



One Stage Frack of Quinn Creek 141

Highlights

- **Oil to Surface from Austin Chalk age equivalent formation from all 6 tested intervals**
- **Positive results from testing have led to the decision to proceed with a one stage frack of the Austin Chalk age equivalent formation**
- **Frack design has commenced**
- **Frack will commence in the next 30 days**

Helios Energy Ltd (ASX Code: HE8 and HE8OA) (**Helios** or **Company**) has decided to undertake a one stage (approximately 200 feet) vertical frack of the Austin Chalk age equivalent section in the Quinn Creek 141 well at a depth of between 4,744 and 4,944 feet following the recovery of oil and gas from 6 intervals tested over the past 14 days.

On 2 May 2018 Helios announced that oil and gas had been recovered from the Austin Chalk age equivalent section in the first behind pipe test in the Quinn Creek 141 well. A naturally fractured zone of 10 feet was perforated between 4,968 and 4,978 feet at 1 shot per foot and then acidized with 1,200 gallons of acid. The well initially flowed back 17 barrels of load water. Oil and gas were then recovered during the subsequent swabbing with the oil cut reaching 20%-30% of the swabbed fluids.

In the past 14 days Helios has moved up hole and tested a further 6 intervals in the Austin Chalk age equivalent section between 4,744 and 4,944 feet. Testing of all 6 intervals resulted in fluids flowing to surface. Swabbing during testing resulted in the recovery of oil and gas from all 6 intervals.

No evidence of high rates of fresh water have been encountered in the testing of these 6 intervals in the Austin Chalk age equivalent section between 4,744 and 4,944 feet. The uppermost testing resulted in the highest production rates with sustained flows of gas without water production.

ASX Code: HE8

Directors

Hui Ye
Non-Executive Chairman

Richard He
Managing Director

Robert Bearden
Non-Executive Director

Nicholas Ong
Non-Executive Director

Gary Steinepreis
Non-Executive Director and
Company Secretary

Contact Details

Australian Office

Level 3, 18 Richardson Street
West Perth WA 6005 Australia

PO Box 1485 West Perth
WA Australia 6872

Tel +61 1300 291 195
Fax +61 8 6298 6191

USA Office

2 Riverway, 17th Floor
Suite 1710, Houston
Texas USA 77056

Tel +1 713 333 3613
Fax +1 713 583 0965

www.heliosenergy.com



These positive results from the testing over the past 14 days has resulted in the Company deciding to proceed with a one stage (approximately 200 feet) vertical frack of the Austin Chalk age equivalent section in the Quinn Creek 141 well at a depth of between 4,744 and 4,944 feet. The frack design is now being formulated and the frack is expected to commence within the next 30 days.

For further information, please contact:

Richard He
Managing Director

Competent Person's Statement

This information in this ASX announcement is based on information compiled or reviewed by Stephen Hermeston. Mr. Hermeston is a qualified petroleum geologist with over 35 years of experience in North America, South America, Africa, Middle East, Far East, Europe and other international areas involving technical, operational and executive aspects of petroleum exploration and production, in both onshore and offshore environments. He has extensive experience in petroleum exploration, appraisal and reserve and resource estimation and well as in identifying and evaluating new oil and gas ventures. Mr. Hermeston has a Bachelors degree in Geology and is a member of the American Association of Petroleum Geologists.