Heliostar Presents Q2 2026 Financial and Operating Results with Record Gold Production and Cash Balance

Q2 2026 Highlights:

- Produced a record 14,803 gold ounces and 79,710 silver ounces
- Increased quarterly gold production from San Agustin by 49%
- Continued low-cost production with cash cost of $1,654 per ounce of gold sold and a corporate all-in sustaining costs ("AISC") of $2,287 per ounce of gold sold
- Average gold sale price of $4,406 per ounce
- Record cash position of $43.0 million at end of Q2 with no debt
- Record revenues of $56.5 million driving record mine operating earnings of $31.1 million; net income of $8.0 million ($0.03/share)
- Completed acquisition of Goldstrike during Q2 and made a $10.0 million initial cash contribution

Vancouver, British Columbia–(Newsfile Corp. – August 7, 2026) – Heliostar Metals Ltd. (TSXV: HSTR) (OTCQX: HSTXF) (FSE: RGG1) ("Heliostar" or the "Company") reported unaudited financial results for the three months ended June 30, 2026 ("Q2"). Results are presented in US dollars, unless otherwise stated.

Heliostar CEO, Charles Funk, commented, *"Q2 was Heliostar's strongest production quarter yet. Both our operating mines are in stable operations and producing gold at low costs. This allows us to continue to generate significant operating cash flow despite fluctuations in the gold price. We have built cash on our balance sheet to support the construction of Ana Paula next year while still investing in growth across multiple avenues. This includes investing in our producing mines with mine-life extension focused drilling and studies, such as Veta Madre Plus at La Colorada and the Corner Extension at San Agustin. It also includes growth outside of our Mexican portfolio with the closing of the Goldstrike acquisition.*

"The quarterly results demonstrate our strategy is on track – generate cash flow, build on successes at our operating assets and rapidly advance our growth pipeline to benefit shareholders on a per-share-basis. We continue a clear strategy of production growth and are building towards our corporate goal of being a 500,000-ounce-per-year producer by the end of the decade."

Q2 Results Conference Call

Heliostar will host a conference call on Monday, August 10, 2026, at 1:00 PM Eastern Time/10:00 AM Pacific Time. The call will provide a corporate update following the release of the financial and operating results for Q2 2026.

Please use the link here to register for the call or visit the Company website at www.heliostarmetals.com.

Q2 Operational and Financial Highlights

Record total gold production of 14,803 gold ounces and 79,710 silver ounces. A total of 11,960 gold ounces and 52,997 silver ounces were sold in Q2. A total of 21,940 gold ounces and 63,607 silver ounces have been sold year to date ("YTD"). The Company is on track to achieve production guidance of 50,000-55,000 gold ounces as announced on January 13, 2026.

Consolidated cash cost of $1,654 and corporate AISC of $2,287 per ounce of gold sold in Q2 2026 (see *"Non-IFRS Measures"*). Per ounce costs remained steady despite an increase in profit sharing attributable to strong 2025 performance and elevated diesel prices. Year to date cash costs of $1,630 per gold ounce are on track to come within the guidance range of $1,850-$1,950 per gold ounce and year to date corporate AISC of $2,155 per gold ounce is tracking to come in at or near the top end of the guidance range of $2,025-$2,125 per gold ounce for AISC as announced on January 13, 2026.

Mine operating earnings of $31.1 million for $21.0 million after taxes. Operating margin remained steady compared to the previous quarter, with cessation of mining, crushing and stacking activities at the Junkyard at La Colorada offset by the quarterly increase in operating activities at San Agustin operating the full quarter at steady state.

Net income attributable to shareholders of $8.0 million, or $0.03 per share or $0.03 per share on a fully diluted basis. This compares to net income of $14.1 million ($0.05 per share) for the previous quarter. The decrease was due to the annual grant of stock options during the quarter increasing stock-based compensation expense booked in the quarter, higher tax expenses and a stronger Mexican peso, somewhat offset by lower exploration expenses.

Increased cash position: As of June 30, 2026, the Company had $43.0 million in cash and $45.9 million in working capital. Working capital decreased from the previous quarter, primarily due to the $10.0 million cash payment to Liberty Gold on closing the Goldstrike acquisition and the related short-term deferred payments.

Maintained production at La Colorada mine. Production at the mine transitioned to production from injection and residual leaching. A second injection leaching unit was brought online during the quarter, and wells have been drilled to support injection leach through the balance of the year. The Company continues to excel in its production performance from re-leaching. The restart of operations at the Veta Madre is planned in Q3 2026. The Company has mobilized the contractor to start waste stripping to exploit the 48k ounces of contained gold reserves at Veta Madre. Results of the recently concluded drill program at Veta Madre

Plus are in the process of being incorporated into a modified resource and pit design, targeting additional gold ounces beyond the current mineral reserve.

Steady-state production drives cash flow at San Agustin. The mine maintained steady-state production from the Corner Reserve Area through Q2. Grade control drilling has resulted in positive ore tonnes reconciliation above the reserve model. The San Agustin mine was a major cash flow contributor in Q2, and is anticipated to be a key cash flow driver for Heliostar through 2026 and beyond. Reserves at the Corner are estimated at 68k ounces of gold. The drill results stepping out 200 metres from the current pit edge are being incorporated into an updated mine plan to support permitting and further extraction activities. It is expected that these additions will extend the mine life.

Continued drilling success at Ana Paula as Feasibility Study progresses. The infill drill program continued to encounter wide zones of high-grade mineralization in areas currently classified as inferred resources at the Ana Paula deposit, including 99.8 metres of 10.9 grams per tonne ("g/t") gold as per the June 25, 2026, press release "Heliostar Expands Expansion Zone and Drills 99.8 Metres Grading 10.9 g/t Gold at Ana Paula." These results are being incorporated into an updated resource that will support the upcoming Feasibility Study. In addition, the Company reported additional results from step-down drilling into the Expansion Zone, with results of up to 49.6 metres of 2.88 g/t gold including 9.05 metres of 9.49 g/t gold (as reported in the same press release above). Technical and regulatory programs are being advanced in parallel – feasibility study work will continue through 2026 with the bankable feasibility study scheduled to be completed in Q2 2027. The Company anticipates submitting the permit for the underground mine and providing an update on the progress of the Feasibility Study in Q3.

Goldstrike project in Utah acquired. Heliostar closed the acquisition of the Goldstrike project in Utah, USA, in Q2. The project is located in the Great Basin, and hosts indicated resources of 975k ounces at 0.46 g/t gold in 65.8 million tonnes ("Mt") in a Carlin-style system as reported in "NI 43-101 Technical Report Goldstrike Project, Utah, USA" with an effective date of March 26, 2026, filed on SEDAR+. The Company sees significant exploration potential with most of the drilling only extending to 200 metres below surface. In addition, the property has critical mineral potential at the Antimony Ridge prospect, where a past-producing antimony mine is located and where high-grade grab samples up to 5.7% antimony have been reported. The ongoing work is focused on a technical review of all available historic information for the Goldstrike gold deposit and systematic surface sampling of the Antimony Ridge area. Future development work will focus on delivering a Pre-Feasibility Study, investigating the full potential of Antimony Ridge, and confirming the processing and infrastructure plans.

Operational and Financial Results

Results are reported for the three months ended June 30, 2026 (noted as Q2), March 31, 2026 and for the three months ended June 30, 2025, unless otherwise specified.[1]

A summary of the Company's consolidated operational and financial results for the reporting period is presented below:

Key Performance Metrics	Q2 2026	Q1 2026	Q2 2025
Operational			
Gold produced (ounces)	14,803	11,743	7,262
Silver produced (ounces)	79,710	43,798	12,765
Gold sold (ounces)	11,960	9,980	8,375
Silver sold (ounces)	52,997	10,610	17,132
Cash cost[2] per gold ounce sold (by-product)	$1,654	$1,602	$1,413
AISC[2] per gold ounce sold (by-product)	$2,287	$1,996	$1,541
Financial (in '000s)			
Revenues	$56,485	$54,398	$27,926
Mine operating earnings	$31,094	$30,886	$14,256
Exploration expenses	$1,990	$4,596	$1,916
Net income (loss) before tax	$18,084	$23,119	$1,892
Cash	$43,047	$38,741	$29,703
Total assets	$231,862	$165,425	$122,943
Working Capital	$45,943	$70,032	$51,687

2. Non-IFRS measure. Refer to the "Non-IFRS Measures" section of this news release.

Consolidated Production and Costs

Production of 14,803 gold ounces in Q2 was reported from the La Colorada and the San Agustin mines. The Company is on track to achieve its unchanged full year production guidance of 50,000-55,000 gold ounces and 290,000-320,000 silver ounces.

The consolidated cash costs for the producing operations for Q2 were $1,654 per gold ounce sold, and the corporate consolidated AISC was $2,287 per gold ounce sold. Cash costs in Q2 were below the full year guidance range but expected to increase in the second half of the year to come within guidance for 2026. All-in sustaining costs were above the full year guidance range but expected to decrease to come at or near the top end of the guidance range.

La Colorada Mine

Operating results for Q2 2026 were as follows:

La Colorada		Q2 2026	Q1 2026	Q2 2025
Gold produced	oz	7,587	6,890	3,464
Silver produced	oz	58,288	33,480	7,002
Gold sold	oz	6,982	5,562	3,631
Silver sold	oz	45,751	8,413	11,137
Cash cost (by-product)[1]	$/oz gold sold	$1,531	$1,601	$1,296
AISC (by-product)[1]	$/oz gold sold	$1,641	$1,703	$1,425

During Q2, the La Colorada mine produced 7,587 gold ounces and 58,288 silver ounces with sales of 6,982 gold ounces and 45,751 silver ounces. Year to date, the mine produced 14,477 gold ounces and 91,768 silver ounces with sales of 12,544 gold ounces and 54,164 silver ounces.

In Q2, cash costs were $1,531 per gold ounce sold, and AISC was $1,641 per gold ounce sold. Year to date, cash costs were $1,562 per gold ounce sold and AISC was $1,668 per gold ounce sold. The lower cash costs and AISC compared to the previous quarter were due to the cessation of loading, crushing and stacking activities in late Q1 as the company pivoted from stockpile production to injection leaching. Gold production in the quarter came from a combination of leaching of stockpile material and vertical injection leaching across the west portion of the leach pad. In Q2, the Company made significant investments in the well field infrastructure on the leach pad to support injection leaching through the remainder of 2026 and into 2027.

The Company has commenced surface work within the Veta Madre pit and is on track to start capitalized waste stripping activities in August. This will allow Heliostar to exploit the 48k ounces of gold reserve, which will drive 2027 and 2028 production. Engineering of the Veta Madre Plus expanded pit is nearing finalization, informed by the results of the recent successful drill campaign defining additional mineralization outside of the current reserve pit design. The Company remains on track to bring ore from Veta Madre into production starting in late Q2 2027 and continuing through into 2028.

San Agustin Mine

Operating results for Q2 2026 were as follows:

San Agustin		Q2 2026	Q1 2026	Q2 2025
Gold produced	oz	7,216	4,853	3,564
Silver produced	oz	21,422	10,318	5,609
Gold sold	oz	4,975	4,418	4,595
Silver sold	oz	7,236	2,197	5,911
Cash cost (by-product)[1]	$/oz gold sold	$1,814	$1,874	$1,529
AISC (by-product)[1]	$/oz gold sold	$2,228	$2,170	$1,597

In Q2, San Agustin produced 7,216 gold ounces and 21,422 silver ounces with sales of 4,975 gold ounces and 7,236 silver ounces. Year to date, mine produced 12,067 gold ounces and 31,550 silver ounces with sales of 9,393 gold ounces and 9,433 silver ounces.

For the second quarter of 2026, cash costs were $1,814 per gold ounce sold, and AISC was $2,228 per gold ounce sold. Year to date, cash costs were $1,842 per gold ounce sold and AISC was $2,200 per gold ounce sold. Costs remained largely steady from the previous quarter, with the slight increase in AISC due to a budgeted construction of an expansion to the 4B Leach Pad through Q2.

During the quarter, the mine maintained steady production from the Corner area reserve. Ore tonnes are consistently reconciling above that predicted by the reserve model. Mining of the Corner area reserve will continue through 2026 and into 2027. Reserves at the Corner are estimated at 68k ounces of gold.

A 15,000-18,000 metre drill campaign at San Agustin is ongoing, focused on defining additional oxide resources at the margins of the existing open pit. Results show similar grades, thicknesses and starting depths to the material currently being profitably mined at the operation. Resource modelling and engineering are ongoing to support permitting and future extraction activities with the aim of extending the mine life at San Agustin.

Ana Paula Project

Development and exploration expenditures at the flagship Ana Paula Project were $5.6 million in Q2, primarily relating to exploration and infill drilling, metallurgical testing, and study work to support the upcoming feasibility study.

During Q2, the Company continued a 25,000-metre infill drilling and 10,000-metre exploration drilling program at Ana Paula. The objective of the infill program was to deliver mineral reserves that will support a 10-year life-of-mine in the Feasibility Study planned to be released in 2Q 2027. The results of this infill drill program continue to refine the inferred resource, encountering broad widths of high-grade mineralization including 99.8 metres of 10.9 g/t gold. These results will be incorporated into the updated resource that will form the basis of the upcoming Feasibility Study.

The exploration drill program targeted the Expansion Zone beneath the High Grade Panel, expanding the mineralized footprint at depth. Drilling demonstrated high grade mineralization in this zone is open in multiple directions with recent intercepts including 49.6 metres of 2.88 g/t gold including 9.05 metres grading 9.49 g/t gold. This hole stepped out 20 metres north of previous high-grade hits, in an area below the deepest designed stope in the November PEA. Results from additional holes are pending from this area and expected to be released in the coming months.

In parallel, work on the Feasibility Study is ongoing. This includes advanced metallurgical testing, updating the resource to include the recent drilling, detailed process plant design and mine plan optimization. Heliostar is also rapidly advancing permitting and is on track to submit the permit for the underground mine and associated surface infrastructure before the end of Q3 2026. The Company intends to provide an update on progress of the Feasibility Study work in Q3, ahead of its planned publication in mid-2027.

Cerro del Gallo Project

Following the publication of the pre-feasibility study in late 2025, desktop study work and social engagement have continued at Cerro del Gallo. The work program for the project for 2026 is focused on relogging of the deposit, collecting additional metallurgical samples, social engagement with the local stakeholders and unlocking the full potential of the land-package-constrained reserve.

Goldstrike Project

The Company announced the acquisition of the Goldstrike project from Liberty Gold Corp. on March 23, 2026, and subsequently closed the acquisition on April 24, 2026. The project hosts indicated gold resources of 975k ounces at 0.46 g/t in 65.8Mt plus inferred resources of 90k ounces at 0.31 g/t in 8.9Mt, as reported by the Company on March 24, 2026.

The acquisition provides geographic diversification, adds another high-quality development project to the Company’s pipeline and adds critical minerals exposure through the Antimony Ridge prospect on the east end of the property. The Company will evaluate potential strategic options for the Goldstrike Project, including, but not limited to, sequencing development within the Company’s existing growth project pipeline and the use of special purpose vehicles to separate gold and critical minerals value streams. The ongoing work is focused on a technical review of all available historic information for the Goldstrike gold deposit and systematic surface sampling of the Antimony Ridge area. Future development work will focus on delivering a Pre-Feasibility Study, investigating the full potential of Antimony Ridge, and confirming the processing and infrastructure plans.

Funding Overview

For the three months ended June 30, 2026, 206,667 warrants and stock options were exercised for total proceeds of $0.1 million and 756,252 RSUs vested and were settled in shares.

As of June 30, 2026, the Company had no debt.

Non-IFRS Measures. *This news release refers to certain financial measures, such as all-in-sustaining costs, which are not measures recognized under IFRS and do not have a standardized meaning prescribed by IFRS. These measures may differ from those made by other companies and, accordingly, may not be comparable to such measures as reported by other companies. These measures have been derived from the Company’s financial statements because the Company believes that they are of assistance in understanding the results of operations and its financial position. Certain additional disclosures for these specified financial measures have been incorporated by reference and can be found in the Company’s MD&A for fiscal 2025, available on SEDAR+.*

Cash costs. *The Company uses cash costs per gold ounce sold to monitor its operating performance internally. The most directly comparable measure prepared in accordance with IFRS is cost of sales. The Company believes this measure provides investors and analysts with useful information about its underlying cash costs of operations. The Company also* *believes it is a relevant metric used to understand its operating profitability and ability to generate cash flow. Cash costs are measures developed by metals companies in an effort to provide a comparable standard; however, there can be no assurance that the Company's reporting of these non-GAAP financial measures is similar to those reported by other mining companies. They are widely reported in the metals mining industry as a benchmark for performance, but do not have a standardized meaning and are disclosed in addition to IFRS measures. Cash costs include production costs, refinery and transportation costs and extraordinary mining duty. Cash costs exclude non-cash depreciation and depletion and site share-based compensation. Production costs include mining, crushing, processing, and direct overhead at the operation sites.*

AISC. *AISC more fully defines the total costs associated with producing precious metals. The AISC is calculated based on guidelines published by the World Gold Council (WGC), which were first issued in 2013. In light of new accounting standards and to support further consistency of application, the WGC published an updated Guidance Note in 2018. Other companies may calculate this measure differently because of differences in underlying principles and policies applied. Differences may also arise due to a different definition of sustaining versus growth capital. Note that in respect of AISC metrics within the technical reports, because such economics are disclosed at the project level, corporate general and administrative expenses were not included in the AISC calculations. AISC per GEO includes mining, processing, direct overhead, reclamation and sustaining capital.*

Statement of Qualified Persons

Gregg Bush, P.Eng., and Mike Gingles, P. Geo., Qualified Persons, as such term is defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects, have reviewed the scientific and technical information that forms the basis for this news release and have approved the disclosure herein. Mr. Bush is employed as Chief Operating Officer of the Company, and Mr. Gingles is employed as Vice President of Corporate Development.

About Heliostar Metals Ltd.

Heliostar aims to grow to become a mid-tier gold producer. The Company is focused on increasing production and developing new resources at the La Colorada and San Agustin mines in Mexico, and on developing the 100% owned Ana Paula Project in Guerrero, Mexico.

FOR ADDITIONAL INFORMATION, PLEASE CONTACT:

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Cautionary Statement Regarding Forward-Looking Information

This news release includes certain "Forward-Looking Statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and "forward-looking information" under applicable Canadian securities laws. When used in this news release, the words "anticipate", "believe", "estimate", "expect", "target", "plan", "forecast", "may", "would", "could", "schedule" and similar words or expressions, identify forward-looking statements or information. These forward-looking statements or information relate to, among other things: the Company's goal of becoming a mid-tier producer, the mine performance, production plans and the free cashflow generation from our operating mines, all profits generated from operations to be reinvested directly into our Companies growth and this reinvestment will focus on expanding production and growing resources across our portfolio.

Forward-looking statements and forward-looking information relating to the terms and completion of the Facility, any future mineral production, liquidity, and future exploration plans are based on management's reasonable assumptions, estimates, expectations, analyses and opinions, which are based on management's experience and perception of trends, current conditions and expected developments, and other factors that management believes are relevant and reasonable in the circumstances, but which may prove to be incorrect. Assumptions have been made regarding, among other things, the receipt of necessary approvals, price of metals; no escalation in the severity of public health crises or ongoing military conflicts; costs of exploration and development; the estimated costs of development of exploration projects; and the Company's ability to operate in a safe and effective manner and its ability to obtain financing on reasonable terms.

These statements reflect the Company's respective current views with respect to future events and are necessarily based upon a number of other assumptions and estimates that, while considered reasonable by management, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors, both known and unknown, could cause actual results, performance, or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements or forward-looking information and the Company has made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: precious metals price volatility; risks associated with the conduct of the Company's mining activities in foreign jurisdictions; regulatory, consent or permitting delays; risks relating to reliance on the Company's management team and outside contractors; risks regarding exploration and mining activities;

the Company's inability to obtain insurance to cover all risks, on a commercially reasonable basis or at all; currency fluctuations; risks regarding the failure to generate sufficient cash flow from operations; risks relating to project financing and equity issuances; risks and unknowns inherent in all mining projects, including the inaccuracy of reserves and resources, metallurgical recoveries and capital and operating costs of such projects; contests over title to properties, particularly title to undeveloped properties; laws and regulations governing the environment, health and safety; the ability of the communities in which the Company operates to manage and cope with the implications of public health crises; the economic and financial implications of public health crises, ongoing military conflicts and general economic factors to the Company; operating or technical difficulties in connection with mining or development activities; employee relations, labour unrest or unavailability; the Company's interactions with surrounding communities; the Company's ability to successfully integrate acquired assets; the speculative nature of exploration and development, including the risks of diminishing quantities or grades of reserves; stock market volatility; conflicts of interest among certain directors and officers; lack of liquidity for shareholders of the Company; litigation risk; and the factors identified under the caption "Risk Factors" in the Company's public disclosure documents. Readers are cautioned against attributing undue certainty to forward-looking statements or forward-looking information. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be anticipated, estimated or intended. The Company does not intend, and does not assume any obligation, to update these forward-looking statements or forward-looking information to reflect changes in assumptions or changes in circumstances or any other events affecting such statements or information, other than as required by applicable law.

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[1] During the prior fiscal period, the Company changed its financial year-end from March 31 to December 31. As a result, the Company's most recent consolidated financial statements were prepared for the nine-month period ended December 31, 2025. The condensed consolidated interim financial statements for the three and six months ended June 30, 2026, represent the first 6-month interim reporting period under the Company's new December 31 fiscal year end. Accordingly, this is the first time the Company is presenting comparative financial information for the six-month period ended June 30, 2025, and the comparative information differs from that presented in prior interim financial statements and may not be directly comparable to previously reported quarterly results.

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