

Heliostar Provides Progress Update on Ana Paula Feasibility Study

Highlights:

- **Feasibility Study remains on track for completion in Q2 2027**
- **Targeting a mid-2027 construction decision, with first gold planned before the end of 2028**
- **Updated Mineral Resource estimate in final stages of completion**
- **Process flowsheet finalized with metallurgical test work substantially completed**
- **Permitting timelines progressing with no material delays**
- **Overall feasibility study is 34% complete with early works evaluation, construction planning and debt financing arrangement all underway**
- **Trade-off studies have focused on opportunities to improve project economics and extend mine life**

Vancouver, British Columbia-(Newsfile Corp. – September 21, 2026) – Heliostar Metals Ltd. (TSXV: HSTR) (OTCQX: HSTXF) (FSE: RGG1) ("**Heliostar**" or the "**Company**") is pleased to provide details on the progress of key activities and milestones for the planned development of the Ana Paula project.

Heliostar CEO, Charles Funk, commented, *"The Ana Paula Feasibility Study is the most significant new value creation activity within Heliostar today. The study sets the design, operating plan, and cost of a potential mine build that is planned to start in mid-2027. Earlier this year, we reorganized our executive structure to prioritize development of Ana Paula, we remain on track to meet our Q2, 2027 Feasibility Study timeline and are targeting a H2, 2028 first production goal. Delivering these milestones takes Heliostar through the backend, production-growth portion of the Lassonde curve, a position which historically has proven to be one of the most valuable share price drivers within the mining industry."*

"We have made significant progress on the study this year. We have completed drilling to support the evaluation of the upper portion of the Ana Paula deposit and are nearing completion of the updated mineral resource model and the metallurgical program. The mine, mill, and tailings facility workstreams are each approximately 1/3 complete and progressing well, with the key permit submission due in the coming weeks. We intend to provide milestone updates each quarter as we progress towards our target of building a highly profitable, ten-year mine averaging 100,000 produced gold ounces per year at Ana Paula."

Drill Program

The objectives of the drill program through the first half of 2026 at Ana Paula have been to support an updated mineral resource estimate, provide material for additional metallurgical

test work and for a geotechnical site investigation.

Since the Preliminary Economic Assessment (“NI 43-101 Technical Report Preliminary Economic Assessment of the Ana Paula Project, Guerrero, Mexico” with effective date of November 6, 2025) 74 holes totalling 25,072 metres have been incorporated into the mineral resource estimate. This drilling largely focused on the High Grade Panel, with additional drilling also directed to the Expansion Zone target and other exploration targets north of the High Grade Panel. Total drilling completed to date is presented in Table 1 below, which includes holes completed for resource definition, metallurgy, geotechnical evaluation, and condemnation purposes.

Table 1 - Summary of Ana Paula Drilling

Phase	# of Holes	Hole Size	Total Metres
2025/2026	74	PQ, HQ	25,072
2026 – post resource cutoff	35	PQ, HQ	8,384
Condemnation	13	HQ	1,665
Total:	122		35,121

The High Grade Panel has been traced over a horizontal strike length of 300 metres, down-plunge over 330 metres and averages 50-60 metres thick in its core. The Expansion Zone currently extends up to 200 metres down-plunge of the High Grade Panel and remains open in multiple directions.

Parameters used in the mineral resource estimation remain similar to those used in the previous Preliminary Economic Assessment (“PEA”). Final resource estimation domains are constrained by geologic domains using an ordinary kriging algorithm. Search ellipses are oriented in the direction of the variogram for each domain. Samples are composited two metres downhole by domain, and gold and silver grades were capped after compositing by domain. A total of 11,843 density determinations were included in the mineral resource estimate, and densities were estimated by domain using an inverse distance squared algorithm.

Metallurgical Testing

Additional samples for metallurgical testing were collected from across the deposit during the Feasibility Study drilling program. These samples were subject to metallurgical variability testing to refine recovery and operating cost estimates and establish final BIOX design parameters. Early results confirm consistency of the style of mineralization within the Ana Paula deposit.

All metallurgical work for the flotation circuit has been finalized. A bulk composite of flotation concentrate is undergoing pilot plant-scale testing of the proposed bio-oxidation (“BiOX”) circuit and will be complete in the coming weeks. Further variability testing of sub-batches of

flotation concentrate is being undertaken to define operating parameter ranges for the processing circuit. Circuit optimizations are planned to be completed in October 2026.

Initial results have been in line with earlier testing that supported the PEA, showing that the mineralized material is amenable to recovery using conventional grinding and flotation followed by bio-oxidation and carbon-in-leach (“CIL”) recovery from the flotation concentrate. Results remain in line with those generated in the amenability testing completed during the PEA metallurgical program.

The Company intends to move from a fixed gold grade cut-off used in the PEA to a net smelter return (“NSR”) model in the Feasibility Study. A variable gold grade cut-off model has been developed considering the gold-to-sulfur ratio and additional factors including mineralization hardness and carbonate content. The results of this work appear to support evaluation of a higher mill throughput than contemplated in the PEA and a potential mid-life mill expansion that could increase production rates if supported by the updated mineral resource estimate and Feasibility Study. Design work is underway to incorporate the necessary flexibility in the plant layout to facilitate a future expansion should the updated resource support that decision.

Engineering

Engineering activities continue to advance across multiple fronts to support the Feasibility Study. Overall feasibility engineering progress is 34% complete and on track to deliver the Feasibility Study in Q2 2027. The engineering work completed to date has supported the advancement of the project design, the environmental permit submission, geotechnical design of the dry-stack tailings storage facility and supporting infrastructure design. Trade-off studies have been completed to support mine design modifications that are being evaluated to potentially eliminate underground truck haulage, lower development and mining costs, and reduce surface impacts of the project.

A number of optimization opportunities have been identified and are expected to be reflected in the permit submission as part of the Company’s proposed plan for Ana Paula:

- **Throughput Optimization** – The process plant and associated infrastructure is now planned to run at 2,000 tonnes per day (“tpd”) compared to the 1,800 tpd outlined in the PEA
- **Expansion Opportunity** – The comminution circuit will be sized to accommodate up to 2,500 tpd, allowing for a potential staged expansion part way through the mine life
- **Underground Access** – An internal trade-off study indicates that placing the crusher underground and conveying mineralized material to the plant through a second decline could have a notably positive impact on project economics through operating cost savings. Capital increases from this modification are anticipated to be minimal due to

the offsetting reduction of removing the raise bore and associated ventilation infrastructure considered in the PEA

- **Mine Plan** – Lower unit operating costs from trade-off optimizations and variable gold:sulfur ratio analysis indicate potential for lower average cutoff grades in the Feasibility Study. The Company is reviewing opportunities to modify the mine plan to evaluate potential improvements to Ana Paula’s economics while seeking to maintain lowest quartile per-ounce costs. An internal mine plan is expected to be completed in Q4 2026

Procurement activities for key long-lead items, including the primary and secondary crushers, the ball mill, and the electrical transformer, are advancing through the vendor quotation process. This work is intended to provide firm pricing and confirmed delivery schedules to support future procurement decisions and project execution planning.

Heliostar plans to take advantage of its strong balance sheet and positive operating cash flow to place firm orders for these items in Q4 2026. This is expected to support the target timeline for first gold before the end of 2028, subject to completion of the Feasibility Study, financing and permitting.

Permitting

Ana Paula was previously permitted for an open pit mine plan (“2017 MIA”) that covers significant infrastructure currently in place at the project. Heliostar is modifying the mine plan to an underground-only mining operation. To support this approach, the submission of another environmental permit (“MIA-R”) to the Secretariat of Environment and Natural Resources (“SEMARNAT”, the permitting agency responsible for the environmental permitting of mines in Mexico) will be undertaken by September or October 2026, covering the proposed consolidated underground mining operation. The new underground MIA-R reduces the amount of proposed surface disturbance by approximately 65% compared to the previous open pit mining plan.

Key changes compared to the previous open pit permit include 1) reducing the size of the processing plant and adjusting its location closer to the underground access portal, 2) adopting dry stack tailings to reduce environmental risks and conform to industry-leading practices, and 3) proposing the use of tailings as paste backfill for the underground, further reducing the surface footprint.

Supporting Permits Received – In the quarter, the Company received permissions for surface disturbance to complete the ongoing condemnation drilling program for the proposed plant and tailings facility areas.

Water Supply – Heliostar has submitted a water concession application to CONAGUA to

support the project's anticipated water requirements. The application includes seven potential locations for water supply exploration as the Company continues to advance its water supply strategy for Ana Paula.

Power Supply – Heliostar has submitted a request to the Centro Nacional de Control de Energía (“CENACE”), the decentralized public body responsible for operating Mexico's national electric system and wholesale electricity market) for the System Impact Study associated with the project's anticipated power requirements, advancing the assessment of the electrical infrastructure required to support the potential future development of Ana Paula.

Local Engagement

In preparation for the next stages of development, Heliostar continues to build its long-term community and environmental engagement in the area around the Ana Paula project. These programs are focused on health, education, infrastructure, local economic development, and cultural engagement. These initiatives are complemented by local supplier development, partnerships with government and educational institutions, reforestation programs, and the establishment of a community brigade for forest-fire prevention and control.

The Company is also building its Community Engagement and Development Management System. This system includes establishing a comprehensive stakeholder map, performing social baseline studies, as well as materiality and risk assessments. The aim of this system is to support stakeholder engagement and support activities for economic development of communities surrounding the project.

Financing

Heliostar is planning to fund the Ana Paula construction and commissioning with a combination of internally generated cash and new project debt. The Company is working with Hannam & Partners as advisor to arrange the debt component of the financing plan and will be pursuing various non-dilutive financing options during Q4 2026. The Company continues to forecast generating approximately \$150 million of after-tax cash from its current operations through the next two years to support funding Ana Paula. As of June 30, 2026, Heliostar had \$43.0 million in cash and no debt.

Feasibility Study Next Steps

- **Site Investigation** – Continued condemnation and geotechnical drilling
- **Permitting** – Finalize and submit MIA-R permit application
- **Metallurgy** – Refine and optimize the process design parameters for the BIOX flow sheet and design criteria
- **Mine Design** – Optimized stope designs and schedule based on updated cutoff grade

criteria

- **Water** – Water test wells will be drilled following CONAGUA approval of the water concession
- **Early Works** – Evaluate opportunities to advance selected early works and construction-readiness activities such as pre-development activities and site preparation
- **Financing** – Select a short list of preferred lenders to advance to detailed due diligence
- **Community Engagement** – Implementation of training programs supporting the development of local vendors

Ana Paula Preliminary Economic Assessment Note

Heliostar announced the results of a Preliminary Economic Assessment on November 6, 2025. References to the results in this release are provided in greater detail here. The PEA is preliminary in nature, includes inferred mineral resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized. Mineral resources are not mineral reserves and do not have demonstrated economic viability.

Statement of Qualified Person

Gregg Bush, P.Eng., and Stewart Harris, 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 contained in this news release and have approved the disclosure herein. Mr. Bush is employed as the COO, and Mr. Harris is employed as Exploration Manager of the Company.

About Heliostar Metals Ltd.

Heliostar is a growing gold producer with a goal to produce 500,000 ounces per year by the end of the decade. The cash flow from the Company's La Colorada Mine in Sonora and the San Agustin Mine in Durango supports the development of its 100% owned pipeline of growth projects in Mexico and the USA. These include the flagship Ana Paula development project in Guerrero, the Cerro del Gallo project in Guanajuato, the San Antonio project in Baja Sur, the Goldstrike project in Utah and the Unga project in Alaska.

FOR ADDITIONAL INFORMATION, PLEASE CONTACT:

Charles Funk

President and Chief Executive Officer
Heliostar Metals Limited
Email: info@heliostarmetals.com
Phone: +1 844-753-0045

Rob Grey

Investor Relations Manager
Heliostar Metals Limited
Email: rob.grey@heliostarmetals.com
Phone: +1 844-753-0045

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.

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 completion and results of the Ana Paula Feasibility Study; the timing, scope and results of mineral resource estimation, metallurgical testing, engineering, permitting, procurement, early works and financing activities; potential construction timing and first gold production; potential mine life, production rates, throughput, operating costs, capital costs and project economics; the Company’s forecast cash flows from operations; and the Company’s plans for quarterly milestone updates.

Forward-looking statements and forward-looking information relating to the completion and results of the Ana Paula Feasibility Study, potential development and construction of Ana Paula, timing of any first gold production, project financing and debt arrangements, forecast cash flows from operations, liquidity, future exploration and technical programs, and the timing and outcome of permitting processes 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 permits, approvals and financing; 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.



To view the source version of this press release, please visit
<https://www.newsfilecorp.com/release/315051>