

4 October 2024

**East Star Resources Plc**

("East Star" or the "Company")

**Conditional Subscription & Placing to Raise Approximately £1.16M**

***Delivers funding to advance Verkhuba Copper Deposit and drill-test high-impact follow-on targets***

East Star Resources Plc (LSE:EST), which is exploring for copper in Kazakhstan, announces it has raised gross proceeds of approximately £1.16 million from an oversubscribed subscription for, and placing of, 100,926,292 new ordinary shares of £0.01 each ("Ordinary Shares") in the capital of the Company (the "Fundraising") at a price of 1.15 pence per share (the "Issue Price").

**Key points**

- Strong backing from existing major shareholder and Directors
- New resources-focused institutional cornerstone investor
- Company funded to advance Verkhuba Copper Deposit and drill-test high-impact follow-on targets on the Rudny Altai volcanogenic massive sulphide ("VMS") Belt licences and progress Tier 1 copper deposit targeting strategies

***A discussion and Q&A on the Fundraising, forward work programme and recent Half Year Report will be held via the Investor Meet Company platform on 7 October 2024 at 5 p.m. BST ("Webcast"). Further details appear below.***

**Use of proceeds**

Following the Company's discovery of the Verkhuba Copper Deposit in 2023 (20.3Mt @ 1.16% copper, 1.54% zinc, 0.27% lead), East Star's management believes the Company can add significantly to the value of this deposit by increasing confidence in, and potentially growing, the resource, and advancing metallurgical and engineering studies to determine the potential economics of a mining operation.

At over 20Mt, Verkhuba is already in the top third of this style of VMS deposit globally and with copper near 10,000 per tonne, and the prospect of a low capex development in an infrastructure-rich region, management believes considerable further value from Verkhuba can be unlocked through a work programme which will be funded through this Fundraising.

In addition to Verkhuba, East Star has developed a number of high-impact follow-on targets on its Rudny Altai VMS belt licences where copper occurrences have been mapped in several locations in close proximity to the historical Nikolaevsky deposit (40Mt @ 2.4% copper, 3.2% zinc, 1.1 g/t gold) which is an area well-served by existing infrastructure.

Proceeds from the Fundraising will be used to advance the development concept at Verkhuba through to a stage where economic feasibility can be demonstrated. At the same time, the Company intends to advance and drill-test several high-impact targets in the Rudny Altai VMS Belt and progress its targeting strategy for Tier 1 copper porphyry and sediment-hosted copper deposits.

**Further information on the Fundraising**

The Company has received direct subscriptions from several investors for 86,578,480 new Ordinary Shares ("Subscription Shares") and will conduct a placing of 14,347,812 new Ordinary Shares ("Placing Shares"). Subject to receipt of subscription funds, the Company is proposing to issue and allot a total of 100,926,292 new Ordinary Shares as part of the subscription and the placing (together the "Fundraising Shares").

The Fundraising includes participation by way of a direct subscription by certain Directors of the Company. The Fundraising was also supported by the Company's largest external shareholder, which has agreed to invest £160,000 at the Issue Price. Additionally, the Fundraising includes participation by a natural resources focused institutional investor, which has agreed to invest £300,000 at the Issue Price.

The Fundraising remains subject to and conditional upon the Company having published a prospectus (the "Prospectus"), which remains subject to FCA approval, and the Fundraising Shares being admitted to trading by no later than the longstop date of 15 November 2024 ("Admission"). A further announcement confirming the publication of the Prospectus and the expected date of Admission will be made in due course.

**Alex Walker, CEO of East Star, commented:**

*"The opportunity in front of us is clear. Copper is the metal the world urgently needs to discover more of and there are very few projects with copper grades greater than 1%, close to surface, and with existing infrastructure. We intend to drill Verkhuba to further improve our geological understanding of what is already a significant copper deposit, as precursor to undertaking economic studies. In doing so we aim to capture exponentially greater value from this asset for shareholders than we could have achieved without this work. We also intend to drill several high-impact targets that have been worked up following several years of desktop work, geological mapping, sampling and geophysics. Success in any one of these would add more valuable base metal assets close to processing infrastructure."*

*I would like to thank our long-standing and new investors for supporting the Company. As an exploration company, our job is to find mineral deposits where the value of the resources far exceeds the capital required to discover and develop them. With Verkhuba having more than 230,000 tonnes of contained copper, and with copper at close to 10,000 per tonne, East Star has so far delivered this in spades. We recognise the markets have been tough for junior resource explorers, but we have not lost sight of the value to Kazakhstan to discover and develop high-impact copper resources close to processing infrastructure."*

*sight of the prize in Kazakhstan to discover and develop highly sought-after new sources of copper in several geological settings."*

#### **Investor discussion and Q&A**

Alex Walker, CEO, will host the Webcast via the Investor Meet Company platform on 7 October 2024 at 5 p.m. BST. Questions can be submitted pre-event via your Investor Meet Company dashboard up until 9 a.m. BST the day before the Webcast or at any time during the live Webcast.

Investors can sign up to Investor Meet Company for free and add East Star Resources Plc in order to attend the Webcast via: <https://www.investormeetcompany.com/east-star-resources-plc/register-investor>.

No material new financial or other information will be provided. A recording of the Webcast will be made available on the Company's website the following day.

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#### **About East Star Resources Plc**

East Star Resources is focused on the discovery and development of copper and other strategic minerals required for the energy revolution. With eight licences covering >1,000 km<sup>2</sup> in three mineral rich districts of Kazakhstan, East Star is undertaking an intensive exploration programme, applying modern geophysics to discover minerals in levels that were not previously explored. East Star's most advanced project is a copper deposit on the world-class Rudny Altai VMS Belt where the Company delivered a JORC compliant inferred resource of 20.3Mt @ 1.16% copper, 1.54% zinc and 0.27% lead close to infrastructure, within trucking distance of third-party mills with excess capacity. East Star's management are based permanently on the ground, supported by local expertise, and a joint venture with the state mining company on certain projects. In 2024, East Star was selected to receive grant funding through the BHP Xplor programme for copper porphyry exploration.

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**The person who arranged for the release of this announcement was Alex Walker, CEO of the Company.**

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