

ASX Announcement

26 November 2014

Sale of Tunkillia Project

- **Helix has agreed to sell its interest in the Tunkillia Project to WPG Resources (ASX:WPG) for;**
 - **\$500,000 Cash and 10M WPG Shares; and**
 - **Helix will be entitled to receive a further cash payment of \$500,000, 10m WPG Shares and a 1% NSR Royalty upon commencement of mine construction.**
 - **The transaction paves the way for WPG to proceed with the development of the Tunkillia Project, with Helix retaining upside to the project via a WPG shareholding and production royalty.**
 - **The Sale will boost Helix's working capital and ability to advance its core projects in Chile and Australia.**
-

Helix Resources Limited (ASX:HLX) is pleased to announce that it has agreed to sell its 30% stake in the Tunkillia Gold Project and other interests to WPG, the Manager and equity partner of the asset.

A Sale and Purchase Agreement (SPA) has been signed with the following terms agreed:

Stage1:

- WPG will pay HLX \$500,000 cash on Completion;
- WPG will issue HLX with 10 million fully paid ordinary WPG shares (these shares are subject to a voluntary escrow period of 6 months);

Stage 2*:

- WPG will pay HLX \$500,000 in cash, and issue 10,000,000 WPG shares, upon the commencement of mine construction;
- WPG will pay HLX a 1% NSR royalty for:
 - 30% of attributable gold and silver production from the existing resource; and
 - On 100% of production from any additional resources/reserves of minerals defined within the Tunkillia Project area.

This transaction overcomes development hurdles and consolidates ownership of the Tunkillia Project with WPG. WPG has a record of successful project development in South Australia. Helix will retain exposure to a successful development through its shareholding in WPG and a production royalty.

Funds received from the sale will add to Helix's working capital and allow the company to continue advancing its core projects in Chile and Australia.

** Helix retains certain rights to bring forward the payment and share issue in Stage 2, if there is a change of control of the Tunkillia Project or of WPG.*

- ENDS -

For further information:

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

Pasquale Rombola
Chairman
pasquale.rombola@helix.net.au
Ph: +61 413 239 630

