Helio Announces Shares for Debt Settlement

TSX-V Trading Symbol: HRC

VANCOUVER, Aug. 19, 2016 /CNW/ - **Helio Resource Corp. (TSX-V: HRC)**, ("Helio") announces that, subject to TSX-Venture Exchange ("Exchange") approval, it will issue 2,054,000 shares to settle an aggregate amount of $102,700 in salaries and fees owed to certain members of management and Directors. In addition, Helio has reached agreement with Plinian Capital, subject to Exchange and disinterested shareholder approval, to issue 9,600,000 shares in lieu of $480,000 accrued as operator fees. Disinterested shareholder approval will be sought at Helio's Annual General Meeting on September 23, 2016.

In conjunction with the debt settlement, Helio and Plinian Capital have agreed to reduce the operator fees by 50%, and senior management has agreed to reductions in compensation of between 25% and 55%.

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.

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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For further information: please contact Richard Williams at 604 638 8005. E-mail: info@helioresource.com, Website: www.helioresource.com

CO: Helio Resource Corp.

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