

Canstar Expands Platform with Proposed Acquisition in Sweden's Gold-Rich Skellefte VMS District

Targets underexplored potential northern extension of gold-rich VMS belt

Toronto, Ontario – March 4, 2026 – Canstar Resources Inc. (TSX-V: ROX) (“Canstar” or the “Company”) has executed a non-binding letter of intent (the “LOI”) with Lithological Opportunities Ltd. (“LithOps”) to acquire a 100% interest in three exploration licenses in the northern Skellefte district of Sweden (the “Project”), covering approximately 310km²/ 31,000 hectares of the volcanic belt. Sweden holds a top-10 ranking within the Fraser Institute’s global Mining Investment Attractiveness Index¹.

The transaction marks a significant strategic step in Canstar’s evolution as a focused volcanogenic massive sulphide (“VMS”) exploration company, adding exposure to one of the most endowed and historically productive VMS belts in Europe.

Strategic Highlights

Entry into a Premier VMS Camp

The Skellefte district is one of Europe’s premier VMS belts, hosting more than 150 known deposits and prospects and over 100 years of polymetallic production. Thirty deposits have been mined, and four mines are currently in production: Two VMS deposits, one Au-Te, VMS-related deposit and one Au deposit². The district is particularly notable for:

- High grades, especially gold, relative to global VMS averages.
- Polymetallic systems containing copper, zinc, lead, silver and gold.
- The presence of exceptionally gold-rich VMS deposits, including the historic Boliden deposit³, which reported multi-million-ounce gold endowment at very high grades.

Skellefte is one of the VMS districts globally recognized for hosting auriferous VMS systems, providing exposure to both critical metals and precious metals within the same deposit type.

References to other deposits and districts are provided for context and are not necessarily indicative of mineralization on the Project.

Underexplored Northern Extension Under Cover

The Project is located in the northern portion of the district, an area characterized by:

- Favourable volcanic stratigraphy consistent with known VMS-hosting sequences,
- Limited modern integrated exploration, and
- Extensive glacial till cover that historically limited traditional boulder-based prospecting and earlier airborne geophysical targeting.

This combination of high geological prospectivity and lower exploration maturity aligns directly with Canstar’s and LithOps’ project selection philosophy.

Technical Leadership with Deep District Expertise

Canstar has worked with Dr. Rodney Allen, a globally recognized VMS expert and former Chief Geologist with Boliden, in evaluating this opportunity. Dr. Allen has been a key technical advisor to Canstar on its Mary March and Buchans projects in Newfoundland, Canada and brings extensive experience in the Skellefte district, where he has lived and worked for over 20 years.

Dr. Allen is also a co-author, alongside Dr. Harold Gibson, of the widely cited modern integrated VMS exploration model⁴, which emphasizes 3D geological reconstruction, structural interpretation, litho-geochemistry, and geophysics integration as core targeting tools.

Canstar expects Dr. Allen to remain actively involved in advancing the Project.

Exploration Strategy: Disciplined, High-ROI Phase 1

Subject to execution of a definitive agreement, TSXV acceptance and, where required, the grant of the exploration permits and other applicable permissions, the Company intends to commence Phase 1 work designed to generate and prioritize drill-testable targets efficiently.

Initial Phase 1 work is expected to include:

- Moraine/till geochemical sampling to vector toward concealed mineralization,
- Modern reinterpretation of historical geophysical data,
- Integration of structural and stratigraphic controls, and
- Rapid ranking of target corridors for follow-up geophysics and drilling.

The Company expects Phase 1 screening costs to be modest and designed to generate drill-testable targets without committing to large upfront expenditures.

Strategic Context

Canstar has consistently communicated its intention to pursue disciplined strategic growth aligned with its geology-first philosophy.

The addition of the Skellefte Project:

- Expands Canstar into a second globally recognized VMS district;
- Maintains exposure to gold within a VMS framework;
- Builds technical depth and advisory capacity;
- Adds scale while remaining operationally manageable.

This transaction complements Canstar's recently finalized exploration joint venture with [VMS Mining Corporation \("VMSC"\)](#), which was founded by John Burzynski, Patrick Anderson, José Vizquerra Benavides and Bernardo Alvarez Calderon as a technically focused exploration venture targeting new, high-grade VMS discoveries in proven districts. The Company expects to commence drilling at its Mary March project in

Newfoundland's Buchans District in summer 2026, subject to permitting and final program design. Together, these initiatives position Canstar with exposure to two high-grade VMS districts supported by leading VMS expertise.

CEO Commentary

Juan Carlos Giron Jr., President & CEO of Canstar, commented:

"This transaction sharpens Canstar's identity. Over the past year, through our partnership with VMS Mining Corporation and the technical leadership of Dr. Harold Gibson, we have built a clear, geology-first VMS exploration strategy. Skellefte represents a natural extension of that strategy into one of the most endowed VMS districts in the world.

The LithOps principals bring extensive experience in district-scale project generation, with a strong operational presence in Sweden and experience with the Skellefte belt. Their disciplined approach—targeting high-prospectivity areas with relatively low exploration maturity and advancing them through rigorous, data-driven integration—has been applied across leading global mining camps and has contributed to multiple discoveries. We look forward to advancing this project in close collaboration.

Skellefte's northern sector presents a compelling exploration thesis: the right volcanic setting, underexplored ground beneath cover, and modern tools capable of seeing what earlier programs could not. This is precisely the kind of setting where integrated geological thinking can unlock discovery.

Following the [recently announced binding LOI regarding Golden Baie](#), which is expected (subject to TSXV acceptance and definitive documentation) to strengthen our balance sheet and reduce near-term holding costs, we believe we are well positioned to advance this new opportunity alongside our VMSC-funded program in the Buchans district. Together, these initiatives define Canstar as a focused VMS exploration company pursuing discoveries in some of the world's best districts."

Transaction Terms

Under the terms of the LOI, Canstar may acquire a 100% interest in the Project by:

- Issuing 15,000,000 common shares of the Company to LithOps;
- Paying \$50,000 upon signing of a definitive agreement;
- Paying \$100,000 twelve months following execution.

The Project will be subject to a 2.5% NSR royalty, with Canstar retaining the right to repurchase 0.5% for \$1,000,000, and a further 0.5% for \$2,000,000, reducing the royalty to 1.5%.

The LOI is non-binding except for customary provisions and remains subject to due diligence, definitive documentation, TSX Venture Exchange ("TSXV") acceptance and applicable Swedish regulatory decisions. Any securities issued will be subject to TSXV acceptance and applicable resale restrictions.

There can be no assurance that a definitive agreement will be executed or that the transaction will be completed as proposed, or at all.

Canstar will provide additional information, including technical information and property maps, in subsequent news releases.

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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1. <https://www.fraserinstitute.org/studies/annual-survey-mining-companies-2025>
2. Bauer, T.E., Tavakoli, S., Weihed, P., Skyttä, P., Hermansson, T., Allen, R., et al. A regional scale 3D-model of the Skellefte mining district, northern Sweden.
3. Mercier-Langevin, P., McNicoll, V., Allen, R.L., Blight, J.H.S., & Dubé, B. (2013). The Boliden gold-rich volcanogenic massive sulfide deposit, Skellefte district, Sweden: New U–Pb age constraints and implications at deposit and district scale. *Mineralium Deposita*, 48(4), 485–504. <https://doi.org/10.1007/s00126-012-0438-z>
4. Gibson, H. L., Allen, R. L., Riverin, G., & Lane, T. E. (2007). The VMS Model: Advances and Application to Exploration Targeting. In: *Ore Deposits and Exploration Technology (Paper 49)*, Geological Association of Canada, Mineral Deposits Division, Special Publication No. 5, pp. 713–730 ([link](#)).

Forward-Looking Statements

This news release contains “forward-looking information” within the meaning of applicable Canadian securities laws (collectively, “forward-looking information”). Forward-looking information includes, but is not limited to, statements regarding: the negotiation and execution of a definitive agreement in respect of the ; completion of the transaction contemplated by the non-binding LOI; TSXV acceptance and satisfaction of other closing conditions; the timing and terms of any issuance of common shares and cash payments; the grant (if any) of the exploration permits that are the subject of the permit applications; the Company’s proposed exploration plans and anticipated Phase 1 work program, including timing, scope, costs and expected outcomes; and the involvement of technical advisors and other third parties.

Forward-looking information is based on management’s expectations and assumptions, including, without limitation: that the parties will be able to negotiate and execute definitive documentation on acceptable terms; that required approvals (including TSXV acceptance and applicable Swedish regulatory decisions) will be obtained; that exploration permits will be granted on terms acceptable to the Company; that contractors, advisors and services will be available on reasonable terms; and that market and other conditions will not materially adversely affect the Company’s ability to pursue the transaction or the exploration program.

Forward-looking information is subject to known and unknown risks and uncertainties that may cause actual results to differ materially, including, without limitation: failure to execute definitive agreements or complete the transaction; delay or denial of TSXV acceptance or other required approvals; adverse outcomes in respect of the permit applications; changes in applicable laws, regulations or permitting requirements; risks inherent in mineral exploration; and general market, economic and geopolitical conditions. Readers are cautioned not to place undue reliance on forward-looking information. The Company undertakes no obligation to update forward-looking information except as required by law