NEWS RELEASE
FOR IMMEDIATE RELEASE

Canstar Resources Extends Director-Related Bridge Note and Increases Aggregate Principal Cap to C$500,000

Toronto, Ontario — August 20, 2026 — Canstar Resources Inc. (TSXV: ROX; OTCID: CSRNF) ("Canstar" or the "Company") today announced that it has entered into a first amending agreement dated August 13, 2026 (the "Amendment") to its promissory note dated July 17, 2026 (the "Note") in favor of BQS Systematic Equities LP ("BQS"), an entity controlled by J. Paul Austin III, a director of the Company. The Note was issued in the principal amount of US$171,000, bears interest at 0% per annum, is unsecured and non-convertible, and was previously disclosed in the Company's news release dated July 21, 2026.

The Amendment extends the maturity date of the Note from August 14, 2026 to September 16, 2026, and permits BQS, at the Company's written request and in BQS's sole discretion, to make one or more further advances on the same unsecured, non-interest-bearing, non-convertible terms, with no fees, bonus or other securities issuable in connection with any advance, provided that the aggregate outstanding principal amount does not exceed the Canadian-dollar equivalent of C$500,000. The Company may repay the Note in whole or in part at any time on or before maturity without premium or penalty.

On August 14, 2026, BQS advanced an additional US$70,000 under the Note, bringing the aggregate principal amount outstanding to US$241,000. Amounts denominated in United States dollars are converted into Canadian dollars at the Bank of Canada daily rate on the date of each advance; on that basis, approximately C$162,000 of capacity remains under the cap. BQS is under no obligation to make any further advance.

The Note's original maturity date preceded the anticipated closing of the Company's previously announced credit facility (the "Facility"), and the Amendment provides continued working capital in the interim. If the definitive documents for the Facility are executed and delivered and the Facility is accepted by the Exchange, the Note will be repaid in full from the initial advance under the Facility and cancelled. The Company and BQS are negotiating that documentation, which remains subject to separate Board approval and Exchange acceptance, and there is no assurance the Facility will be completed. The Note and the Amendment are separate from, and are not secured under or converted into, the Facility.

Related Party Transaction

BQS is controlled by J. Paul Austin III, a director of the Company, and the Amendment is accordingly a "related party transaction" within the meaning of Multilateral Instrument 61-101 — Protection of Minority Security Holders in Special Transactions ("MI 61-101"). Mr. Austin declared his interest and abstained from the Board's deliberations concerning, and voting on, the Amendment. The remaining directors determined that the Note, as amended, is on terms no less favorable to the Company than those reasonably available from an arm's-length lender, having regard to the absence of interest, security, fees, bonus or other securities and any conversion right.

The Company intends to rely on the exemption from the formal valuation requirement in section 5.5(b) of MI 61-101, on the basis that the Company is not listed on a specified market for the purposes of that section, and on the exemption from the minority approval requirement in section 5.7(1)(f) of MI 61-101, on the basis that the

Note, as amended, is a loan obtained by the Company on reasonable commercial terms that are not less advantageous to the Company than if the loan had been obtained from an arm's-length lender, and is not convertible, directly or indirectly, into equity or voting securities of the Company. The Company will separately assess the application of MI 61-101 to the Facility, including the applicable aggregation requirements, if and when the Facility is entered into.

The Company did not file a material change report at least 21 days before entering into the Amendment, as contemplated by MI 61-101, because the final terms of the Amendment were not settled, and the Company was not in a position to disclose them, until shortly before its execution, driven by the Note's original August 14, 2026 maturity date. The Company will file a material change report in respect of the Amendment.

About Canstar Resources Inc.

Canstar Resources Inc. (TSXV: ROX) is a focused VMS exploration company with a portfolio of projects in established mining jurisdictions. The Company's flagship Mary March VMS Project (~122 km²) is located within the Buchans District in Central Newfoundland and is being advanced under an earn-in joint venture with VMS Mining Corporation. The Buchans mining camp is well-known for producing some of the highest-grade VMS deposits in North American mining history. The Company's Skellefte VMS Project (approximately 68,000 hectares) is located in the northern portion of the Skellefte VMS belt of Sweden, a well-established VMS district. Canstar also holds the Golden Baie Project in southern Newfoundland, currently subject to an option agreement with Churchill Resources Inc.

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Forward-Looking Statements

This news release contains "forward-looking information" within the meaning of applicable Canadian securities laws, including statements regarding further advances under the Note, the repayment and cancellation of the Note from the initial advance under the Facility, the terms, definitive documentation, timing and Exchange acceptance of the Facility, the Company's reliance on exemptions under MI 61-101, and the Company's future financing plans and working capital needs. Risks and uncertainties include the failure to complete definitive documentation for, or obtain Exchange acceptance of, the Facility, BQS's discretion not to fund further advances, the Company's ability to repay or further extend the Note if the Facility has not been completed by September 16, 2026, and changes in market conditions. Actual results may differ materially from those anticipated. Readers are cautioned not to place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except as required by applicable law.