

**16 December 2021**

Dear Shareholders,

I cannot stress enough how much of a transformational year 2021 has been for Helix Resources ("Helix" or "the Company"). I am delighted to provide you with a report on the significant progress we have made over the course of CY2021 and the outlook for early 2022.

### **New management, new strategy**

With a completely new team spanning technical and financial management, Helix is a rejuvenated and energised Company. The shift in strategic direction to high-grade copper exploration saw Helix focus more on its regional target-generation work and growth of its existing resources.

The appointment of Mike Rosenstreich as new Managing Director in early 2021 heralded an exciting new era. With Mike's significant experience and management, Helix transitioned to a focused high-grade copper explorer in Cobar with emphasis on building up its inventory to underpin a copper business case.

As a key part of this transition, Helix revitalised its exploration and discovery team with Gordon Barnes appointed new Exploration Manager in May, contributing extensive NSW geological and operating experience. In his role, Gordon initially oversaw the establishment of the Company's new exploration base in Orange, NSW, and hiring a new local geologist, whilst also commencing an ongoing drilling campaign which commenced in April and has not stopped.

The appointment of Chief Financial Officer Meagan Hamblin in April led to a process of establishing accessible, robust, transparent financial and tenement reporting systems. This ensured Helix could monitor and account for the increased exploration expenditure, providing better and more timely financial analysis to the Board and joint venture partners.

### **Advanced project success**

During 2021, Helix completed approximately 5,740 metres in 26 drill holes across its two advanced projects Canbelego and CZ deposit, hitting copper in nearly all holes.

A preliminary five-hole diamond drilling campaign at Canbelego intersected copper mineralisation in all five holes with a highlight high-grade intersection of 18m at 3.4% copper. A sixth diamond hole is in progress at year end following up this intercept and will be completed in January 2022.

Helix also focused significantly on the CZ deposit in the second half of the year with RC and diamond drilling generating positive results with the identification of a new shallow oxide zone and extensions of the zone to the west and east.

### **Regional targets generated**

Helix ramped up its regional exploration strategy during 2021 with the aim to generate a 'pipeline' of new prospects for advancing to resource delineation or to add to the existing Mineral inventory.

Core to this strategy was a highly successful aerial VTEM survey from earlier in the year which identified 24 high priority copper targets along a combined 120km of prospective copper trends.



## **Consolidated Cobar footprint**

Helix further consolidated its Cobar footprint in 2021 executing an agreement with Alpha HPA to acquire a tenement prospective for 'Collerina type' copper/base metal deposits and a new nickel-cobalt Mineral Resource at Homeville which complements the Company's existing high high-grade prospects.

Helix plans to transfer the nickel-cobalt assets and rights into a 100% owned subsidiary to provide flexibility on future funding options such as attracting external investment.

## **Investor support**

Any ongoing strategy and exploration commitment needs to be well capitalised and Helix has successfully locked-in funding to maintain an aggressive drilling program in 2021 raising \$7 million.

As well as funding, the Company has worked hard to increase its profile, attending several major industry and investor events – both in person and 'virtually'. Helix continues to build an online profile, which we plan to develop further in 2022.

## **Objectives for 2022**

The Company wants to be on a development pathway to copper production. The threshold target is approximately 100kt of contained copper – and we are nearly 50% of the way there.

The significant momentum Helix has generated in 2021 on the back of a new 'Cobar-copper' focused exploration strategy will flow into 2022. There is a significant backlog of assays from CZ drilling and regional targets to be assessed, delayed due to access issues with rain and cropping events.

The objectives are to advance another 3-4 prospects to resource definition drilling to add to the advanced CZ and Canbelego projects. High priority targets, Quanda, Fiveways and Bijoux, plus near surface extensions at Canbelego have major exploration programs planned to commence early in 2022. As well, we aim to advance and identify new regional prospects by building up and filling in the gaps in our regional data sets.

Copper, as well as nickel and cobalt, are essential for the decarbonisation energy transition. These metals will deliver a cleaner future and to align with this, we are also establishing and looking to demonstrate our sustainability credentials around environmental management, corporate governance, diversity, community liaison and other related activities – these are fundamental to the overall corporate culture we are seeking to develop.

In closing; with discipline and systematic methodologies Helix is progressing both advanced projects and regional targets. A stable, well qualified and locally based exploration team utilising our new Orange-based exploration facilities will elevate exploration momentum even higher into 2022.

I would like to thank all our valued shareholders for their support and interest and our Helix Team for their dedication and commitment as the Company continues to execute its strategy emphasising 'the right metals in the right neighbourhood' and ultimately maximising value for shareholders.

Wishing you all a relaxed holiday and best wishes for 2022 on behalf of the entire Helix Team.

Peter Lester

Non-executive Chairman  
Helix Resources