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Completion of Placement

Issue and Allotment of 66,412,215 Shares

On 27 December 2018, Helios Energy Ltd (ASX Codes: HE8, HE8OA) (**Helios** or **Company** or **Issuer**) advised that it has conducted a capital raising of \$10,100,000 by way of the issue of 77,099,237 shares at a price of 13.1 cents per share (**Placement**). The Placement was made to sophisticated and professional investors under the provisions of section 708 of the Corporations Act 2001 (Cth). The Placement was conducted within the 15% placement capacity available to the Company in accordance with ASX Listing Rule 7.1.

The Company has completed the issue and allotment of 66,412,215 shares of the Placement at 13.1 cents per share to raise \$8,700,000. The \$1,400,000 balance of the Placement will be completed on or before 22 January 2019.

An Appendix 3B in respect of the issue and allotment of these 66,412,215 shares at 13.1 cents per share to raise \$8,700,000 is attached.

SECTION 708A (5)(e) NOTICE

Helios hereby notifies ASX (as the operator of the prescribed financial market on which the securities identified below are or are to be quoted) under section 708A(5)(e) that:

- (a) the securities identified below were issued without disclosure under Part 6D.2 of the Corporations Act;
- (b) as at the date of this notice the Issuer has complied with the provisions of Chapter 2M as they apply to the Issuer and with section 674 of the Corporations Act; and
- (c) as at the date of this notice there is no information which is excluded information as contained in sections 708A(7) and 708A(8) of the Corporations Act.

DETAILS OF THE ISSUE OF SECURITIES	
Class of Securities:	Ordinary Shares
ASX Code of the Securities:	HE8
Date of the issue of Securities:	16 January 2019
Total number of Securities issued:	66,412,215 Ordinary Shares

ASX Code: HE8

Directors

- Hui Ye
Non-Executive Chairman
- Richard He
Managing Director
- Robert Bearden
Non-Executive Director
- Nicholas Ong
Non-Executive Director
- John Palermo
Company Secretary

Contact Details

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Fax +1 713 583 0965

www.heliosenergyld.com



Use of Placement Proceeds

The funds raised from the Placement will be used to continue the Company's leasing of additional acres of oil and gas mineral rights in Presidio County in close proximity to the Company's Presidio Oil Project; to complete its current 2D seismic program; to pay for the costs of drilling the third well into the Presidio Oil Project and for working capital.

For further information, please contact:

John Palermo
Company Secretary

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Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

HELIOS ENERGY LTD

ABN

61 143 932 110

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|----------------------------|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 66,412,215 ordinary shares |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares |

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Appendix 3B
New issue announcement

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<p>4 Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional ⁺securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>
<p>5 Issue price or consideration</p>	<p>\$0.131</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The funds raised from the issue will be used to continue the Company's leasing of additional acres of oil and gas mineral rights in Presidio County in close proximity to the Company's Presidio Oil Project; to complete its current 2D seismic program; to pay for the costs of drilling the third well into the Presidio Oil Project and for working capital.</p>
<p>6a Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>27 November 2018</p>
<p>6c Number of ⁺securities issued without security holder approval under rule 7.1</p>	<p>66,412,215 ordinary shares</p>

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6d	Number of +securities issued with security holder approval under rule 7.1A	-						
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	-						
6f	Number of +securities issued under an exception in rule 7.2	-						
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	-						
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	-						
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-right: 20px;">Listing Rule 7.1 –</td> <td style="text-align: right;">146,095,937</td> </tr> <tr> <td style="padding-right: 20px;">Listing Rule 7.1A –</td> <td style="text-align: right;"><u>141,672,101</u></td> </tr> <tr> <td></td> <td style="text-align: right;">287,768,038</td> </tr> </table>	Listing Rule 7.1 –	146,095,937	Listing Rule 7.1A –	<u>141,672,101</u>		287,768,038
Listing Rule 7.1 –	146,095,937							
Listing Rule 7.1A –	<u>141,672,101</u>							
	287,768,038							
7	<p>+Issue dates</p> <p><small>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</small></p> <p><small>Cross reference: item 33 of Appendix 3B.</small></p>	16 January 2019						
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1,218,133,230</td> <td>Ordinary (HE8)</td> </tr> <tr> <td style="text-align: center;">297,977,210</td> <td>Options (exercisable at \$0.02 on or before 31 December 2021) (HE8OA)</td> </tr> </tbody> </table>	Number	+Class	1,218,133,230	Ordinary (HE8)	297,977,210	Options (exercisable at \$0.02 on or before 31 December 2021) (HE8OA)
Number	+Class							
1,218,133,230	Ordinary (HE8)							
297,977,210	Options (exercisable at \$0.02 on or before 31 December 2021) (HE8OA)							

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Appendix 3B
New issue announcement

	Number	*Class
9 Number and *class of all *securities not quoted on ASX (including the *securities in section 2 if applicable)	265,000,000	Ordinary shares
	240,000,000	Performance rights
	655,000,000	Options (exercisable at \$0.02 on or before 31 December 2021)
	10,000,000	Options (exercisable at \$0.10 on or before 31 December 2021)

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
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Part 2 - Pro rata issue

11 Is security holder approval required?	-
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12 Is the issue renounceable or non-renounceable?	-
---	---

13 Ratio in which the *securities will be offered	-
---	---

14 *Class of *securities to which the offer relates	-
---	---

15 *Record date to determine entitlements	-
---	---

16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	-
---	---

17 Policy for deciding entitlements in relation to fractions	-
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18 Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	-
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19 Closing date for receipt of acceptances or renunciations	-
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20	Names of any underwriters	-
21	Amount of any underwriting fee or commission	-
22	Names of any brokers to the issue	-
23	Fee or commission payable to the broker to the issue	-
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	-
25	If the issue is contingent on security holders' approval, the date of the meeting	-
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	-
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	-
28	Date rights trading will begin (if applicable)	-
29	Date rights trading will end (if applicable)	-
30	How do security holders sell their entitlements <i>in full</i> through a broker?	-
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	-

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32 How do security holders dispose of their entitlements (except by sale through a broker)?

33 *Issue date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of *securities
(tick one)

(a) *Securities described in Part 1

(b) All other *securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the *securities are *equity securities, the names of the 20 largest holders of the additional *securities, and the number and percentage of additional *securities held by those holders

36 If the *securities are *equity securities, a distribution schedule of the additional *securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional *securities

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Entities that have ticked box 34(b)

38	Number of *securities for which *quotation is sought					
39	*Class of *securities for which quotation is sought					
40	<p>Do the *securities rank equally in all respects from the *issue date with an existing *class of quoted *securities?</p> <p>If the additional *securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 					
41	<p>Reason for request for quotation now</p> <p><small>Example: In the case of restricted securities, end of restriction period</small></p> <p>(if issued upon conversion of another *security, clearly identify that other *security)</p>					
42	Number and *class of all *securities quoted on ASX (<i>including</i> the *securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; padding: 5px;">Number</th> <th style="width: 50%; padding: 5px;">*Class</th> </tr> </thead> <tbody> <tr> <td style="height: 60px;"></td> <td></td> </tr> </tbody> </table>	Number	*Class		
Number	*Class					

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Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

John Palermo
Company Secretary
16 January 2019

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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid *ordinary securities on issue 12 months before the *issue date or date of agreement to issue	1,319,691,636
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid *ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid *ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid *ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • Include only ordinary securities here – other classes of equity securities cannot be added • Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed • It may be useful to set out issues of securities on different dates as separate line items 	<p>15,625,000 (27 February 2018) 79,263,712 (3 April 2018)</p> <p>500,000 (exercise of options - Aug 2018) 200,000 (exercise of options - Sept 2018) 166,667 (exercise of options – Sept 2018) 200,000 (exercise of options – Oct 2018) 474,000 (exercise of options – Nov 2018) 600,000 (exercise of options – Dec 2018)</p>
Subtract the number of fully paid *ordinary securities cancelled during that 12 month period	-
“A”	1,416,721,015

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Step 2: Calculate 15% of "A"	
"B"	0.15 <i>[Note: this value cannot be changed]</i>
Multiply "A" by 0.15	212,508,152
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
<p><i>Insert</i> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	66,412,215 (placement 16 January 2019)
"C"	66,412,215
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15	212,508,152
<i>Note: number must be same as shown in Step 2</i>	
Subtract "C"	66,412,215
<i>Note: number must be same as shown in Step 3</i>	
Total ["A" x 0.15] – "C"	146,095,937
	<i>[Note: this is the remaining placement capacity under rule 7.1]</i>

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Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	1,416,721,015
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	141,672,101
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	-
“E”	-

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Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	141,672,101
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	-
Total ["A" x 0.10] – "E"	141,672,101 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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