

Heliostar Closes \$6M Financing with Eric Sprott

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Vancouver, Canada, October 16, 2024 – Heliostar Metals Ltd. (TSX.V: HSTR, OTCQX: HSTXF, FRA: RGG1) (“**Heliostar**” or the “**Company**”) is pleased to announce that it has closed a non-brokered private placement of 10,000,000 units (each, a “**Unit**”) at a price of \$0.60 per Unit for gross proceeds of \$6,000,000 (the “**Private Placement**”). The Company is pleased to advise that Eric Sprott, through 2176423 Ontario Ltd., subscribed for the entire Private Placement.

Each Unit consists of one common share in the capital of the Company (each, a “**Common Share**”) and one-half of one non-transferable Common Share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant entitles the holder thereof to purchase one additional Common Share (each, a “**Warrant Share**”) at an exercise price of \$0.90 per Warrant Share for a period of 24 months following the closing date of the Private Placement.

The Company intends to use the net proceeds of the Private Placement for working capital and general corporate purposes.

The Units issued under the Private Placement will have a statutory hold period of four months and one day which will expire on February 16, 2025. The Company paid finder's fees of \$180,000 (3%) to Primary Capital Inc. in accordance with the policies of the TSX Venture Exchange (“**TSXV**”).

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 this press release be construed to constitute such an offer or solicitation 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.

Early Warning Disclosure

Mr. Eric Sprott, through 2176423 Ontario Ltd., a corporation which is beneficially owned by him, acquired 10,000,000 Units for a total consideration of \$6,000,000. Prior to the Private Placement, Mr. Sprott beneficially owned and controlled 17,980,000 Common Shares and 2,423,333 Warrants representing approximately 8.8% of the outstanding Common Shares on a non-diluted basis and approximately 9.9% on a partially diluted basis assuming the exercise of such Warrants.

Following the completion of the Private Placement, Mr. Sprott beneficially owns and controls 27,980,000 Common Shares and 7,423,333 Warrants representing approximately 13.0% of the outstanding Common Shares on a non-diluted basis and 15.9% on a partially-diluted basis assuming the exercise of such Warrants.

The Units were acquired by Mr. Sprott for investment purposes. Mr. Sprott has a long-term view of the investment and may acquire additional securities of Heliostar including on the open market or through private acquisitions or sell securities of Heliostar including on the open market or through private dispositions in the future depending on market conditions, reformulation of plans and/or other relevant factors.

A copy of Mr. Sprott's early warning report will appear on the Company's profile on SEDAR+ and may also be obtained by calling Mr. Sprott's office at (416) 945-3294 (7 King Street East, Suite 1106, Toronto, Ontario, M5C 3C5).

About Heliostar Metals Ltd.

Heliostar aims to grow to become a mid-tier gold producer. The Company is focused on developing the 100% owned Ana Paula Project in Guerrero, Mexico and has recently entered into an agreement to acquire a portfolio of production and development assets in Mexico.

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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 intended use of proceeds of the Private Placement, and exploration and development of the Company's projects.

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.