

## HIGH-GRADE RESULTS AT NEW GOLD DISCOVERY

- **First-pass aircore drilling at the previously un-tested Battery Tank Gold Prospect, has returned spectacular initial results:**
    - **43m @ 2.3 g/t Au from surface to end of hole.**
    - **Including: 11m @ 5.1g/t Au to EOH, finishing in high-grade gold mineralisation.**
  - **This project is part of the Company's Cobar Gold Project in NSW and is completely open in all directions.**
  - **The Battery Tank Prospect is now the fourth prospect in the historic goldfield to return a wide, high-grade gold intercept and confirms potential for the area to host a significant gold deposit or deposits.**
  - **Diamond drilling in late 2016 at nearby prospects had returned excellent gold results including 45m @ 3.4g/t Au at the Boundary Prospect and 28m @ 3g/t Au to EOH at the Good Friday Prospect<sup>1</sup>.**
  - **The Company is planning follow-up drill programs to advance these exciting high-grade gold discoveries.**
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Helix Resources Limited (ASX:HLX) is pleased to announce that first-pass aircore drilling at the Battery Tank Prospect near Cobar in NSW has returned spectacular initial results.

***HRAC018 returned 43m @ 2.3g/t Au from surface to end of hole with the bottom of the intercept returning 11m @ 5.1 g/t Au from 32m finishing in high-grade gold mineralisation.***

The discovery hole at the Battery Tank Prospect was drilled to blade refusal, with significant quartz and siliceous alteration noted throughout the hole, increasing in abundance at the bottom of the hole.

The 20 hole aircore program was testing a large 500m x 500m gold-in-soil anomaly, that remains open in several directions. The Battery Tank Prospect is an area which is scattered with historic (early 1900's) pits and trenches.

Several other holes have returned highly encouraging thick zones of lower-order gold mineralisation in the wide-spaced aircore drilling to blade refusal (hard rock) , refer to Table 1 for significant results. It should be expected that additional gold mineralisation will be intersected at depth at many of these locations, given the strong relationship between the presence of hard quartz veins and high-grade gold.

Recent diamond drilling had 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 Prospect<sup>1</sup>. Importantly the diamond drilling at the Boundary Prospect had provided invaluable information about the the controls of high-grade gold and the distribution of quartz vein/silica alteration that appears consistent through the goldfield.

Four prospects Battery Tank, Boundary, Good Friday and Sunrise have now all returned wide high-grade gold results, suggesting a significant gold system is present in the goldfield. The Cobar region is a multi-million ounce gold producer, typically from high-grade deposits such as The Peak, New Cobar and the nearby Mt Boppy mine, which has produced circa 500,000 ounces of gold at an average grade of 10g/t Au from a 300m long deposit.

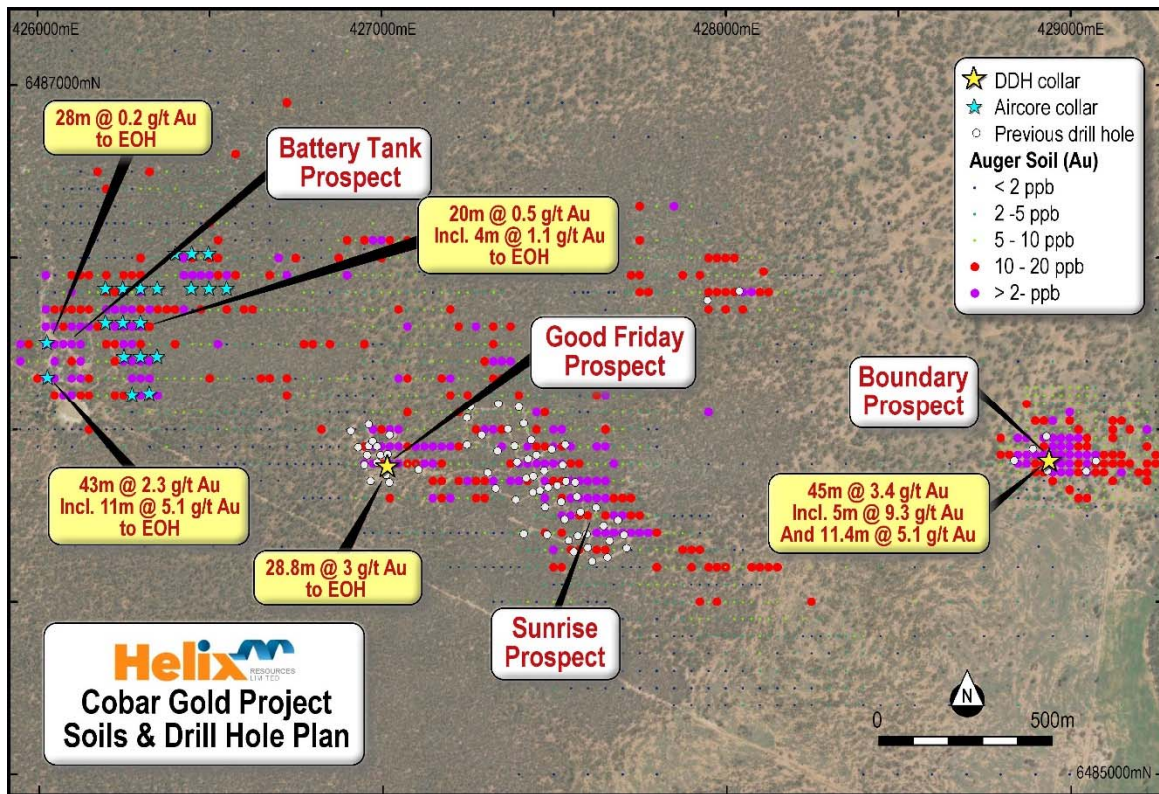


Figure 1: Location of advancing gold prospects in the historic goldfield at the Cobar Gold Project

Table 1: Significant Air Core and Slim-Line RC Gold Results – Cobar Gold Project

Hole ID	From	Intercept
HRAC002	24m	8m @ 0.3g/t Au
HRAC008	Surface	16m @ 0.2g/t Au
HRAC009	20m	20m @ 0.5g/t Au to EOH
Incl.	28m	<b>4m @ 1.1g/t Au to EOH</b>
HRAC010	16m	4m @0.5g/t Au
HRAC011	32m	4m @ 0.5g/t Au to EOH
HRAC018	Surface	<b>43m @ 2.3g/t Au to EOH</b>
Incl.	32m	<b>11m @ 5.1g/t Au to EOH</b>
HRAC019	Surface	28m @ 0.2g/t Au to EOH
HRRC101	Surface	36m @ 0.2g/t Au
And	52m	12m @ 0.3g/t Au
And	72m	<b>19m @ 1.0g/t Au to EOH</b>
Incl.	92m	<b>3m @ 3.2g/t Au to EOH</b>
HRRC102	16m	32m @ 0.3 g/t Au
HRRC103	Surface	48m @ 0.6g/t Au
Incl.	12m	<b>20m @ 1.2g/t Au</b>
And	88m	12m @ 0.2g/t Au to EOH

Intervals reported are based on a 0.1g/t Au Cut-off grade with a maximum of 4m of internal dilution. Aircore and Slim-line RC was sampled using the spear method, collected at 4m composite intervals where possible. Samples were dried, pulverised and assayed for gold using a lead collection fire assay method.

Also at the Boundary Prospect, a small three hole slim-line RC program was conducted to assist in defining the geometry of the gold mineralisation present.

Drilling has confirmed an approximate E-W strike and a sub-vertical dip to the gold mineralisation. Hole HRRC101 returned 20m @ 1g/t from 72m to EOH, including 4m @ 3.2g/t Au from 92m to EOH and Hole HRRC103 returning 48m @ 0.6g/t from surface including 20m @ 1.2g/t Au, refer to figure 2 and table 1. *Note: All sampling was 4m composite spear sampling, with more accurate riffle split 1m samples to be collected.*

The information from this small program will now allow for more comprehensive drill testing, with RC and diamond drilling targeting the full extent of gold mineralisation at Boundary. The Boundary Prospect remains an open, gold in soil anomaly with at least 300m of strike to be tested.

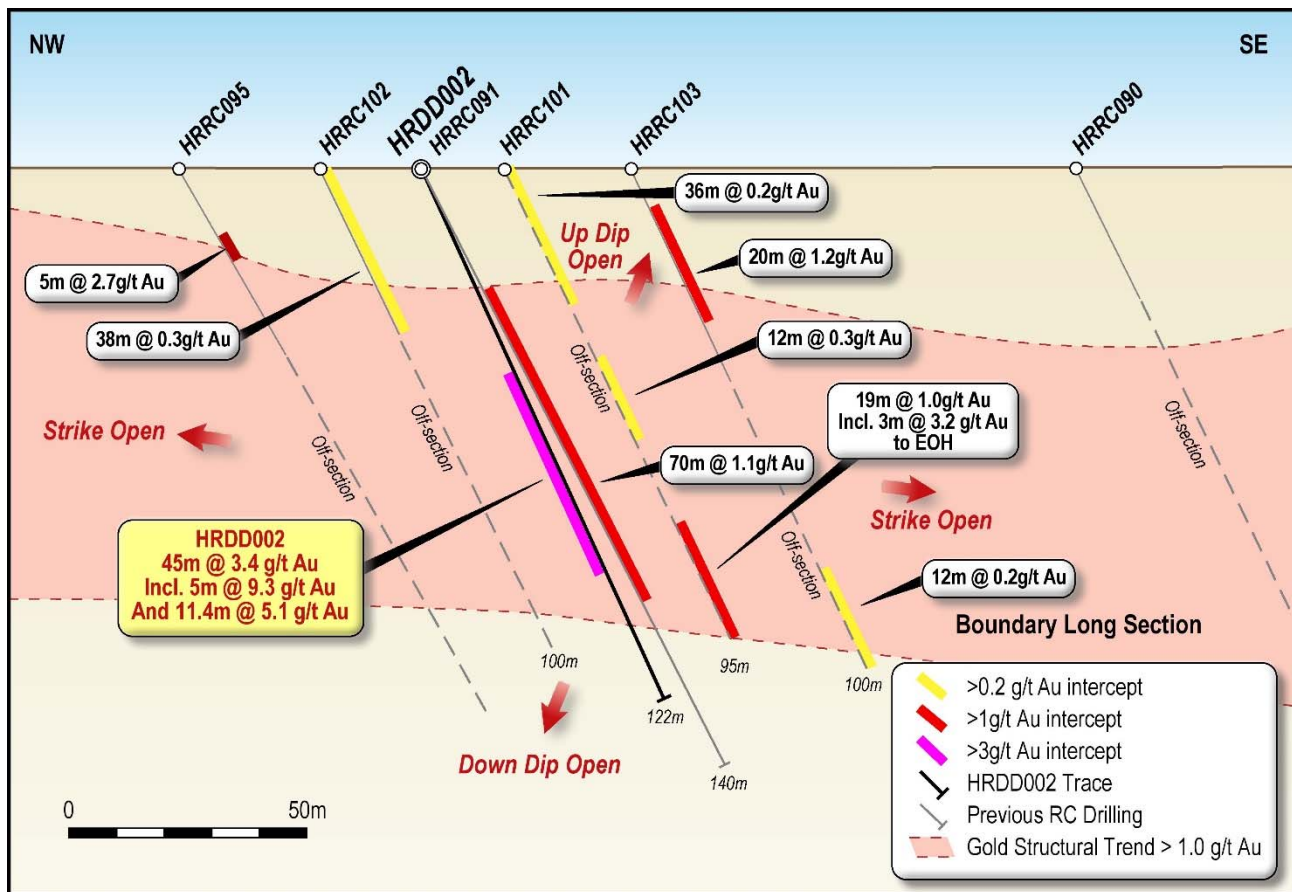


Figure 2: Long section of interpreted gold structure at the Boundary Prospect

Drilling programs are currently being designed and prepared for the Cobar Gold Project as part of a broader exploration program for the 2017 field season. These gold results are a welcome addition to the ongoing focus on both copper and gold in this highly prospective district.

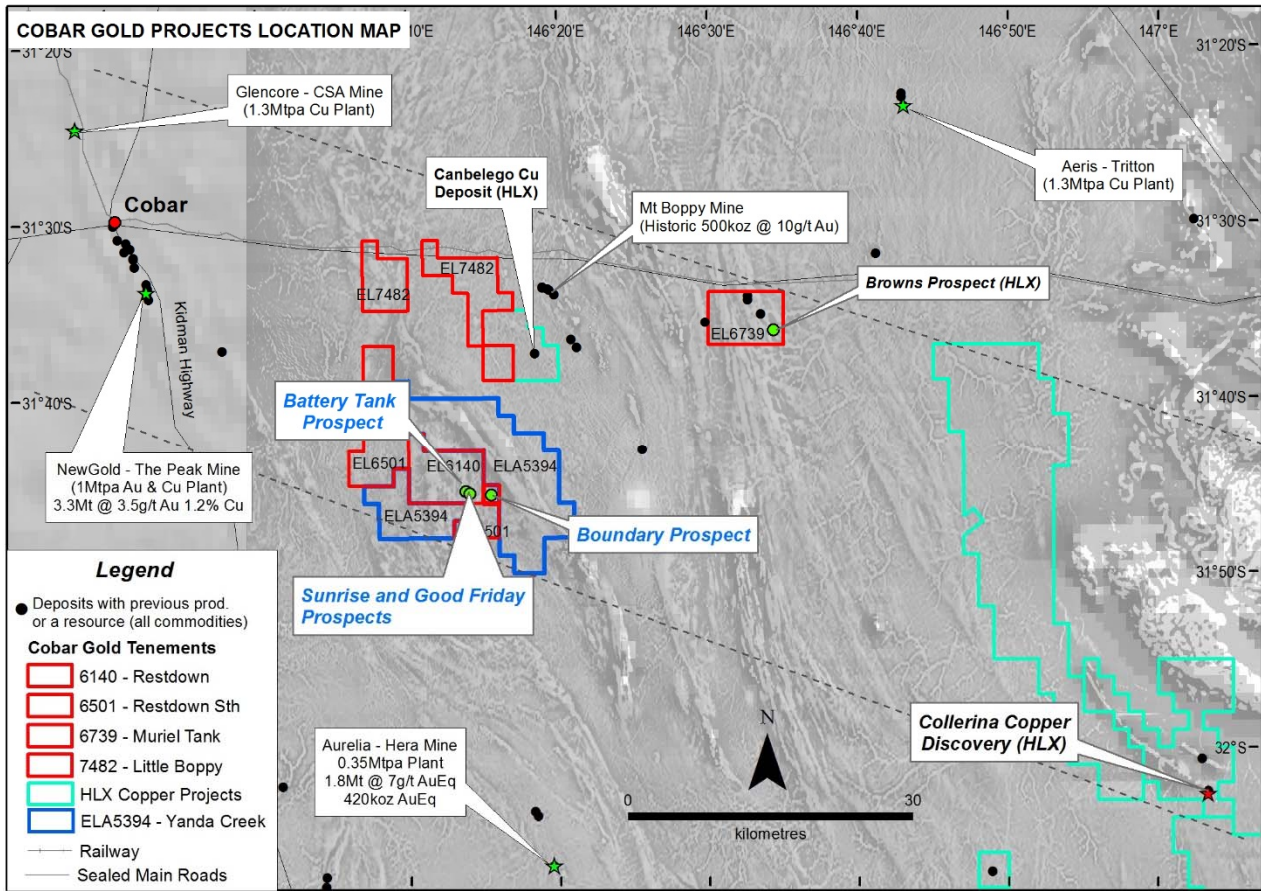


Figure 3: The Cobar Gold Project is located in a regionally productive mining district with several nearby long-life operations and significant new discoveries including Helix's Collerina Copper Project.

Table 2: Drill Collar Details – Cobar Gold Project

Project	Site_ID	Northing	Easting	Dip	Azi	TotalDepth	HoleType
EL6140	HRAC001	6486500	426450	-60	225	50	AC
EL6140	HRAC002	6486500	426500	-60	225	50	AC
EL6140	HRAC003	6486400	426550	-60	45	50	AC
EL6140	HRAC004	6486400	426500	-60	45	50	AC
EL6140	HRAC005	6486400	426450	-60	45	50	AC
EL6140	HRAC006	6486400	426250	-60	225	49	AC
EL6140	HRAC007	6486400	426150	-60	225	50	AC
EL6140	HRAC008	6486400	426200	-60	225	50	AC
EL6140	HRAC009	6486300	426250	-60	225	37	AC
EL6140	HRAC010	6486300	426300	-60	45	50	AC
EL6140	HRAC011	6486300	426250	-60	225	36	AC
EL6140	HRAC012	6486300	426200	-60	45	47	AC
EL6140	HRAC013	6486200	426250	-60	225	43	AC
EL6140	HRAC014	6486200	426300	-60	225	41	AC
EL6140	HRAC015	6486200	426350	-60	225	50	AC
EL6140	HRAC016	6486100	426325	-60	45	42	AC
EL6140	HRAC017	6486100	426275	-60	45	38	AC
EL6140	HRAC018	6486125	426050	-60	270	43	AC
EL6140	HRAC019	6486285	426020	-60	45	26	AC
EL6140	HRAC020	6486330	426180	-60	45	39	AC
EL8433	HRRC101	6485920	428955	-60	70	95	SLRC
EL8433	HRRC102	6485925	428910	-60	70	100	SLRC
EL8433	HRRC103	6485905	428970	-60	70	100	SLRC

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### **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](http://www.helix.net.au)

<sup>1</sup> 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.

<sup>2</sup> 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.

## JORC Code – Table 1

### Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>The Cobar Gold Project drilling used a commercial contractor for Aircore and Slim-line RC drilling. A total of 23 holes were drilled (refer Table 1 &amp; 2 in body of announcement). Holes were orientated to Grid NE (030°) or W (270°), and were drilled at dips of 60°.</li> <li>The drill hole locations were located by handheld GPS. No down hole surveys were undertaken.</li> <li>Aircoe and Slim Line RC drilling was used to obtain 1m samples over the entire hole lengths with 4m spear samples collected (~3kg). The 4m samples were, pulverized to produce a representative charge with gold assayed. Au has shown good repeatability with the routine fire-assay results for selected intervals.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>Aircore and Slim-Line RC Drilling was the method chosen for all holes drilled. The blade and face sampling hammer were approx. 4inches in diameter.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>Sample weight and recoveries are observed during the drilling and any sample under-sized or over-sized was noted the geological logs.</li> <li>Samples were checked by for volume, moisture content, possible contamination and recoveries. Any issues are discussed with the drilling contractor.</li> <li>Some sample sizes were small, however this was generally minimal.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Logging</b>	<ul style="list-style-type: none"> <li>• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>• The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>• All chips were collected as representation of the metres drilled with the chip trays retained at the Companies storage facility..</li> <li>• Logging of chips is underway with recorded lithology, alteration, degree of oxidation, fabric and colour being collected.</li> <li>• All holes were/are to be logged in full.</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>• If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>• Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>• Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>• The preparation samples follows industry practice. This involves oven drying, pulverization of total sample using LM5 mills until 85% passes 75 micron.</li> <li>• Field QA_QC involved the laboratories standard QA_QC procedures. A selection of umpire sampling of the core pulps at a separate lab will be undertaken to confirm the results received</li> <li>• The sample sizes are considered appropriate to the grain size of the material being sampled. Repeatability of assays was good.</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>• For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>• Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>• All assays were conducted at accredited assay laboratory. The analytical technique used for Gold via the fire assay method and scree fire assay method (-75µm).</li> <li>• Laboratory QA/QC samples involving the use of blanks, duplicates, standards (certified reference materials), replicates as part of in-house procedures.</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>• The verification of significant intersections by either independent or alternative company personnel.</li> <li>• The use of twinned holes.</li> </ul>	<ul style="list-style-type: none"> <li>• Results have been verified by Company management.</li> <li>• Geological data was/is being collected using handwritten log sheets which detailed geology (weathering, structure, alteration, mineralisation), sampling quality and intervals, sample numbers, QA/QC and survey data. This data, together with the assay data</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	received from the laboratory and subsequent survey data were entered into a secure Access databases and verified.
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>The drill collar positions were picked-up using GPS.</li> <li>Grid system is GDA94 Zone 55.</li> <li>Surface RL data collected using GPS. Topography around the drilled area is a slight slope grading from Grid North-East to drainage west of the main drilled area. Variation in topography is less than 5m across the drilled area.</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Drill holes at the Cobar Gold Project were targeting a new prospect and structural controls in gold targets.</li> <li>This was the first Aircore/Slim Line drilling program conducted by Helix for the Prospect and Project and therefore the amount of drilling remains insufficient to establish a JORC compliant resource.</li> <li>Sampling involved 4m interval or applicable samples cut at the laboratory for assay.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>No orientation based sampling bias has been identified in the data to date.</li> <li>High grade gold was intersected in several of the holes drilled.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>Chain of Custody is managed by the Company. The samples were freighted directly to the laboratory with appropriate documentation listing sample numbers intervals to cut and analytical methods requested.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>No additional QA/QC has been conducted for the drilling to date.</li> </ul>



## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>The Cobar Gold Project is located on both EL6140 a JV between Helix 70% and manager and 30% Glencore (diluting). The tenement is in good standing, with a renewal submitted in October 2016. There are no known impediments to operating in this area and EL8432 100% owned by Helix granted in May 2016.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Previous modern exploration on the Cobar Gold Project was limited set-depth 20m open hammer holes drilled by CRA in the 1970's with follow-up work by Glencore in the mid 2000's. Historic shafts and pits are present throughout the area, which date back to small scale mining activities in the early 1900's.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The prospect is considered to be sediment hosted epithermal style gold.</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>Refer to table 1 in the body of the text</li> <li>No material information was excluded from the results listed</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>Intervals reported are based on a 0.1g/t Au Cut-off grade with a maximum of 4m of internal dilution</li> <li>No weighting has been used</li> <li>No metal equivalent results were reported.</li> </ul>

Criteria	JORC Code explanation	Commentary
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></li> </ul>	<ul style="list-style-type: none"> <li>• The program was designed to test a new geochemical anomaly and intersect structural controls of high grade gold mineralisation.</li> <li>• Results are reported as down hole lengths</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>• <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Refer figures 1.2 &amp; 3 in the main body</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>• <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Refer to Table 1</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>• <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Previously reported activities Refer to ASX announcements on <a href="http://www.helix.net.au">www.helix.net.au</a> for details</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Based on these highly encouraging results, additional drilling is considered imperative to further assess the potential at various Prospects on the Cobar Gold Project.</li> </ul>