

Canstar Enters into Binding Letter of Intent for Golden Baie Transaction, Securing Cash, Equity, Royalty and \$5M in Work Commitments to Accelerate Gold-Antimony Exploration in Newfoundland

Toronto, Ontario – February 17, 2026 – Canstar Resources Inc. (TSX-V: ROX; OTCID: CSRNF) (“Canstar” or the “Company”) has executed a binding Letter of Intent with Churchill Resources Inc. (“CRI”) for an option agreement that unlocks the value of its Golden Baie gold–antimony project while strengthening Canstar’s capital position and strategic focus.

Under the option, which will allow CRI to earn a 100% interest in Golden Baie, Canstar will receive up to 9.99% ownership in CRI through fixed-percentage share issuances, retain a 0.5% perpetual royalty on Golden Baie, secure approximately \$208,167 in cash reimbursement, eliminate approximately \$600,000 in 2026 holding obligations, and benefit from a minimum \$5 million work commitment – including \$2M in the first 12 months – to aggressively advance the asset.

Upon execution of the definitive option agreement, Canstar will receive an initial issuance of 15,834,097 common shares of CRI, representing approximately 5.0% of CRI’s issued and outstanding shares on a post-issuance basis. Based on CRI’s closing share price of \$0.14/share on February 13, 2026, the initial tranche has an indicative current market value of approximately \$2.2 million. The remaining 4.99% ownership interest will be delivered in four additional tranches over 24 months, each calculated as a fixed percentage of CRI’s issued and outstanding shares at the time of issuance.

Juan Carlos Giron Jr., Canstar’s President & CEO, stated:

“This is a strong and strategic agreement that delivers a compelling win-win for Canstar and Churchill shareholders. Canstar benefits from approximately \$3.3 million in near-term value – at least \$2.4 million of which is expected within 30 days of TSXV approval and definitive agreement execution – including approximately \$800,000 in hard dollar benefits for the treasury. The Golden Baie project cements Churchill’s position as a leading gold-antimony explorer in a Tier-1 mining jurisdiction, and because the share consideration Canstar will receive is based on fixed ownership percentages in CRI rather than a fixed dollar amount, the actual value realized by Canstar will evolve along with CRI’s market valuation at the time of each issuance, providing Canstar with strong economic leverage to the success of Golden Baie as the project advances, in addition to Canstar’s perpetual

royalty on Golden Baie. All of this is underpinned by exploration commitments from CRI, pointing to the potential for aggressive exploration at Golden Baie in 2026 and 2027.

“The strategic benefits to Canstar are also compelling. Backed by the up to \$11.5 million non-dilutive joint venture commitment from VMS Mining Corporation, Canstar has sharpened its focus on high-grade volcanogenic massive sulphide discovery in Newfoundland’s historic Buchans District – where the historic Buchans Mine produced 5 of the highest-grade deposits ever mined between 1928 and 1984, rich in copper, gold, silver, lead and zinc. With strategic capital, elite geological expertise under the technical direction of Dr. Harold Gibson and a modern, geology-first exploration strategy enhanced by a partnership with [Khosla Ventures](#) and Rio Tinto-backed TerraAI, we believe Canstar is well-positioned to accelerate exploration for new, high-grade polymetallic deposits in this proven, historic district. This transaction further streamlines our focus and strengthens our balance sheet as we accelerate towards a robust exploration drilling campaign at our Mary March project in Spring 2026.”

Transaction Terms

Equity Consideration

Under the letter of intent, Canstar may receive up to 9.99% of the issued and outstanding common shares of Churchill Resources Inc. (“CRI”), delivered in staged tranches over a 24-month option period.

The initial issuance will consist of 15,834,097 CRI common shares, representing approximately 5.0% of CRI’s issued and outstanding shares on a post-issuance basis, subject to TSXV approval.

The remaining ownership interest of up to 4.99% will be issued in four subsequent tranches of approximately 1.25% each over the 24-month term.

Each subsequent tranche (other than the initial issuance) will be calculated as a fixed percentage of CRI’s issued and outstanding shares on a post-issuance basis at the time of issuance, subject to the share caps described below. The number of shares issued in each tranche will therefore be determined at the time of issuance based on CRI’s capital structure.

In accordance with TSXV requirements, each 1.25% tranche is subject to a maximum issuance of 7,520,000 shares per tranche, and the aggregate maximum number of shares issuable to Canstar under the option is 45,914,097 shares.

All securities issued in connection with the transaction will be subject to applicable statutory hold periods.

Work Commitments

Pursuant to the option contemplated by the letter of intent, to earn a 100% interest in the Golden Baie Project, CRI must incur:

- A minimum of \$2,000,000 in exploration expenditures within the first 12 months; and
- A minimum of \$5,000,000 in total exploration expenditures within 24 months.

The staged equity issuances are sequenced over the same 24-month period.

Reversion

If CRI does not satisfy the required minimum exploration expenditures within the specified timeframes, the option will terminate and the Golden Baie Project will revert to Canstar, subject to the terms of the definitive agreement.

Royalty

Upon exercise of the option and acquisition of a 100% interest in the project, Canstar will retain a 0.5% net smelter return royalty on any future mineral production from Golden Baie. The royalty does not include a buyback provision.

The Golden Baie Project is currently subject to an existing 2.0% net smelter return royalty held by Altius Minerals.

Cash Consideration and Bond Obligations

Upon execution of the definitive agreement, CRI will make a cash payment of approximately \$208,167 to Canstar to reimburse existing cash bonds posted on the property, which will be returned to CRI in the event that the option is not exercised.

In addition, Canstar will no longer be responsible for an assessment expenditure of approximately \$600k in assessment expenditures that is required by August 2026 to maintain the project in good standing.

Regulatory Approvals

The transaction remains subject to:

- Execution of definitive agreements;
- Completion of due diligence by CRI and Canstar; and
- Approval of the TSXV.

Qualified Person Statement

Bob Patey B.Sc. (Hons), Vice President for Exploration for Canstar and a Qualified Person as defined in NI 43-101, has reviewed and approved all scientific and technical information disclosed in this news release.

Acknowledgement

Canstar acknowledges the financial support of the Junior Exploration Assistance (“JEA”) Program from the Government of Newfoundland and Labrador Department of Industry, Energy and Technology, which has been a valuable contribution to the exploration programs on the Company’s Buchans-Mary March and Golden Baie projects.

About Canstar Resources Inc.

Canstar Resources Inc. (TSXV: ROX) is an exploration company focused on critical minerals and gold. The Company’s 100%-owned Golden Baie Project (489.5 km²) hosts high-grade gold and antimony showings along a major mineralized structure that also hosts a large number of gold deposits. The Buchans and Mary March projects (142.1 km²) are located within the world-class, past-producing VMS zinc-, copper-, gold- and silver-rich Buchans Mining Camp and boast high-grade zinc and copper discoveries.

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Forward-Looking Statements

This news release contains “forward-looking statements” and “forward-looking information” within the meaning of applicable Canadian securities laws (collectively, “forward-looking information”). Forward-looking information is based on management’s expectations and assumptions as of the date hereof and is subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially. Words such as “expect”, “intend”, “plan”, “anticipate”, “believe”, “estimate”, “may”, “will”, “should”, “could” and similar expressions are intended to identify forward-looking information.

Forward-looking information in this news release includes, without limitation, statements relating to: the negotiation and execution of definitive agreements and the completion of the transactions contemplated by the letter of intent with Churchill Resources Inc. (“CRI”); receipt of TSXV approval and satisfaction of other conditions (including due diligence); the timing, number and Company’s resulting ownership interest from CRI share issuances (including the staged tranches over 24 months); any statements regarding the indicative or expected value of consideration (including statements based on CRI’s trading price and any near-term value expectations and timing statements); the expected cash reimbursement and the elimination of holding/assessment obligations described herein; CRI’s incurrence of exploration expenditures within the timeframes described and any expectations regarding the advancement of exploration at Golden Baie in 2026 and 2027; and the royalty terms described, including the Company’s anticipated retention of a 0.5% royalty and the existence of any third-party royalty referenced herein.

Forward-looking information is based on assumptions that the parties will enter into definitive agreements on acceptable terms, that required approvals (including TSXV approval) will be obtained, that conditions (including due diligence) will be satisfied, and that market and other conditions (including CRI’s share price and capital structure) will not materially adversely affect the transaction or the value or timing of consideration. Risks include, without limitation: failure to execute definitive agreements or complete the transaction; delay or denial of TSXV approval; inability to satisfy conditions; changes in CRI’s share price or capital structure affecting the timing, number and value of shares issuable; the risk that anticipated cash/holding obligation impacts are not realized as described; and risks inherent in mineral exploration. Additional risks are described in the Company’s public filings on SEDAR+.

Readers are cautioned not to place undue reliance on forward-looking information. The Company undertakes no obligation to update or revise forward-looking information except as required by applicable law.