Helius Minerals Ltd.[Enters Agreement for the Serra Pelada High-Grade Gold-PGM Project, Brazil

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Helius Minerals Ltd. ("Helius" or the "Company") (TSXV: HHH) is pleased to announce that it has signed a definitive Exclusivity, Share Option and Acquisition Agreement dated as of March 3, 2025 (the "Definitive Agreement") with Colossus Minerals Inc. ("Colossus") regarding the Serra Pelada gold-PGM project in Brazil (the "Serra Pelada Project"). Colossus put Serra Pelada on a care and maintenance program in 2014 when Colossus became insolvent. The property interests are held by Colossus' Brazilian subsidiaries, Colossus Mineração Ltda. ("Colossus Brazil") and Mineração Fazenda Monte Belo Ltda. ("MFM" collectively with Colossus Brazil, the "Target Companies").

Under the Definitive Agreement, Helius has been provided with a twelve-month exclusivity period (the "Organizational Period") during which it would raise not less than US$1 million (to be priced in the context of the market following this announcement) (the "Initial Financing") and allocate a minimum of US$500,000 to undertake the following activities:

- Reviewing and developing a plan to ensure compliance with relevant mining laws and other regulatory requirements;
- Formulating a comprehensive strategy to address outstanding debts, including those related to ongoing litigation, of the Target Companies; and
- Developing a detailed plan to rehabilitate the Serra Pelada Project, the Target Companies and SPCDM (as defined below; collectively, the "Organizational Period Requirements").

Christian J. Grainger, President and CEO commented: "We are excited to have restructured Helius with exceptional gold and copper assets in Nevada, USA, located within the prospective Walker Lane trend, and now Brazil with an option to rejuvenate the high-grade Serra Pelada gold-PGM project. I am particularly excited to be returning to Serra Pelada again, having significant experience with this deposit, and to be working with our partners COOMIGASP".

In 2014, Colossus became insolvent after significant development expenditure of over C$280M at Serra Pelada. Colossus' dewatering measures proved inadequate in controlling water ingress. This created liquidity and credibility issues immediately before metal production was to commence, which led to the collapse of Colossus.

The Serra Pelada Project was thereafter put on a care and maintenance program, and Colossus reported that it halted all exploration, construction and development activities to conserve cash in 2014. Helius understands that as a result of the insolvency, certain regulatory and compliance matters must be addressed to permit the project to move forward.

The Option

Upon Helius' satisfaction of the Organizational Period Requirements, and upon receipt of conditional approval from the TSX Venture Exchange (the "TSXV"), Helius could elect in its sole discretion to deliver written notice to Colossus (the "Option Notice") of Helius' decision to proceed with an option (the "Option") to purchase (a) all of the Target Companies' Shares and thereby a 75% beneficial interest in the partnership called Serra Pelada - Companhia de Desenvolvimento Mineral ("SPCDM"), which partnership holds a 100% interest in the Serra Pelada Project; and (b) all of the intercorporate loans (and all interest accrued thereunder) owed by the Target Companies to Colossus, if any (the "Intercompany Debt").

Helius could elect to exercise the Option within 6 months of the date of delivery of the Option Notice, in which case the parties would proceed with closing of Helius' purchase of the Target Companies' Shares and any

Intercompany Debt. At closing, Helius would be obliged to, among other things: (a) provide evidence to Colossus of Helius having raised at least US$5 million by way of one or more equity financings (the "Equity Financing"); (b) pay the sum of US$100,000 to Colossus; (c) effect the exchange of the existing senior secured convertible notes issued by Colossus (the "Existing Notes") in an aggregate principal amount of US$4 million (the "Existing Debt") for amended senior secured convertible notes ("Amended Notes") that Helius would issue to the holders of the Existing Notes in exchange for the Existing Debt; (d) deliver the Parent Guarantee (as such term is defined below); (e) pay to Colossus the sum of C$100,000 in cash as directed by Colossus; (f) issue to Colossus C$250,000 in share purchase warrants with a 5-year term and strike price equal to the price of the Equity Financing, with the number of warrants to be determined using Black Scholes option pricing formula (the issuance of such warrants being subject to TSXV approval); (g) issue full and final releases to Colossus and other parties in relation to the Existing Notes and the debts, liabilities and obligations of the Target Companies; and (h) enter into assumption agreements in respect of security provided by Colossus in respect of the Existing Notes and the Existing Royalty (as such term is defined below).

The Special Warrants

Concurrent with Helius's delivery of an option notice, and as partial consideration for the Option, Helius will issue to Colossus such number of special warrants (the "Special Warrants") that represents 10% of the issued and outstanding common shares of Helius ("Helius Shares") after completion of the Initial Financing (on an undiluted basis). The issuance of the Special Warrants is subject to TSXV approval. After Closing, the Special Warrants will be convertible into Helius Shares on a one-for-one basis and for no additional consideration on the second anniversary of the date of Closing, subject to the Special Warrants becoming convertible earlier upon: (a) Helius having prepared an updated resource estimate for the Serra Pelada Project in accordance with National Instrument 43-101; and (b) Helius having prepared an engineering options study on mining methods for the Serra Pelada Project.

The Amended Notes

After Closing, the principal amount outstanding under the Amended Notes may be convertible at the option of the holder and on a one time basis into Helius Shares at a price equal to the price at which Helius securities are sold pursuant to the Equity Financing (the "Conversion Privilege"), save and except that: (i) a holder would not be able to fully exercise the Conversion Privilege to convert the principal amount outstanding into Helius Shares if such full conversion would result in the holder beneficially owning in excess of 9.9% of the issued and outstanding Helius Shares, and (ii) the Conversion Privilege will be subject to accelerated termination should the closing trading price of the Helius Shares on the TSXV exceed 200% of the price of the Equity Financing for a period of 30 consecutive trading days.

Helius would become required to commence repaying the principal of the Amended Notes 12 months after the date of commencement of commercial production from the Serra Pelada Project (the "Date of Commencement of Commercial Production"), and Helius would make 16 equal and quarterly payments thereafter. Any existing accrued interest outstanding pursuant to the Existing Notes would be extinguished or settled by Colossus, at Colossus's cost, prior to Closing. Interest will accrue and be charged at a rate of 10% per annum from the Date of Commencement of Commercial Production. Helius could elect to settle up to 50% of individual interest payments in Helius Shares. If Helius raised aggregate proceeds through a single, or series, of debt and/or equity financings in excess of US$7.5 million (the difference being the "Excess Amount"), 25% of such Excess Amount shall be credited towards prepayment of the Amended Notes.

The Existing Royalty

The Serra Pelada Project is subject to a 2% net smelter returns royalty (the "Existing Royalty") in favour of a third party. In connection with closing of the acquisition of the Target Companies' Shares, Helius would agree, as parent, to guarantee (the "Parent Guarantee") the obligations of Colossus Brazil pursuant to the royalty agreement between the royaltyholder and Colossus Brazil in respect of the Existing Royalty. Should certain adjacent land be acquired by Helius, or its affiliates, it shall be subject to the Existing Royalty.

The transaction is subject to receipt of TSXV approval, and to Colossus' receipt on or before May 5, 2025 of (i) shareholder approval by way of a special resolution to the disposition of the Serra Pelada Project to Helius; and (ii) approval from the holders of the Existing Notes to the amendment of the terms of the Existing

Notes as to be reflected in the Amended Notes.

About Helius Minerals Limited

Helius is a mineral exploration company focused on the identification and exploration of high-quality mineral assets across the Americas, with an emphasis on South American jurisdictions.

On Behalf of the Board of Directors of

Helius Minerals Limited

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term in defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS: This news release may contain forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," 'projects," "potential" and similar expressions, or that events or conditions "will," "would," "may," "could" or "should" occur. These forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements, including, without limitation: the uncertainties inherent to current and future legal challenges that face the Serra Pelada Project and the Target Companies; controls, regulations, and political or economic developments in Brazil; changes in national and local government legislation in Canada and Brazil; the lack of certainty with respect to foreign legal systems, which may not be immune from the influence of political pressure, corruption or other factors that are inconsistent with the rule of law; the speculative nature of mineral exploration and development, including the risks of obtaining and maintaining the validity and enforceability of the necessary licenses and permits and complying with the permitting requirements of Brazil; fluctuations in the international currency markets and in the rates of exchange of the currencies of Canada, the United States and Brazil; significant capital requirements; risks related to fluctuations in metal prices; uncertainties related to raising sufficient financing to fund exploration work in a timely manner and on acceptable terms; changes in planned work resulting from weather, logistical, technical or other factors; the possibility that results of work will not fulfill expectations and realize the perceived potential of the Serra Pelada Project; risk of accidents, equipment breakdowns and labour disputes or other unanticipated difficulties or interruptions; the possibility of cost overruns or unanticipated expenses in conducting work programs; the risk of environmental contamination or damage resulting from Helius' operations and other risks and uncertainties. Any forward-looking statement speaks only as of the date it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise.

SOURCE Helius Minerals Limited

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