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Trading Symbol: PRS.H

PRISM ANNOUNCES CLOSING OF ACQUISITION OF HUAMPAR SILVER GOLD MINE, PRIVATE PLACEMENT AND GRADUATION FROM NEX TO TSX VENTURE EXCHANGE TIER 2

July 26, 2016 Vancouver, BC – Prism Resources Inc. (“**Prism**” or the “**Company**”) is pleased to announce that further to its press releases of November 25, 2015 and July 8, 2016, the TSX Venture Exchange (the “**TSXV**”) has granted final approval regarding the NEX reactivation and concurrent application for graduation to Tier 2 of the TSXV (the “**Reactivation**”). Effective Wednesday July 27, 2016 trading in the Company’s common shares will take place on the TSXV under the trading symbol “**PRS**”.

The Company’s application for reactivation and graduation was based on its acquisition of a 100% ownership in the past producing Huampar Silver-Gold mine located in west-central Peru. Please see the Company’s press release of July 8, 2016 for a full description of the assets and the acquisition.

The Company has issued 780,000 shares to an arm’s length party in connection with the Reactivation which are subject to a hold period expiring on November 22, 2016.

In connection with the Reactivation, the Company announces that it has completed a non-brokered private placement (the “**Financing**”), pursuant to which the Company has issued 15,854,000 units (the “**Units**”) consisting of one common share and one half of one common share purchase warrant at a price of \$0.10 per Unit to raise gross proceeds of \$1,585,400. Each warrant has an exercise price of \$0.13 per common share and will be exercisable until July 21, 2019.

The Company has paid finder’s fees in cash (6%) and in units (6%) consisting of one common share and one common share purchase warrant to certain qualified arm’s length finders in compliance with policies of the TSXV. In aggregate, the Company paid \$64,080 in cash and issued 640,800 finder’s units (with the same terms as the Units).

The Company currently expects that approximately \$600,000 of the proceeds will be used to finance the exploration of Huampar, \$200,000 to fund exploration of Cerro Oro with the remaining funds being used for working capital of the Company.

All securities issued pursuant to the Financing will be subject to a hold period expiring November 22, 2016 pursuant to National Instrument 45-102 and the policies of the TSXV.

ON BEHALF OF THE BOARD OF DIRECTORS

Robert W Baxter
President & CEO

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

None of the securities issued in connection with the Financing have been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Forward Looking Statements

Statements contained in this news release that are not historical facts constitute “forward-looking statements” or “forward-looking information” within the meaning of applicable securities laws and are based on expectations, estimates and projections as of the date of this release. Forward-looking statements include, without limitation, possible events and statements with respect to possible events. The words “is expected” or “estimates” or variations of such words and phrases or statements that certain actions, events or results “may” or “could” occur and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements,

are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and assumptions of the Company contained in this release which may prove to be incorrect, include, but are not limited to the ability of the Company to secure financing on the proposed terms and for the aggregate amount. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: fluctuations in the spot and forward price of gold or certain other commodities; changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada, or other countries in which the Company may carry on business in the future; business opportunities that may be presented to, or pursued by, the Company; operating or technical difficulties in connection with mining activities; the speculative nature of gold exploration and development, including the risks of obtaining necessary licences and permits; diminishing quantities or grades of reserves; and contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of gold exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion losses (and the risk of inadequate insurance, or the inability to obtain insurance, to cover these risks). Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future. All of the forward-looking statements made in this release are qualified by these cautionary statements and those made in our other filings with the securities regulators in Canada. These factors are not intended to represent a complete list of the factors that could affect the Company. Although the Company believes that the expectations in the forward-looking statements are reasonable, actual results may vary, and future results, levels of activity, performance or achievements cannot be guaranteed.