



**Price:** AUD 0.006

**Target:** AUD 0.013

Options	86M
Cash (Apr/2023)	6.8M
Shares Outstanding	2,323M
Market Cap	13.93M

## Helix Resources Limited (HLX.XA)

### Copper in the mineral-rich Cobar region of Australia

Helix Resources is a mineral exploration company focused on copper exploration in the Cobar region of central New South Wales. The company holds more than 2,000km<sup>2</sup> of tenure covering the Rochford, Collierina and Meryula regional-scale mineralised trends, presenting an exceptional opportunity for copper discoveries. Helix is utilizing its deep geological experience and cutting-edge technology to unlock new prospects of 'Cobar-style' mineralization, aiming to maximize shareholder value through new copper discoveries. The company also holds several promising high-grade lateritic nickel-cobalt prospects and royalty interests over two advanced iron ore projects located in Australia.

### Fully funded into 2024

A total of \$20M in equity financing has been raised since February 2021 with the commencement of a new Managing Director and subsequent new management team and copper focused business plan.

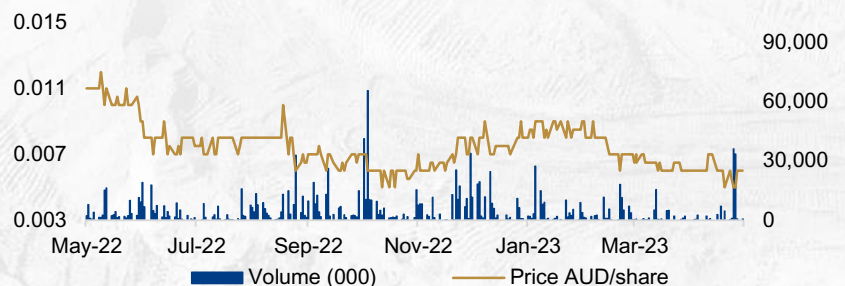
The last raising was predominantly an Institutional placement to Australian specialist resources funds and investors of \$11 million announced on March 16th, 2022. In addition to the placement, the company implemented a Share Purchase Plan (SPP) to raise up to \$2.0 million. These financing initiatives have provided the necessary funding for the company to aggressively drill its copper targets and execute its exploration strategy.

### Growth Potential of Helix's copper and nickel-cobalt assets

Helix Resources has promising growth potential in its copper assets, specifically in the Canbelego and Central Zone advanced copper projects and regional exploration efforts. The geology of the area and exploration techniques used suggest potential for success in the copper sector. In addition, the company has potential hidden value in its nickel-cobalt assets, with a special purpose vehicle established to 'spin-out' these assets for further shareholder value. Helix Resources is well-positioned to capitalize on growth opportunities in the mining industry.

## Helix Resources

Ticker	HLX
Price (AUD)	0.006
Mkt Cap (AUD M)	13.94
Avg value AUD	39,218
12-mth low	0.005
12-mth high	0.012
Price chg 3-mth	-7.1%
Price chg 12-mth	-41%



Source: Yahoo Finance, Pricing as of May 05, 2022



## Helix Resources : Overview

### Helix Resources' exploration strategy and project portfolio in Greater Cobar

The Company has been actively exploring its mineral projects in central NSW to expand its copper mineral resource inventory. The region also holds promising high-grade lateritic nickel-cobalt prospects, including a mineral resource that the company is seeking to develop further with independent funding, potentially through a 'spin-out.'

Helix Resources holds a high-quality project portfolio in the Cobar mining district in NSW, one of Australia's premier copper terrains. The company's primary assets include tenements covering the Collerina, Rochford and Meryula regional-scale mineralised trends. The Rochford Copper Trend is a mineralized Trend with a 30km strike length, hosting several promising copper prospects, including the high-grade Canbelego Joint Venture project. Helix Resources manages the JV project, which has an Inferred Mineral Resource of 1.5Mt at 1.2% copper. Recent drill results highlight the high-grade potential of this deposit. The Collerina Copper Trend extends south of Aeris Resources Ltd.'s Tritton Copper Operations for approximately 150km and hosts several historic copper prospects, as well as the recently discovered, CZ Copper Deposit with a largely inferred mineral resource of 2.0Mt at 2.0% copper and 0.1 g/t gold. Helix Resources' operations benefit from the region's long-lived operating mines and excellent access to infrastructure.

Helix Resources has expanded its portfolio to include nickel and cobalt exploration projects, with the acquisition of the Homeville Nickel-Cobalt Deposit in late 2021. The company has established Ionick Metals Ltd to spin out its nickel-cobalt assets. The company sees great exploration potential within the nickel-cobalt tenements and believes that Ionick's spin-out presents an ideal, independent pathway to commercialize these assets.

### Table 1: Helix Resources Projects

Project location	Project detail
<b>Canbelego JV – NSW</b> <i>Cobar Region - Central NSW</i>	<b>Targeting Untapped DHEM Conductors for Further Exploration</b> The Canbelego Project, located in central NSW, covers an area of 40km and is situated along the Rochford Trend. The tenement (EL6105) covers a 10km long magnetic complex with multiple historical copper workings. Copper mineralization is structurally controlled and sub-vertically plunging, typical of CSA Mine-style base metal deposits. The Canbelego Copper Deposit has a JORC2004 inferred 1.5Mt @ 1.2% Cu (oxide, transition, and sulphide) and untapped DHEM conductors, around and below the historic mine workings. There are numerous nearby targets such as Canbelego West, Canbelego South and Caballero which have sparse, drilling to date, and require further follow-up. The JV partners are considering further field programs such as Auger soil programs, Airborne EM and follow-up drilling to target define new copper on the Canbelego Project.
<b>Rochford Copper Trend</b> <i>Cobar Region - Central NSW</i>	<b>Exploring the Potential for new high-grade copper deposits on the Rochford Copper Trend</b> The Rochford Copper Trend is a 30km long northwest Trend parallel to the Cobar Trend and covers copper and gold prospective terrane. The Trend represents a structural repeat in the Kopyje Shelf sedimentary zone and is accessible from the Barrier Highway to the north. In 2019 and 2020, scout mapping was undertaken within the 1.7km x 0.7km copper in soil anomaly, and a copper prospective zone was identified from a cluster of pXRF readings from the Auger soils completed in 2019, with readings of up to 580ppm Cu. The copper anomaly is coincident with a subtle ridgeline hosting brecciated ironstone. Initial pXRF readings taken from the sub-cropping brecciated ironstone returned Cu, Pb, Zn, and Bi. A larger scale, regional auger and lag sampling with samples being assayed is underway over extensive areas of this prospective trend. This work should lead onto surface geophysics and drilling to test the potential for new 'Cobar-style' copper, possibly gold deposits.
<b>The Collerina Project</b> <i>Cobar Region – Central NSW</i>	<b>Expansive Copper-Gold Exploration in the Cobar Basin</b> Helix's 100%-owned Collerina Project comprises a tenement package in excess of 1,500km <sup>2</sup> , including over 85km of copper-prospective Trend. It is surrounded by multiple operating base metal and gold mines within the broader Cobar Basin (Tritton, Hera, Peak and CSA mines). The CZ deposit was discovered by Helix in 2016 and has a largely Inferred (JORC2012) Mineral Resource of 2.0 million tonnes at 2.0% Cu and 0.1 g/t Au. In 2021, Helix flew VTEM survey over much of the Collerina Trend for the first time defining several high-priority conductive targets which are yet to be followed up.
<b>The Cobar Gold Project</b> <i>Cobar Region – Central NSW</i>	<b>Significant Potential for Additional Gold Mineralization</b> The Cobar Gold Project is located near the Peak (high-grade gold-copper) Mine and shares similar geological and structural controls. The project covers over 600 km <sup>2</sup> and currently has an existing JORC2012 Oxide Resource of 118koz Au. The deposits were mostly delineated by Helix with RC and diamond drilling completed in drilling campaigns between 2011 and 2017. The mineral resources have been classified as Inferred Mineral Resources. The project has multiple structural targets and significant potential for locating additional gold mineralization throughout the broader goldfield. If deposits of sufficient size are delineated, they may be amenable to initial open cut mining methods. Overall, the Cobar Gold Project represents a promising opportunity for gold exploration and development.

Source: Company



## Table 2: Helix Resources Management

### Non-Executive Chairman, Mining Engineer

**Peter Lester** Mr. Lester has over 40 years' experience in the mining industry and has held senior executive positions with North Ltd, Newcrest Mining Limited, Oxiana/Oz Minerals Limited and Citadel Resource Group Limited. Mr. Lester's experience covers operations, project and business development and general corporate activities including financial services. Mr. Lester has served on several ASX listed and private mining boards.

### Non-Executive Director, Geologist

**Dr. Kylie Prendergast** Dr. Kylie Prendergast is an experienced geologist and technical leader with over 25 years' experience within the international mining and resource sector. She has worked across a range of different operating jurisdictions, including significant in-country assignments and expatriate roles. This has included substantial business development, project technical and economic evaluation, and commercial management, including direct interaction with a range of stakeholders in global resource capital markets.

### Managing Director, Geologist

**Mike Rosenstreich** Mr. Rosenstreich contributes over 30 years technical, corporate and financial experience. He has held senior geological roles covering exploration, development and production. He worked in resource banking with NM Rothschild before becoming founding Managing Director of Bass Metals, leading it from IPO, exploration success and over 5 years of base and precious metals production. Since late 2013, he has held several executive roles with ASX listed companies focused on 'specialty materials' such as tantalum, graphite and REE, as well as gold and base metals in Australia and off-shore.

### Chief Financial Officer

**Meagan Hamblin** Ms. Meagan Hamblin is a Director of Meridian Corporate Consultants with extensive experience in financial reporting, corporate accounting and advisory services. Meagan is a Chartered Accountant, a certified Xero advisor, and an associate member of the Governance Institute of Australia. Meagan's recent experience also includes being part of the statutory reporting team at Wesfarmers, which involved preparing the Wesfarmers Annual Report, board reporting, providing technical accounting advice to the Wesfarmers Group, and facilitating accounting training.

### Exploration Manager

**Gordon Barnes** Mr. Barnes is a highly experienced exploration geologist based in Orange, NSW. Gordon has over 30 years of practical mineral exploration experience, ranging from active field-based projects through to multi-commodity project generation initiatives in Australia and overseas. He has extensive NSW copper and gold exploration experience, including Exploration Manager roles with listed explorers Magmatic Resources Ltd and Clancy Exploration Ltd, and prior to that Geoinformatics Exploration Pty Ltd. Since October 2018 he has been a Senior Consultant with R.W. Corkery & Co Pty Limited, a geological and environmental consultancy specialising in NSW mining and development projects.

### Company Secretary

**Ben Donovan** Mr. Donovan is a member of the Governance Institute of Australia and provides corporate advisory, IPO and consultancy services to a number of companies. Mr. Donovan is currently a company secretary of several ASX listed and public unlisted companies and has gained experience across resources, agritech, biotech, media and technology industries. He has extensive experience in listing rules compliance and corporate governance, having served as a Senior Adviser at the ASX in Perth for nearly 3 years, where he managed the listing of nearly 100 companies on the ASX.

Source: Company

## Experienced and diverse management team leads Helix Resources

Helix Resources is led by a strong and experienced management team with a wealth of knowledge in the mining and resource sector. Mr. Mike Rosenstreich was appointed as Managing Director in January 2021. Since that time a new technical team, led by Mr. Gordon Barnes and a new financial team led by Ms. Meagan Hamblin have been installed. The Board has also been rejuvenated with the departure of 2 directors and the addition of Dr. Kylie Prendergast. Further details are provided in Table 2.



## Operational Progress

### The Rochford Copper Trend, a Primary Focus of Exploration with Promising Results

Table 3 highlights the operational progress of Helix Resources over most of the past year through a summary of its press releases. Unprecedented wet weather has restricted access to much of the Company's ground position over the past 18 months, however, with drying conditions since November 2022, region-wide exploration activities are gaining momentum. The Rochford Copper Trend, which spans a strike length of approximately 30km, has been the primary focus of exploration efforts due to its significant potential for high-grade copper deposits. The Canbelego Joint Venture (70% Helix & 30% Aeris Resources Ltd (ASX:AIS), is managed by Helix Resources. It is an advanced copper project with an inferred mineral resource of 1.5Mt at 1.2% copper, estimated in 2010. Recent drilling efforts to test beneath currently known mineralization have identified major conductive targets, interpreted as high-grade copper shoots, which remain open at depth. With operations resumed and further results anticipated in early 2023, the Rochford Copper Trend continues to show promising results as a valuable area for copper exploration.

### Table 3: Helix Resources News Flow

Progress Report	4-May-23	<b>New, Large Scale Copper Anomalies Emerging Along Rochford Copper Trend</b> – New copper targets have been identified in the Cobar copper district, including the Black Range Prospect, with a large-scale copper-bismuth-indium-tin-tungsten anomaly. Additional anomalies were also identified in the Rochford Trend.
Progress Report	28-Mar-23	<b>New High-Grade Copper Assays at Canbelego</b> – The discovery of a high-grade copper zone at the Canbelego Copper Project through drilling activities, and further exploration. An updated Mineral Resource estimate is expected to be completed in the June quarter of this year.
Progress Report	2-Mar-23	<b>Shallow High-Grade Copper Potential Confirmed at Canbelego</b> - High-grade copper zone at Canbelego Copper Project with a very shallow intercept of 25m at 1.87% Cu, which includes 5m at 5.35% Cu and 2m at 6.42% Cu, and deeper diamond drilling is ongoing to test high-grade copper shoots.
Progress Report	28-Feb-23	<b>Ionick Metals Established, Option Agreement Executed to Accelerate Nickel-Cobalt Venture</b> - Ionick Metals Ltd, a subsidiary of Helix Resources, has executed an Option Agreement over three Exploration Licenses prospective for laterite hosted nickel-cobalt-platinum group metals mineralization in the 'Greater Cobar' region of NSW.
Progress Report	7-Feb-23	<b>Copper mineralization Intersected at Canbelego Conductive Target Position</b> - Visible copper sulfide minerals in drill core over 14m in the Canbelego Main Lode position during drill testing of a 'high-order' conductive geophysical target at the Canbelego Copper Project.
Progress Report	31-Jan-23	<b>New Conductive Copper Targets at Canbelego and Further Confirmation of Main Lode Depth Continuity</b> - The discovery of new conductive targets from DHEM surveying at the Canbelego Joint Venture Project in the Cobar region of NSW. These large-scale, highly co
Progress Report	17-Jan-23	<b>RC Drilling Starts at Canbelego Copper Project</b> - Mobilized a RC rig to the Canbelego Copper Project to infill shallow copper mineralization ahead of an updated Mineral Resource estimate planned for late March 2023, with drill results from late 2022 suggesting possible extensions of high-grade copper mineralization at shallow levels.
Progress Report	13-Dec-22	<b>Canbelego Deep Drilling Update</b> - The completion of a hole testing a large DHEM anomaly at the Canbelego Joint Venture Project.
Progress Report	8-Dec-22	<b>New Conductive Copper Targets at Canbelego and Further Confirmation of Main Lode Depth Continuity</b> - The discovery of new conductive targets from DHEM surveying at the Canbelego Joint Venture Project in the Cobar region of NSW. These large-scale, highly conductive targets are interpreted as high-grade copper shoots that have not been intersected by any previous drilling.
Progress Report	30-Nov-22	<b>Deep Drilling Yields Major Conductive Copper Target and Confirms Main Lode Continuity</b> - The discovery of a significant untested DHEM anomaly, along with the intersection of copper sulfide mineralization, from a bold drilling campaign at its Canbelego Joint Venture Project in the Cobar region of New South Wales, Australia.
Progress Report	15-Nov-22	<b>Rochford Drilling Update</b> - 2nd Rig Mobilized to Canbelego - Conducting a bold drilling campaign at its Canbelego Joint Venture Project in the Cobar region of NSW to test the down-plunge continuity of high-grade copper shoots by extending 200m below the current deepest copper intercepts.
Periodic Reports	13-Oct-22	<b>Baseline 'ESG' Disclosure Report Important ESG Milestone</b> - The Environmental, Social, and Governance (ESG) report with disclosures on 21 core metrics set by the World Economic Forum. The report focuses on people, planet, prosperity, and principles of governance.
Progress Report	10-Oct-22	<b>High-Grade Copper Assays Support Bold Drilling at Canbelego</b> - The ongoing copper exploration drilling at its Canbelego Joint Venture (JV) Project in the Cobar region of NSW. The company has received assays for two diamond drill holes and one RC hole in the Canbelego Main Lode project area.
Progress Report	4-Oct-22	<b>Significant Copper mineralization intersected at Caballero Prospect</b> - The update on the ongoing copper exploration program, which involves drill testing early-stage targets along the Rochford Trend southeast of Cobar, NSW.
Progress Report	1-Sep-22	<b>Further Encouraging Copper Assays and Geophysics from Canbelego Main Lode</b> - The update on the ongoing copper exploration drilling at its Canbelego Joint Venture (JV) Project in the Cobar region of NSW. The company has received assay results for two additional diamond drill holes and three DHEM surveys, all aimed at testing extensions of the North and South shoots within the Canbelego Main Lode.

Source: Company



The Collerina Copper Trend, which Helix considers to be prospective for Tritton-style copper deposits, is the next interesting Trend for the company. The Collerina Copper Trend extends south of Aeris Resources Ltd.'s Tritton Copper Operations (TCO) for about 150 km and hosts several historic copper deposits and occurrences, including the CZ Copper Deposit. Helix Resources considers the Trend to be prospective for 'Tritton' style copper deposits, which are formed within favorable host stratigraphy with moderately plunging, late-structurally controlled zones. The Trend is characterized by copper mineralization that can extend for more than 2,000 meters down plunge, as demonstrated by the Tritton and Constellation deposits to the north at the TCO. It is worth noting that Aris has been operating at Tritton for over 30 years, yet the Constellation deposit was only discovered in December 2019, utilizing modern airborne electromagnetics such as the VTEM method Helix recently employed over its entire prospective trend positions.

**High-grade copper zone extension in upper Canbelego main lode, potential strategic catalyst for 2023**

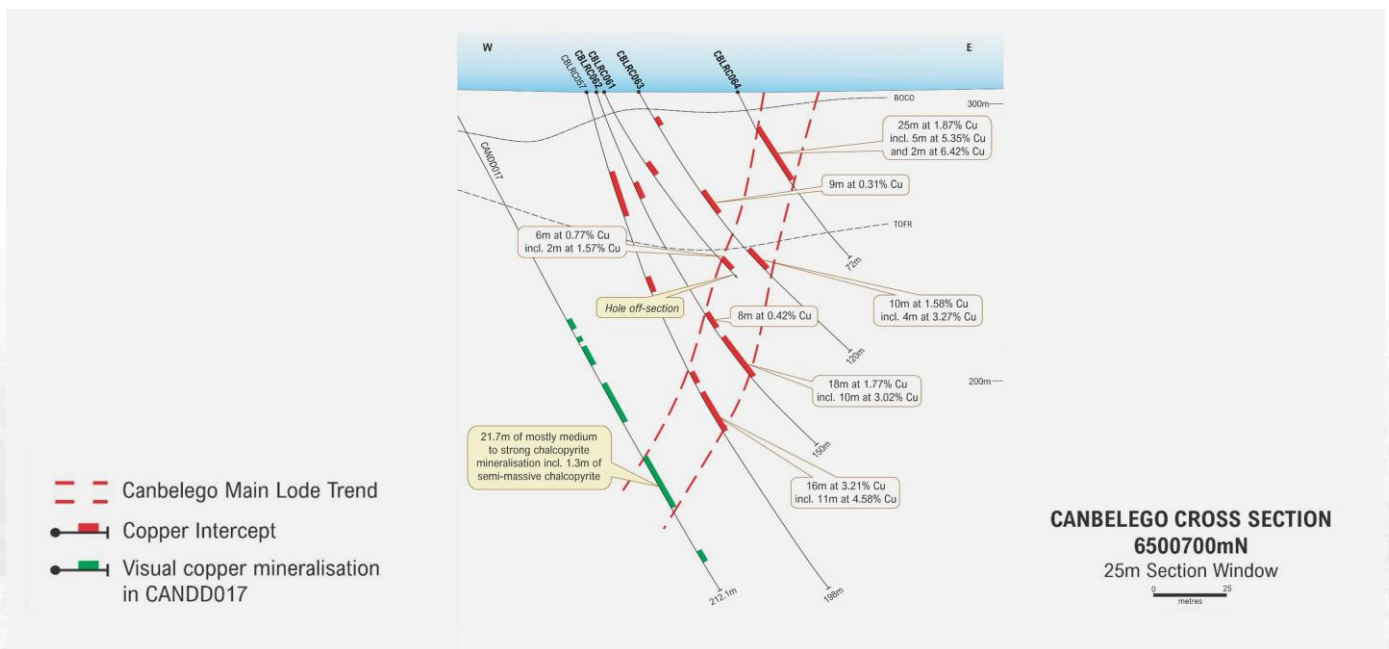
The recent release by the company states that a successful modest RC drilling program has mapped out a high-grade copper zone from near surface to over 120m down-dip, with copper sulfides observed over nearly 22m downhole in diamond drill core (CANDD017) extending the high-grade shoot to in excess of 150 meters down-dip, and it remains open at depth (Figure 1).

The initial estimates suggest that the true thickness of these mineralized zones is between 15 to 20m based on sectional interpretation. A very shallow, high-grade intercept of 25m at 1.87% Cu, which includes 5m at 5.35% Cu and 2m at 6.42% Cu, is open to the south for 130m toward the historical underground workings (Figure 2 for recent drill summary schematic).

Deeper diamond drilling to test high-grade copper shoots identified by downhole electromagnetic (DHEM) surveys is ongoing.

These results are highly encouraging for increasing the copper grade in this area compared to the current mineral resource estimated in 2010, which should add copper tons to the inventory. The company's team is well prepared for the Mineral Resource update, and the objective is to complete it before the end of the June quarter. These developments are a strategic catalyst for the company, and investors should keep an eye on the company's progress in this area.

**Figure 1: Canbelego Main Lode Cross Section 6,500, 700mN**



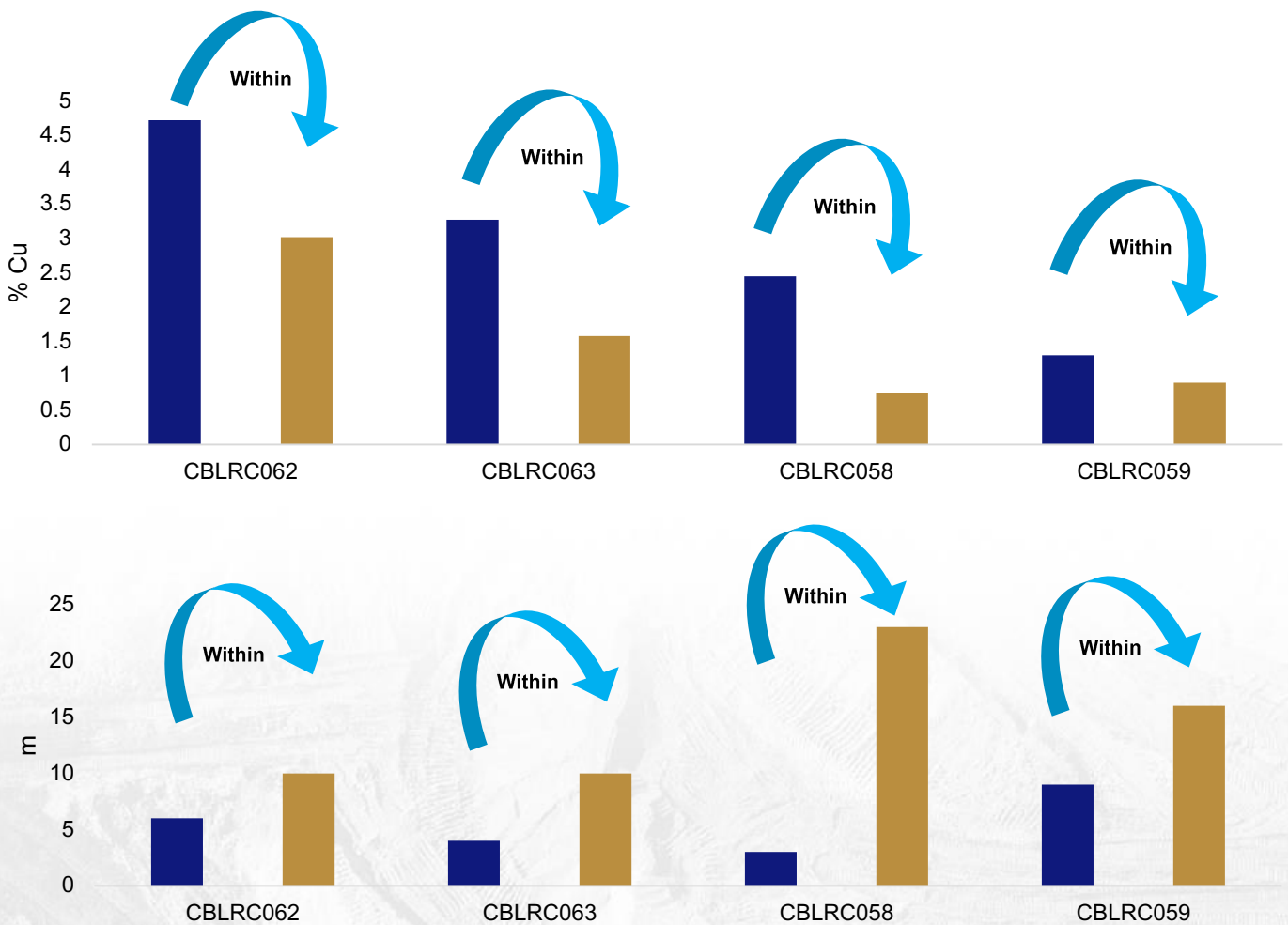
Source: Company



In December 2022, Helix Resources completed two deep drill holes to test the continuity of high-grade copper mineralization 200m down plunge from known drill intercepts. The drilling also created a platform for downhole EM surveys to test for the continuity of high-grade copper shoots. The drill holes intersected the Canbelego Main Lode Shear and visible copper sulphides were observed. Highly significant conductive anomalies were identified through the DHEM surveys, which were at a scale and intensity never recorded before on the project. The deepest copper intercept to date was found in Hole CANDD016C, which intersected 14m of visible copper mineralization from 594m. This is 320m vertically below the base of the current 2010 Inferred Mineral Resource outline. The DHEM survey identified a series of steep, north-plunging plates that trend 'up-plunge' and remain open at depth. This news indicates the potential for significant copper resources at the Canbelego Copper Project, and further exploration and drilling activities are ongoing.

## Figure 2: Canbelego Project exploration highlights

2023 Drill Program-Holes CBRC058 through CBRC059, CBRC062, CBRC063 and CBRC064



Source: Company



**Potential and proposed IPO of special purpose vehicle Ionick Metals Ltd for nickel-cobalt assets in Greater Cobar region, NSW**

Ionick Metals Ltd is a special purpose vehicle created to "spin-out" Helix's nickel-cobalt assets in the "Greater Cobar" region of NSW to realize value for Helix shareholders. Ionick has finalized a 24-month option to acquire three exploration licenses from Jodama Pty Ltd in exchange for vendor and performance shares in Ionick.

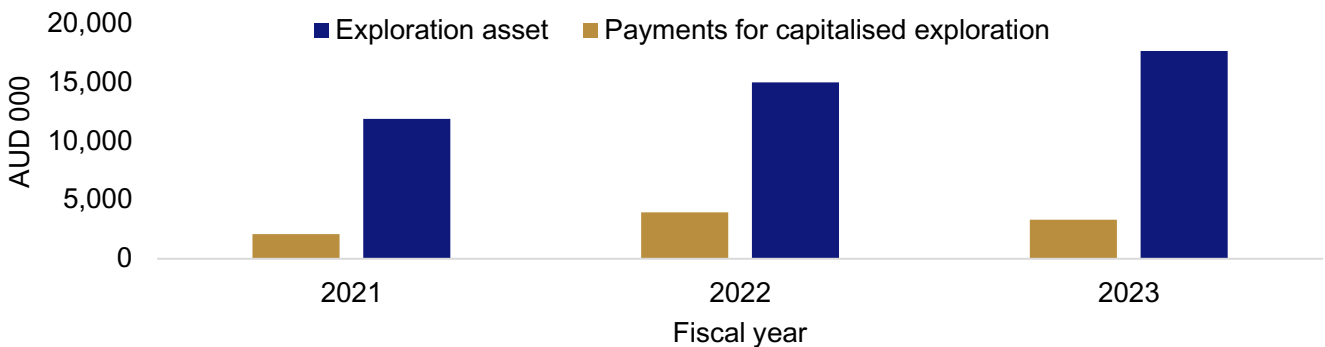
Existing Helix assets already in Ionick include the Homeville Nickel-Cobalt Resource and other high-grade laterite nickel-cobalt prospects in the same area. Ionick plans to secure external funding through an IPO or a strategic investment partner to advance the project and retain upside for existing shareholders. The IPO and pre-development strategy are in three main phases, each with different risk profiles; exploration to define a larger Mineral resource, metallurgical testwork to define a cost effective process route and Feasibility study phase. The terms of the option agreement executed with Jodama are predicated on an IPO funding solution for Ionick.

**Finances and Share Structure**

**Fueling future expansion through strong cash position**

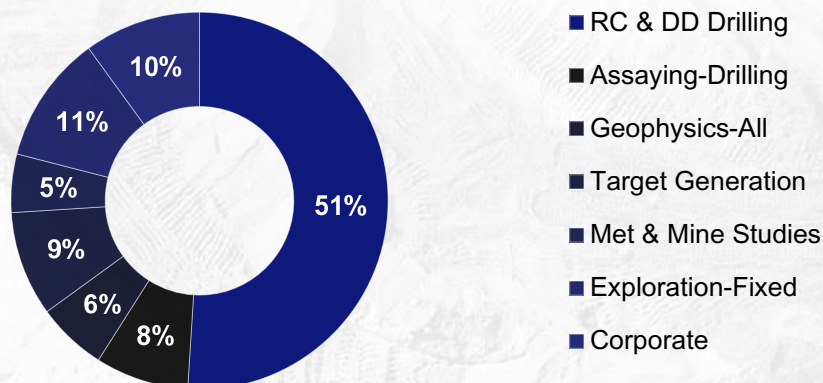
The financial statement of the company reveals that as of 31 December 2022, the company had a closing cash position of \$8.58 million. The expenditure was broadly on budget, consistent with the previous quarter and focused on copper exploration. The company has been capitalizing its exploration expenses, with approximately \$2 million in the fiscal year 2021, \$4 million in 2022, and \$3.2 million in the half year of the fiscal year 2023. The company has been making strategic financial decisions aimed at enhancing its exploration capabilities and maintaining a healthy cash position to support future growth.

**Figure 3: Exploration Asset**



**Figure 4: Expenditure plan**

**Planned expenditure of ~\$7M to end of calendar year 2023**



Source: Company

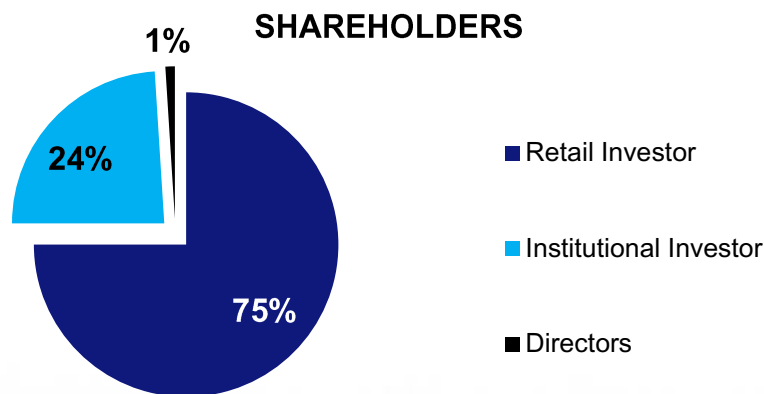


## Performance rights and options to drive growth and boost shareholder value

At its Annual General Meeting held on November 24th, 2022, the company secured shareholder approval to issue performance rights and options to both its employees and non-executive directors under its Employee Incentive Scheme. These measures have been undertaken during a crucial stage of growth, marked by significant opportunities and challenges in the near and long-term. The issuance of performance rights and options is aimed at aligning employee and director incentives with enhancing shareholder value by driving up the share price while still preserving the Company's available cash reserves. Against the backdrop of a rapidly evolving market, the Board acknowledges the need to offer attractive incentives to retain and attract highly qualified talent. The capital structure of the company as of December 31st, 2022 can be found in Table 4.

**Table 4: Helix Capital Structure**

Helix Securities	Number
Fully paid ordinary shares at 31 March 2023	2,323,145,843
Options balance at 1 July 2022	70,441,667
Performance rights issued to employees	13,200,000
Performance options issued to directors	2,400,000
Options balance at 31 March 2023	86,041,667



Source: Company

## Comparable

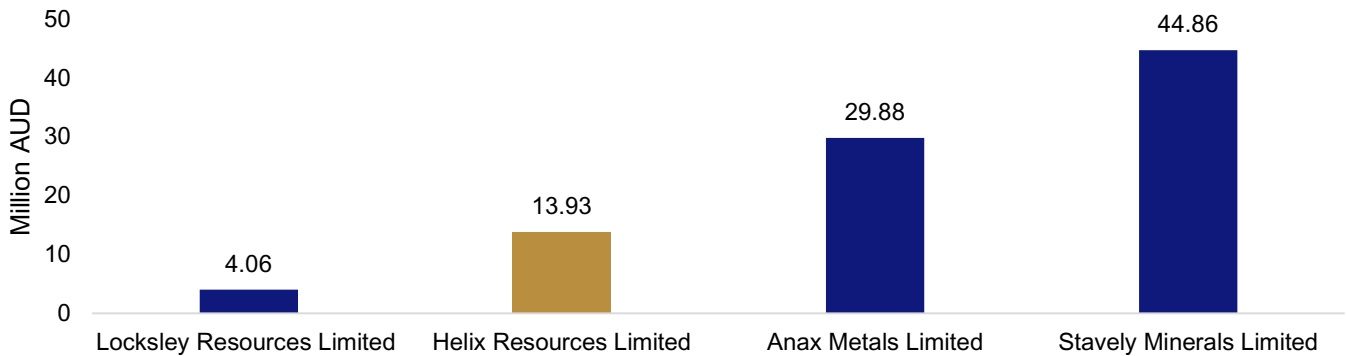
There is a group of comparable copper exploration companies for Helix Resources in terms of market cap and either metal target, project status or geography, including:

- I. **Locksley Resources Limited:** identifying, exploring and developing copper and gold deposits in NSW
- II. **Anax Metals Limited:** developing copper and zinc mineral projects in Western Australia
- III. **Stavely Minerals Limited:** Cambrian Stavely Belt porphyry (copper-gold) and related mineralization in VIC, QLD

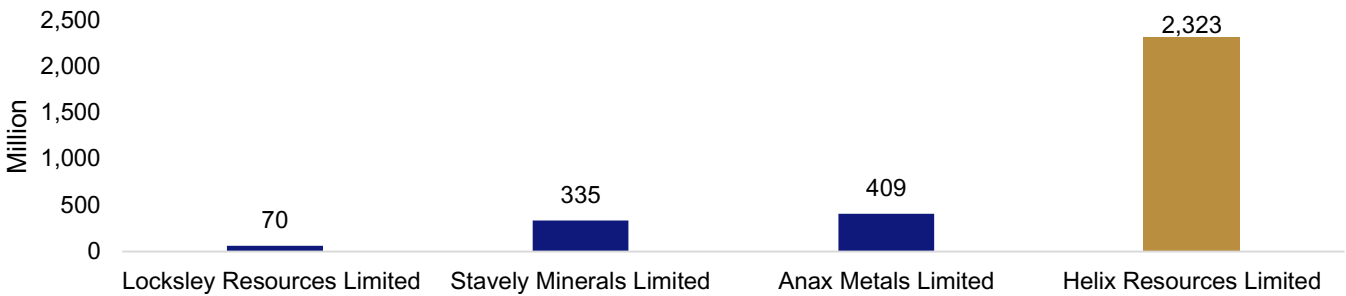




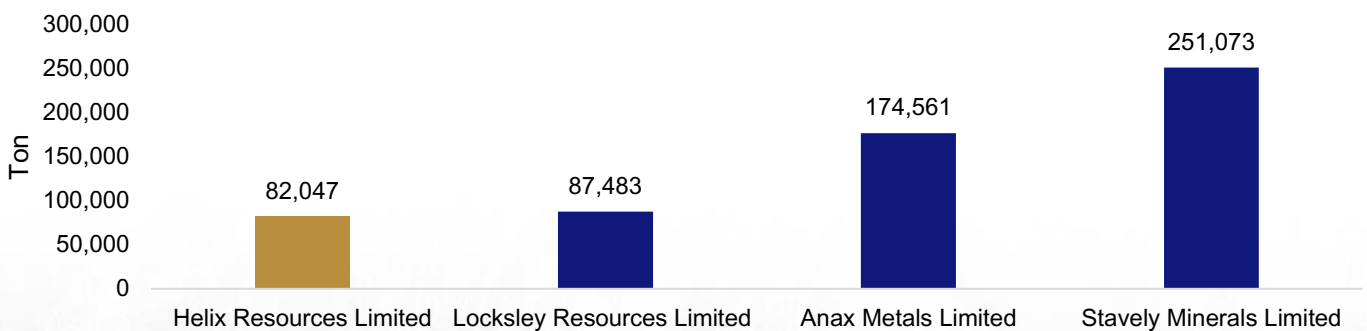
**Figure 5: Market Cap**



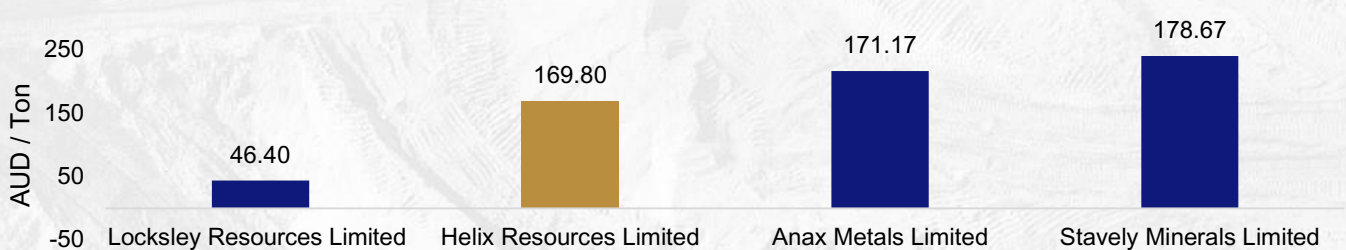
**Figure 6: Number of Shares**



**Figure 7: Total Copper Resources**



**Figure 8: Market Cap/Total Copper Resources**



Source: Yahoo Finance



## **Low market cap and high copper resources present strong investment opportunity for Helix Resources**

As of the latest available data, Locksley Resources has a market cap of AUD 4.6 million, Anax Metals has a market cap of AUD 29.8 million, Stavely Minerals has a market cap of AUD 44.8 million, and Helix Resources has a market cap of AUD 13.9 million (Figure 5). While Helix Resources has a smaller market cap than some of its peers, this does not necessarily indicate a lack of potential for growth.

To gain a better understanding of the trading price for each company, we have converted their total mineral resources into copper equivalents. Based on this analysis, Locksley Resources has 87,483 tons of total copper resources, Anax Metals has 176,613 tons, Stavely Minerals has 251,073 tons, and Helix Resources has 82,047 tons (Figure 7).

When we divide the market capitalization by the total copper resources, we get a better picture of the trading price for each company. Based on this calculation, Locksley Resources has a trading price of AUD 46.4 per ton of copper, Anax Metals has a trading price of AUD 171.1 per ton of copper, Stavely Minerals has a trading price of AUD 178.6 per ton of copper, and Helix Resources has a trading price of AUD 169.8 per ton of copper (Figure 8).

While Helix Resources may have a lower trading price per ton of copper than some of its peers, this can actually be viewed as a positive signal. With a lower market cap and potential for price appreciation, Helix Resources has room for growth and the potential to generate significant returns for investors.

## **The company and its peers in terms of share price gains**

Looking at the price comparison for Helix and its peers over the past 12 months, it is clear that the entire group has experienced a decline in share price. However, Locksley and Stavely experienced the most significant decline with 59% and 61% respectively, while Helix declined 45%. Anax has the lowest price depreciation with a decline of 15% (Figure 9). With 2.3 billion shares on issue, Helix Resources shares are highly liquid. The top 20 holds just 27% so ongoing consistent news flow will be required to build positive share price momentum. Now, with land access available again the company is increasing its regional exploration activities which should increase news flow as well as likely catalysts such as the upcoming Mineral Resource estimate at Canbelego.

Despite this downward trend, Helix's recent news regarding the confirmation of high-grade copper potential at Canbelego presents a promising opportunity for the company to reverse this trend. Initial testing of the 'Upper Canbelego Main Lode' with a modest RC drilling program has successfully mapped out a high-grade copper zone from near surface to over 120m down-dip. Copper sulfides observed over nearly 22m downhole in diamond drill core appears to have further extended that zone by another 40m, and it remains open at depth.

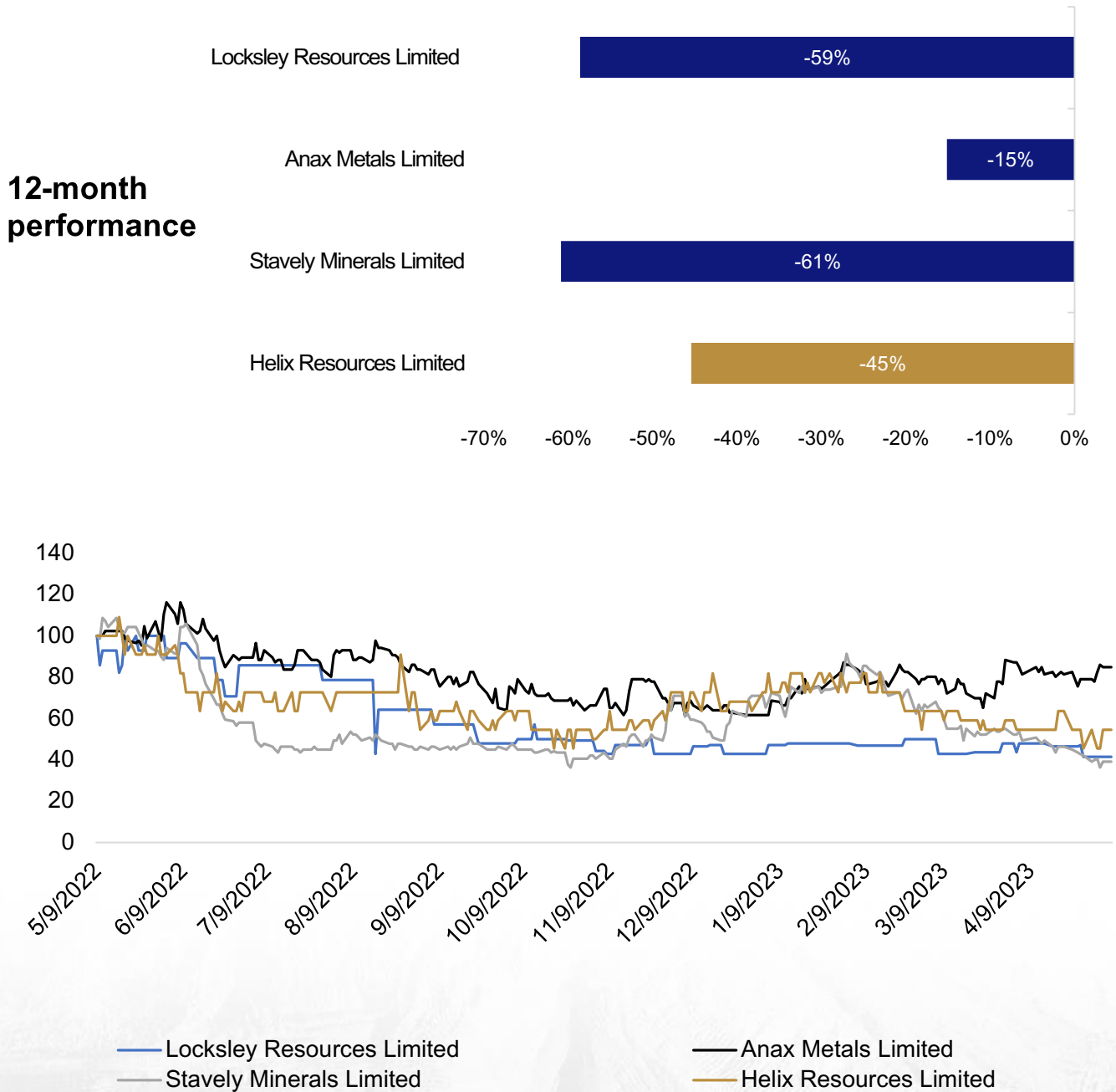
Initial estimates of the true thickness of these mineralized zones are between 15 to 20m. Deeper diamond drilling to test high-grade copper shoots identified by downhole electromagnetic (DHEM) surveys is ongoing. The objective is to follow up on the 14m intercept of copper sulfides from the first successful drill test of the conductive DHEM targets.

This is an 'exploration-risk' opportunity. Helix appears to be in a well-endowed copper region – Cobar. It is well funded and most importantly is focused and busy undertaking the exploration work required to make new discoveries and extend existing resources.

Taking all of this into account, it appears that Helix has a strong upside potential in the near future, particularly if they are able to capitalize on the high-grade copper potential at Canbelego. Given the apparent discount in Helix's market cap relative to its peer group. It appears to be well positioned for strong share price appreciation subject to continuing to deliver strong technical results.



**Figure 9: Helix Resources comparables share price performance**



Source: Yahoo Finance



Based on Table 5, Helix Resources' valuation is estimated by considering the total resources that the company possesses. The total resources includes 53,000 tons of copper and 116,320 ounces of gold, which translates to 82,047 tons of copper equivalent. At an average price for copper of AUD 373 per ton, Helix Resources' valuation is estimated to potentially be AUD 30 million, which suggests a target share price of AUD 0.013 and a potential share price upside of 116%.

### **Table 5: HLX Valuation**

<b>Total CuEq.</b>	<b>Avg. price CuEq.</b>	<b>Total Valuation</b>	<b># of shares</b>	<b>Value per share</b>
<b>82,047</b>	<b>AUD 373</b>	<b>AUD 30,615,000</b>	<b>M 2,323</b>	<b>AUD 0.013</b>

Helix's copper resources come primarily from the Canbelego and Central Zone (CZ) projects, in which the company holds a 70% and 100% interest, respectively. The company's gold resources are 100% owned by Helix. These ownership stakes are taken into consideration in the calculation of Helix's valuation. There is also unquantified value in Helix's plans to realize the value of its significant nickel-cobalt resource through a spin-out opportunity, with the establishment of Ionick Metals Ltd to independently fund and develop its nickel-cobalt assets.



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