

HELIX EXECUTE MOU COVERING THE 'SHERPA PROJECT' LOCATED IN MARICUNGA BELT - CHILE

SUMMARY

- Memorandum of Understanding [MOU] signed with Sherpa project Vendors whereby Helix, through its Chilean subsidiary, has a right to explore and acquire 90% of the Project for US\$2.7M in staged payments over 4 years
- The Sherpa target is gold associated with the porphyry systems of the Maricunga Belt, located in the shadow of the Barrick/Kinross Cerro Casale JV 23Moz Au deposit and the same belt as Exeter's Caspiche Project (26 Moz Au).
- Helix is currently undertaking Due Diligence procedures and the 1st Option payment of US\$60,000 is due and payable 15th January 2011

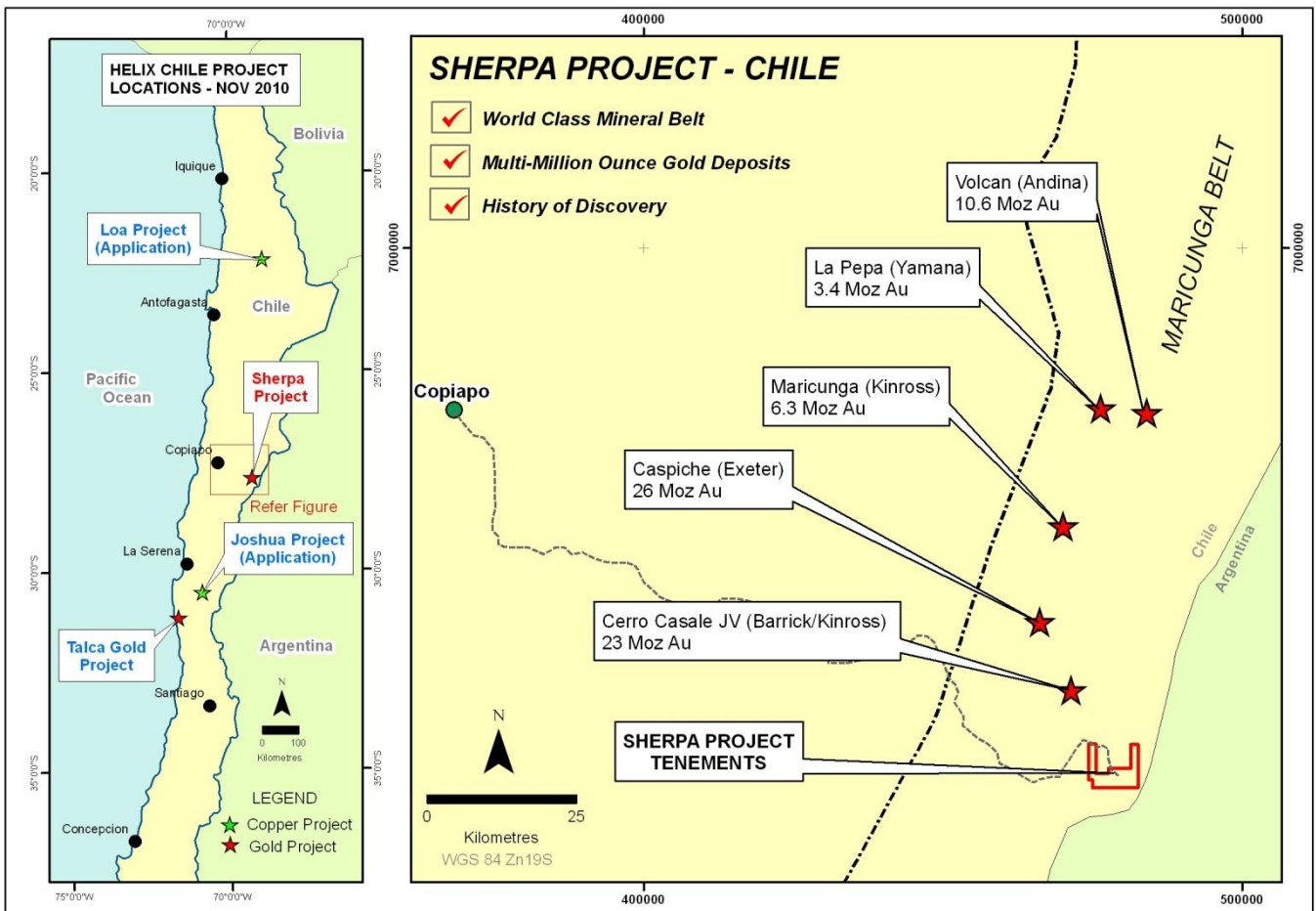


Figure 1: Helix Chile Projects Location Map and Sherpa Project Tenement Location Map



Helix Resources Limited (ASX:HLX) is pleased to announce it has signed a letter agreement [MOU] with the Vendors of the Sherpa Project situated in the Maricunga Belt Central Chile to enter into an Option agreement under the following general terms:-

- Helix conduct due diligence prior to 15th January 2011 before executing an Option Deed to acquire 90% of the Mining titles for staged payments of US\$2.7 Million over 4 years
- Fee 1 shall be payable when Helix complete their Due Diligence of US\$60,000
- Fee 2 shall be paid on 30 June 2011 for a total of US\$90,000
- Fee 3 shall be paid on 30 June 2012 for a total value of US\$200,000
- Fee 4 shall be paid on 30 June 2013 for a total value of US\$350,000. Once Helix has paid Fee 4 and have completed drilling activities of at least 2,000m Helix will be entitled to 70%
- Fee 5 shall be paid on 30 June 2014 and corresponds to the balance to a total of US\$2.7 million (payment US\$2M) where upon Helix will be entitled to 90% of the Project

Helix considers the staged payment process and proposed exploration program over the term of 4 years balances the potential risk and reward for both Parties. Helix can withdraw at any time should exploration results not warrant further work.

The MOU is conditional on the Parties agreeing on the detailed terms of a formal option agreement. Due diligence on the Project has commenced.

Sherpa Project

The Sherpa Project is located on the Maricunga Gold Belt in Region III of the Republic of Chile, approximately 700 km northwest of the Chilean capital Santiago and 120km east of the regional capital, Copiapo and has vehicle access from Copiapo via main roads and a good gravel road to Cerro Casale that has been extended to the tenements.

The Project tenements are approximately 30km² in an area mapped as volcanic breccias and volcanic intrusives. Geological due diligence will begin in early December with Helix's Chilean technical team undertaking mapping and sampling traverses. This will confirm that prospective lithologies are present for the styles of mineralisation being sought.

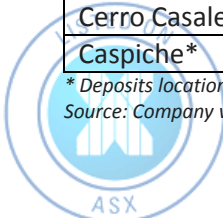
The property is strategically located 20 km SE of the Exeter owned Caspiche Project and just 10 km SE of the Barrick/Kinross Cerro Casale JV. The immediate region has +70M oz of gold resources and the belt is currently producing in excess of 450,000 oz of gold per annum with several new deposits expected to come on stream in the next 2-3 years (refer Figure 1).

Table 1: Significant Gold Projects in the Southern Maricunga Belt

Deposit	Owner or Operator	Contained Metal
La Pepa*	Yamana	3.4M oz gold
La Coipa	Kinross Gold & Barrick	6.2M oz gold equivalent
Maricunga*	Kinross Gold	6.3M oz gold
Volcan*	Andina Minerals	10.6M oz gold
Cerro Casale JV*	Barrick & Kinross Gold	23M oz gold
Caspiche*	Exeter Resources	26M oz gold

* Deposits locations shown in Figure 1

Source: Company websites. Helix does not offer comment on validity of data.



Maricunga Belt

The Maricunga Belt comprises a NNE trending chain of andesitic to dacitic volcanic centres, measuring approximately 150 kilometres long (north-south) by 30 kilometres wide and hosts a series of epithermal high sulphidation and porphyry-style gold-silver-copper deposits including La Coipa, La Pepa, Soledad, Pantanillo, Lobo, Escondido, Marte, Caspiche and Cerro Casale.

Gold and copper mineralisation in the region is typically associated with advanced argillic alteration zones in association with porphyry stockwork systems. These porphyry systems intrude andesitic and dacitic volcanic rocks that in overly basement rocks in the local area. These porphyry stockwork systems are typically localised at intersections of regional N-S and NW trending fault structures, where it is common for major ore deposits to be found in the region.

Maricunga-style gold mineralisation is characterised by bulk tonnage lower grade gold mineralisation hosted in porphyry gold deposits (+/- copper) overlain by, or spatially associated with higher grade gold and silver mineralisation in veins and stockworks with high sulphidation epithermal characteristics.

For further information:

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Competent Persons Statements

The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr M Wilson who is a full time employee of Helix Resources Limited and a Member of The Australasian Institute of Mining and Metallurgy. Mr M Wilson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr M Wilson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

