



Presidio Oil Project

Quinn Mesa 113 Well

Helios Energy Ltd (ASX Code: HE8) (**Helios** or **Company**) has begun testing the Quinn Mesa 113 well.

The Company's Quinn Mesa 113 vertical well was spud by Helios, as Operator, on 16 June 2017, approximately 2 miles due east of the Quinn Creek 141 surface location.

Quinn Mesa 113 was drilled to a TD of 4,000 feet. Several oil and gas shows were recorded during drilling between 2,400 and TD. Logs were then run and interpretation of those logs indicated zones worthy of testing. Casing was then run and cemented into place in order to protect the oil and gas shows encountered.

The Company is testing a number of separate and distinct zones within the Quinn Mesa 113 well. Testing will take 3 weeks to complete.

Following the testing of Quinn Mesa 113 the Company intends to test multiple zones in Quinn Creek 141

Seismic Programme

Shooting of the Company's 3D and 2D seismic programme has commenced.

The Company's 3D seismic programme is being shot across a 2 square mile area which covers its Quinn Creek 141 well and its Quinn Mesa 113 well and the ground in between the 2 wells.

The 2D line of seismic being shot is approximately 4 miles in length and covers a line of east-west orientation between the Quinn Creek 141 well and the Quinn Mesa 113 well and their proximate surrounds. The entire 2D/3D seismic recording is expected to be completed on or before 22 December 2017.

The full interpretation of both seismic data sets will take approximately 8 weeks to complete and therefore will be finished by 28 February 2018.

ASX Code: HE8

Directors

Hui Ye
Non-Executive Chairman

Richard He
Managing Director

Nicholas Ong
Non-Executive Director

Gary Steinepreis
Non-Executive Director and
Company Secretary

Contact Details

Australian Office

Level 3, 18 Richardson Street
West Perth WA 6005 Australia

PO Box 1485 West Perth
WA Australia 6872

Tel +61 1300 291 195
Fax +61 8 6298 6191

USA Office

2 Riverway, 17th Floor
Suite 1710, Houston
Texas USA 77056

Tel +1 713 333 3613
Fax +1 713 583 0965

www.heliosenergyld.com



Presidio Oil Project – Extension of Time to Drill Third Well

Helios must drill 3 wells to earn a 70%WI in the initial 6,400 acres (4,480 net acres) which comprise the Presidio Oil Project. Helios to date has drilled 2 of those 3 wells with those 2 wells being the Quinn Creek 141 well and the Quinn Mesa 113 well. Helios was required to drill the third well by 31 December 2017 but has been granted an extension until 30 April 2018 to drill the third well. Drilling of the third well is planned to commence in March 2018.

Leasing Programme

The Company has been actively leasing in the Presidio Oil Project area.

Excluding the initial 6,400 acres (4,480 net acres) of the Presidio Oil Project in which Helios will earn a 70%WI upon completing the drilling of 3 wells by 30 April 2018, the Company has been actively leasing additional acres in close proximity to these initial 6,400 acres and now has a 70%WI in a further 26,096 acres. In addition, Helios has a 70%WI in a further 34,280 acres which have been placed under call option to lease. In total therefore, Helios has under contract a 70%WI in a total of 66,776 acres (46,743 net acres).

For further information, please contact:

Richard He
Managing Director

Competent Person's Statement

This information in this ASX announcement is based on information compiled or reviewed by Stephen Hermeston. Mr. Hermeston is a qualified petroleum geologist with over 35 years of experience in North America, South America, Africa, Middle East, Far East, Europe and other international areas involving technical, operational and executive aspects of petroleum exploration and production, in both onshore and offshore environments. He has extensive experience in petroleum exploration, appraisal and reserve and resource estimation and well as in identifying and evaluating new oil and gas ventures. Mr. Hermeston has a Bachelors degree in Geology and is a member of the American Association of Petroleum Geologists.