



## Regional Review Confirms Cobalt-Nickel Prospectivity on NSW Assets

### Highlights

- ❑ Regional review of Helix's Central NSW tenements has identified several cobalt-nickel targets within an 85km prospective trend.
- ❑ Historic shallow laterite drilling shows high-grade cobalt up to 0.46% and nickel up to 1.1% in 1m samples within priority target areas.
- ❑ Geophysics defines a 15km priority cobalt-nickel trend on Helix's Collierina Project tenement and additional trends on regional tenements<sup>1</sup>.
- ❑ Key targets are along trend and nearby to Collierina Cobalt Limited's (ASX:CLL) Homeville deposit
- ❑ CLL have a first right to enter a JV on new laterite discoveries (51% HLX: 49% CLL) on EL6336<sup>1</sup>.
- ❑ Field mapping and drill target generation are underway and in addition to the Company's ongoing exploration program at the Collierina Copper deposit.
- ❑ VTEM geophysics is also planned for early 2018 in order to identify other potential target areas on a priority portion of Helix's wholly owned regional tenements.

Helix Resources Limited (ASX:HLX) is pleased to announce that an initial review of regional prospectivity has identified several **lateritic cobalt-nickel** targets within the 85km base metal trend on the Company's tenements in Central NSW.

Helix's tenements are along the same regional trend (and host similar aged ultramafic intrusions and sills) to the hosts of CleanTeq's (ASX:CLQ) Sunrise, Australian Mines' (ASX:AUZ) Flemington and Collierina Cobalt's (ASX:CLL) Homeville lateritic cobalt-nickel deposits (refer Figure 1).

A recent regional review, including an assessment of historical drilling and evaluation of geophysics, has identified several target areas that are being assessed and prioritised. Historic results from shallow RC drilling undertaken in 1999/2000 include: **40m @ 0.06% Co, 1.0% Ni, including 6m @ 0.13%Co, 1.0% Ni from surface in TORC038 and 7m @ 0.15% Co, 0.7% Ni from 27m including 1m @ 0.46% Co, 1.1% Ni from 30m in TORC064** (refer Table 1). These drill intercepts remain open in several directions (refer Figure 2).

Initially, an approximate 15km strike of ultramafic bearing trend is a priority zone within the Collierina Project tenement (EL6336)<sup>1</sup>. The targets within that zone are located nearby or along strike from CLL's areas of laterite cobalt-nickel interests, which include the Homeville Ni-Co deposit. Additional prospective ultramafic trends have been interpreted from geophysics on Helix's regional tenements and can be traced over the 85km of trend that these tenements cover.

Regional field mapping and preparations for further airborne geophysical surveys on the regional tenements are currently underway to drive prioritisation of targets.

Helix Managing Director, Mick Wilson, said: *"Helix's core focus remains on advancing our copper and gold assets in Central NSW. The recent increase in market value for lateritic cobalt-nickel interests, particularly within the Central NSW district, creates further opportunity given the broad endowment of our regional tenement base. Careful ground selection and commitment to exploration in this region has provided us with a genuine opportunity to participate in this cobalt-nickel opportunity from within our existing asset base and at a low additional cost to our other ongoing copper and gold exploration programs"*.

<sup>1</sup> Helix holds specific exploration rights on EL6336 outside of Collierina Cobalt's defined areas of nickel laterite interests. For details refer to the later section of this announcement titled "About the Collierina Project Agreement".

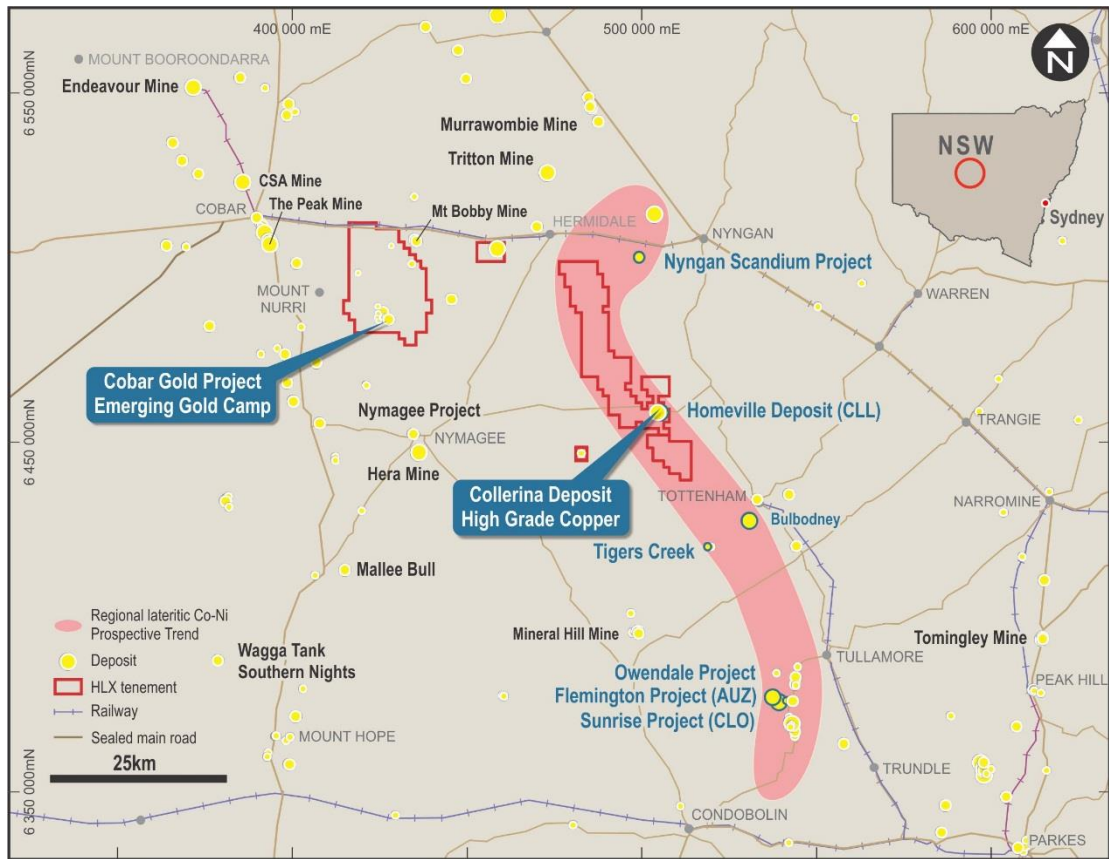


Figure 1: Location map showing Helix's Central NSW projects in relation to operating mines and lateritic Co-Ni projects.

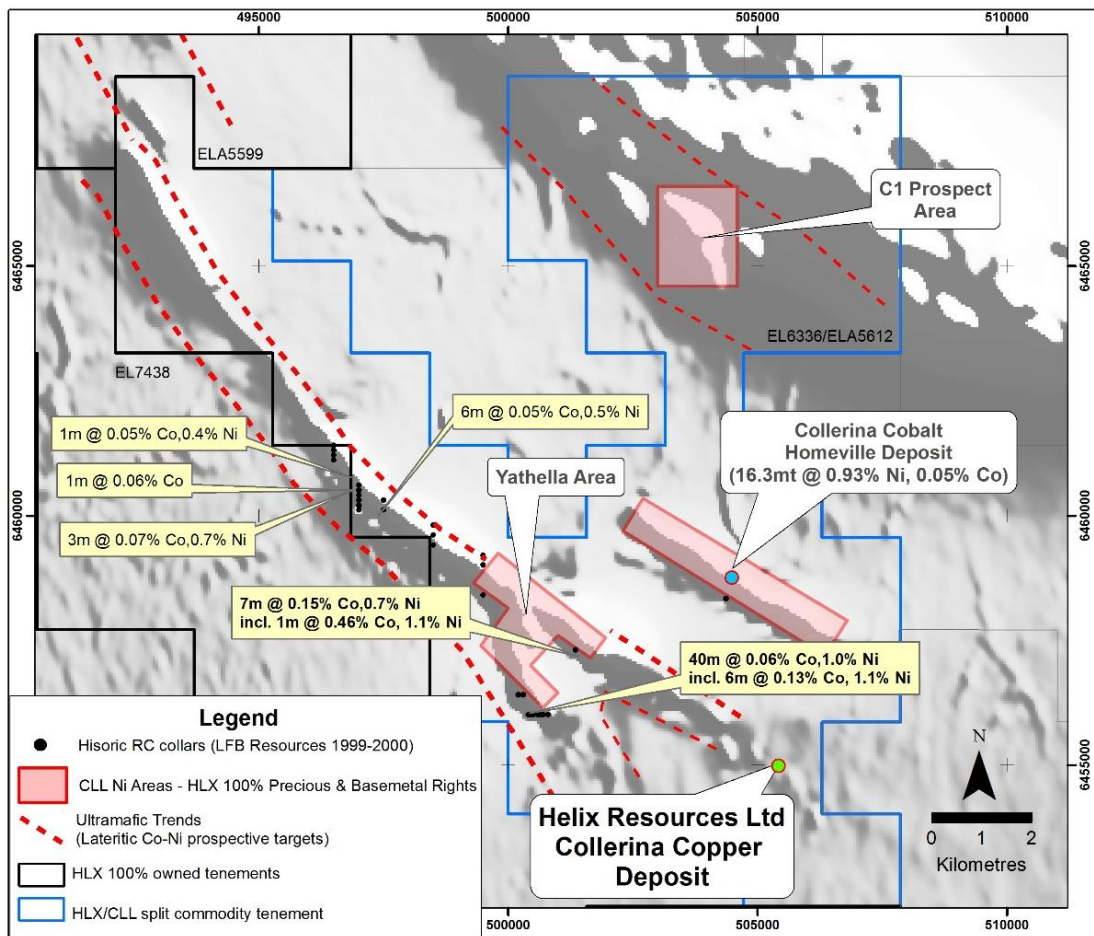


Figure 2: Collierina Project tenement lateritic cobalt-nickel targets along strike of CLL's areas of interest.



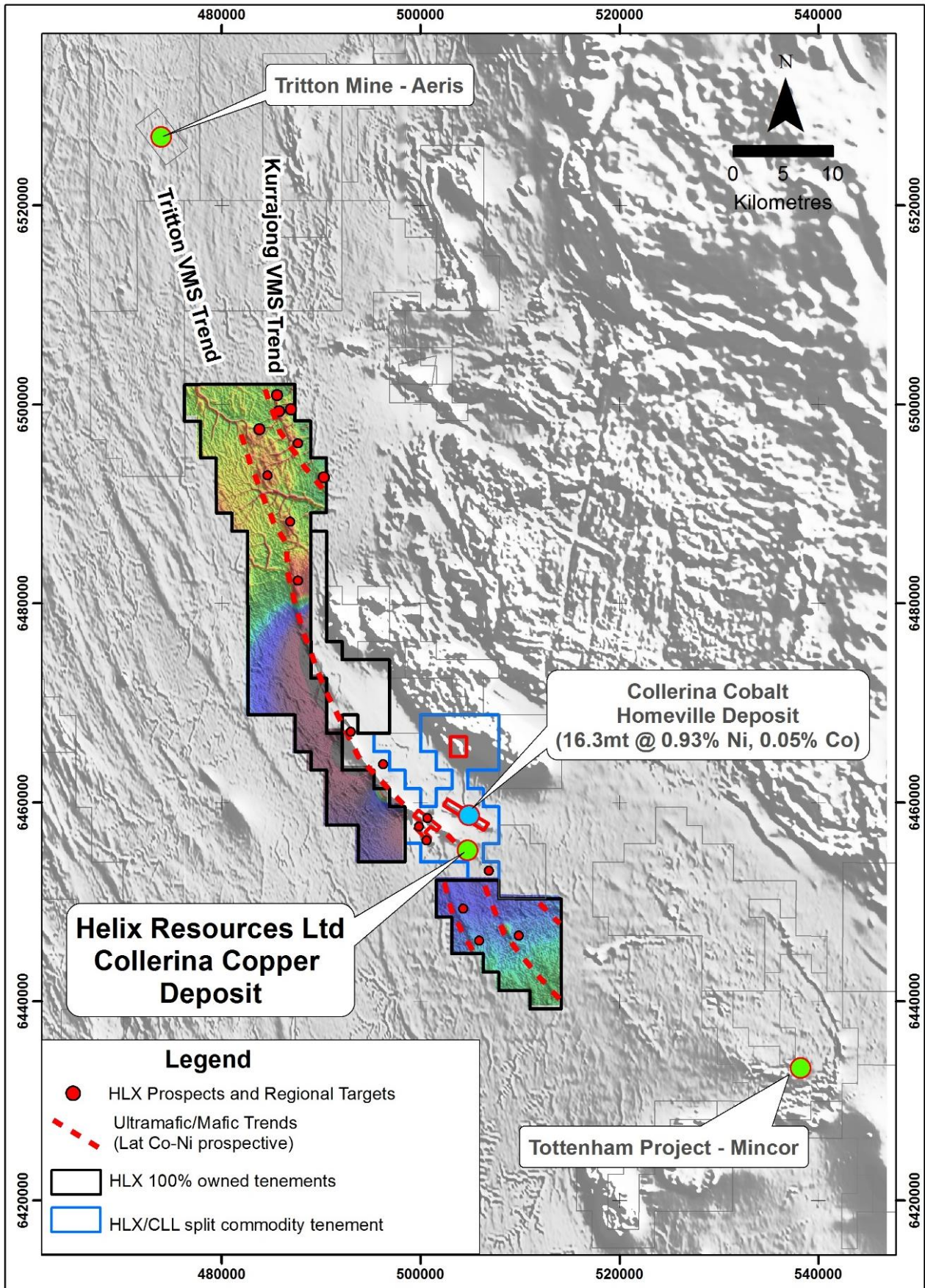


Figure 3: Prospective trends on magnetics within 85 km strike within Helix's regional tenement portfolio.

Table 1: Historic drilling results on the priority target trend within the Collierina Project tenement EL6336

Hole ID	Easting	Northing	Result	Drilled By:
TORC0018	497000	6460500	1m @ 0.05% Co, 0.4% Ni from 8m	LFB/Anaconda Ni 1999
TORC0019	497000	6460600	1m @ 0.06% Co from 24m	LFB/Anaconda Ni 1999
TORC0020	497000	6460400	3m @ 0.07% Co, 0.7%Ni from 8m	LFB/Anaconda Ni 1999
TORC038	500450	6456000	<b>40m @ 0.06% Co, 1.0% Ni from surface</b>	LFB/Anaconda Ni 2000
TORC062	497500	6460100	6m @ 0.05%Co, 0.5% Ni from 18m	LFB/Anaconda Ni 2000
TORC064	501350	6457300	<b>7m @ 0.15% Co, 0.7% Ni from 27m, incl. 1m @ 0.46% Co, 1.1%Ni from 30m</b>	LFB/Anaconda Ni 2000

*Results are derived from publicly available reports and data collected by LFB Resources NL/Anaconda Nickel in drilling activities undertaken between 1999-2001 on the Collierina Project area (ref: R00019975 [GS2002/495]).*

*Intercepts reported above are based on either a 0.05% Co cut-off or a 0.7% Ni cut-off with a maximum of 1m of internal dilution.*

### About the Collierina Project Agreement

Helix holds exploration rights over the Collierina Project tenement (EL6336) under a split commodity agreement with Collierina Cobalt Limited (ASX:CLL), formerly Augur Resources Ltd.

These include Helix's exclusive right to explore the entirety of EL6336 (or any replacement tenements) for:

- (i) precious and sulphide-hosted base metals; and
- (ii) laterite-hosted cobalt-nickel deposits outside of CLL's designated areas of interest (refer Figure 2).

Other key terms of the agreement regarding lateritic cobalt-nickel exploration on EL6336 include:

- Helix must notify CLL of any lateritic cobalt-nickel discoveries made on EL6336 outside of CLL's designated areas of interest within 30 days of making such a discovery.
- CLL then has 30 days from the time of such notification to elect either:
  - a) To take up a 49% equity interest in the new discovery, with new discoveries to be advanced in partnership under such a Joint Venture structure (51% Helix and 49% CLL); **OR**
  - b) Not to participate in the new discovery, whereby Helix retains a 100% interest in that discovery and can progress it on that sole basis.

Summary: The Collierina Project tenement (EL6336) is the most advanced tenement in which Helix holds an interest for laterite-hosted cobalt-nickel. However, Helix also holds 100% ownership interest for all minerals in the tenements located along strike, north and south, from the Collierina Project tenement (EL6336). These tenements are also potentially prospective for laterite-hosted cobalt-nickel mineralisation and have only been subject to limited historic exploration to date. Geophysics and drilling is planned as part of regional exploration.

**- ENDS -**

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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)

For full details of exploration results refer to previous ASX announcements on Helix's website. Helix Resources is not aware of any new information or data that materially effects the information in this announcement

# JORC Code – Table 1

## Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li>• <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The historic drilling reported in this announcement was completed by LFB Resources between 1999 and 2001. Information pertaining the program can be found in the publicly available final report on the NSW mines department website, Document reference <i>ref: R00019975 [GS2002/495]</i>.</li> <li>• RC Drilling was used to obtain 1m split samples from selected intervals. Holes were drilled vertically to variable depths</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>• <i>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).</i></li> </ul>	<ul style="list-style-type: none"> <li>• RC was the method chosen for the holes drilled and were drilled with a 140mm face sampling hammer.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The historic drilling reported in this announcement was completed by LFB Resources between 1999 and 2001. Information pertaining the program can be found in the publicly available final report on the NSW mines department website, Document reference <i>ref: R00019975 [GS2002/495]</i>.</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Logging of Drilling recorded lithology, alteration, degree of oxidation, fabric and colour.</li> <li>• All holes appear to have been logged in full.</li> </ul>



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <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>	
<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 of RC samples appears to have followed industry practice.</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 base metals is a mixed acid digest with a MS collection. Precious metals assayed via the fire assay method.</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> <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>	<ul style="list-style-type: none"> <li>• Results have been reviewed by Company management and appear to be consistent with field observations undertaken by Helix geological staff.</li> </ul>
<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 are stated to have been picked-up using GPS.</li> <li>• Grid system is AMG84 Zone 55, which has been converted to MGA94 using the appropriate conversion algorithm..</li> <li>• Topography around the drilled areas are on flats or slight slopes</li> </ul>

Criteria	JORC Code explanation	Commentary
		generally grading from Grid North-East to south. Variation in topography is less than 5m across the drilled areas.
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>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.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Drill holes were targeting various lateritic targets.</li> <li>• This was a scout program and insufficient density or extent at the time to define a JORC compliant resource</li> <li>• Sampling as described involved 1m interval samples. Some sampling in areas of low-priority were subject to 4m composite sampling assay.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Vertical RC drilling had been previously completed along strike within CLL's Yathella area of interest.</li> <li>• No orientation based review has been completed</li> <li>• Laterite development over ultramafic sills and intrusions is the priority target and appear to be structurally controlled on NW trends.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Information pertaining the program can be found in the publicly available final report on the NSW mines department website, Document reference <i>ref: R00019975 [GS2002/495]</i>.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No additional QA/QC has been conducted.</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 Collierina Project is on EL6336, where Helix has secured the precious and base metal rights and certain nickel laterite exploration rights (refer main body of text) under a split commodity agreement with the owners Collierina Cobalt Limited. The tenement is in good standing, with a renewal due in October 2018. There are no known impediments to operating on the project.</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 nickel laterites have been focused on CLL's areas of interest at Homeville, C1 and Yathella , refer figure 2.</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 target is considered to be laterite accretion over ultramafic sills and intrusions.</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>Results were reported from 1m intervals on a 0.05% C0 cut-off or 0.7% Ni cut-off, with 1m of internal dilution.</li> <li>No weighting has been used</li> <li>No metal equivalent results were reported.</li> </ul>
<b>Relationship between mineralisation widths and</b>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> </ul>	<ul style="list-style-type: none"> <li>The program was designed to scout Co-Ni laterite prospectivity</li> <li>From Helix's understanding of the mineralisation style, drilling is designed to intersect target mineralisation in horizontal horizons over basement..</li> </ul>



Criteria	JORC Code explanation	Commentary
<b>Intercept lengths</b>	<ul style="list-style-type: none"> <li>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').</li> </ul>	
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Refer to figure 1,2 and 3</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Refer to Table 1 for significant results, other results are available in in the publicly available final report on the NSW mines department website, Document reference <i>ref: R00019975 [GS2002/495]</i>.</li> <li></li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Previously reported activities on EL6336 Refer to ASX announcements on <a href="http://www.helix.net.au">www.helix.net.au</a> for details or for Information pertaining the program of reported historic results can be found in the publicly available final report on the NSW mines department website, Document reference <i>ref: R00019975 [GS2002/495]</i>.</li> <li></li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Airborne VTEM geophysics and scout drilling is planned to further assess the potential of Helix's lateritic cobalt-nickel targets.</li> </ul>