

COLLERINA PROJECT UPDATE

Priority targets derived from geophysics and structural review

- **Priority targets derived from geophysics and structural review - Collerina Copper Project, NSW.**

Multiple potential Collerina-style copper repeats identified within the Project area:

- Three VTEM targets, at Tindalls, Yathella and Max's Folly with associated historic copper workings to be subject to initial drill testing.
 - Six regional VTEM anomalies prioritised for follow-up ground EM surveys and geochemical sampling.
 - Identification of localised fault off-sets and kink folding augmented into a revised geological model.
 - Un-tested areas, including potential extensions and faulted repeats of the massive sulphide zone at the Collerina Deposit have been interpreted under the revised geological model.
- **An RC drill program at the Collerina Project is expected to commence within the next two weeks.**
 - **This drill program will be in parallel to continued exploration at the nearby Cobar Gold Project.**
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Helix Resources (ASX:HLX) is pleased to advise that modelling of the airborne VTEM geophysical data and a detailed review of the structural framework for the Collerina Copper Project has been completed.

Several regional exploration targets have been identified and prioritised for an upcoming RC drilling program. Also the structural review has identified an exploration target at the Collerina Prospect supported by geochemistry and geophysics, this will also be tested with RC drilling.

Collerina Copper Project Background

The Collerina Copper Project is located in a regionally significant VMS belt in central NSW. The Project is located between the Tritton-Girilambone mining camp situated to the north and the historic Tottenham mining camp to the south. The trend is prospective for copper, with associated zinc, silver and gold mineralisation hosted in a mixed sedimentary and volcanoclastic sequence within the Girilambone Basin.

At the Collerina Deposit, drilling to date has confirmed the presence of copper mineralisation from surface to a vertical depth of 350m along the main mineralised zone. Both the strike and plunge of the system remain open.

The Collerina tenement covers a 25km long portion of the copper prospective trend, which extends into Helix's regional tenement holdings, covering an additional 80kms of copper prospective strike.

The project is close to infrastructure, including the nearby Aeris operated Tritton Mine and associated deposits to the north.

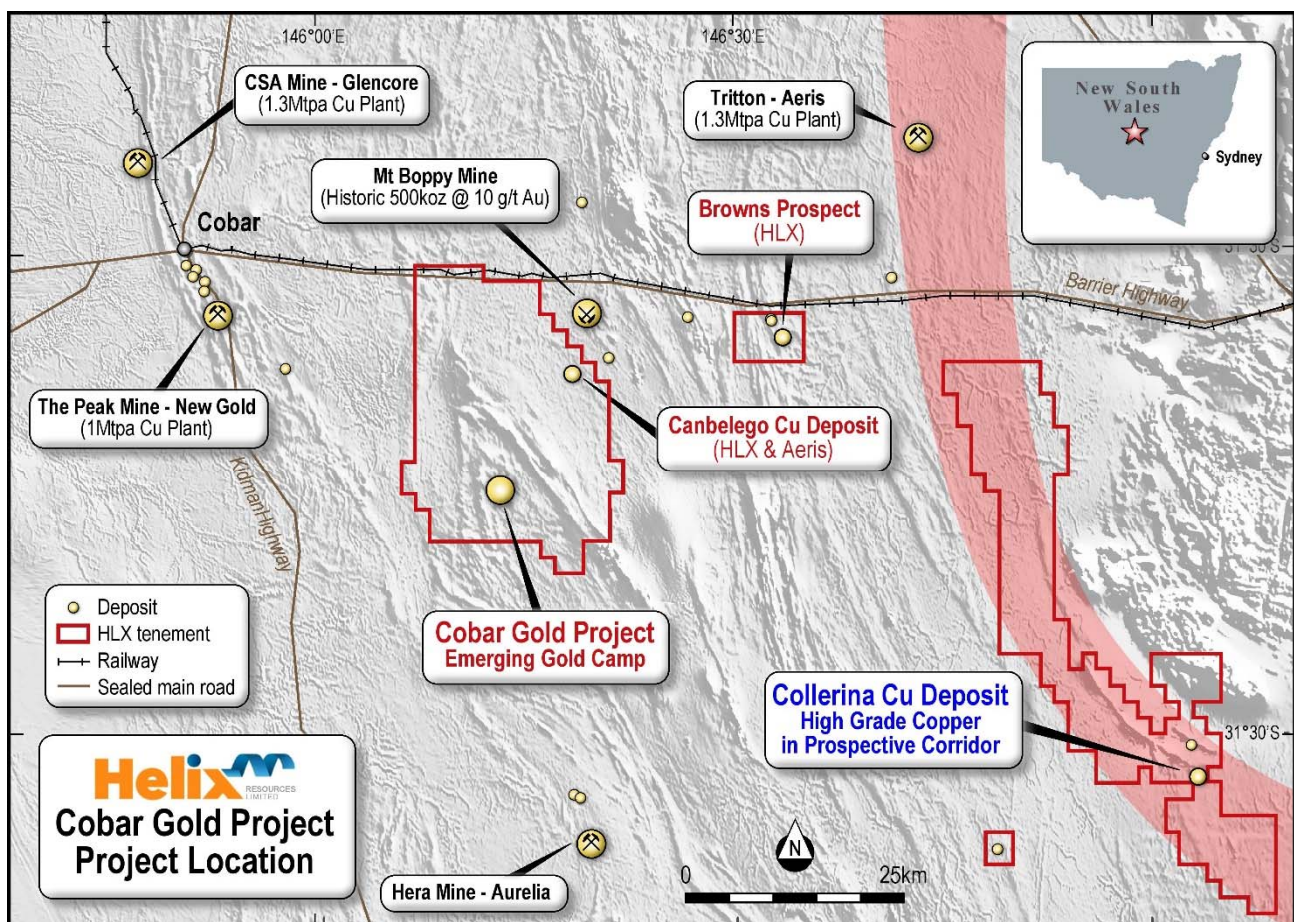


Figure 1: Collerina Project location map within prospective regional copper trend

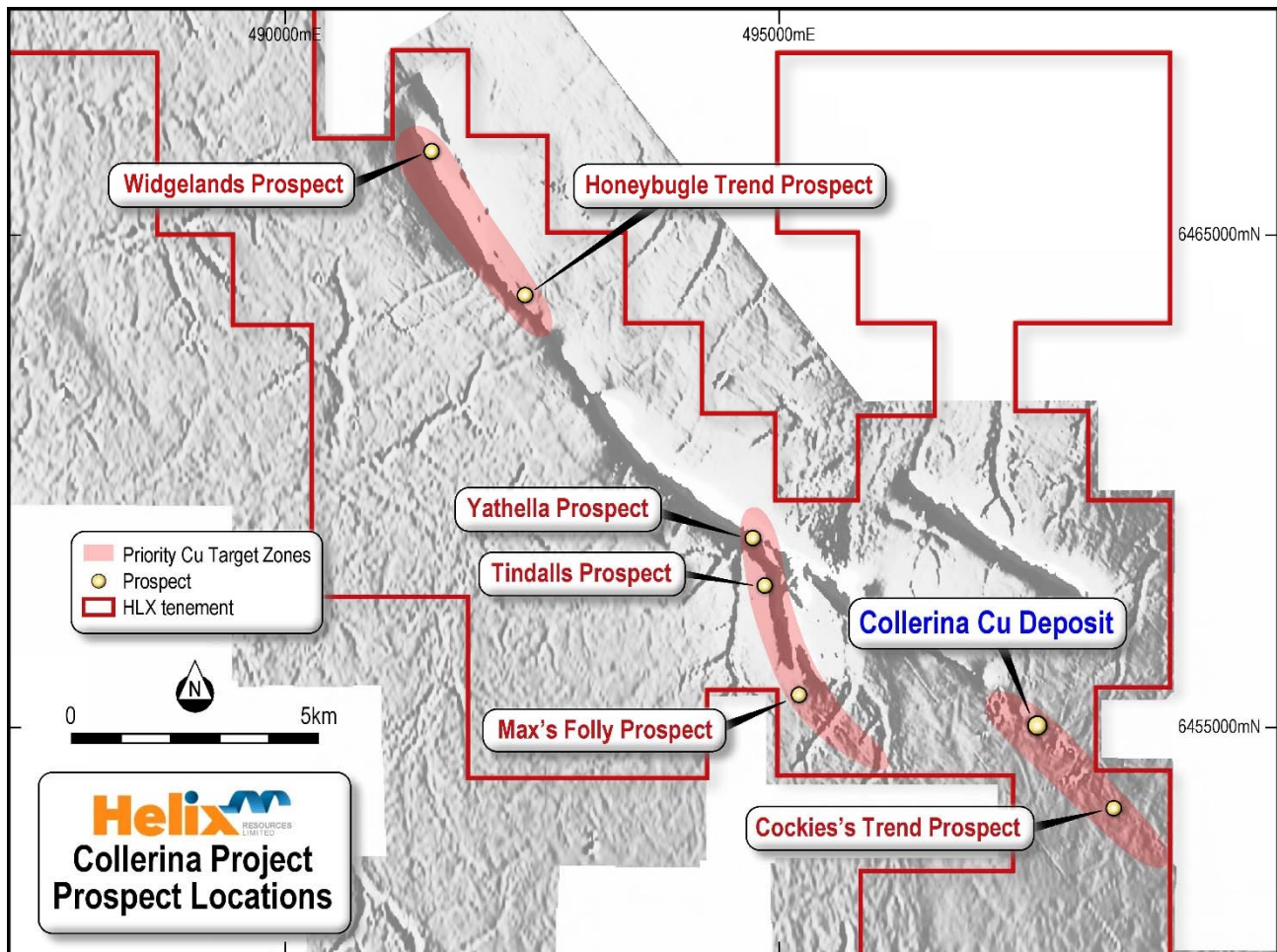


Figure 2: Collerina Copper Deposit location and priority prospective regional trends

EM Geophysics:

Final levelled data for the 600 line kilometre airborne VTEM survey was received in mid-March. The survey identified numerous prospective anomalies for follow-up. The data was reviewed and targets have been prioritised in consultation with the Company's geophysical consultant.

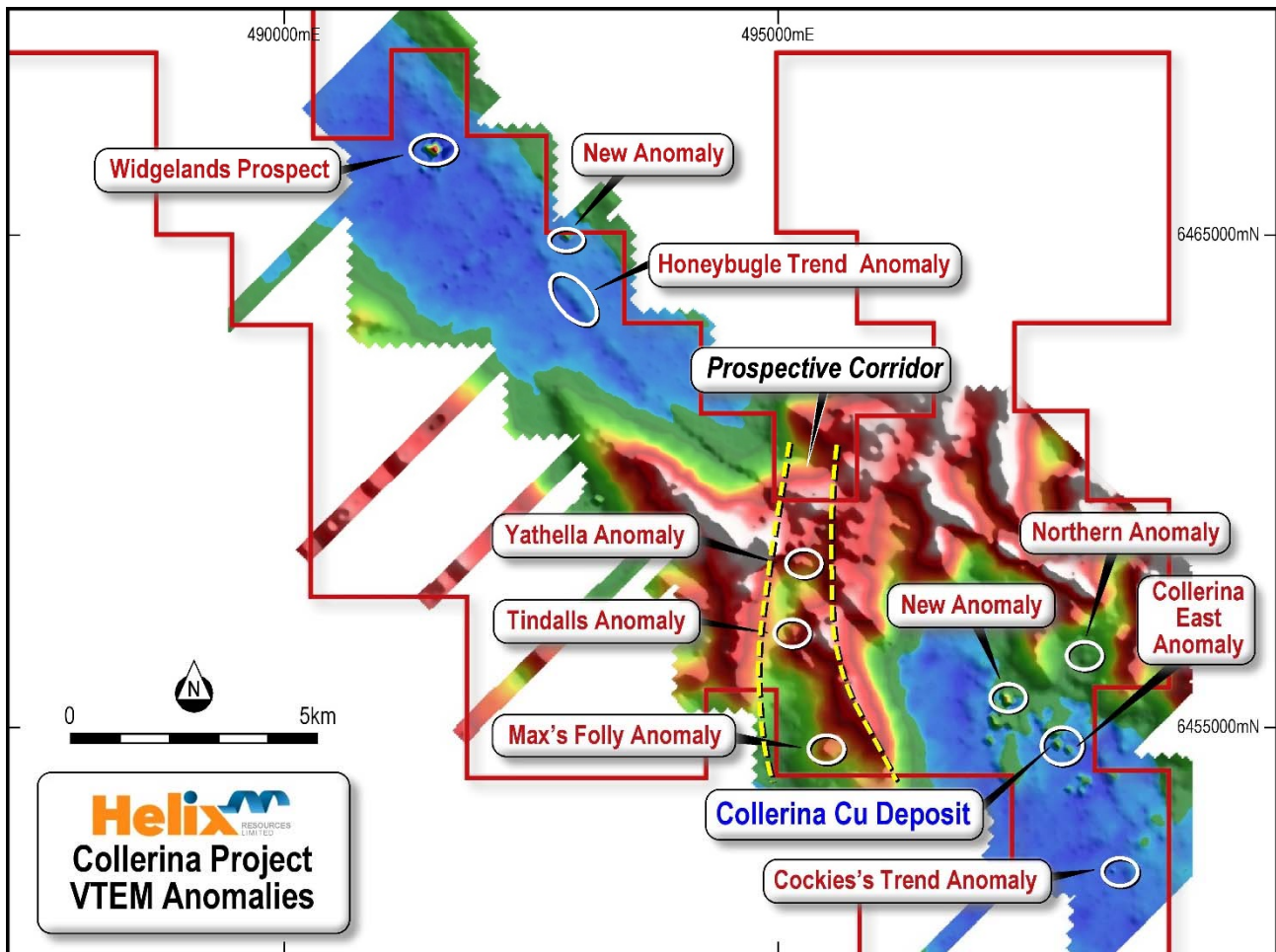


Figure 3: Multiple EM anomalies identified along the 25km Collerina trend, priority is Yathella to Max's Folly Corridor.

From the review and assessment, two conductive anomalies were considered to have sufficient detail and strength in areas of regional geological interest to be modelled directly from the levelled VTEM airborne data.

New Regional Exploration Targets

Target 1 - Col VTEM01: This anomaly, located close to the Yathella copper workings. The anomaly sits on the intersection of the main northwest Collierina Trend and a north-south structural trend. This anomaly has a conductivity of 950 Siemens, which is at the higher end of conductivity for this type of copper mineralisation, and was present on three 100m spaced flight lines.

The geometry and dip of the modelled plate is very similar to the Collierina Prospect main mineralised zone.

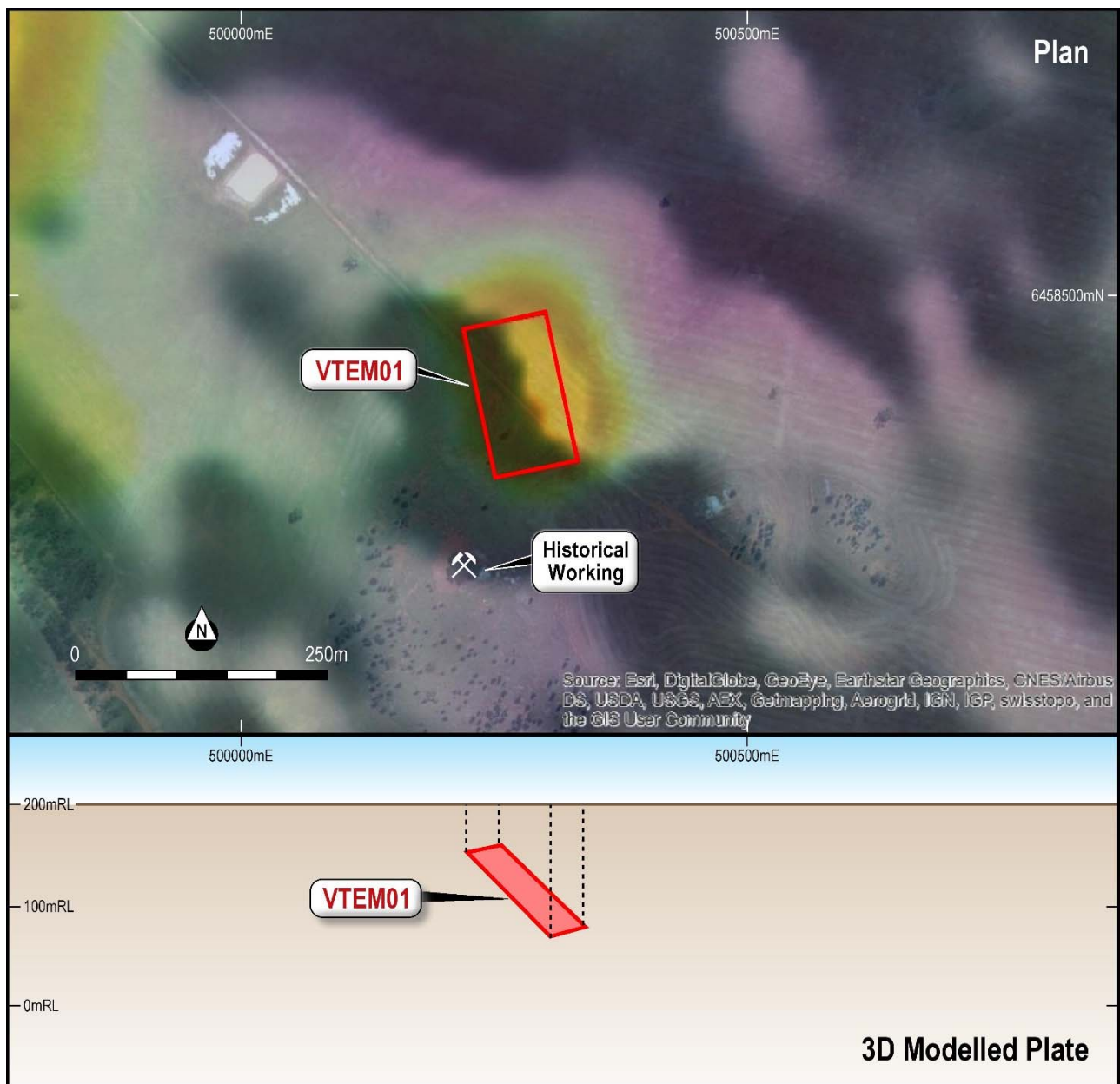


Figure 4: Yathella area: Late-time EM anomaly in plan and modelled plate of the VTEM01 anomaly

Target 2- Col VTEM06: This anomaly is located southeast from the Tindalls Copper Prospect and 1.2km due south of Yathella and lies on the western flank of a north-south structural trend. The anomaly modelled a conductivity of ~300 Siemens, which is within the level of conductivity of the type of copper mineralisation seen in the district, including the main mineralisation at Collierina (250 Siemens). The plate is modelled to be dipping northeast along the direction of the flight line.

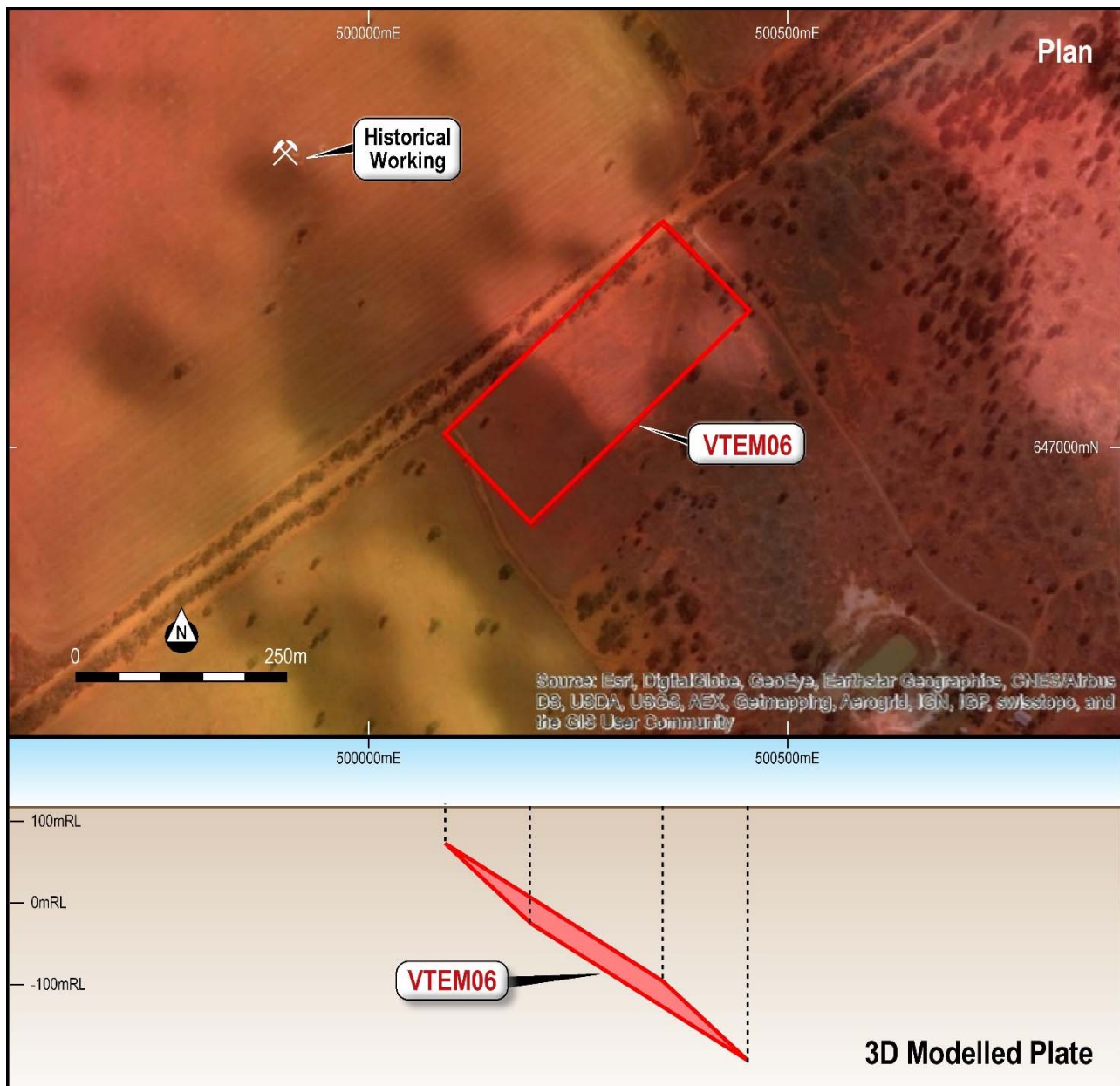


Figure 5: Tindalls area: Late-time EM anomaly in plan and modelled plate of the VTEM06 anomaly

An RC drill program is anticipated to commence during May with RC holes planned to provide an initial test of each of these targets.

Collerina Prospect Geological Review

The known copper mineralisation at the Collerina Prospect is associated with bedding parallel massive sulphide bodies and stockwork vein-style within altered sediments immediately above a serpentinite unit. The serpentinite is interpreted to be an altered intrusive sill also parallel to bedding. The sequence dips ~40 degrees to the northeast.

From the structural review, including an assessment of the detailed magnetics, the interpreted folded and faulted distribution of the footwall serpentinite indicates that **the extensions of the main sedimentary horizon hosting mineralisation locally** at the Collerina Deposit **may possibly lie to the south of the drilled area**.

An RC drill program to provide an initial test of this new target zone will form part of the upcoming drilling program in May 2017.

Cobar Gold Project

Exploration at the Cobar Gold Project is ongoing, following the identification of possible new structural controls for the gold mineralisation within the known Prospects (**Battery Tank, Good Friday, Sunrise and Boundary**). The programs include additional auger geochemistry surveys and follow-up drilling.

Further details on the Cobar Gold Project exploration programs will be released in a separate announcement.

- 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

JORC Code – Table 1

Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary																																														
Sampling techniques	<ul style="list-style-type: none">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.Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.Aspects of the determination of mineralisation that are Material to the Public Report.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.	<ul style="list-style-type: none">Airborne Electromagnetic geophysics was completed by a commercial contractor UTS Geophysics. <table><tr><td>System</td><td>VTEM^{MAX} (GEOTECH)</td></tr><tr><td>Transmitter</td><td></td></tr><tr><td>Loop Diameter</td><td>35 m</td></tr><tr><td>Loop Area</td><td>962 m2</td></tr><tr><td># turns</td><td>4</td></tr><tr><td>Effective TX loop area</td><td>3,847 m2</td></tr><tr><td>Typical Current</td><td>180 A</td></tr><tr><td>Peak Dipole Moment</td><td>690,000 NIA</td></tr><tr><td>Pulse Width</td><td>7 ms @ 25 Hz</td></tr><tr><td>Receiver</td><td></td></tr><tr><td>dB/dT components</td><td>Z & X standard</td></tr><tr><td>B Field</td><td>derived</td></tr><tr><td>X coil diameter</td><td>0.32 m</td></tr><tr><td># turns X coil</td><td>245</td></tr><tr><td>Effective X coil loop area</td><td>20 m2</td></tr><tr><td>Z coil diameter</td><td>1.20 m</td></tr><tr><td># turns X coil</td><td>100</td></tr><tr><td>Effective X coil loop area</td><td>113 m2</td></tr><tr><td>Time gate range</td><td>18us-11.5ms</td></tr><tr><td># channels recorded</td><td>45</td></tr><tr><td>Mechanical</td><td></td></tr><tr><td>Typical weight</td><td>~630 kg</td></tr><tr><td>Nominal survey speed</td><td>90 km/hr</td></tr></table>	System	VTEM^{MAX} (GEOTECH)	Transmitter		Loop Diameter	35 m	Loop Area	962 m2	# turns	4	Effective TX loop area	3,847 m2	Typical Current	180 A	Peak Dipole Moment	690,000 NIA	Pulse Width	7 ms @ 25 Hz	Receiver		dB/dT components	Z & X standard	B Field	derived	X coil diameter	0.32 m	# turns X coil	245	Effective X coil loop area	20 m2	Z coil diameter	1.20 m	# turns X coil	100	Effective X coil loop area	113 m2	Time gate range	18us-11.5ms	# channels recorded	45	Mechanical		Typical weight	~630 kg	Nominal survey speed	90 km/hr
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Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> 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. 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. 	<ul style="list-style-type: none"> The Collerina Copper Project is located on EL6336 where Helix holds the right to all precious and base metals, excluding nickel laterites and associated co-products. The tenement is in good standing, with a renewal due in October 2018. There are no known impediments to operating in this area.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Previous modern exploration on the Collerina Project was limited to three holes drilled by CRA in the 1980's. Historic shafts and pits are present throughout the area, which date back to small scale mining activities in the late 1800's to early 1900's.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The prospect is considered to be sediment/volcanoclastic hosted hybrid VMS or Besshi-style copper systems.
Drill hole Information	<ul style="list-style-type: none"> 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: 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. 	<ul style="list-style-type: none"> Drilling results from the project have been released and are available on Helix's website: helix.net.au
Data aggregation methods	<ul style="list-style-type: none"> 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. 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. 	<ul style="list-style-type: none"> VTEM anomalies reported have been modelled by independent consultant SGC for Helix and the methodology used is considered to be of industry standard for modelling such data.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> The assumptions used for any reporting of metal equivalent values should be clearly stated. 	
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. 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'). 	<ul style="list-style-type: none"> The program was designed to test the potential of the copper prospective trend for Collerina-style repeat targets. Follow-up ground based activities including geophysics, geochemistry and drilling is planned over anomalies
Diagrams	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Refer figures 1-5 in the main body
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Refer to Figure 3
Other substantive exploration data	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Previously reported activities Refer to ASX announcements on www.helix.net.au for details
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Based on these positive results, follow-up ground based geophysics, geochemistry and additional drilling is considered imperative to further assess the potential at various Prospects on the Collerina Project.