

## Helio (TSX-V:HRC) and Damara (TSX-V:DMR) Merge Namibian Interests into Osino Resources Corp.

TSX-V Trading Symbol: HRC

VANCOUVER, May 31, 2016 /CNW/ - **Helio Resource Corp (TSX-V: HRC)**, ("Helio" or the "Company") is pleased to report that the transaction previously announced on February 18, 2016, whereby Helio, Damara Gold Corp (TSX-V: DMR) and Osino Resources Corp. (a private corporation) agreed to merge their respective interests in Namibia, has been completed.

Helio's Namibian interests comprise two exploration licences, namely EPL 3738 (Wilhelmstal) and EPL 3739 (Otjimbojo), which together are referred to as the Damara Gold Project ("DGP"). Helio and Damara have agreed to rescind their earn-in agreement (see news release dated March 27, 2014), and have transferred their respective interests in the DGP to Osino. In a separate arm's length transaction Helio assigned a portion of its interest in Osino to a third party in consideration of \$456,000.

Richard Williams, CEO, stated; "We are pleased to have partnered with Osino to advance the Damara Gold Project. Given Osino management's past track record, developing and selling the Otjikoto gold mine to B2Gold Corp., we are confident the project is in good hands. This agreement allows Helio to continue to focus on the development of the SMP Gold Project in Tanzania."

### 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

*"Richard D. Williams"*

Richard D. Williams, P. Geo

*"Chris MacKenzie"*

Christopher J. MacKenzie, C. Geol.

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SOURCE Helio Resource Corp.

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