

ASX Announcement
23 December 2024

IMPLEMENTATION AGREEMENT AND PROPORTIONAL TAKEOVER UPDATE

Highlights

- Helix Resources Limited (Helix or the Company) has entered into an Implementation Agreement with Acta Investment Group Pty Ltd (Acta), being the bidder in the current proportional takeover offer for \$0.005 per Helix share (Offer), that reduces the conditionality of the Offer, provides further capital to the Company and allows the Company to focus on creating shareholder value.
- Acta will subscribe for 100 million fully paid ordinary shares in Helix (Helix Shares), or such lower number of Helix Shares so that Acta and its Associates would hold no more than 19.99% of Helix Shares on issue, at \$0.005 per Helix Share, being the same price as the Offer Price (representing an investment in Helix of approximately \$500,000) (Placement).
- Under the Implementation Agreement, Acta has revised its Board nominees to consist of only Mr Povey, who at completion of the Placement will be appointed Executive Chair. Mr Mike Rosenstreich to transition to a Non-Executive Director role.
- Acta to drop the majority of the Conditions to the Offer, leaving mainly those related to market conditions and external factors.
- Through increased dialogue with Acta as part of the Implementation Agreement, the Helix Board is now satisfied with the intentions of Acta to work with the Helix Board to complete a comprehensive review of Helix's Cobar assets and its associated capital requirements.
- Implementation Agreement follows significant, adverse changes to a funding proposal for the Bryah Basin copper project acquisitions requiring Helix to withdraw from these purchase and joint venture agreements.
- Helix has released a Supplementary Target's Statement which sets out the reasons for Helix Directors unanimously recommending Helix shareholders ACCEPT the Offer.
- Key reasons for entering into the implementation agreement include:
 - The Placement is at the same price per share as its Offer Price, which is at a premium to the recent Helix Share trading price of between \$0.003 and \$0.004.
 - The dropping of a majority of the conditions provides greater certainty to Helix Shareholders of the Offer completing.
 - While the agreement to participate in a Placement at the same price as the Offer Price does not replace the anticipated Bryah Basin funding, it does provide funds on a timely basis on terms considered more favourable than the fundraising for the Bryah Basin projects that was ultimately offered, referred to above.



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ASX: HLX

- With only Mr Michael Povey being appointed to the Helix Board, the Offer no longer reflects a change in control of Helix through the Board composition for which Helix Shareholders would otherwise expect to receive an adequate share price premium.
- There have been no approaches to Helix regarding competing proposals since the Acta bid was announced on 30 August 2024.

Helix's Managing Director Kylie Prendergast commented:

"Through proactive engagement with Acta, we are pleased to present shareholders with the details of an Implementation Agreement which provides a path forward that reduces the conditionality of the Offer, provides further capital to the Company and allows the Company to again focus on creating shareholder value

Under the Agreement, Acta has committed to a Placement which increases the Group's holding in the Company to 19.99%, does away with many of the onerous conditions to improve confidence in the Offer and is also no longer seeking to gain effective control of the Helix Board.

These improved terms, in the current market conditions for ASX-listed junior explorers and Helix Resources' current share price, now present a more compelling opportunity for the Company's shareholders when considered with respect to the disappointment of having to withdraw from the Bryah Basin acquisition, which we regarded as highly prospective.

I would like to thank existing shareholders for their patience while the Company has progressed through this transformational period and highlight the perseverance of both Helix and Acta to negotiate in good faith to deliver a positive outcome."

CORPORATE UPDATE – IMPLEMENTATION AGREEMENT & PROPORTIONAL TAKEOVER

Helix Resources Ltd (**ASX:HLX**, Helix or the Company) is pleased to update shareholders on its negotiations with Acta Investment Group Pty Ltd (Acta) and provide the details of an Implementation Agreement executed between Helix Resources and Acta.

Key Outcomes of the Implementation Agreement

Subscription of Placement Shares

Under the Implementation Agreement, Acta will subscribe for 100 million Helix Shares, or such lower number of Helix Shares so that Acta and its Associates would hold no more than 19.99% of Helix Shares on issue, at \$0.005 per Helix Share, being the same price as the Offer Price (representing an investment in Helix of approximately \$500,000). The Placement is scheduled to complete on or before 2nd January 2024.

Funds raised under the Placement is planned to progress the Company's highly prospective Cobar exploration assets, including drilling of its Muriel Tank gold prospect, regional scale auger drilling, and will also assist with working capital requirements.

Helix Shares under the Placement will be issued without shareholder approval using Helix's placement capacity under ASX listing rule 7.1 and will rank pari passu with all existing Helix Shares on issue.



Proposed Board Changes

Under the Agreement, Acta has agreed to revise its Board nominees, with Mr Povey to be appointed Executive Chairman of the Company. The appointment reflects his substantial investment within the Company. Mr Michael Rosenstreich has also agreed to move to a non-executive Director position. Other directors will not change.

Waiver of Takeover Offer conditions

Acta has agreed to waive any breach of the Offer Conditions that results (or may reasonably result) from the transactions contemplated by this agreement.

Acta agrees to waive the following conditions in section 12.8 of the Bidder's Statement (**Conditions**):

- (i) 12.8(a)(i) (director appointments);
- (ii) 12.8(a)(iii) (no material adverse effect);
- (iii) 12.8(a)(iv) (no material acquisitions, disposals or new commitments);
- (iv) 12.8(a)(v) (no persons exercising rights under certain agreements or instruments);
- (v) 12.8(a)(viii) (access to information);
- (vi) 12.8(a)(ix) (absence of new litigation);
- (vii) 12.8(a)(x) (ASX conditions);
- (viii) 12.8(a)(xiv) (no break fees);
- (ix) 12.8(a)(xvii) (no distributions); and
- (x) 12.8(a)(xviii) (shareholder approval of bid).

Supplementary Target's Statement Lodged

Helix Resources has lodged a Supplementary Target's Statement in which the Helix Directors unanimously recommend shareholders **ACCEPT** the Proportional Takeover Offer. The Helix Directors plan to accept the Offer in respect of the Helix Shares they hold or control.

Shareholders are encouraged to read the Supplementary Target's Statement in its entirety as it will assist in making an informed decision with respect to the Offer. Shareholders may also wish to seek independent legal, financial, taxation or other professional advice in relation to the Offer.

If shareholders have any questions in relation to the Offer, please contact the Helix Shareholder Information Line on 1300 265 193 (within Australia) or +61 3 9415 4395 (outside Australia) between 8:30am and 5.30pm (AEDT) Monday to Friday (excluding public holidays), or via email to Helix@helixresources.com.au or visit our Investor Hub at <https://investorhub.helixresources.com.au>.

Shareholders can also obtain a hard copy of the Supplementary Target's Statement by calling the Helix Shareholder Information Line.

The Helix Board will continue to keep shareholders informed of further developments.

Reasons why Helix has entered into an Implementation Agreement with Acta

The following are the key reasons which led to the Helix Board's decision to enter into the Implementation Agreement:

Changes to funding expectations for the Bryah Basin acquisitions

The Western Australia copper strategy envisaged the acquisition of two Bryah Basin opportunities which the Helix Board considered were highly prospective and value accretive for Helix Shareholders. The two binding term sheets relating to the proposed purchase and joint venture have now been terminated by mutual agreement.

A key factor in the Helix Board's decision to proceed with the acquisitions was an understanding that the transactions would be well supported by significant funding to be facilitated by a Western Australia based wholesale Australian financial services licensed firm on terms the Helix Board considered attractive, taking into consideration the share price at the time, the Offer Price and the amount to be raised. However, the ultimate financing terms presented in December 2024 were materially different to those originally discussed prior to Helix entering into the term sheets for the Bryah Basin acquisitions. The proposed reduction in the quantum of capital to be raised and the associated reduction in pricing were considered unacceptable to the Helix Board in the context of the Offer. Faced with an unexpected, highly dilutive funding proposal to enable work on the Bryah Basin projects, the Helix Board resolved to terminate these agreements in the best interests of Helix Shareholders.

Conditionality of the Takeover Offer has now been greatly reduced

As expressed in the Target's Statement, there were numerous Conditions placed on the Offer which provided significant uncertainty to Helix Shareholders that the Offer would be completed.

The AGM result meant that Condition 12.8(a)(i) (director appointments), which required that before the end of the Offer Period a majority of the Helix Board are nominees of Acta or its Associates, had not been satisfied. Helix also advised¹ that it had breached Condition 12.8(a)(iv) (no material acquisitions, disposals or new commitments), which restricted Helix from making any material expenditure greater than \$50,000. This meant that the Offer could have lapsed if the relevant Conditions were not waived. Pursuant to the terms of the Implementation Agreement, Acta has agreed to waive a majority of the Conditions, providing greater certainty to Helix Shareholders that the Offer could be completed.

Engagement with the Company's largest Shareholder

The Helix Board considered it appropriate to engage directly with Acta (as its Associate, Nuevo Royalty, is the largest Helix Shareholder) in the best interests of all Helix Shareholders in order to ascertain if there was a path forward that would reduce the conditionality of the Offer, provide further capital to the Company on acceptable terms and avoid any future potential corporate actions that may pose a distraction and cost to the Company.

No superior proposal.

The Company has not received a Superior Proposal and accepts that the Offer is currently the sole proposal.

¹ Target's Statement, Section 5.6.



COMPETENT PERSON STATEMENT

The information in this report that relates to exploration results and geological data for the Cobar projects is based on and fairly represents information and supporting documentation prepared by Mr. Gordon Barnes and Dr. Kylie Prendergast who are both employees and shareholders of the Company. Mr. Barnes and Dr. Prendergast are Members of the Australian Institute of Geoscientists. They both have sufficient experience that is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being undertaken to each qualify as Competent Person(s) as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr. Barnes and Dr. Prendergast have consented to the inclusion of this information in the form and context in which it appears in this report.

This ASX release was authorised by the Board of Directors of Helix Resources Ltd.



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Board of Directors:
Mike Rosenstreich – Non-executive Chair
Kylie Prendergast – Managing Director
Emmanuel Correia – Non-executive Director

Company Secretary
Ben Donovan

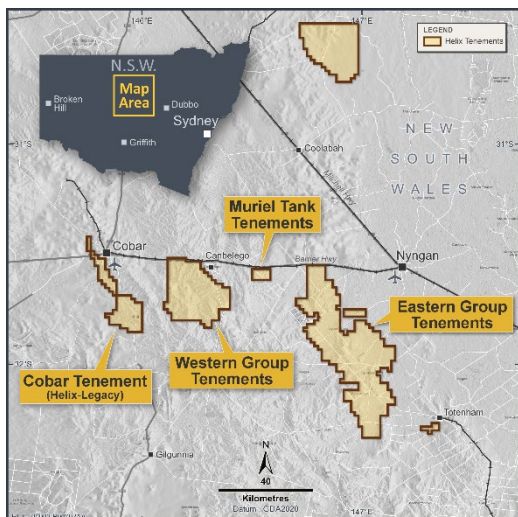


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About Helix Resources

Helix Resources is an ASX-listed resources company which is exploring in the prolific copper producing region of Cobar, NSW. The Company possesses a sizable ground position (~3,300km²) which is largely untested despite being located proximal to significant copper and gold producing operations. The strategy is to generate new copper and gold targets and test them through drilling to make new discoveries.



Helix is the operator of the Helix-Legacy earn-in which is located 10 km west of the Cobar township. The area, which hosts several operating gold, copper and base metal mines, is prospective for Cobar-style copper-gold base metal deposits.

The Western Tenement has 30km of prospective strike and a pipeline of wholly owned copper opportunities, as well as the Canbelego JV Project (70% Helix as operator and 30% Aeris Resources) where a Mineral Resource of 31.8kt of contained copper has been estimated (refer Appendix A).

A 5 km by 1.5 km historical gold field is being evaluated on the Muriel Tank tenement. The Eastern Tenement Group encompasses more than 100km of prospective strike. The company has defined an extensive zone of new anomalies considered prospective for Tritton-style copper-gold deposits.



Appendix A: Canbelego Main Lode Mineral Resource Estimate

A Mineral Resource estimate for the Canbelego Main Lode was completed by MEC Mining. This was the first update of the Canbelego resource since the 2010 resource estimate.

The 2023 updated Mineral Resource Estimate for the Canbelego Main Lode is presented below.

2023 Canbelego Main Lode Mineral Resource Estimate (MRE)

MRE Category	Tonnes	Grade (Cu%)	Cu-Metal (t)
<i>Total opencut MRE, ≥240mRL; 0.3 Cu% cut-off grade & underground MRE, <240mRL; 0.8 Cu% cut-off grade</i>			
Indicated	340,600	1.65	5,620
Inferred	1,493,700	1.75	26,140
Total: Opencut & Underground	1,830,000	1.74	31,842
Comprising:			
MRE Category	Tonnes	Grade (Cu%)	Cu-Metal (t)
<i>Potential opencut MRE, ≥240mRL; 0.3 Cu% cut-off grade</i>			
Indicated	99,700	1.28	1,276
Inferred	282,300	1.21	3,416
Total: potential opencut MRE	377,000	1.23	4,637
<i>Potential underground MRE, <240mRL; 0.8 Cu% cut-off grade</i>			
Indicated	240,900	1.81	4,360
Inferred	1,211,400	1.88	22,774
Total: potential underground MRE	1,453,000	1.87	27,171
* Numbers may not sum due to rounding * Numbers are rounded to reflect that they are estimates * A top-cut grade of Cu 12% was applied to the MRE * Stated MRE complies with Reasonable prospects of eventual economic extraction			

The Mineral Resource Estimate announced on 14 June 2023.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and, in the case of mineral resource estimate, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.