Heliostar Announces $4 Million Brokered Private Placement

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TSX.V: HSTR
OTCQX: HSTXF

VANCOUVER, BC, April 8, 2021 /CNW/ – Heliostar Metals Limited (TSXV: HSTR) (OTCQX: HSTXF) (FRA: RGG1) (**"Heliostar"** or the **"Company"**) is pleased to announce that it has entered into an agreement with Canaccord Genuity Corp., as lead agent, on behalf of a syndicate of agents including Sprott Capital Partners LP and Haywood Securities Inc. (collectively, the **"Agents"**) for a marketed private placement of up to 3,809,524 units (the **"Units"**) at a price of $1.05 per Unit for gross proceeds of approximately $4,000,000 (the **"Offering"**).

Each Unit will consist of one common share in the capital of the Company (each a **"Common Share"**) and one half of one common share purchase warrant (each whole warrant a **"Warrant"**). Each Warrant shall be exercisable for one Common Share at an exercise price of $1.70 for a period of 12 months following the Closing Date.

The Warrants may be accelerated by the Company, at its sole option, at any time after the closing date of the Offering provided that the daily volume-weighted average trading price of the common shares of the Company on the TSX Venture Exchange is greater than or equal to $2.00 for a period of 15 consecutive trading days, by giving notice to the holders thereof and, in such case, the Warrants will expire at 4:00pm (Toronto time) the 30th day after the date on which such notice is given by the Company in accordance with the terms of the Warrants.

The Company has agreed to grant the Agents an over-allotment option to sell up to an additional fifteen percent (15%) of the Units offered in the Offering at the Offering Price, exercisable, in whole or in part, at any time on or prior to the closing of the Offering. If the over-allotment option is exercised in full, the Company could sell up to an additional 571,429 Units for additional gross proceeds of up to C$600,000 and the aggregate gross proceeds of the Offering could be increased to an aggregate of C$4,600,000.

The Company intends to use the net proceeds from the Offering to advance the Company's Alaskan and Mexican projects, as well as for working capital and general corporate purposes.

The Offering is scheduled to close on or about April 29th, 2021 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the TSX Venture Exchange and the securities regulatory authorities.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy

securities in the United States or to U.S. Persons (as that term is defined in Rule 902(k) of Regulation S), nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities being offered have not been, nor will they be, registered under the United States *Securities Act of 1933*, as amended (the **"1933 Act"**) or under any U.S. state securities laws, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act, as amended, and applicable state securities laws.

About Heliostar Metals Ltd.

Heliostar is a junior exploration and development company with a portfolio of high-grade gold projects in Alaska and Mexico. The company's flagship asset is the 100% controlled Unga Gold Project on Unga and Popof Islands in Alaska. The project hosts an intermediate sulfidation epithermal gold deposit, located within the district-scale property that encompasses 240km^2 across the two islands. Additional targets on the property include porphyry, high sulphidation and intermediate sulphidation epithermal veins. On Unga Island, priority targets include: the SH-1 and Aquila, both on the Shumagin Trend, the former Apollo-Sitka mine, which was Alaska's first underground gold mine and the Zachary Bay porphyry gold-copper prospect. Gold mineralization at the Centennial Zone is located on neighbouring Popof Island within four kilometres of infrastructure and services at Sand Point.

In Mexico, the company owns 100% of three early stage epithermal projects in Sonora that are highly prospective for gold and silver. Cumaro forms part of the El Picacho district, while the Oso Negro and La Lola projects are also prospective for epithermal gold-silver mineralization.

Neither 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.

Forward-Looking Information. This release includes certain statements that may be deemed "forward-looking statements". Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "would", "may", "could" or "should" occur. Forward-looking statements in this press release include Heliostar's plans to conduct and complete the Offering, use of proceeds, the exercise of the over-allotment option and the timing thereof. Although Heliostar believes that the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not a guarantee of future performance and actual results may differ materially from those in the forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes,

weather, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by applicable securities laws, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

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