Helio Announces $1.5 Million Drill Program at SMP Gold Project, Tanzania

09.09.2014 | CNW

VANCOUVER, Sept. 9, 2014 /CNW/ - Helio Resource Corp. (TSX-V: HRC), ("Helio" or the "Company") is pleased to announce that, following the successful completion of a $4 million financing in July, the Company's Board of Directors has approved a $1.5 million diamond drill program for the SMP Project in the Lupa Goldfield, SW Tanzania.

2014 Drill Program

The drill program is expected to include 5,000-7,000m of drilling and be completed by the end of November, 2014.

The drill program will focus on adding additional higher-grade resources from the Porcupine Target, where the deepest previous drill holes intersected 28m grading 5.1 g/t Au (GPD-49) and 53m grading 2.9 g/t Au (GPD-51). The current NI 43-101 compliant resource is summarised below (also refer to news release dated February 3, 2014 here).

Current 43-101 Resource

Cut off grade (g/t Au)	Resource Classification	Average grade (g/t Au)	Tonnes (Millions)	Contained Gold (oz)
1.0	Indicated	2.07	9.45	627,000
1.0	Inferred	1.54	3.62	180,000
3.0	Indicated	5.04	2.05	332,000
3.0	Inferred	5.21	0.09	16,000

The drill program will also test the open pit and underground potential of the Konokono and Gap Targets.

The Konokono Target has previously-announced drill intercepts including 4m grading 11.2 g/t Au and 13.1m grading 3.7 g/t Au. Both of these separate mineralised zones are open along strike and to depth. Mineralisation styles are similar to those at Porcupine, being hosted in brittle structures cutting a granite. Please refer to the map for the exact locations of the targets: SMP Gold Project map.

Drilling by Helio at the Gap Target has also intersected multiple zones of mineralisation over an 800m+ strike length. Previously announced intercepts include 15m grading 2.2 g/t Au (including 5m grading 5.3 g/t Au), 4m grading 4.2 g/t Au and 3m grading 7.2 g/t Au.

Quarterly Financials and MD&A

In addition, the Company has filed its Financial Statements and Management Discussion and Analysis for the three months ended June 30, 2014.

As at June 30, 2014, Helio had working capital of $2.5M and subsequently closed a financing raising an additional $1,050,000 on July 25, 2014.

Chris MacKenzie, M.Sc., C.Geol., Helio's COO and a Qualified Person as designated by NI 43-101, has reviewed and approved the contents of this news release.

About the SMP Gold Project

The SMP Gold Project covers a 238km2 area in the Lupa Goldfield, SW Tanzania.

On February 3, 2014 the Company released a new resource calculation from the Kenge and Porcupine

Resource Areas focussing on the higher-grade aspect of the project. At a 1 g/t cut off, the resource reported 9.44Mt grading 2.1 g/t gold (628,000 ounces) in the Indicated category and a further 3.62Mt grading 1.5 g/t gold Inferred (180,000 ounces). The resource work also looked at higher-grade ounces with the potential for underground mining – at a 3 g/t cut-off the Indicated Resource reported 2.05Mt grading 5.0 g/t gold Indicated (332,000 ounces) and 0.09Mt grading 5.2 g/t Au Inferred (16,000 ounces).

Metallurgical testwork indicated recoveries of up to 96% using a gravity and cyanidation process – see http://www.helioresource.com/s/TechnicalReports.asp for all technical reports.

About Helio Resource Corp.

Helio Resource Corp. is a resource company focused on advancing the 100% owned SMP Gold Project in Tanzania to a production decision, and outlining the resource potential at the DGP Gold Project in Namibia.

ON BEHALF OF THE BOARD OF DIRECTORS OF HELIO

"Richard D. Williams"
Richard D. Williams, P.Geo, CEO

"Chris MacKenzie"
Christopher J. MacKenzie, C.Geol., COO

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Statements Regarding Forward-Looking Information

Certain statements contained in this news release may contain forward-looking information within the meaning of Canadian securities laws. Such forward-looking information is identified by words such as "estimates", "intends", "expects", "believes", "may", "will", "probable", "potential", "indicated", "inferred" and include, without limitation, statements regarding the company's plan of business operations (including plans for progressing assets), estimates regarding mineral resources, projections regarding mineralization and projected expenditures, and the security of future tenure of licenses to explore, develop and mine. There can be no assurance that such statements will prove to be accurate; actual results and future events could differ materially from such statements. Factors that could cause actual results to differ materially include, among others, metal prices, risks inherent in the mining industry, financing risks, labour risks, uncertainty of mineral resource estimates, equipment and supply risks, title disputes, regulatory risks and environmental concerns. Most of these factors are outside the direct control of the company. Investors are cautioned not to put undue reliance on forward-looking information. Except as otherwise required by applicable securities statutes or regulation, the company expressly disclaims any intent or obligation to update publicly forward-looking information, whether as a result of new information, future events or otherwise.

Contact

Helio Resource Corp.
Toll Free: +1 888 955 4728
E-mail: info@helioresource.com
Website: www.helioresource.com