

Drilling Commences at Cobar Gold Project, NSW

- A 20 hole Aircore drilling program commences today at the Battery Tank Gold Prospect, Cobar NSW.
- The 1,000m program will be testing a large 500m x 500m gold in soil anomaly scattered with historic pits and trenches.
- Helix is targeting high-grade gold mineralisation associated with quartz-rich structures and altered sediments within multiple prospects identified throughout a 5km wide historic goldfield.
- Recent diamond drilling at nearby prospects have returned excellent high grade gold results including 45m @ 3.4g/t Au at the Boundary Prospect and 28m @ 3g/t Au to EOH at the Good Friday Prospect¹.
- The Company plans to complete first-pass drilling at the Battery Tank Prospect and then prioritise additional drilling to advance these exciting high grade gold discoveries.

Helix Resources Limited (ASX:HLX) is pleased to announce that aircore drilling commences today at the Battery Tank Prospect near Cobar in NSW.

The 20 hole program, for approximately 1,000m, will be testing a large 500m x 500m gold-in-soil anomaly associated with a series of historic pits and trenches scattered throughout the Prospect area. The program is targeting high-grade gold structures.

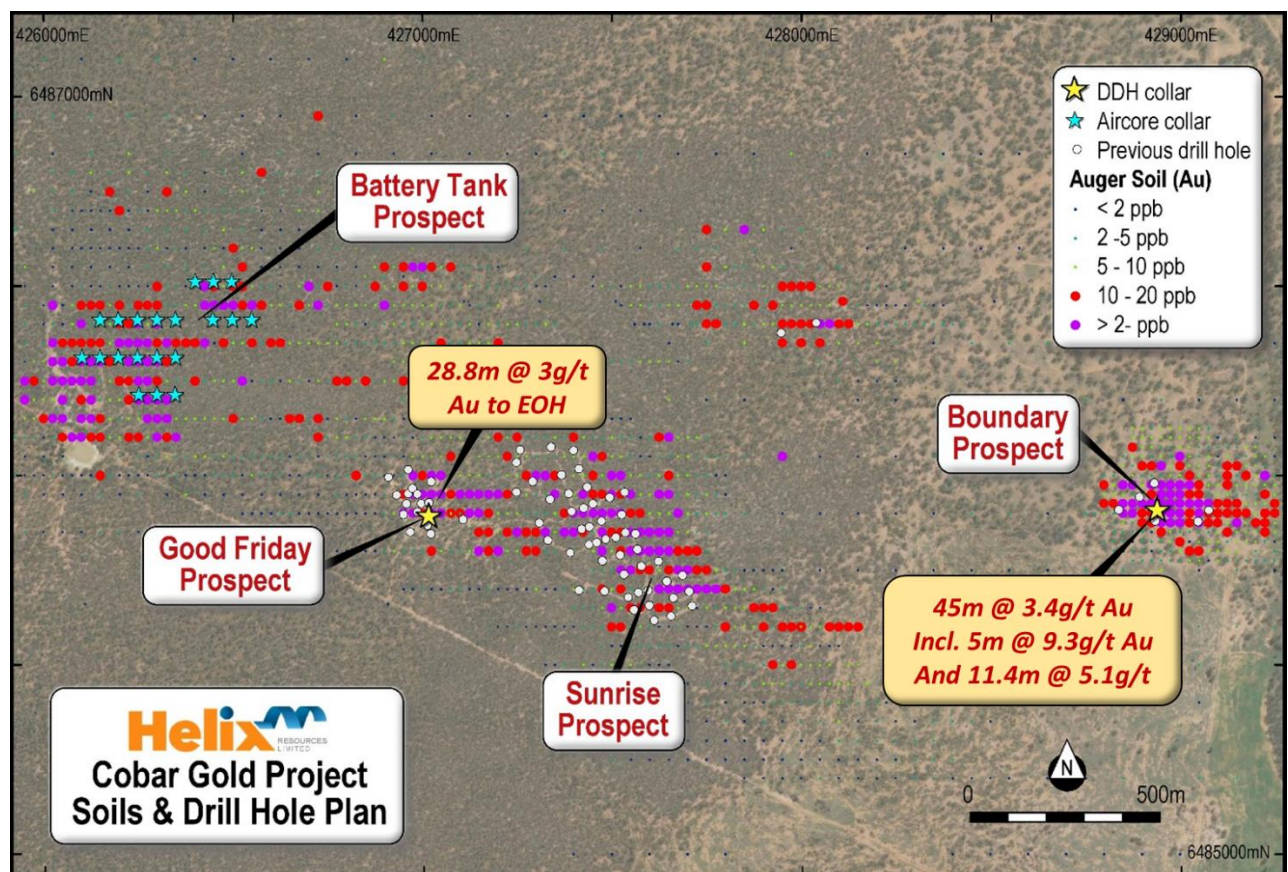


Figure 1: Location of advancing gold prospects in the historic goldfield at the Cobar Gold Project

Results from the recent diamond drilling at the nearby Good Friday and Boundary Prospects have provided a clearer understanding of the high-grade gold controls within structures in this goldfield (refer figure 1).

Intercepts included from shallow depths:

Boundary Prospect : HRDD002: 45m @ 3.4g/t Au from 46m, incl. 5m @ 9.3g/t Au from 51m and 11.4m @ 5.1g/t Au from 71m¹.

Good Friday Prospect: HRDD003: 28.8m @ 3.0g/t Au from 29m incl. 8m @ 4.9g/t Au from 31m and 7.8m @ 4.0g/t Au from 50m to EOH¹.

Helix has submitted additional plans for approval with the Mines Department for further drilling and is planning diamond and RC programs to follow-up these exciting high grade gold results.

Regionally, Helix is targeting multiple gold-rich structures within the broader goldfield. Additional targets will continue to be worked-up using the company’s soil auger rig to define gold anomalies to be tested in future drilling programs.

The historic goldfield being targeted by Helix was actively mined in the late 1800’s before a multi-year drought forced the area to be abandoned. Historic records report that during its producing years, gold grades exceeding 3kg per tonne² were produced from this goldfield.

The gold systems present are thought to be similar to the nearby Mt Boppy gold mine where 500,000 ounces at an average grade of 10g/t Au was produced from a deposit less than 300m in length.

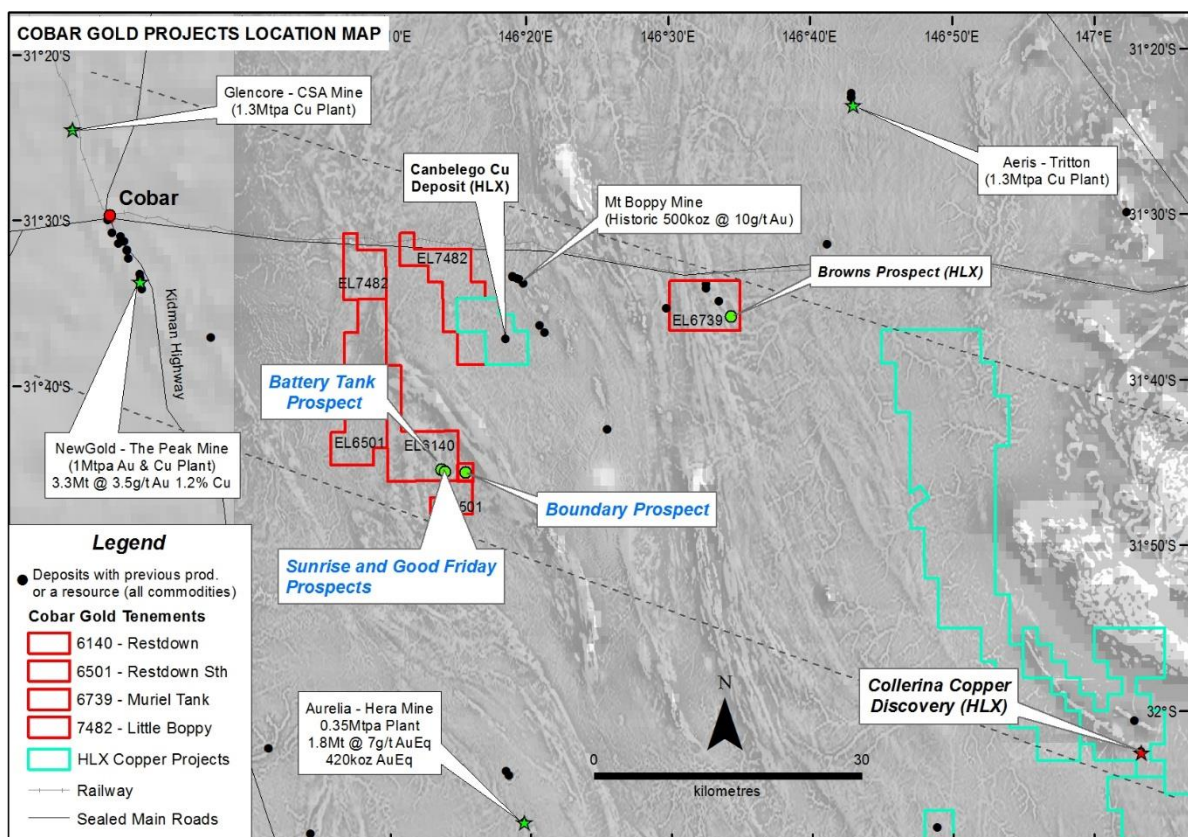


Figure 2: The Cobar Gold Project is located in a regionally productive mining district with several nearby long-life operations and significant new discoveries including Helix’s Collierina Copper Project.

- ENDS -

For further information:

Mick Wilson
Managing Director
mick.wilson@helix.net.au
Ph: +61 8 9321 2644

Competent Persons Statement

The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr M Wilson who is a full time employee of Helix Resources Limited and a Member of The Australasian Institute of Mining and Metallurgy. Mr M Wilson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 M Wilson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Details of the assumptions underlying any Resource estimations are contained in previous ASX releases or at www.helix.net.au

¹ For full details of exploration results refer to ASX announcement dated 17 November 2016. Helix Resources is not aware of any new information or data that materially effects the information in this announcement.

² Information regarding historic production from the Battery Tank Goldfield derived from NSW Mines department records including but not limited to historic mine records and the NSW mineral occurrences database.