

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this document. Any representation to the contrary is an offence. The Offering (as defined herein) may not be suitable for you and you should only invest in it if you are willing to risk the loss of your entire investment. In making this investment decision, you should seek the advice of a registered dealer.

The securities being offered under the Offering have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States, and may not be offered or sold except in compliance with an available exemption or exclusion from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This offering document (this “Offering Document”) does not constitute an offer to sell, or the solicitation of an offer to buy, any of these securities in the United States. “United States” has the meaning ascribed thereto in Regulation S under the U.S. Securities Act.

Heliostar Metals Ltd. (the “Company” or “Heliostar”) is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 *Prospectus Exemptions* (“NI 45-106”). In connection with the LIFE Offering (as defined herein), the Company represents the following is true:

- The Company has active operations, and its principal asset is not cash, cash equivalents or its exchange listing.
- The Company has filed all periodic and timely disclosure documents that it is required to have filed.
- The total dollar amount of the LIFE Offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption in the 12 months immediately before the date of this Offering Document, will not exceed \$10,000,000.
- The Company will not close the LIFE Offering unless the Company reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.
- The Company will not allocate the Available Funds (as defined herein) from the LIFE Offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the Company seeks security holder approval.

March 20, 2025

OFFERING DOCUMENT UNDER THE LISTED ISSUER FINANCING EXEMPTION



HELIOSTAR METALS LTD.

SUMMARY OF OFFERING

What are we offering?

**Type and
Number of
Securities
Offered:**

Heliostar is offering on a “bought deal” brokered private placement basis 17,000,000 common shares of the Company (the “**Common Shares**”) at a price of \$1.00 per Common Share (the “**Offering Price**”) for aggregate gross proceeds of \$17,000,000.

In addition, the Company has granted the Underwriters (as defined below) an option (“**Over-Allotment Option**”) to purchase up to 3,000,000 additional Shares at the Offering Price for additional aggregate proceeds of \$3,000,000, for market stabilization purposes and to cover over-allotments, if any. The Over-Allotment Option is exercisable to the Closing Date (as defined below). If the Over-Allotment Option is exercised in full, the gross proceeds of the Offering will be \$20,000,000.

In connection with the Offering (as defined herein), the Common Shares will be offered for sale: (a) in each of the provinces and territories of Canada, other than Québec, in reliance on the “listed issuer financing exemption” from the prospectus requirements (the “**LIFE Exemption**”) available under Part 5A of NI 45-106 (the “**LIFE Offering**”), for gross proceeds of up to \$9,000,000 (or up to 9,000,000 Common Shares); and (b) (i) in each of the provinces and territories of Canada pursuant to available exemptions from the prospectus requirements under NI 45-106 (other than the LIFE Exemption), (ii) in the United States pursuant to available exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws, and (iii) in such other jurisdictions provided it is understood that no prospectus filing or comparable obligation, ongoing reporting requirement or requisite regulatory or governmental approval arises in such other jurisdictions (the “**Non-LIFE Offering**”, and together with the LIFE Offering, the “**Offering**”).

Closing Date: The Offering is expected to close on or about March 28, 2025, or such other date as the Company and the Underwriters may agree (the “**Closing Date**”).

Exchange: The Common Shares are listed and posted for trading on the TSX Venture Exchange (the “**TSXV**”) under the symbol “HSTR”, on the OTCQX® by OTC Markets Group (the “**OTCQX**”) under the symbol “HSTXF” and on the Frankfurt Stock Exchange (“**FRA**”) under the symbol “RGG1”.

On March 19, 2025, the last trading day prior to the date of this Offering Document, the closing price of the Common Shares on the TSXV was \$1.12, on the OTCQX was US\$0.7799 and on the FRA was €0.704.

SUMMARY DESCRIPTION OF BUSINESS

What is our business?

The Company is a mineral exploration company focused on creating shareholder value through discovery. The Company holds a 100% interest in the following mineral properties (collectively, the “**Projects**”):

- the San Agustin mine (the “**San Agustin Mine**”), located in Durango, Mexico;
- the La Colorada mine (the “**La Colorada Mine**”), located in Sonora, Mexico;
- the Ana Paula project (the “**Ana Paula Project**”), located in Guerrero, Mexico;
- the San Antonio project (the “**San Antonio Project**”), located in Baja California Sur, Mexico; and
- the Cerro del Gallo project (the “**Cerro del Gallo Project**”), located in Guanajuato, Mexico.

Further information regarding the business of the Company and the Projects can be found in the Company’s most recent management discussion and analysis, and technical reports on the San Agustin Mine, the La Colorada Mine, the San Antonio Project and the Ana Paula Project (the “**Technical Reports**”), copies of which are available on SEDAR+ (www.sedarplus.ca) under the Company’s issuer profile.

Recent Developments

On June 21, 2024, the Company announced the closing of a non-brokered private placement offering (the “**June 2024 Private Placement**”) by issuing an aggregate of 16,904,585 Common Shares at a price of \$0.265 per Common Share for gross proceeds of approximately \$4,479,715.

On August 8, 2024, the Company announced the closing of a non-brokered private placement offering (the “**August 2024 Private Placement**”) by issuing an aggregate of 1,886,000 Common Shares at a price of \$0.265 per Common Share for gross proceeds of \$499,790.

On October 8, 2024, the Company announced the appointment of Mike Gingles as Vice-President of Corporate Development.

On October 16, 2024, the Company announced the closing of a non-brokered private placement (the “**October 2024 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. Each Unit consisted of one Common Share and one-half of one common share purchase warrant (a “**Warrant**”). Each Warrant entitles the holder to acquire one additional Common Share at a price of \$0.90 for a period of 24 months.

On October 17, 2024, the Company announced the appointment of Hernan Dorado as Vice-President of Sustainability and Special Projects.

On November 6, 2024, the Company announced the closing of two debt facilities with Ocean Partners USA, Inc. (the “**Working Capital Facility**”) and Deans Knight Capital Management Ltd. (the “**Transaction Closing Facility**”) for aggregate gross proceeds of US\$10,000,000 to support its acquisition of assets from Florida Canyon Gold Inc. (the “**Acquisition**”). The Company issued 1,500,000 Common Shares for loan establishment.

On November 8, 2024, the Company announced the completion of the Acquisition.

On December 5, 2024, the Company announced the appointment of Ramon Tomas Davila Flores as non-executive director.

On December 12, 2024, the Company announced the completion of a work program at the historical Junkyard Stockpile at the La Colorada Mine and the plans to recommence crushing and stacking in January 2025.

On January 14, 2025, the Company announced the filing of technical reports on the San Agustin Mine, the La Colorada Mine and the San Antonio Project.

On February 4, 2025, the Company announced 2024 production and provided 2025 production and cost guidance.

On February 6, 2025, the Company announced the appointment of Vitalina Lyssoun as Chief Financial Officer effective March 3, 2025.

On February 13, 2025, the Company announced the repayment of the Transaction Closing Facility.

Material facts

There are no material facts about the securities being distributed that have not been disclosed in this Offering Document or in any other document filed by the Company in the 12 months preceding the date of this Offering Document.

What are the business objectives that we expect to accomplish using the Available Funds?

The Company intends to use the net available funds from the Offering (the “**Available Funds**”) for exploration and development of the Projects, and for general corporate and working capital purposes.

The Company reasonably believes that the Available Funds will be sufficient to fund the foregoing objectives and to meet the Company’s liquidity needs for a period of 12 months following the closing date of the Offering. The Company, being in the exploration and redevelopment stage, is subject to risks and challenges similar to companies in a comparable stage of exploration and development. These risks include the challenges of securing adequate capital for exploration, development and operational risks inherent in the mining industry, and global economic and metal price volatility and there is no assurance management will be successful in its endeavors.

USE OF AVAILABLE FUNDS

What will our Available Funds be upon the closing of the offering?

The following table discloses what the Available Funds will be after the Offering:

		Assuming 100% of Offering	Assuming 100% of Offering and 100% of Over- Allotment Option
A	Amount to be raised by the Offering	\$17,000,000	\$20,000,000
B	Selling commissions and fees	\$850,000	\$1,000,000
C	Estimated offering costs (e.g., legal, accounting, audit)	\$200,000	\$200,000
D	Net proceeds of offering: $D = A - (B+C)$	\$15,950,000	\$18,800,000
E	Working capital as at February 28, 2025	\$58,013,841	\$58,013,841
F	Additional sources of funding ⁽¹⁾	\$5,000,000	\$5,000,000
G	Total Available Funds $G=D+E+F$	\$78,963,841	\$81,813,841

Note:

- (1) Represents the gross amount payable to the Company on full utilization of the Working Capital Facility.

How will we use the Available Funds?

The following table provides a detailed breakdown of how the Company intends to use the Available Funds:

Description of intended use of Available Funds listed in order of priority⁽¹⁾	Assuming 100% of Offering⁽¹⁾	Assuming 100% of Offering and 100% of Over-Allotment Option⁽¹⁾
Exploration and development at the Ana Paula Project ⁽²⁾	\$6,500,000	\$6,500,000
Development at the San Agustin Mine ⁽³⁾	\$5,000,000	\$5,000,000
Development at the La Colorada Mine ⁽⁴⁾	\$1,000,000	\$1,000,000
General corporate and working capital	\$66,463,841	\$69,313,841
Total	\$78,963,841	\$81,813,841

Notes:

- (1) Each of these items are currently anticipated to be funded under the Company's current budget and, accordingly, no order of priority should be assumed based on the order in which such items are listed.
- (2) Represents a drilling program to upgrade and expand mineral resource; technical studies to advance feasibility work
- (3) Represents land payment and planning activities to exploit mineral resources
- (4) Represents planning activities to exploit mineral resources and a drilling program to evaluate new opportunities.

The Company's most recently filed audited annual financial statements and interim financial report each include a going concern note. Among other things, the Offering is intended to permit the Company to advance the Projects. It is not expected to affect the decision to include a going concern note in the next annual financial statements of the Company.

The Company intends to spend the funds available to it as stated above. However, there may be circumstances where, for sound business reasons, a reallocation of the net proceeds may be necessary. The actual amount that the Company spends in connection with each of the intended uses of proceeds will depend on a number of factors, including the Company's ability to execute on its business plan and financing objectives. See the "Cautionary Note Regarding Forward-Looking Information" section below.

How have we used the other funds we have raised in the past 12 months?

The Company has used the funds it has raised over the past 12 months as follows:

- On November 6, 2024, the Company closed the Working Capital Facility. As of the date of this Offering Document, the Working Capital Facility is not being utilized.
- On November 6, 2024, the Company closed the Transaction Closing Facility. The net proceeds of the Transaction Closing Facility were intended to be used by the Company to complete the Acquisition. As of the date of this Offering Document, all of the net proceeds of the Transaction Closing Facility have been used to complete the Acquisition. The Transaction Closing Facility has been repaid.
- On October 16, 2024, the Company completed the October 2024 Private Placement for gross proceeds of \$6,000,000. The net proceeds of the October 2024 Private Placement were intended to be used for general corporate and working capital purposes. As of the date of this Offering Document, all of the net proceeds of the October 2024 Private Placement have been used for general corporate and working capital purposes.

- On August 8, 2024, the Company completed the August 2024 Private Placement for gross proceeds of \$499,790. The net proceeds of the August 2024 Private Placement were intended to be used for the commencement of drilling at the Ana Paula Project and general working capital. As of the date of this Offering Document, all of the net proceeds of the August 2024 Private Placement have been used for the commencement of drilling at the Ana Paula Project and general working capital.
- On June 21, 2024, the Company completed the June 2024 Private Placement for gross proceeds of \$4,479,715. The net proceeds of the June 2024 Private Placement were intended to be used for the commencement of drilling at the Ana Paula Project and general working capital. As of the date of this Offering Document, all of the net proceeds of the June 2024 Private Placement have been used for the commencement of drilling at the Ana Paula Project and general working capital.

FEES AND COMMISSIONS

Who are the dealers or finders that we have engaged in connection with the Offering, if any, and what are their fees?

Underwriters	Cormark Securities Inc. and Velocity Trade Capital Ltd., as co-lead underwriters and bookrunners, for and on behalf of a syndicate of underwriters (collectively, the “ Underwriters ”).
Commission	In consideration for the services provided to the Company, the Company has agreed to pay the Underwriters a cash fee equal to 5.0% of the aggregate gross proceeds of the Offering, including any gross proceeds raised in connection with the exercise of the Over-Allotment Option.

Do the Underwriters have a conflict of interest?

To the knowledge of the Company, it is not a “related issuer” or “connected issuer” of or to any Underwriter, as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*.

PURCHASER’S RIGHTS

Rights of Action in the Event of a Misrepresentation

If there is a misrepresentation in this Offering Document, you have a right

- (a) to rescind your purchase of these securities with the Company, or
- (b) to damages against the Company and may, in certain jurisdictions, have a statutory right to damages from other persons.

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.

You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.

ADDITIONAL INFORMATION

Where can you find more information about us?

Prospective investors and security holders can access the Company's continuous disclosure under the Company's profile on SEDAR+ at www.sedarplus.ca and on the Company's website at www.heliostarmetals.com.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain statements contained in this Offering Document may be considered "forward-looking information" or "forward-looking statements" within the meaning of applicable securities laws. All statements, other than statements of historical fact, are forward-looking statements and based on expectations, estimates and projections as at the date of this Offering Document. These forward-looking statements, by their nature, require the Company to make certain assumptions and necessarily involve known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these forward-looking statements. Forward-looking statements are not guarantees of performance. Words such as "may", "will", "would", "could", "expect", "believe", "plan", "anticipate", "intend", "estimate", "continue", or the negative or comparable terminology, as well as terms usually used in the future and the conditional, are intended to identify forward-looking statements. In particular, this Offering Document contains forward-looking statements pertaining to the terms of the Offering; the business objectives of the Company and anticipated timelines; the use of proceeds of the Offering; the timing and ability of the Company to close the Offering; and certain fees and commissions payable under the Offering.

Information contained in forward-looking statements are based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection, including management's perception of geology and mineralization; assumptions, limitations and qualifications in the Technical Reports; the timing and ability of the Company to receive necessary regulatory approvals; planned exploration programs and expenditures; the ability of the Company to expand mineral resources beyond current mineral resources estimates; the utility of any historical data in respect of the Projects; the results of any testing; the ability of exploration activities (including drill results) to accurately predict mineralization; the significance of metallurgical results; current conditions and expected future developments; current information available to the management of the Company; mining activities and the business of mineral exploration; the general business and prospects of the Company; public disclosure from operators of the relevant mines, as well as other considerations that are believed to be appropriate in the circumstances. The Company considers its assumptions to be reasonable based on information currently available but cautions the reader that 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 and the Company's assumptions, many of which are beyond the control of the Company, may ultimately prove to be incorrect since they are subject to risks and uncertainties that affect the Company and its businesses.

For additional information with respect to these and risks and other factors that may affect the assumptions and forward-looking statements made in this Offering Document concerning the Company, please refer to the most recent management discussion and analysis of the Company, which is available electronically on SEDAR+ (www.sedarplus.ca) under the Company's issuer profile. Investors are cautioned not to put undue reliance on forward-looking statements.

The forward-looking statements contained in this Offering Document are made as of the date of such document only and, accordingly, are subject to change after such date. The Company disclaims any intent or obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of

assumptions or factors, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

CERTIFICATE

This Offering Document, together with any document filed under Canadian securities legislation on or after March 20, 2024, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

Dated March 20, 2025.

“Charles Funk”

Charles Funk
Chief Executive Officer

“Vitalina Lyssoun”

Vitalina Lyssoun
Chief Financial Officer