

Zacks Small-Cap Research

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Lodestar Metals Corp. (SVTNF-OTCQB)

Lodestar Metals Advances the Gold Run Project in Nevada's Carlin Gold Camp – Intersects high-grade and bulk tonnage targets

Our valuation is based on an estimate of success in outlining an initial target resource model range of mineralization, valued at 1% of the market price for pre-resource-stage ounces. Our initial valuation target is \$0.15 per share.

LSTR:TSXV valuation C\$0.21 at f/x ~1.4

Current Price (10/27/26) US\$0.034
Valuation US\$0.15

OUTLOOK

SPONSORED BY LODESTAR METALS CORP.

Lodestar Metals is a new junior exploration company advancing its Gold Run project on Nevada's Getchell Trend, a Tier 1 Jurisdiction. Their initial exploration program is already delivering success with both high-grade gold and silver intersections, and wide zones of bulk tonnage grade. These positive indications are the result of careful project selection, geoscience-focused programs and management's deep market experience.

We expect the Company to continue to advance the Gold Run project to the resource stage as well as look for additional opportunities in this Camp.

SUMMARY DATA (US\$)

52-Week High US\$.22
52-Week Low US\$0.006
One-Year Return (%) -14
Beta 0.66
Average Daily Volume (sh) 69,170

Shares Outstanding (mil) 51.5
Market Capitalization (\$mil) US\$1.84
Short Interest Ratio (days) 0
Institutional Ownership (%) 7.1
Insider Ownership (%) 5

Annual Cash Dividend \$0.00
Dividend Yield (%) 0.00

5-Yr. Historical Growth Rates

Sales (%) N/A
Earnings Per Share (%) N/A
Dividend (%) N/A

P/E using TTM EPS N/A

P/E using 2026 Estimate N/A

P/E using 2027 Estimate N/A

Zacks Rank N/A

Risk Level

Type of Stock
Industry

Above Avg.,
Small-Blend
Mining – Misc.

ZACKS ESTIMATES

Revenue

(in millions of C\$)

	Q1	Q2	Q3	Q4	Year
	(Mar)	(Jun)	(Sep)	(Dec)	(Dec)
2024	0.02 A	0.01 A	0.01 A	0.02 A	0.06 A
2025	0.01 A	1.14 A	0.00 A	-2.51 A	-1.36 A
2026	N/A	-0.01 A		0.01 E	0.00 E
2027					

Price/Sales Ratio (Industry = 2.5x)

(C\$)	Q1	Q2	Q3	Q4	Year
	(Mar)	(Jun)	(Sep)	(Dec)	(Dec)
2024	\$0.00 A	\$0.00 A	(\$0.01)A	\$0.00 A	(\$0.01)A
2025	\$0.00 A	\$0.02 A	(\$0.01)A	(\$0.09)A	(\$0.08)A
2026	N/A	(\$0.02)A	N/A	\$0.01 E	\$0.00 E
2027					

Zacks Projected EPS Growth Rate - Next 5 Years % N/A
N/A N/A

KEY POINTS

We initiate coverage on Lodestar Metals Corp. ("Lodestar" or the "Company") with an initial target of US\$0.15 per share. Lodestar is a Nevada-focused junior gold-silver explorer whose maiden drill program at the Gold Run Project has confirmed three distinct, camp-scale mineralization styles at the Robbers Knob target and delivered a new high-grade discovery at the Gomes prospect as well as a high-grade silver discovery at Black Diamond. We see four pillars to the investment case:

1. Tier-1 jurisdiction with district-scale upside

- Gold Run sits on the Getchell Gold Trend near its intersection with the Battle Mountain Trend in Humboldt County, Nevada, one of the top five gold mining jurisdictions globally, accounting for roughly 80% of US gold output and an estimated US\$10.1 billion mining industry.
- The 516-hectare, 75-claim property is directly bordered by Nevada Gold Mines (the Barrick-Newmont joint venture) and adjacent to SSR Mining's Marigold land package, placing Lodestar's ground between multiple multi-million-ounce producers.
- The project's geological setting mirrors SSR Mining's Marigold and I-80 Gold's Granite Creek and Lone Tree operations, all producing from similar Carlin-style and structurally hosted systems along the same trend. SSR's Roxmore deal shows regional opportunity for resource acquisitions.

2. Maiden drilling has already confirmed three mineralization styles

- The first six holes at Robbers Knob (1,143m) confirmed: (i) broad, near-surface bulk-tonnage oxide gold-silver mineralization over 30-70m intervals comparable to grades mined at northern Nevada heap-leach operations; (ii) a higher-grade, structurally controlled vein/shoot zone, highlighted by 16.8m at 6.07 g/t gold and 41.1 g/t silver (including 3.0m at 31.90 g/t gold and 181.6 g/t silver); and (iii) a previously unrecognized deeper gold-silver polymetallic zone grading 15.2m at 0.37 g/t gold, 16.0 g/t silver, 0.27% lead, and 0.40% zinc.
- Initial drilling at the Gomes prospect confirmed the first high-grade intercept at that target, 4.6m at 4.0 g/t gold and 15.6 g/t silver, including 1.5m at 11.3 g/t gold and 30.4 g/t silver, encouraging the Company's IP chargeability-based targeting model.
- Drilling discovery on the Independence Trend's Black Diamond target confirmed the project's first high-grade silver mineralization, 15.2m at 102.2 g/t silver-equivalent (79.5 g/t silver, 0.20 g/t gold) from 50.3m in hole LSRC-13, along a one-kilometer structural corridor that remains open, with only two holes (312m) now pending at Crown North.

3. Underexplored land package with extensive legacy data

- The property saw limited production in the 1860s; exploration work since the 1960s saw 15 historical operators complete 131 drill holes (17,823m), 827 rock samples, and 454 soil samples, a substantial dataset that allowed Lodestar to move quickly from acquisition in 2025 to a fully permitted maiden drill program.
- A non-compliant historical resource estimate of 50,000 to 100,000 oz gold was reported by FMC Gold Co. at Robbers Knob in 1991, providing directional (though not NI 43-101-compliant) support for the project's scale potential.
- Untested IP chargeability anomalies at Robbers West, Robbers North, and along a combined structural corridor of roughly 3,400 meters provide a substantial inventory of drill-ready targets including the areas tested to date.

4. Experienced, well-aligned management team with capital markets access

- Management, the board, and advisors combine over 180 years of experience, including a former interim CEO who took Klondex Mines from explorer to Nevada gold producer, and a chairman who led Orford Mining Corp. sale to Alamos Gold.
- The team's technical and transactional track record supported rapid project selection, financing, and permitting, and should support continued advancement and financing as results warrant.

CATALYSTS AND TIMING

- Results of the Crown North target drilling – in coming weeks
- Marketing program and shareholder engagement – started and ongoing in Q4 2026
- Financing for second stage drilling program at Gold Run – Q4 2026
- Start of stage 2 drilling program – Q4 2026 into Q1 2027
- Corporate actions– ongoing

Company Overview

Lodestar Metals Corp. is a Canadian-listed junior gold-silver exploration company advancing its Gold Run Project, with an option to acquire a 100% interest, in Humboldt County, Nevada. The project sits on the Getchell Gold Trend, a structural corridor host to several multi-million-ounce gold deposits and operating mines. Lodestar's initial surface exploration program and its compilation of an extensive historical dataset allowed the Company to move quickly to drilling, and its maiden 2,860-metre reverse-circulation ("RC") program has already delivered encouraging results across three of four planned targets.

Based on these results, we are initiating coverage on Lodestar Metals a target of US\$0.15 per share, reflecting our assessment of the project's location within a proven mining camp, the quality of results delivered to date, and the capital markets track record of the management team. Our target is based on our estimate of the value the market is likely to assign to the current and continued exploration success from future program investment over the period addressed in this report, and upside associated with discoveries and potential positive corporate actions.

Gold Run Project

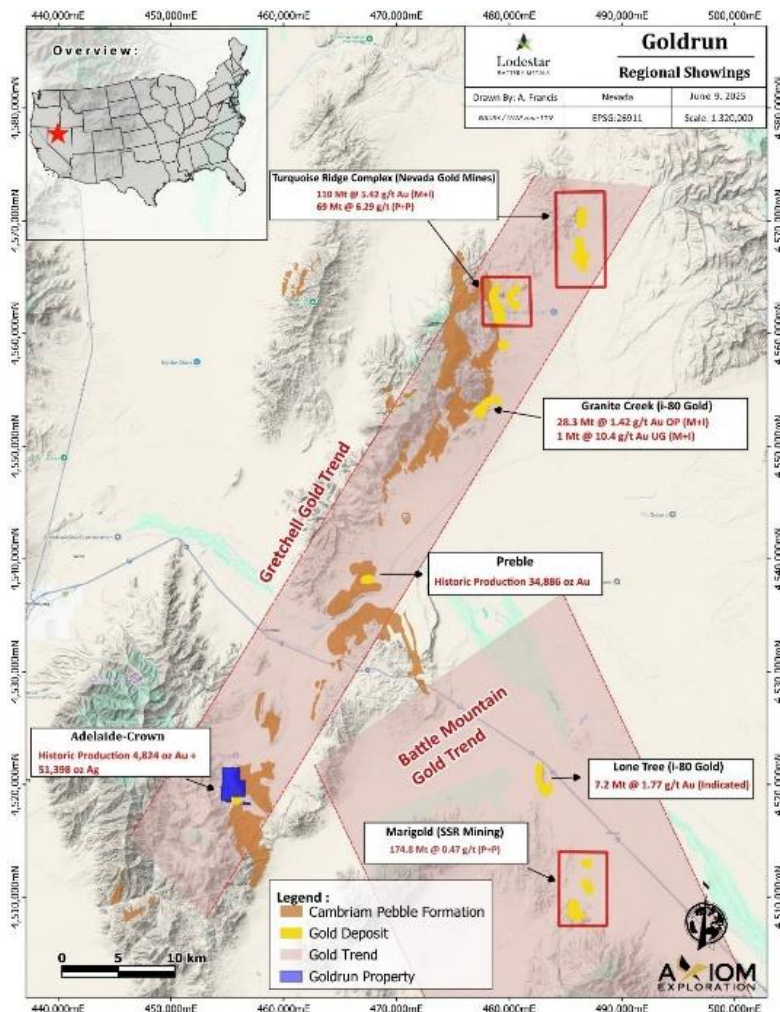
The Gold Run Project is located on the Getchell Gold Trend near its intersection with the Battle Mountain Trend (Figure 1), one of Nevada's most prolific gold-producing corridors. The property comprises 75 unpatented BLM lode claims across two non-contiguous blocks totalling approximately 516 hectares, and also includes the Black Diamond patented claim. The site has seen exploration activity since the 1860s and was previously held and explored by Newmont, Noranda, and Cambior before Lodestar acquired the project in 2025.

The property's historical dataset is substantial for a project at this stage: 15 operators completed 131 drill holes totalling 17,823 meters, alongside 827 rock samples and 454 soil samples. Historical intercepts include 18.3m at 4.3 g/t gold (including 1.5m at 37.8 g/t gold) at Robbers Knob; 13.7m at 1.3 g/t gold (including 1.5m at 5.1 g/t gold) at Gomes; 27.4m at 9.7 g/t gold (including 1.5m at 130.5 g/t gold) at Crown North; and 10.7m at 55 g/t silver and 0.36 g/t gold (including 1.5m at 218 g/t silver and 1.2 g/t gold) along the Independence Trend. A non-compliant historical resource estimate of 50,000 to 100,000 oz gold was reported by FMC Gold Co at Robbers Knob. in 1991; this estimate predates NI 43-101 and

should not be relied upon, but it is directionally consistent with the scale of mineralization the Company is now confirming with modern drilling.

These historical results, together with Lodestar's own 2025 soil sampling program and a four-line, 7.2-kilometre deep-dipole induced polarization ("DDIP") survey, confirmed both Carlin-style and epithermal mineralization indicators and defined the four priority targets tested in the Company's 2026 maiden drill program: Robbers Knob, Gomes, Black Diamond, and Crown North.

Figure 1: Gold Run project location map



Source: Lodestar presentation

NEVADA: A TIER-1 JURISDICTION AND REGIONAL CONTEXT

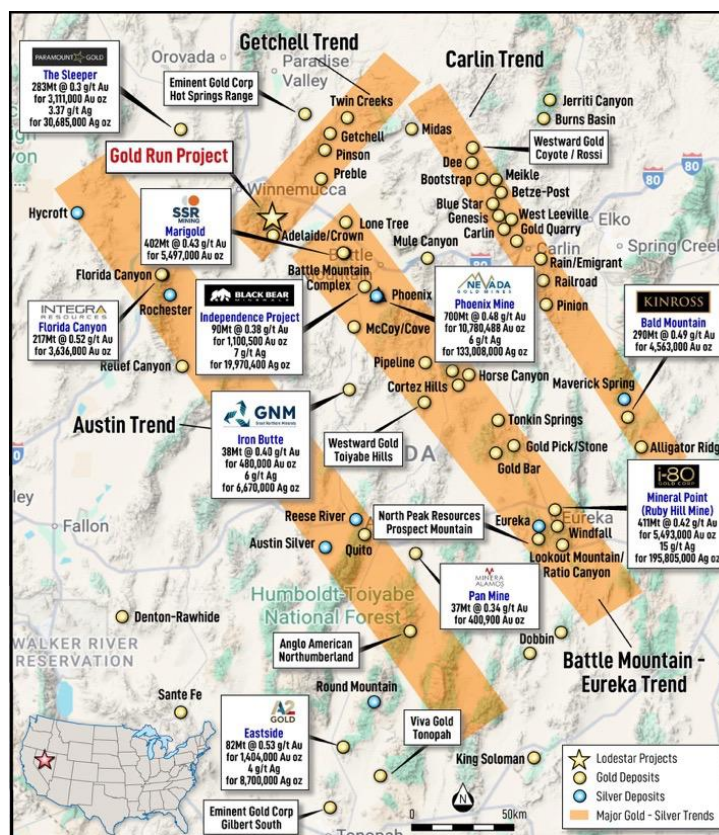
Nevada is a top-five global gold mining jurisdiction, producing an estimated 80% of US gold output and hosting an estimated US\$10.1 billion gold mining industry. The 4.2 million ounces reported represents approximately 5.3% of world gold production in 2023. The state combines favorable geology, established permitting frameworks, and mature infrastructure (roads, power, and a skilled labor pool, see Figure 2), all of which materially lower the cost and risk of exploration and development relative to less-established jurisdictions. Figure 3 illustrates the significant number of projects and operations along the major gold trends of the Nevada Carlin Gold camp.

Figure 2 : Nevada's typical infrastructure of roads, power and accessible terrain



Source: Lodestar presentation

Figure 3: Gold projects, operators of Nevada Carlin Gold camp



Source: Lodestar presentation

Nevada's gold camps host multiple deposit styles that provide ready-made exploration models. The state's gold story began in the 1860s with high-grade epithermal veins at Virginia City and the Comstock Lode, a target style also seen historically at Gold Run, before evolving toward the large, low-grade oxide, Carlin-style deposits that dominate production today. High-grade sulphide deposits are still part of the camp at Getchell, Midas and Hollister, and others. A third style, carbonate replacement deposits ("CRDs"), often polymetallic, is also present in the region. Polymetallic intersections are now confirmed at Gold Run as well. This diversity of deposit models gives Lodestar multiple, well-understood targeting geologic models to guide ongoing exploration.

Gold Run sits among several operating mines along the Getchell and Battle Mountain trends, see Figures 1 and 3. SSR Mining's Marigold Mine, see Figure 4, roughly 30km to the east-southeast, has produced continuously since 1989 from a large-scale, run-of-mine heap-leach operation; it holds probable reserves of 2.9 million ounces at 0.5 g/t gold, plus additional resources of 2.3 million ounces (as at year-end 2025), with 2026 production guidance of 170,000-200,000 oz. SSR, the third-largest US-based gold producer by market capitalization (~US\$7.3 billion) and holder of a roughly US\$1.8 billion cash position, controls a claim block adjacent to Gold Run and it is believed it will begin drilling nearby targets this quarter following soil, gravity, and geophysical survey work, a potential positive indicator for Lodestar's own targeting on the shared trend.

On October 13, 2026, using its strong cash position, SSR agreed to acquire Roxmore Resources, whose Converse project lies 6km from Marigold, at an enterprise value of roughly US\$392 million, or about US\$75 per resource ounce. We view this as an upper reference point rather than a benchmark for Lodestar. Converse carries a defined 5.2-million-ounce resource and a PEA, offers operating synergies with Marigold, and the price includes a takeover premium. We do believe the transaction illustrates that established gold producers are willing to pay meaningful premiums for Tier 1 gold resources that fit within their development and growth plans.

Figure 4: Photo of Marigold open pit mine



Source: Lodestar presentation

I-80 Gold operates two nearby projects. Granite Creek, roughly 40km northeast on the Getchell Trend, see Figure 1, is an operating Carlin-style, high-grade underground and open-pit mine using toll milling;

evidence that dedicated mill infrastructure is not a prerequisite for development in this camp. A March 2025 PEA outlined an underground resource of roughly 600,000 oz at 10+ g/t gold and an open-pit resource of approximately 2.2 million oz, with the underground component alone generating an after-tax NPV(5%) of US\$135 million at a conservative US\$2,175/oz gold price. I-80's Lone Tree project, see Figure 5, 30km east of Gold Run, hosts over 3 million ounces of gold resources (per a 2025 estimate) in structurally controlled, disseminated deposits, and includes a mill and autoclave facility planned as a central milling and recovery hub for I-80's regional projects, including Granite Creek.

Figure 5: Lone Tree mill site Nevada



Source: USGS/NASA Landsat imagery public domain

To the west and south, Nevada Gold Mines LLC, the Barrick-operated joint venture with Newmont, controls extensive ground bordering Gold Run. Its Turquoise Ridge mine, 60km north-northeast on the Getchell Trend, produced over 210,000 oz in Q2 2026 and is tracking toward roughly 850,000 oz for 2026 from combined open-pit and underground operations. The JV's Phoenix mine and processing complex, 20km to the south (see Figure 3), mines a gold-copper resource through heap-leach and concentrator circuits and is the subject of extensive brownfield exploration; the JV's exploration budget rose 37% year-over-year, reflecting the industry's broader push to replace reserves within existing tier-one footprints.

PEER GROUP AND SECTOR FINANCING ACTIVITY

Lodestar operates alongside a group of single- and multi-project junior gold explorers active in Nevada (see Table 1), most at the pre-resource, drilling stage. Exploration approaches across this group are converging on a similar geophysics- and structure-first targeting methodology, the same approach Lodestar is applying at Gold Run, and have generated a steady stream of positive results, discoveries, and land package expansions to secure prospective ground over the past six months.

Table 1: Regional Exploration Companies

Company	Ticker	Share Price (C\$)	Shares Out (M)	Mkt Cap (\$M)	EV (\$M)
Nevada Gold Comps					
(pre-resource stage)					
Lodestar Metals	LSTR	0.07	51.5	\$3.61	\$2.21
Carlin Gold Corp.	CGD-CA	1.57	26.8	\$42.08	\$39.18
Element79 Gold Corp.	ELEM-CA	0.02	207.4	\$4.15	\$4.65
Eminent Gold Corp.	EMNT-CA	0.33	83.0	\$27.39	\$26.19
Highway 50 Gold Corp.	HWY-CA	0.61	44.5	\$27.15	\$22.75
North Peak Resources Ltd.	NPR-CA	0.64	49.8	\$31.87	\$24.87
NV Gold Corp.	NVX-CA	1.07	32.4	\$34.67	\$31.67
Orterra Metals	OTMC	0.42	53.5	\$22.47	\$19.47
Riley Gold Corp.	RLYG-CA	0.65	48.9	\$31.79	\$29.39
Strikepoint Gold Inc.	SKP-CA	1.82	62.4	\$113.57	\$111.47
Westward Gold Inc.	WG-CA	0.20	235.2	\$47.04	\$44.04
Average		\$ 0.67	\$ 81.40	\$ 35.07	\$ 32.35
Median		\$ 0.39	\$ 63.31	\$ 24.57	\$ 21.80

Source: Lodestar Presentation, Zacks SCR updates

Financing activity reflects renewed investor appetite for Nevada gold exploration following the run-up in gold prices. The pre-resource peer group raised approximately C\$50 million in aggregate over the past six months, with roughly C\$30 million of that going to Carlin Gold Corp., whose project is adjacent to Barrick's Fourmile discovery on the Carlin Trend. Notably, both Eminent Gold's and Riley Gold's flagship projects are being advanced with strategic investment or earn-in funding from Kinross Gold, a capital-efficient financing structure increasingly used in the region. The most significant recent transaction was StrikePoint Gold's move to resource-stage status via its acquisition of the Northumberland project from Newmont that carries a 2.86 million ounce indicated and 1.57 million ounce inferred gold-equivalent resource; on a fully diluted cost basis, we calculate this transaction implies a value of roughly US\$27 per gold-equivalent ounce, a level we view as inexpensive for tier-one jurisdiction ounces. We attribute the discount largely to the nature of the deal: a major divesting a non-core asset to a junior buyer, a setting that typically clears below fair value. Producer takeovers of resource-stage companies generally set higher reference points, as illustrated by SSR Mining's Roxmore acquisition, discussed above.

A separate group of more advanced, resource-stage Nevada gold companies (see Table 2), several now at the PEA or PFS stage, raised approximately C\$80 million over the same period, though financing was not universal across the group. We estimate this group's average enterprise value per ounce of resource at roughly C\$80/oz, excluding NevGold as an outlier; at only about 1.4% of the current gold spot price, we view this as inexpensive, reflecting broader softness in gold equities through the summer months. Several critical-metals themes are also emerging across the peer set: antimony credits at multiple Carlin-area gold projects, reflecting the region's historical antimony mining, and porphyry copper potential at Orterra's Walker Lane project.

Table 2: Resource Stage Regional companies

Company	Ticker	Share Price (C\$)	Shares Out (M)	Mkt Cap (\$M)	EV (\$M)	Gold Trend	Project Stage	Resource [k oz]	EV/oz [\$]
Nevada Gold Comps (resource stage)									
A2Gold Corp.	AUAU-CA	0.5	104.8	\$52.40	\$37.90	Walker La	Resource	1,404	26.99
Getchell Gold Corp.	GTCH-CA	0.26	202.6	\$52.68	\$49.58	Walker La	PEA	2,813	17.62
Lahontan Gold Corp.	LG-CA	0.39	427.7	\$166.80	\$154.40	Walker La	PEA	1,840	83.91
Nevada King Gold Corp.	NKG-CA	0.79	100.4	\$79.32	\$77.02	Battle Mtn	Resource	1,119	68.83
NevGold Corp.	NAU-CA	0.73	172	\$125.56	\$126.16	Carlin	Resource (Hist.)	292	432.05
P2 Gold Inc.	PGLD-CA	1.29	277.9	\$358.49	\$353.19	Walker La	PEA	2,000	176.60
Scorpio Gold Corp.	SGN-CA	0.245	303	\$74.24	\$66.34	Walker La	Exploration	740	89.64
Viva Gold Corp.	VAU-CA	0.19	172.1	\$32.70	\$31.30	Walker La	Resource	587	53.32
West Vault Mining Inc.	WVM-CA	1.68	58.1	\$97.61	\$102.91	Walker La	Pre-Feasibility	909	113.21
Average		0.68	202.07	115.53	110.98			1300.44	118.02
Median		0.52	172.04	90.05	84.20			1072.35	78.52

Source: Company presentation, Zacks SCR updates

EXPLORATION RESULTS

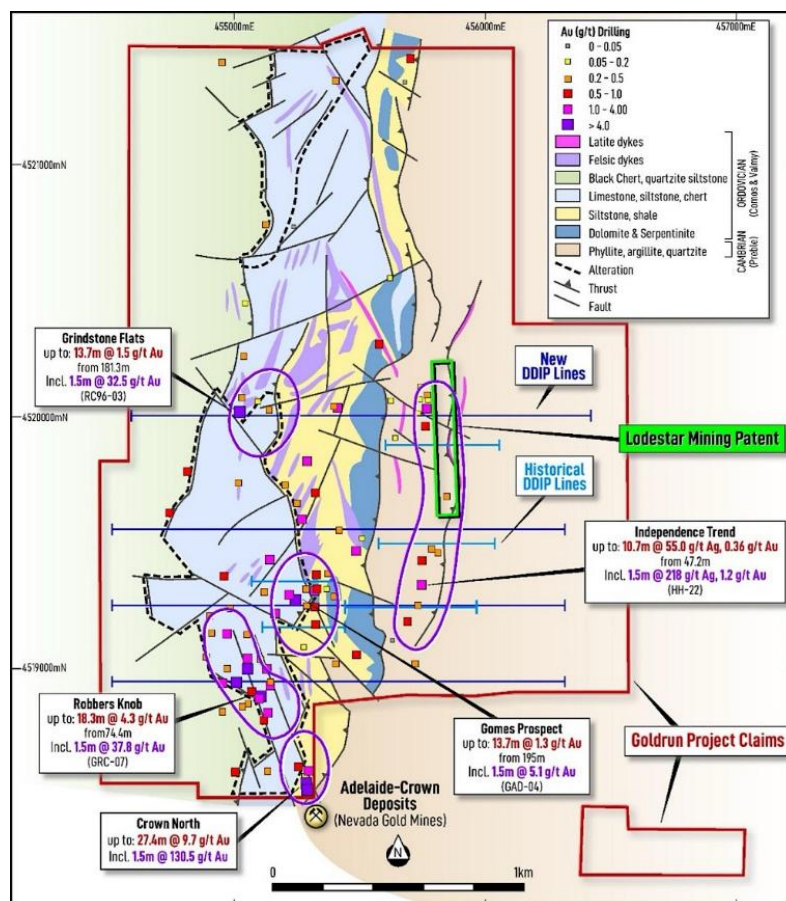
Lodestar began systematic exploration at Gold Run in late 2025 with a property-wide soil survey, which confirmed gold-silver mineralization consistent with both Carlin-style and epithermal indicators and helped define the prospect areas subsequently tested by drilling. The Company then completed four lines of DDIP geophysics totaling 7.2 kilometers across the property, that when combined with historical DDIP geophysical data confirmed a series of predominantly north-south trending chargeability anomalies. This geoscience-led approach, combining historical data, new geochemistry, and geophysics, has directed target prioritization for the Company's maiden RC drill program, see Figures 6 and 7.

Figure 6: Gold Run RC drilling set up at Robbers Knob



Source: Lodestar presentation

Figure 7: Summary of Gold Run pre-drilling data set including DDIP lines



Source: Lodestar press release

Robbers Knob

The maiden 18-hole, 2,860-metre RC program began at Robbers Knob, where the first six holes (1,143m total) were drilled on two fences. Results confirmed three distinct mineralization styles (Table 3). Broad, near-surface oxide gold-silver mineralization was intersected across the southern section of the target at depths of roughly 40-150m, including 70.1m at 0.54 g/t gold and 6.7 g/t silver in LSRC-03 (including a higher-grade core of 62.5m at 0.58 g/t gold and 7.0 g/t silver) and comparable intercepts in LSRC-01, LSRC-02, and LSRC-05, grades and widths the Company considers comparable to those mined at various operating open-pit, heap-leach mines across northern Nevada. An infill hole, LSRC-04, confirmed a higher-grade, structurally controlled vein/shoot zone: 16.8m at 6.07 g/t gold and 41.1 g/t silver, including 3.0m at 31.90 g/t gold and 181.6 g/t silver, grades more comparable to underground mines such as Turquoise Ridge. Deeper drilling in LSRC-02 also intersected a gold-silver polymetallic zone not previously recognized at Robbers Knob: 15.2m at 0.37 g/t gold, 16.0 g/t silver, 0.27% lead, and 0.40% zinc, associated with black manganese oxide and sulphide in fresh rock. All three zones remain open along strike and down-dip, and untested IP chargeability anomalies at Robbers West and Robbers North, together with northwest-trending structures identified in magnetics, provide clear vectors for follow-up drilling. Note throughout, assay intervals presented are hole lengths; true widths are estimated to be 85-95%.

Table 3: Robbers Knob assay results

HoleID	From	To	Interval(m)	Au g/t	Ag g/t	Pb %	Zn %	Cut-off Au g/t
LSRC01	51.8	82.3	30.5	0.33	6.8			0.1
including	61.1	76.2	15.1	0.51	11.1			0.3
including	65.5	73.2	7.6	0.79	15.2			0.5
	135.6	147.8	12.2	0.17	7.0			0.1
including	141.7	147.8	6.1	0.21	7.0			0.2
LSRC02	50.3	86.9	36.6	0.27	6.0			0.1
including	85.3	88.4	3.0	0.53	2.9			1.0
	117.3	135.6	18.3	0.60	5.4			0.1
including	120.4	132.6	12.2	0.75	5.1			0.5
including	125.0	129.5	4.6	1.08	2.5			1.0
	160.0	178.3	18.3	0.33	13.9	0.23	0.35	0.1
including	161.5	176.8	15.2	0.37	16.0	0.27	0.4	0.3
LSRC03	89.9	160.0	70.1	0.54	6.7			0.1
including	97.5	160.0	62.5	0.58	7.0			0.3
including	97.5	99.1	1.5	3.39	4.3			1.0
also								
including	111.3	115.8	4.6	1.05	5.7			1.0
including	123.4	160.0	36.6	0.60	9.1			0.3
including	147.8	160.0	12.2	1.03	11.0			0.5
LSRC04	94.5	111.3	16.8	0.11	8.8			0.1
	96.0	99.1	3.0	0.23	20.7			0.2
including	132.6	149.4	16.8	6.07	41.1			0.5
including	132.6	135.6	3.0	31.90	181.6			1.0
LSRC05	137.2	173.7	36.6	0.24	3.7			0.1
including	158.5	160.0	1.5	0.62	9.0			0.5
also								
including	169.2	172.2	3.0	0.54	8.4			0.5
LSRC06	45.7	53.3	7.6	0.10	5.0			0.1
	80.8	83.8	3.0	0.13	4.9			0.1
	108.2	109.7	1.5	0.10	4.2			0.1
	155.4	158.5	3.0	0.14	5.6			0.1

Source: Lodestar press release

Black Diamond Prospect

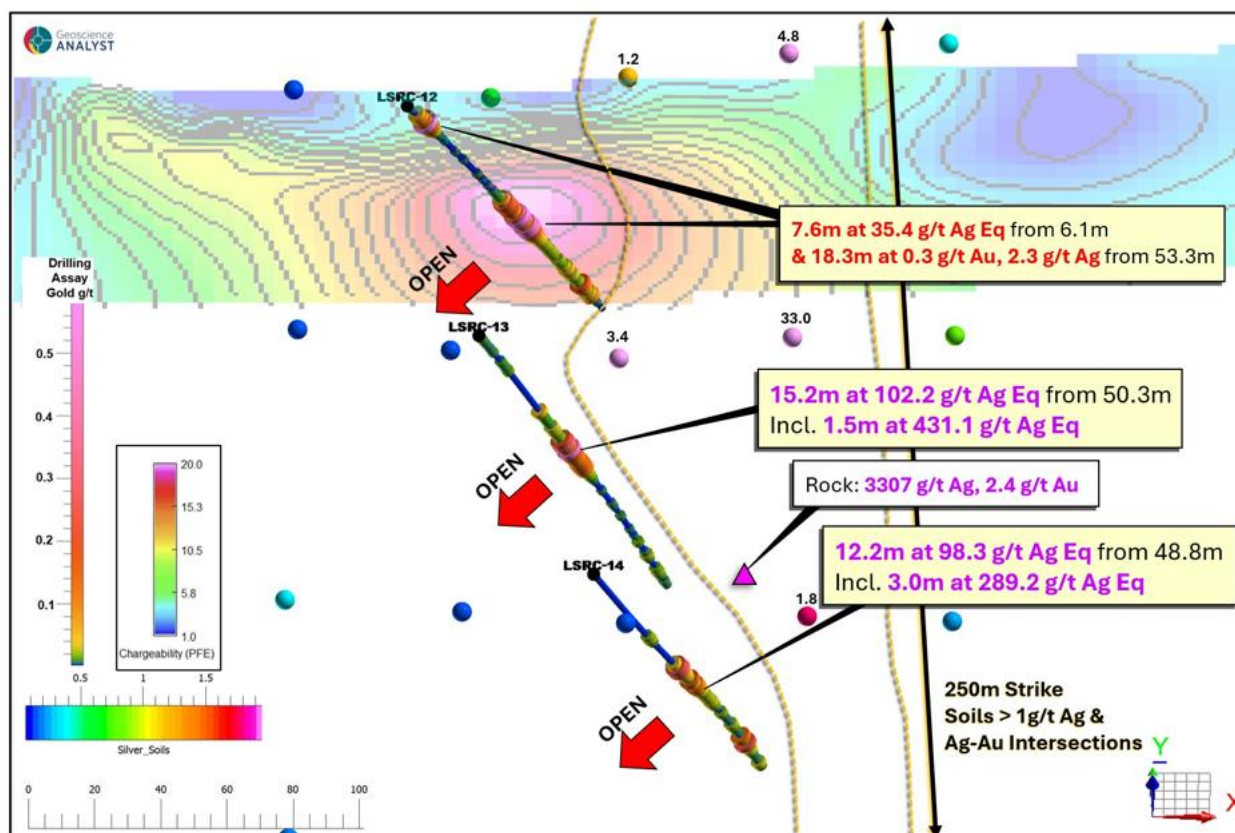
Preliminary rock sampling along the Independence Trend had returned silver values up to 3,307 g/t silver and 2.4 g/t gold over a corridor interpreted to extend for at least one kilometer, a target subsequently confirmed by elevated silver-gold soil geochemistry and coincident DDIP chargeability anomalies. Eight RC holes (902 meters) tested the Black Diamond prospect along this structure and delivered the project's first high-grade silver discovery. The best results came from the central zone, along strike from a discrete DDIP anomaly (see Figure 8): 15.2 meters at 102.2 g/t silver-equivalent (79.5 g/t silver, 0.20 g/t gold) from 50.3 meters in LSRC-13, including 1.5 meters at 431.1 g/t silver-equivalent; and 12.2 meters at 98.3 g/t silver-equivalent (85.6 g/t silver, 0.12 g/t gold) from 48.8 meters in LSRC-14. Mineralization was confirmed along a ~850 m trend, with narrower intercepts at both the northern and southern extents, and is closely associated with manganese oxide and disseminated sulphides, a style similar to the polymetallic zone found at depth beneath Robbers Knob. The structure remains open along strike and down-dip. With Black Diamond now reported, and Gomes prospect below, only two holes (312 meters) remain pending at Crown North.

Table 4: Black Diamond assay results

HoleID	From	To	Interval (m)	Au g/t	Ag g/t	Ag Eq	Pb %	Zn %	Cut-off Au g/t
LSRC09	13.7	19.8	6.1	0.12	9.6	19.1	0.00	0.10	0.1
LSRC10	9.1	19.8	10.7	0.62	9.7	52.1	0.04	0.10	0.2
including	10.7	15.2	4.6	1.07	6.9	76.6	0.00	0.00	0.5
including	12.2	15.2	3.0	1.25	7.8	89.2	0.00	0.00	1
	19.8	24.4	4.6	0.04	6.7	33.4	0.00	1.42	1% Zn
LSRC11	7.6	21.3	13.7	0.36	7.9	31.4			0.2
including	10.7	16.8	6.1	0.53	9.2	43.7			0.4
including	13.7	15.2	1.5	0.7	8.4	54.0			0.5
LSRC12	6.1	13.7	7.6	0.23	18.9	35.4	0.07	0.05	0.1
including	9.1	10.7	1.5	0.65	24	68.1	0.08	0.06	0.5
	53.3	71.6	18.3	0.28	2.3	23.4	0.00	0.17	0.1
including	61.0	68.6	7.6	0.44	1.5	33.6	0.00	0.20	0.4
including	61.0	62.5	1.5	0.74	3	53.8	0.00	0.15	0.5
	96.0	99.1	3.0	0.14	0.7	11.7	0.00	0.11	0.1
LSRC13	50.3	65.5	15.2	0.2	79.5	102.2	0.25	0.44	0.1
including	54.9	56.4	1.5	0.51	385	431.1	0.60	0.44	0.5
LSRC14	48.8	61.0	12.2	0.12	85.6	98.3	0.19	0.19	0.1
including	48.8	57.9	9.1	0.14	110	123.6	0.24	0.14	0.1
including	48.8	51.8	3.0	0.27	263	289.2	0.62	0.18	0.2
	86.9	91.4	4.6	0.13	0.9	9.4	0.00	0.00	0.1
including	89.9	91.4	1.5	0.25	0	16.3	0.00	0.00	0.2
LSRC15	51.8	57.9	6.1	0.18	22.4	37.4	0.10	0.14	0.1
including	53.3	56.4	3.0	0.26	36.8	58.5	0.17	0.19	0.2
LSRC16	91.4	99.1	7.6	0.22	17.9	36.8	0.23	0.15	0.1
	91.4	93.0	1.5	0.27	33.9	57.8	0.16	0.29	0.2

Source: Lodestar press release

Figure 8: 3D view, Central Black Diamond — DDIP anomaly, significant intercepts as well as highlight rock sample result (triangle) and soil results (spheres coloured by Ag ppm)



Source: Lodestar press release

Gomes Prospect

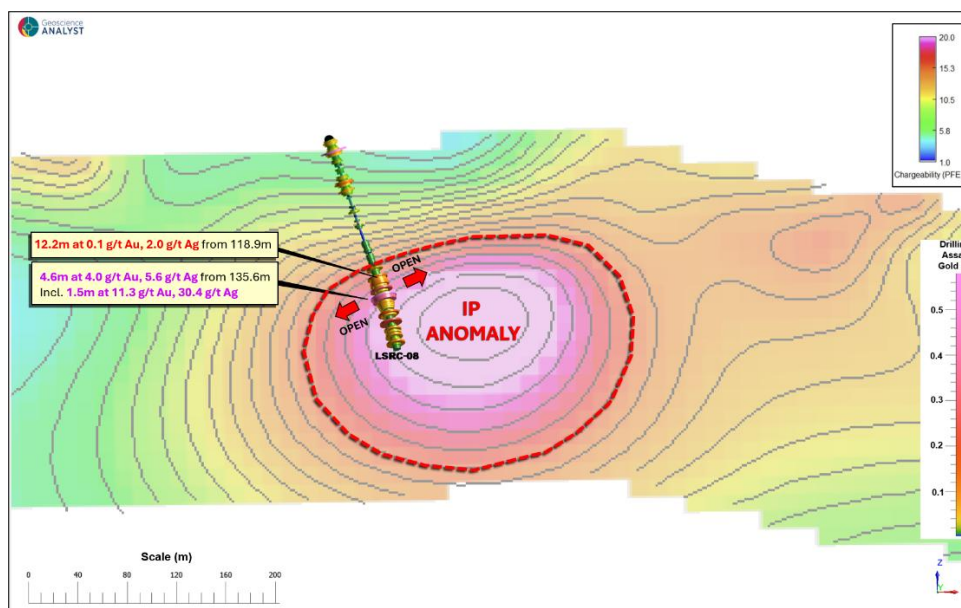
Drilling at the Central Gomes prospect (LSRC-08) confirmed mineralization at this target, validating the geological model built from surface sampling and DDIP geophysics. The hole intersected 4.6 meters grading 4.0 g/t gold and 15.6 g/t silver from 135.6 meters depth, including a higher-grade interval of 1.5 meters at 11.3 g/t gold and 30.4 g/t silver Table 5. This marks the first high-grade gold-silver intercept reported from Gomes and shows that IP chargeability anomalies may vector for structurally controlled, higher-grade mineralization beyond Robbers Knob (Figure 9). Rock sampling along the northern extension of the trend, toward the historical Grindstone Flats prospect, returned 2.8 g/t gold, 7.5 g/t silver, 14.7% copper, and 0.45% zinc, further supporting continuity along strike. Drillhole LSRC-07 was drilled to the NW of hole 08, testing another target style with no significant results reported. With Gomes now reported, assays remain outstanding for 2 additional RC holes at the Crown North target.

Table 5: Gomes prospect drilling results

HoleID	From	To	Interval (m)	Au g/t	Ag g/t	Cut-off Au g/t
LSRC-07	0.00	12.19	12.19	0.10	5.1	0.1
	143.26	149.35	6.10	0.10	1.2	0.1
LSRC-08	118.87	131.06	12.19	0.11	2.0	0.1
	135.64	140.21	4.57	4.00	15.6	0.3
including	135.64	137.16	1.52	11.30	30.4	1.0

Source: Lodestar press release

Figure 9: Cross section at Gomes — DDIP anomaly and significant intercept in LSRC-08

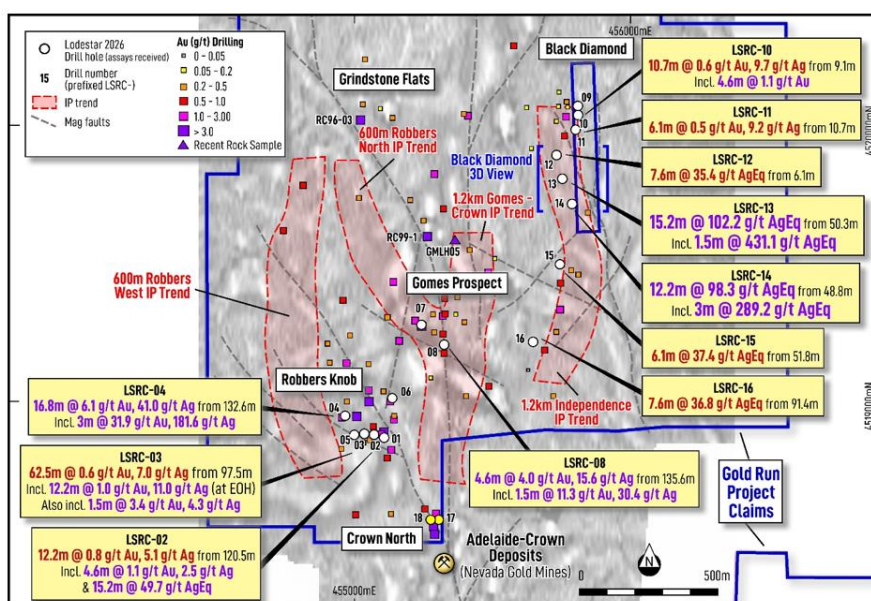


Source: Lodestar press release

Outlook

We expect Lodestar to continue advancing Gold Run through follow-up drilling at its highest-priority targets, see Figure 10, beginning with Robbers Knob, which we view as the most likely near-term source of a maiden resource estimate. We anticipate the Company will look to fund and complete a second RC program of similar scale, approximately 2,500 meters. One potential scenario sees 12 holes of roughly 200 meters each on lines spaced 100 meters apart. This could extend line coverage at Robbers Knob by an additional 500 meters, to roughly 750 meters of combined strike length tested, providing an initial framework for a resource target model following only the Company's second drill program. Alternatively, the drilling program could see targeting extension testing to SE linking Robbers Knobs towards the Crown North prospect. Follow-up on the higher grade results at Black Diamond could also be considered a higher priority area for additional testing.

Figure 10: Plan of highlight results from initial Gold Run drilling program



Source: Lodestar press release

MANAGEMENT, BOARD, AND ADVISORS

With over 180 combined years of experience, management pairs deep Nevada-specific discovery and mine-building track records (Klondex, Santa Fe Pacific Gold, Newmont, Kennecott) with proven capital markets execution (multiple financings, an exit to Alamos Gold). This blend of technical, transactional, and public-company governance expertise positions the team to both advance exploration and manage the capital demands of a junior issuer.

David Christie Chairman

39+ years in exploration, resource finance, and public-company leadership; currently President/COO of Globex Mining, previously led Orford Mining to a sale to Alamos Gold.

Lowell Kamin CEO & Director

30+ years in capital markets, including senior roles at Scotia Capital and Bank of America Merrill Lynch, spanning institutional equities, investment banking, corporate finance and capital raising.

Leo Horn, AIG Qualified Person and Technical Director

25 years of global technical exploration experience across multiple commodities; led high-grade uranium discoveries in the Athabasca Basin and recent advances at Nevada's Iron Butte deposit.

Kyle Appleby, CPA, CA CFO

25+ years serving public and private companies on financial reporting, governance, financing, regulatory compliance, and taxation.

ADVISORS

William F. Matlack Capital Markets Advisor

20+ years in geology and mining finance; worked on major gold discoveries at Santa Fe Pacific Gold and Gold Fields, then led Klondex Mines from explorer to Nevada producer as interim CEO.

Donald McDowell, P.Geo., Strategic Advisor

30+ years advancing precious metals projects across the Americas, with leadership roles at Nippon Mining, Santa Fe Pacific Gold, and Kennecott through acquisitions and early-stage development.

VALUATION

Junior exploration companies are frequently described by management as undervalued relative to their underlying asset base; we prefer to approach valuation empirically. Lodestar is a micro-cap explorer completing its first drill program, with only a limited public dataset available to support a resource-based valuation. Our approach asks a narrower question: what resource size is the market currently implying for Gold Run, and is that figure plausible given results to date?

Using a standard exploration-stage value per ounce of gold-equivalent resource, at 1% of the prevailing gold price, set for the project's pre-resource stage (Table 6), a Zacks "ounces in the ground" method. Zacks estimates Lodestar's current enterprise value at C\$3.21 million, which implies the market is pricing in an inventory of roughly 55,000 ounces of gold-equivalent using our method. That figure sits within the range of the project's historical, non-compliant resource estimate (50,000-100,000 oz) and, in our view, could plausibly be hosted within the footprint already tested at Robbers Knob. We therefore view Lodestar at current levels as only reflecting value based on the historically reported values. We would expect the stock to show upside based on the results delivered to date by the Company on the project. The first round drilling results confirm that the Robbers Knob, Black Diamond, Gomes, and other prospects provide areas with the potential to add to a property-wide mineral inventory with these results, and those of the next drill program, representing the key catalyst for re-rating.

Table 6: Discounted value analysis

	Units	Values
Market Cap	[C\$ M] \$	3.61
Zacks Est. Cash	[C\$ M] \$	0.40
Enterprise Value	[C\$ M] \$	3.21
Exchange Rate	[%]	70.4%
Enterprise Value	[US\$ M] \$	2.26
Gold Price	[US\$/oz]	4100
Discount Rate	[%]	1%
In Ground Value	[US\$/oz] \$	41.00
Gold Target	[oz]	55,085
Intersection	[m]	50
True width	[%]	85%
Density	[t/m3]	2.75
Grade	[g/t]	0.5
Dimenstions (v*h)	[m]	171

Source: Zacks SCR estimates

Our forward view is built on the Company's ability to continue outlining a gold-equivalent resource target model through staged RC drilling. Management indicates all-in RC drilling costs of approximately C\$1 million per 2,500 meters, or roughly C\$400 per meter, reasonable for a program of this scale, though a larger program would likely see lower per-meter costs. The Company's maiden 2,860-metre program tested four targets; of this, we view the 1,143 meters completed at Robbers Knob as the highest-probability target for outlining a near-surface resource consistent with regional deposit models; the reported 70.1m at 0.54 g/t gold and 6.7 g/t silver oxide intercept in LSRC-03 is comparable in tenor to intersections at operating open-pit, heap-leach mines in the district.

We expect a second program of similar scale (~2,500 m) to extend testing at Robbers Knob by roughly 500 meters of additional strike length, assuming continuity is indicated by associated geophysical and geochemical anomalies. The Company will likely need to raise additional capital in the near term to fund this program. The eventual value of any resulting resource will depend heavily on gold-equivalent ounce value assumptions that vary widely across the junior sector; Gold Run's Tier-1 location, near operating mines, with established road access, permitting frameworks, and support infrastructure, should lower future discovery and development costs relative to more remote jurisdictions, supporting a premium relative to less favorably located peers.

Our valuation summary is presented in Table 7. This outlines our simplified estimate of the resource target model range that could be delivered by this modelled drilling program and accounts for gold price, tonnage, and discovery grade variations. We apply a 50% probability factor to the modelled value, reflecting the risk that the next drilling program does not fully outline the modelled resource target zone. We would expect to reduce this discount as drilling confirms continuity at Robbers Knob, or other targets as they are advanced. This does not suggest the next program will deliver a compliant mineral resource estimate. Our use of 1% of the gold price reflects the early stage of the program and our level of confidence. We would look to raise this percentage with further confidence in the delineation of this resource target model as the project advances. As well, the project's Tier 1 location would also impact this re-rating.

This table shows a matrix of values for this analysis, providing an outlook for the potential share price movement with drilling success at Gold Run. Our initial potential asset value from this analysis is given as \$0.15 per share for this study. The valuation is on a diluted share total accounting for funding of this next drilling program, without the exercise of warrants or options.

Table 7: Valuation summary

Resource target model dimension range				
Lenth [m]		Width	Depth	Tonnage Range [Mt]
500	750	50	200	14 to 21
	Average Grade [g/t]		Success	50%
	0.35	0.55	0.75	0.95
[US\$/oz]	Impied Value at Gold price and 1% discount/ diluted share			
4100	0.08	0.13	0.18	0.22
4200	0.08	0.13	0.18	0.23
4300	0.09	0.14	0.19	0.23
4500	0.09	0.14	0.19	0.25
Average Value Target per share [US\$]				\$ 0.15

Source: Zacks SCR estimates

Economic studies at more advanced regional projects illustrate the potential value of ounces developed in this camp, though we caution these are unfunded, undeveloped project values subject to significant execution risk and market discounting. Getchell Gold's recently published PEA for its Fondaway Canyon project outlines an after-tax NPV(5%) of US\$905 million at a US\$3,200/oz gold price, with total recovery of 1.52 million ounces over a 10-year mine life, giving a value of roughly US\$595 per ounce of planned production. P2 Gold's PEA-stage Gabbs project on the Walker Lane trend reports an NPV(5%) in excess of US\$3.2 billion at current metal prices; see Figure 11. This is across an estimated 2.16 million gold-equivalent ounces in the mine plan, implying a production-ounce value of nearly US\$1,500.

These figures are highly sensitive to metal price and discount rate assumptions and are not directly comparable to Lodestar's current exploration-stage valuation, but they illustrate the scale of value creation available to successful explorers in this jurisdiction. Lodestar's path to value is converting drill results into a compliant resource; until then, such deal values indicate potential.

Figure 11: P2 Gold Gabbs Project summary economics

2025 PEA Economics⁽¹⁾		
	Base Case	Spot Prices⁽²⁾
Gold Price (US\$/oz)	\$2,350	\$4,561
Silver Price (US\$/oz)	\$29.00	\$69.21
Copper Price (US\$/lb)	\$4.50	\$6.59
After tax NPV5⁽³⁾ (US\$)	\$942.9 million	\$3.213 billion
After tax IRR⁽³⁾ (%)	33.8%	104.2%
Payback ⁽⁴⁾ /Mine Life	2.4 / 14.2 years	<1 / 14.2 years

Source: Data from P2 Gold presentation

RISKS

1. Financing and Dilution Risk

- As a pre-revenue explorer, Lodestar depends on equity markets to fund its work. Cash on hand covers the remaining Phase 1 assays but not a follow-up drill program, and we expect a near-term raise.
- Future financings, together with outstanding warrants and options, are likely to dilute existing shareholders. The terms will depend on share price and market conditions at the time.
- Management prefers to raise money only after results are in. If market conditions weaken, that approach may slow the pace of exploration.

2. Exploration and Geological Risk

- Gold Run contains no NI 43-101-compliant resource. The 18-hole maiden program is encouraging, but it is not sufficient to establish continuity, grade or tonnage.
- Historical data, including the 1991 FMC estimate, is non-compliant and unverified. Mineralization on neighboring properties is not necessarily indicative of mineralization at Gold Run.
- Further drilling may not confirm a deposit of economic size or grade.

3. Technical and Development Risk

- No metallurgical testing completed. Recoveries from the oxide, vein and polymetallic styles are unknown and could affect the economics of any future development.
- The property is modest in size and bordered by major producers that may limit how far mineralization can be followed.
- Advancing multiple targets with limited capital requires disciplined prioritization.

4. Regulatory and Permitting Risk

- Gold Run consists mainly of unpatented BLM claims that require annual maintenance fees and federal approvals for expanded work.
- Larger programs, and any eventual development, will require a Plan of Operations and NEPA review. Nevada is an established permitting jurisdiction, but approval timelines can be lengthy and are subject to changes in federal policy.
- Strong regional activity is increasing competition for drill rigs, contractors and laboratory capacity, with potential effects on costs and timelines.

5. Market, Liquidity and Commodity Risk

- Lodestar is a micro-cap issuer with limited trading liquidity, and its shares are subject to significant volatility.
- Junior gold equities have lagged the metal. A decline in gold or silver prices, or weaker investor appetite for exploration, could restrict access to capital and pressure valuations.
- The Company relies on a small management team and consultants. The loss of key personnel could affect execution.
- Comparisons with advanced-stage regional projects are illustrative only and do not imply comparable value for Gold Run.

CONCLUSION

We believe Lodestar Metals made a sound decision in securing its position at Gold Run. The project occupies a highly prospective location on the Getchell Gold Trend within Nevada's tier-one mining camp, and the modest acquisition cost provided an efficient entry point for shareholder value creation. A supportive financing market allowed the Company to fund its initial exploration program, and the resulting maiden drill results were strongly positive, confirming three distinct styles of gold-silver mineralization: near-surface oxide, higher-grade vein/shoot, and deeper polymetallic, each associated with grades and widths comparable to operating mines in the district. Positive results were obtained at each of the prospects reported so far: Robbers Knob, Black Diamond and Gomes. We could expect additional results from the Crown North prospect in the near term to add to the story.

We expect Lodestar to continue advancing the project and generating results that further illustrate its potential to host a meaningful mineral inventory as they look to initially define the dimensions of a resource target model. We view Lodestar at current levels as only reflecting value based on the historically reported values. We expect the stock to show upside based on the Company's results to date on the project. We also expect the next drill program to be accretive to that value. We initiate coverage with an initial valuation target of US\$0.15 per share based on our out look for the potential resource target model translated into an asset value estimate. With Gold Run bordered by senior producers, including SSR Mining, with a recent acquisition of Roxmore Resources showing its interest in adding to their local asset base. We see the surrounding Tier 1 district activities as broadly supportive of both Gold Run's continued advancement and Lodestar's valuation.

SUMMARY INCOME STATEMENT & BALANCE SHEET

Lodestar Metals Corp. (and predecessor companies)

Income Statement and Balance Sheet

(Dollars in C\$ millions, except EPS data)

	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25
Revenues	N/A	N/A	N/A	N/A	N/A
Exploration Expenses	-0.02	0.00	0.00	-0.06	-0.02
SG&A	(1.08)	(0.46)	(0.36)	(0.22)	(0.28)
Operating expenses	(0.80)	(0.69)	(0.30)	(0.27)	(0.21)
Interest and other	(1.48)	(0.42)	(0.09)	(0.10)	(0.22)
Zacks Adjusted Income before NRI	(3.36)	(1.57)	(0.76)	(0.07)	(0.74)
Net Income	(3.98)	(1.92)	(9.01)	(0.60)	(2.09)
Diluted EPS before NRI	N/A	N/A	N/A	N/A	N/A
Reported EPS	(0.16)	(0.06)	(0.20)	(0.01)	(0.08)
Cash & Marketable Securities	4.13	2.73	1.30	0.87	1.39
Current Assets	4.44	2.81	1.36	0.90	1.44
Current Liabilities	1.56	1.52	1.32	1.33	0.13
Long Term Debt	0.42	N/A	N/A	N/A	N/A
Shareholder's Equity	10.13	11.55	2.64	2.07	1.65

HISTORICAL STOCK PRICE - SVTNF



Source: Yahoo Finance.com

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