Helio (TSX-V:HRC) - Shareholder Update

TSX-V Trading Symbol: HRC

VANCOUVER, June 20, 2016 /CNW/ - **Helio Resource Corp (TSX-V: HRC)**, ("Helio" or the "Company") is pleased to provide the following corporate update.

Warrant Exercise / Warrant Expiry / Share Capital Update

On Monday, June 13 the Company issued 7,500,000 new shares as a result of share purchase warrants being exercised, realizing a sum of $375,000 to Helio's treasury. As a result, Helio now has 249,578,959 shares issued and outstanding, no warrants, and 8,700,000 incentive stock options.

CE Mining Limited and CE Mining II Helio Limited together own a total of 80 million shares of the Company, representing 32.05% of the issued and outstanding common shares of the Company.

As a result of the warrant exercise, the Company now has over $1,500,000 gross cash in treasury.

Tanzania

The focus for the Company going forward is advancing its SMP Gold Project in Tanzania. Funds on hand will be used to define a drill programme to add to the current resource base and advance the project towards a production decision.

The SMP Gold Project has a current NI 43-101 Mineral Resource Estimate, as outlined in a news release dated April 28, 2015, and summarized below:

- The total Indicated Resource is 7.5 million tonnes ("Mt") grading 2.4 grams per tonne ("g/t") gold (Au) for 590,000 ounces (oz) Au contained.
- This can be broken down into 5.9 Mt grading 1.8 g/t Au for 332,000 oz inside a pit constrained shell at US$1,400/oz gold price and 1.6 Mt grading 4.9 g/t for 258,000 ounces of potentially underground mineable material.
- The total Inferred Resource is 0.56 Mt at 2.5 g/t Au containing 45,000 oz Au in the same pit constrained shell and underground configurations.
- The higher-grade underground resource bodies are all open at depth.
- The new high-grade zones at Gap encourage further follow-up, especially the western shoot, which returned an intercept of 4m grading 30 g/t Au (see news release dated January 29, 2015).

All technical information in this news release has been reviewed and approved for disclosure by Mr. C. MacKenzie, M.Sc., C.Geol, Helio's COO and Qualified Person as designated by NI 43-101.

Namibia Update

The Company completed the disposition of its Namibian interests in May 2016, and retains a 14% shareholding in Osino Resources, an arm's-length, private mineral exploration company.

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.

For additional information please contact Richard Williams at 604 638 8005.

ON BEHALF OF THE BOARD OF DIRECTORS

"Richard D. Williams"	"Chris MacKenzie"
Richard D. Williams, P.Geo	Christopher J. MacKenzie, C.Geol.

SOURCE Helio Resource Corp.

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