

ASX Announcement
15 April 2021

Drilling Commences as Copper Exploration Momentum Builds

- Drilling contractor, Mitchell Services is on site at the Canbelego Copper Project and will today commence drilling CANDD001 – Helix's first diamond core drilling at Canbelego since 2013.
- Diamond drilling is targeting the depth extensions indicated by the untested downhole electromagnetic conductors. This is part of an initial c. 1,100 metre program at the Canbelego project.
- The recent VTEM MAX™ survey has highlighted previously unrecognised potential extensions and repetitions of the Canbelego copper mineralisation. Additional RC drilling is planned to test these areas along with several other high-priority targets in a follow-up program.
- Surface electromagnetic surveys have resumed over new anomalies at both the Rochford and the Collierina Trends after a short delay due to rain. These surveys are designed to better define prospective targets identified by the recent VTEM ahead of drill testing.
- Helix's team has mobilised to site and will be joined by consulting structural geologist, Dr Vladimir David to assist with detailed core logging and drill planning. This is part of the build-up of the 'discovery' team to be based out of Orange, NSW and led by Mr Gordon Barnes who commences as Helix's Exploration Manager on 10 May 2021.

Helix Resources Limited (ASX:HLX) is pleased to advise that diamond drilling will commence today at its Canbelego Copper Project (refer figure 1). Canbelego is a joint venture with Aeris Resources Limited (ASX:AIS) with Helix holding 70% and Manger and AIS on 30% and contributing to exploration expenditure.



Figure 1: Drill rig setting up onsite for drill hole CANDD001

Helix's Managing Director, Mike Rosenstreich commented *"it's wonderful to be on the ground with our geologists, geophysical crews and drill contractors so quickly after completion of our recent \$3.0 million capital raise. Whilst we don't plan to report results 'hole by hole' we thought it was important to signal to shareholders that we have started the work they have invested into. The recent VTEM survey has been a great success and has highlighted the Canbelego area as a high-priority target prospective for significant increments to the current copper resource defined there. Transferring our exploration HQ to Orange means we will be closer to the projects and better positioned to maintain a more aggressive exploration program."*

DISCUSSION

Advanced Copper Projects

The Company has two copper Mineral Resources; Canbelego and Central Zone (CZ) located along the Rochford and Collierina copper-mineralised trends respectively. There is potential for significant extensions to the known high-grade copper mineralisation which will be tested by the diamond drilling program which commenced today. The drill program referred to below is just the initial metreage - further drill holes and metreage is being planned at Canbelego, CZ and to test regional targets.

1. Canbelego (Rochford Trend)

Drilling contractor, Mitchell Services mobilised to site on Wednesday 14 April and will today commence drilling diamond drill hole CANDD001.

CANDD001 is targeting an untested downhole electromagnetic (DHEM) conductor position, generated from drilling completed in 2013 and recently reprocessed by Southern Geoscience, as depicted in Figure 2.

More advanced processing algorithms were used to re-process the 2013 DHEM data. This work has modelled a clearly defined (150-300 Siemens), steep plunging and depth extensive DHEM plate extending well below (>150 metres) the current resource.

This first hole is part of an approximately 1,100 metre initial drill program planned at Canbelego designed to test for depth extensions to the existing historical 2004 JORC Mineral Resource¹. The drill core will also be utilised for preliminary metallurgical testwork.

The recently completed VTEM MAXTM airborne electromagnetic (EM) survey² has highlighted several previously unrecognised potential extensions and repetitions of the Canbelego copper deposit which has led management to assign this Project a higher priority. Figure 3 presents the recent VTEM results as colour contours adjacent to the existing Mineral Resource¹; discrete EM conductors were interpreted to the north, northeast, south and west of the currently defined resource within a 30ppm copper in soil anomaly outline.

The Company is currently undertaking surface EM surveys of these new EM anomalies adjacent to Canbelego, to better define and resolve the targets ahead of drilling. This surface EM program was delayed by c.10 days due to heavy rain. RC drill traverses focused on geochemistry and geology are planned as follow-up to test these new targets, ahead of likely further diamond core drilling.

2. CZ Deposit (Collierina Trend)

Diamond drilling planned at the CZ deposit is designed to extend mineralisation down plunge and across strike as indicated by DHEM and surface EM surveys and to collect core samples for metallurgical testwork. This will be undertaken by the rig currently working at Canbelego and there may be several campaigns with this drill rig at each project area subject to results.

Additional DHEM and surface surveys are due to be completed over the next 10 days to provide better target definition ahead of the drill program. Drill hole locations and metreage is still being planned.

¹ Refer Appendix A - Mineral Resources Overview

² Refer ASX report "Airborne EM Survey Highlights 24 High Priority Copper Targets" 23 March 2021

Building Momentum

Helix's geologists and field crew are now on site and the team has been bolstered by Dr Vladimir David a structural geology expert with long experience in the Cobar Basin region on most of the major deposits. Also, Mr Gordon Barnes will commence as the Company's new Exploration Manager on 10 May 2021 and will be based in Orange, NSW. Helix's exploration 'base' will transfer from Perth, Western Australia to Orange to be closer to its core projects in central NSW.

The Company is planning and budgeting its activities across 3 main activity streams:

- Extension of existing resources at Canbelego and CZ deposits.
- Testing of targets and either progressing them to resource definition type drilling or moving onto new targets.
- Target generation as exemplified by the recent VTEM MAX survey and the ongoing soil auger geochem sampling to be boosted by geological mapping and additional geophysical surveys.

To underpin its copper business case the Company must grow its existing copper resource base and generate new copper targets for assessment. In the past two months the Company has already made significant progress along these activity paths and looks forward to providing further updates on these activities.

A video presentation outlining the Company's exploration strategy and recent results is available on its website.

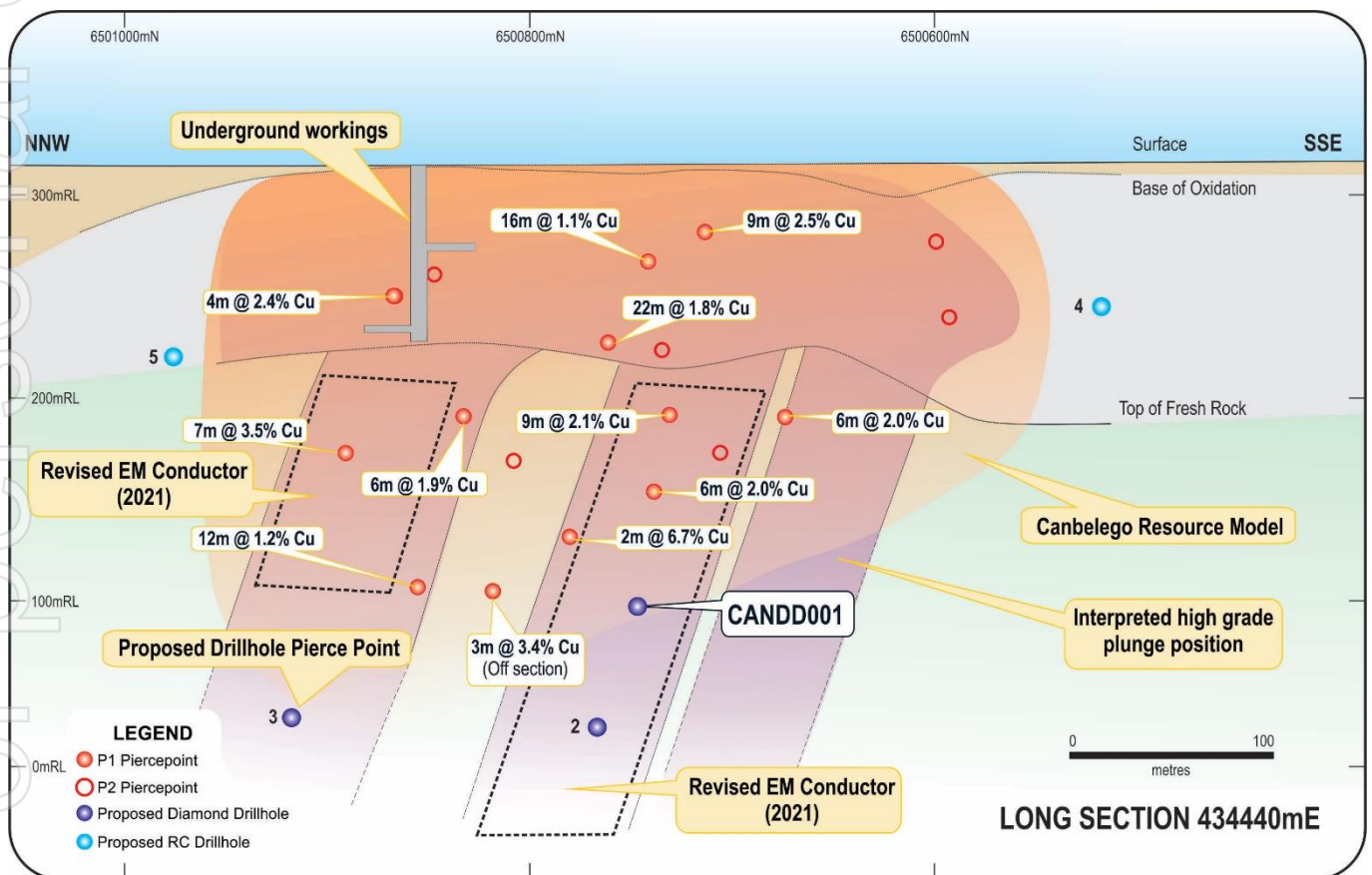


Figure 2: Schematic Long-section of the Canbelego Copper Deposit, with re-processed DHEM conductor target and approximate location of drill hole pierce points for the initial 2021 drilling.

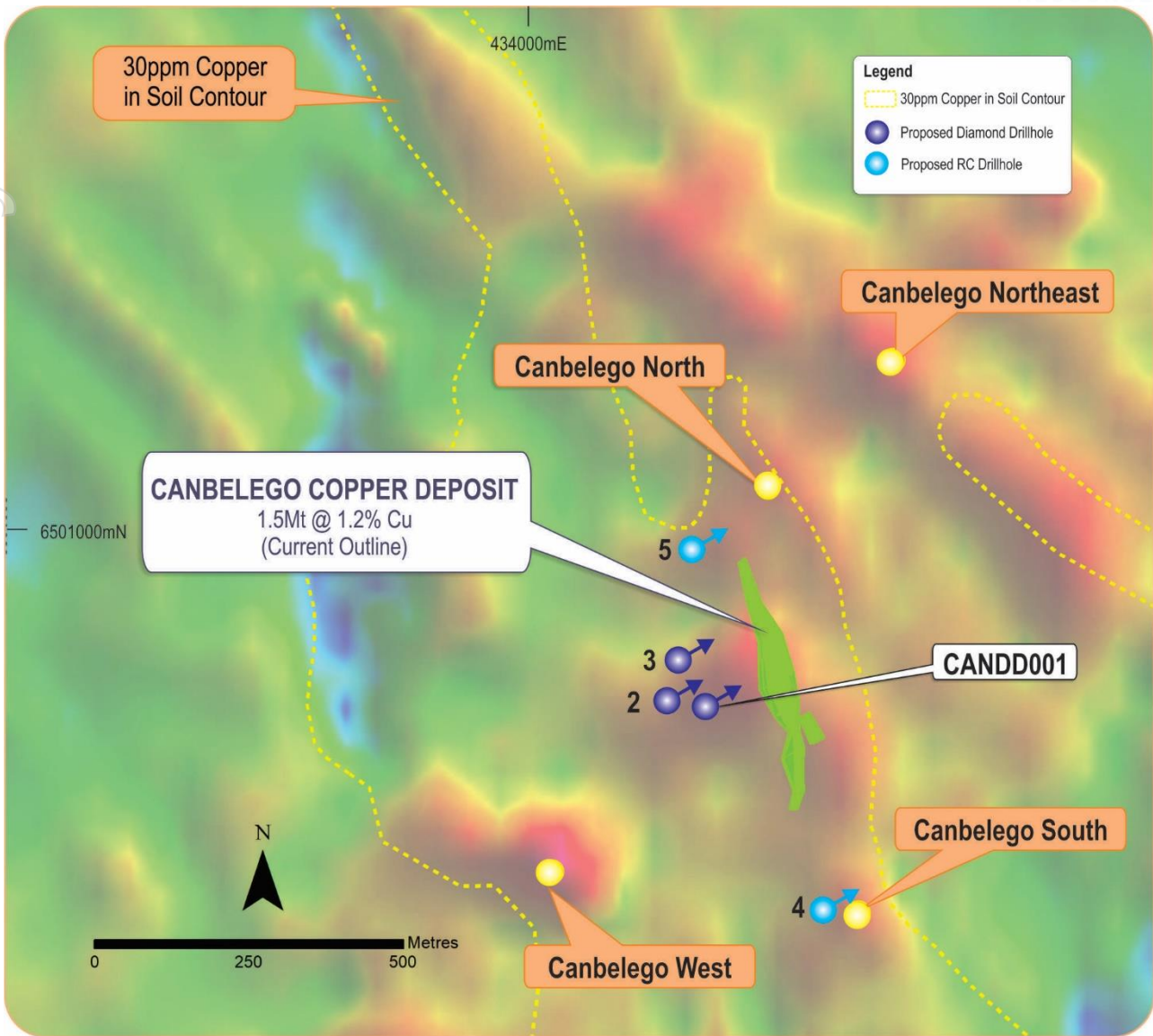


Figure 3: Plan of the Canbelego Deposit draped on a late-time VTEM image, showing the approximate drill hole collar positions for the initial drilling.

COMPETENT PERSON STATEMENT

The information in this report that relates to exploration results, Mineral Resource estimates and geological data for the Cobar projects is based on information generated and compiled by Mr Michael Wilson and Mr Mike Rosenstreich who are both employees and shareholders of the Company. Mr Wilson is a Member, and Mr Rosenstreich is a Fellow of the Australasian Institute of Mining and Metallurgy. 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 Wilson and Mr Rosenstreich 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.



ABN: 27 009 138 738
ASX: HLX



Contact Details:

Helix Resources Limited
78 Churchill Avenue,
SUBIACO, WA, 6008

PO Box 825
West Perth, WA, 6872

Email: helix@helixresources.com.au

Web: www.helixresources.com.au

Tel: +61 (0)8 9321 2644



Board of Directors:

Peter Lester Non-Executive Chairman
Tim Kennedy Non-Executive Director
Jason Macdonald Non-Executive Director
Mike Rosenstreich Managing Director

Company Secretary

Ben Donovan



Investor Contact:

Mike Rosenstreich

Tel: +61 (0)8 9321 2644

Email: helix@helixresources.com.au

About Helix Resources

Helix Resources Limited (ASX:HLX) is focused on its copper and gold projects located near Cobar in central NSW, Australia. The Cobar Region is highly endowed, with a number of copper, base metals and gold mines and large-scale mineral resources including the CSA Mine, Peak Mine, Tritton Copper Operations and Hera Mine.

The Company has two copper Mineral Resources; Canbelego (70% HLX: 30% ASX-AIS) and Central Zone (100% HLX) located along the Rochford and Collierina copper-mineralised trends respectively. There is potential for significant extensions to the known high-grade copper mineralisation.

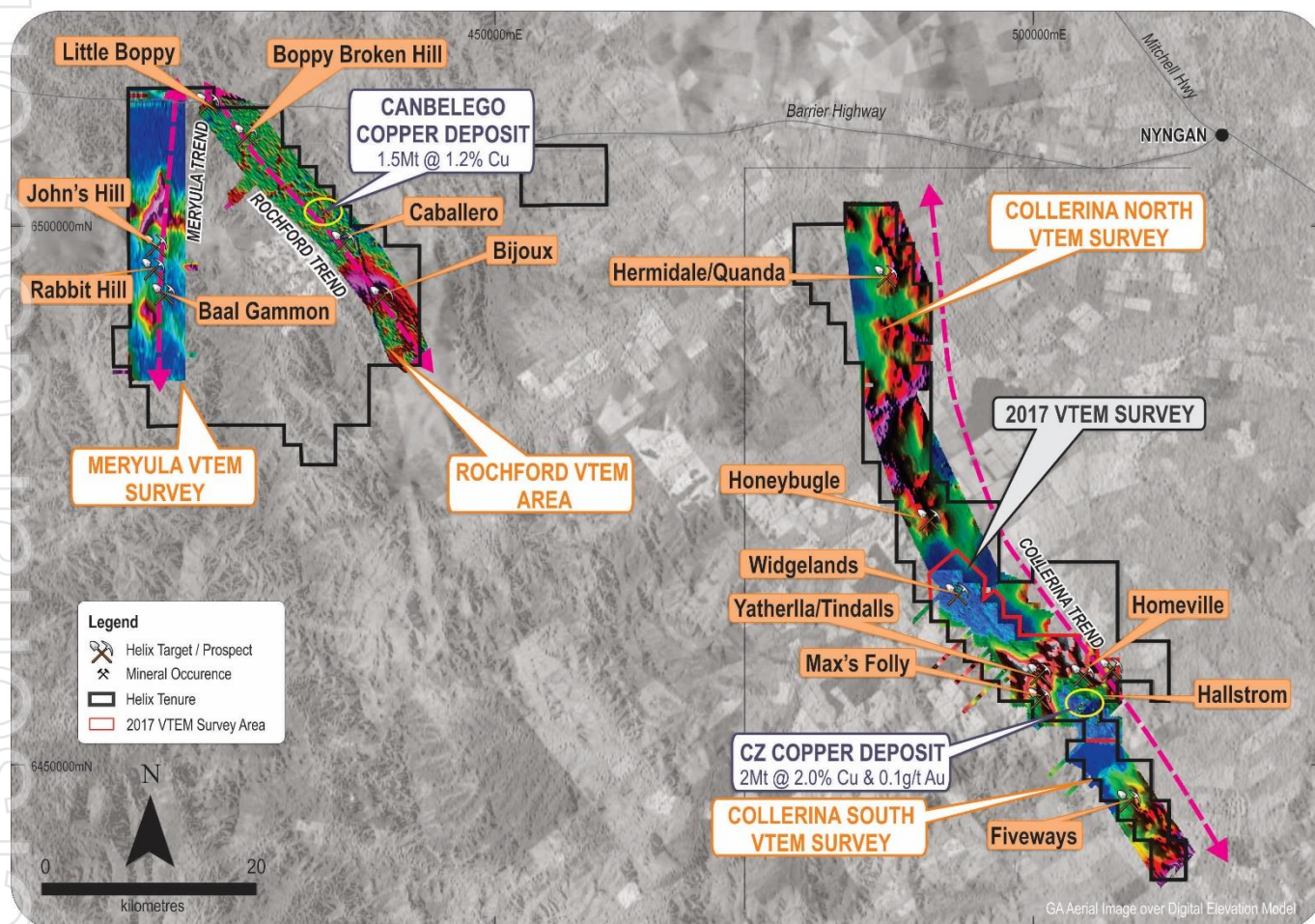
A geophysical survey technique, electromagnetics (EM), is a known, successful 'discovery tool' for copper in the Cobar region. However, only 20% of the prospective copper trends on Helix's tenements had EM survey coverage until a major airborne EM survey covering the entire 120 km of copper trends was completed in March 2021. This work has identified 24 high-priority copper targets including renewed focus and confirmation of potential extensions around both the existing copper resources.

Under new management since early 2021, the Company's exploration activities are being re-invigorated with new funding to enable a dual focus on both regional target generation work to maintain a pipeline of new copper opportunities as well as growth of its existing high-grade copper resources to underpin a development pathway for its copper business case.

APPENDIX 1: MINERAL RESOURCES – OVERVIEW

Introduction

Helix holds ~1,500km² of tenure in the highly mineralised Cobar Basin, within central NSW, Australia. The Company has recently divided the prospective copper ground into 3 regional trends referred to as Collierina, Richford and Meryula as shown in the figure above. The Company has two copper Mineral Resources; Central Zone and Canbelego located on the Collierina and Rochford Trends respectively (Refer Tables 1 & 2 below).



Central Zone (CZ) Copper Deposit - Context

The CZ Mineral Resource is a high-grade copper discovery made by Helix in late 2016 along the Collierina Trend.

In June 2019, Helix announced a maiden resource estimate for the CZ deposit of 2.02 Mt at 2.03% Cu and 0.1g/t Au for 40kt copper and 9.4koz gold (Indicated and Inferred) (refer Table 1). Almost 60% of that resource tonnage sits in the Indicated categorisation, with the remainder classified as Inferred (by contained copper).

Other than results contained in this ASX release, Helix confirms that it is not aware of any new information or data that materially affects the Mineral Resource information included in Helix ASX release dated 11 June 2019, *Interim Maiden Resource at Collierina Copper Project*. All material assumptions and technical parameters underpinning the estimates in that release continue to apply and have not materially changed.

Table 1: Central Zone Mineral Resource Estimate (June 2019) (0.5% Cu Cut-off)

Classification	Type	Tonnes	Cu	Au	Cu	Au
		Mt	%	g/t	t	oz
Indicated	Oxide / Transitional	0.17	1.1	0.0	1,900	200
Inferred	Oxide / Transitional	0.46	0.6	0.0	2,700	100
Total	Oxide / Transitional	0.63	0.7	0.0	4,600	300
Indicated	Fresh	0.83	2.6	0.2	21,800	6,600
Inferred	Fresh	0.57	2.5	0.1	14,100	2,500
Total	Fresh	1.40	2.6	0.2	35,800	9,100
Indicated	Oxide / Transitional	0.17	1.1	0.0	1,900	200
Indicated	Fresh	0.83	2.6	0.2	21,800	6,600
Inferred	Oxide / Transitional	0.46	0.6	0.0	2,700	100
Inferred	Fresh	0.57	2.5	0.1	14,100	2,500
Total	Combined	2.02	2.0	0.1	40,400	9,400

Canbelego Copper Deposit - Context

The Canbelego Deposit is located 45km south-east of Cobar and 5km south of the historic Mt Boppy Mine along the Richford Copper Trend. Historic production from the Canbelego Copper mine was reported (1920) to be ~10,000t of hand-picked ore grading 5% Cu with mining stopped at the water table at ~80 metres.

Canbelego is located on EL6105 which is a joint venture with local copper producer Aeris Resources (ASX:AIS). Helix holds 70% and is the Manager and AIS is a contributing, 30% partner.

Structural remobilisation is considered an important control on high-grade copper in these mineralised systems, termed CSA Mine-style base metal deposits. Copper mineralisation is developed as structurally controlled, sub-vertically plunging, semi-massive to massive sulphide shoots.

A mineral resource compliant with the 2004 JORC Code of 1.5Mt @ 1.2% Cu (oxide, transition and fresh), 100% Inferred was reported in October 2010 as presented in Table 2. This Mineral Resource estimate is based on a total of 39 holes for 8,080 metres of RC and diamond drill core. Untested DHEM Conductors remain below the mine workings. No significant work has been undertaken at Canbelego since 2013. The recent VTEM work announced by Helix 23 March 2021 has refocused attention to this area.

Other than results contained in this ASX release, Helix confirms that it is not aware of any new information or data that materially affects the Mineral Resource information included in Helix ASX release dated 1 October 2010 *Initial Copper Resources for Canbelego and Exploration Update*. All material assumptions and technical parameters underpinning the estimates in that release continue to apply and have not materially changed.

Table 2: Canbelego* (October 2010) (0.5% Cu cut-off)

Classification	Type	Tonnes	Copper	Gold	Contained Copper	Contained Gold
		Mt	%	g/t	t	Oz
Inferred	Oxide/Transition/Fresh	1.50	1.2	N/A	18,000	N/A
Total	Combined	1.50	1.2	N/A	18,000	N/A

(Rounding discrepancies may occur in summary tables)

* JORC 2004 Compliant Resource: For full details regarding estimation methodologies please refer ASX announcement on 1 October 2010 – reported as 100% of deposit