

ASX Announcement 26 August 2021

Exploration Update

- 3,500 metre drilling program underway at CZ area on the highly prospective 100%-owned Collierina Trend.
- Currently drilling third hole of a metallurgical sampling program before moving to exploration drilling for extensions to the CZ Mineral Resource¹.
- Copper mineralisation has been observed in the first three metallurgical holes as predicted – which are all within the Mineral Resource¹ envelope.
- Further electromagnetic (EM) surveys are planned to follow-up VTEM anomalies on the Collierina Trend and the Rochford Trend, including the North and Southern VTEM anomalies at the Canbelego deposit¹, when a crew is next available.
- Helix is meeting the challenges of operating under and fully complying with all NSW COVID-19 measures as it transitions its entire exploration team and operating base to Orange in NSW.

Helix Resources Limited (ASX: HLX) would like to provide an update on its ongoing copper exploration activities in the prolific Cobar basin region of central NSW, following the challenges and responsibilities related to operating under NSW COVID-19 restrictions.

The third drill hole of a four-hole metallurgical sampling campaign at the CZ deposit¹, located on the Collierina Trend, is underway. The total drill program of metallurgical and exploration drilling comprises a mixture of diamond core and reverse circulation drilling of 20 holes for a total of approximately 3,500 metres.

At Canbelego, the Company is awaiting assay results from CANDD005, which intersected significant copper sulphides², and concurrently continues work to update the geological modelling.

Helix's Managing Director, Mike Rosenstreich commented: *"We are drilling at the CZ deposit with the first four holes designed to recover large volume core samples for metallurgical test work of the oxide, transition and fresh-sulphide mineralisation styles. This will be the first met testwork undertaken on the project.*

Frustratingly, regional exploration activities which are critical to build-up our pipeline of projects continue to be stifled by the necessary yet challenging COVID-19 restrictions, as well as inclement weather.

The Company has worked hard to limit staffing and work-flow issues, and by 1 September we will have successfully transitioned our entire exploration team to new facilities based in Orange, NSW.

As a result, the outlook for Helix is brighter with no more reliance on interstate FIFO or DIDO staff, who are more likely to face issues accessing the site. The development also fosters greater collaboration with the team working closely as we progress both exploration and development activities. I believe the transition will see Helix become more agile and able to accelerate activities faster than over the past few months."

A full update on the drilling, regional activities and the transition to its new Orange, NSW Exploration base is provided in the following report.

¹ Refer Appendix 1 for details.

² Refer ASX Report 21 July 2021 'Exploration Update'



Collerina Copper Trend (Helix 100%)

The CZ Mineral Resource³ is 2 Mt grading 2.03% copper and 0.1 g/t gold, reported in accordance with the JORC 2012 Code, comprising 60% Indicated and 40% Inferred categories. The project is 100% owned by Helix and was discovered in 2016 by drilling to follow-up an outcropping 'line of lode' with several small-scale prospecting pits.

Since that time the Company has undertaken several drilling campaigns, defined a small mineral resource and a surface electromagnetic survey.

The current drill program is designed to generate metallurgical samples, test for shallow lateral extensions of oxide-copper mineralisation as well as deeper extensions of sulphide copper mineralisation as summarised in Table 1.

No metallurgical testing has ever been undertaken on the CZ mineralisation. It is important to commence the commercial assessment of this mineralisation by understanding how the different mineralisation styles, oxide, transitional and sulphide respond to 'standard' processing flow sheets. Helix has engaged IMO Metallurgical in Perth to advise and undertake the initial characterisation testwork.

Table 1: Planned CZ Project Drilling Program

Drill Type	Metallurgical		Exploration	
	Planned Holes	Planned Metreage	Planned Holes	Planned Metreage
Reverse circulation (RC)			12	~1,200
Diamond core (DD)	4 (PQ core)	~650		
Combined (RCDD)			5	~1,600

Drilling Status

To date, two of the core holes have been completed for 206 metres and the third hole is in progress; Figure 1 shows drill hole collar locations and Table 2 the hole details.

All the completed holes are from within the current Mineral Resource¹ outline. Copper mineralisation has been observed in each of the holes at the predicted depths. The core is currently being logged and sampled ready for despatch to IMO's facilities in Perth.

Table 2: Drill Hole Details

Hole ID	Type	Easting (mE)	Northing (mN)	Start Dip	Azimuth	RL	Total Depth
CODD0132	DD	505186	6455010	-60	215	204	105.7m
CODD0133	DD	505359	6454963	-60	215	212	100.3m
CODD0134	DD	505414	6455007	-60	215	212	In progress
CODD0135	DD	505598	6454966	-70	260	212	Planned

Grid: MGA94 Zone 55

Helix is utilising large diameter core, PQ (85mm), compared with standard HQ diameter (64mm) or NQ (48mm) utilised for exploration drilling. The larger core diameter makes drilling rates slower, but will maximise the amount of sample available for testwork. The Company plans for the last metallurgical sample hole to be completed in August.

³ Refer Appendix 1.



Drilling Outlook

On completion of the PQ-drilling, the drill rig will be converted to RC drilling and undertake the shallow exploration and establish pre-collar portions for the diamond holes. This phase of RC drilling is planned to take approximately two weeks following which, the rig will be converted back to diamond coring (HQ and NQ sizes) to complete the diamond core tails of the completed pre-collars.

Electromagnetic (EM) Surveys

Surface EM surveys to follow-up VTEM anomalies on the Collerina Trend are planned. Downhole EM (DHEM) is also planned for several drill holes at the CZ deposit to assist in defining further targets for drill testing.

Canbelego Joint Venture Project (Helix 70% and Aeris Resources Ltd ASX:AIS 30%)

Drilling & assay results

Assay results are pending for drill hole, CANDD005, which intersected 7 metres from 66 metres downhole of gossanous veins with chalcocite and malachite in the oxidised zone as well as several copper sulphide intervals of between 3 to 19 metre widths in fresh rock². Additional sulphide intervals in drill holes CANDD003 and CANDD004 have also been submitted for assay, with results for all outstanding assays expected in late September.

The Company's geologists are compiling all data from the recent Canbelego drilling, pending receipt of the final assays for CANDD003 to CANDD005 and follow-up work programs will be planned for discussion by the joint venture partners.

Electromagnetic Surveys

A DHEM survey of CANDD005 identified a conductor of 40-60 metres 'length' and 150 by 200 metres depth or plunge extent (primarily above the drill hole) and ~65-75° dip to the WSW-W, with moderate conductance of ~300-500 Siemens. The conductor is modelled as approximately 20 metres off the hole to the SSE. The modelled conductor plate aligns with the down-dip position of the CANDD002 intersection (14 metres at 4.2% copper⁴), suggesting continuation of the mineralised zone, which remains open at depth, as presented in Figure 2.

Previous VTEM surveying has identified three conductors surrounding the north, south and west of the Canbelego deposit. As part of a follow-up campaign a moving loop EM (MLEM) surface survey has been undertaken over the VTEM anomaly to the west of the Canbelego deposit. No subsurface conductive units were detected. Following investigations by the current Helix management, it is believed the original VTEM anomaly was affected by surface features and has consequently been downgraded. Recent follow-up has assessed the remaining anomalies to the north and south and confirmed that they are not likely to be affected by the surface features. The Company continues to be encouraged by these two highly prospective conductive units and follow-up surface MLEM surveys are planned for these areas in the near future.

General

On 1 September, Helix will be moving its exploration base to Orange where the Company has leased a covered storage area for sample and core storage and processing with appropriate office space. This coincides with departures and new additions to the Helix exploration team. The Company has a Database Manager located in Perth but all other technical positions, are now based in Orange with no more FIFO or DIDO.

This is an ideal situation to have simple access and logistics to the Company's projects, especially given current COVID-19 travel restrictions affecting both inter and intra state travel. This restructuring of the team will create stability, nurturing and retaining exploration concepts long-term within the Company.

The staff transition and access issues have slowed down the assessment of regional targets. However, this is expected to pick-up again through September as the new team is finalised and accelerates work. Part of the regional assessment work includes review of regional opportunities to joint venture or acquire new ground positions. Helix wants to expand its footprint of strategic and prospective ground positions in the Cobar, central NSW region and is actively assessing opportunities on an ongoing basis.

⁴ Refer ASX report 23 June 2021 "High Grade Copper Intercept & Drilling Update"

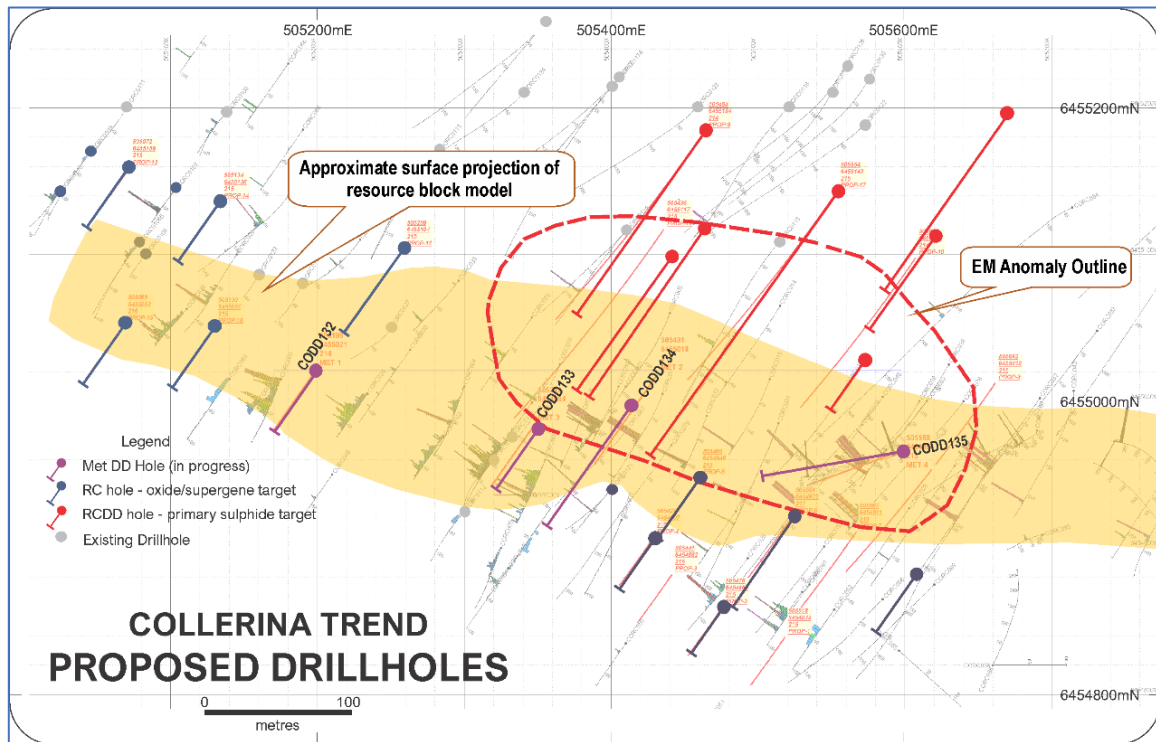


Figure 1: CZ Drill Collar Location Plan

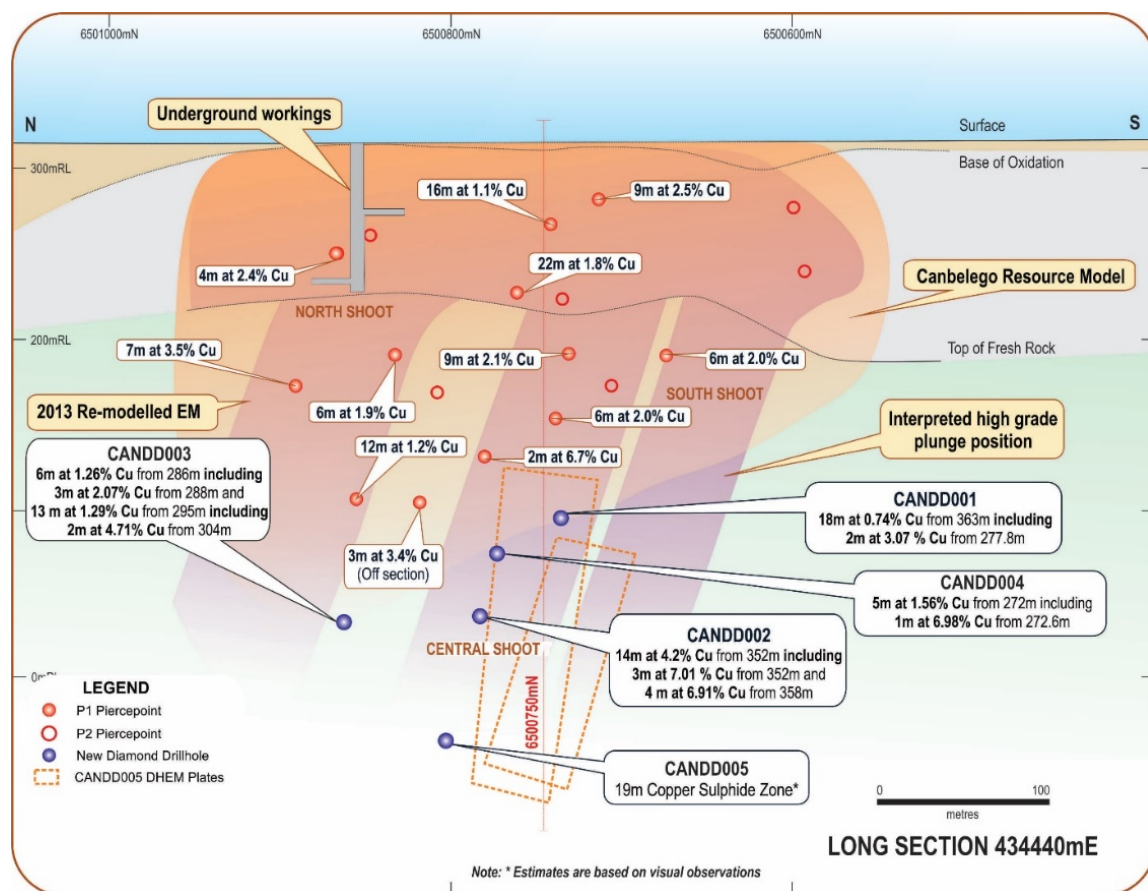


Figure 2: Schematic long section of Canbelego Copper deposit⁵ showing location of the recently completed CANDD005 and resultant DHEM modelled plates.

⁵ Refer Appendix 1 for details.



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 Gordon Barnes and Mr Mike Rosenstreich who are both employees and shareholders of the Company. Mr Barnes is a Member of the Australian Institute of Geoscientists 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 Barnes 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.



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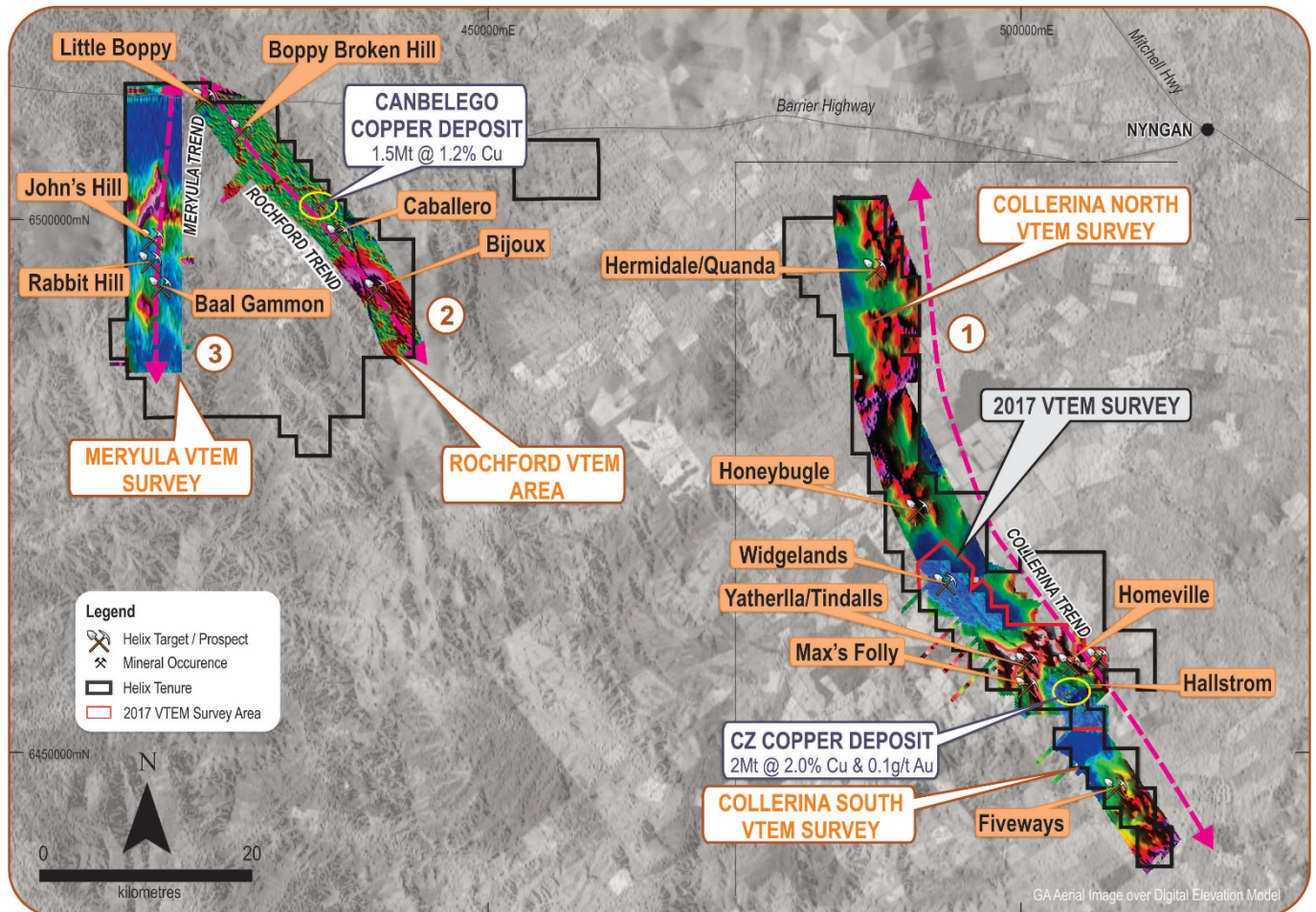
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APPENDIX 1: MINERAL RESOURCES – OVERVIEW

Introduction

Helix holds ~1,500km² of tenure in the highly mineralised Cobar Basin, within central NSW, Australia. The Company has recently divided the prospective copper ground into 3 regional trends referred to as Collerina, Richford and Meryula as shown in the figure above. The Company has two copper Mineral Resources; Central Zone and Canbelego located on the Collerina and Rochford Trends respectively (Refer Tables 1 & 2 below).



Central Zone (CZ) Copper Deposit - Context

The CZ Mineral Resource is a high-grade copper discovery made by Helix in late 2016 along the Collerina Trend.

In June 2019, Helix announced a maiden resource estimate for the CZ 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 60% of that resource tonnage sits in the Indicated categorisation, with the remainder classified as Inferred (by contained copper).

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.

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

Canbelego Copper Deposit - Context

The Canbelego Deposit is located 45km south-east of Cobar and 5km south of the historic Mt Boppy Mine along the Rochford Copper Trend. Historic production from the Canbelego Copper mine was reported (1920) to be ~10,000t of hand-picked ore grading 5% Cu with mining stopped at the water table at ~80 metres.

Canbelego is located on EL6105 which is a joint venture with local copper producer Aeris Resources (ASX: AIS). Helix holds 70% and is the Manager and AIS is a contributing, 30% partner.

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.

A mineral resource compliant with the 2004 JORC Code of 1.5Mt @ 1.2% Cu (oxide, transition and fresh), 100% Inferred was reported in October 2010 as presented in Table 2. This Mineral Resource estimate is based on a total of 39 holes for 8,080 metres of RC and diamond drill core. Untested DHEM Conductors remain below the mine workings. No significant work has been undertaken at Canbelego since 2013. The recent VTEM work announced by Helix 23 March 2021 has refocused attention to this area.

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 1 October 2010 *Initial Copper Resources for Canbelego and Exploration Update*. All material assumptions and technical parameters underpinning the estimates in that release continue to apply and have not materially changed.

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