

Form 51-102F3
Material Change Report

PART 1 GENERAL INSTRUCTIONS AND INTERPRETATION

(a) Confidentiality

If this Report is filed on a confidential basis, state in block capitals “CONFIDENTIAL” at the beginning of the Report.

(b) Use of “Company”

Wherever this Form uses the word “company” the term includes other types of business organizations such as partnerships, trusts and other unincorporated business entities.

(c) Numbering and Headings

The numbering, headings and ordering of the items included in this Form are guidelines only. You do not need to include the headings or numbering or follow the order of items in this Form. Disclosure provided in response to any item need not be repeated elsewhere.

(d) Defined Terms

If a term is used but not defined in this Form, refer to Part 1 of National Instrument 51102 and to National Instrument 14-101 *Definitions*. If a term is used in this Form and is defined in both the securities statute of a local jurisdiction and in National Instrument 51-102, refer to section 1.4 of Companion Policy 51-102CP.

(e) Plain Language

Write the Report so that readers are able to understand it. Consider both the level of detail provided and the language used in the document. Refer to the plain language principles listed in section 1.5 of Companion Policy 51-102CP. If you use technical terms, explain them in a clear and concise manner.

PART 2 CONTENT OF MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

HELIO RESOURCE CORP.
580 – 625 Howe Street
Vancouver, B.C. V6C 2T6

Item 2 Date of Material Change

May 28, 2014

Item 3 News Release

News Release dated May 28, 2014, disseminated by Stockwatch and CNW

Item 4 Summary of Material Change

Helio Announces \$4,000,000 Non-Brokered Private Placement

Item 5 Full Description of Material Change

Please see the Attached News Release dated May 28, 2014

INSTRUCTION

If your company is engaged in oil and gas activities, the disclosure under Item 5 must also satisfy the requirements of Part 6 of National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

If this Report is being filed on a confidential basis in reliance on subsection 7.1(2) or (3) of National Instrument 51-102, state the reasons for such reliance.

INSTRUCTION

Refer to subsections 7.1 (4), (5), (6) and (7) of National Instrument 51-102 concerning continuing obligations in respect of reports filed under subsection 7.1(2) or (3) of National Instrument 51-102.

Item 7 Omitted Information

N/A-

In a separate letter to the applicable regulator or securities regulatory authority marked “Confidential” provide the reasons for your company’s omission of confidential significant facts in the Report in sufficient detail to permit the applicable regulator or securities regulatory authority to determine

whether to exercise its discretion to allow the omission of these significant facts.

INSTRUCTIONS

In certain circumstances where a material change has occurred and a Report has been or is about to be filed but subsection 7.1(2), (3) or (5) of National Instrument 51-102 is not or will no longer be relied upon, your company may nevertheless believe one or more significant facts otherwise required to be disclosed in the Report should remain confidential and not be disclosed or not be disclosed in full detail in the Report.

Item 8 Executive Officer

Richard Williams
Telephone: 604 638 8005

Item 9 Date of Report May 28, 2014



HELIO RESOURCE CORP.

Suite 580 – 625 Howe Street
Vancouver, B.C.
Canada V6C 2T6
Phone: 1 888 955 4728

NEWS RELEASE

**"NOT FOR DISSEMINATION IN THE UNITED STATES OR FOR
DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES."**

FOR IMMEDIATE RELEASE**Helio Announces \$4,000,000 Non-Brokered Private Placement**

Vancouver, May 28, 2014

Helio Resource Corp. (TSX.V: HRC) ("Helio" or the "Company") is pleased to announce a non-brokered private placement to raise up to **\$4,000,000** comprised of up to **80,000,000 units** (the "**Units**") at a price of **\$0.05** per Unit. Each Unit shall consist of one common share (a "Common Share") and **one half of one (1/2)** common share purchase warrant. Each whole warrant will entitle the holder thereof to acquire one Common Share for a period of two years from closing, at a price of **\$0.10** per share. Commissions of up to 6% in cash, and 6% in units of the Company, on terms similar to the Units, may be issued on part of this financing.

CE Mining Limited, a Guernsey based company, or a related entity, (together "CE Mining") will subscribe, subject to certain requirements, for a minimum of 22,000,000 Units for proceeds of \$1,100,000. The Company will place the balance of up to 58,000,000 Units. CE Mining has the right to subscribe for any Units not placed by the Company.

CE Mining currently owns 20,000,000 common shares of the Company (14.75% of the current issued and outstanding share capital of the Company) and 20,000,000 warrants. These warrants are exercisable at a price of C\$0.14 per share and expire on May 8, 2015. Assuming that CE Mining subscribes for no more than 22,000,000 Units, and the placement is fully subscribed, upon completion of the private placement, CE Mining would own 19.48% of the issued and outstanding common shares of the Company on a non-diluted basis. Upon the exercise of all of its warrants, CE Mining would own, on a partially diluted basis, 29.6% of the issued and outstanding common shares of the Company.

In the event CE Mining wished to acquire 22,000,000 Units and the total placement was less than fully subscribed, or if CE Mining wished to acquire more than 23,120,000 Units of the fully-subscribed placement, it would become a "Control Person" under applicable securities legislation and, under the policies of the TSX Venture Exchange, the Company would then be required to seek disinterested shareholder approval of CE Mining's investment. Such approval would be by way of a Special General Meeting of the shareholders of the Company (the "SGM"), and would be determined by ordinary resolution. CE Mining, as an interested party, would not be allowed to vote any shares that it may own or control in relation to this resolution. Should an SGM be required, the Company may close the private placement in two tranches, with the second tranche closing only in the event of disinterested shareholder approval. CE Mining would have certain limited rights to withdraw from any such financing up to the date of

the SGM.

About CE Mining

CE Mining is a company jointly owned and managed by Plinian Capital LLP (“Plinian”) and Generation Asset Management, and it invests in promising exploration and development mineral resource projects.

Plinian is an investor in, and a leading operational manager of, mineral discovery, development, production, and turnaround opportunities with extensive operational expertise in gold, silver, copper, nickel, PGMs (platinum group metals) and iron ore in the Americas, Australia and Africa. Generation Asset Management (UK) Limited is an asset management, private equity and corporate finance company. Further information on CE Mining’s three key principals is set out in the Company’s April 22, 2013 news release. Two of its key principals, Mr Bradford A. Mills, and Dr. Mark Sander, are currently directors of the Company.

Use of Proceeds

The proceeds from the private placement will be used for the advancement of Helio’s SMP Gold Project in the Lupa Goldfields of South West Tanzania, and for general corporate working capital purposes.

Restrictions

All securities issued in connection with the private placement will be subject to a four-month plus one day hold period during which those securities cannot be traded. These securities being offered have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) and may not be offered or sold in the United States or to, or for the benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act) absent U.S. registration or an applicable exemption from the U.S. registration requirements. This release does not constitute an offer for sale of securities in the United States.

For additional information, please contact Richard Williams or Irene Dorsman at +1 604 638 8005 or by e-mail to richard@helioresource.com or irene@helioresource.com.

ON BEHALF OF THE BOARD OF DIRECTORS

“Richard D. Williams”
Richard D. Williams, P.Geol
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 “may”, “will”, “should”, “would”, “assuming”, “in the event” 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 or use of proceeds. 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, land title disputes, security of licenses granted to explore, develop and mine, 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.