

## Quarterly Report ending June 2020

### 31 July 2020

Helix Resources Limited (ASX:HLX) (**Helix** or the **Company**) is pleased to provide this Quarterly Update

## HIGHLIGHTS

### Cobar Gold Project

- During the COVID19 lockdown a comprehensive review was completed of the Cobar Gold Project assessing exploration potential for large-scale gold systems with strong similarities to the nearby Peak Trend gold field (+4Moz.)
- The revised geological model has identified several new, high priority targets using remote sensing data, available geochemistry and our structural interpretation of the goldfield.
- After travel restrictions were initially eased, first-pass field assessment of all historic workings and priority structural positions commenced, with rock-chip samples collected.
- Several new targets were located in the northern portion of the historic goldfield, a 50km<sup>2</sup> area, where access has only recently been granted for the first time since grant.
- Understood to be the first field reconnaissance by any company in over 16 years, with previous work limited to sporadic surface sampling.
- Initial rock-chip samples have returned promising gold results (up to 4.13g/t Au<sup>1</sup>), with mapping and surface sampling ongoing.
- Approvals for an RC drill program have been received, testing of priority targets is expected to commence imminently<sup>1</sup>.

### Collerina Copper Project

- New 3D implicit modelling, including 1Q2020 drill results, has confirmed the scale potential of the new target zones at Collerina.
- Consulting engineers were engaged to assess conceptual pit designs for the Collerina Deposit.
- The modelling and conceptual pit shells will assist in prioritising 2H2020 drill locations to further test the new target zones and DHEM positions identified earlier this year.

### Corporate

- The Company completed a placement for approx. \$300,000 (before costs) at \$0.007 per share.
- Launched a non-renounceable entitlement offer of 1 New Share for every 2 shares held at the record date, at an issue price of \$0.007 per share, with a shortfall facility.
- \$1.85m was raised after the end of the Quarter, with the offer shortfall heavily over-subscribed.
- The Company now has sufficient funds to complete its 2020 exploration and corporate objectives.

### Website

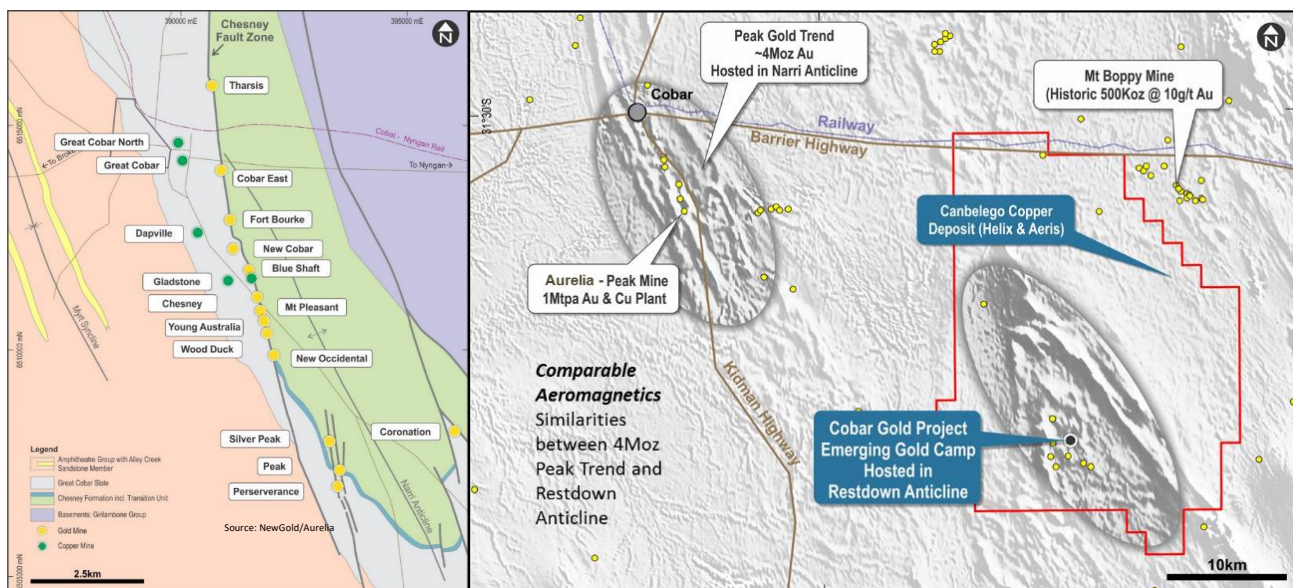
- Helix has recently secured ownership of the domain address [www.helixresources.com.au](http://www.helixresources.com.au) to replace our current domain address.
- An update of the website and transition of corporate email addresses is expected to be completed by the end of 3Q2020, with [www.helix.net.au](http://www.helix.net.au) to be decommissioned once finalised.

## Cobar Gold Project

### Geology Review

During the COVID19 lock-down, a comprehensive technical review was undertaken. Using high resolution satellite data (photo imagery and spectral data), our structural interpretation, overlaid with both Company and historic geology, geophysics and geochemical databases. A large gold system model was developed and a series of specific target areas were identified and prioritised.

The exploration model shows common geological features to Aurelia's nearby Peak Gold Trend (+4Moz gold endowment). There, short strike, near vertical deposits of gold and base metal mineralisation to depth over 1 kilometre, are also hosted in an anticline. The gold mines are typically located on or adjacent to large regional structures (see Figure 1).



*Figure 1: Local Peak Trend geology and mines – Left, regional geophysics showing similarity in magnetic responses of the two host anticlines Narri (Peak Trend: AMI) and Restdown (Cobar Gold Project: HLX)- Right*

A recent positive development for Helix at the Cobar Gold Project has been gaining access to the northern portion of the goldfield, which encompasses the fold closure of the Restdown Anticline (see Figure 2). This part of the project had not been accessible since Helix's involvement in the region. It is believed that no company has had access to the area since at least the early 2000's, with only minor surface sampling evident from public domain data, mostly collected in the 1980's. The limited and broad spaced surface sampling indicates pathfinder minerals (arsenic and antimony) are both present and elevated in the fold nose area.

The fold nose target zone covers approximately 50km<sup>2</sup>. For this first-pass assessment, Rock-chip samples have been collected from sub-crop near structural and geological targets.

With COVID19 travel restrictions easing, exploration activities commenced in late April. Approximately 50 priority points of interest were identified across the goldfield during the review. Each of these are expected to be visited and assessed for gold prospectivity.

Ongoing mapping and sampling across the goldfield commenced during the quarter, to identify the important geological pathfinders in the field for targeting gold mineralisation. Mapping and collection of rock chip samples identified a strong N-S corridor of gold mineralisation linking prospects to the south (Lone Hand and Girl in Blue) heading north through Reward, the Link and Republic, to emerging prospective areas in the north of the goldfield (see Figure 2).

New rockchip results from the eastern flank of the Reward area (incl. up to 4.13g/t Au, 2.16g/t Au and 2.08g/t Au<sup>1</sup>) are highly encouraging, and a priority for drill testing along this local trend.

These samples coincide with a cluster of strong surface gold results over a broader 1.3km trend, continuing to the NW, where the Link Prospect has returned further significant surface gold rock chip samples (incl. up to 2.49g/t Au, 2.13g/t Au and 1.14g/t Au<sup>1</sup>).

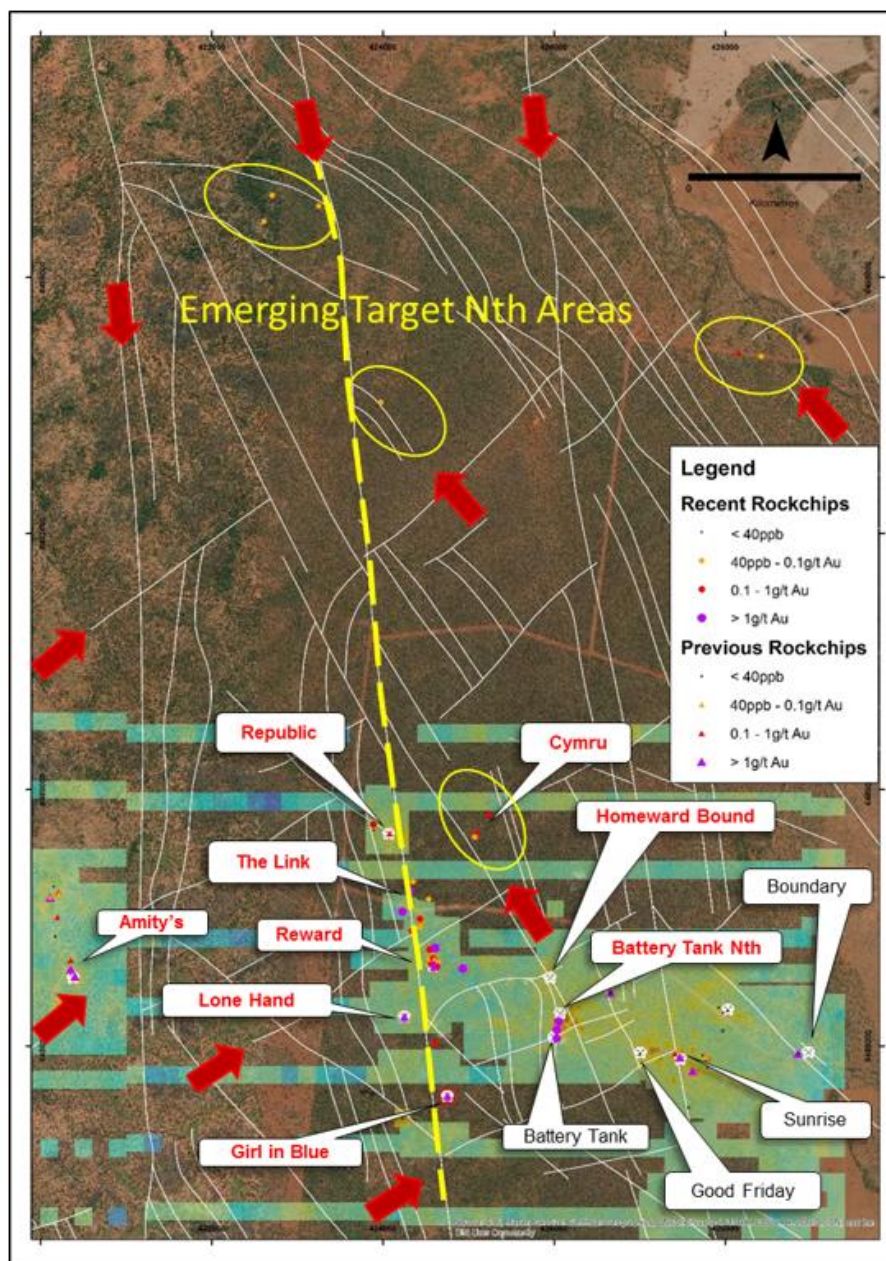


Figure 2: Broader goldfield image showing current rock chips (circles) previous rock chips (triangles), structural framework (white lines), northern goldfield target areas (yellow ovals), presence of an increasingly important NNW mineralising regional structure (yellow hashed line) and regional structural directions NNW, NW and NE (red arrows).

In previous broader regional surface sampling, gold results away from mineralised zones were typically very low or absent. Therefore, any sample results returning over 20ppb Au, particularly when coincident with pathfinder elements including arsenic, antimony, copper lead and zinc, warrant follow-up.

Samples collected are currently in the laboratory being assayed for pathfinder elements. Preliminary pXRF readings indicate pathfinder elements will be important in vectoring toward gold mineralisation, both in regional sampling and the upcoming drilling.



## Project Background

The Cobar Gold Project comprises a landholding of ~600km<sup>2</sup> within 50km of the mining hub of Cobar in Central NSW. The project encompasses the entire historic Battery Tank gold field within a prospective geological setting, and hosts regionally significant structures. The geological and structural setting is analogous to the nearby multiple-mine Peak Trend (over 4 million ounce gold endowment) refer Figure 4.

## Key Features of Project

- Potential for the delineation of substantial gold deposits as evidenced from previous drilling which has returned intersections including –
  - **20m @ 25.5g/t Au and 39m @ 2.4g/t Au<sup>1</sup>** – Good Friday,
  - **45m at 3.4g/t Au**, and **70m at 1.1g/t Au<sup>1</sup>** - Boundary Prospect,
  - **28m @ 2.3 g/t Au<sup>1</sup>**: Sunrise Prospect and
  - **43m at 2.3g/t Au<sup>1</sup>** at Battery Tank.
  
- An Inferred 100,000oz gold JORC2012 oxide gold resource (refer to table A &B) – derived from these four prospects, with opportunity to significantly expand with further drilling.
  
- Resource grade intersections from near surface in first-pass drilling, and high-grade rockchips at new prospects requiring immediate follow-up drilling.
  - **20m at 1.1g/t Au<sup>1</sup>** at Reward Prospect,
  - **17.7g/t Au<sup>1</sup>** rockchip from historically mined lode at Lone Hand Prospect and
  - **2.2g/t Au<sup>1</sup>** from grab sample of spoil at the Girl in Blue Prospect.
  
- Several other historic prospects exist with shafts, pits and dry blowing activity evident, including Homeward Bound and Republic Prospects.

Recent mapping along strike of the Reward Prospect has identified numerous zones of sub-cropping “chevron” folds, an important structural pathfinder also seen nearby to high-grade mineralisation at the Mt Boppy gold deposit.



Figure 3: Left: Chevron folded sediments collected east of a series of substantial historic shafts at the Reward Prospect during recent mapping. Right: Chevron folds in sediments from a cross-cut on No. 3 Level in the Mt Boppy Mine (Source: NSW Mineral Resources Publication No.18 – 1913).

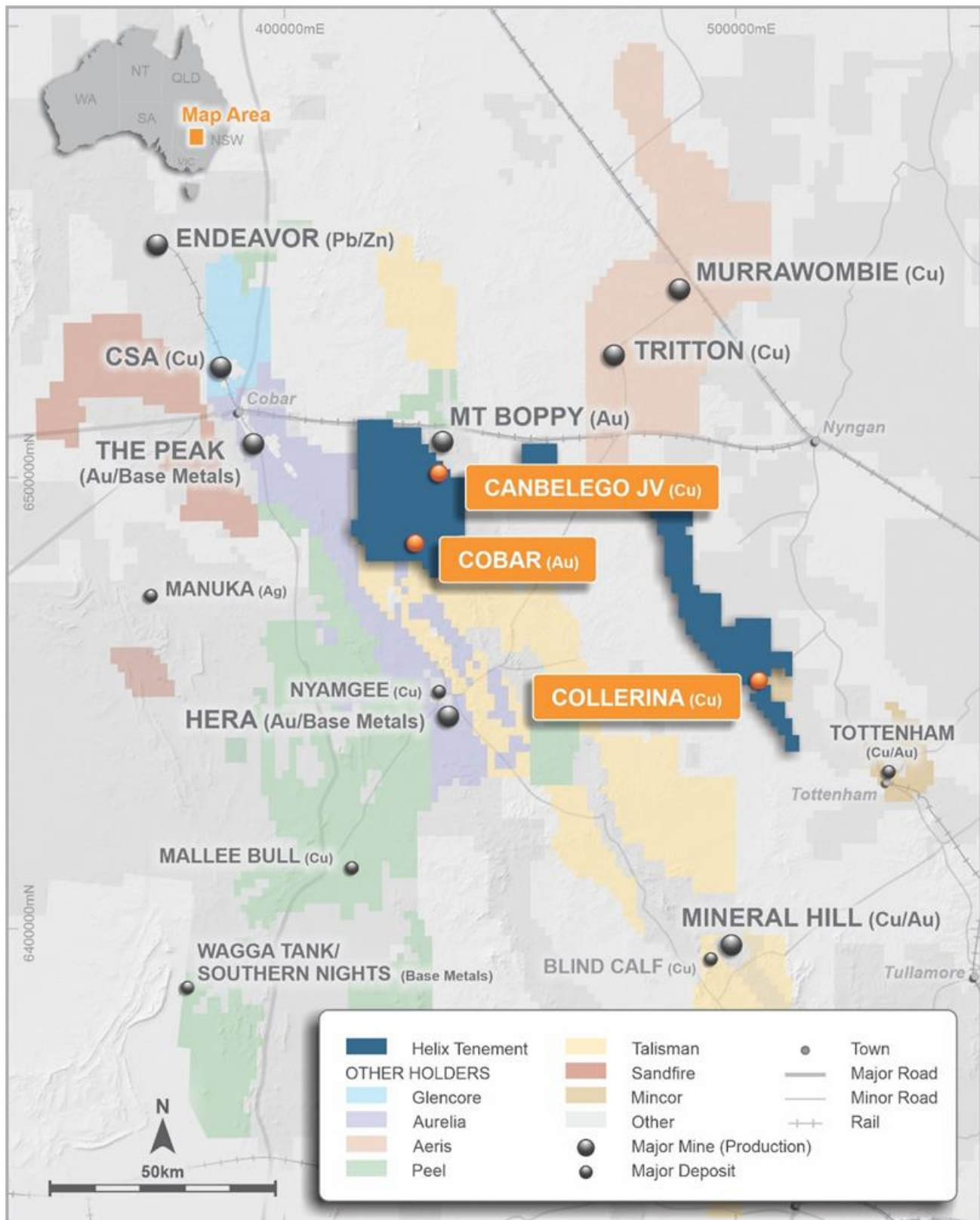


Figure 4: Location Map of Helix's quality mineral assets in the Cobar District

## Collerina Copper Project

### Geological Studies

During the quarter Helix undertook desktop studies at Collerina, including an update of the Exploration Target shape. Using 3D implicit modelling, the revised modelling incorporated results from the 1Q2020 RC drilling data.

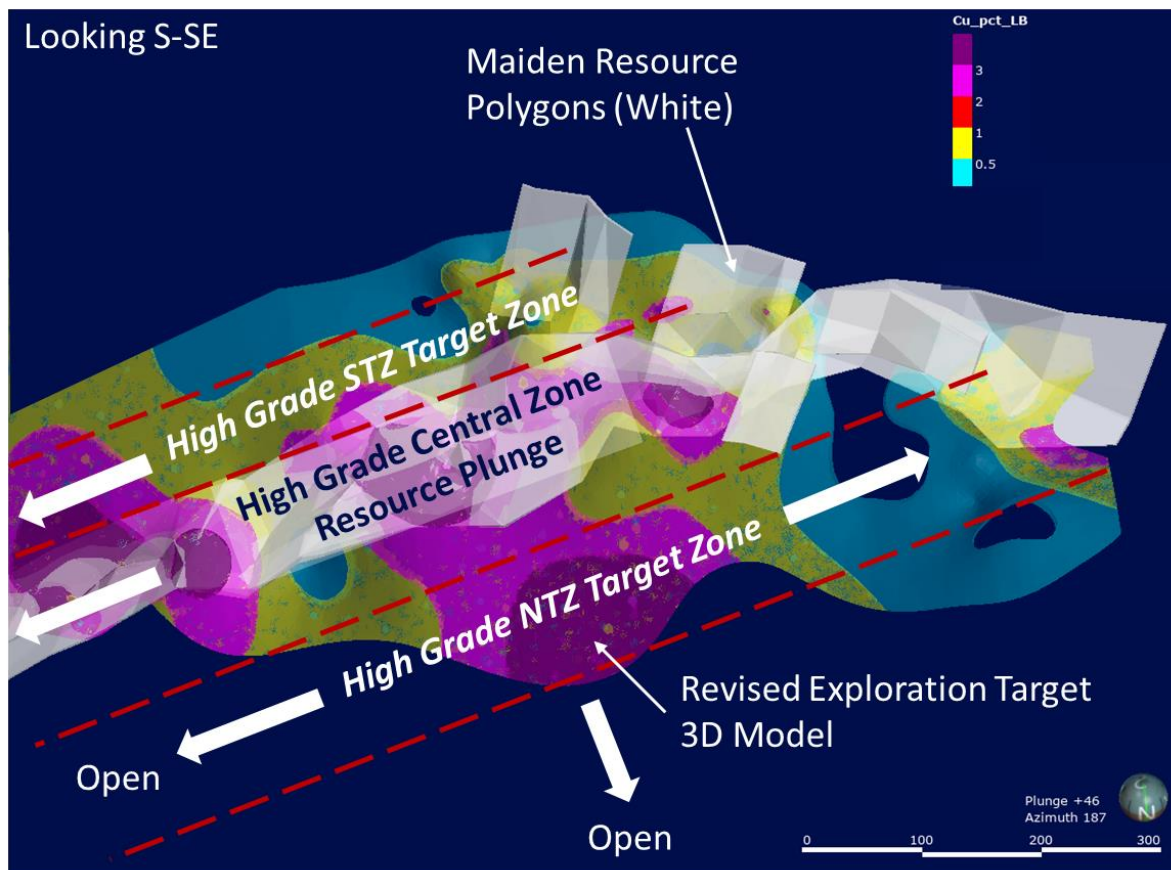


Figure 5: Screenshot of the 3D implicit modelled Exploration target showing new zones of high-grade copper emerging in the Northern (NTZ) and southern (STZ) plunge positions.

### Engineering Studies

In parallel, Helix has engaged consultant engineers to model conceptual pit designs for the Collerina Copper Deposit. This pit modelling is using the initial Collerina Central Zone JORC Resource block model as a base-case, a series of mining cost inputs for those considered applicable to the region, and various copper prices to produce several pit shell scenarios. This study is currently being finalised with the findings to be released in a separate announcement

A detailed review of the combined studies is expected to provide Helix with a clearer understanding how the pit shell shapes are influenced by the current resource model and drill data, and is expected to highlight where additional drilling could maximise tonnes and grade in possible open cut mining scenarios, influencing the design and positions of the next drilling programs at Collerina.

### Project Background

Helix's 100%-owned Collerina Copper Project is located in the highly active copper/gold mining and exploration district known as the Cobar Basin, within central NSW, Australia.

The Collerina Copper Project comprises a tenement package in excess of 1,000km<sup>2</sup>, including over 85km of copper-prospective trend. It is surrounded by multiple operating base metal and gold mines within the broader Cobar – Giralambone region (Tritton, Hera, Peak, CSA; refer Figure 4).



The Central Zone deposit was an internally generated, high-grade copper discovery within the Collerina Copper Project. High-grade results from previous drilling of the Central Zone deposit include: 11m at 6.6% Cu, 12m at 5.0% Cu, 14m at 4.0% Cu and 10m at 3.7% Cu<sup>2</sup>.

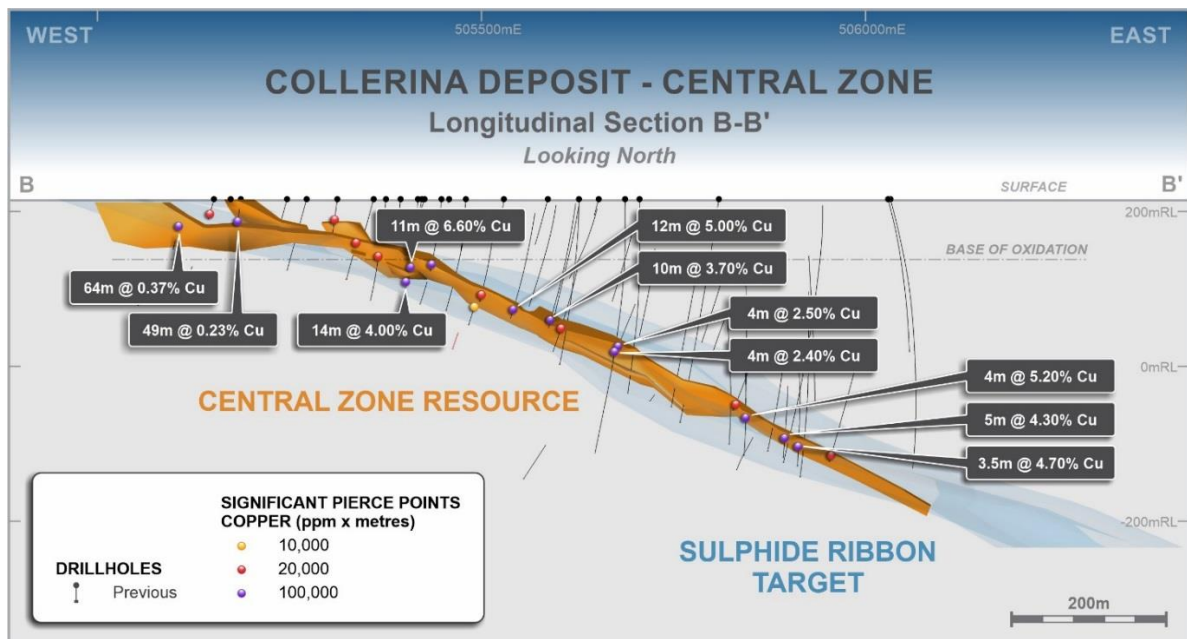


Figure 6: Schematic long section of the Central Zone Resource envelope showing selected intercepts along the plunge extent of the resource

## Scale Potential

### Down dip from Central Zone

- Massive, semi-massive and disseminated copper sulphide mineralisation was intersected in a targeted zone approximately 180m down-dip from the delineated Central Zone resource envelope.
- The key intercept of **4m @ 3.18% Cu and 0.4g/t Au from 218m (including 1m @ 6.44% Cu and 0.8g/t Au from 218m)<sup>2</sup>** (primary material) was returned in CORC116 (see Figure 7 and 8).

### Along strike from Central Zone

- Holes drilled into this extensional target intersected zones of oxide and transitional copper mineralisation in two broad fence lines of drilling. The best result of 11m @ 1.04% Cu (oxide/transitional) from 58m (**including 3m @ 2.79% Cu (transitional) from 66m**)<sup>2</sup> was returned in CORC107.
- Significantly, these results are interpreted to represent the up-plunge position of the Northern Target Zone. ***This implies a full structural repeat of the Central Zone style plunge from surface*** as the Northern Target Zone extends to untested FLEM targets approximately 1.5km down plunge (which is approx. 550m from surface).

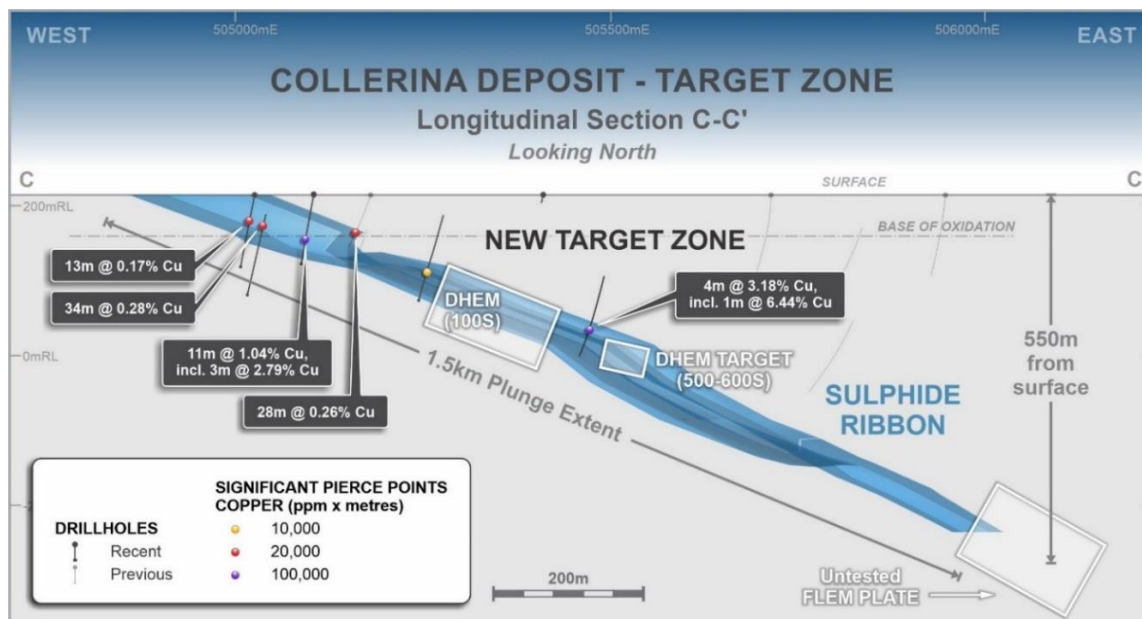


Figure 7: Schematic long section of the Northern Target Zone showing selected intercepts and new EM positions along the plunge extent of the zone down to the FLEM target at depth (Refer Table C)

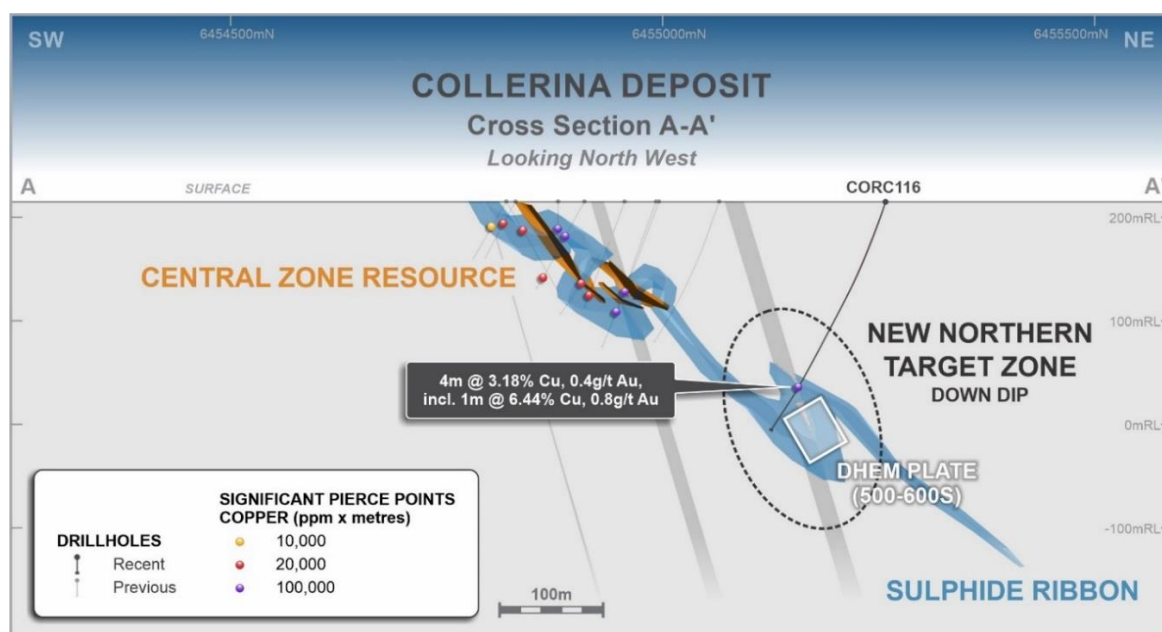


Figure 8: Cross section showing down dip Northern Target Zone located over 180m down dip from current Central Zone Resource envelope

### Footwall to Central Zone

- A broad zone of oxide copper mineralisation had previously been observed in a hole drilled approximately 40m west-southwest, CORC009 (53m at 0.5% Cu from surface, including 5m at 4.2% Cu from 48m to end-of-hole)<sup>2</sup>.
- Targeting the footwall fold nose target, CORC111 returned **46m @ 0.44% Cu from 3m including 1m @ 4.9% Cu from 31m<sup>2</sup>** (massive copper oxide – malachite). This **provides strong confirmation of additional footwall mineralisation behind/below the Central Zone resource (Southern Target Zone)**.
- Broad zones of shallow oxides were also present in other holes along strike, and one hole intersected semi-massive chalcopyrite in a fault zone (1m @ 2.88% Cu from 58m CORC121)<sup>2</sup>.
- Significantly, the host geology is similar to the Central Zone however appears to be overturned, consistent with a repeat fold closure geological model.



Downhole Electromagnetic (DHEM) analysis has proven to be a highly effective tool for targeting thicker, higher grade copper sulphide mineralisation within the Central Zone Resource envelope at Collerina.

DHEM surveys were undertaken on select holes in the 1Q2020 RC program. A number of strong on-hole and off-hole responses were identified and plates modelled. The positions of the new plates boost confidence in the plunge targets on both the new Northern Target Zone and the new Southern Target Zone (see Figures 6,7,8 & 9). A review of all Collerina Electromagnetic data collected to date is planned. This will assist in modelling sulphide conductors and prioritising drilling in the new plunge positions.

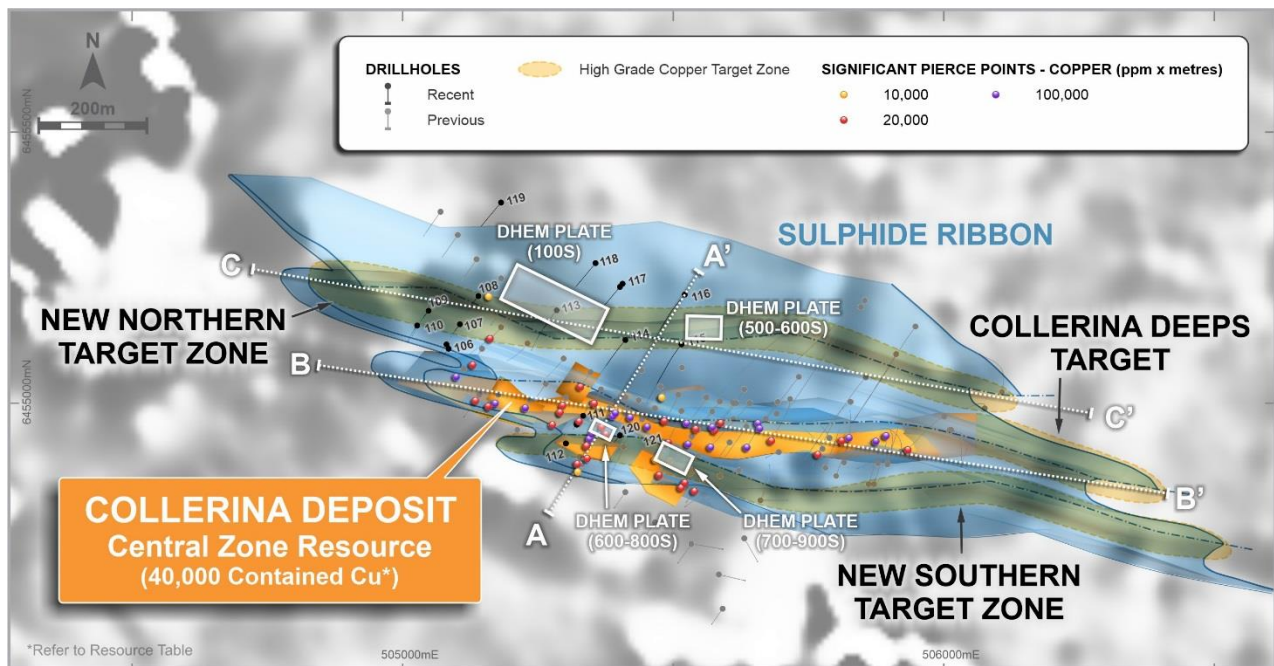


Figure 9: Plan view of the Collerina Deposit, showing the current resource (Orange) within the new sulphide ribbon (Blue) interpretation. DHEM modelled plates complement recent drilling results confirming strike, dip and plunge extensions well outside the current Central Zone resource envelope

## Other Projects

Due to COVID-19 restrictions no fieldwork was completed at Helix's remaining projects during the quarter, including the Chile projects, which remain on a care and maintenance budget.

## Corporate

On 5 June 2020, the Company announced the completion of a placement of approximately 42.4 million shares at A\$0.007 per share to raise approximately \$300,000.

On 5 June 2020, the Company also launched a 1-for-2 Entitlement Offer to raise up to an additional A\$1.85 million through the issue of up to a further approximately 264 million shares at A\$0.007 per share.

Funds raised from the placement and the entitlement offer will be applied to ongoing exploration work at the Collerina and Cobar Gold projects.

For the purpose of Section 6 of the Appendix 5B, any payments made to related parties have been paid in relation to director fees.

## Website

Helix has recently secured ownership of the domain address [www.helixresources.com.au](http://www.helixresources.com.au) to replace our current domain address [www.helix.net.au](http://www.helix.net.au). Helix is in the process of updating the website and corporate email addresses, and expects to have a new website operating from the new domain address by the end of 3Q2020.

**This ASX release was authorised on behalf of the Helix Board by Peter Lester - Executive Chairman**

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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 reviewed 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 2004 and 2012 Editions 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 for the Cobar Gold Project refer to the ASX announcements 25 Nov 2010, 22 Feb 2011, 24 May 2011, 13 July 2011, 17 Aug 2011, 4 Oct 2012, 24 Jan 2017, 26 Apr 2017, 17 Jul 2017, 23 Aug 2017, 6 November 2019 and 23 July 2020. Helix Resources is not aware of any new information or data that materially effects the information in these announcements.

<sup>2</sup> For full details of exploration results for the Collierina Copper Project refer to Helix ASX releases dated 4 February 2015, 29 June 2016, 1 December 2016, 3 August 2017, 8 November 2017, 14 February 2018, 27 February 2018, 5 April 2018, 14 May 2018, 13 June 2018, 18 July 2018, 16 November 2018, 10 December 2018, 11 June 2019, 17 November 2019, 4 December 2019, 14 January 2020, 24 March 2020 and 2 April 2020. Helix is not aware of any new information or data that materially effects the information in these announcements.

**Forward-Looking Statements**

This ASX release may include forward-looking statements. These forward-looking statements are not historical facts but rather are based on Helix Resources Ltd.'s current expectations, estimates and assumptions about the industry in which Helix Resources Ltd operates, and beliefs and assumptions regarding Helix Resources Ltd.'s future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements. Forward- looking statements are only predictions and are not guaranteed, and they are subject to known and unknown risks, uncertainties and assumptions, some of which are outside the control of Helix Resources Ltd. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Actual values, results or events may be materially different to those expressed or implied in this presentation. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward- looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Helix Resources Ltd does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward looking statement is based.

## Tenement Schedule

| Tenement And Location                              | Nature of Interest | Project Name                | Equity (%) held at start of Quarter          | Equity (%) held at end of Quarter            |
|--|--------------------|-----------------------------|--|--|
| <b>NSW COPPER &amp; GOLD PROJECTS (INCL. JV's)</b> |                    |                             |  |  |
| EL8768 (formally EL6336)                           | Granted            | Collerina                   | HLX 100% precious and base metals            | HLX 100% precious and base metals            |
| EL6140   | Granted            | Restdown (Cobar Gold)       | Helix 90%, Glencore moving to 1% NSR royalty | Helix 90%, Glencore moving to 1% NSR royalty |
| EL6501   | Granted            | South Restdown (Cobar Gold) | Helix 90%, Glencore moving to 1% NSR royalty | Helix 90%, Glencore moving to 1% NSR royalty |
| EL6739   | Granted            | Muriel Tank (Cobar Gold)    | Helix 90%, Glencore moving to 1% NSR         | Helix 90%, Glencore moving to 1% NSR         |
| EL7438   | Granted            | Quanda                      | HLX 100%                                     | HLX 100%                                     |
| EL7439   | Granted            | Fiveways                    | HLX 100%                                     | HLX 100%                                     |
| EL7482   | Granted            | Little Boppy                | HLX 100%                                     | HLX 100%                                     |
| EL8433   | Granted            | Boundary                    | HLX 100%                                     | HLX 100%                                     |
| EL 8633  | Granted            | Rochford                    | HLX 100%                                     | HLX 100%                                     |
| EL 8608  | Granted            | Yanda Creek                 | HLX 100%                                     | HLX 100%                                     |
| EL 8845  | Granted            | Darbarlara                  | HLX 100%                                     | HLX 100%                                     |
| EL8710   | Granted            | Honeybugle                  | HLX 100%                                     | HLX 100%                                     |
| EL 8096  | Granted            | Mundarlo                    | HLX 80% Private Partner 20%                  | HLX 80% Private Partner 20%                  |
| EL 8948  | Granted            | Bijoux                      | HLX 100%                                     | HLX 100%                                     |
| <b>CHILE PROJECTS</b>                              |                    |                             |  |  |
| <b>EXPLORATION CONCESSIONS</b>                     |                    |                             |  |  |
| Joshua (13 concessions)                            | Granted            | Joshua                      | HLX 100%                                     | HLX 100%                                     |
| Bogarín (13 concessions)                           | Granted            | Samuel                      | HLX 100%                                     | HLX 100%                                     |
| <b>EXPLOITATION CONCESSIONS</b>                    |                    |                             |  |  |
| Blanco Y Negro 1/20                                | Granted            | Blanco Y Negro              | HLX 100%                                     | HLX 100%                                     |
| Joshua (5 concessions)                             | Granted            | Joshua                      | HLX 100%                                     | HLX 100%                                     |
| Bogarín (6 concessions)                            | Granted            | Samuel                      | HLX 100%                                     | HLX 100%                                     |
|  |                    |                             |  |  |
|  |                    |                             |  |  |
| Mining Tenements acquired during the Quarter       |                    |                             | Nil  |  |
|  |                    |                             |  |  |
| Mining Tenements disposed during the Quarter       |                    |                             | Nil  |  |