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VANCOUVER, Sept. 6, 2017 /CNW/ - [Helio Resource Corp.](#) (TSX-V: HRC), ("Helio" or the "Company") reports that, after careful consideration, it has concluded that there is no proper basis for Shanta Gold's purported termination of the arrangement agreement between Shanta Gold and the Company. Accordingly, the arrangement agreement remains in effect and Helio expects Shanta Gold to satisfy its obligations thereunder, including taking all commercially reasonable actions required to complete the transaction.

Richard Williams, Helio's CEO, said "We strongly disagree with Shanta Gold's assertion that the recent changes to Tanzania's mining laws amount to a material adverse effect as defined in the arrangement agreement and reject their opportunistic attempt to walk away from their obligations. We believe that combining Shanta Gold and Helio continues to make sense for both companies and are disappointed that our partner in this transaction chose to take this drastic step without any prior discussions."

Helio intends to vigorously enforce all of its rights under the arrangement agreement and seek to consummate the merger on the agreed terms.

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"
Richard D. Williams, P.Geo

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 "anticipated", "estimates", "intends", "expected", "believes", "may", "will" and include, without limitation, statements regarding the steps that Company expects to take in response to Shanta Gold's purported termination of the arrangement agreement between Shanta Gold and the Company. 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, uncertainties regarding the outcome of any litigation involving the Arrangement Agreement, labour risks, uncertainty of mineral resource estimates, equipment and supply risks, title disputes, regulatory risks and environmental concerns. Most of these factors are outside the 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.

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SOURCE [Helio Resource Corp.](#)

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