



Update on Trading Halt and Progress Towards Completion of the Ana Paula Acquisition

Dear Investor,

Heliostar Metals' shares remain in a trading halt due to our acquisition of Ana Paula from Argonaut Gold.

A transaction of this size requires a number of key supporting documents for the securities exchange. That includes audited financial statements and a current technical report. As the cost to build mines has increased since 2017, we must update the 2017 Prefeasibility Study (PFS) to current-day metal and input prices.

This undertaking requires contracting consultants, site visits and bringing new people up to speed with the property. We anticipated this and started the process in December 2022. However, the lead time for a PFS, even an update, is months and not weeks.

We plan to submit the updated report to the exchange by the end of February 2023. If we meet that goal, we expect to be trading again in March 2023. The wait is frustrating, particularly while the gold price is strong. However, the rising gold price only increases the value of Ana Paula.

We will keep investors informed on the potential we see in our new portfolio over the coming weeks and months. But it is fair to say the more we see, the more excited we are to be the owners of a permitted, high-grade deposit like Ana Paula.

Right now, we are working diligently to submit the updated PFS to the regulators at the securities exchange. Once that occurs, the exchange must review the report and approve it. At that point, we will resume trading and will own a fully permitted gold mine. And Heliostar Metals will be a much more valuable company.

We thank you for your patience during this time. If you have any questions, please email info@heliostarmetals.com and I will be happy to connect with you. You can read the press releases on the acquisition [here](#) and [here](#).

Sincerely,

Charles Funk

CEO, Director



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