

Cobar Copper Exploration Update

HIGHLIGHTS

- Geophysical, electromagnetic (EM) methods are an important 'discovery tool' for copper in the Cobar region
- A large-scale airborne EM survey targeting copper mineralisation in Helix's extensive copper prospective tenure now completed
- Preliminary review of raw data is encouraging for finding new mineralised positions; showing targets proximal to existing copper Mineral Resources¹ and new targets along three prospective copper trends
- Only 20% of Helix's estimated 120 km of prospective copper trends was previously covered by EM; the entire 120 km comprising three distinct trends is now covered
- Next steps include processing and interpretation of the EM data to model new targets and then follow-up with surface EM surveys to provide more detailed information on potential copper-bearing sulphide positions ahead of drill testing.
- Negotiations with geophysical and drilling contractors are well advanced and Helix expects to commence follow-up geophysical surveys in mid-March and drilling in mid-April

Helix Resources Limited (ASX:HLX) is pleased to advise the recent completion of the regional scale, detailed airborne electromagnetic (EM) survey on its Cobar copper projects. A total of 2,337 line-kilometres was flown, utilising the VTEM MAXTM system, by UTS Geophysics (Geotech).

A preliminary review of the raw data is encouraging, finding both extensions of existing mineralisation and identification of new targets. Completion of this survey marks an important first step in the Company's new exploration strategy with only 20% of Helix's estimated 120 km of prospective copper trends previously covered by EM; the entire 120 km comprising of three distinct copper trends is now covered (Refer Figure 1).

Helix's Managing Director, Mike Rosenstreich stated *"we are really encouraged at how effective the VTEM MAX system was at identifying the known deposits such as Canbelego¹ and Central Zone at Collierina¹ – but there is real excitement brewing in the team with the additional target positions identified along each of the three trends, mindful it is just the raw data at this stage."*

The raw data is being processed and interpreted by Southern Geoscience Consultants (SGC) and a complete description and inventory of possible new targets is expected before the end of March. In the interim the Company plans to follow-up with surface EM surveys on pre-existing, open ended surface EM anomalies and some of the better defined new VTEM anomalies. The surface EM surveys will provide more detailed data to better define spatially the modelled copper target positions ahead of drill testing. This work is planned to commence next week.

Discussions with diamond core and reverse circulation (RC) drilling contractors are well advanced and Helix plans to commence drilling in mid-April. Drill programs will be targeting extensions of the existing high-grade Central Zone and Canbelego copper mineral resources¹ as well as testing of new and existing targets and prospects along the Collierina and Rochford copper trends.

¹ Refer Appendix 1 for details on the Central Zone and Canbelego Mineral Resource estimates

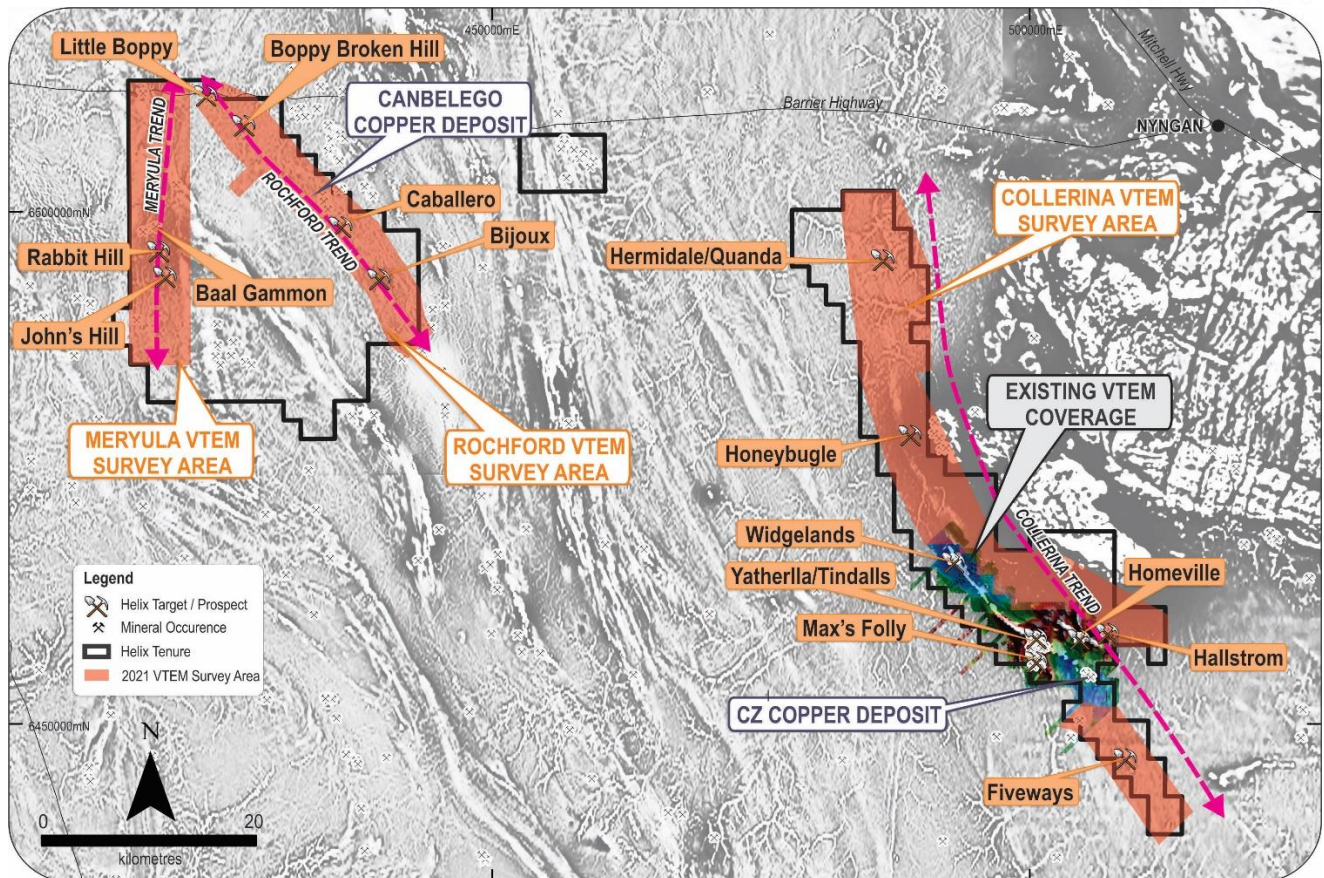


Figure 1: Recently completed VTEM Heli-borne survey coverage and pre-existing coverage over Central Zone.

TECHNICAL DISCUSSION

Regional electromagnetic (EM) surveys have proven very successful in the Cobar region at identifying sulphide related copper deposits.

Only 20% of the total 120 km of prospective copper trends on Helix's 1,500km² ground position had airborne EM coverage. This was focused around the Central Zone deposit² in the southern portion of the Collerina Copper Trend (refer Figure 1).

The VTEM MAX system from UTS Geophysics (Geotech) has been recommended to Helix by its geophysical consults, SGC, as an appropriate system for the potential discovery of new copper-sulphide mineralisation to complete the survey outlined below.

Helix flew a similar style of survey in late 2016 over the new Central Zone (CZ) discovery in the southern portion of the Collerina Trend. The CZ deposit² appears as a subtle, but discrete and identifiable conductor in the VTEM data. Regionally, Aeris Resources Ltd (ASX:AIS) recently made a new copper discovery at its Constellation prospect using a heli-borne EM survey.

The current program was designed to complete coverage over the Company's known 'copper trends', with 2,337 line kms completed. The line spacing was a nominal 200 metres (north-south) with numerous areas infilled to 100 metres spacing based on promising raw-data. The survey was divided into trends as shown in Figure 1 covering the remainder of the Collerina Trend to the north and south, and all the untested (by airborne EM) Rochford and Meryula Trends.

The VTEM MAX survey data will form a vital regional data set for ranking targets and prioritising future work. The objective is also to identify new targets which will be followed by ground EM, surface geochemical sampling and geological mapping to define drill-ready targets.

The Company expects to receive the final survey data shortly and complete interpretation work by late March.

² Refer Appendix 1 for details on the Central Zone Mineral Resource estimate.



COMPETENT PERSON STATEMENT

The information in this report that relates to exploration results, Mineral Resource estimates and geological data for the Cobar projects is based on information generated and compiled by Mr Michael Wilson and Mr Mike Rosenstreich who are both employees and shareholders of the Company. Mr Wilson is a Member, and Mr Rosenstreich is a Fellow of the Australasian Institute of Mining and Metallurgy. They both have sufficient experience that is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being undertaken to each qualify as Competent Person(s) as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Wilson and Mr Rosenstreich have consented to the inclusion of this information in the form and context in which it appears in this report.

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



ABN: 27 009 138 738
ASX: HLX



Contact Details:
Helix Resources Limited
78 Churchill Avenue,
SUBIACO, WA, 6008

PO Box 825
West Perth, WA, 6872

Email: helix@helixresources.com.au
Web: www.helixresources.com.au
Tel: +61 (0)8 9321 2644



Board of Directors:

Peter Lester Non-Executive Chairman
Tim Kennedy Non-Executive Director
Jason Macdonald Non-Executive Director
Mike Rosenstreich Managing Director

Company Secretary

Ben Donovan



Investor Contact:

Mike Rosenstreich
Tel: +61 (0)8 9321 2644
Email: helix@helixresources.com.au

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.

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.

At the Company's 100% owned **Collerina Copper Project**, the Company discovered the VMS-hosted 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 both clusters of mineralisation as well as potential extensions to the Mineral Resource.

To the west, the Company's **Canbelego JV** with producer Aeris (HLX 70%: AIS 30%), sits within the broader **Rochford Trend**, and was subject to the current airborne geophysical survey. Exploration on Canbelego and the emerging regional prospects such as Bijoux will be accelerated this field season.

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 4Moz Peak Gold Mine to the north, where deposits are known to extend to over 1600m depth. The Company is looking to increase the Mineral Resources as well as assess near term mining and processing opportunities.

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 resource is an internally generated, high-grade copper discovery within the Collerina Copper Project. High-grade results from previous drilling of the Central Zone resource 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 resource 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.



Canbelego JV Project Context

The Canbelego Project covers an area of approximately 40km² of copper perspective ground, located 45km south-east of Cobar and 5km south of the historic Mt Boppy Mine (produced ~500,000 oz at +10g/t Au) in Central NSW. Historic production from the Canbelego Copper mine – 10,000t of hand-picked ore grading 5% Cu reported production to 1920, mining stopped at water table (~80m).

The JV is Managed by Helix (70%) and local producer Aeris is participating (30%), covering tenement (EL6105). The tenement covers 10km of the Rochford Trend, a north-west trending magnetic complex with numerous historical copper workings (surrounded by Helix's 100% owned tenure, giving a total strike of approximately 30km of prospective strike – refer figure1).

Structural remobilisation is considered an important control on high-grade copper in these mineralised systems, termed CSA Mine-style base metal deposits. Copper mineralisation is developed as structurally controlled, sub-vertically plunging, semi-massive to massive sulphide shoots.

Table 2: Canbelego* (October 2010) (0.5% Cu cut-off)

Classification	Type	Tonnes	Copper	Gold	Contained Copper	Contained Gold
		Mt	%	g/t	t	Oz
Inferred	Oxide/Transition/Fresh	1.50	1.2	N/A	18,000	N/A
Total	Combined	1.50	1.2	N/A	18,000	N/A

(Rounding discrepancies may occur in summary tables)

* JORC 2004 Compliant Resource: For full details regarding estimation methodologies please refer ASX announcement on 1 October 2010 – reported as 100% of deposit

Canbelego Copper Deposit: A total of 39 holes for 8,080m RC & DDH have been drilled at Canbelego with a JORC2004 inferred 1.5Mt @ 1.2% Cu (Oxide and transition). Untested DHEM Conductors remain below the mine workings. A drill program targeting deeper CSA style structural repeats is warranted at the deposit.

Regional Targets: There are multiple copper in soil anomaly targets nearby, including Canbelego West, Canbelego South and Caballero. These prospects have only been sporadically drilled to date. Eg Caballero: 77m @ 0.32% Cu from 25m. incl. 7m @ 1.2% Cu from 73m down hole – follow-up of these target areas is considered a priority.

Further Auger soil programs, surface EM and drilling are planned by the JV partners in the next field program.