

## SEPTEMBER 2015 QUARTERLY REPORT

### Highlights

#### CHILE

##### Joshua Porphyry Project:

- A fully funded diamond drilling campaign at the Joshua Porphyry Project commenced in September.
- Up to 10 holes (approximately 4,000m) are expected to be completed by Joint Venture partners EPG.
- Hole 1 was completed to a depth of 684m versus originally planned 500m. Samples have been delivered to the laboratory and results are pending.
- Hole 2 has commenced and is being drilled to a depth of 600m versus originally planned 500m.
- A second diamond drill rig arrived and commenced drilling hole 3 in October to expedite the drilling program and will remain for the rest of the drilling campaign.
- Further drilling will extend along strike towards the Carmelita Mine Zone where copper enrichment was identified by Helix earlier this year.

##### Blanco Y Negro Deposit (ByN):

- An updated Resource<sup>2</sup> estimate was completed for the ByN deposit. The results were:
  - Indicated: 0.8Mt @ 1.5% Cu, 0.5g/t Au for 12,000t Cu and 12,000oz Au
  - Inferred: 0.7Mt @ 1.3% Cu, 0.6g/t Au for 8,000t Cu and 12,000oz Au
  - Total Resource: 1.5Mt @ 1.4% Cu, 0.5 g/t Au for 20,000t Cu and 24,000oz Au
- 60% of the Resource has now been upgraded to the Indicated category.
- The ByN deposit is 100% owned by Helix Resources and is located on a mining lease.

#### AUSTRALIA

##### Collerina Project:

- A review of previous drilling and additional modelling of geophysics identified a priority target extending east from the known high grade copper and zinc intercepts, including 14m@ 4% Cu, 1.3% Zn, 0.7 g/t Au and 17 g/t Ag from 80m<sup>3</sup> at the Collerina Copper-Zinc prospect.
- A program of deep RC drilling was conducted in October to test this high priority target zone.
- RC Drilling tested a further 200m of strike of the system and local dip variations within the priority target zone. Samples have been received at the laboratory and results are pending.
- Regional auger soil sampling has commenced along the trend that hosts the Collerina Project. The first-pass soils program will continue through to the end of 2015.

#### CORPORATE

- As at 30 September 2015, the Company remains well funded to achieve its 2015 business goals with \$1.3m in cash and listed investments of \$1.0m.
- In October 2015, the Company disposed of its shareholding in WPG Resources Limited for total net proceeds of \$0.3m.

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## PROJECT ACTIVITIES

### CHILE

Diamond drilling commenced at the Joshua Project in Region IV Chile. Hole 1, JS15-01, was drilled to a depth of 684.25m versus the originally planned depth of 500m. Drill core samples from the hole have been cut and delivered to the laboratory for assay. Hole 1, was drilled west, targeting the potassic zone at depth along the western edge of the system at Target 1.

Hole 2, JS15-02 has commenced and will be drilled to a revised depth of 600m versus the original 500m planned depth. JS15-02 is also designed to test the potassic zone in Target 1, approximately 120m east-southeast behind and below Hole 1 (Figure 1).

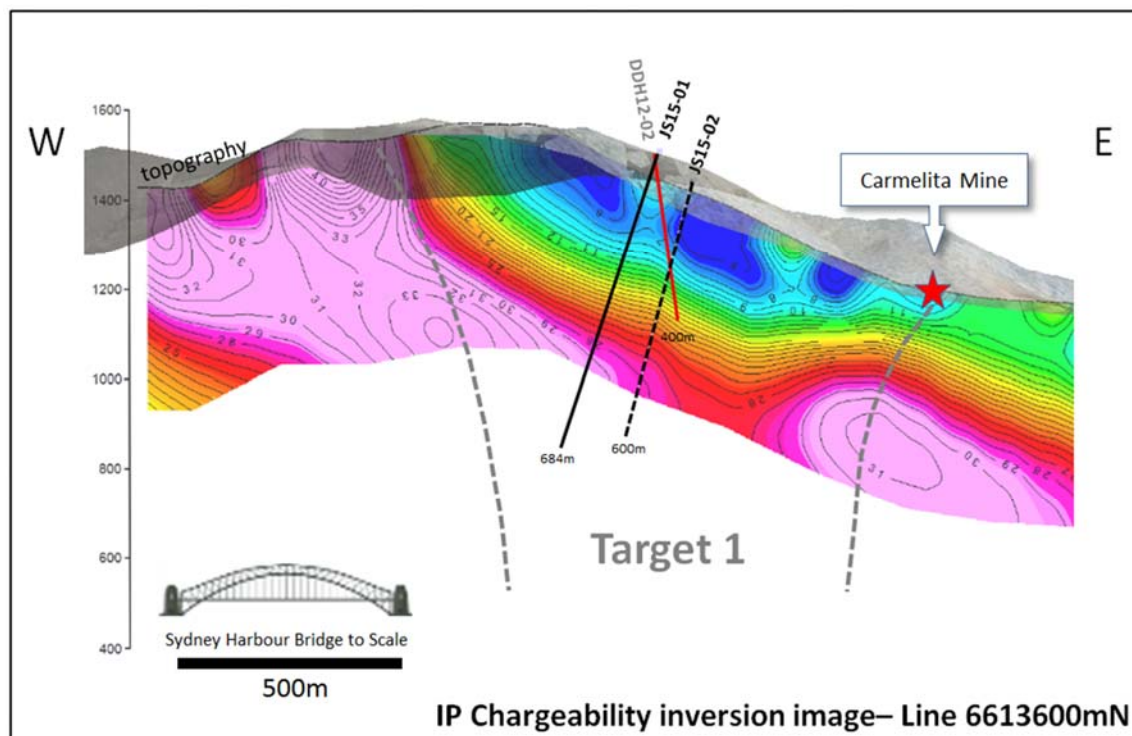


Figure 1: The 2015 Drill hole traces to date (black) on Joshua IP chargeability cross-section

In addition, a second diamond drill arrived in October to expedite the drilling program and has commenced drilling the third hole.

Further drilling in this program will test along an eastern strike from the Target 1 porphyry stock work zone toward the Carmelita Mine zone where copper enrichment was identified by Helix earlier this year.

Drilling will continue with both rigs remaining at Joshua until completion of the program of up to 10 holes for 4,000m.

The drilling program is designed to intersect priority targets within the Joshua Porphyry including the presently untested potassic portions of the system and zones where potential for copper enrichment exists. The program will also expand the strike of the area drilled at Target 1 from approximately 400m to over 1 kilometre (Figure 2).

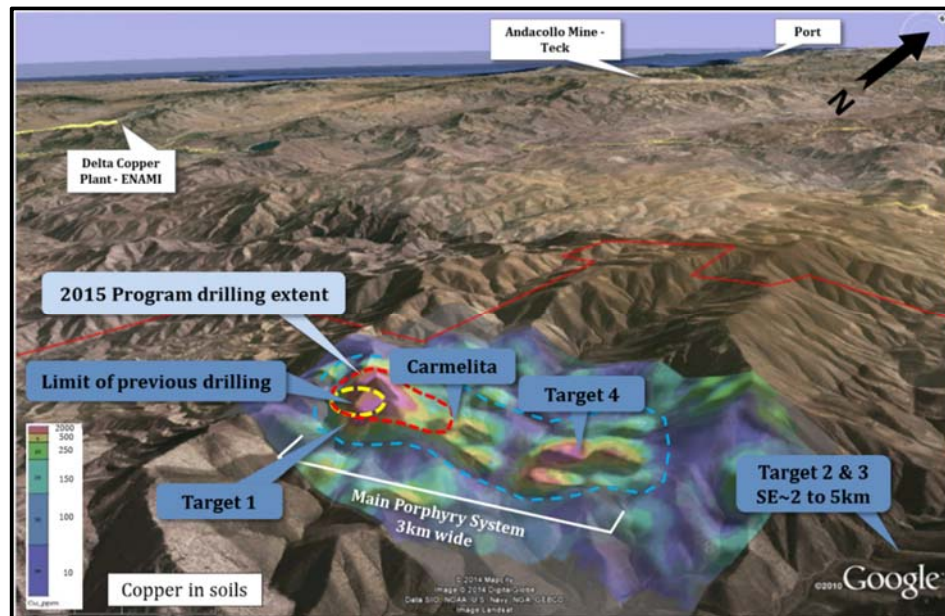


Figure 2: Main porphyry target at Joshua – copper-in-soil draped on Google Earth™ topography

## About the Joshua Project

The Joshua Project is located in Region IV Chile, 40km East of Ovalle, at low altitude (less than 1,700m), nearby to infrastructure (refer Figure 2). Four porphyry targets have so far been identified in a regionally significant north-west structural corridor within the total project area of 100km<sup>2</sup>.

The main porphyry system (Target 1, Carmelita Mine & Target 4) is defined by an IP anomaly covering 10km<sup>2</sup> and is coincident with anomalous soil geochemistry over the target zone.

Helix had drill tested only 10% of the target with 2,000m of RC and diamond drilling with the best result: DDH2 returning 400m @ 0.3%Cu + 0.1g/t Au from surface to EOH<sup>1</sup>.

## About the Joshua Project Joint Venture

An Earn-In Agreement over the Joshua Project was executed in June 2015 with Fondo De Inversion Privado EPG Exploracion Minera (EPG Mining Exploration Fund). The fund is managed by EPG Partners S.A, a Chilean based private equity and advisory company. The fund retains an experienced team and is uniquely suited to capturing exploration opportunities in Chile.

Key terms of the Joshua Agreement are:

- Stage 1: EPG has the option to earn a 33.4% interest in the Joshua Project by undertaking a minimum of 3,500m of diamond drilling within 1 year for a minimum commitment of US\$1.2m.
- Stage 2: Upon completion of Stage 1, EPG can then elect to increase its interest to 50.1% in the Joshua Project by completing up to 6,500m of RC and diamond drilling within 1.5 years for a minimum commitment of US\$1.8m.
- Following the completion of the two stage program, EPG will have a 50.1% interest in the project and Helix will retain a 49.9% interest in the project. A Joint Venture over the project will then form to progress the project.

## The Blanco Y Negro Deposit

During the quarter the Company completed a Resource update on the ByN deposit in Region IV, Chile. The update was undertaken following the drilling completed in 2014.

The new resource estimation has increased the tonnes by approximately 10% and upgraded the classification of the ByN deposit, with 60% of the Resource moving into the Indicated JORC category. Infill Reverse Circulation (RC) drilling was undertaken as part of the RC program completed in late 2014 (refer Table 1 for more details). This additional drilling has improved knowledge of metal distribution and confirmed geological continuity in the main zone.

Drilling at ByN has intersected copper and gold mineralisation with results including 19.5m @ 2% Cu and 1.1 g/t Au and 30m @ 1.4% Cu and 0.3g/t Au. The deposit remains open to the northwest along strike and down dip (Figure 3)

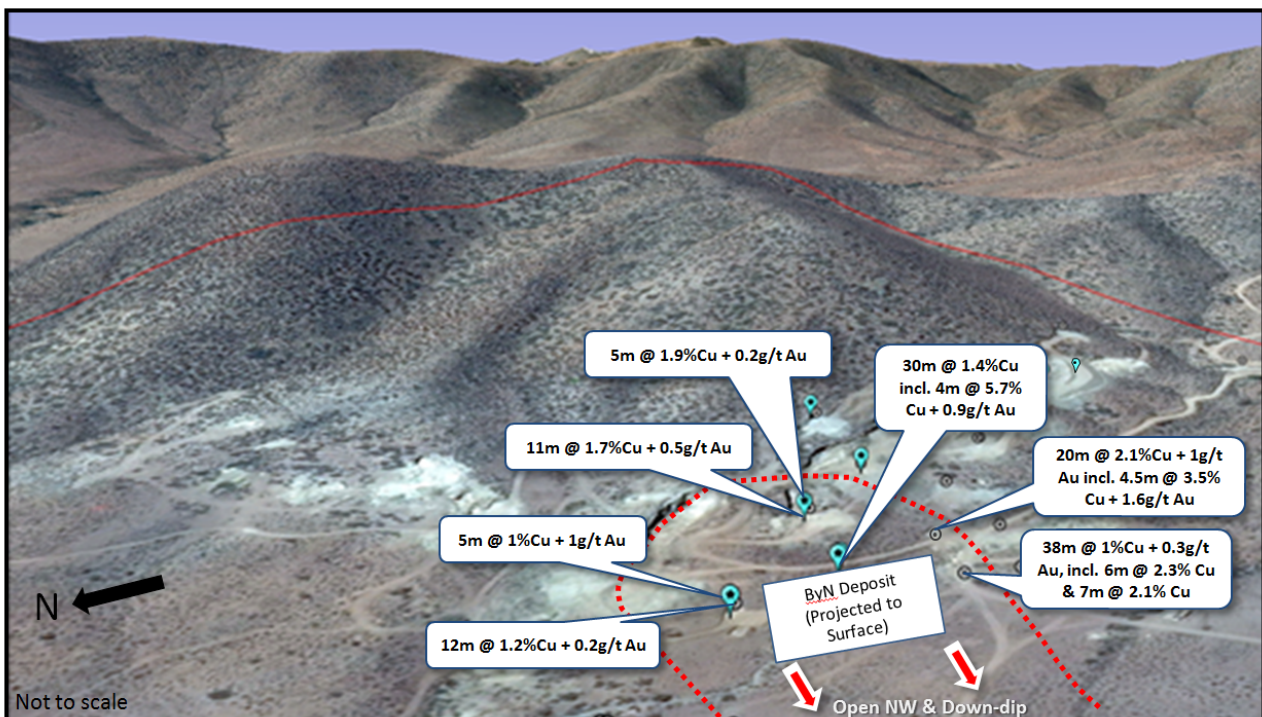


Figure 3: Approximate position of B y N Deposit on local topography with significant results.

**Table 1 : ByN Deposit Material Type<sup>2</sup>**  
**August 2015 Mineral Resource Estimation (0.5% Cu cut off)**

|                  | Oxide                             |                                | Transition                        |                                 | Fresh                              |                                   | Total                                                              |
|------------------|-----------------------------------|--------------------------------|-----------------------------------|---------------------------------|------------------------------------|-----------------------------------|--------------------------------------------------------------------|
|                  | Tonnes & Grade                    | Metal                          | Tonnes & Grade                    | Metal                           | Tonnes & Grade                     | Metal                             |                                                                    |
| <b>Indicated</b> | 360kt @ 1.0% Cu, 0.2 g/t Au       | 4,000t Cu<br>2,500oz Au        | 280kt @ 1.8% Cu, 0.6g/t Au        | 5,000t Cu<br>5,600oz Au         | 140kt @ 2.2% Cu, 0.8g/t Au         | 3,000t Cu<br>3,500oz Au           | 0.8Mt @ 1.5% Cu, 0.5g/t Au for 12,000t Cu & 12,000oz Au            |
| <b>Inferred</b>  | 140kt @ 0.8% Cu, 0.6g/t Au        | 1,000t Cu<br>3,000oz Au        | 30kt @ 0.7% Cu, 0.4g/t Au         | 240t Cu<br>460oz Au             | 480kt @ 1.4% Cu, 0.6g/t Au         | 7,000t Cu<br>9,000oz Au           | 0.7Mt @ 1.3% Cu, 0.6g/t Au for 8,000t Cu & 12,000oz Au             |
| <b>Total</b>     | <b>500kt @ 1.0% Cu, 0.3g/t Au</b> | <b>5,000t Cu<br/>5,000t Au</b> | <b>310kt @ 1.6% Cu, 0.6g/t Au</b> | <b>5,200t Cu<br/>6,100oz Au</b> | <b>620kt @ 1.6 % Cu, 0.6g/t Au</b> | <b>10,000t Cu<br/>12,500oz Au</b> | <b>1.5Mt @ 1.4% Cu, 0.5g/t Au for 20,000t Cu &amp; 24,000oz Au</b> |

*Note: discrepancies in totals are due to rounding*

The Company has received expressions of interest from third parties to purchase the ByN Project and Helix will keep the market informed of any further developments when they arise.

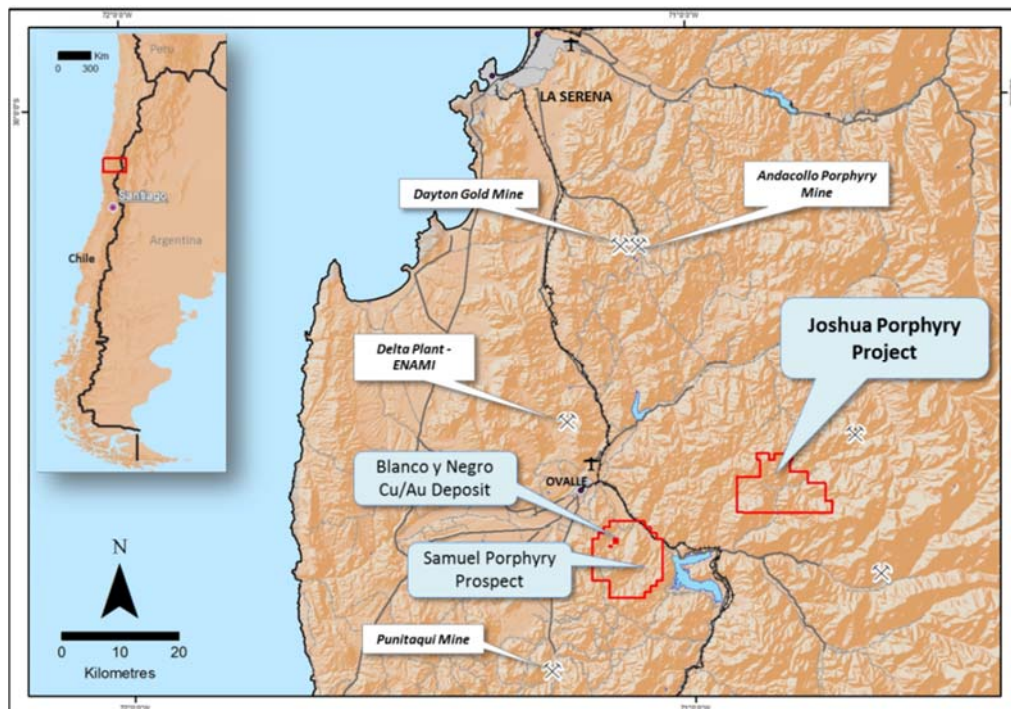


Figure 4: Helix Projects in Chile Location Map

## NSW – COPPER AND GOLD

### Collerina Copper Project

The Collerina Project is located within a regionally significant VMS prospective belt between the Tritton Mine to the north and Tottenham deposits to the south on the eastern edge of the Giralambone Basin in Central NSW.

The prospect is defined by an open-ended large base metal & gold soil anomaly and associated moving loop EM conductor and lies within a regionally significant VMS trend.

During the quarter Helix completed further geophysical studies and determined the presence of a priority drill target east of the drilling to date. The priority target is coincident with; the strike extension of the known massive sulphides and the eastern extension of the modelled DHEM plates (Figure 5).

An additional review of discovery histories for regional deposits, including the nearby Tritton deposit, has identified that there can be local dip variations of mineralisation in these systems from shallow through to sub-vertical dips over short distances. This results in along-strike, down-dip thickness variation and grade variation locally within the overall mineralised envelope.

A program of RC drilling was completed in October to test an additional 150-200m of strike in an easterly direction and the length of the planned holes will cover possible dip variation within the target zone. Samples from the drilling have been received by the laboratory. Results are pending.

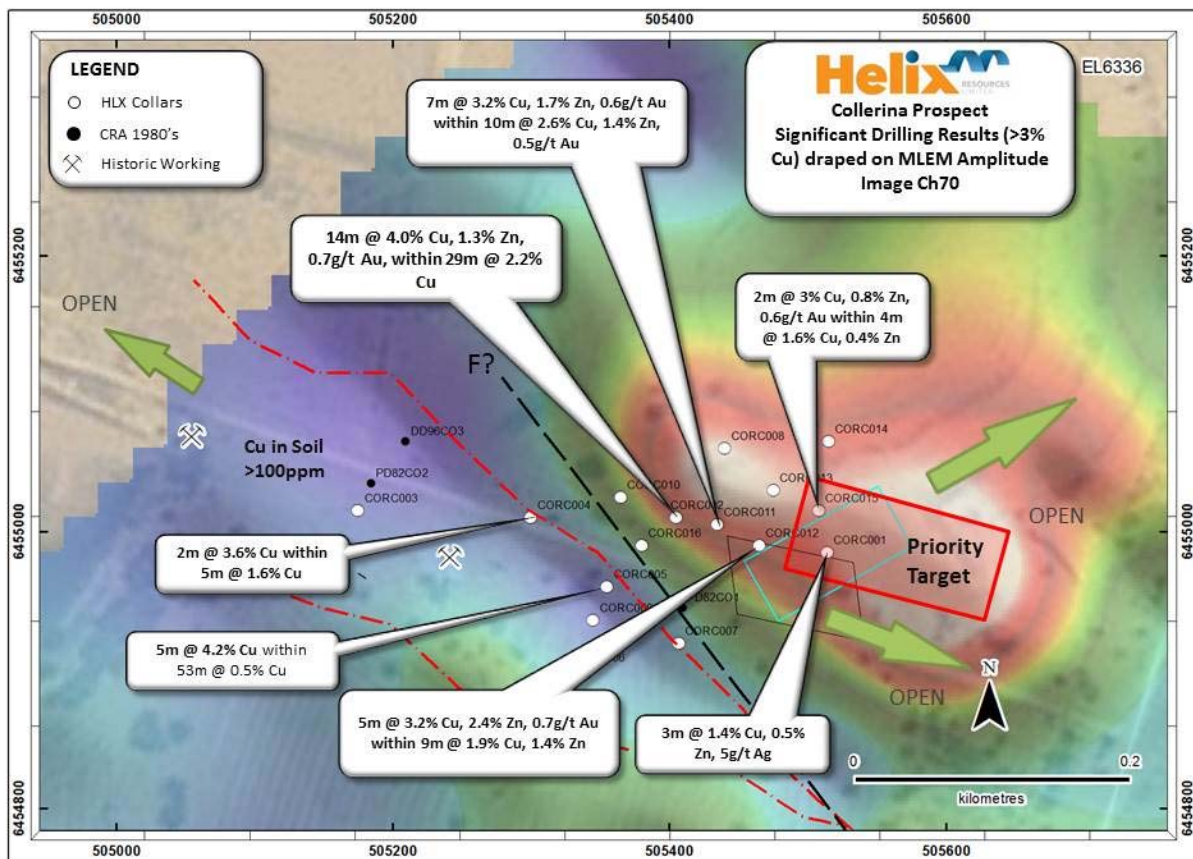


Figure 5: Collierina Prospect – High grade (>3% Cu) intercepts from Helix drilling to date

To date, drilling has intersected >3% Copper over strike exceeding 200m and remains open in all directions with the best results so far being:

**14m @ 4.0% Cu, 1.3% Zn, 0.7g/t Au, 17g/t Ag from 80m** (Refer ASX Announcement 4 February 2015)<sup>4</sup>;  
within 29m @ 2.2% Cu, 0.7% Zn, 9g/t Ag from 80m (Primary)

**7m @ 3.2% Cu, 1.7% Zn, 0.6g/t Au, 11g/t Ag from 86m** (Refer ASX Announcement 1 April 2015)<sup>4</sup>;  
within 10m @ 2.6% Cu, 1.4% Zn, 0.5g/t Au, 9g/t Ag (Primary)

**5m @ 3.2% Cu, 2.4% Zn, 0.7 g/t Au, 12g/t Ag from 97m** (Refer ASX Announcement 1 April 2015)<sup>4</sup>;  
within 9m @ 1.9% Cu, 1.4% Zn, 0.4g/t Au, 7g/t Ag from 97m (Primary)

**5m @ 4.2% Cu, 5g/t Ag from 48m to EOH** (Refer ASX Announcement 4 February 2015)<sup>4</sup>;  
within 53m @ 0.5% Cu from 0m- EOH (Oxide-Transition)

In addition, regional auger soil sampling has commenced along the +20km trend that hosts the Collierina Prospect. The first-pass soils program is ongoing and will continue through to the end of 2015

## CORPORATE

### Cash and Investments

As at 30 September 2015, the Company remains well funded to achieve its 2015 business goals with \$1.3m in cash and listed investments of \$1.0m. Refer to Appendix 5B (ASX website) for principle movements in cash for the quarter.

In October 2015, the Company disposed of its shareholding in WPG Resources Limited for total net proceeds of \$0.3m.

## OTHER ASSETS

### Canbelego Project - NSW

(HLX 70% Manager: Straits 30% Contributing) An Inferred Resource of 1.5Mt @ 1.2 % (refer to resources table below) Copper from surface at the Canbelego Prospect with further potential for oxide copper from surface on 3 advancing prospects (Canbelego, Canbelego West & Cabolero). There also remains untested VMS-style mineralisation associated with a strong DHEM conductor below the Canbelego deposit below up-dip intercepts including 2m @ 6.8% Cu & 5m @ 2.4% Cu (Refer ASX Announcement 26 September 2013).<sup>4</sup>

### Yalleen Iron Ore Project – Western Australia

Yalleen Project has a resource 84Mt @ 57% Iron ore in Indicated and Inferred Resources (refer to resources table below) on 575km<sup>2</sup> of tenements in the West Pilbara owned by Helix Resources – API JV: iron ore rights only

Helix is diluting to a royalty over iron ore production from the tenements. 2014 corporate activity resulted in Aquila Resources being acquired by Baosteel and Aurizon. During the second half of 2014 Aurizon announced a market update and project timeline and development plans for the West Pilbara Iron Project (refer AZJ announcement 11 Sept 2014).

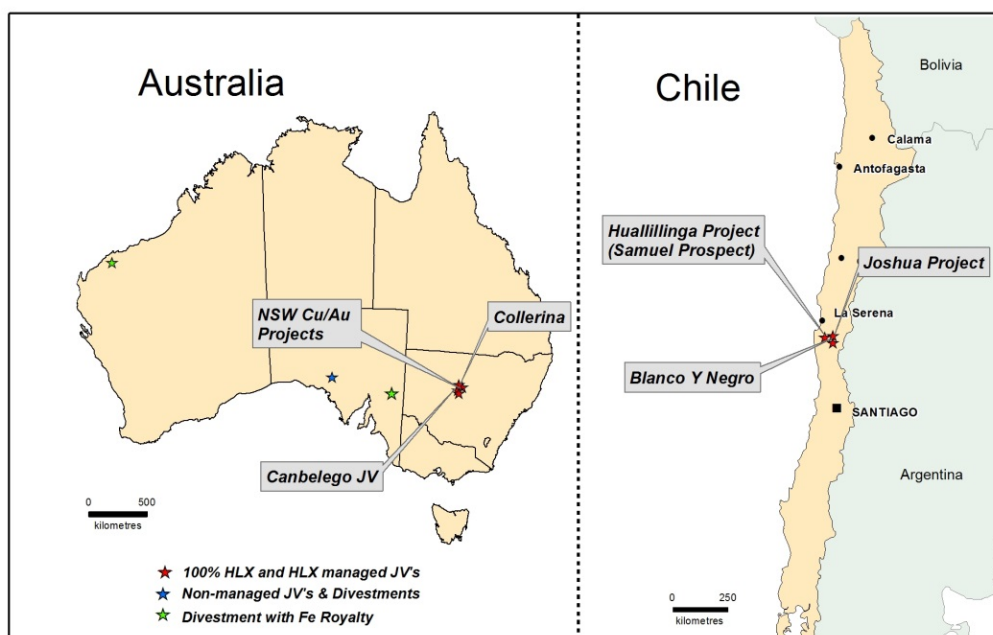


Figure 6: Company Project Location Map

### Capital Structure

|                   |           |
|-------------------|-----------|
| ASX Ticker Code   | HLX       |
| Share Price       | AU\$0.045 |
| Market Cap        | \$12M     |
| Fully Paid Shares | 268M      |

### Directors and Management

|                  |                        |
|------------------|------------------------|
| Pasquale Rombola | Non-Executive Chairman |
| Michael Wilson   | Managing Director      |
| Jason Macdonald  | Non-Executive Director |

### Assets

|                             |                                                                                                                |
|-----------------------------|----------------------------------------------------------------------------------------------------------------|
| Cash and Listed Investments | \$2.3 million                                                                                                  |
| NSW- Restdown Gold JV (70%) | 2.6Mt @ 1.2g/t Au (100%) – (JORC 2004)*                                                                        |
| NSW - Canbelego JV (70%)    | 1.5Mt @ 1.2% Cu (100%) – (JORC 2004)*                                                                          |
| NSW – Cobar Region          | Au/Cu projects with advancing targets                                                                          |
| NSW – Collierina Project    | New VMS discovery                                                                                              |
| Chile – Joshua Project      | Significant Cu-Au porphyry - JV funding drilling program                                                       |
| Chile – Huallilinga Project | Blanco Y Negro: 1.5Mt @ 1.4% Cu, 0.5g/t Au (JORC 2012)*<br>Samuel Porphyry Prospect: Large Cu porphyry target* |

\*Refer to Resource Inventory table below and previous ASX releases or at [www.helix.net.au](http://www.helix.net.au)

### Resource Inventory

| Commodity                                                                                                                                                        | Category                       | Project              | Interest                         | Resource                                                                                                                 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----------------------|----------------------------------|--------------------------------------------------------------------------------------------------------------------------|
| Iron Ore                                                                                                                                                         | Indicated<br>Inferred          | Yalleen JV,<br>WA    | 30%<br>(Diluting)                | 47.9Mt @ 57.3% Fe (Channel Iron)*<br>36.4Mt @ 57.1% Fe (Channel Iron)*                                                   |
| Joint ventured with API Management Pty Ltd (50% Boasteel, 50% AMCI) and forms part of their West Pilbara Iron Ore Project [WPIOP] which comprises multiple JV's. |                                |                      |                                  |                                                                                                                          |
| Copper<br>(+Gold)                                                                                                                                                | Indicated<br>Inferred<br>Total | ByN, Chile           | 100% Helix                       | 0.8Mt @ 1.5%Cu + 0.5g/tAu<br>0.7Mt @ 1.3%Cu + 0.6g/tAu<br>1.5Mt @ 1.5%Cu + 0.5g/tAu(at 0.5% Cu<br>Cut-off) – 2012 JORC** |
| Copper                                                                                                                                                           | Inferred                       | Canbelego<br>JV, NSW | 70%(Straits<br>Contributing 30%) | 1.5Mt @ 1.2% Cu for 18,000t* Contained<br>Cu (at 0.3% Cu Cut-off)                                                        |
| Gold                                                                                                                                                             | Inferred                       | Restdown<br>JV       | 70%<br>(Glencore 30%)            | 2.6Mt @ 1.2g/t Au for 100,000oz<br>(0.3 g/t Au cut off)                                                                  |

\*Details of the assumptions underlying the above estimations are contained in previous ASX releases or at [www.helix.net.au](http://www.helix.net.au)

\*\* Refer to ASX announcement 13 August 2015 for Table 1 details and CP Statements.

## Notes

<sup>1</sup> Refer to ASX announcement dated 24 April 2012. Helix Resources is not aware of any new information or data that materially affects the information included in the said announcement.

<sup>2</sup> For more information on the Resource estimate, refer to ASX announcement dated 13 August 2015. Helix Resources is not aware of any new information or data that materially affects the information included in the said announcement.

<sup>3</sup> Refer to ASX announcement dated 4 February 2015. Helix Resources is not aware of any new information or data that materially affects the information included in the said announcement.

<sup>4</sup> Helix Resources is not aware of any new information or data that materially affects the information included in the said announcement.

## Competent Persons Statement

The information in this announcement that relating to previous reported 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 2004 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)