

Quarterly Report ending 31 December 2020

27 January 2021



Helix Resources Limited (ASX:HLX) (**Helix** or the **Company**) is pleased to provide this Quarterly Update.

HIGHLIGHTS

Copper

Collerina Copper Project

- 1,200 metres of RC drilling, comprising 9 holes was completed in December targeting shallow NW resource extensions and deeper extensions of the Central Zone Copper Deposit. *Assays pending.*

Rochford Trend – Bijoux Prospect (Copper)

- Scout drilling of an extensive copper-in-soil anomaly has returned anomalous copper over broad shallow intervals.
- A geological review and recent electromagnetic geophysical survey has identified further priority areas for advancement in the first quarter of 2021.

Gold

- Drilling of a 28-hole RC scout drilling program was completed during the Quarter. A highlight was - 5m at 1.3g/t Au from 25 m at Link Zone, which may indicate an association between gold mineralisation at the Sunrise and Good Friday prospects.

Corporate

- Closing cash position of \$1.03 million
- New Managing Director, Mike Rosenstreich appointed commencing 11th January 2021. Mr Peter Lester reverted to his previous Non-Executive Chairman's role.

COMMENTARY

In reflecting on the Company's progress through the December 2020 quarter and on the strategy ahead, Helix has achieved some important results and combined with external factors helps to set priorities for the current year ahead.

The copper price has appreciated approximately 20% in the past 6 months driven by positive sentiment on increasing demand for renewable energy and electric mobility. So, copper is 'the right commodity' and given the endowment of the Cobar region, we are exploring 'in the right neighbourhood'. The Helix strategy is to 'leverage' its exploration success to date and its prominent ground position in the Cobar region to execute a copper development strategy.

Recent drilling at the Collerina Copper Project indicates we could be on the verge of validating our geological interpretation of additional parallel mineralised shoots to the existing Central Zone deposit. This generates the confidence to plan a major work program comprising exploration and resource extension drilling, metallurgical and other development related tasks necessary for feasibility style studies to underpin a copper focused business case.

That is the objective of our forthcoming program and the Board is currently assessing how that will be resourced and funded as well as rationalisation of non-core assets. Further updates will be provided as these plans are finalised.

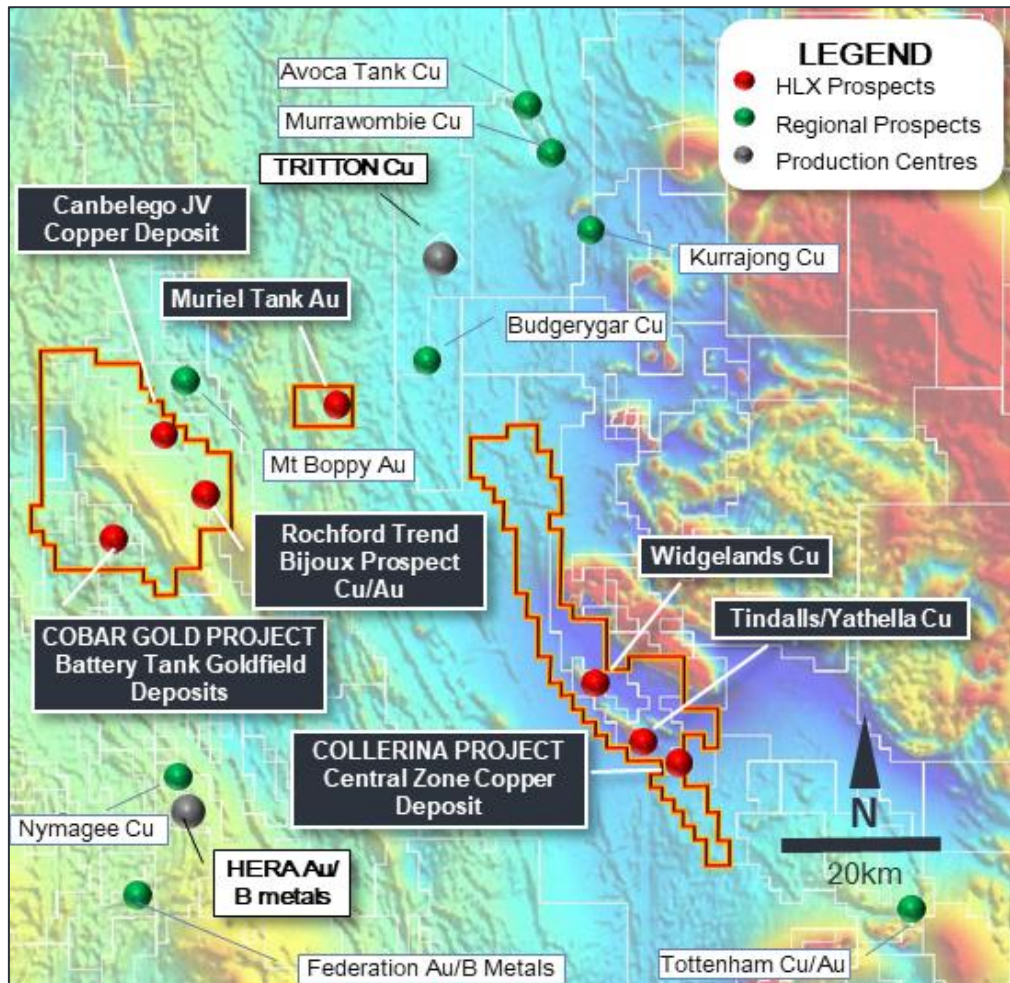


Figure 1: Outline (red) of Helix’s copper and gold prospective land position in the Cobar Region of NSW, draped on TMI aeromagnetic image

REVIEW OF OPERATIONS

In the December 2020 quarter the Company focused on copper and gold exploration work, predominantly drilling, on its Cobar Gold Project, the Bijoux Prospect on the Rochford Trend and the Central Zone Copper resource at the Collerina Copper Project (Figure 1: Outline (red) of Helix’s copper and gold prospective land position in the Cobar Region of NSW,

draped on TMI aeromagnetic image – Location Plan).

A total of 6,085 metres of reverse-circulation (RC) drilling comprising 43 drill holes was completed and approximately 7.2 line-km of electro-magnetic (EM) geophysical surveys were undertaken as outlined in the following sections.

1. Collerina Copper Project

Extensional Drilling – 9 RC drill holes testing:

- Northwest extensional shallow, copper oxide mineralisation.
- New ‘parallel’ copper rich shoot positions.

Geological logging indicates the presence of shallow oxide copper mineralisation over widths consistent with the Central Zone oxide zones - potentially extending the indicated and inferred copper resource (see Appendix 1) along strike to the west. (refer **Figure 2**: 3D schematic of the Collerina Central Zone Copper Deposit showing current drill pierce points, the maiden resource envelope and new target zones.).

Fresh, sulphide copper mineralisation was intersected in the holes targeting new parallel shoot positions. Preliminary interpretations suggest that this extends the mineralised horizon further down dip/plunge and that the drill holes have intersected the margin of a potential new shoot position; defined by the NE plunging fold-hinge zone. It is noted that this round of drilling drilled on the margins of, but did not intersect, the modelled down-hole EM plate from previous drilling. (refer **Figure 3** – Late time FLEM image draped on figure 2 highlighting several untested priority EM anomalies in the new

target zones, as well as the down plunge extension of the Central Zone Resource. Expanding FLEM coverage is a priority.)

Geophysics – Four holes have been prepared for downhole EM surveying and an additional Fixed Loop Electro-magnetic (FLEM) surveying is planned to extend the geophysical coverage over this zone to define vectors to potential new, parallel, copper rich shoots.

Commentary - Subject to receipt of the assay results for these deeper drillholes, the presence of further copper mineralisation over a hundred metres to the northwest and similarly down dip from the maiden Central Zone resource envelope are considered to be encouraging evidence for the potential expansion of the oxide and sulphide resource laterally across a series of parallel shoots. The assay laboratory has reported very high sample volumes and has warned clients of 6-8 week waiting times for results from receipt of the samples. Helix is expecting to receive results by mid-February.

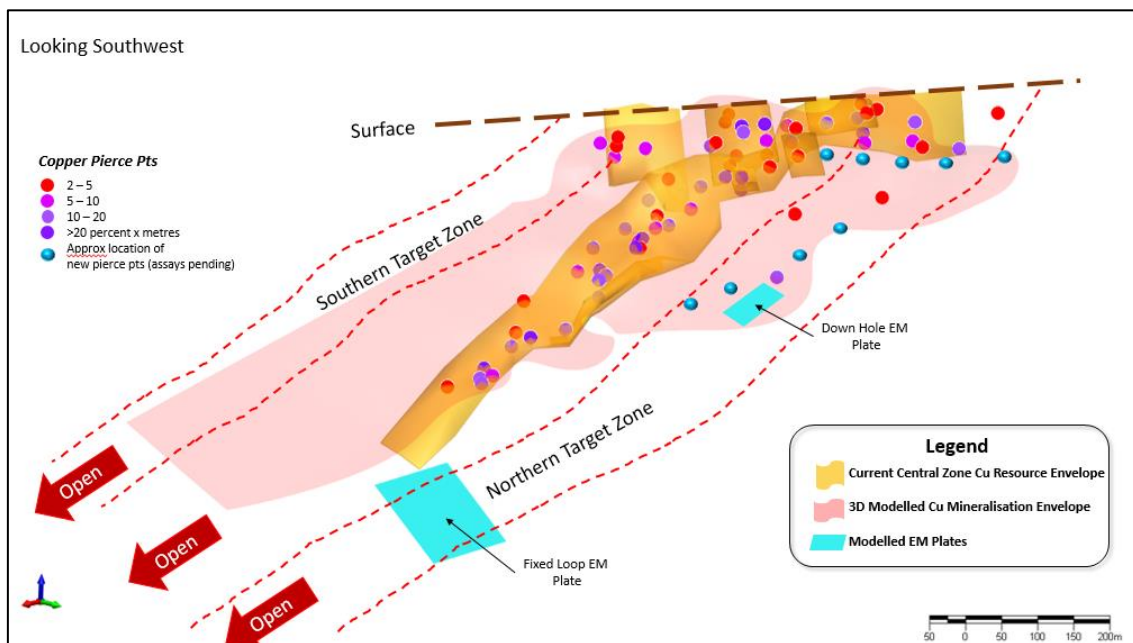


Figure 2: 3D schematic of the Collerina Central Zone Copper Deposit showing current drill pierce points, the maiden resource envelope and new target zones.

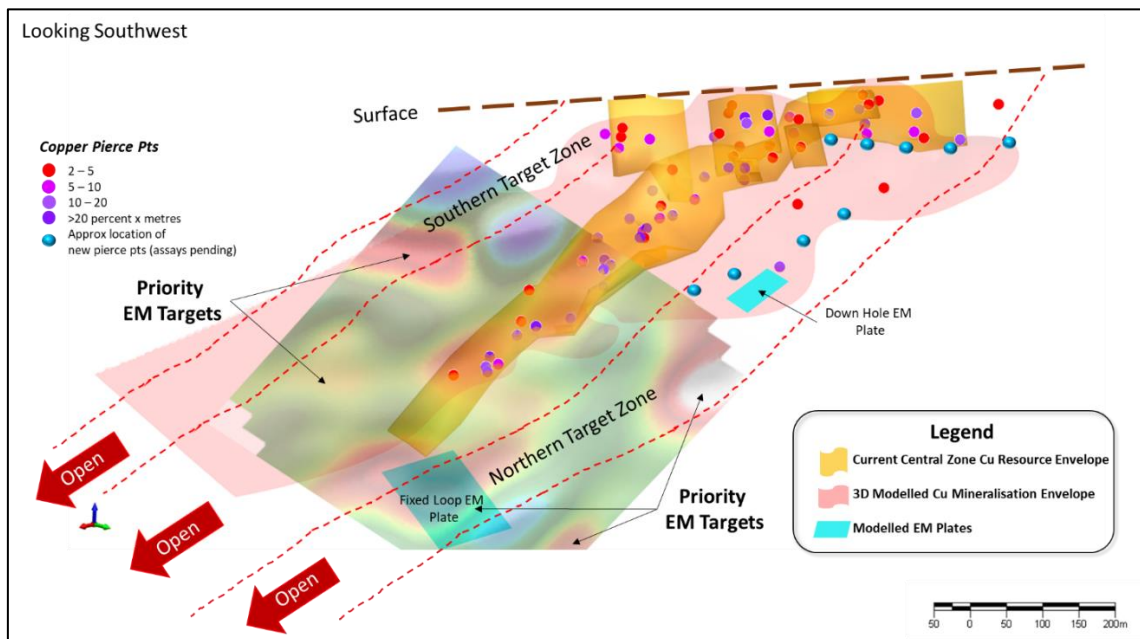


Figure 3 – Late time FLEM image draped on figure 2 highlighting several untested priority EM anomalies in the new target zones, as well as the down plunge extension of the Central Zone Resource. Expanding FLEM coverage is a priority.

2. Rochford Trend (copper-gold)

Scout Drilling (RC) – four holes testing coincident copper in soil and geophysical anomaly referred to as the Bijoux Prospect occurring along the Rochford Trend. (refer **Figure 4**: Bijoux Prospect Plan, showing Channel 33 MLEM survey response overlain by scout drilling collars, Bijoux

copper-in-soil anomaly (red dashed line) and localised magnetic trend (yellow dashed)).

The Company has previously reported anomalous copper assays for 4-metre composite samples over the areas returning anomalous copper in PXR readings for the scout holes drilled at the southern end of the Bijoux prospect (BJRC003 & 4). The two scout holes drilled 1.4 km to the north intersected strongly altered and weathered zones beneath the iron-stone outcrops.

In December, the Company was able to secure, at short notice and for a limited time period, the services of a geophysical contractor to complete an initial moving loop electromagnetic (MLEM) survey at Bijoux. A partially defined MLEM anomaly was identified in the NE of the survey area that is coincident with a NW trending subtle magnetic anomaly, copper in soil anomaly and a local topographical high. This is emerging as an important copper target.

As with the Collerina drilling, assay results are also expected by mid-February.

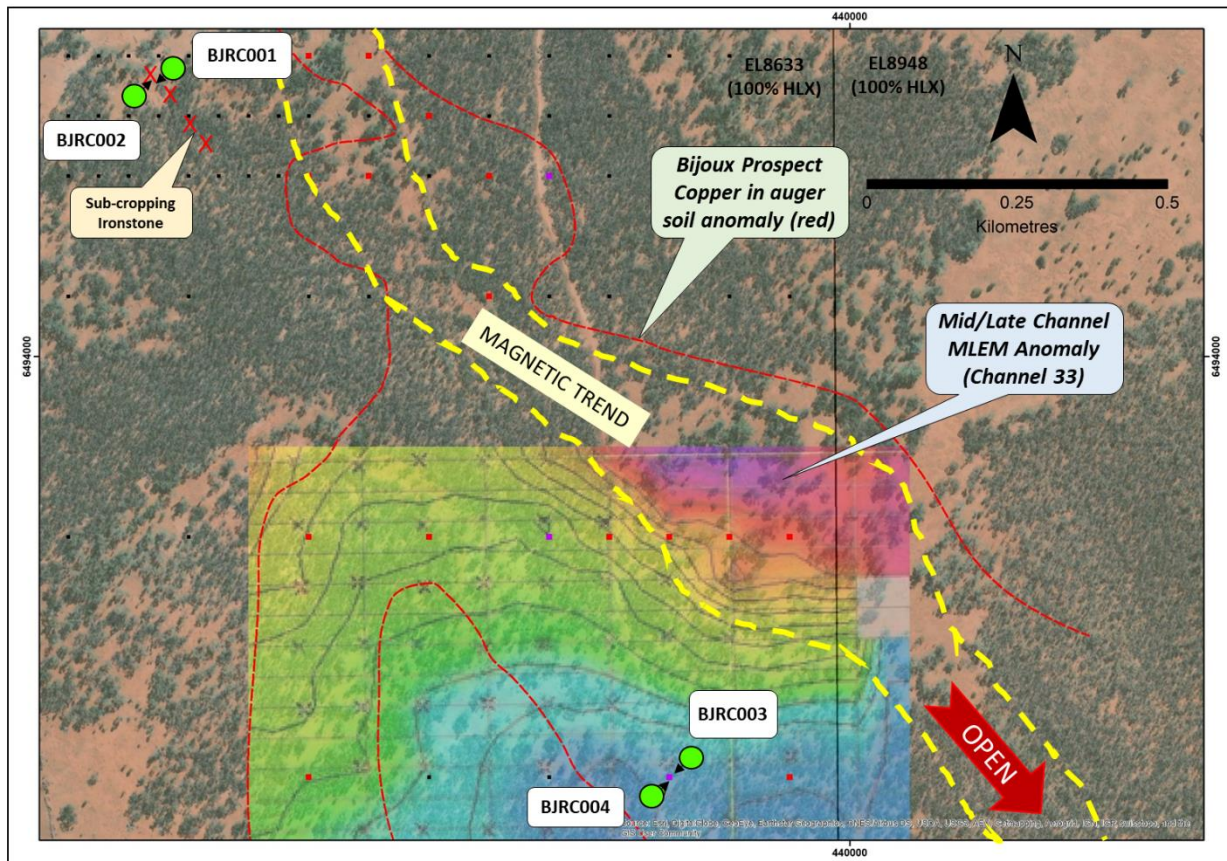


Figure 4: Bijoux Prospect Plan, showing Channel 33 MLEM survey response overlain by scout drilling collars, Bijoux copper-in-soil anomaly (red dashed line) and localised magnetic trend (yellow dashed)

3. Cobar Gold Project

A program of 28 holes for 3,659 metres was completed since June 2020. The program was carried out in two phases; Phase 1 focused on more advanced prospects and Phase 2, scout drilling of historic workings and soil anomalies as set out in Table 1: **Cobar Gold Project Drill Program Phases and Prospects Tested.**

Table 1: Cobar Gold Project Drill Program Phases and Prospects Tested

Phase 1*		Phase 2	
Prospect	Holes Drilled	Prospect	Holes Drilled
Amity's	5	Linkage Zone	1
Reward	3	Homeward Bound	2
Battery Tank	4	Reward East	1
Linkage Zone	1	Girl-in-Blue	2
		Lone Hand	3
		Republic Extensions	5
		Fenceline	1
Total	13		15

* Reported 8 October 2020

Phase 1 Results:

Significant intercepts (>1 g/t Au) are:

- Link Zone – 5 metres at 1.3 g/t Au (incl. 1 metre at 2.4 g/t Au) from 25 metres downhole
- Reward – 3 metres at 1.2 g/t Au (incl. 1 metre at 3.2 g/t Au) from 18 metres downhole
- Amity's – 1 metre at 1.4 g/t Au from 93 metres downhole
- Battery Tank North – 2 metres 1.0 g/t Au from 15 metres downhole

Phase 2 Results to date:

Anomalous gold assays were returned from several prospects including:

- Wide anomalous interval in the 'link-zone' between the Sunrise and Good Friday deposits.
- Several anomalous 'bottom-of-hole' assays highlighting the need for further work.

Note – this work was completed in December 2020 and preliminary results were reported to ASX on 12 January 2021.

Commentary – at this stage, the most significant result is from the single hole at the previously untested Link Zone between the Sunrise and Good Friday prospects which returned 5 metres at 1.3 g/t Au. This hole confirms a mineralised 'linking structure' between the Sunrise Prospect and Good Friday Prospect which could open up the target area for gold mineralisation.

Whilst the Phase 2 program results overall, did not meet expectations, 10 of the 15 drill holes have returned anomalous gold results of greater than 4 metres at 0.1 g/t Au. Taking these results into consideration and mindful of the large-scale and high-grade gold deposits which exist in the region, the Company will undertake a thorough review of all results achieved to date from the gold exploration work before any other major gold exploration work is undertaken.

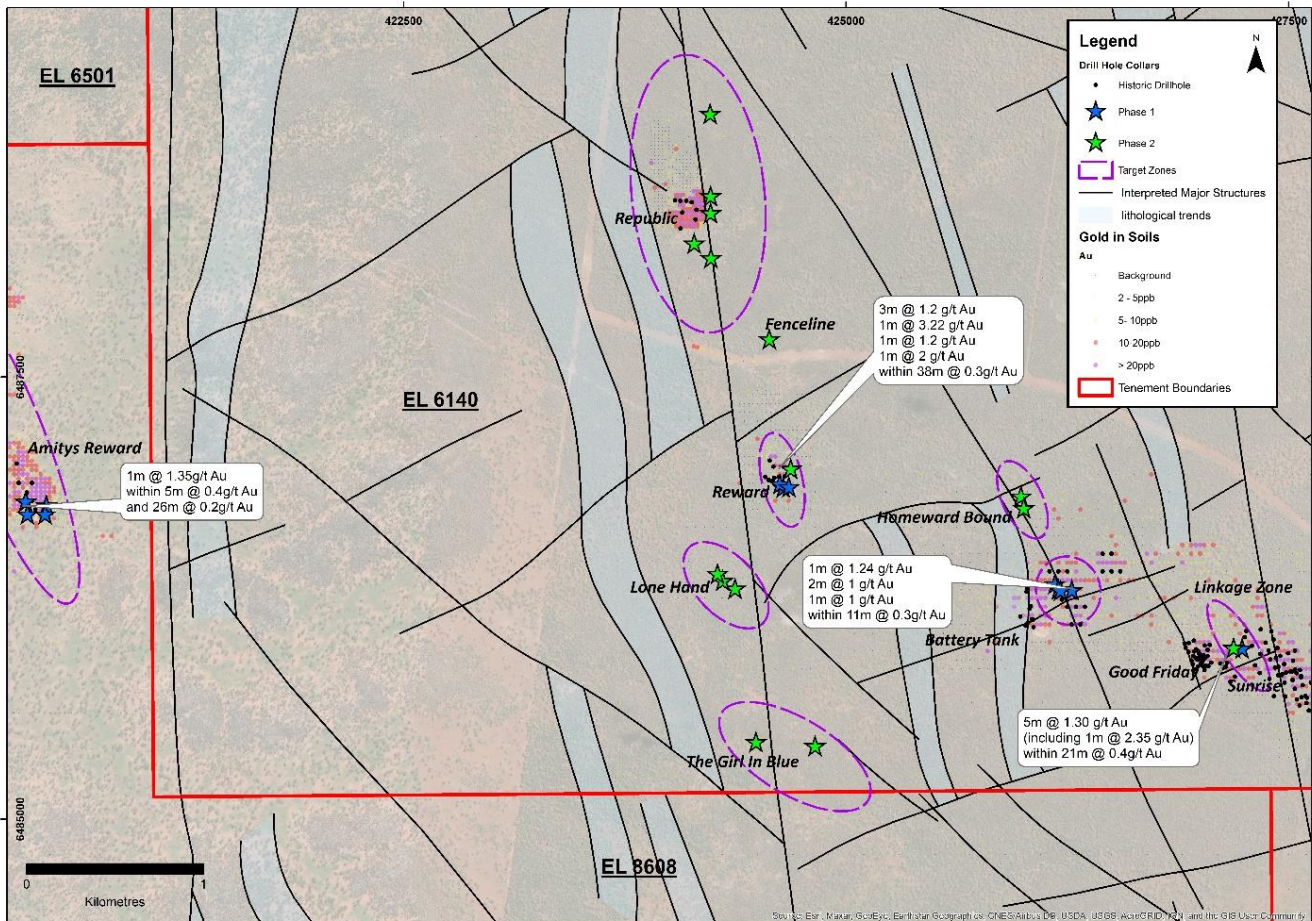


Figure 5: Battery Tank Goldfield; Location of new RC drilling, and targets tested.

4. Chilean Projects

The Company has a 100% ownership of 3 highly prospective early-stage copper (and gold) projects in an accessible, low-elevation area in Chile as presented in Figure 6: Location Plan of Helix’s Chilean Projects..

- Blanco Y Negro Deposit: a historical mine area with an Indicated and Inferred Mineral Resource of 1.5 million tonnes at 1.4% Cu and 0.5 g/t Au (refer ASX report 22 December 2020)
- Joshua Copper Porphyry: contains several large-scale copper porphyry targets defined by geophysics and drilling which has returned a number of significant copper intercepts, including 352 metres at 0.27% Cu, 240 metres at 0.22% Cu and 400 metres at 0.25% Cu
- Samuel Project: large scale copper porphyry target defined by geophysics and early-stage drilling

The Company is presently assessing opportunities to attract outside, project level investment to advance these projects and capture value for Helix’s shareholders.

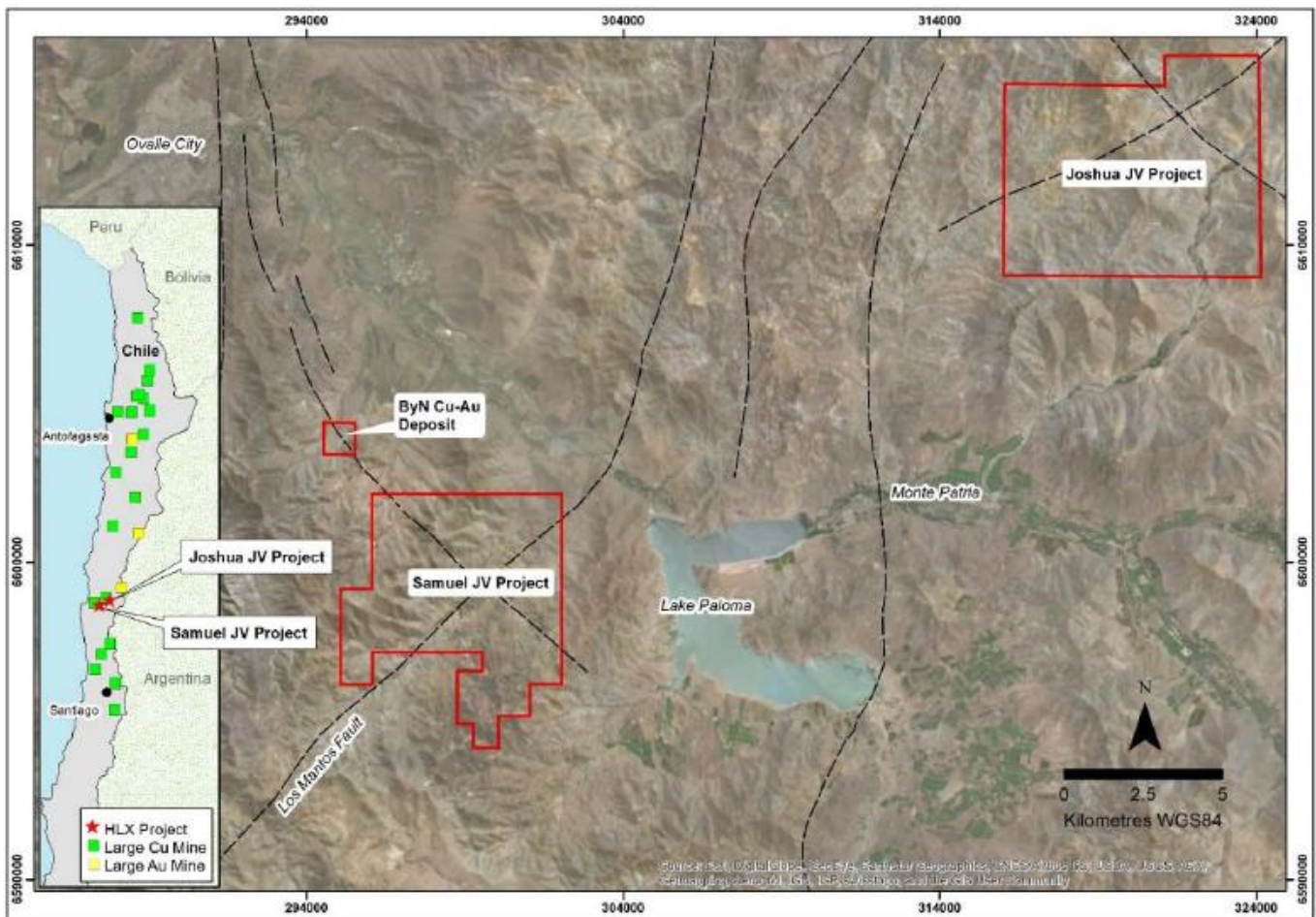


Figure 6: Location Plan of Helix's Chilean Projects.

CORPORATE

1. Financial Position

The Company finished the December 2020 quarter with \$1.03 million at bank. This includes \$252k in Term Deposits, most of which secure environmental Performance Bonds for tenements in NSW.

2. Management Update

Mr Mike Rosenstreich was appointed as Managing Director, effective 11 January 2020. Mr Peter Lester had filled the role of Executive Chairman through much of 2020 during the search for a new Managing Director.

Following Mr Rosenstreich's appointment (refer ASX Report 11 December 2020), Mr Lester has reverted to a non-executive Chairman's role. The Board would like to thank Mr Lester for the significant additional work he assumed, with no additional compensation. The Board also welcomes Mr Rosenstreich to lead the Company's strategy of developing a copper and gold business leveraging off its existing assets in the Cobar region.

3. Investor Relations

During the period, the company updated its website and corporate presentation materials. This is part of an ongoing process to improve its accessibility and communications with its stakeholders. Management is currently reviewing its stakeholder engagement platforms and considering various social media outlets and investor relations advisors. As an initial step it encourages all stakeholders to register on its website to receive company updates direct via email (www.helixresources.com.au).

COMPETENT PERSON STATEMENT

The Information in this report that relates to Exploration Results is based on information compiled by Mr Michael Wilson, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Wilson is a full-time employee and shareholder of Helix Resources Limited. Mr Wilson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Wilson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

This ASX release was authorised by the Board of Directors of Helix Resources Ltd.



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Peter Lester Non-Executive Chairman
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About Helix Resources

Helix Resources Limited (ASX:HLX) has been listed on the ASX since May 1986, exploring and developing projects in Australia and globally.

Assets & Strategy - The Company’s current focus is its exciting copper and gold projects located near Cobar in New South Wales. The Cobar Region is highly endowed, with a number of gold and base metals mines active in the region including the CSA Mine, Peak Mine, Tritton Copper Operations and Hera Mine. Its strategy is to develop a copper (and gold) business leveraging off its existing Mineral Resources, exploration targets all centrally located to infrastructure and mineral processing hubs.

Copper - At the Company’s 100% owned **Collerina Copper Project**, the Company discovered the VMS-style Central Zone deposit in 2017, with a maiden Mineral Resource defined soon after. The Company is actively exploring in and around the Mineral Resource, looking for potential extensions to the Mineral Resource and discrete new mineralised zones.

More recently, the Company identified a 1.7km x 0.7km north-westerly trending anomalous copper zone, which it has called the **Rochford Trend**. Within the trend, the **Bijoux Prospect** was the first drill tested by the Company, with wide zones of anomalous copper identified by pXRF analysis in the field. Detailed gold and base metals assays are pending.

Gold - To the west, the Company’s 100% owned **Cobar Gold Project** has identified a number of Mineral Resources, mainly focused on high-grade historical workings. The geology and structure at these prospects are similar to that seen at the 4-million-ounce Peak Gold Mine to the north. These deposits are known to extend to over 1600 metres depth, but with limited areal footprints, which makes exploration challenging. Following completion of its 2020 program the Company is undertaking a major review exercise, reconciling the geological signature of Peak-type deposits with what Helix has discovered to date to better optimise any future gold exploration programs.

APPENDIX 1

Collerina Copper Project context

Helix's 100%-owned Collerina Copper Project is located in the highly active copper/gold mining and exploration district known as the Cobar Basin, within central NSW, Australia.

The Collerina Copper Project comprises a tenement package in excess of 1,500km², including over 85km of copper-prospective trend. It is surrounded by multiple operating base metal and gold mines within the broader Cobar Basin (Tritton, Hera, Peak, CSA; refer Figure 3).

The Central Zone deposit is an internally generated, high-grade copper discovery within the Collerina Copper Project. High-grade results from previous drilling of the Central Zone deposit include: 11m at 6.6% Cu, 12m at 5.0% Cu, 14m at 4.0% Cu and 10m at 3.7% Cu¹.

Mineral Resource

In June 2019, Helix announced a maiden resource estimate for the Central Zone deposit of 2.02 Mt at 2.03% Cu and 0.1g/t Au for 40kt copper and 9.4koz gold (Indicated and Inferred) (refer Table 1). Almost 50% of that resource tonnage sits in the Indicated categorisation, with the remainder classified as Inferred.

Table 1: Central Zone Mineral Resource Estimate (June 2019) (0.5% Cu Cut-off)

Classification	Type	Tonnes	Cu	Au	Cu	Au
		Mt	%	g/t	t	oz
Indicated	Oxide / Transitional	0.17	1.1	0.0	1,900	200
Inferred	Oxide / Transitional	0.46	0.6	0.0	2,700	100
Total	Oxide / Transitional	0.63	0.7	0.0	4,600	300
Indicated	Fresh	0.83	2.6	0.2	21,800	6,600
Inferred	Fresh	0.57	2.5	0.1	14,100	2,500
Total	Fresh	1.40	2.6	0.2	35,800	9,100
Indicated	Oxide / Transitional	0.17	1.1	0.0	1,900	200
Indicated	Fresh	0.83	2.6	0.2	21,800	6,600
Inferred	Oxide / Transitional	0.46	0.6	0.0	2,700	100
Inferred	Fresh	0.57	2.5	0.1	14,100	2,500
Total	Combined	2.02	2.0	0.1	40,400	9,400

Other than results contained in this ASX release, Helix confirms that it is not aware of any new information or data that materially affects the Mineral Resource information included in Helix ASX release dated 11 June 2019, *Interim Maiden Resource at Collerina Copper Project*. All material assumptions and technical parameters underpinning the estimates in that release continue to apply and have not materially changed.

Exploration Target

The Central Zone resource lies within a larger Exploration Target envelope (which has been constrained between interpreted cross-cutting faults, coincident with the strike of the surface geochemical footprint and shallow copper oxide drilling). The Exploration Target consists of an *additional* 2 – 5Mt at similar grades of approximately 1.5 – 3.0% Cu (representing a potential *additional* 30 – 150kt contained copper).

While the near-surface strike continuity of the Collerina mineralisation is now well understood, the potential quantity and grade of the Exploration Target remains conceptual until drill tested. Geophysical and structural evidence provides confidence in the geometry and dimensions, however, there has been insufficient drilling within these new plunge extensions to estimate Mineral Resources in the broader shape. It should be considered uncertain as to whether further exploration drilling will result in the definition of additional Mineral Resources within or beyond the Exploration Target envelope.