METALS & MINING · 4 NOVEMBER 2026

Genesis Backs A$82m Raise; Sandstone PFS the Next Re-Rating Catalyst

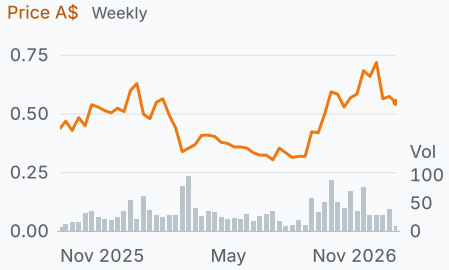
A$1.46

166% implied upside

KEY DATA

Market cap (A$m)	699.65
Share price (A$)	0.55
52-week L/H (A$)	0.28 / 0.74
Free float	89.20%

PRICE PERFORMANCE



Source: Capital IQ · Volume in millions of shares

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DISCLOSURE

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DISCLAIMER

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PREVIOUS COVERAGE

ASX: BTR ↗ 10 Aug 2026

We update our target price for Brightstar Resources (ASX: BTR) to A$1.46, implying 166% upside from the current price of A$0.55. Brightstar has delivered on its two-hub strategy. Goldfields remains on schedule and within budget for first gold in June 2027, establishing a ~75koz p.a. production base. At the same time, a **25% increase in the Sandstone resource to 3.6Moz** has strengthened the platform for a second, larger production centre and the company's aspiration to become a +200koz p.a. group producer, which the Sandstone pre-feasibility study (**PFS**) will begin to test.

The share price has risen 28% since our previous coverage despite a decline in the A$ gold price. We believe the doubling of the Two Mile Hill (TMH) resource, together with **testwork confirming 94.6% recoveries through a conventional flowsheet**, has led the market to price in a larger Sandstone opportunity. The first deep diamond hole at TMH has since confirmed that mineralisation continues below the current resource, supporting the case for further resource growth.

TMH Doubles to 1.45Moz, Adding a Higher-Grade Underground Option

The September 2026 update doubled TMH to 1.45Moz @ 1.8g/t Au (from 731koz @ 1.6g/t) at a company-cited discovery cost of A$6/oz, and nearly tripled Indicated ounces to 526koz, ~36% of Sandstone's Indicated total. **Around 87% of TMH's ounces sit in an underground resource at 2.0g/t Au.** The first of four deep diamond holes returned 305m @ 1.33g/t Au from 584m downhole, including 173m @ 1.42g/t Au beneath the current resource at an estimated ~620–770m vertical depth. The grade is below the resource average, but the intercept **sits just below the depth at which contained gold peaks to ~5,900oz per vertical metre in the resource model.** Assays from the remaining three holes, including two that drilled through more than 400m of mineralised tonalite, are pending.

Genesis Backs A$82m Placement to Accelerate Sandstone

Brightstar raised A$82 million through a placement of 164 million shares at A$0.50, a 12% discount to the last close. Genesis Minerals (ASX: GMD), an established ASX100 WA gold producer, **subscribed for A$30 million on the same terms as other investors, lifting its stake from 0.8% to ~5.4%.** The proceeds fund accelerated infill and extensional drilling at TMH, the underground mining study, an early mining strategy comprising a cutback of the existing TMH pit and an underground exploration decline, and expanded DFS drilling across Sandstone.

Valuation

Our sum-of-the-parts valuation yields a base case of A$1.23 and an upside case of A$1.70 per share, with a midpoint P/NAV of 0.38x.

Brightstar Resources is a Western Australian gold developer building a two-hub production platform on a 5.2Moz Mineral Resource base. The Goldfields Project (**Goldfields**), near Laverton, is a funded development targeting first gold in June 2027. The Sandstone Project (**Sandstone**) is a larger, earlier-stage project intended to provide long-term scale. Our thesis has strengthened since our previous report, with much of the exploration upside we previously ascribed to Sandstone having now been converted into a formal Mineral Resource. Furthermore, the recent A$82 million placement, which included a strategic investment from Genesis Minerals, funds an accelerated program at the project. With Goldfields approaching production, the investment case now turns on Sandstone's progress through the PFS.

Investment rationale

5.2Moz
Global Mineral Resource
Up from ~4.5Moz; Sandstone now 3.6Moz @ 1.4 g/t Au

1.45Moz
Two Mile Hill Resource
Doubled from 731koz; grade up to 1.8 g/t Au

>400m
Host tonalite thickness at depth
Remains open; western contact not yet reached

A$82m
Capital Raised
Including A$30m from Genesis Minerals for a ~5.4% stake

June 2027
Goldfields First Gold
1.5Mtpa plant ~47% complete; on schedule and within budget

166%
Target Price Upside
A$1.46 vs A$0.55 current

Two Mile Hill Reshapes the Scale of Sandstone

The significance of the September update lies less in the size of the increase than in what it shows about Two Mile Hill. Gold at TMH is confined to the host tonalite intrusion, so the size of the intrusion sets the volume of rock that can contribute ounces. Drilling has now shown that the intrusion is substantially larger at depth than previously modelled, and the resource remains limited by drilling coverage rather than by the extent of the host rock. The first of four deep diamond holes has provided early support for this, intersecting a broad zone of mineralisation below the current resource, although at a lower grade than the resource average. In our view, this makes TMH a deposit that is still growing rather than one that is fully defined, and positions it as the anchor of the Sandstone development.

TMH also changes how Sandstone is likely to be developed. Its higher-grade ounces sit largely at depth and are being assessed for underground mining, while the rest of the project consists mainly of large, lower-grade open pits such as Bull Oak. Combining the two could lift the grade delivered to a 5Mtpa plant, which we see as the most important driver of PFS economics. The trade-off is higher development capital and a longer lead time for establishing the underground component. The planned underground exploration decline would provide access for closer-spaced drilling of these deeper ounces, and should help test the underground case before a development decision.

Placement Funds Sandstone Through the Study Phase

With metallurgy confirming a conventional flowsheet, the remaining questions at Sandstone are economic rather than technical. The PFS and maiden Ore Reserve, due this quarter, will provide the first estimates of mined grade, operating cost and capital. They will also show how much of the largely Inferred resource at TMH converts to

Reserves. The DFS is set to follow immediately, with approvals running through 2027 ahead of an FID and construction start in early CY2028. With the Goldfields bond restricted to that project, the recent placement provides Sandstone with dedicated funding for this study phase, together with accelerated drilling and early works. Construction funding remains to be secured: we expect Goldfields cash flow to contribute, but a new 5Mtpa plant is likely to require a broader funding package, the structure of which will be a key determinant of value for existing shareholders.

Goldfields Provides the Production Foundation

Goldfields underpins the thesis as Brightstar's first source of cash flow. The plant is being built under a fixed-price EPC contract, is ~47% complete, and has met each construction milestone, limiting capital cost risk. Its funding is restricted through the bond and the previously raised (January 2026) equity capital, so the Sandstone program no longer competes with Goldfields for capital. With plant delivery largely de-risked, the focus moves to ore readiness and ramp-up. A successful ramp-up of the Lord Byron open pit mine would establish Brightstar as a producer, provide internal cash flow towards Sandstone and lower the risk profile of the group.

Why Invest in Brightstar Resources Limited?

Our investment thesis rests on three pillars:

- Commissioning and ramp-up risk at Goldfields is reducing as the plant advances towards first gold in June 2027.
- The upcoming PFS has the potential to establish Sandstone as Brightstar's long-term growth asset, supported by a defined mine plan and maiden Ore Reserve.
- Continued drilling at Sandstone, now funded through the recent placement, should convert the existing multi-million-ounce inventory into higher-confidence categories, with further upside as the geological models at TMH and other open pit deposits are refined.

Despite the recent re-rating, we believe Brightstar is still valued mainly on Goldfields. Goldfields has a defined mine plan, Ore Reserves and funding, and is expected to begin production in June 2027. Sandstone, by contrast, remains a largely Inferred resource without a published study, and the market typically applies a heavy discount to ounces that have not yet been tied to a mine plan. We believe this discount narrows in steps as uncertainty is removed: first through the PFS and maiden Ore Reserve, then through resource conversion, the DFS and funding. Although the placement was dilutive, it funds the work most likely to narrow that discount. Genesis Minerals' participation on the same terms as other investors also provides external support for Sandstone's potential from an established ASX100 WA gold producer ahead of the PFS. In parallel, a successful Goldfields ramp-up would move Brightstar into the producer group, which the market typically values more highly than developers. Our thesis does not require Sandstone to be fully valued ahead of its development decision, only that these milestones are delivered broadly on schedule.

Key Developments Since Last Report

- **TMH-Shillington doubles, lifting the total Sandstone MRE by 25%:** TMH rose from 731koz to 1.45Moz @ 1.8g/t Au, taking Sandstone to 3.6Moz. Indicated ounces nearly tripled to 526koz, and ~87% of TMH's ounces sit in an underground resource at 2.0g/t Au.
- **Deep drilling extends mineralisation below the resource:** The host tonalite exceeds 400m in thickness at depth and remains open. The first deep hole returned 173m @ 1.42g/t Au below the current resource. Assays from the remaining three holes are due in November, and a two-rig ~6,500m extensional program has commenced.
- **Metallurgy confirms a conventional flowsheet:** Testwork across nine deposits returned 94.6% average recoveries with no refractory characteristics, supporting PFS-level designs for a 5Mtpa gravity-CIL plant. Bull Oak is yet to be leach tested.
- **Bull Oak returns Sandstone's highest-grade intercepts:** Drilling returned up to 7m @ 119g/t Au and points to a wider host than currently modelled, with a resource update due before the PFS.
- **A$82 million placement with strategic investment from Genesis:** Brightstar raised A$82m at A$0.50, including A$30m from Genesis Minerals for a ~5.4% stake, to accelerate Sandstone drilling, early mining and DFS work.
- **Goldfields on schedule, with Mikado transaction securing an infrastructure corridor:** The plant is ~47% complete for first gold in June 2027, with Lord Byron mining commencing in Q1 CY2027. The A$350k Mikado acquisition shortens the haul route to the plant and provides increased options for infrastructure solutions to underpin the expansion scenario.

Sandstone Hub: Driving the Re-Rating as the PFS Approaches

Sandstone is the centre of Brightstar's growth strategy and the largest component of our valuation. The project hosts 3.6Moz @ 1.4g/t Au across 15 deposits on granted Mining Leases in WA's historic Sandstone district. While Goldfields is designed to establish Brightstar as a ~75koz p.a. producer from June 2027, Sandstone is intended to provide the scale for a second, larger production centre with a proposed 5Mtpa processing plant. That would support the company's aspiration of becoming a +200koz p.a. group producer, which Brightstar notes is aspirational rather than a production target.

Sandstone has also been the main driver of re-rating since our previous report. The resource has grown 25%, metallurgical testwork has confirmed strong +90% recoveries utilising a conventional processing route, and drilling at Two Mile Hill and Bull Oak has continued to demonstrate scale and grade. Together, these results have moved Sandstone from a resource consolidation story towards a defined development case. The PFS and maiden Ore Reserve, scheduled for Q4 CY2026, will be the first test of its economics.

Two Mile Hill: Resource Doubles as the Host Intrusion Widens at Depth

Two Mile Hill (TMH) has become the most important deposit at the Sandstone Hub. The company's recent Mineral Resource update doubled TMH (including Shillington) to 1.45Moz at 1.8g/t Au, lifting the Sandstone MRE by 25% to 3.6Moz. TMH accounted for the entire 715koz increase and now represents 40% of Sandstone's contained ounces and 36% of its Indicated ounces. Most of the new ounces sit below ~150m and are being assessed for underground mining. This positions TMH as a potential higher-grade feed source for the planned 5Mtpa plant.

Figure 1: Sandstone MRE: Two Mile Hill (incl. Shillington) drove all the growth, with grade lifting to 1.8g/t Au



Source: Company, East Coast Research

TMH is a historical open pit mine, untested at depth, and located ~10 km southwest of the town of Sandstone. Herald Resources mined TMH and the adjacent Shillington deposit by shallow open pit between 1994 and 1999. Troy Resources then mined TMH until operations were placed on care and maintenance in August 2010. Historical mining focused on near-surface material and left the deeper parts of the host tonalite intrusion largely untested. Brightstar's 2026 drilling has changed that picture, with infill drilling returning exceptionally wide intercepts:

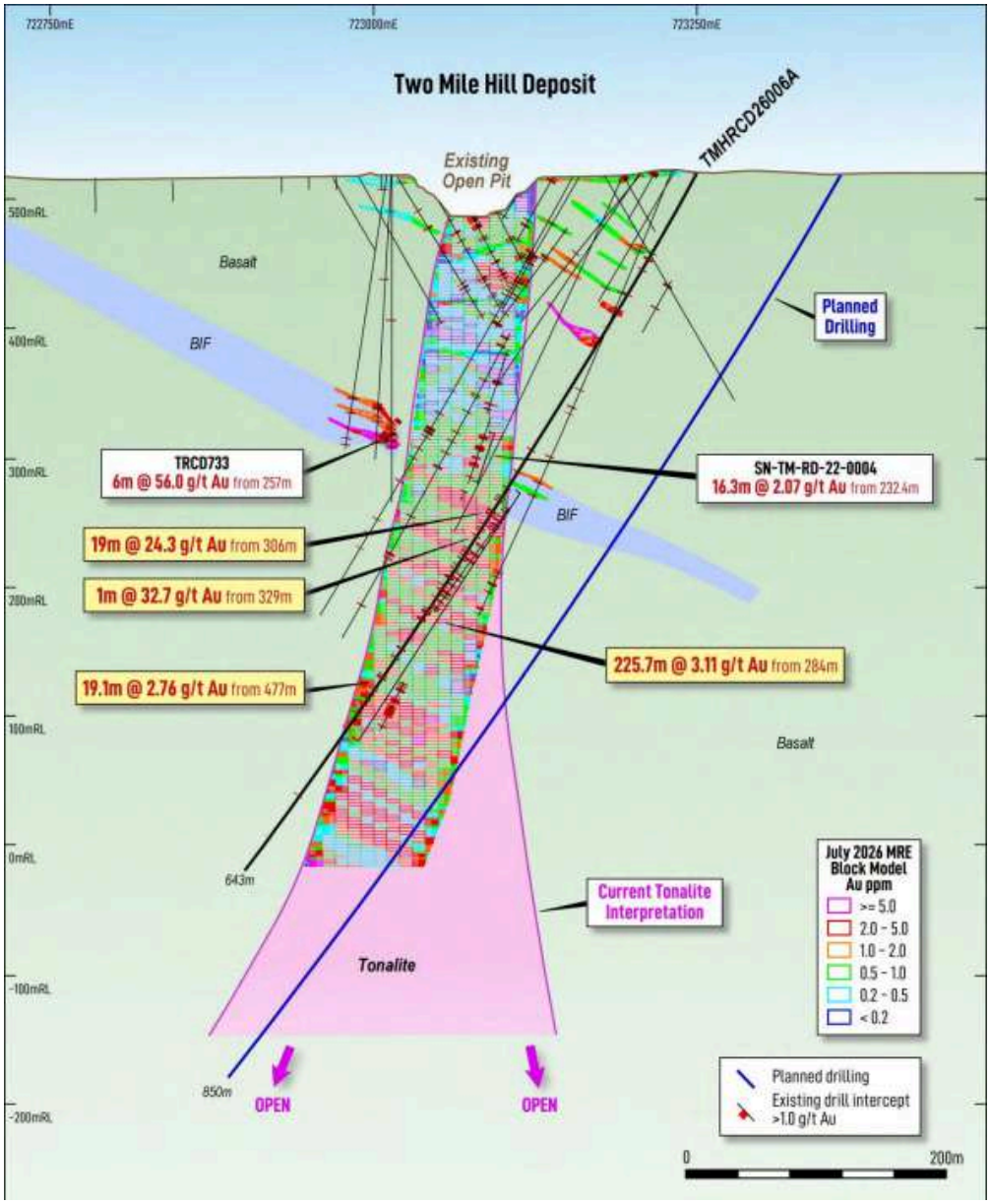
- 225.7m at 3.11g/t Au from 284m (including 19m at 24.3g/t Au);
- 194m at 2.10g/t Au from 286m;
- 305.4m at 1.82g/t Au from 351.9m.

Drilling also showed that the tonalite widens from 60–80m in its upper portion to an estimated ~400m wide at depth.

In our view, the most significant development is the improved understanding of the host geology. Gold mineralisation at TMH is hosted mainly within a tonalite intrusion, and the resource is confined to the tonalite, so the size of this host body sets the volume of rock that can contribute ounces. Previously, the tonalite was interpreted to be a relatively narrow body, around 60–80m wide at 200m depth, and the resource envelope

was limited by that shape. Deep drilling in August 2026 showed the intrusion widening sharply at depth, to more than 300m at ~700m below surface, with holes intersecting 400–500m of mineralised tonalite. Subsequent holes have extended it further to more than 400m in horizontal thickness, and it remains open at depth and along strike to the South. None of the four deep holes reached the intrusion's western contact.

Figure 2: Cross section at TMH showing interpreted expansion to the host tonalite relative to July 2026 MRE

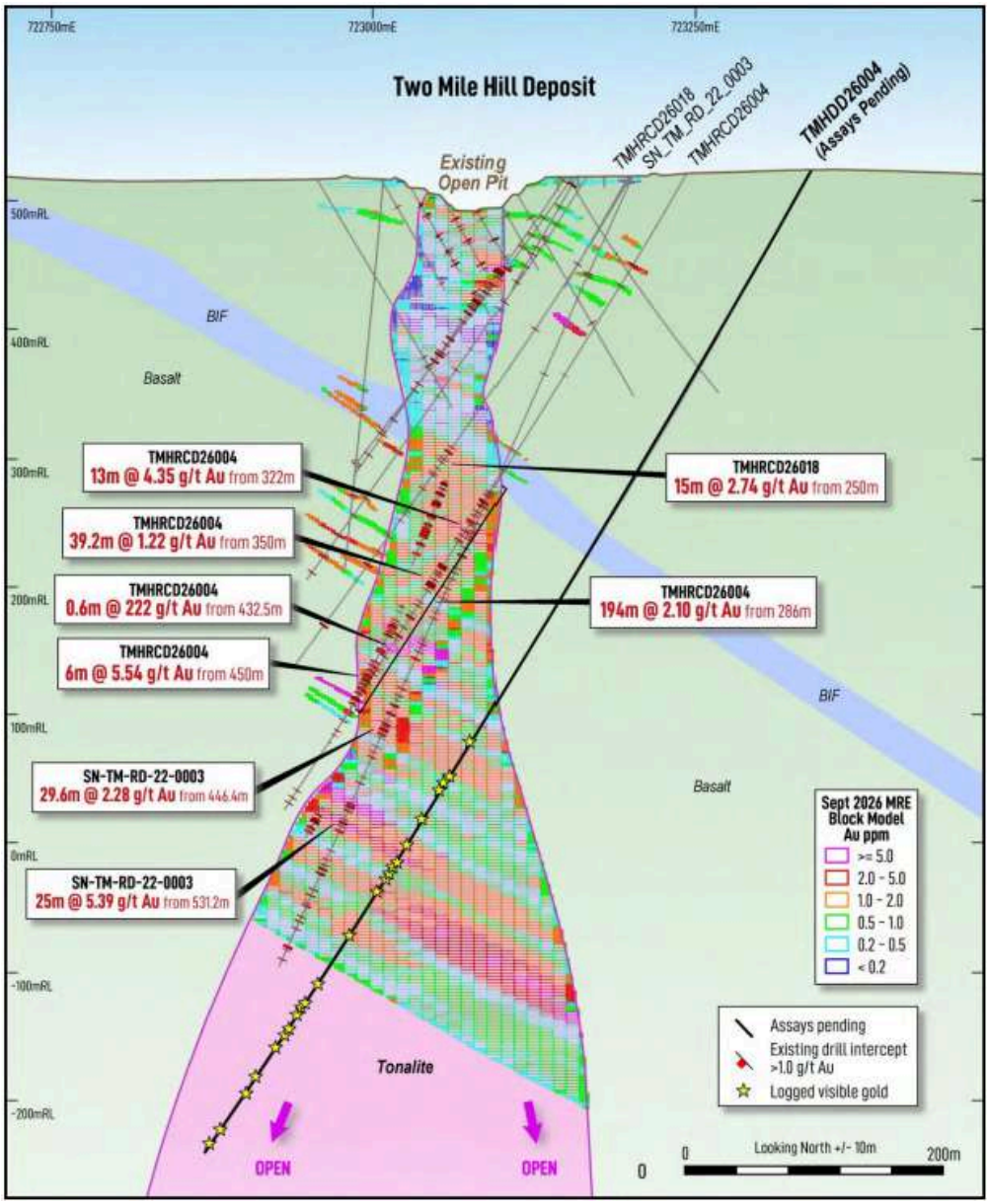


Source: Company

The September 2026 MRE update was the first to capture part of this larger geological footprint, and it doubled TMH from 731koz to 1,446koz at a discovery cost the company cites as A$6/oz. The update improved both grade and confidence, with the grade rising from 1.6g/t Au to 1.8g/t Au, and infill drilling nearly tripled Indicated ounces from 190koz to 526koz. At 1.8g/t Au, TMH is around 50% higher grade than the rest of the Sandstone resource (~1.2g/t); however, it is important to note that most of the high-grade ore is in the Inferred category (2.0 g/t Au), with the Indicated category grade at 1.6g/t Au. TMH's Indicated category hosts 36% of the project's Indicated ounces, the category from

which the upcoming PFS will draw the maiden Ore Reserve. The metallurgy is also supportive, with the two TMH fresh tonalite master composites returning 92.0% and 97.8% overall recovery at 24 hours (95.0% and 99.3% under CIL), against a 94.6% program average, with gravity recovery of 35.6% and 68.9%. Historical ALS testwork on TMH (2016–2020) returned ~96% recovery on primary tonalite. However, the deeper tonalite extensions added in this update were not represented in the PFS metallurgical composites.

Figure 3: Cross-section at TMH displaying updated Sept 2026 MRE in relation to recent drilling intersecting visible gold



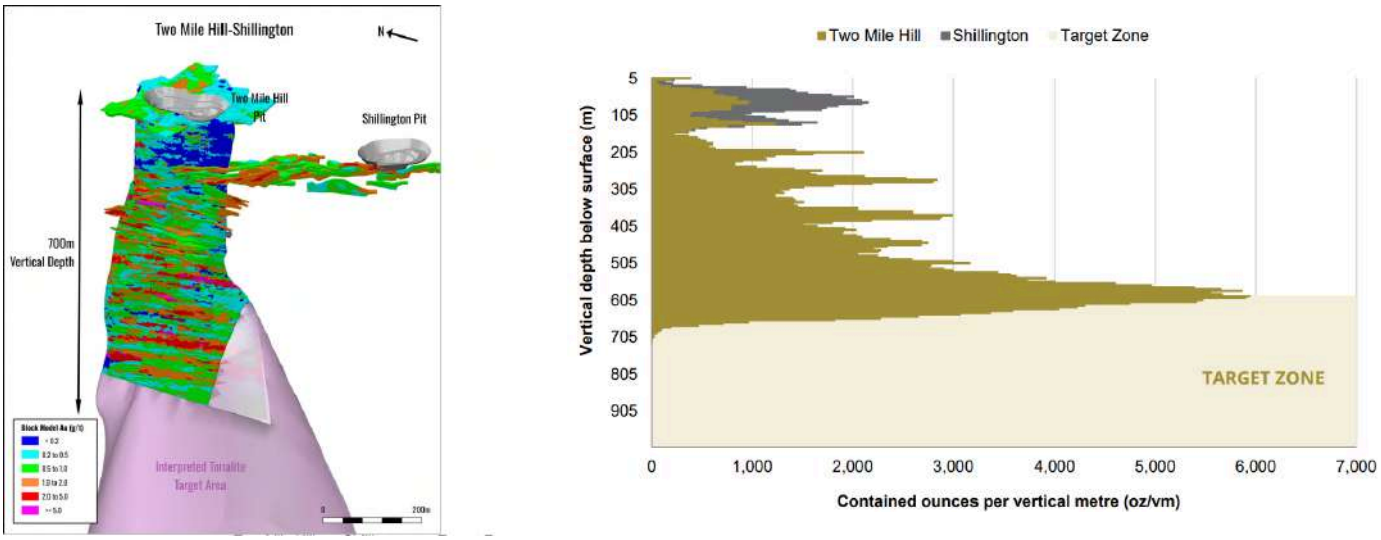
Source: Company

The growth at TMH-Shillington also changes how Sandstone is likely to be developed. Around 1.26Moz (87%) of the ounces are reported as an underground resource below ~150m at 2.0g/t Au (using a 0.73 g/t Au cut-off); only ~96koz sits in the open-pit portion (at a 0.4g/t Au cut-off). Brightstar and its mining consultant Entech are assessing a large-scale underground operation for inclusion in the PFS. If it is included, higher-

grade underground feed could complement Sandstone's lower-grade open pits and lift the average grade delivered to the plant, which we see as a key driver of PFS economics.

Importantly, the current resource does not yet reflect the full extent of the enlarged intrusion, which points to further ounce growth. The block model remains truncated to the south and at depth because of limited drilling, and the deepest drilling in the Shirvington Zone, ~250m below the current resource, is not included. Contained gold peaks at ~5,900oz per vertical metre at ~595m below surface, which suggests the deposit strengthens rather than tapers with depth (Figure 4). The first results from the deep diamond program, discussed below, provide early support for this.

Figure 4: TMH-Shillington 3D oblique view of the block model for MRE update and ounces per vertical metre

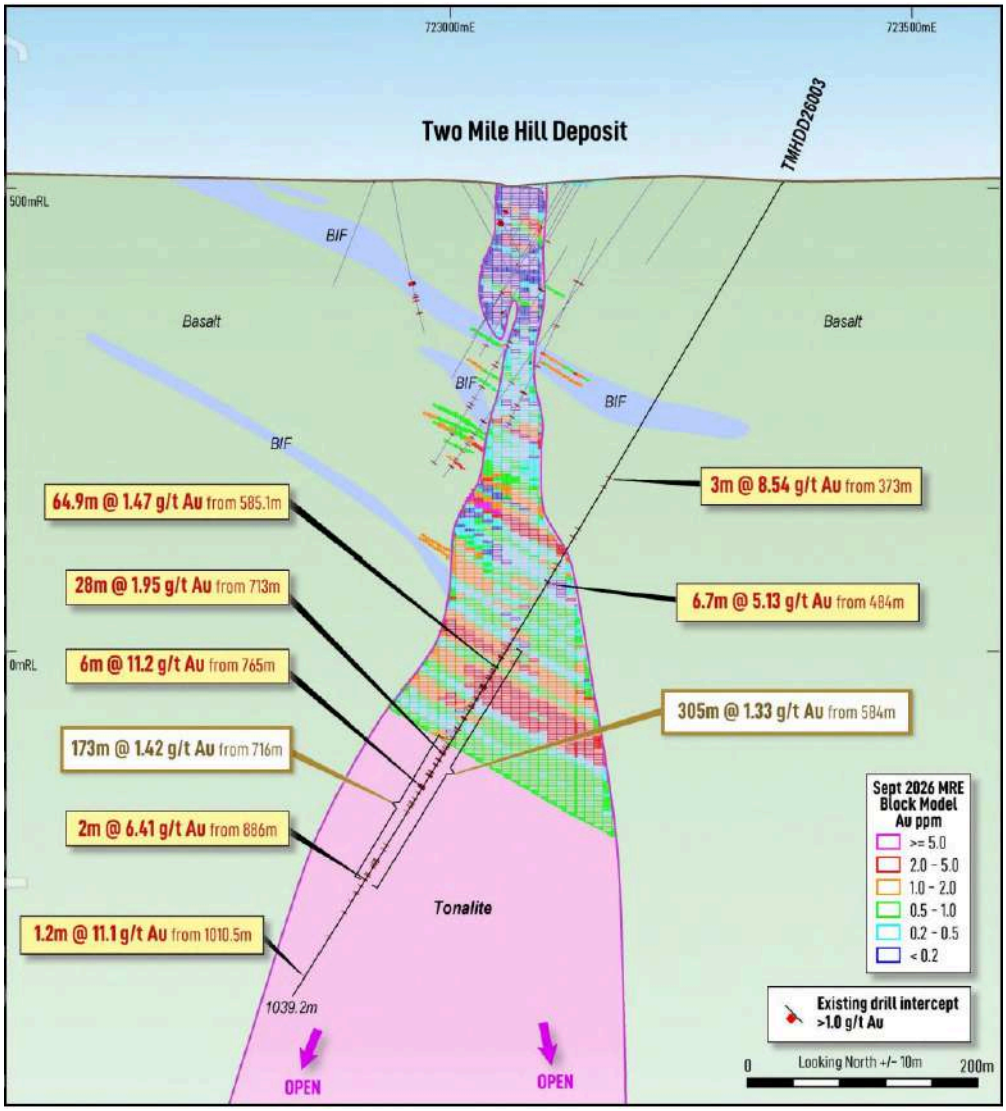


Source: Company

Deep Drilling Extends Mineralisation Below the Current Resource

Brightstar has reported the first assays from its ~3,800m deep diamond program at TMH. TMHDD26003, the southernmost of the four holes, was drilled to test the southern margin of the Shirvington Zone (Figure 5). It returned 305m @ 1.33g/t Au from 584m downhole, including 173m @ 1.42g/t Au from 716m. The 173m interval lies beneath the limit of the current Mineral Resource, at an estimated ~620–770m vertical depth. Higher-grade zones within the broader interval include 6.0m @ 11.2g/t Au from 765m. The hole was extended beyond its planned depth without reaching the western contact of the tonalite, and mineralisation remains open at depth. Visible gold has been logged in all four holes, with 93 occurrences recorded across the program.

Figure 5: Cross-section at TMH showing TMHDD26003 in relation to existing MRE



Source: Company

In our view, the significance of the result lies in its position rather than its grade. The intercept confirms that mineralisation continues below the current resource, just beneath the depth at which the September MRE shows contained gold per vertical metre peaking. This supports the case that the deposit is not tapering at depth. However, at 1.33g/t Au, the bulk intercept is below both the TMH resource grade of 1.8g/t Au and the underground resource grade of 2.0g/t Au. It is also not directly comparable to the earlier 305.4m @ 1.82g/t Au, which was reported on an unconstrained basis, whereas TMHDD26003 uses a 0.25g/t Au cut-off. Brightstar notes that grade variability within the tonalite is becoming apparent, and all reported widths are downhole lengths, with true widths yet to be confirmed.

Assays from the remaining three diamond holes are expected in November 2026. These include the two holes that drilled through more than 400m of mineralised tonalite and ended in mineralisation. A two-rig, seven-hole ~6,500m follow-up program has commenced. It comprises six new holes planned to 1,000–1,100m and a 250m extension of TMHRCD26020, the hole that returned 305.4m @ 1.82g/t Au and ended in mineralised tonalite. The program targets southern, northern and depth extensions of the Shirvington Zone, and includes holes oriented to define the tonalite's western

contact, which none of the deep holes has yet reached. Brightstar expects the results to feed an updated TMH Mineral Resource this quarter, targeted to be released contemporaneously with the PFS. It has also identified additional felsic intrusive targets along the TMH–Bull Oak corridor, with initial testing planned for the December 2026 quarter and a larger program in early 2027. We see the remaining assays as the key test of whether the enlarged intrusion carries grade consistent with the resource. That will determine how much of the deeper tonalite can be added at grades suitable for underground mining.

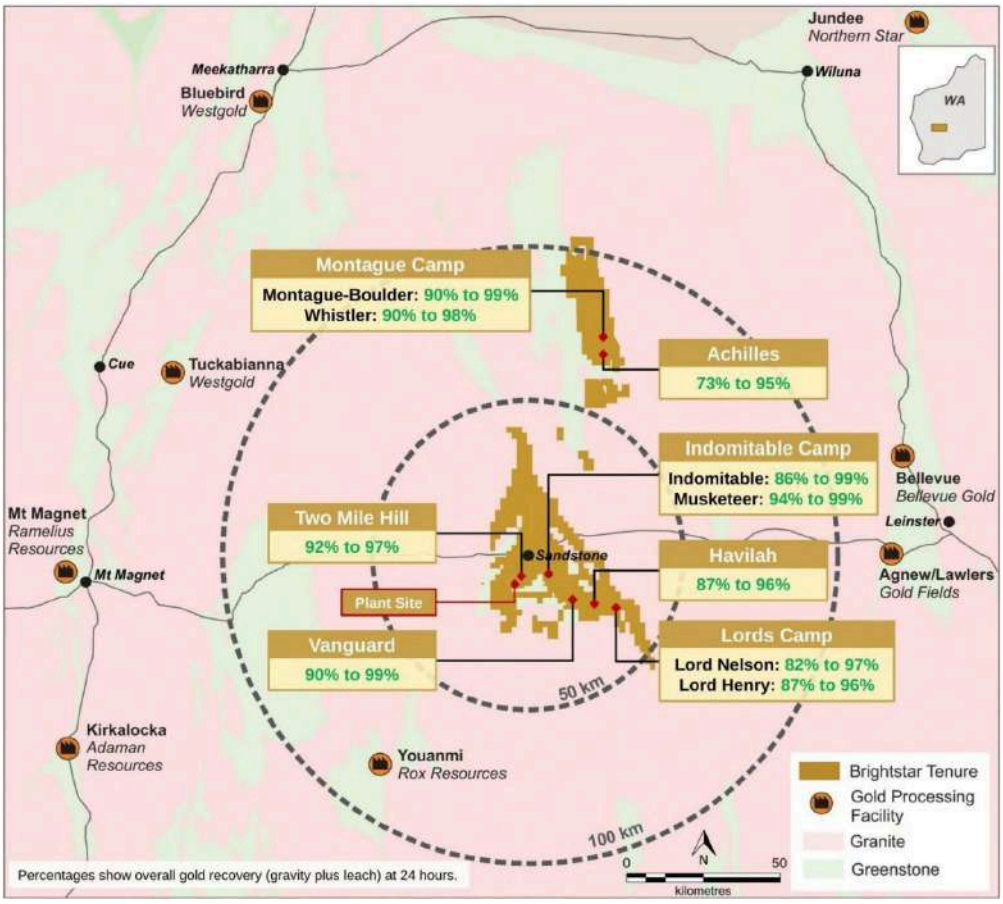
However, investors must note that a wider intrusion supports more ounces but doesn't prove them. Currently, 64% of TMH's ounces remain in the Inferred category, and further infill drilling will be needed before it can support Ore Reserves and define project economics. Underground mining also carries higher operating costs, greater development capital and longer lead times than open-pit mining, which will weigh on the timing and economics of how TMH can be brought into production. The coarse nature of the gold, with individual assays of up to 449g/t Au, introduces grade variability that may require closer-spaced drilling to estimate with confidence. In addition, a wider intrusion does not guarantee consistent grade throughout, as the first deep hole has already shown, and deeper tonalite material was not represented in the PFS metallurgical composites.

Looking ahead, we expect TMH to remain the key driver of value at Sandstone. Over the coming months, newsflow should be supported by assays from the remaining three deep diamond holes, the multi-rig ~6,500m extensional program now underway and the Sandstone PFS. The PFS will provide the first indication of how much of TMH converts to Ore Reserves and how an underground operation fits within the broader Sandstone mine plan. If drilling continues to confirm mineralisation across the enlarged tonalite and the PFS demonstrates a viable underground operation, TMH could underpin a long-life, high-grade development at Sandstone. Conversely, a low conversion of TMH's ounces into Reserves or a capital-intensive underground plan would temper that outlook.

Conventional Flowsheet Removes a Key Risk Ahead of PFS

Brightstar's metallurgical testwork confirms that Sandstone can be processed through a conventional gravity and carbon-in-leach (CIL) flowsheet. Average gold recoveries were 94.6%, and no refractory or preg-robbing characteristics were identified. The proposed flowsheet closely mirrors comparable 2.75-6.5Mtpa developments, which have reported processing costs of A$19-A$23/t. We view the result as confirmatory rather than value-accretive, with the PFS expected by the end of 2026 remaining the key catalyst for project economics.

Figure 6: Overall gold recovery across prospects at 24 hours (gravity + leach)



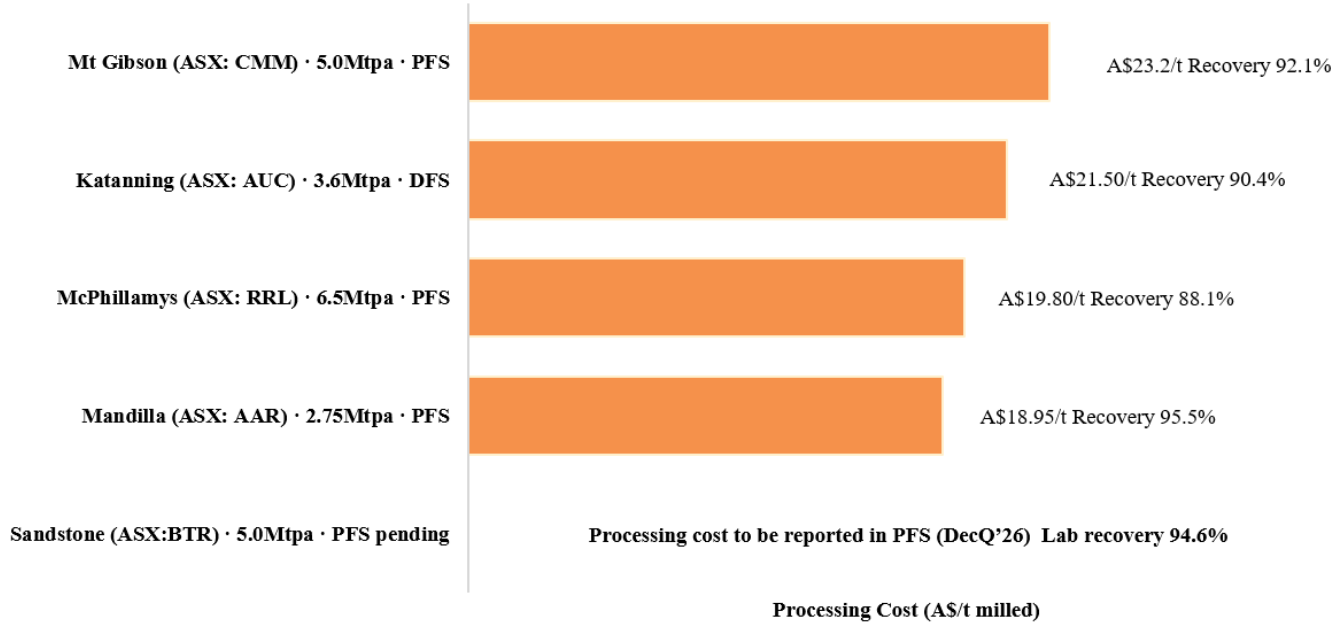
Source: Company

The company's interim metallurgical testwork results for the Sandstone Gold Project, completed under the PFS by Independent Metallurgical Operations Pty Ltd (IMO), covered more than 130 gravity and leach tests on composites from nine deposits, which together represent ~80% of the pre-update 2.9Moz Mineral Resource. A further 50 composites were tested for crushing and grinding characteristics with consistently strong results. Overall recovery averaged 94.6% by direct leach and 95.7% under CIL conditions, and recoveries at Two Mile Hill, the largest deposit, ranged from 92% to 97%. Gravity recovery averaged 42% and reached 71% on individual samples, with around 90% of the gold leached within the first eight hours. Reagent consumption was low, with cyanide averaging 0.23kg/t and negligible lime demand. Organic carbon levels rule out preg-robbing, and no refractory behaviour was observed in any deposit. On this basis, GR Engineering Services has completed PFS-level designs and costings for a 5Mtpa plant. The plant comprises primary crushing, a SAG mill, ball mill and pebble crusher grinding circuit to a P80 of 75µm, gravity recovery and a 24-hour CIL circuit.

Several areas remain open, especially with Bull Oak (~9% of the Resource) yet to be leach tested, although management expects results comparable to Two Mile Hill given similar geology. Localised arsenic at Havilah, tellurium at Montague-Boulder and a lower 73.5% result from one Achilles transitional sample are flagged for further work. Fresh ore is also relatively hard (design ball mill work index of 20.7kWh/t), which has implications for power and grinding costs. As with all laboratory testwork, plant recoveries may vary and result in modestly lower results.

To frame the testwork in an economic context, we compare Sandstone against other gold developments of similar scale with published processing cost estimates (Figure 7).

Figure 7: Sandstone vs peers processing route and costs



Project (owner)	Study	Throughput	Processing route	Grade (g/t)	Recovery	Processing cost
Mandilla (ASX: AAR)	PFS Jun-25	2.75Mtpa	Crush + ball mill, gravity, CIP	0.91	95.50%	A$18.95/t
Katanning (ASX: AUC)	DFS Dec-25	3.6Mtpa	SAG + ball mill, gravity, CIL, 75µm	1.11	90.40%	A$21.50/t
Mt Gibson (ASX: CMM)	PFS Jul-26	5.0Mtpa	CIL	~1.0	92.10%	A$23.20/t
McPhillamys (ASX: RRL)	PFS Jun-26	6.5Mtpa	CIL	~1.0	88.10%	A$19.80/t
Sandstone (ASX: BTR)	**PFS due Q4 CY2026**	**5.0Mtpa**	**SAG + ball mill, gravity, CIL, 75µm**	**1.4 (MRE)**	**94.6% (lab)**	**Pending**

Source: Company Announcements, East Coast Research

Sandstone's processing route is most comparable to Katanning's, sharing the same grinding circuit, 75µm grind and gravity-CIL recovery, but at a larger 5Mtpa scale. Laboratory recoveries of 94.6% sit at the upper end of the 88–95.5% peer range, behind only Mandilla, which grinds considerably coarser. Reagent consumption is also below Katanning's disclosed levels of 0.34kg/t cyanide and 3.0kg/t lime, and reagents are a meaningful share of processing costs at plants of this type. At 5Mtpa, Sandstone matches Mt Gibson and exceeds Katanning and Mandilla in scale, which should support lower fixed costs per tonne.

These advantages are partly offset by harder fresh ore (design ball mill work index of 20.7kWh/t vs 19.1kWh/t at Katanning), which points to higher power and grinding costs. Sandstone's Resource grade of 1.4g/t Au compares favourably with peer head grades of ~0.91–1.1g/t Au. If the company can carry the higher grade through to the PFS mine schedule, it would lower processing costs per ounce relative to peers.

We view the results as a clear de-risking event. It confirms a conventional, widely used flowsheet and points to processing costs broadly in line with peers, with strong recovery, low reagent use and scale balanced against harder ore. With the metallurgical question largely answered, we expect the PFS economics to hinge on four other factors.

- The first is the grade of ore delivered to the plant, which is often below the current 1.4g/t Resource grade once mining dilution is applied.
- The second is the power solution for an off-grid site, given that power is one of the largest processing costs.
- The third is the plant recovery assumed relative to the 94.6% laboratory result.
- The fourth is the upfront capital required for a new 5Mtpa plant, which must be funded alongside the Goldfields development.

Bull Oak: Shallow Open-Pit Feed to Complement Two Mile Hill

Bull Oak is Sandstone's third-largest deposit and the most material open-pit deposit outside TMH. It hosts a current Mineral Resource of 10.5Mt @ 1.0g/t Au for 322koz, about 9% of the 3.6Moz Sandstone resource (Figure 8). The deposit lies on granted Mining Lease M57/663, about 8km northwest of TMH, and is being assessed as a significant open-pit operation in the PFS. A recent infill and extensional drilling program of 39 RC holes (~7,500m) and 11 diamond holes (~2,900m) has returned some of the highest-grade results reported at Sandstone. The resource has not yet been updated for these results, and the company expects to release an update contemporaneously with the PFS.

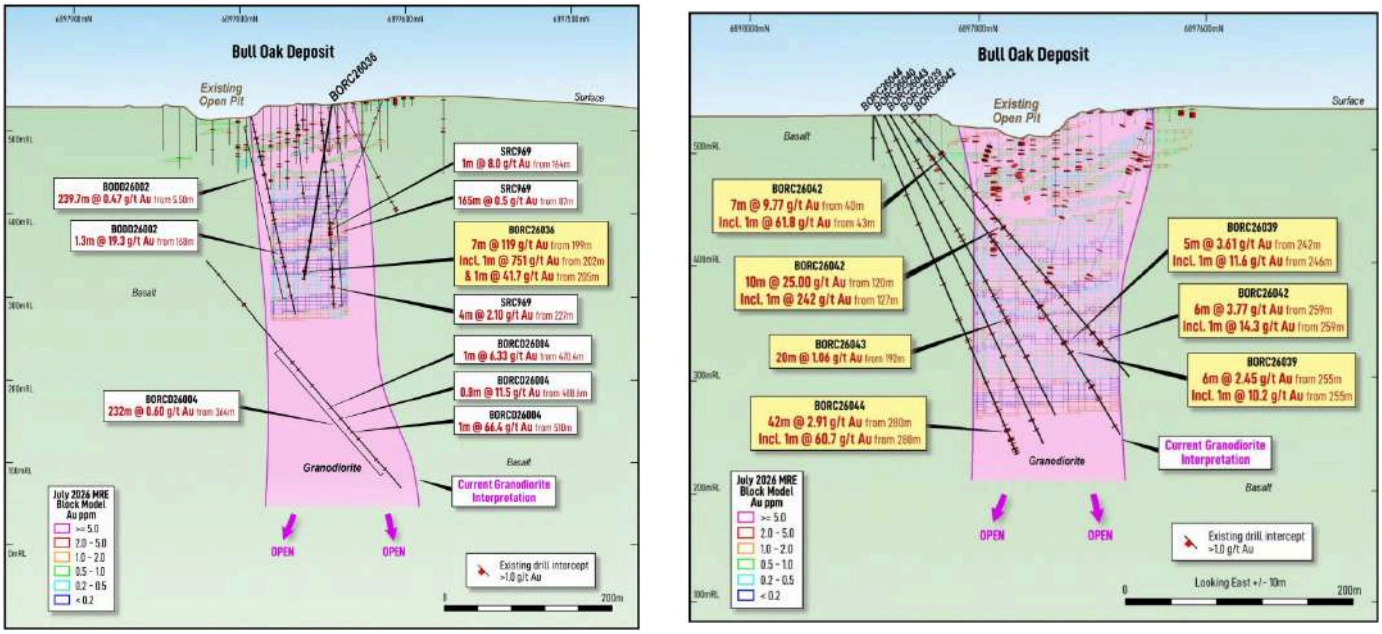
Figure 8: Bull Oak Mineral Resource and share of the Sandstone Hub

Classification	Tonnes (Mt)	Grade (g/t Au)	Contained gold Bull Oak (koz)	Sandstone total (koz)	Bull Oak share of Sandstone
Indicated	1.5	0.9	44	1,481	3.0%
Inferred	9.1	1.0	278	2,104	13.2%
Total	**10.5**	**1.0**	**322**	**3,583**	**9.0%**

Source: Company

Bull Oak shares key geological features with TMH. Gold is hosted mainly in sheeted, shallowly dipping quartz vein sets within a granodiorite intrusion, with additional mineralisation in the surrounding basalt and banded iron formation (BIF). The intrusion extends ~500m along strike, is up to 150m wide and reaches at least 250m deep. It is weathered to clay to ~60 m below the surface, and this softer near-surface material is generally cheaper to mine and process. Herald Resources mined the deposit by open pit in the 1990s. The company says the resource has grown roughly fourfold since it acquired the deposit. As at TMH, recent drilling indicates the host intrusion is larger than currently modelled. Brightstar notes that the existing resource block model is narrower than its updated interpretation of the granodiorite, and that the model shows low grades in areas where recent drilling intersected high grades. This points to potential for the next update to capture additional mineralised volume.

Figure 9: Cross-section at Bull Oak deposit displaying recent drilling results

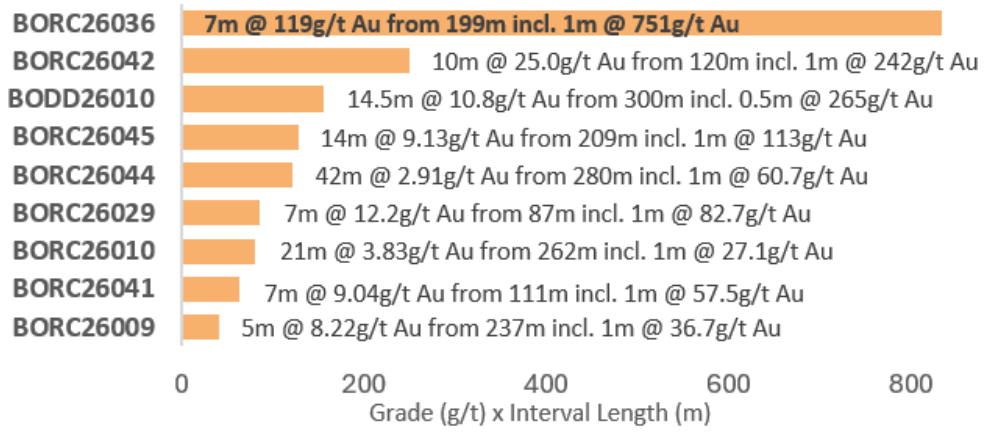


Source: Company

Note: Image on the left is from the 7 Sept 2026 announcement, and image on the right is from the 5 Oct 2026 announcement.

The 2026 drilling has highlighted both the deposit's width and the high-grade, coarse nature of its gold. High-grade results include:

Figure 10: Key standout assays from Bull Oak (GxM)



Source: Company, East Coast Research

Many of the higher-grade intervals, however, owe much of their grade to individual metres of very high-grade gold. Resource estimates typically cap these values (top-cutting), so the eventual resource grade is likely to sit closer to the broader intervals than to the headline results.

Figure 11: Gold nuggets produced from RC drillhole BORC26036, which produced an intercept of 1m @ 751g/t Au within a broader intercept of 7m @ 119g/t Au from 199m



Source: Company

Bull Oak complements TMH within the broader Sandstone development. TMH's growth sits mainly underground, while Bull Oak offers a large, shallow, open-pit source of ore close to TMH that could provide early, lower-cost feed to the planned 5Mtpa plant. The current infill program was designed to upgrade a significant portion of Bull Oak's resource from Inferred to Indicated so it can support Ore Reserves in the PFS. Diamond core from the program will also provide the metallurgical samples needed to complete Bull Oak's testwork. Bull Oak was the one large deposit excluded from the September metallurgical results, and management expects outcomes comparable to TMH, given the similar geology and coarse gold.

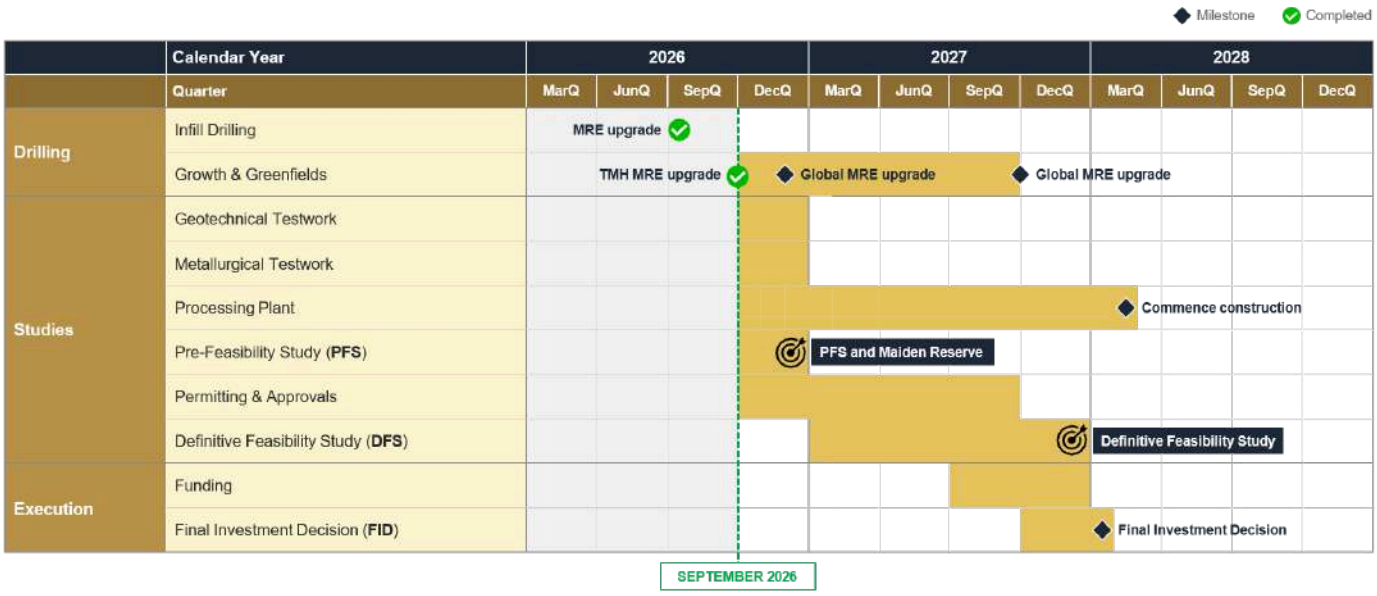
Around 86% of Bull Oak's ounces remain Inferred, and its 1.0g/t Au resource grade is below the Sandstone average of 1.4g/t. The coarse gold that drives the headline intercepts also introduces grade variability, which may require closer-spaced drilling to estimate reliably. In addition, metallurgical results for Bull Oak have yet to be reported.

Looking ahead, the Bull Oak resource update and its metallurgical results are the key near-term catalysts, both expected ahead of the PFS before the end of 2026. Together they will show whether the recent drilling and the wider granodiorite interpretation translate into a larger, higher-confidence resource. A material increase in Indicated ounces and confirmed recoveries in line with TMH would position Bull Oak as a core open-pit source in the Sandstone mine plan, alongside the higher-grade underground ounces at TMH.

Catalysts at Sandstone

Brightstar's development timeline sets out a staged pathway for Sandstone, running from the PFS in the December 2026 quarter to the start of construction in early CY2028. As of September 2026, infill drilling to support the resource is complete, and the interim MRE upgrade at TMH has been delivered. The focus now shifts from defining the resource to completing the technical studies, approvals and funding needed for a development decision.

Figure 12: Sandstone project timeline with milestones



Source: Company

The December 2026 quarter is the most catalyst-rich period on the timeline. Geotechnical and metallurgical testwork are scheduled for completion, feeding into the PFS and maiden Ore Reserve, which are targeted for the end of the quarter. A global Sandstone MRE upgrade is also planned in the quarter, and processing plant design and permitting work begin over the same period. We view the PFS as the key near-term catalyst which is expected to provide the first economic assessment of the project, and its outcomes may set the base for the subsequent DFS and funding decision.

2027 is shaped as a year of de-risking and project definition. The DFS work is scheduled to run through the year and is expected to be delivered by year-end, while permitting and approvals are expected by Q3 CY2027. Growth and greenfields drilling continues alongside the studies, with a second global MRE upgrade planned around the September 2027 quarter. That upgrade has the potential to extend the resource base ahead of the DFS. Funding activity is concentrated in the September 2027 quarter, ahead of a final investment decision towards early CY2028.

Construction is scheduled to commence in early 2028, after the DFS and FID, with processing plant engineering continuing through 2027 to support that start. In our view, the timeline is logically sequenced and gives investors a clear set of milestones against which to track progress. Delivery of the PFS and maiden Reserve on schedule this quarter will be an important early test of execution. Any slippage in permitting or funding during 2027 would likely flow through to the FID and construction dates.

Goldfields Hub: Remains on Track for First Gold in June 2027

In our previous report, we noted that Goldfields had moved beyond funding and approvals into physical construction, shifting the key risks towards construction, commissioning and ramp-up. Since then, Brightstar has continued to report progress on schedule and within the approved budget, with first gold less than eight months away. In our view, the plant is no longer the main source of execution risk at Goldfields, with the focus now shifted to ore readiness ahead of commissioning.

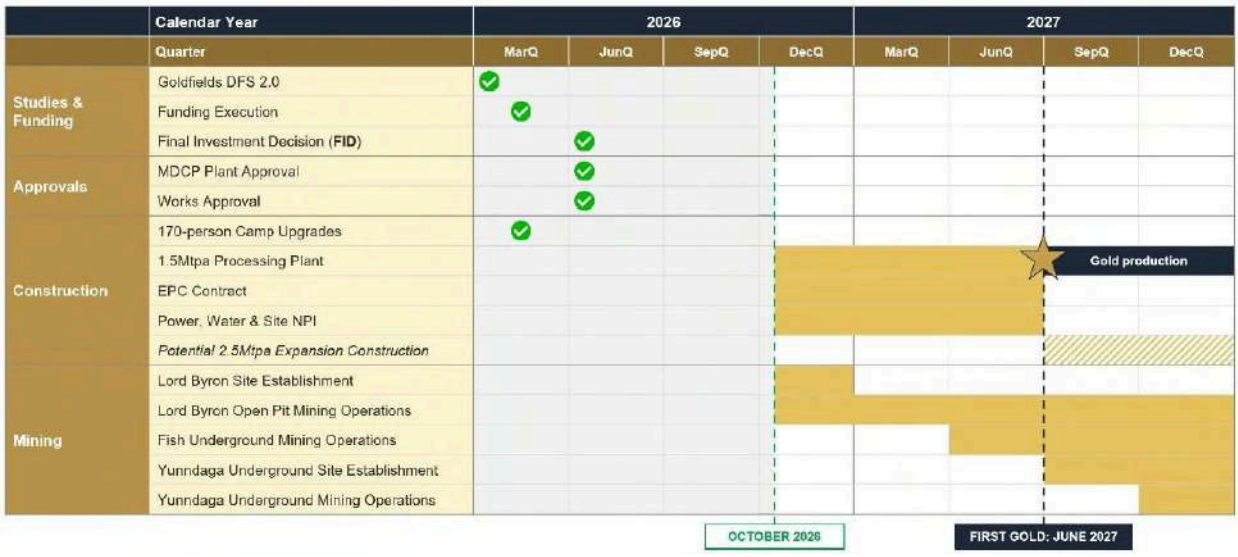
Plant Milestones Delivered on Schedule

Construction of the 1.5Mtpa Laverton processing plant has continued to advance, with Brightstar reporting that the Goldfields Project remains on schedule for first gold in June 2027 and is tracking within the approved budget. Process plant infrastructure earthworks were completed in July 2026, followed by bulk earthworks for the raw and process water ponds. Completion of the CIL circuit concrete allowed the CIL tank installation team to start ahead of schedule. The first mechanical equipment, a vibrating screen, was received on site in August. Progress through September included:

- the final major concrete pour in the primary crusher area, with concrete also completed at the surge bin;
- first structural steel erection at the surge bin, with CIL tank platework and strake welding underway;
- earthworks and civil concrete works started at the LNG power station;
- borefield development drilling and main header pipework welding advancing

The October work program targets completion of concrete across the gold recovery, elution and reagents areas. It also includes the start of non-process infrastructure civil works and structural steel erection across the grinding, classification and primary crusher areas, together with initial bore and pipeline pump testing.

Figure 13: Goldfields project execution schedule



Source: Company

Mining activities are being repositioned around the new plant. The Second Fortune underground mine has concluded operations and moved into care and maintenance after six years. High-grade stockpiles of approximately 50kt @ 3.1g/t Au (around 5koz) are being held as ramp-up feed following commissioning. At the Lord Byron open pit, site establishment has commenced, with mining mobilisation now targeted for Q1 CY2027, which was previously reported to be in Q4 CY2026. Brightstar has also started exploration drilling at early-stage Laverton Hub targets near the mill site, aimed at Mineral Resource growth and new discoveries.

In our view, the construction updates show steady execution on the processing plant, with each major construction milestone reported on schedule and the June 2027 first gold target reaffirmed. The key variable to monitor now is mine readiness rather than plant construction. Lord Byron mobilisation has slipped back by about a quarter, narrowing the time available to build open-pit stockpiles ahead of commissioning.

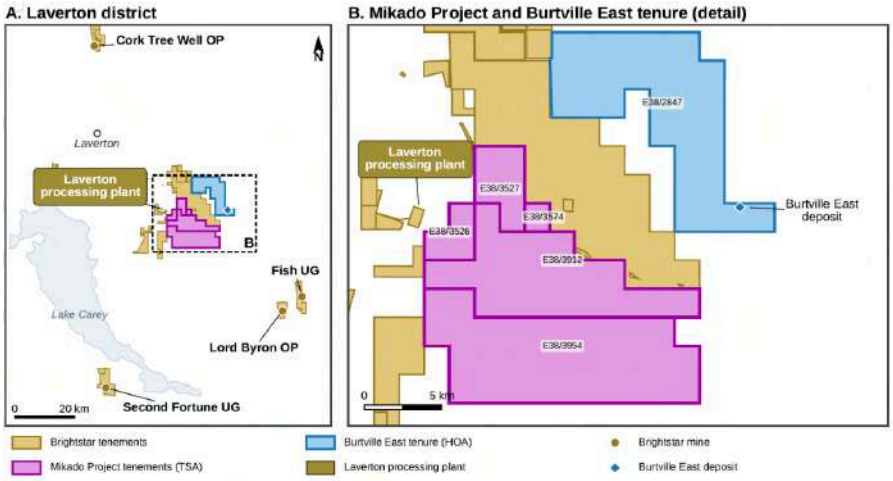
Mikado Acquisition Secures an Infrastructure Corridor at the Laverton Hub

Brightstar has entered into a binding Tenement Sale Agreement with Panther Metals Ltd (ASX: PNT) to acquire a 100% interest in the Mikado Project, comprising five exploration licences immediately adjacent to the 1.5Mtpa Laverton processing plant currently under construction. The acquisition includes the associated technical data, third-party agreements and assets. Panther has also consented to Brightstar accessing the tenements before registration of the transfers, allowing haul road and infrastructure works to begin without waiting for completion. Key terms of the transaction are as follows:

- 100% interest in five exploration licences;
- cash consideration of A$350,000, funded from existing cash reserves;
- no financing condition, with completion subject to customary conditions precedent, including third-party approvals; and
- early access to the tenements for haul road and infrastructure works ahead of transfer registration.

The Mikado tenements host no Mineral Resource, and the acquisition is best viewed as an infrastructure purchase rather than an addition to the resource inventory. Most importantly, the ground provides a corridor for a shorter haul road linking the Fish underground mine and the Lord Byron open pit to the plant. Both are early feed sources under the DFS 2.0 mine plan and currently sit approximately 50–55km from the plant by existing routes. Management expects the shorter route to reduce haulage costs across the Laverton Hub, although the saving has not yet been quantified. The tenements also provide additional ground for water exploration, borefield infrastructure and expanded tailings storage, which are typically the binding constraints on any throughput expansion. On this basis, Brightstar states that the acquisition de-risks the 2.5Mtpa expansion case already engineered into the plant design.

Figure 14: Laverton district, Mikado project and Burtville East tenure



Source: Company

Alongside the acquisition, Brightstar and Panther executed a non-binding Heads of Agreement covering the potential development of Panther's Burtville East deposit, located approximately 25km from the Brightstar plant. Under the proposed structure, Brightstar would fund and manage mining, haulage and processing on an open-book basis, recovering all costs, including development capital, before net proceeds are shared 50:50. Panther's 2025 Scoping Study, which Brightstar has not independently verified, outlines a six-month campaign of approximately 112kt @ 2.46g/t Au for around 9koz of gold, with an NPV8 of approximately A$27 million. On these figures, Brightstar's share would equate to roughly A$13 million. The arrangement remains subject to further evaluation, an agreed mine plan and budget, and binding documentation.

In our view, the Mikado acquisition is a positive step in de-risking the Goldfields Hub rather than a value driver in its own right. The consideration is negligible against Brightstar's cash balance, and the tenements remove logistics and permitting constraints around the plant site at minimal cost. The more meaningful read-through is the Burtville East framework, which Panther notes could extend to other Laverton projects. Similar arrangements would allow Brightstar to supplement plant feed beyond the initial six-year DFS 2.0 mine plan without committing its own exploration capital. That said, we ascribe no value to Burtville East given the agreement is non-binding and the underlying study is unverified. We also note that the 2.5Mtpa expansion ultimately depends on defining additional ore sources, not on securing land for water and tailings alone. We regard the transaction as a net positive but immaterial to our valuation, and will look for completion of the tenement transfer, quantification of the haulage saving in future mine plans, and conversion of the Burtville East agreement into binding terms.

Corporate Activities

A$82 Million Placement Funds an Accelerated Sandstone Program, with Genesis Taking a 5.4% Stake

Brightstar has received binding commitments for an A$82 million (before costs) single-tranche placement of 164 million new shares at A$0.50 per share (Figure 15). The issue price is a 12% discount to the last close of A$0.565 on 22 October 2026 and a 19% discount to the 30-day VWAP of A$0.62. Genesis Minerals (ASX: GMD) has subscribed for A$30 million on the same terms as other investors, lifting its holding from 0.8% to ~5.4%. The placement falls within Brightstar's existing placement capacity and requires no shareholder approval.

Figure 15: Capital Raise

Capital Raise	Details
Amount raised	A$82 million (before costs)
Issue price	A$0.50/share
Discount to last close (A$0.565)	12%
Discount to 30-day VWAP (A$0.62)	19%
New shares issued	164 million
Shares on issue prior to raise	1,108 million
Ownership Dilution	13%
Strategic Investor	Genesis Minerals (A$30m)

Source: Company, East Coast Research

The proceeds are directed at Sandstone to accelerate infill and extensional drilling at TMH, which is expected to support the underground mining study and further resource conversion, test nearby targets with similar geology, and expand DFS drilling across the Sandstone tenure. The company has also outlined an "early mining" strategy

comprising a camp and site infrastructure to support a cutback of the existing TMH pit, followed by an underground exploration decline. A multi-rig ~6,500m diamond program testing extensions of the Shirvington Zone at depth is underway. The PFS remains targeted for this quarter, with the DFS to follow immediately.

In our view, the placement addresses the Sandstone funding question. The US$120 million bond is dedicated to Goldfields and cannot be used at Sandstone, and Goldfields will not generate cash flow until after first gold in the June 2027 quarter. The placement gives Sandstone its own capital to advance through the PFS, DFS and pre-development work without relying on the Goldfields ramp-up. We see the underground exploration decline as the most significant part of the program. It should allow closer-spaced drilling of TMH's deeper ounces than is practical from surface, which would help address the grade variability associated with coarse gold and support conversion of the Inferred resource.

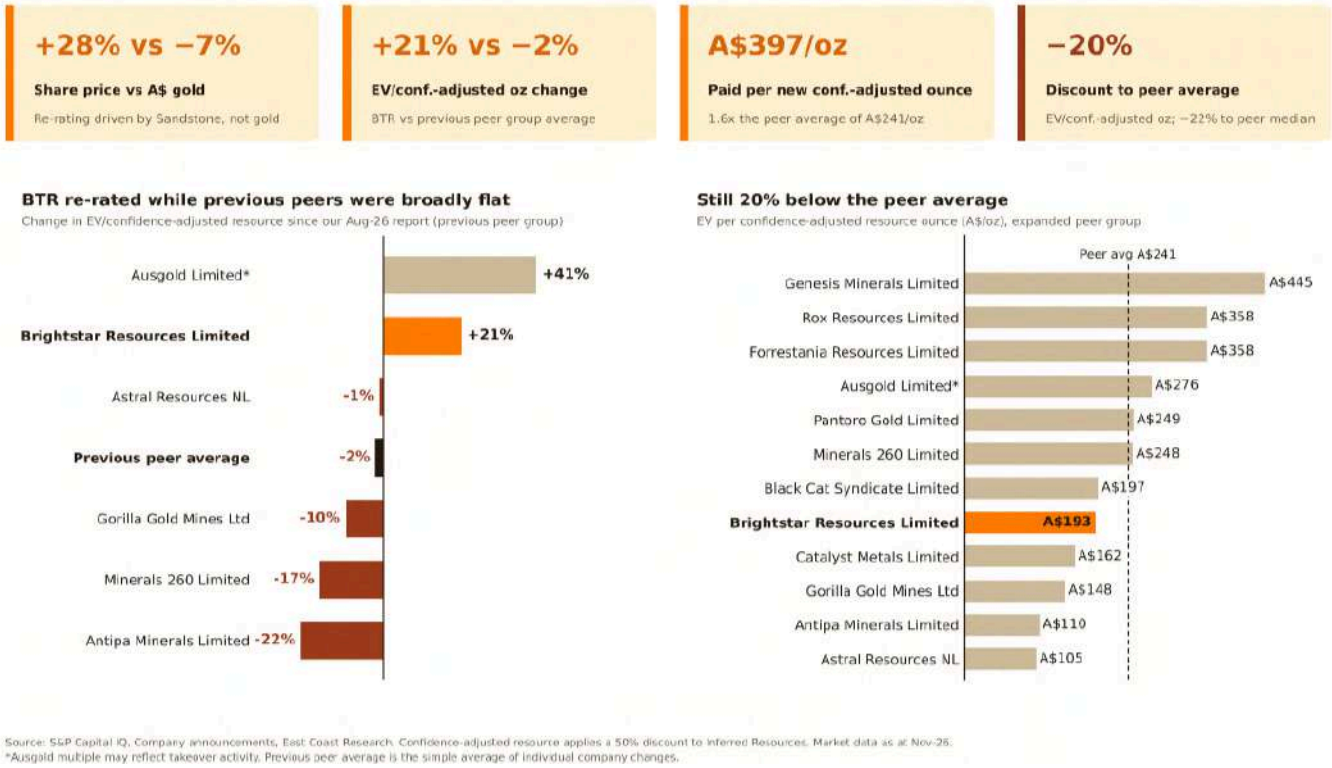
Genesis' participation is also significant. An established WA gold producer committing A$30 million on the same terms as other investors provides external support for Sandstone's potential ahead of the PFS. We ascribe no corporate value to the holding, but note that it gives Brightstar a strategic shareholder with operating experience in Western Australia. Brightstar has also now set a CY2029 timeframe for its aspirational TARGET200 group production goal. With Sandstone construction scheduled to start in early CY2028, this implies a short build and ramp-up period, and we continue to treat the target as aspirational.

Valuation

Since our previous report, Brightstar's share price has risen 28% to A$0.55, and its enterprise value has increased 41% to ~A$717m. This has come despite a ~7% decline in the A$ gold price and the issue of 164 million new shares at A$0.50 in the recent placement. We attribute the re-rating to company-specific progress, led by the Sandstone Hub. Over the period, the TMH resource doubled to 1.45Moz, the Sandstone MRE grew 25% to 3.6Moz, and metallurgical testwork confirmed a conventional, free-milling flowsheet. Because enterprise value deducts the cash raised, EV-based multiples look through the dilution from the placement and reflect how the market values Brightstar's ounces. We apply a 50% discount to Inferred Resources to obtain confidence-adjusted ounces, reflecting their lower geological confidence.

Brightstar has re-rated when measured against the five WA developers in our previous report (Figure 16). Its confidence-adjusted EV/resource multiple has increased 21%, while that peer group's average has broadly remained flat over the same period. Brightstar has moved from trading at a discount to these peers in August 2026 to trading at a premium. Our analysis shows the market has paid ~A$397 for each of Brightstar's additional confidence-adjusted ounces, ~1.6x the current average multiple of our updated peer set. This suggests investors are valuing Brightstar's new ounces well above comparable developers, reflecting the potential conversion of Sandstone's resource through the upcoming PFS and maiden Ore Reserve.

Figure 16: Brightstar market re-rating driven by growth in Sandstone



Source: S&P Capital IQ, Company Announcement, East Coast Research

With Brightstar now trading above its original developer peers and approaching first gold at Goldfields, we believe its benchmark should shift to reflect the potential producer status the company is moving towards. As discussed in the section below, we have expanded our peer group to include established and emerging WA producers alongside further developers. Against this broader group, Brightstar trades at a ~20% discount on a confidence-adjusted basis and a wider discount on reported resources, so the market is still valuing it as a developer rather than a producer. The producers in the group trade at higher multiples than Brightstar, and we would expect this gap to narrow as Goldfields moves into production.

Resource conversion provides a second lever. 56% of Brightstar's ounces are classified as Inferred, a higher proportion than the peer average of 37%, which is the main reason its discount is wider on reported ounces than on a confidence-adjusted basis. Because we discount Inferred ounces by 50%, each ounce upgraded to Indicated doubles its contribution to Brightstar's confidence-adjusted resource. At a constant multiple, conversion therefore lifts enterprise value directly, without requiring new discoveries. With infill drilling at TMH and Bull Oak feeding the PFS, maiden Ore Reserve and global resource update this quarter, we expect conversion to be the first of these levers tested. Assays from the remaining three deep TMH holes provide further potential for resource growth.

The placement increased shares on issue by ~15%. While issuing equity at A$0.50 dilutes existing shareholders, the proceeds fund the work that underpins both levers: accelerated drilling to convert and extend the TMH resource, the underground mining study, and early mining works ahead of the PFS. Importantly, this funding sits outside Goldfields, whose bond proceeds cannot be used at Sandstone, so the accelerated program does not compete with the plant for capital.

Importantly, our valuation extends beyond resource multiples, as the EV/resource method reflects only how the market values ounces in the ground, not the production economics attached to it. Our sum-of-the-parts (SOTP) valuation is anchored on project-level cash flows for both hubs, Goldfields and Sandstone. For Goldfields, we use the DFS 2.0 mine plan, adjusted for our base case and upside case assumptions. For Sandstone, we continue to use our previously derived high-level DCF covering production, recovery, operating costs, capital expenditure, and development timing, with appropriate risk adjustments applied ahead of the PFS. The Sandstone component is therefore our proprietary indicative estimate of the project's economics. We expect the PFS to update our assumptions and re-rate the project based on a defined mine plan, Ore Reserve, cost base, and capital requirements.

Changes since our previous report

We maintain our SOTP valuation framework for Brightstar, as set out in our previous report. We have updated several assumptions to reflect progress at both hubs, the latest metallurgical results and the recent resource update. These changes are summarised and discussed below (Figure 17).

Figure 17: Changes since previous report

Assumption	Aug-26	Nov-26
Goldfields discount rate	10%	9%
Sandstone recovery: base / upside	92% / 92%	92% / 93%
Sandstone risk weighting: base / upside	75% / 75%	75% / 80%
Exploration inventory: base / upside (Moz)	0.64 / 0.85	1.14 / 1.58

Source: East Coast Research

Goldfields discount rate: We have reduced the discount rate applied to Goldfields from 10% to 9%. Construction of the 1.5Mtpa Laverton plant is progressing on schedule under a fixed-price EPC contract, and first gold remains on track for June 2027. With funding in place and construction advancing as planned, we consider the project's execution risk to have reduced, supporting a lower discount rate than for an earlier-stage development. The rate remains above the 8% used in DFS 2.0, reflecting the commissioning and ramp-up risk still ahead. Sandstone remains valued at 10%, reflecting its earlier stage of development.

Interest tax shield: We have also incorporated the interest tax shield associated with the Goldfields project financing. Interest expense is used only to calculate the reduction in taxable income, while the debt itself is captured in our bridge from enterprise value to equity value, avoiding double counting.

Sandstone recovery: We increased our upside case recovery assumption for Sandstone from 92% to 93% while retaining 92% in the base case. The change follows the recent metallurgical testwork, which returned average gold recoveries of 94% across deposits representing ~80% of the then Mineral Resource, with CIL recoveries averaging 95.7% on master composites. Our upside case retains a discount to these laboratory results, consistent with the difference typically seen between testwork and plant performance.

Sandstone risk weighting: We have increased the risk weighting applied to the Sandstone NPV in our upside case from 75% to 80%, equivalent to a 20% haircut, while maintaining 75% in the base case. Since our last report:

- the Sandstone Mineral Resource has grown 25% to 3.6Moz, led by the doubling of Two Mile Hill to 1.45Moz;
- Indicated Resources have increased to 1.5Moz;
- metallurgical testwork has confirmed a conventional, free-milling flowsheet; and
- the PFS and maiden Ore Reserve are scheduled for the Q4 CY2026 quarter.

We retain a meaningful risk adjustment in both cases until the PFS confirms the development case.

Exploration value: Following the September resource update, the confidence-adjusted Sandstone resource not captured in our project DCF has increased from ~0.42Moz to ~0.95Moz. Consistent with the approach in our previous report, we apply a growth factor to this inventory, reflecting the potential for further resource additions at Sandstone. Our base case assumes 20% additional resources, taking the inventory to ~1.14Moz. Our upside case also assumes further conversion of Inferred Resources to higher-confidence categories, consistent with the conversion the market is increasingly pricing ahead of the PFS, and applies 30% additional resources, taking the inventory to ~1.58Moz. We consider these assumptions reasonable given the scale of drilling now underway at TMH and Bull Oak, and the first deep diamond hole at TMH, which provides first-pass evidence of mineralisation extending beyond the current resource model. We value these inventories at the confidence-adjusted peer average EV/resource, based on our updated peer group

Peer Set

We have expanded our peer group from five to eleven WA gold companies (Figure 18). Our previous group consisted only of WA gold developers: Minerals 260, Ausgold, Astral Resources, Antipa Minerals and Gorilla Gold Mines. That was appropriate when Goldfields had only just reached a final investment decision. With construction now advancing and first gold targeted for June 2027, Brightstar is approaching the transition from developer to producer, and we believe its peer group should reflect that. We have retained all five previous peers for continuity and added six companies across the development and production spectrum.

Four of the additions are established and emerging WA producers: Genesis Minerals, Catalyst Metals, Pantoro Gold and Black Cat Syndicate. They provide a benchmark for how the market values WA gold companies that have moved into production, the stage Brightstar is targeting with Goldfields and subsequently with Sandstone. Genesis is substantially larger than the rest of the group and, following the recent placement, is also a ~5.4% shareholder in Brightstar. The other two additions, Forrestania Resources and Rox Resources, are development-stage companies of a similar scale to Brightstar.

Figure 18: Peer set

Company	Ticker	Market Cap (A$m)	EV (A$m)	Total Ounces (Au Moz)	Inferred (Au Moz)	Grade (g/t Au)	EV / Confidence-Adjusted Resource (A$/oz)
Genesis Minerals Limited	ASX:GMD	7,580	7,212	18.95	5.50	2.10	445
Forrestania Resources Limited	ASX:FRS	716	645	2.35	1.10	1.17	358
Minerals 260 Limited	ASX:MI6	1,830	1,300	6.10	1.70	1.00	248
Rox Resources Limited	ASX:RXL	739	680	2.19	0.59	5.50	358
Catalyst Metals Limited	ASX:CYL	1,030	741	5.11	1.06	3.21	162
Ausgold Limited	ASX:AUC	665	643	2.44	0.22	1.11	276
Black Cat Syndicate Limited	ASX:BC8	419	342	2.31	1.15	2.37	197
Pantoro Gold Limited	ASX:PNR	1,110	885	4.69	2.26	3.38	249
Gorilla Gold Mines Ltd	ASX:GG8	187	177	2.00	1.60	4.04	148
Astral Resources NL	ASX:AAR	253	194	2.21	0.74	1.03	105
Antipa Minerals Limited	ASX:AZY	314	286	3.00	0.80	1.37	110
Peer Average		**1,349**	**1,191**	**4.67**	**1.52**	**2.39**	**241**
Brightstar Resources Limited	ASX:BTR	700	717	5.18	2.91	1.46	193

Source: S&P Capital IQ, Company Announcements, East Coast Research

Note: *as at 3 Nov 2026; totals may vary slightly due to rounding.

The expanded group results in a higher peer multiple than the A$181/oz used in our previous report, with a confidence-adjusted average of A$241/oz. The increase reflects the composition of the expanded group rather than a re-rating of our previous peers, whose average is broadly unchanged since August 2026. The new developers and most of the producers we have added trade at higher multiples than our original group. We apply the peer average to resources outside our project DCFs, without further discount, consistent with our previous approach.

Genesis, the largest company in the group, trades at the highest multiple, while the other producers sit in the middle of the range. The development and exploration companies range more widely, reflecting differences in scale, grade, project maturity and funding position. At A$193/oz, Brightstar trades below the peer average and below most of the producers in the group, despite holding a funded development scheduled to produce first gold in June 2027. In our view, this highlights the potential for further re-rating as the company moves into production and as Sandstone's resource converts through the PFS and maiden Ore Reserve.

Target Price of A$1.23 - A$1.70

Our sum-of-the-parts valuation gives a base case of A$1.23 and an upside case of A$1.70 per share, for a midpoint target price of A$1.46, an uplift from our previous report. The increase in our implied enterprise value since August 2026 is larger than the increase in our per-share valuation, largely due to the dilution from the recent placement adding an additional 164 million shares. Exploration value has made the largest contribution to the uplift in valuation, reflecting the growth in Sandstone's resource since our previous report, and it now represents ~17% of our enterprise value. Including both the project DCF and exploration value, the Sandstone Hub accounts for ~65% of our valuation.

The gap between our base and upside cases is driven primarily by the Sandstone DCF, reflecting the project's sensitivity to gold price, operating cost, recovery and risk-weighting assumptions ahead of the PFS. Goldfields and exploration account for the remainder. The exploration component reflects the additional conversion and exploration upside at TMH assumed in our upside case. We expect the PFS to be the main near-term catalyst to narrow this range, replacing our indicative Sandstone assumptions with a defined mine plan, Ore Reserve and cost base.

Figure 19: Valuation

BTR Equity Valuation (A$M)	Base Case	Upside Case	Remarks
GOLDFIELDS HUB			
Post-tax Project NAV	399.39	574.81	Upside reflects factors incl. incr gold prices
Project Residual Resources (Moz)	0.68	0.68	Resources not factored in DFS
Peers Multiple (A$/oz)	241.33	241.33	
Goldfields Hub Value	**563.85**	**739.27**	
SANDSTONE HUB			
Post-tax Project NAV	737.61	1,055.82	Modelled 10yr mine life producing on average 150kozpa
Sandstone Hub Value	**737.61**	**1,055.82**	
EXPLORATION VALUE			
Project Resources (Moz)	1.14	1.58	20% - 30% resource growth; upside incl. Inferred conversion
Peers Multiple (A$/oz)	241.33	241.33	
Exploration Value	**274.82**	**380.14**	
Implied EV	**1,576.28**	**2,175.23**	
Cash	140.67	140.67	Sep 2026 quarterly + A$82m cap raise
Debt	(158.18)	(158.18)	US$ Secured Bond
Equity Value	**1,558.76**	**2,157.71**	
Number of shares (m)	1,272.10	1,272.10	
Implied price (A$)	**1.23**	**1.70**	
Current price (A$)	0.55	0.55	
Upside (%)	*123%*	*208%*	
Mid-point Target Price (A$)	**1.46**		
Upside (%)	**166%**		
Price / NAV (X)	**0.38x**		

Source: East Coast Research

At the current share price of A$0.55, Brightstar trades at 0.38x P/NAV of our midpoint valuation, implying 166% upside. We believe this discount reflects the stage of the company rather than the value of its assets: Goldfields is not yet in production, and Sandstone has yet to publish a study or Ore Reserve. Even after the dilution from the placement, our midpoint valuation remains well above the current share price. We expect the discount to narrow as Goldfields moves into production and Sandstone advances through the PFS.

Risks & Re-Rating

Catalysts for Positive Re-rating

Sandstone PFS and maiden Ore Reserve: Due this quarter, the PFS will replace our indicative Sandstone DCF with a defined mine plan, cost base, capital estimate and Ore Reserve. Sandstone is the largest component of our valuation, so a PFS that outperforms our assumptions on grade, operating costs or capital would lead to a material upward revision of our valuation. It would also support a reduction in the risk discount we currently apply to the project, and in our view would be the most significant re-rating catalyst for the stock.

Two Mile Hill deep drilling results: Assays are pending from three deep diamond holes, two of which intersected more than 400m of mineralised tonalite and ended in mineralisation, with a further ~6,500m extensional program currently ongoing. Confirmation of grade continuity across the enlarged intrusion would support the resource growth assumed in our valuation through future resource updates.

Bull Oak resource update and metallurgy: The infill program was designed to convert a significant portion of Bull Oak's largely Inferred resource to Indicated ahead of the PFS. Leach testwork on the deposit remains outstanding. Higher Indicated ounces would lift Brightstar's confidence-adjusted inventory, and recoveries in line with Two Mile Hill would support Bull Oak's inclusion as an open-pit feed source in the PFS mine plan.

Global Sandstone resource upgrades: A global MRE upgrade and an updated TMH resource are planned for this quarter, with a second global upgrade ahead of the DFS. These will test the resource growth assumed in both our cases and the Inferred conversion assumed in our upside case. Results that meet or exceed these assumptions would move our valuation towards the upside case.

Goldfields first gold and ramp-up: First gold remains targeted for June 2027. A smooth commissioning and ramp-up would move Brightstar into the producer group, which trades at higher multiples compared to developers. It would also support a further reduction in the Goldfields discount rate towards the 8% used in DFS 2.0.

Lord Byron mobilisation: Mining mobilisation, now targeted for Q1 CY2027, is the next test of ore readiness at Goldfields. Timely mobilisation and stockpile build-up ahead of commissioning would ease the main execution risk we identify at the hub.

Third-party feed agreements at Laverton: Conversion of the non-binding Burtville East Heads of Agreement into binding terms, or similar arrangements with other Laverton tenement holders, would extend plant feed beyond the initial six-year DFS 2.0 mine plan without committing Brightstar's own exploration capital. We currently ascribe no value to these arrangements, so any binding agreement would be upside to our valuation.

Key Risks to Price Target

Sandstone study outcomes: Our Sandstone valuation is an indicative estimate ahead of the PFS. A lower mined grade after dilution, higher capital costs, a more expensive power solution or lower plant recoveries than assumed would reduce the largest single component of our valuation. Underground mining at Two Mile Hill would add development capital and lead time, which could weigh on project economics and timing.

Resource conversion and grade variability: Around 56% of Brightstar's resource and 64% of Two Mile Hill's ounces are classified as Inferred. The coarse gold at Two Mile Hill and Bull Oak introduces grade variability, which may require closer-spaced drilling and could result in lower top-cut grades. Weaker conversion than expected would reduce confidence-adjusted ounces, the exploration value and the Ore Reserve available to the PFS.

Goldfields commissioning and ramp-up: Plant construction is on schedule, but the slip in Lord Byron mobilisation narrows the window for building stockpiles ahead of commissioning. Delays to first gold, slower ramp-up, or grades and recoveries below DFS 2.0 assumptions would defer cash flow, and could reverse the reduction in the discount rate applied in this update.

Funding and dilution: A new 5Mtpa plant at Sandstone will need to be funded alongside Goldfields debt. Our valuation includes only the current share count. If Sandstone is funded through equity at prices below our valuation, or through additional debt that strains the balance sheet before Goldfields reaches steady state, per-share value would be lower than our estimates.

Gold price and exchange rate: Our valuation assumes A$5,750/oz in the base case and A$6,250/oz in the upside case, while the Goldfields DFS 2.0 assumes ~A$6,000/oz. A sustained decline in the A$ gold price would reduce both project NPVs, with Sandstone more sensitive given its earlier stage and longer development timeline.

Peer multiple: We value Goldfields residual resources and Sandstone exploration ounces at the peer average confidence-adjusted ounce multiple. A sector de-rating would lower this multiple, negatively impacting our valuation.

Appendix I: Analyst's Qualifications

Derrick Johny

Derrick Johny, the analyst on this report, is an Equity Research Analyst at Shares in Value (East Coast Research). He holds a bachelor's in business and commerce from Monash University and a Master of Economics from the University of Sydney. He has also passed the Chartered Financial Analyst (CFA) Level 1 exam.

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