	(38,702)
(Gain) loss on settlement of debt	**(89,882)**	132,737
Write-off of exploration and evaluation assets (Note 14)	**-**	1,790,565
Write-off of receivables	**20,443**	-
Loss and comprehensive loss for the year	**$ (1,530,978)**	$ (3,806,921)
Basic and diluted loss per share	**$ (0.02)**	$ (0.08)
Weighted average number of common shares outstanding - basic and diluted (Note 8)	**73,460,180**	48,961,797

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, 2025	2024
Operating activities		
Loss for the year	**$ (1,530,978)**	$ (3,806,921)
(Gain) loss on settlement of debt (Note 7)	**(89,882)**	132,737
Interest accrual	**4,537**	-
Share-based payments (Note 13)	**355,674**	562,596
Unrealized (gain) on marketable securities (Note 4)	**-**	(38,702)
Realized (gain) on marketable securities (Note 4)	**(26,424)**	(526,476)
Shares issued for services	**-**	70,469
Write-off of exploration and evaluation assets	**-**	1,790,565
Write-off of receivables	**20,443**	-
Changes in non-cash working capital items:		
Receivables	**(13,445)**	(3,550)
Prepaid expenses	**(7,201)**	(40,624)
Accounts payable and accrued liabilities	**50,482**	366,607
Due to related parties	**(24,716)**	22,145
Net cash used in operating activities	**(1,261,510)**	(1,471,154)
Investing activities		
Investment in exploration and evaluation assets (Note 14)	**(709,174)**	(1,627,814)
Proceeds from sale of marketable securities (Note 4)	**153,513**	1,705,589
Net cash (used in) provided by investing activities	**(555,661)**	77,775
Financing activities		
Shares issued for cash	**3,241,500**	1,147,500
Proceeds from the exercise of stock options	**-**	135,000
Share issue costs	**(246,066)**	(53,729)
Shares subscription received in advance	**-**	50,000
Short-term loan proceeds (Note 6(ii))	**100,000**	-
Short-term loan repayment (Note 6(i))	**(66,090)**	(11,000)
Net cash provided by financing activities	**3,029,344**	1,267,771
Net change in cash and cash equivalents	**1,212,173**	(125,608)
Cash and cash equivalents, beginning of year	**7,184**	132,792
Cash and cash equivalents, end of year	**$ 1,219,357**	$ 7,184
Supplemental information		
Non-cash investing activities:		
Shares issued for exploration and evaluation assets	**$ 944,008**	$ 395,032
Exploration and evaluation assets included in accounts payable	**$ 721,777**	$ 720,245
Exploration and evaluation assets included in related parties	**$ 350,130**	$ 452,734

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, 2023	**40,846,480**	**$ 8,055,009**	**$ 1,537,300**	**$ 128,250**	**$ (3,817,936)**	**$ 5,902,623**
Private placement	7,504,411	1,275,750	-	(128,250)	-	1,147,500
Share issue costs	-	(75,558)	21,829	-	-	(53,729)
RSUs converted to shares	937,500	369,123	(369,123)	-	-	-
Shares issued for services rendered	375,000	70,469	-	-	-	70,469
Exercise of warrants and stock options	950,000	218,795	(83,795)	-	-	135,000
Shares issued to settle debt	2,356,590	456,011	-	-	-	456,011
Shares issued for exploration and evaluation assets	2,025,806	395,032	-	-	-	395,032
Share subscriptions received in advance	-	-	-	50,000	-	50,000
Share-based payments	-	-	562,596	-	-	562,596
Loss for the year	-	-	-	-	(3,806,921)	(3,806,921)
Balance, December 31, 2024	**54,995,787**	**10,764,631**	**1,668,807**	**50,000**	**(7,624,857)**	**4,858,581**
Private placement	42,305,000	3,281,500	-	(40,000)	-	3,241,500
Share issue costs	-	(344,179)	98,113	-	-	(246,066)
RSUs converted to shares	400,000	75,625	(75,625)	-	-	-
Shares issued to settle debt	1,916,307	108,504	-	-	-	108,504
Shares issued for exploration and evaluation assets	11,220,592	607,008	337,000	-	-	944,008
Share-based payments	-	-	355,674	-	-	355,674
Loss for the year	-	-	-	-	(1,530,978)	(1,530,978)
Balance, December 31, 2025	**110,837,686**	**$ 14,493,089**	**$ 2,383,969**	**$ 10,000**	**$ (9,155,835)**	**$ 7,731,223**

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 in Mexico and Arizona, United States.

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 $163,853 as at December 31, 2025 (December 31, 2024 - working capital deficit of $1,054,075). 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

The consolidated financial statements are prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

These consolidated financial statements were approved by the Board of Directors for issue on April 30, 2026.

The accounting policies set out below have been applied consistently to the years presented in these consolidated financial statements unless otherwise noted below.

(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.

2. Basis of preparation (continued)

(c) Basis of consolidation

These consolidated financial statements includes the accounts of the Company and its wholly-owned subsidiaries, Prismo Metals (Arizona) Inc., which was incorporated on December 7, 2023 and Prismo Metals de Mexico, which was incorporated on March 21, 2025.

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 subsidiaries 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 which 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 policies

(a) Cash and cash equivalents

Cash and cash equivalents include cash on hand and highly liquid investments having maturity dates of one year or less from the date of acquisition, which are readily convertible to known amounts of cash.

(b) 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;
- the currency used to maintain the amounts charged by operating activities; and
- 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.

(c) 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 is 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.

(d) 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 recognized 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 recognized 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 recognized 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 utilized. 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 assets to be recovered.

Such deferred tax assets and liabilities are not recognized 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.

3. Material accounting policies (continued)

(d) Income taxes *(continued)*

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 realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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.

(e) 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 recognized 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.

Value of equity units issued in non-cash considerations

The fair value of the warrants issued for non-cash consideration is measured using the Black-Scholes Option Pricing Model, taking into account the terms and conditions upon which these were granted.

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.

3. Material accounting policies (continued)

(e) Share-based payments

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 is recognized as a charge to share-based payments as an office and administrative expense over the vesting period with a corresponding increase in equity.

(f) 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.

3. Material accounting policies (continued)

(g) Provisions

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, 2025 and 2024.

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.

(h) 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.

3. Material accounting policies (continued)

(i) 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 loss and 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.

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 and csh equivalents	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

(j) 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 loss and comprehensive loss.

(Expressed in Canadian Dollars, except where indicated)

3. Material accounting policies (continued)

(k) Recent Accounting Pronouncements

Certain pronouncements were issued by the IASB that are mandatory for accounting periods commencing on or after January 1, 2026. Many are not applicable and none are expected to have a significant impact on the Company.

Recent Accounting Pronouncements

IFRS 18 “Presentation and disclosure in financial statements” has been issued which will replace IAS 1 “Presentation of financial statements”. The new standard establishes a revised structure for the statements of comprehensive profit with the intention to improve comparability across entities. IFRS 18 is effective for annual periods beginning on or after January 1, 2027 and will be applied retroactively. The Company is currently evaluating the impact of adopting IFRS 18 on the financial statements.

Amendments to IFRS 9 “Financial instruments and IFRS 7 Financial instruments: disclosures” have been issued with the intention to clarify the date of recognition and derecognition of some financial assets and liabilities. The amendments are effective January 1, 2026. The Company has evaluated these amendments and determined that they do not have a material impact on its financial statements.

4. Marketable securities

As at December 31, 2025, the Company had no publicly traded investments.

As at December 31, 2024, the Company's publicly traded investment consisted of the following:

Public issuer	Security description	Cost	Unrealized gain	Fair market value
Vizsla	52,300 common shares	$ 84,726	$ 38,702	$ 127,089

During the year ended December 31, 2025, 52,300 common shares of Vizsla were sold for gross proceeds of $153,513 and a realized gain of $26,424 (year ended December 31, 2024 - 697,700 common shares of Vizsla sold for gross proceeds of $1,705,589 and realized gain of $526,476) was recorded in the consolidated statements of loss.

5. Accounts payable and accrued liabilities

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

	As at December 31, 2025	As at December 31, 2024
Trade payables	**$ 560,937**	$ 624,845
Accrued liabilities and provisions	**54,154**	34,014
	$ 615,091	$ 658,859

(Expressed in Canadian Dollars, except where indicated)

6. Short-term loans

(i) During the year ended December 31, 2023, the Company entered into two short-term promissory notes with a non-arm's length party for an aggregate amount of $177,090. The loans bore no interest rate. As at December 31, 2025, $77,090 of the promissory notes had been repaid (December 31, 2024 - $11,000).

(ii) On October 22, 2025, the Company entered into a promissory note agreement for an aggregate amount of $100,000. The loan bore interest at a rate of 24% per annum, payable monthly, and was due on the earlier of January 22, 2026 or five business days following the closing of the Company's next private placement. In connection with the loan, the Company agreed to pay a fee of $25,000 through the issuance of common shares (issued as part of December 2, 2025 private placement). The loan was unsecured. As at December 31, 2025, the Company accrued interest of $4,537 (December 31, 2024 - $nil). See note 19(i).

7. 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.

b) Common shares issued

As at December 31, 2025, the issued share capital amounted to $14,493,089 (December 31, 2024 - $10,764,631). The changes in issued share capital for the years presented were as follows:

	Number of Shares	Amount
Balance, December 31, 2023	40,846,480	$ 8,055,009
Private placements (i)(ii)	7,504,411	1,275,750
RSUs converted to shares (Note 12)	937,500	369,123
Exercise of options and warrants (iii)	950,000	218,795
Shares issued to settle debt (iv)(v)(vi)(vii)	2,356,590	456,011
Shares issued for services (viii)	375,000	70,469
Share issue costs	-	(75,558)
Shares issued for exploration and evaluation assets (Note 14)	2,025,806	395,032
Balance, December 31, 2024	**54,995,787**	**10,764,631**
Private placements (x)(xv)	42,305,000	3,281,500
RSUs converted to shares (Note 12)	400,000	75,625
Shares issued to settle debt (ix)(xi)	1,916,307	108,504
Share issue costs	-	(344,179)
Shares issued for exploration and evaluation assets (ix)(xii)(xiii)(xiv)	11,220,592	607,008
Balance, December 31, 2025	**110,837,686**	**$ 14,493,089**

(i) On April 5, 2024, the Company issued 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 consists 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 from the date of issue. These warrants were valued at $nil using the residual value method.

7. Share capital (continued)

(ii) On June 18, 2024, the Company closed a non-brokered private placement, issuing 6,750,000 units at a price of $0.17 per share for gross proceeds of $1,147,500. Each unit consists 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 warrant is exercisable for one additional common share at an exercise price of $0.25 for a period of 2 years from the closing date of the offering. The warrants were valued at $nil using the residual value method.

In connection with the private placement, the Company issued an aggregate of 198,449 finder's warrants and paid finder's commissions in the aggregate of $53,729. Each finder's warrant is exercisable for a period of 24 months from the date of issuance into one share of the Company at a price of $0.25. The finder's warrants were valued at $21,829 valued using the Black-Scholes valuation model with the following assumptions: share price $0.195; expected dividend yield of 0%; risk-free interest rate of 3.82%; volatility of 119% and an expected life of 2 years.

(iii) During the year ended December 31, 2024, the Company issued an aggregate of 950,000 common shares on exercise of stock options and warrants for cash proceeds to the Company of $135,000.

(iv) On April 5, 2024, the Company completed a debt settlement agreement with certain creditors of the Company and issued an aggregate of 2,833,690 common shares of the Company at a price of $0.195 per common share in full and final settlement of accrued and outstanding indebtedness in the aggregate amount of $456,750. Of these 1,620,806 common shares valued at $316,057 related to exploration and evaluation assets.

(v) On June 18, 2024, the Company completed a debt settlement with certain creditors of the Company and issued an aggregate of 628,206 units of the Company and 623,000 common shares of the Company, in each case at a price of $0.195 per unit or common share, as applicable in full and final settlement of accrued and outstanding indebtedness in the aggregate amount of $212,705. Each unit was comprised 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 warrant is exercisable for one additional common share at an exercise price of $0.25 for a period of 2 years from the date of the settlement. The warrants were valued at $nil using the residual value method. Of the common shares issued 405,000 common shares valued at $78,975 related to exploration and evaluation assets.

(vi) On August 26, 2024, the Company completed a debt settlement with a creditor of the Company and issued 180,000 common shares of the Company, at a price of $0.195 per common share in full and final settlement of accrued and outstanding indebtedness in the aggregate amount of $30,600.

(vii) On October 30, 2024, the Company completed a debt settlement with creditors of the Company pursuant to which the Company issued 117,500 common shares of the Company at a deemed issue price of $0.165 per share in full and final settlement of accrued and outstanding indebtedness in the amount of $24,500.

(viii) During the year ended December 31, 2024, the Company issued 375,000 common shares valued at $70,469 for services rendered.

(ix) On March 10, 2025, the Company issued an aggregate of 4,451,175 common shares at a price of $0.055 per common share. Of these shares, 1,605,583 common shares were issued to settle debt of $179,850 and 2,845,592 common shares were issued in relation to exploration and evaluation assets and valued at $156,508.

(x) In July and August 2025, the Company completed three tranches of a non-brokered private placement of units of the Company. In aggregate, the Company raised $1,077,500 through the issuance of 20,265,000 units. Each unit consists of one common share of the Company and one-half of one common share purchase warrant. Each warrant entitles the holder to purchase one share at an exercise price of $0.10 for a period of twenty-four months from the date of issuance. The warrants were valued at $nil using the residual value method.

7. Share capital (continued)

In connection with the private placement, the Company issued an aggregate of 531,900 finder's warrants and $29,384 in cash finder's fees were paid in connection with the private placement. Each finder's warrant is exercisable for a period of 24 months from the date of issuance into one share of the Company at a price of $0.10. The finder's warrants were valued at $25,232 using the Black-Scholes valuation model with the following weighted average assumptions: share price $0.084; expected dividend yield of 0%; risk-free interest rate of 2.73%; volatility of 114% and an expected life of 2 years.

(xi) In July 2025, the Company issued 310,724 shares at a price of $0.065 per share to arm's length creditors in full and final settlement of accrued and outstanding indebtedness of $18,536.

(xii) On August 8, 2025, the Company issued 1,375,000 common shares at a price of $0.10 per share, representing the final payment owed to the creditor in respect of the Palos Verdes project (see note 14).

(xiii) On July 29, 2025, 2,000,000 shares of Prismo were issued to satisfy the initial consideration for both the Silver King and Ripsey option agreements (see note 14).

(xiv) On August 12, 2025, 5,000,000 units of Prismo were issued to Cazadora Minerals Inc. ("Cazadora"), a private company dealing at arm's length with Prismo that had certain rights in the Silver King and Ripsey properties in consideration for Cazadora relinquishing its rights in the Silver King and Ripsey properties in favour of Prismo. Each unit is comprised of one share and one share purchase warrant having a term of three years. 2,000,000 of the warrants are exercisable at $0.10 and 3,000,000 of the warrants are exercisable at $0.15. The exercise of the first 2,000,000 warrants is conditional upon Prismo having raised $1,500,000 from parties introduced to Prismo by the principals of Cazadora and the exercise of the remaining 3,000,000 warrants is conditional upon Prismo having raised $3,000,000 from parties introduced to Prismo by the principals of Cazadora. The 5,000,000 warrants were valued at $333,700 using the Black-Scholes valuation model with the following weighted average assumptions: share price $0.10; expected dividend yield of 0%; risk-free interest rate of 2.71%; volatility of 119% and an expected life of 3 years.

(xv) In November and December 2025, the Company completed three tranches of a non-brokered private placement of units of the Company. In aggregate, the Company raised $2,204,000 through the issuance of 22,040,000 units. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one share at an exercise price of $0.175 for a period of 36 months from the date of issuance. The warrants were valued at $nil using the residual value method.

In connection with the private placement, the Company issued an aggregate of 1,173,160 finder's warrants and $216,682 in cash finder's fees and legal costs were paid in connection with the private placement. 851,200 finder's warrants are exercisable for a period of 36 months from the date of issuance into one share of the Company at a price of $0.175 and 321,960 finder's warrant are exercisable for a period of 24 months from the date of issuance into one share of the Company at a price of $0.10. The finder's warrants were valued at $72,881 using the Black-Scholes valuation model with the following weighted average assumptions: share price $0.123; expected dividend yield of 0%; risk-free interest rate of 2.46%; volatility of 87% and an expected life of 2.73 years.

8. Loss per common share

The calculation of basic loss per share for the year ended December 31, 2025 was based on the loss attributable to common shareholders of $1,530,978 (year ended December 31, 2024 - loss of $3,806,921) and the weighted average number of common shares outstanding for the year ended December 31, 2025, of 73,460,180 (year ended December 31, 2024 - 48,961,797). Diluted loss per share for the year ended December 31, 2025 and 2024 did not include the effect of stock options, SARs, warrants and RSU as they are anti-dilutive.

(Expressed in Canadian Dollars, except where indicated)

9. Stock options

In August 2022, the Board of Directors adopted a Long-Term Incentive Plan (the "LTIP") providing for the grant of stock options to directors, officers, employees and consultants of the Company and its subsidiaries. The LTIP provided that the number of common shares issuable under the LTIP, 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 terms are determined at the discretion of the Board.

The following summarizes the stock option activity for the years ended December 31, 2025 and 2024:

	Number of stock options	Weighted average exercise price ($)
Balance, December 31, 2023	**3,400,000**	**0.198**
Granted (i)(ii)(iii)	2,250,000	0.204
Exercised	(600,000)	0.170
Cancelled/forfeited	(525,000)	0.179
Balance, December 31, 2024	**4,525,000**	**0.208**
Granted (iv)(v)(vi)(vii)(viii)(ix)	3,275,000	0.123
Cancelled/forfeited	(650,000)	0.190
Expired	(775,000)	0.190
Balance, December 31, 2025	**6,375,000**	**0.168**

The following table reflects the Company's stock options outstanding and exercisable as at December 31, 2025:

Options outstanding	Exercise price ($)	Options exercisable	Weighted average remaining contractual life (years)	Expiry date
250,000	0.12	250,000	1.16	February 27, 2027
500,000	0.15	500,000	1.38	May 19, 2027
260,000	0.165	260,000	1.48	June 26, 2027
715,000	0.305	715,000	2.57	July 27, 2028
250,000	0.12	62,500	2.98	December 22, 2028
250,000	0.16	150,000	2.98	December 22, 2028
175,000	0.20	175,000	3.27	April 9, 2029
225,000	0.21	225,000	3.47	June 18, 2029
1,225,000	0.205	1,225,000	3.69	September 9, 2029
650,000	0.075	325,000	4.43	June 5, 2030
950,000	0.15	-	4.76	October 2, 2030
925,000	0.12	231,250	4.98	December 22, 2030
6,375,000	0.168	4,118,750	3.54	

9. Stock options (continued)

(i) On April 9, 2024, the Company granted 550,000 incentive stock options to consultants of the Company. Each option is exercisable into one common share of the Company at a price of $0.20 per share for a period of five years. Vesting of the options are as follows: 25% three months from the date of grant; 25% every three months thereafter. The grant date fair value of $93,366 or $0.17 per option was valued using the Black-Scholes valuation model with the following assumptions: share price $0.20; expected dividend yield of 0%; risk-free interest rate of 3.59%; volatility of 124% and an expected life of 5 years. During the year ended December 31, 2024, 375,000 stock options were forfeited out of the 550,000 options originally granted. As a result of the forfeiture, previously recognized stock-based compensation expense of $58,821 was reversed.

(ii) On June 18, 2024, the Company granted 225,000 incentive stock options to an officer and a consultant of the Company. Each option is exercisable into one common share of the Company at a price of $0.21 per share for a period of five years. Vesting of the options are as follows: 25% on the date of grant; 25% every three months thereafter. The grant date fair value of $36,785 or $0.16 per option was valued using the Black-Scholes valuation model with the following assumptions: share price $0.195; expected dividend yield of 0%; risk-free interest rate of 3.28%; volatility of 123% and an expected life of 5 years.

(iii) On September 9, 2024, the Company granted 1,475,000 incentive stock options to officers, directors and consultants of the Company. Each option is exercisable into one common share of the Company at a price of $0.205 per share for a period of five years. Vesting of the options are as follows: 25% on the date of grant; 25% every three months thereafter. The grant date fair value of $245,948 or $0.167 per option was valued using the Black-Scholes valuation model with the following assumptions: share price $0.20; expected dividend yield of 0%; risk-free interest rate of 2.77%; volatility of 121% and an expected life of 5 years.

(iv) On February 27, 2025, the Company granted an aggregate of 250,000 stock options to a consultant. Each option is exercisable into one common share of the Company at a price of $0.12 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 $7,515 or $0.03 per option was valued using the Black-Scholes valuation model with the following assumptions: share price $0.07; expected dividend yield of 0%; risk-free interest rate of 2.63%; volatility of 105% and an expected life of 2 years.

(v) On June 5, 2025, the Company granted an aggregate of 650,000 stock options to an officer. Each option is exercisable into one common share of the Company at a price of $0.075 per share for a period of five years. Vesting of the options are as follows: 25% three months from the date of grant; 25% every three months thereafter. The grant date fair value of $40,764 or $0.062 per option was valued using the Black-Scholes valuation model with the following assumptions: share price $0.075; expected dividend yield of 0%; risk-free interest rate of 2.86%; volatility of 121% and an expected life of 5 years.

(vi) On October 2, 2025, the Company granted an aggregate of 950,000 stock options to certain directors, officers and a consultant of the Company. Each option is exercisable into one common share of the Company at a price of $0.15 per share for a period of five years. Vesting of the options are as follows: 25% three months from the date of grant; 25% every three months thereafter. The grant date fair value of $120,694 or $0.127 per option was valued using the Black-Scholes valuation model with the following assumptions: share price $0.15; expected dividend yield of 0%; risk-free interest rate of 2.72%; volatility of 135% and an expected life of 5 years.

(vii) On December 22, 2025, the Company granted an aggregate of 250,000 stock options to a consultant of the Company. Each option is exercisable into one common share of the Company at a price of $0.12 per share for a period of three years. Vesting of the options are as follows: 25% on date of grant, 37.5% after three months and 37.5% after six months. The grant date fair value of $15,658 or $0.063 per option was valued using the Black-Scholes valuation model with the following assumptions: share price $0.11; expected dividend yield of 0%; risk-free interest rate of 2.59%; volatility of 91% and an expected life of 3 years.

(Expressed in Canadian Dollars, except where indicated)

9. Stock options (continued)

(viii) On December 22, 2025, the Company granted an aggregate of 250,000 stock options to a consultant of the Company. Each option is exercisable into one common share of the Company at a price of $0.16 per share for a period of three years. Vesting of the options are as follows: 150,000 options on date of grant and 100,000 on January 9, 2026. The grant date fair value of $13,934 or $0.056 per option was valued using the Black-Scholes valuation model with the following assumptions: share price $0.11; expected dividend yield of 0%; risk-free interest rate of 2.59%; volatility of 91% and an expected life of 3 years.

(ix) On December 22, 2025, the Company granted an aggregate of 925,000 stock options to certain directors and officers. Each option is exercisable into one common share of the Company at a price of $0.12 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 $87,674 or $0.095 per option was valued using the Black-Scholes valuation model with the following assumptions: share price $0.11; expected dividend yield of 0%; risk-free interest rate of 2.98%; volatility of 131% and an expected life of 5 years.

10. Stock Appreciation Right ("SAR")

Pursuant to the LTIP, the Company may grant SARs to directors, officers and employees, 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 years.

The following summarizes the SARs activity for the years ended December 31, 2025 and 2024:

	Number of SARs	Weighted average exercise price ($)
Balance, December 31, 2023	**1,000,000**	**0.380**
Granted (i)(ii)	825,000	0.202
Cancelled	(100,000)	0.390
Balance, December 31, 2024	**1,725,000**	**0.297**
Cancelled	(1,375,000)	0.322
Balance, December 31, 2025	**350,000**	**0.200**

(i) On April 9, 2024, the Company granted an aggregate of 550,000 SARs to consultants. Each SAR is exercisable for a period of five years at a price of $0.20. Vesting of the SARs are as follows: 25% three months from the date of grant and 25% every three months thereafter. The grant date fair value of $93,366 or $0.17 per SAR was valued using the Black-Scholes valuation model with the following assumptions: share price $0.20; expected dividend yield of 0%; risk-free interest rate of 3.59%; volatility of 124% and an expected life of 5 years.

(ii) On September 9, 2024, the Company granted an aggregate of 275,000 SARs to directors and an officer. Each SAR is exercisable for a period of five years at a price of $0.205. Vesting of the SARs are as follows: 25% three months from the date of grant and 25% every three months thereafter. The grant date fair value of $45,855 or $0.167 per SAR was valued using the Black-Scholes valuation model with the following assumptions: share price $0.20; expected dividend yield of 0%; risk-free interest rate of 2.77%; volatility of 121% and an expected life of 5 years.

(Expressed in Canadian Dollars, except where indicated)

10. Stock Appreciation Right ("SAR") (continued)

The following table reflects the Company's SARs outstanding and exercisable as at December 31, 2025:

SARs outstanding	Exercise price ($)	SARs exercisable	Weighted average remaining contractual life (years)	Expiry date
350,000	0.200	350,000	3.27	April 9, 2029

11. Warrants

The following summarizes the warrant activity for the years ended December 31, 2025 and 2024:

	Number of warrants	Weighted average exercise price ($)
Balance, December 31, 2023	**5,720,000**	**0.67**
Issued (Note 7(b)(i)(ii)(v))	4,264,757	0.25
Exercised	(350,000)	0.10
Expired	(350,000)	0.10
Balance, December 31, 2024	**9,284,757**	**0.52**
Granted (Note 7(b)(x)(xiv)(xv))	38,877,560	0.15
Expired	(5,020,000)	0.75
Balance, December 31, 2025	**43,142,317**	**0.16**

The following table reflects the Company's warrants outstanding and exercisable as at December 31, 2025:

Number of warrants	Exercise price ($)	Expiry Date
377,205	0.25	April 5, 2026
3,887,552	0.25	June 18, 2026
5,981,000	0.10	July 18, 2027
1,182,000	0.10	July 31, 2027
3,501,400	0.10	August 8, 2027
315,960	0.10	November 12, 2027
6,000	0.10	December 31, 2027
2,000,000	0.10	August 12, 2028
3,000,000	0.15	August 12, 2028
17,450,000	0.175	November 12, 2028
604,000	0.175	November 12, 2028
1,650,000	0.175	December 2, 2028
68,000	0.175	December 2, 2028
2,940,000	0.175	December 31, 2028
179,200	0.175	December 31, 2028
43,142,317	**0.160**	

As at December 31, 2025, the outstanding warrants had a weighted average remaining life of 1.19 years (December 31, 2024 - 0.96 years).

(Expressed in Canadian Dollars, except where indicated)

12. Restricted Stock Unit ("RSU")

Pursuant to the LTIP, the Company may grant RSUs to directors, officers and employees, 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.

	RSUs outstanding
Balance, December 31, 2023	**950,000**
Granted (i)(ii)(iii)	975,000
Converted to common shares	(937,500)
Cancelled	(62,500)
Balance, December 31, 2024	**925,000**
Granted (iv)(v)(vi)	1,125,000
Converted to common shares	(400,000)
Cancelled	(100,000)
Balance, December 31, 2025	**1,550,000**

(i) On April 9, 2024, the Company granted 200,000 RSUs to consultants of the Company under the terms of the RSU agreement. Vesting of the RSUs are as follows: 25% three months from the date of grant and 25% every three months thereafter.

(ii) On May 1, 2024, the Company granted 250,000 RSUs to an officer of the Company under the terms of the RSU agreement. Vesting of the RSUs are as follows: 25% six months from the date of grant and 25% every six months thereafter.

(iii) On September 9, 2024, the Company granted 525,000 RSUs to officers and directors of the Company under the terms of the RSU agreement. Vesting of the RSUs are as follows: 25% three months from the date of grant and 25% every three months thereafter.

(iv) On June 5, 2025, the Company granted 150,000 RSUs to an officer of the Company under the terms of the RSU agreement. Vesting of the RSUs are as follows: 33% four months from the date of grant and 33% every four months thereafter.

(v) On October 2, 2025, the Company granted 725,000 RSUs to officers and directors of the Company under the terms of the RSU agreement. Vesting of the RSUs are as follows: 25% three months from the date of grant and 25% every three months thereafter.

(vi) On December 22, 2025, the Company granted 250,000 RSUs to a consultant of the Company under the terms of the RSU agreement. Vesting of the RSUs are as follows: 25% on date of grant, 37.5% after three months and 37.5% after six months.

During the year ended December 31, 2025, 643,750 RSUs vested and 400,000 RSUs converted to common shares with a value $75,625 (year ended December 31, 2024 - 743,750 RSUs vested and 937,500 RSUs converted to common shares with a value of $369,123).

Compensation (recovery) for the year ended December 31, 2025 related to the vesting of RSUs was $109,792 (year ended December 31, 2024 - $149,337) and was recorded as share-based payments in the consolidated financial statement of loss and comprehensive loss.

(Expressed in Canadian Dollars, except where indicated)

13. Office and administrative expenses

	Year Ended December 31, 2025	2024
Conference and investor relations	**$ 158,009**	$ 148,980
Consulting fees (Note 15)	**585,560**	614,728
Foreign exchange loss	**79,771**	68,180
Marketing expense	**72,296**	506,722
Office and administration	**37,278**	14,361
Professional fees (Note 15)	**185,896**	187,420
Regulatory and transfer agent fees	**49,885**	70,340
Stock exchange, authorities and communication	**14,593**	21,084
Share-based payments (Notes 9, 10, 12 and 15)	**355,674**	562,596
Travel, meals and conventions	**87,879**	254,386
	$ 1,626,841	$ 2,448,797

14. Exploration and evaluation assets

a) ProDeMin Option

On May 7, 2019, the Company entered into an option agreement (the "ProDeMin Option") with ProDeMin, a company incorporated under the laws of Mexico and controlled by a director of the Company, whereby the Company was granted the option to earn up to a 75% interest in the Palos Verdes property located in Sinaloa, Mexico, over a five-year period. Pursuant to the terms of the ProDeMin Option, the Company fulfilled the following initial obligations:

- Paid USD$25,000 in cash on May 10, 2019;
- Issued 2,000,000 units on August 12, 2019 with a fair value of $0.05 per unit, each unit consisting of one common share and one share purchase warrant exercisable at $0.10 per share for a period of five years; and
- Issued 500,000 common shares with a fair value of $0.05 per share on August 12, 2019 to reimburse ProDeMin for prior expenditures of USD $25,000.

In addition, the Company was required to incur a total of USD $1,500,000 in exploration expenditures over the five-year option period, make aggregate cash payments totaling USD $46,823, and issue an additional 2,000,000 common shares upon completion of the option terms. As part of these commitments:

- On December 31, 2021, the Company paid USD $21,823 following the closing of its first financing subsequent to listing on the CSE;
- The Company committed to minimum exploration expenditures and maintenance of the mineral concessions in good standing throughout the option period, including staged annual expenditure requirements; and
- In the fifth year, the Company was required to incur a minimum of USD $500,000 in exploration expenditures and issue 2,000,000 common shares.

The Company also completed a series of staged cash payments to ProDeMin totaling USD $240,000 between May 2019 and the fourth anniversary of the agreement, all of which have been paid.

On April 5, 2024, the Company issued 588,235 common shares with a fair value of $114,706 to ProDeMin in settlement of outstanding property payments.

(Expressed in Canadian Dollars, except where indicated)

14. Exploration and evaluation assets (continued)

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% interest in the Palos Verdes property (the "Palos Verdes 25% Agreement"), providing the Company with the opportunity to acquire up to a 100% interest in the property.

Under the terms of the agreement, the Company agreed to:

Make aggregate cash payments of USD $250,000 over a four-year period; and
Issue 100,000 share purchase warrants with an exercise price of $0.35, exercisable for a period of two years (issued).

The Company has completed all required staged cash payments totaling USD $250,000.

During the year ended December 31, 2023, the Company sold a right of first refusal on sale of the project.

During the year ended December 31, 2025, the Company issued 1,375,000 common shares (valued at $137,500) in settlement of property payments of $82,500 (USD$60,000) (December 31, 2024 - 605,000 common shares (valued at $117,975)).

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 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.

The Company has elected not to renew the mineral concessions related to the Los Pavitos Project in fiscal 2025. As a result, the carrying value of the Los Pavitos Project was written off as at December 31, 2024.

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 ("Walnut"), in order to acquire a 75% ownership interest in Hot Breccia Option.

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.

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 (ii)	$165,000 (i)	250,000 shares
2025	1,000,000	100,000 (ii)	500,000 shares
2026	1,750,000 (iii)	275,000 (iii)	875,000 shares
2027	2,000,000 (iii)	-	750,000 shares
Total	**5,250,000**	**540,000**	**2,375,000 shares**

14. Exploration and evaluation assets (continued)

(i) On April 5, 2024, the Company issued 832,571 common shares (valued at $162,351) to Walnut in partial settlement of property payments.

(ii) On February 5, 2025, Prismo and Walnut agreed to the following amendments: (1) issuance of 2,845,592 common shares of Prismo (valued at $284,559) in settlement of the 2024 work commitment deficit (issued); (2) a cash payment of $100,000 due on the earlier of July 31, 2025 or five business days following the closing of an equity financing by Prismo of at least $500,000; and (3) a cash fee of $10,000 payable on or before February 12, 2025 as consideration for granting the payment extension (paid).

If the $100,000 payment is not made by July 31, 2025, an additional penalty of $20,000 will be due by August 15, 2025. The Company did not make the payment by July 31, 2025 and accordingly the additional $20,000 became payable. The Company subsequently made payments of $50,000 in August 2025 and $70,000 in November 2025 in settlement of the outstanding balance.

These arrangements are in addition to, and do not modify, the terms of the existing Agreement.

(iii) On November 5, 2025, the Company announced that Walnut agreed to extend certain dates to complete cash payments and exploration expenditures. The extensions are as follows: (i) extend the milestone date to complete exploration expenditures of $1,750,000 from January 31, 2026 to January 31, 2027; and (ii) extend the milestone date to complete exploration expenditures of $2,000,000 from January 31, 2027 to January 31, 2028 and (iii) extend the milestone date to complete the final cash payment of $275,000 to Walnut Mines LLC from January 31, 2026 to July 31, 2026.

On January 16, 2026, the Company entered into a transaction with Infinitum whereby the Company increased its interest in the option agreement to acquire the Hot Breccia copper project from 75% to 95%. In addition, the Company has obtained an irrevocable option to acquire Infinitum's remaining 5% interest in the option agreement, providing a clear path to 100% interest in the option agreement to acquire the project.

On March 5, 2026, the Company assigned (the "Assignment") all of its rights, interests and obligations in the Hot Breccia copper option agreement to Blade Resources Inc. ("Blade"). As consideration for the Assignment, the Company received 6,755,000 common shares of Blade and received a cash payment of $185,000.

e) Silver King and Ripsey option agreements

Silver King Property Option Agreement

On June 27, 2025, the Company entered into an option agreement with Silver King Mine LLC and Ronald R. Deen Jr. (the "Optionors") to acquire up to a 100% interest in the Silver King mining claims and surface and water rights, located in Arizona.

Initial Consideration:
Issuance of 1,000,000 common shares of the Company within 10 days of execution (issued).

Option Terms:
First Option to earn a 50% interest:

a) incurring a minimum of USD$500,000 in exploration expenditures on or before the first anniversary of the effective date of the option agreement;
b) incurring an additional USD$2,500,000 in exploration expenditures on or before the third anniversary of the effective date of the option agreement;
c) issuing 2,000,000 common shares of the Company; and
d) making a cash payment of USD$10,000 on or before December 27, 2025 (paid subsequently in February 2026) and annual cash payments of USD$10,000 on each anniversary of the option agreement.

14. Exploration and evaluation assets (continued)

Second Option to earn an additional 30% interest:

e) incurring an additional USD$3,000,000 in exploration expenditures on or before the fifth anniversary of the effective date of the option agreement;
f) making a cash payment of USD$1,000,000 on or before the fifth anniversary of the effective date of the option agreement; and
g) issuing 2,000,000 common shares of the Company.

Third Option to earn an additional 20% interest:

h) paying to the Optionors an amount equal to 20% of the value of a measured and indicated resource on the property, less the amount of expenditures incurred before the third anniversary of the effective date of the option agreement.

Joint Venture:
If the Company elects not to acquire a 100% interest in the property, a joint venture with the Optionors may be formed to continue development of the property.

Termination:
If the Company fails to meet expenditure, share issuance, or cash payment obligations (after the applicable periods), the option rights will lapse.

Ripsey Property Option Agreement

On June 11, 2025, the Company entered into an option agreement with the Optionors to acquire a 100% interest in the Ripsey property, located in Arizona.

Initial Consideration:

- issuance of 1,000,000 common shares of the Company (issued);
- making a cash payment of USD$12,500 on or before May 5, 2026; and
- making annual cash payments of USD$10,000 on each anniversary of the effective date of the agreement during the option period.

Option Terms:
The option period is five years from the agreement date. To exercise the option, the Company must make an additional cash payment of USD$1,000,000, upon which it will acquire 100% ownership of the property.

On July 29, 2025, 2,000,000 common shares of Prismo were issued to satisfy the initial consideration for both the Silver King and Ripsey option agreements (see note 7(xiii)).

On August 12, 2025, 5,000,000 units of Prismo were issued to Cazadora, a private company dealing at arm’s length with Prismo that had certain rights in the Silver King and Ripsey properties in consideration for Cazadora relinquishing its rights in the Silver King and Ripsey properties in favour of Prismo (see note 7(xiv)).

(Expressed in Canadian Dollars, except where indicated)

14. Exploration and evaluation assets (continued)

The Company has incurred the following exploration and evaluation investments:

Balance, December 31, 2023	**$ 5,820,296**
ProDeMin Project	
Option payments	68,700
Palos Verdes remaining 25% option-cash	-
Drilling	314,656
Other	343,811
Additions to ProDeMin Project	727,167
Hot Breccia Project	
Option payment	231,354
Permitting	159,049
Drilling	87,681
Other	347,237
Additions to Hot Breccia Project	825,321
Los Pavitos Project	
Option payment	155,154
Drilling	119,102
Other	56,181
Write-off of Los Pavitos Project	(1,790,565)
Additions to Los Pavitos Project	(1,460,128)
Balance, December 31, 2024	**5,912,656**
ProDeMin Project	
Option payments	137,500
Other	26,630
Additions to ProDeMin Project	164,130
Hot Breccia Project	
Option payment	337,990
Drilling	20,000
Other	58,855
Additions to Hot Breccia Project	416,845
Silver King and Ripsey Project	
Option payment	650,000
Drilling	168,144
Assays and lab costs	7,942
Other	247,653
Additions to Silver King and Ripsey Project	1,073,739
Balance, December 31, 2025	**$ 7,567,370**

(Expressed in Canadian Dollars, except where indicated)

15. 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 were as follows:

Year ended December 31,		2025		2024
Consulting fees paid to a company controlled by the Chief Executive Officer of the Company	**$**	**238,429**	$	86,500
Consulting fees paid to a company controlled by the former President of the Company	**$**	**41,250**	$	136,750
Consulting fees paid to the Chief Exploration Officer of the Company for supervision of exploration programs	**$**	**175,036**	$	263,894
Fees paid or accrued to companies controlled by the Chief Exploration Officer	**$**	**136,179**	$	558,583
Consulting fees paid to a company controlled by the former President of the Company	**$**	**46,612**	$	-
Accounting fees paid to Marrelli Support Services Inc., a company controlled by the Chief Financial Officer of the Company	**$**	**49,458**	$	43,530
Share-based payments:	**$**	**250,283**	$	361,767

In addition to the above transactions, both the ProDeMin Option (Note 14(a)) and the Cascabel Option (Note 14(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:

		As at December 31, 2025		As at December 31, 2024
Amounts owed to the Chief Exploration Officer for consulting fees and reimbursable expenses	**$**	**5,976**	$	57,356
Amounts owed to companies controlled by the Chief Exploration Officer for services rendered		**344,154**		395,378
Amounts owed to Marrelli Support Services Inc., a company controlled by the Chief Financial Officer of the Company		**2,679**		8,524
Amounts owed to a company controlled by the Chief Executive Officer of the Company for consulting fees and reimbursable expenses		**750**		9,500
Amounts owed to a company controlled by the former President of the Company for consulting fees and reimbursable expenses		**-**		9,440
Amount owed to a company controlled by the directors of the Company		**-**		681
	$	**353,559**	$	480,879

16. Financial Instruments

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

Marketable securities were measured as at Level 1.

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, 2025, all of the Company's cash and cash equivalents were held either in Canadian dollars or US dollars. The Company incurs expenditures in Canada, USA 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.

b) Interest rate and credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents and receivables. The Company has no significant concentration of credit risk arising from operations. Amounts 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 receivables is remote.

The Company has cash and cash equivalents 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 significant 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, 2025, the Company had a current cash and cash equivalents balance of $1,219,357 to settle current liabilities of $1,173,187. 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 maturity of less than 30 days and are subject to normal trade terms.

(Expressed in Canadian Dollars, except where indicated)

17. 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 (Note 7).

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 or acquire or dispose of assets.

The Company’s investment policy is to invest its available cash and cash equivalents 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 and cash equivalents to include amounts held in banks. The Company will place its cash and cash equivalents with institutions of high credit worthiness.

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

18. Income taxes

Provision for income taxes

As at December 31, 2025, the reconciliation of the combined Canadian federal and provincial statutory income tax rate of 27% (2024 - 27%) to the effective tax rate is as follows:

Year ended December 31,	**2025**	**2024**
Combined Canadian federal and provincial statutory income tax rates	**27.00 %**	27.00 %
Loss before income taxes	**$ (1,530,978)**	$ (3,806,921)
Expected income taxes owing (recovery)	**(413,000)**	(1,028,000)
Adjustment to prior year provision	**36,000**	(25,000)
Increase (decrease) to the income tax benefit resulting from:		
Share issue cost	**(66,000)**	(14,000)
Permanent differences	**86,000**	74,000
Change in benefit of tax assets not recognized	**357,000**	993,000
Income tax (recovery) expense	**$ -**	$ -

(Expressed in Canadian Dollars, except where indicated)

18. Income taxes (continued)

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.

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	As at December 31, 2025	As at December 31, 2024
Deferred tax assets:		
Non-capital losses available for future period	**$ -**	$ 11,000
	-	11,000
Marketable securities	-	(11,000)
Net deferred tax assets	**$ -**	$ -

19. Subsequent events

(i) Subsequent to December 31, 2025, the Company repaid the $100,000 promissory note in full in January 2026, including all outstanding principal and accrued interest (note 6(ii)). Accordingly, no amounts remain outstanding under this agreement.

(ii) Subsequent to December 31, 2025, pursuant to the exercise of warrants the Company issued 150,000 shares for gross proceeds of $15,000 and 377,205 warrants expired unexercisesd. In addition, 37,500 shares were issued for the settlement of RSUs.

(iii) On January 12, 2026, the Company completed a non-brokered private placement, issuing 2,250,000 units for gross proceeds of $225,000. Each unit consisted of one common share and one common share purchase warrant, with each warrant entitling the holder to acquire one additional common share at an exercise price of $0.175 for a period of 36 months from the date of issuance. In connection with the financing, the Company issued 140,000 finder's warrants and paid cash finder's fees of $14,000 to an arm's length party.

(iv) On January 16, 2026, the Company entered into a transaction with Infinitum whereby the Company increased its interest in the option agreement to acquire the Hot Breccia copper project from 75% to 95%. In addition, the Company has obtained an irrevocable option to acquire Infinitum's remaining 5% interest in the option agreement, providing a clear path to 100% interest in the option agreement to acquire the project.

(v) On January 16, 2026, the Company issued 450,630 shares to Walnut in settlement of property payments (Note 14).

(vi) On February 3, 2026, the Company completed a non-brokered private placement, issuing 1,475,000 units for gross proceeds of $147,500. Each unit consisted of one common share and one common share purchase warrant, with each warrant entitling the holder to acquire one additional common share at an exercise price of $0.175 for a period of 36 months from the date of issuance. In connection with the financing, the Company issued 118,000 finder's warrants and paid cash finder's fees and costs of $14,800 to an arm's length party.

PRISMO METALS INC.

(An Exploration Stage Company)

Management's Discussion and Analysis (MD&A)

Year Ended December 31, 2025

(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, 2025. 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, 2024, and 2023, 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 IFRS Accounting ("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. The information contained herein is presented as of April 30, 2026, 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.

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.

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

- On February 24, 2025, the Company announced the granted 250,000 stock options to a consultant of the Company. The stock options are each exercisable to purchase one common share at an exercise price of $0.12 for a period of two years. The stock options will vest as of 25% vesting immediately and 25% every three months thereafter.
- On February 24, 2025, the Company announced that it provided Minera Cascabel with a notice of termination of the Option Agreement dated October 11th, 2019 in respect of the Los Pavitos project. In the current market conditions Prismo is not in a position to support this project and considering the ongoing funding requirement just to hold the property, it was decided that terminating the option was the best course of action.
- On March 10, 2025, the Company issued an aggregate of 4,451,175 common shares at a price of $0.055 per common share. Of these shares, 1,605,583 common shares were issued to settle debt of $179,850 and 2,845,592 common shares were issued in relation to exploration and evaluation assets and valued at $156,508.
- On June 5, 2025, the Company appointed Gordon Aldcorn as President. In connection with his appointment, the Company granted Mr. Aldcorn 150,000 RSUs and 650,000 stock options. Each RSU entitles the holder to receive one common share of the Company upon vesting. The RSUs vest over one year, with one-third vesting every four months. Each stock option is exercisable to purchase one common share of the Company at an exercise price of $0.075 per share for a period of five years. The stock options vest over one year, with one-third vesting every four months.
- The Company has completed three closings of its previously announced non-brokered private placement of units of the Company ("Units").

  On July 18, 2025, the Company closed the first tranche of the private placement, issuing 11,500,000 Units at $0.05 per Unit for gross proceeds of $575,000. In connection with this closing, the Company issued 231,000 finder's warrants and paid $11,550 in cash finder's fees.

  On July 31, 2025, the Company completed the second tranche, issuing an additional 2,340,000 Units at $0.05 per Unit for gross proceeds of $117,000. In connection with this closing, the Company issued 12,000 finder's warrants and paid $500 in cash finder's fees.

  On August 8, 2025, the Company completed the third and final tranche, issuing 6,425,000 Units at $0.06 per Unit for gross proceeds of $385,500. In connection with this closing, the Company issued 288,900 finder's warrants and paid $17,334 in cash finder's fees.

  In aggregate, the Company has raised $1,077,500 through the issuance of 20,265,000 Units. A total of 531,900 finder's warrants were issued and $29,384 in cash finder's fees were paid in connection with the private placement. Each Unit consists of one common share of the Company (a "share") and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant and each finder's warrant entitles the holder to purchase one share at an exercise price of $0.10 for a period of twenty-four (24) months from the date of issuance.
- On July 3, 2025, the Company announced that it signed two option agreements to acquire 100% interest in two historic high-grade precious and base metal mines — the Silver King and Ripsey mines — both located in Arizona's prolific Copper Belt near its flagship Hot Breccia project. Prismo can earn a 100% interest in the Ripsey mine by issuing one million shares to the Optionor, paying the Optionor US $10,000 within six months of the signing of the option agreement (the "Effective Date"), US $10,000 on each anniversary of the Effective Date and US $1 million to the Optionor within five years of the Effective Date. Prismo does not have minimum work commitments as part of the Ripsey option agreement.
- Regarding the Silver King mine, Prismo can acquire a 100% interest in three stages. Prismo must issue one million shares to the Optionor, pay the Optionor US $10,000 within six months of the Effective Date, and US $10,000 on each anniversary of the Effective Date. To earn a first 50% interest, Prismo must incur no less than US $500,000 in expenditures on or before the first anniversary of the Effective Date, incur no less than an additional US $2.5

million expenditures on or before the third anniversary of the Effective Date and issue to the Optionor two million shares. Prismo can acquire an additional 30% interest by incurring no less than an additional US $3 million in expenditures, paying the Optionor US $1 million and issuing to the Optionor two million shares before the fifth anniversary of the Effective Date. Prismo can elect to form a joint venture at anytime after earning it initial 50% interest. The option agreement and joint venture agreement terms and conditions contain standard buyout and dilution terms regarding the final 20% interest.

- In July 2025, the Company issued 310,724 shares at a price of $0.065 per share to an arm's length creditor in full and final settlement of accrued and outstanding indebtedness of $18,536.

- In addition, on August 8, 2025, the Company completed a debt settlement agreement with a creditor. Pursuant to the agreement, the Company issued 1,375,000 common shares at a price of $0.10 per share in full and final settlement of indebtedness of US$60,000 ($82,500) owing to the creditor. This represents the final payment owed to the creditor in respect of the Palos Verdes project.

- On August 8, 2025, 2,000,000 shares of Prismo were issued to satisfy the initial consideration for both the Silver King and Ripsey option agreements (see "Mineral Properties Update").

- On August 12, 2025, 5,000,000 units of Prismo were issued to Cazadora Minerals Inc. ("Cazadora"), a private company dealing at arm's length with Prismo that had certain rights in the Silver King and Ripsey option agreements in consideration for Cazadora relinquishing its rights in the Silver King and Ripsey properties in favour of Prismo. Each unit is comprised of one share and one share purchase warrant having a term of three years. 2,000,000 of the warrants are exercisable at a $0.10 and 3,000,000 of the warrants are exercisable at $0.15. The exercise of the first 2,000,000 warrants is conditional upon Prismo having raised $1.5 million from parties introduced to Prismo by the principals of Cazadora and the exercise of the remaining 3,000,000 warrants is conditional upon Prismo having raised $3.0 million from parties introduced to Prismo by the principals of Cazadora.

- On October 2, 2025, the Company granted a total of 950,000 stock options to certain directors, officers and a consultant of the Company. The stock options are each exercisable to purchase one common share of the Company at an exercise price of $0.15 for a period of five years. The stock options will vest over one year, with one-quarter of the Options vesting every three months.

  In addition, the Company also issued an aggregate of 725,000 RSUs to certain directors and officers of the Company. Each RSU entitles the holder to be issued one common share on vesting. The RSUs will vest over one year, with one-quarter of the RSUs vesting every three months.

- On November 5, 2025, the Company announced that Walnut Mines LLC, the owner of the Hot Breccia claims optioned as to 75% by the Company, has agreed to extend certain dates to complete cash payments and exploration expenditures. The extensions are as follows: (i) extend the milestone date to complete exploration expenditures of $1,750,000 from January 31, 2026 to January 31, 2027; and (ii) extend the milestone date to complete exploration expenditures of $2,000,000 from January 31, 2027 to January 31, 2028 and (iii) extend the milestone date to complete the final cash payment of $275,000 to Walnut Mines LLC from January 31, 2026 to July 31, 2026.

- In November and December 2025, the Company completed three tranches of a non-brokered private placement of units of the Company ("Units"). In aggregate, the Company raised $2,204,000 through the issuance of 22,040,000 Units. Each Unit consists of one common share of the Company (a "share") and one common share purchase warrant. Each warrant entitles the holder to purchase one share at an exercise price of $0.175 for a period of 36 months from the date of issuance. The warrants were valued at $nil using the residual value method.

- On December 22, 2025, the Company granted an aggregate of 925,000 stock options to certain directors and officers. Each option entitles the holder to acquire one common share of the Company at an exercise price of $0.12 per share for a period of five years. The stock options vest 25% on date of grant and 25% every three months.

  In addition, the Company granted 250,000 stock options to a consultant, exercisable at $0.12 per share for a term of three years, together with 250,000 restricted share units ("RSUs"). The stock options and RSUs vest as follows: 25% on the grant date, 37.5% after three months, and 37.5% after six months.

  The Company also granted 250,000 stock options to a consultant, exercisable at $0.16 per share for a term of three years. These options vest as to 150,000 on the grant date and the remaining 100,000 on January 9, 2026.

Subsequent Events

- Subsequent to December 31, 2025, the Company repaid the promissory note in full in January 2026, including all outstanding principal and accrued interest. Accordingly, no amounts remain outstanding under this agreement.
- Subsequent to December 31, 2025, pursuant to the exercise of warrants the Company issued 150,000 shares for gross proceeds of $15,000. In addition, 37,500 shares were issued for the settlement of RSUs.
- On January 12, 2026, the Company completed a non-brokered private placement, issuing 2,250,000 units for gross proceeds of $225,000. Each unit consisted of one common share and one common share purchase warrant, with each warrant entitling the holder to acquire one additional common share at an exercise price of $0.175 for a period of 36 months from the date of issuance. In connection with the financing, the Company issued 140,000 finder's warrants and paid cash finder's fees of $14,000 to an arm's length party.
- On January 16, 2026, the Company entered into a transaction with Infinitum whereby the Company increased its interest in the option agreement to acquire the Hot Breccia copper project from 75% to 95%. In addition, the Company has obtained an irrevocable option to acquire Infinitum's remaining 5% interest in the option agreement, providing a clear path to 100% interest in the option agreement to acquire the project.
- On January 16, 2026, the Company issued 450,630 shares to Walnut in settlement of property payments.
- On February 3, 2026, the Company completed a non-brokered private placement, issuing 1,475,000 units for gross proceeds of $147,500. Each unit consisted of one common share and one common share purchase warrant, with each warrant entitling the holder to acquire one additional common share at an exercise price of $0.175 for a period of 36 months from the date of issuance. In connection with the financing, the Company issued 118,000 finder's warrants and paid cash finder's fees and costs of $14,800 to an arm's length party.
- On March 5, 2025, the Company assigned (the "Assignment") all of its rights, interests and obligations in the Hot Breccia copper option agreement to Blade Resources Inc. ("Blade"). As consideration for the Assignment, the Company was received 6,755,000 common shares of Blade and received a cash payment of $185,000. Following completion of the Assignment, Prismo is expected to own approximately 24% of Blade's issued and outstanding shares.

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 2025 year, we recognized that economic uncertainties and market challenges are factors that need to be considered.

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 2025, reflecting ongoing economic concerns due to, among other things, inflation, the imposition or threatened imposition of tariffs by the President of the United States, and the war in Ukraine and overseas. 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.

Selected Annual Financial Information

	Year Ended December 31, 2025 ($)	**Year Ended December 31, 2024 ($)**	**Year Ended December 31, 2023 ($)**
Revenues	nil	nil	nil
Net loss	(1,530,978)	(3,806,921)	(2,164,712)
Net loss per share - basic	(0.02)	(0.08)	(0.05)
Net loss per share - diluted	(0.02)	(0.08)	(0.05)
	As at December 31, 2025 ($)	**As at December 31, 2024 ($)**	**As at December 31, 2023 ($)**
Total assets	8,904,410	6,164,409	7,293,894
Total non-current financial liabilities	nil	nil	nil
Distribution or cash dividends	nil	nil	nil

Quarterly Information

A summary of selected financial information of Prismo for the eight most recently completed quarters is provided below:

Three Months Ended	Total Revenue ($)	Working capital (deficiency) ($)	Net Income or (Loss)	
			Total ($)	Per Share ($)
December 31, 2025	nil	163,853	(931,559)	(0.01)
September 30, 2025	nil	(799,789)	(314,583)	(0.00)
June 30, 2025	nil	(1,285,291)	(201,734)	(0.00)
March 31, 2025	nil	(1,115,327)	(83,102)	(0.00)
December 31, 2024	nil	(1,054,075)	(2,126,467)	(0.04)
September 30, 2024	nil	(403,429)	(617,276)	(0.01)
June 30, 2024	nil	383,184	(1,005,984)	(0.02)
March 31, 2024	nil	(31,473)	(57,194)	(0.00)

- For the three months ended December 31, 2025 the net loss of $931,559 principally consulting fees of $272,921, share-based payment $208,186 and professional fees of $67,701.
- For the three months ended September 30, 2025 the net loss of $314,583 principally relates to consulting fees of $134,564, professional fees of $49,718 and loss on settlement of debt of $56,661.
- For the three months ended June 30, 2025 the net loss of $201,734 principally relates to consulting fees of $110,500, share-based payment of $36,149 and professional fees of $41,724.
- For the three months ended March 31, 2025 the net loss of $83,102 principally relates to share-based payment of $103,704, consulting fees of $67,575 and conference and investor relations of $75,034 offset by gain on settlement of debt of $219,594.
- For the three months ended December 31, 2024 the net loss of $2,126,467 principally relates to write-off of exploration and evaluation assets of $1,790,565, unrealized loss on marketable securities of $59,148, share-based payment $161,957 and consulting fees of $104,259 offset by realized gain on marketable securities of $97,845.
- For the three months ended September 30, 2024 the net loss of $617,276 principally relates to share-based payment of $204,764, marketing cost of $187,684 and unrealized loss on marketable securities of $239,650 offset by realized gain on marketable securities of $368,451.
- For the three months ended June 30, 2024 the net loss of $1,005,984 principally relates to consulting fees of $405,939, share-based payment of $129,810, marketing cost of $264,399 and loss on settlement of debt of $133,349 offset by unrealized gain on marketable securities of $255,000.
- For the three months ended March 31, 2024 the net loss of $57,194 principally relates to share-based payment of $66,065, marketing cost of $36,860 and travel expenses of 47,657 offset by unrealized gain on marketable securities of $82,500 and realized gain on marketable securities of $60,180.

Financial Highlights

Three months ended December 31, 2025, compared with three months ended December 31, 2024

The Company's net loss totaled $931,559 for the three months ended December 31, 2025, with basic and diluted loss per share of $0.01. This compares with a net loss of $2,126,467 with basic and diluted loss per share of $0.04 for the three months ended December 31, 2024. The decrease in net loss of $1,194,908 was principally due to:

- During the three months ended December 31, 2024, the Company elected not to renew the mineral concessions related to the Los Pavitos Project and wrote off the carrying value of $1,790,565.
- Consulting fees increased to $272,921 for the three months ended December 31, 2025, compared to $104,259 for the same period in the prior year reflecting increase need for consulting services in the current period.
- The Company recorded a realized gain on marketable securities of $97,845 for the three months ended December 31, 2024, compared to a realized loss of $nil for the same period in 2025. The decrease in realized gain was primarily attributable to the sale of common shares of Vizsla during the period.
- All other expenses were related to general working capital purposes.

Year ended December 31, 2025, compared with year ended December 31, 2024

The Company's net loss totaled $1,530,978 for the year ended December 31, 2025, with basic and diluted loss per share of $0.02. This compares with a net loss of $3,806,921 with basic and diluted loss per share of $0.08 for the year ended December 31, 2024. The decrease in net loss of $2,275,943 was principally due to:

- During the year ended December 31, 2024, the Company elected not to renew the mineral concessions related to the Los Pavitos Project and wrote off the carrying value of $1,790,565.
- The Company recorded a realized gain on marketable securities of $26,424 for the year ended December 31, 2025, compared to a realized gain of $526,476 for the same period in 2024. The decrease in realized gain was primarily due to a lower volume of common shares of Vizsla sold during the current period.
- The gain on settlement of debt increased to $89,882 for the year ended December 31, 2025, compared to loss of $132,737 for the same period in the prior year. The gain or loss resulted from the settlement of outstanding liabilities through the issuance of common shares, where the carrying amount of the debt exceeded the fair value of the shares issued.
- Marketing expense decreased to $72,296 for the year ended December 31, 2025, compared to $506,722 for the same period in the prior year reflecting cost saving initiatives implemented in the current period.
- Share-based payments decreased to $355,674 for the year ended December 31, 2025, compared to $562,596 in the prior period. The decrease is primarily due to the timing of expense recognition related to the estimated fair value of stock options, share appreciation rights (SARs), and restricted share units (RSUs) granted in both current and prior periods. The Company recognizes share-based payment expenses in accordance with the vesting schedules of the respective awards, which may result in fluctuations in expense from year to year depending on the volume, timing, and terms of the grants.
- All other expenses were related to general working capital purposes.

Liquidity and Capital Resources

From management's point of view, the Company has cash of $1,219,357 as of December 31, 2025, and additional financing 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. Subsequent to December 31, 2025, the Company raised approximately $372,500 from private placements.

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, 2025, 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, given its working capital of $163,853 as of December 31, 2025, it is anticipated that the Company would need to inject funds for it to continue operations for the twelve-month period ending December 31, 2026. 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 funds 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.

Cash Flows

As of December 31, 2025, the Company had cash of $1,219,357. The increase in cash of $1,212,173 from December 31, 2024 cash balance of $7,184 was a result of cash outflows in operating and investing activities of $1,261,510 and $555,661, respectively and cash inflows from financing activities of $3,029,344.

Operating activities were affected by adjustments of realized gain on marketable securities of $26,424, share-based payments of $355,674, interest accrual of $4,537, write-off of receivable of $20,443, gain on settlement of debt of $89,882 and net change in non-cash working capital balances of $5,120 because of an increase in receivables of $13,445, an increase in prepaid expenses of $7,201, an increase in accounts payable and accrued liabilities of $50,482 and a decrease in due to related parties of $24,716.

Cash used in investing activities was $555,661 for the year ended December 31, 2025. This cash related to proceeds from sale of marketable securities of $153,513 which was offset by cash used for exploration and evaluation assets of $709,174.

The Company raised $3,029,344 from net proceeds from private placements and short-term loans.

The Company continues to monitor its cash resources closely and is evaluating financing and strategic options to support ongoing operations and exploration activities.

Mineral Properties Update

Mineral Properties

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

a) Palos Verdes project

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 CXO of the Company (the "ProDeMin Option") to earn up to 75% interest in the Palos Verdes Property. 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.

On November 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 financing.

On December 12, 2022, the Company closed 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.

On January 9, 2023, the Company signed the definitive Strategic Investment agreement with Vizsla.

Drilling of several campaigns at Palos Verdes has intersected what the Company believes is the upper part of a mineralized shoot typical of the veins in the Panuco district. Bonanza grade intercepts have been reported, including the exceptional interval of 3,100 g/t Ag, 102 g/t Au (11,520 g/t Ag equivalent) over 0.5 m in hole PV-25, and 2336 g/t Ag with 8.42 g/t Au and 2.46% Zn (3,205 g/t Ag equivalent) over 1.15 m in hole PV-02. Work completed in 2023 indicates that this mineralized body may be cut off and down dropped along a fault on the east.

On February 6, 2024, the Company announced a plan to conduct a deeper drill program from adjoining ground controlled by its Strategic Investment Partner Vizsla Silver to test for the extension of high-grade mineralization encountered at shallow depths as well as the possible down dropped extension of this body to the northeast. On July 31, 2024, the Company announced mobilization of a crew to the site to begin preparations for the drill program. Drilling commenced on September 24. 2024. Two holes were completed from remote site PV005 to drill downdip from the high-grade mineralized body drilled previously: PV-24-34 was drilled to a depth of 286.5 meters and hole PV-24-35 was drilled to a depth of 318.0 meters. The program was curtailed in late November after slow advances and budgetary considerations. Assays from the latest drilling are pending.

The Company has undertaken several drill campaigns at the project and a total of about 6,052 meters has been drilled in 33 holes to date, including 5 holes drilled by ProDeMin in 2018, shown in the table below.

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

Hole	Easting	Northing	Elev.	Azimuth	Inclination	Depth (m)
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
2020 drill campaign						
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
2022 drill campaign						
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
2023 drill campaign						
PV-23-19	414,023	2,593,310	1,313	326	-44	93.00
PV-23-20	414,049	2,593,296	1,296	324	-59	201.00
PV-23-21	414,004	2,593,260	1,294	330	-45	160.00
PV-23-22	414,008	2,593,262	1,294	330	-60	129.00
PV-23-23	413,963	2,593,219	1,261	300	-45	144.00
PV-23-24	413,806	2,593,118	1,226	315	-70	201.00
PV-23-25	413806	2593083	1236	320	-68	258.00
PV-23-26	413,807	2,593,082	1,236	10	-45	327.00
PV-23-27	413,814	2,593,082	1,226	320	-75	234.00
PV-23-28	413,801	2,593,136	1,244	35	-60	117.00
PV-23-29	413,735	2,593,073	1,216	330	-75	183.00
PV-23-30	413,707	2,592,990	1,202	330	-50	180.00
PV-23-31	413,709	2,592,990	1,200	330	-75	246.00
PV-23-32	413,677	2,592,942	1,211	315	-50	199.50
PV-23-33	413,678	2,592,938	1,216	330	-75	250.50

Coordinates in UTM WGS84 from a handheld GPS

The results of the Company's drilling are shown in the following table, along with the results from the previous drilling by ProDeMin.

Assay highlights for holes drilled 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 (%)	Ag eq g/t
ProDeMin holes (previously released)										
PV-01	23.90	28.80	4.90	4.2	0.89	31	0.21	0.30	2.63	228
PV-02	40.35	48.70	8.35	5.5	1.69	474	0.54	1.09	**3.84**	840
incl.	45.25	48.70	3.45	2.3	**3.75**	**1098**	0.67	1.99	**3.00**	**1,650**
incl.	46.55	47.70	1.15	0.8	**8.42**	**2336**	0.27	1.72	2.46	**3,205**
PV-03	31.30	40.65	9.35	7.0	1.45	15	0.05	0.11	1.04	180
incl.	39.55	40.65	1.10	0.8	**12.15**	50	0.26	0.53	**5.01**	**1,280**
PV-04	55.45	59.00	3.55	3.0	0.12	37	0.31	0.12	0.74	111
PV-05	54.25	57.40	3.15	2.0	0.25	23	0.06	0.32	0.62	82
Prismo holes										
PV-06	70.55	75.85	5.3	3.2	0.13	69	0.14	0.12	0.29	108
	75.00	75.85	0.85	0.5	**0.46**	**317**	0.12	0.09	0.21	378
PV-08	92.70	96.05	3.35	2.5	0.24	17	0.09	0.19	0.58	73
	92.70	93.65	0.95	0.7	0.55	37	0.24	0.61	1.21	169
PV-09	87.10	88.95	1.85	1.3	0.73	38	0.19	0.61	**3.89**	270
PV-10	125.30	126.50	1.20	0.9	0.03	6	0.06	0.03	1.4	77
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
PV-19	Anomalous Ag									
PV-20	2.99	3.90	0.91	0.90	1.58	58	-	0.01	0.01	189
PV-21	Anomalous Au & Ag									
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	-	**102.0**	**3,100**	0.20	0.17	0.26	**11,520**
PV-27	0.90	1.30	0.40	0.10	0.22	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.

b) Hot Breccia project

On January 29, 2023, the Company entered into a definitive agreement to acquire a 75% interest in the Hot Breccia project located in the 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.

Prismo Earn-In Obligations to Walnut:

As at January 31,	Work Commitments	Property Payments
2024	$500,000 (ii)	$165,000 (i)
2025	$1,000,000	$100,000 (ii)
2026	-	$275,000
2027	$1,750,000(iii)	-
2028	$2,000,000(iii)	-
Total	**$5,250,000**	**$540,000**

(i) On April 5, 2024, the Company issued 832,571 common shares (valued at $162,351) to Walnut in partial settlement of property payments.

(ii) On February 5, 2025, Prismo and Walnut agreed to the following amendments: (1) issuance of 2,845,592 common shares of Prismo (valued at $284,559) in settlement of the 2024 work commitment deficit, to be issued on or before February 15, 2025; (2) a cash payment of $100,000 due on the earlier of July 31, 2025 or five business days following the closing of an equity financing by Prismo of at least $500,000; and (3) a cash fee of $10,000 payable on or before February 12, 2025 as consideration for granting the payment extension. If the $100,000 payment is not made by July 31, 2025, an additional penalty of $20,000 will be due by August 15, 2025. These arrangements are in addition to, and do not modify, the terms of the existing Agreement.

(iii) On November 5, 2025, Prismo and Walnut agreed to the following amendments: (1) extend the milestone date to complete exploration expenditures of $1,750,000 from January 31, 2026 to January 31, 2027; and (2) extend the milestone date to complete exploration expenditures of $2,000,000 from January 31, 2027 to January 31, 2028 and (3) extend the milestone date to complete the final cash payment of $275,000 to Walnut Mines LLC from January 31, 2026 to July 31, 2026.

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.

Dr. Gibson, CXO 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. 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 was previously explored by Bear Creek Mining, a subsidiary of Kennecott Copper Co., on a portion of the property in the 1970's and early 80's. Although the data is not complete and not NI 43-101 compliant, several intercepts of high-grade mineralization were reported as detailed below. Kennecott drilled seven holes from 1972 to 1981 and Phelps Dodge drilled two holes 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 9, 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 the development of 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.

On February 9, 2024, 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 all 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, CXO 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 4, 2024, 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 26, 2024, the Company announced further results for samples taken in February during their 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.

Assay highlights 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
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
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**
256626	526,781	3,652,615	Chip	0.8	0.01	**2.6**	5.7
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
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
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 USD$100,000 for the second year of the Option Agreement has been made.

On July 12, 2024, the company announced that it has secured permit approval for the Hot Breccia drill program from the BLM by posting the required reclamation bond. Maintenance of the road infrastructure at the project is planned prior to drilling.

On September 2, 2024, the Company announced that it had acquired important historical information on the project from a third party and had updated the exploration model for the Hot Breccia project. The information included Kennecott Copper Company (Through their exploration subsidiary Bear Creek Mining Company) exploration data, gathered between 1972 and mid-1974, including the complete log and assays for Kennecott's first drill hole (Hole OC-1), Induced Polarization (IP) geophysical data, and a geological interpretation incorporating holes OC-1 to OC-3. All the data are subsequent to those included in a master's thesis by Larry Barrett in 1972, which was the basis of Prismo's previous modeling. Important features of the acquired data are that they show: 1) the distribution of post mineral quartz diorite dikes containing fragments of copper-bearing mineralization brought up from depth and 2) the location of shallow and deep IP anomalies that Kennecott interpreted as indicating the presence of a deeper and larger sulfide body than they had previously recognized. Importantly, their IP anomaly appears to correspond closely to the area of the conductive anomaly identified in Prismo's 2023 ZTEM geophysical survey (see News Release of February 9, 2024).

Hole OC-1 was drilled to a depth of 733 meters in 1974. It was collared in the area of one of the property's namesake breccias that host copper skarn fragments sourced from deep below the surface. Prismo sampling of some of these fragments assayed up to 5.7% copper (See News Release dated March 26, 2024). Prismo previously possessed only the logs for the upper 295 meters of the hole; stopping in the volcanic rocks above the carbonate rocks that host the target skarn and porphyry indicated by the breccia fragments mapped at surface. The Kennecott data include the complete description and assay data forOC-1, as well as their interpretation of the results. An important conclusion of the interpretation is the presence of an altered quartz diorite interpreted to be the causative intrusion.

On October 15, 2024, the Company announced the results of the Artificial Intelligence study by ExploreTech. Computer simulations identified a large exploration target defined by the overlap of the numerous geological models and supports Prismo's model for mineralization and conforms with several key features, including (i) the presence of high-grade skarn mineralization at relatively shallow depths in historic drill holes, (ii) the presence of two areas where copper skarn fragments are present as xenoliths in quartz diorite dikes, and (iii) the location of a deeper IP anomaly in the historic information.

On February 28, 2025, the Company provided an updated the exploration model for the Hot Breccia project based on a combined analysis of (i) the results of the airborne geophysical survey conducted in 2023 which consisted of data collected with a ZTEM (Z-axis Tipper Electromagnetic) System, (ii) historical exploration data and (iii) the AI study conducted by Prismo in 2024. Steve Robertson, President of Prismo Metals stated: "The results of the geophysical survey when taken in conjunction with the historical exploration data and the AI study provide a compelling exploration model for the Hot Breccia project. The data sets complement each other nicely and combine to form a model that is typical of porphyry copper deposits. The additional supportive context of the similarity of Hot Breccia's geologic setting, with the geologic setting at the Resolution deposit, culminates in this being an exciting and high priority exploration target."

On November 5, 2025, Prismo announced that it had negotiated extensions to the certain dates to complete cash payments and exploration expenditures at Hot Breccia, as follows: (i) extend the milestone date to complete exploration expenditures of $1,750,000 from January 31, 2026 to January 31, 2027; and (ii) extend the milestone date to complete exploration expenditures of $2,000,000 from January 31, 2027 to January 31, 2028 and (iii) extend the milestone date to complete the final cash payment of $275,000 to Walnut Mines LLC from January 31, 2026 to July 31, 2026.

Alain Lambert, CEO of Prismo said: "Prismo remains firmly committed to advancing the Hot Breccia Project, located in the heart of Arizona's historic copper belt. We appreciate the cooperation of Walnut Mines LLC in extending certain milestone obligations, which provides the Company with additional flexibility as we assess a range of strategic alternatives. Each of these paths is designed to position Prismo to commence drilling on what we consider one of the most compelling copper exploration opportunities in Arizona and the broader United States."

Subsequent to the reporting period, on January 9, 2026, Prismo announced that is would acquire an increased interest of 95% with an option to acquire the remaining 5% of the Hot Breccia project. Closing of this acquisition was announced on January 16. Prismo also announced that it was planning to advance the exploration at Hot Breccia through a strategic transaction with a private company, Blade Resources, whereby Blade would obtain a 100% interest in the project by issuing 6,755,000 common shares of Blade to Prismo and making a cash payment of $185,000. Prismo would own approximately 24% of Blade's issued and outstanding shares. Closing of this deal was announced on March 6, 2026.

(c) Los Pavitos project and the Cascabel Option

In addition to the Palos Verdes and Hot Breccia projects, the Company held the Cascabel Option (as defined below) in respect of the Los Pavitos project which has been terminated.

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.

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. 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.

On February 24, 2025, the Company announced that it provided Cascabel with a notice of termination of the Option Agreement dated October 11th, 2019 in respect of the Los Pavitos project. In the current market conditions Prismo is not in a position to support this project, and considering the ongoing funding requirement just to hold the property, it was decided that terminating the option was the best course of action.

(d) Silver King and Ripsey option agreements

On July 4, 2025, the Company announced that it had entered into agreements to acquire the Silver King and Ripsey mines in the Arizona Copper belt near the Hot Breccia project. The details of the agreements are as follows:

Silver King Property Option Agreement

On June 27, 2025, the Company entered into an option agreement with Silver King Mine LLC and Ronald R. Deen Jr. (the "Optionors") to acquire up to a 100% interest in the Silver King mining claims and surface and water rights, located in Arizona.

Initial Consideration:

Issuance of 1,000,000 common shares of the Company within 10 days of execution (issued).

Option Terms:

First Option to earn a 50% interest:

a) incurring a minimum of USD$500,000 in exploration expenditures on or before the first anniversary of the effective date of the option agreement;
b) incurring an additional USD$2,500,000 in exploration expenditures on or before the third anniversary of the effective date of the option agreement;
c) issuing 2,000,000 common shares of the Company; and
d) making a cash payment of USD$10,000 on or before December 27, 2025 (paid subsequently in February 2026) and annual cash payments of USD$10,000 on each anniversary of the option agreement.

Second Option to earn an additional 30% interest:

e) incurring an additional USD$3,000,000 in exploration expenditures on or before the fifth anniversary of the effective date of the option agreement;
f) making a cash payment of USD$1,000,000 on or before the fifth anniversary of the effective date of the option agreement; and
g) issuing 2,000,000 common shares of the Company.

Third Option to earn an additional 20% interest:

h) paying to the Optionors an amount equal to 20% of the value of a measured and indicated resource on the property, less the amount of expenditures incurred before the third anniversary of the effective date of the option agreement.

Joint Venture:

If the Company elects not to acquire a 100% interest in the property, a joint venture with the Optionors may be formed to continue development of the property.

Termination:

If the Company fails to meet expenditure, share issuance, or cash payment obligations (after the applicable periods), the option rights will lapse.

Ripsey Property Option Agreement

On June 11, 2025, the Company entered into an option agreement with the Optionors to acquire a 100% interest in the Ripsey property, located in Arizona.

Initial Consideration:

- issuance of 1,000,000 common shares of the Company (issued);
- making a cash payment of USD$12,500 on or before May 5, 2026 (unpaid); and
- making annual cash payments of USD$10,000 on each anniversary of the effective date of the agreement during the option period.

Option Terms:

The option period is five years from the agreement date. To exercise the option, the Company must make an additional cash payment of USD$1,000,000, upon which it will acquire 100% ownership of the property.

On July 29, 2025, 2,000,000 common shares of Prismo were issued to satisfy the initial consideration for both the Silver King and Ripsey option agreements.

On August 12, 2025, 5,000,000 units of Prismo were issued to Cazadora, a private company dealing at arm's length with Prismo that had certain rights in the Silver King and Ripsey properties in consideration for Cazadora relinquishing its rights in the Silver King and Ripsey properties in favour of Prismo.

Since acquiring the Silver King and Ripsey properties the Company has conducted initial exploration programs at each. At Silver King a geological crew conduced a property wide reconnaissance geology and sampling program to catalogue mineral occurrence. On August 8 the Company announced that it had discovered exploration targets in addition to the historical silver mine at the Silver King property. On September 15, 2025, Prismo announced that it had identified a porphyry target at the Silver King project and described the results of a soil geochemical survey using a handheld XRF around the historical mine.

Geochemical analyses of samples taken at the project with high silver and copper assays were included in news releases dated September 24 and September 29, 2025 as shown in the table below;

Sample	Au g/t	Ag g/t	Cu %	Pb %	Zn %	Sb ppm	Bi ppm	Ba ppm	Hg ppm
New polymetallic vein									
544510	0.03	**757**	1.51	6.69	11.53	7788	0.3	>10000	12.84
Silver King mine									
544514	1.07	**619**	0.59	0.44	0.63	337	3	>10000	1.7
544517	0.04	**511**	0.09	0.26	0.43	377	0.2	>10000	15.66
Cu replacement zone									
544502	0.47	7	**1.35**	-	0.02	0.8	71.8	30	<0.005
544507	2.26	25	**2.43**	-	0.23	0.4	33.5	12	0.01
544508	0.73	12	**1.11**	-	0.28	0.4	29.1	12	0.03
544552	<005	35	0.14	2.81	2.21	114	0.5	24	2.11

On October 16 and 20, 2025, the Company announced sampling results from an initial program at the Ripsey Mine, as shown in the table below. These results confirm the high-grade nature of the mineralization along the Ripsey vein, exposed at the surface and in underground workings over about 600 meters along strike.

Sample	Location	Easting	Northing	Width m	Au g/t	Ag g/t	Cu %	Pb %	Zn %
544101	East surface	502,639	3,651,725	1.5	2.98	97	1.62	0.01	0.23
544102	East surface	502,679	3,651,748	0.5	0.02	47	0.79	-	1.56
544103	East surface	502,745	3,651,782	1.0	0.79	99	-	0.24	0.24
544104	East tunnel			0.6	**14.7**	**233**	**3.28**	0.42	**3.26**
544105	East tunnel			0.7	**3.24**	80	1.69	0.21	**5.11**
544106	East tunnel			0.6	**3.14**	73	**3.46**	0.36	**6.52**
544107	East tunnel			0.8	**3.05**	68	**4.85**	0.71	**7.83**
544108	East tunnel			0.75	1.42	**102**	.30	0.16	**3.39**
544110	Main stope	502,320	3,651,688	1.5	2.66	**139**	.37	0.01	0.18
544111	Main stope	502,309	3,651,688	0.4	0.06	21	-	-	-
544112	Main shaft	502,288	3,651,688	0.75	**14.6**	51	0.60	0.20	0.18
544113	Vein HW	502,250	3,651,677	0.75	0.75	**132**	0.17	0.10	-
544114	Vein FW	502,250	3,651,677	0.75	0.11	19	-	-	-
544115	East Shaft	502,420	3,651,693	1.5	1.19	**129**	0.11	-	-

Also on November 19, 2025, the Company announced that additional drill targets were being developed in the Black Diamond area on the eastern portion of the Silver King property. An XRF soild survey was completed over the area, and an IP survey was completed over the property with results pending.

The Company announced the results of an initial IP survey on December 3, 2025. Subsequent to the end of the reporting period, Prismo reported additional IP results on January 7, 2026 and a planned Phase I drill program on Feb 12, 2026. Completion of the Phase I drill program was announced on April 7, 2026, with 1272 meters drilled in 8 holes. Assays are pending.

Technical Information

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

The Company has incurred the following exploration and evaluation investments:

Balance, December 31, 2023	**$ 5,820,296**
ProDeMin Project	
Option payments	68,700
Palos Verdes remaining 25% option-cash	-
Drilling	314,656
Other	343,811
Additions to ProDeMin Project	727,167
Hot Breccia Project	
Option payment	231,354
Permitting	159,049
Drilling	87,681
Other	347,237
Additions to Hot Breccia Project	825,321
Los Pavitos Project	
Option payment	155,154
Drilling	119,102
Other	56,181
Write-off of Los Pavitos Project	(1,790,565)
Additions to Los Pavitos Project	(1,460,128)
Balance, December 31, 2024	**5,912,656**
ProDeMin Project	
Option payments	137,500
Other	26,630
Additions to ProDeMin Project	164,130
Hot Breccia Project	
Option payment	337,990
Drilling	20,000
Other	58,855
Additions to Hot Breccia Project	416,845
Silver King and Ripsey Project	
Option payment	650,000
Drilling	168,144
Assays and lab costs	7,942
Other	247,653
Additions to Silver King and Ripsey Project	1,073,739
Balance, December 31, 2025	**$ 7,567,370**

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, 2025, the Company does not believe that there are any significant environmental obligations requiring material capital outlays in the immediate future.

Transactions with Related Parties

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

Year ended December 31,		**2025**		**2024**
Consulting fees paid to a company controlled by the Chief Executive Officer of the Company	**$**	**238,429**	$	86,500
Consulting fees paid to a company controlled by the former President of the Company	**$**	**41,250**	$	136,750
Consulting fees paid to the Chief Exploration Officer of the Company for supervision of exploration programs	**$**	**175,036**	$	263,894
Fees paid or accrued to companies controlled by the Chief Exploration Officer	**$**	**136,179**	$	558,583
Consulting fees paid to a company controlled by the former President of the Company	**$**	**46,612**	$	-
Accounting fees paid to Marrelli Support Services Inc., a company controlled by the Chief Financial Officer of the Company	**$**	**49,458**	$	43,530
Share-based payments:	**$**	**250,283**	$	361,767

In addition to the above transactions, both the ProDeMin Option (Note 14(a)) and the Cascabel Option (Note 14(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:

		As at December 31, 2025		**As at December 31, 2024**
Amounts owed to the Chief Exploration Officer for consulting fees and reimbursable expenses	**$**	**5,976**	$	57,356
Amounts owed to companies controlled by the Chief Exploration Officer for services rendered		**344,154**		395,378
Amounts owed to Marrelli Support Services Inc., a company controlled by the Chief Financial Officer of the Company		**2,679**		8,524
Amounts owed to a company controlled by the Chief Executive Officer of the Company for consulting fees and reimbursable expenses		**750**		9,500
Amounts owed to a company controlled by the former President of the Company for consulting fees and reimbursable expenses		**-**		9,440
Amount owed to a company controlled by the directors of the Company		**-**		681
	$	**353,559**	$	480,879

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.

Outstanding Share Data

The number of common shares of the Company outstanding and the number of common shares issuable pursuant to other outstanding securities of Prismo as at April 30, 2026 are as follows:

Securities	As at April 30, 2026
Common shares outstanding	115,200,816
Issuable under warrants	46,598,112
Issuable under options	6,375,000
Issuable under RSUs	1,512,500
Issuable under SARs	350,000
Total securities	**170,036,428**

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 have 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. The Company classifies marketable securities at FVTPL. At present, the Company does not have any 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).

Marketable securities are measured as at Level 1.

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.

Currency Risk

As at December 31, 2025, all of the Company's cash were held either in Canadian dollars or US dollars. The Company incurs expenditures in Canada, USA 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.

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 significant 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, 2025, the Company had a cash balance of $1,219,357 to settle current liabilities of $1,173,187. 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 maturity of less than 30 days and are subject to normal trade terms.

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, increased inflation, or the imposition or threatened imposition of tariffs, 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. Defense 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.

United States Tariffs and Retaliatory Tariffs

The imposition of tariffs by the United States (the "U.S. Tariffs") and resulting retaliatory measures between governments may have multifaceted effects on the economy. The U.S. Tariffs could adversely affect the Company's operations by contributing to economic downturns, inflationary pressures, and increased uncertainty in capital markets. Currently, the Company believes there are no direct impacts of the U.S. Tariffs on its operations. However, the Company continues to assess the potential indirect impacts of these tariffs, as well as any retaliatory tariffs or other protectionist trade measures that may arise. These indirect impacts could be significant and may include additional inflationary pressures.

Failure to effectively mitigate the negative effects of the U.S. Tariffs could have a material adverse impact on the Company's operating results and financial condition.

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.

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.

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, it has working capital of $163,853 as at December 31, 2025, additional financings will be required to fund future exploration for the twelve-month period ending December 31, 2026.	The operating and exploration activities of the Company for the twelve-month period ending December 31, 2026, 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 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.	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 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.