ASX Announcement 3 April 2017

COBAR GOLD PROJECT UPDATE

REGIONAL REVIEW SUPPORTS POTENTIAL FOR LARGE GOLD SYSTEM

- A regional structural review of the Cobar Gold Project supports the potential for a large gold system.

- The structural controls noted by the review have strong affinities with the nearby Peak Gold trend, which hosts ~4Moz of gold over 8 kilometres of strike.

- The review identified a series of northeast trending quartz vein arrays and breccia zones in northwest fault systems that appear to control high-grade gold.

- The goldfield has potential to be more extensive than previously recognised and the known prospects *(Battery Tank, Good Friday, Sunrise and Boundary)* may be linked based on this new interpretation.

- Diamond drilling has been completed at Battery Tank, Good Friday, Sunrise and Boundary Prospects. 8 holes (710m) have tested the northeast trending structures at each prospect.

- Following detailed logging, assays from the first core hole, the extension of HRDD003 at the Good Friday Prospect has been received, expanding the high-grade gold intercept in the hole by 10m.

- Results for HRDD003 now comprise: An intercept of *39m @ 2.4g/t Au from 29m including previously reported 8m @ 4.9g/t Au from 30m and 7.8m @ 4.0g/t Au from 50m within this interval*[1] The high-grade intercept lies within a broader intercept of 66m @ 1.5g/t Au from 2m.

- Results for assays for the remaining holes are still awaited.

- New target zones have been identified and auger soil grids over these zones to test for prospective geochemistry are underway. Approvals for a follow-up RC drill program targeting additional northeast structures in the known prospects, as well as first-pass drilling targeting similar structures in the new target areas, are also underway.

Helix Resources Limited (ASX:HLX) is pleased to provide an update with regard to its ongoing activities at the Cobar Gold Project in NSW.

Regional and Prospect Scale Structural Review

In conjunction with the recent diamond drilling program, Helix has carried out a regional and prospect scale structural review at the Cobar Gold Project with the assistance of an experienced geological and structural consultant.

Preliminary findings from this work, combined with a review of the detailed geology and structural information logged from the recent diamond program, indicates potential for a large gold system to be present at the Cobar Gold Project.

The regional structural review has illustrated similarities between the mineralising controls in the nearby Peak gold trend, which hosts around 4Moz of gold over an 8 kilometres strike length and the gold mineralising structural controls present within the Cobar Gold Project (***refer Figure 1***).

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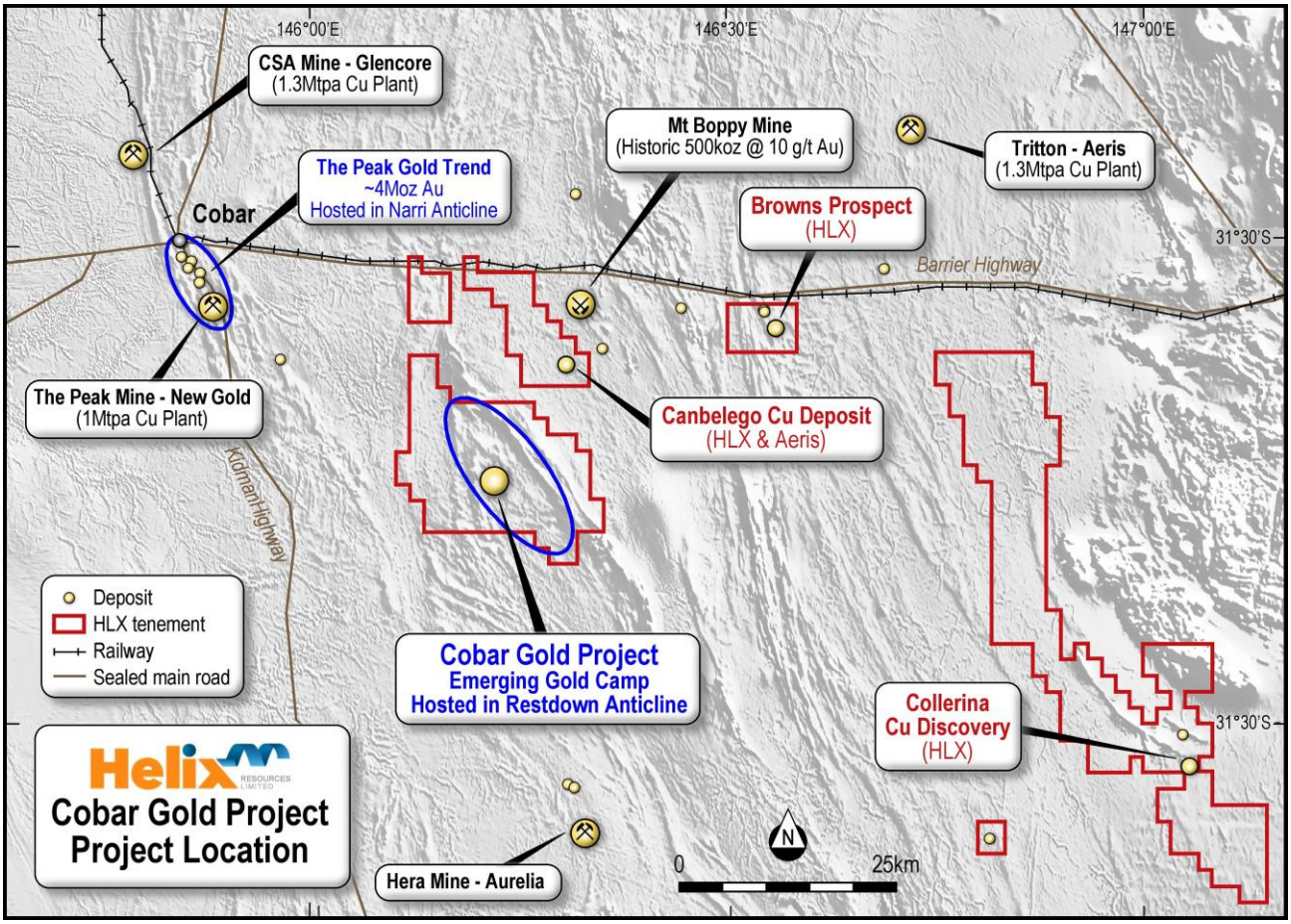

Figure 1: The Cobar Gold Project has a similar geological setting to the Peak Gold Trend, and is located within a productive mining district with several nearby long-life operations and significant new discoveries; including Helix's Collerina Copper Project.

The Peak gold trend is located along the limb of the Narri Anticline which hosts significant known gold deposits.

Prospects identified and drill tested within Helix's Cobar Gold Project have a similar geological setting adjacent to a similar anticlinal feature (the Restdown Anticline).

This observation and interpretation, in association with existing high grade gold mineralisation in similar structural positions to gold deposits within the Peak gold trend supports Helix's view that the Company's Cobar Gold Project may be host to a larger gold system than previously thought.

A key preliminary finding from the structural review is the presence of a series of northeast trending quartz vein arrays and breccia zones within the known prospects (**Battery Tank, Good Friday, Sunrise and Boundary**).

These zones appear to control high-grade gold in broader northwest mineralised corridors throughout the goldfield (***refer to Figure 2 below***).

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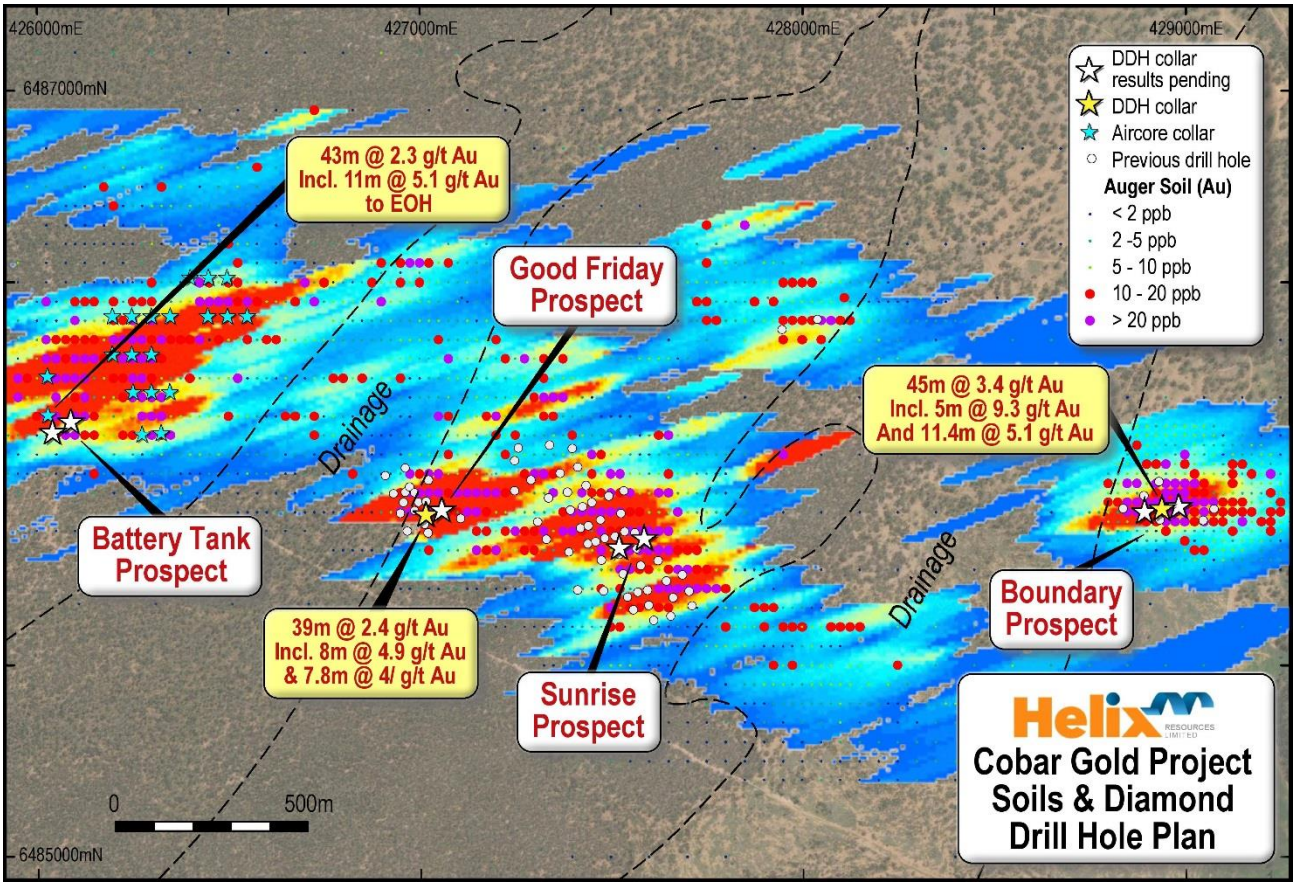

Figure 2: Location of DDH collars over a pseudo-colour soils image illustrating likely position of high grade controls at the various prospects. Note thicker cover in drainage between prospects is affecting soil results and masking additional drill targets.

This new structural interpretation and planned follow-up drilling has the potential to improve the overall grade tenor throughout the known prospects in the goldfield (**Battery Tank, Good Friday, Sunrise and Boundary**), particularly if paralell repeats of the northeast structural zones continue to contain improved grades and widths of gold mineralisation.

New Target Areas

Recent regional reconnaisance mapping undertaken at the Cobar Gold Project in previously unassessed areas beyond the known prospects has identified several new targets.

The new targets include some zones northwest of the current prospects, where previously untested historic gold workings are present. These additional targets increase the known footprint of the goldfield to an area exceeding 10km in length and 5km wide.

These new regional targets are being prioritised with geochemistry, stuctural interpretations and ground-based mapping of alteration and geology. It is planned that these newly identified areas will be subject to first-pass drill testing in the second quarter.

Recent Diamond Drilling Program

Four new holes (two at the **Battery Tank** and two at the **Sunrise** Prospects) and four diamond tail extensions of previous holes (two at the **Good Friday** and two at the **Boundary** Prospects) have been completed for a total of 710m in a recent diamond drilling program (***refer Table 2 below***).

Following detailed geological and structural logging of the holes, the first assays received from the program are from the extension of HRDD003 at the **Good Friday Prospect**.

The assay results have expanded the gold interval in that hole to **39m @ 2.4g/t Au** from 29m, within a broader interval of 66m @ 1.5g/t Au from 2m below surface (***refer Table 1 below***).

This interval includes two zones of high-grade gold located higher in the hole that were previously reported in the first 57.8m of the hole, drilled in the December quarter of 2016.

The high-grade gold zones included 8m @ 4.9g/t Au from 30m and 7.8m @ 4.0g/t Au from 50m[1].

The extensional drilling of HRDD003 has increased the high-grade zone at the **Good Friday Prospect** by approximately 10m.

Table 1: Good Friday HRDD003 significant intercepts – Cobar Gold Project

Hole ID	From	Intercept
HRDD003	2m	66m @ 1.5g/t Au
Incl.	29m	**39m @ 2.4g/t Au**
Incl.	30m	**8m @ 4.9g/t Au[1]**
And	50m	**7.8m @ 4.0g/t Au[1]**

Intervals reported are based on a 0.1g/t Au Cut-off grade with a maximum of 6m of internal dilution. DDH core (NQ) was sampled as half core over nominal 1m intervals. Samples were dried, pulverised and assayed for gold using a lead collection fire assay method.

The remaining diamond holes from this program have been subject to detailed geological and structural logging, with the core transported to the laboratory for cutting and assay (***refer Table 2 below***).

This drill program has visually confirmed the presence of northeast controlling structures at each of the known prospects.

It is interpreted that quartz veining and brecciation appears to have a strong influence on higher grade gold mineralisation within the broader northwest shear zones evident throughout the goldfield.

The assays for these outstanding drill holes are expected shortly, with all the drilling information to be compiled and integrated into the evolving geological model for the Project.

Table 2: Drill Collar Details – Cobar Gold Project

Project	Site_ID	Northing	Easting	Dip	Azi	TotalDepth	HoleType
EL6140	HRDD001Ext	6485903	427021	-60	227	173.6m (frm 93.8)m	DDH (NQ)
EL6140	HRDD003Ext	6485894	427013	-60	228	137.8m (frm 57.8m)	DDH(NQ)
EL6140	HRDD004	6486130	426050	-60	290	112m	DDH (HQ & NQ)
EL6140	HRDD005	6486125	426055	-60	270	109m	DDH (HQ & NQ)
EL6140	HRDD006	6485825	427545	-60	020	133m	DDH (HQ & NQ)
EL6140	HRDD007	6485833	427518	-60	020	101.6m	DDH (HQ & NQ)
EL8433	HRRC101Ext	6485920	428955	-60	70	136m (frm 94.5m)	DDH (NQ)
EL8433	HRRC103Ext	6485905	428970	-60	70	152.4m (98.5m)	DDH (NQ)

Planned Work

The Company is planning and will commence follow-up RC drill programs as soon as necessary approvals are received.

These drill programs are planned to:

- test both, potential strike extensions and target interpreted repeats, of the high-grade geological controls at the known Prospects (**Battery Tank, Good Friday, Sunrise and Boundary**); as well as
- test new target areas identified from the regional structural review and current geochemical surveys.

Management Comment

Managing Director Mick Wilson said: "*The visual recognition of high-grade gold controls at each of the known prospects at The Cobar Gold Project, plus the identification of new areas beyond the four known prospects is highly encouraging. The gold results to date and the increased field activities planned over the coming months are anticipated to fast-track our understanding of this emerging gold camp*".

He added, *"the regional structural review has also covered the Company's Collerina Copper Project. Preliminary outcomes emerging from the review are providing an insight into a potential re-interpretation of the Collerina copper deposit's geometry and the wider picture for the VMS trend being targeted by Helix. The VTEM modelling and structural review will also direct upcoming drilling programs at Collerina."*

- 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

[1] For full details of exploration results refer to ASX announcement dated 17 November 2016. Helix Resources is not aware of any new information or data that materially effects the information in this announcement.

JORC Code – Table 1

Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.*	• The Cobar Gold Project drilling used a commercial contractor for NQ and HQ diamond core drilling. A total of 4 new holes were drilled and 4 previous holes were extended (refer Table 1 & 2 in body of announcement). Holes were orientated as listed in Table 2, and were drilled at dips of 60°. • The drill hole locations were located by handheld GPS. Down hole surveys were conducted during drilling, using an in-rod down-hole system. • DDH drilling was used to obtain 1m samples over the entire hole length with 1m half core samples collected (~3kg). The 1m samples were cut and collected at a commercial laboratory, pulverized to produce a representative charge with gold assayed. Selected screen fire assays of individual samples returning greater than 5g/t Au have shown good repeatability with the routine fire-assay results for those selected metre intervals. Several screen fire samples did show very high grades (20 to 40g/t Au) reporting in the coarse fractions suggesting that a component of coarse gold is likely to be present in these mineral systems.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• DDH Drilling was the method chosen for all holes drilled. The core diameter was HQ triple tube (in weathered rock) and NQ size in competent rock or tails to existing holes.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Core recoveries are observed during the drilling and any core loss was noted the geological logs. • Samples were checked by for volume, moisture content, possible contamination and recoveries. Any issues are discussed with the drilling contractor. • Some core loss was apparent and noted in the weathered portion of the holes, however this was generally minor.

Criteria	JORC Code explanation	Commentary
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All core is retained as a half core representation of the metres drilled with the core held at the Companies storage facility. • Logging of core was completed with lithology, alteration, degree of oxidation, fabric and colour being recorded. • All holes were logged in full.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• The preparation of samples follows industry practice. This involves oven drying, pulverization of total sample using LM5 mills until 85% passes 75 micron. • Field QA_QC involved the laboratories standard QA_QC procedures. A selection of umpire sampling of the core pulps at a separate lab will be undertaken to confirm the results received • The sample sizes are considered appropriate to the grain size of the material being sampled. Repeatability of assays was good.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• All assays were conducted at accredited assay laboratory. The analytical technique used for Gold via the fire assay method and scree fire assay method (-75µm). • Laboratory QA/QC samples involving the use of blanks, duplicates, standards (certified reference materials), replicates as part of in-house procedures.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.*	• Results have been verified by Company management. • Geological data was/is being collected using handwritten log sheets which detailed geology (weathering, structure, alteration, mineralisation), sampling quality and intervals, sample numbers, QA/QC and survey data. This data, together with the assay data

Criteria	JORC Code explanation	Commentary
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	received from the laboratory and subsequent survey data were entered into a secure Access databases and verified.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The drill collar positions were picked-up using GPS. • Grid system is GDA94 Zone 55. • Surface RL data collected using GPS. Topography around the drilled area is a slight slope grading from Grid North-East to drainage west of the main drilled area. Variation in topography is less than 5m across the drilled area.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Drill holes at the Cobar Gold Project were targeting structural controls in four known Prospects (refer Figure 2). • The drilling programs conducted by Helix remain insufficient to establish a JORC compliant resource. • Sampling nominal 1m intervals or applicable samples cut at the laboratory for assay.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• No orientation based sampling bias has been identified in the data to date. • High grade gold was intersected in the reported hole with assays for the remaining holes awaited.
Sample security	• *The measures taken to ensure sample security.*	• Chain of Custody is managed by the Company. The samples were freighted directly to the laboratory with appropriate documentation listing sample numbers intervals to cut and analytical methods requested.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No additional QA/QC has been conducted for the drilling to date.

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	• *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.*	• The Cobar Gold Project is located on EL6140, a JV between Helix 70% and manager and 30% Glencore (diluting). The tenement is in good standing, with a renewal submitted in October 2016.There are no known impediments to operating in this area and EL8432 100% owned by Helix granted in May 2016.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous modern exploration on the Cobar Gold Project was limited set-depth 20m open hammer holes drilled by CRA in the 1970's with follow-up work by Glencore in the mid 2000's.Historic shafts and pits are present throughout the area, which date back to small scale mining activities in the early 1900's.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The prospect is considered to be sediment hosted mesothermal to epithermal style gold.
Drill hole Information	• *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.*	• Refer to table 1 in the body of the text • No material information was excluded from the results listed
Data aggregation methods	• *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Intervals reported are based on a 0.1g/t Au Cut-off grade with a maximum of 6m of internal dilution • No weighting has been used • No metal equivalent results were reported.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *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').*	• The program was designed to intersect structural controls of high grade gold mineralisation. • Structural orientation analysis is underway so true width is presently not known. • Results are reported as down hole lengths
Diagrams	• *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.*	• Refer Figure 1 and 2 in the main body.
Balanced reporting	• *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.*	• Refer to Table 1
Other substantive exploration data	• *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.*	• Previously reported activities Refer to ASX announcements on www.helix.net.au for details
Further work	• *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.*	• Based on these highly encouraging results so far, additional drilling is considered imperative to further assess the potential at various Prospects on the Cobar Gold Project.