



## Exploration Drilling Underway at the Joshua Copper Project – Chile Manhattan Corporation Funding a 3000m Diamond Drilling Program

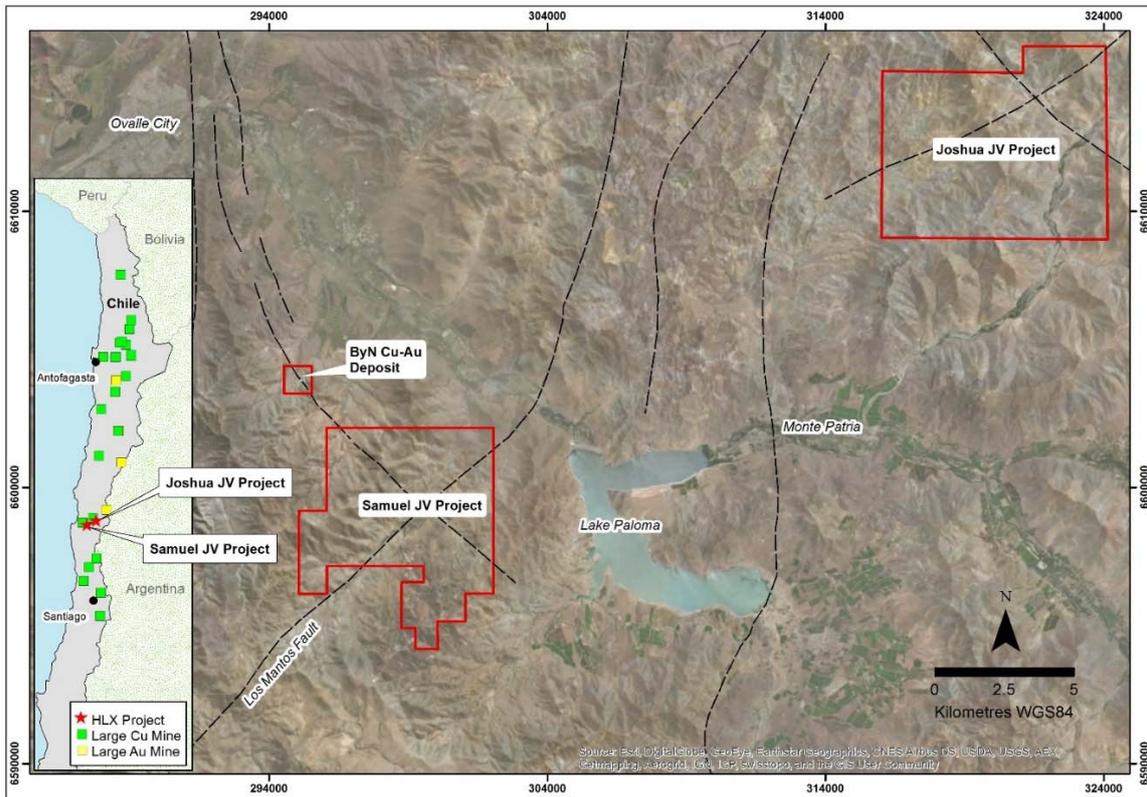
### Highlights

- ❑ A 3,000 metre diamond drilling exploration program has commenced at the Joshua Porphyry Copper Project in Chile; a greenfield porphyry discovery made by Helix
- ❑ Manhattan Corporation (ASX:MHC) is funding this exploration program as part of its commitment under a Heads of Agreement (“HOA”), with Helix’s Chilean technical team managing the work.
- ❑ The exploration program is seeking to define new zones of primary and secondary (supergene) copper sulphide mineralisation within the broader Joshua porphyry system.
- ❑ The exploration program planned in accordance with the Option phase (Stage 1) of the HOA consists of:
  - 3,000m of diamond drilling in 5 holes - first hole to be drilled up to a depth of 700m;
  - A detailed UAV Drone magnetic survey over the entire (6.5km by 2km) Joshua Porphyry Copper system. (the survey is nearing completion); and
  - Delineation of the extent and alteration characteristics of the Joshua porphyry system using ASTER Satellite spectral technology.

Helix Resources Limited (ASX:HLX) (**Helix** or the **Company**) is pleased to advise that the Stage 1 exploration program has commenced on the Joshua Porphyry Copper Project in Region IV - Chile. Manhattan Corporation (ASX:MHC) is funding the cost of this exploration program as part of its option commitment under a Heads of Agreement (“HOA”) entered into with Helix earlier this year.



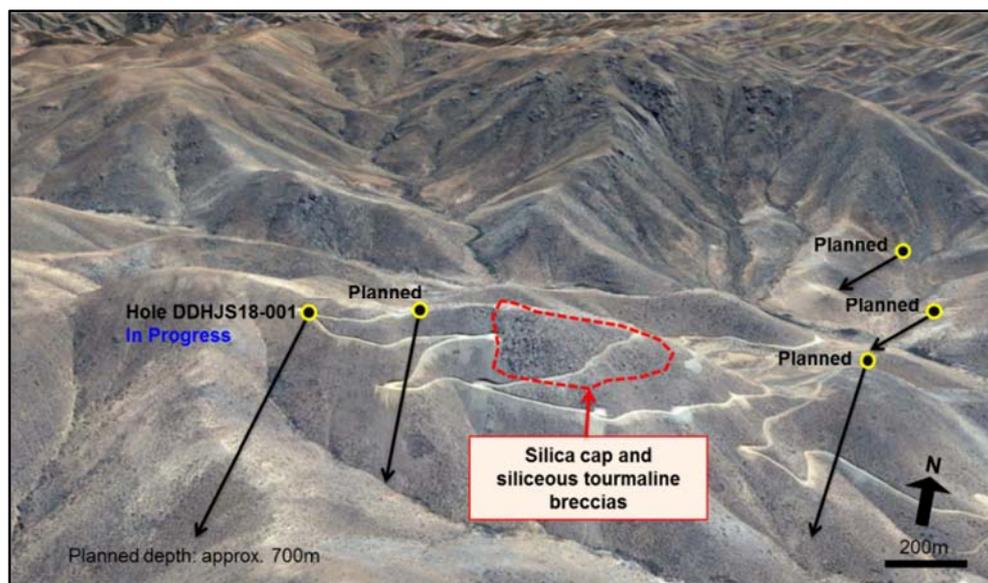
Figure 1 | Photo of Drill Rig in operation and first core at the Joshua Copper Project



**Figure 2 | Helix’s Chilean Project Locations, Region IV, Chile with the Joshua Copper Project located to the east**

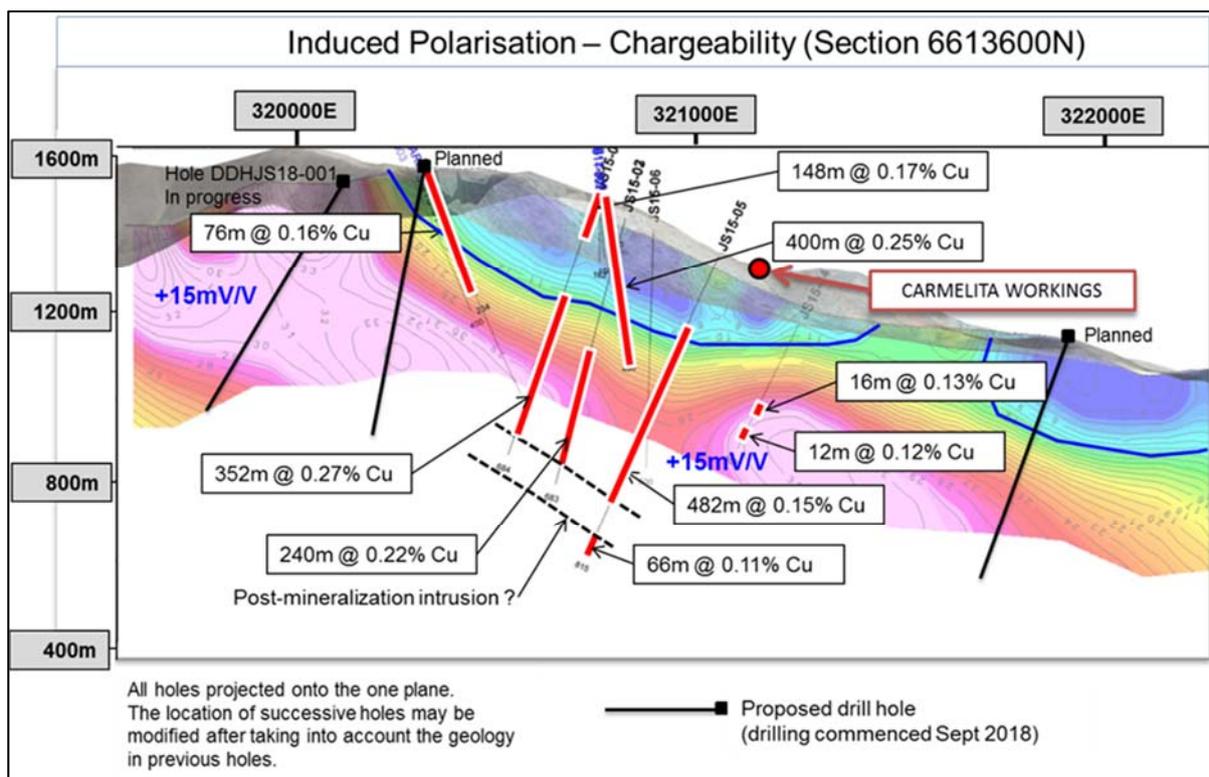
The exploration program for Stage 1 of the HOA at Joshua is planned to consist of:

- 3,000 metres of diamond drilling in 5 targeted holes (with the first hole is anticipated to be drilled up to a depth of approximately 700m);
- A detailed UAV Drone magnetic survey over the entire (6.5km by 2km) Joshua Porphyry Copper system. This survey is underway and is understood to be nearing completion; and
- Delineation of the extent and alteration characteristics of the Joshua porphyry system using ASTER Satellite spectral technology.



**Figure 3 | Location of Planned Drill Holes - Joshua Copper Project**

The five planned diamond drill holes are designed to test new exploration concepts at the Joshua Copper Project; including initial drill tests of zones of high Induced Polarisation (IP) Chargeability which may have the potential to host primary and secondary (supergene) copper sulphide mineralisation within the larger Joshua porphyry system.



**Figure 3 | Section 6613600N IP Chargeability, Historical Drill Intercepts and Planned Holes**

The exploration drilling program commenced today. Drilling is estimated to continue through to the end of October 2018 with the first hole (DDHJS18-001) expected to be drilled to a depth of approximately 700 metres. This drill hole is designed to test an IP chargeable high and coincident strong hydrothermal alteration.

It is anticipated that assay results for Stage 1 drilling will be received sequentially, with final results anticipated to be received by the end of 2018.

### About the Joshua Copper Project

The Joshua Copper Project is located 350km north of Santiago in Chile's coastal porphyry copper belt. The 50 sq.km project area has all-year-round access and is favourably situated at low altitude, and close to infrastructure including ports, rail, roads and possible power and water solutions for any future mining scenarios.

The Joshua porphyry copper system is characterised by a regionally significant alteration anomaly (6.5km by 2km), centered on a zone of surface copper mineralization, brecciation and silica-tourmaline alteration. The broad alteration response at Joshua is similar to that of the Andacollo Cu-Au porphyry deposit located 45km to the northwest of the Joshua Project and operated by North American mid-cap company Teck.

The Joshua porphyry system is defined by a series of clustered porphyry intrusions within a broad NE-trending envelope of variably altered (propylitic, phyllic, argillic and potassic) Cretaceous andesite.

Copper sulphide orebodies are characteristically found within the high chargeability (+15mV/V) envelope in many world-class porphyry systems. At Joshua, these zones of high chargeability also correlate with zones of high and moderate IP resistivity, and high (magnetite alteration) and low (magnetite destruction in phyllic alteration) zones of magnetism. The five planned holes are broad-spaced and are to be collared along a 2.7km-long, NE-trending section.

The Joshua system was discovered by Helix in 2011. Drilling returned a number of significant copper intercepts, including **352m at 0.27% Cu, 240m at 0.22% Cu and 400m at 0.25% Cu**<sup>1</sup>.

On the 1 August 2018, Helix and Manhattan Corporation Limited announced that Manhattan had met the final pre-conditions of an option agreement with Helix. Manhattan can earn up to an 80% interest in the Joshua Porphyry Copper Project by free-carrying Helix to a Bankable Feasibility Study on the Project. Helix can elect to contribute at delivery of the BFS (20% equity) or choose to dilute to a 1% net smelter royalty.

### Key terms of the HOA

The HOA provides an avenue for Manhattan to earn up to an 80% interest in the Joshua Project in exchange for Helix being free-carried through to completion of a BFS.

Key terms of the HOA include:

- ❑ **Stage 1:** Helix has granted an option to Manhattan whereby Manhattan can exercise that option by sole funding expenditure of A\$1.0 million on the Joshua Project within 9 months of the Commencement Date, such expenditure to be expended on 3,000m of diamond drilling (**Option**).
- ❑ If Manhattan exercises the Option by funding the requisite expenditure it shall have the right to earn up to an 80% interest in the Joshua Project on the following basis:
  - **Stage 2:** Manhattan may earn a 51% Joint Venture Interest in the Joshua Project by sole funding the expenditure necessary to complete a further 5,000m of drilling within 18 months of the Commencement Date.
  - **Stage 3:** If Stage 2 is completed, Manhattan may elect to earn a further 29% (giving it a total 80%) Joint Venture Interest by sole funding expenditure up to the completion of a BFS in respect of the Joshua Project.
- ❑ In the event that Helix chooses not to contribute to the Joint Venture after the completion of the BFS (Stage 3), it will dilute its Joint Venture Interest in exchange for an uncapped 1.0% Net Smelter Return royalty over the Joshua Project.
- ❑ Helix will be the Manager of the Joshua Project during Stage 1. Manhattan will be the Manager for Stages 2 and 3, unless Helix and Manhattan mutually agree that Helix is to be retained as Manager.

### Exploration Portfolio Rationalisation

The Joshua JV forms part of Helix's ongoing portfolio rationalisation strategy, which includes the recently announced Samuel Project JV with JOGMEC (ASX announcement 3 September 2018) and the sale of the Company's Yalleen iron ore interests earlier this year (ASX announcement 15 January 2018).

During 2018 Helix has successfully secured exploration funding for both of its large Chilean copper projects (Joshua and Samuel), with the potential for in excess of \$6 million to be spent on exploration at these projects over the next two and a half years (should both farm-in parties fulfill all of their farm-in obligations under the respective agreements).

This rationalisation process has facilitated exploration funding for the potential advancement of these Chilean copper projects. The outcome so far enables Helix to be free carried on two of its three Chilean copper projects (whilst ultimately retaining the right to appropriate project equity) at the same time as permitting Helix to maintain its focus towards its flagship NSW copper projects.

- ENDS -

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## Diamond Drill Hole Summary (DDHJS18 series)

Hole ID	Easting	Northing	RL (metres)	Depth (meters)	Angle (degrees)	Direction (magnetic)
DDHJS18-001	320125	6613695	1571	In progress	-60	230

*Coordinates: UTM 19S WGS-84*

### Competent Persons Statement

The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information reviewed 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 and 2012 Editions 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)

<sup>1</sup> For full details of exploration results refer to previous ASX announcements 10 August 2011, 28 March 2012, 8 June 2012, 17 December 2015, 6 February 2016 and 1 August 2018 on Helix's website. Helix Resources is not aware of any new information or data that materially effects the information in this announcement

### Forward-Looking Statements

This ASX release may include forward-looking statements. These forward-looking statements are not historical facts but rather are based on Helix Resources Ltd.'s current expectations, estimates and assumptions about the industry in which Helix Resources Ltd operates, and beliefs and assumptions regarding Helix Resources Ltd.'s future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements. Forward- looking statements are only predictions and are not guaranteed, and they are subject to known and unknown risks, uncertainties and assumptions, some of which are outside the control of Helix Resources Ltd. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Actual values, results or events may be materially different to those expressed or implied in this presentation. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward- looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Helix Resources Ltd does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward looking statement is based.

No new information that is considered material is included in this document. All information relating to exploration results has been previously released to the market and is appropriately referenced in this document. JORC tables are not considered necessary to accompany this document