

## EXPLORATION AND PROJECT UPDATE

Helix Resources Limited (ASX:HLX) is pleased to provide an outline of planned field activities for the coming months. The increase in activity and expenditure is commensurate with the encouraging results received on our emerging gold and copper projects both in Australia and Chile.

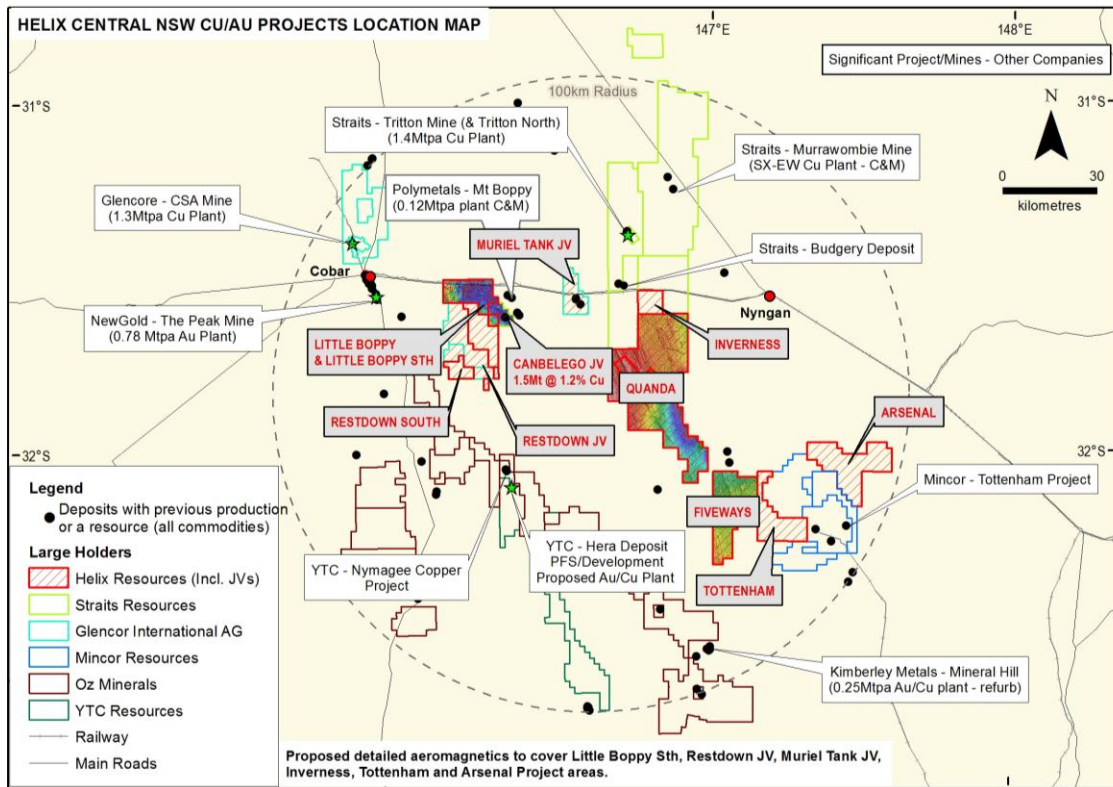


Figure 1: Helix NSW Project Location Map with surrounding companies operations and land positions

### NSW COPPER/GOLD PROJECTS

- A 5000m resource evaluation reverse circulation (RC) drilling program is scheduled for March 2011 to test extensions and continuity of significant gold intercepts on the Restdown JV, with the aim of defining a maiden resource at the completion of this drilling. The 1<sup>st</sup> drilling program was completed in October 2010 and results included:
  - 13m @ 4.2g/t Au HRRC006, 18m @ 2.3 g/t Au & 4m @ 4.4g/t Au HRRC008 – Sunrise Prospect
  - 4m @ 4.0g/t Au HRRC004 and 15m @ 1.1g/t Au HRRC005 – Good Friday Prospect
  - Drilling is open along strike and down dip at both the Sunrise and Good Friday Prospects within a +10ppb Au geochemical footprint that extends over 2.4km. Several additional prospects and regional targets will be tested during the drilling program at Restdown.
- Undertake further detailed aeromagnetic surveys during February-March 2011 to complete coverage of our NSW copper/gold tenements to assist in prioritising drill targets on all our tenements in the district.
- Drill test EM conductor located east, and parallel to, Canbelego Inferred Resource of 1.5Mt @ 1.2% Cu (see resource table).
- Drill test a series of discrete magnetic bullseye ( $\pm$  gravity) features on the Quanda and Five Ways Projects.
- Advance the Muriel Tank Project via mapping and geochemical sampling to define drill targets.

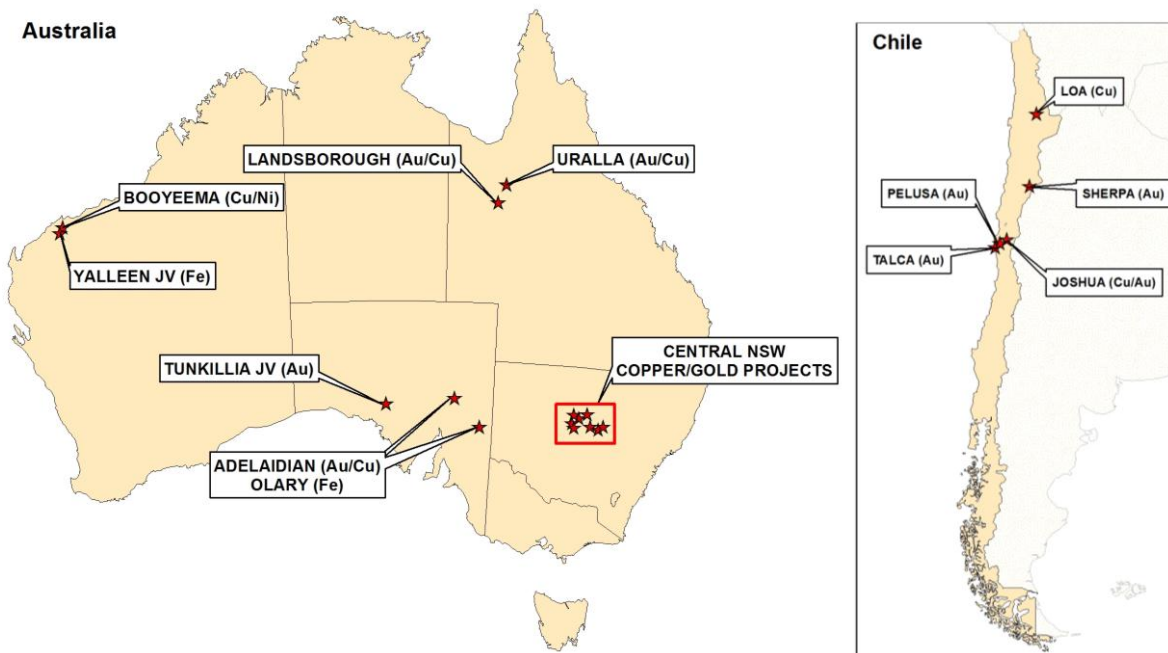


**CHILE COPPER/GOLD PROJECTS**

- Helix has secured four projects (Loa-Cu, Joshua-Cu/Au, Talca- Au and Pelusa-Au) held 100% by Helix's Chilean subsidiary. The local technical team has commenced field activities.
- Joshua Project:- early results from mapping and geochemical sampling has highlighted strong evidence for the presence of porphyry systems, as well as hydrothermal breccia systems, prospective for copper and gold on the tenements.
  - Preliminary rock chip geochemistry has highlighted robust anomalies of copper, gold, silver and elevated molybdenum associated with these targets (up to 1.1% Cu, 0.5g/t Au, 26.4g/t Ag and 65ppm Mo). Additional results from a second phase of rock chip sampling are pending.
  - A geophysical crew will be contracted to undertake an IP survey over the priority porphyry targets, with plans to have a drill rig onsite in early 2Q11 to test these targets.
- Talca Project:- regional mapping and geochemical surveys have commenced. Results will assist in defining targets, proposed for drilling in 2Q11.
- Sherpa:- continuing due diligence activities with a planned IP survey to be conducted in late February 2011 prior to making a decision to commit to the property.
- Targeting strategy for Chile has been successful in securing areas with excellent prospectivity and further ground is under review to complement current tenement holdings with additional projects.

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.



**ABOUT HELIX**

Helix is a mineral exploration company established in 1986 with a strategy of acquiring large tenement holdings in prospective exploration regions, using leading edge exploration methodologies and techniques under the guidance of an experienced Board & Management team to create shareholder wealth.

**Resources**

Commodity	Category	Project	Interest	Resource
Iron Ore	Indicated	Yalleen JV, WA	30%	47.9Mt @ 57.3% Fe (Channel Iron)*
	Inferred		(Contributing)	36.4Mt @ 57.1% Fe (Channel Iron)*

Joint ventured with API Management Pty Ltd (50% Aquila Resources, 50% AMCI) and forms part of their West Pilbara Iron Ore Project which comprises multiple JV's. Helix prepared Scoping Study reports technical and financial viability.

Copper	Inferred	Canbelego JV, NSW	51% (Moving to 70%)	1.5Mt @ 1.2% Cu for 18,000t* Contained Cu (at 0.3% Cu Cut-off)
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Joint venture with Straits Resources

Gold	<u>Oxide</u>	Tunkillia JV, SA	46% (Diluting)	1.2Mt @ 1.8 g/t – 66,000 oz
	Measured			2Mt @ 1.3 g/t – 86,000 oz
	Indicated			2.5 Mt @ 1g/t – 77,000 oz
	Inferred			
	<u>Primary</u>			
	Indicated			4.2Mt @ 2 g/t – 270,000 oz
	Inferred			4.4Mt @ 2.1 g/t – 300,000 oz
	Inferred			8.6Mt @ 5.7 g/t – 1.6M oz Silver
	<b>Total</b>			<b>0.8M oz Au and 1.6M oz Ag*</b>

Minotaur Exploration Ltd has earned 53% and as JV Manager continue to assess economic and technical viability of the project as well as exploration upside. Whilst Helix has the option to contribute at any time, Minotaur will need to expend an additional \$10 million from their original spend of \$5M for 51% to dilute Helix from the initial 49% interest to 24%.

\*Details of the assumptions underlying the above estimations are contained in previous ASX releases or at [www.helix.net.au](http://www.helix.net.au)

