



QUARTERLY REPORT MARCH 2007

HELIX RESOURCES LIMITED

SUMMARY

IRON

- Significant channel iron deposit (CID) mineralisation intersected at the 1st target area of the Yalleen Iron Ore Project. API drilling confirms a mineralised zone of 2.7 km by 900 metres, with a mineralised channel iron deposit up to 30 metres thick, grading up to 60% Fe.
- API, 50% owned by Aquila Resources Limited and Manager of the project, have planned and prioritised drilling for the 2007 field campaign to test an additional six (6) CID targets identified from the 2006 Hoist EM survey. The drilling program is scheduled to commence 2nd quarter 2007.

GOLD

- Glenburgh Project – drilling targets defined from regional geochemical sampling. The Company is presently securing relevant approvals from Statutory Authorities for a 5,000m aircore and slimline RC drilling program scheduled for 2nd quarter 2007.
- Tunkillia Project - JV partner and manager Minotaur Exploration continues additional shallow resource drilling (81 holes for 4,866m) and economic studies on Area 223 resource.

URANIUM

- Uranium JV partner - Toro Energy announce commencement of a major regional drilling program with plans to test five (5) priority palaeo-channel uranium targets on Helix's Lake Everard tenements 2nd quarter 2007.

GENERATIVE

- Field examination and ground magnetics confirm potential for Radio Hill style nickel target on Helix's West Pilbara tenements; additional VMS/VHMS style base metal models being targeted in other areas of the project.
- Northampton reconnaissance field visit included the historical mines on the Company's applications. Rockchips returned up to 17.4% Cu, 9.1% Zn, 41.7%Pb and 56 g/t Ag. Once granted, Helix will examine the potential for large hydrothermal and strata-bound mineralised systems under shallow cover in this region.
- The Adelaide Geosyncline exploration application areas in South Australia were reviewed in the field during the quarter.

CORPORATE

The exercise of over 93% of the 31 March 2007 options at 14 cents raised \$2.5 million for the Company, which results in sufficient cash reserves of \$3.3 million to meet Helix's on-going exploration programs and initial calls on any of our Joint Venture Projects.

Helix has recently updated the company website at www.helix.net.au, and encourages interested parties to register their email address on the mailing list to ensure Company announcements are automatically emailed when released.

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REVIEW OF OPERATIONS

YALLEEN IRON ORE JV – WESTERN AUSTRALIA

Helix Resources Limited 100%, Australian Premium Iron JV (AMCI/Aquila) earning 70% iron ore rights E47/1169-1171

The discovery of buried channel iron mineralisation on Helix's West Pilbara – Yalleen Iron Ore JV located approximately 50 kilometres east south-east of the Pilbara township of Pannawonica was announced late last year.

The initial drill program tested the first of seven (7) priority targets identified from a Hoist EM survey. A program of diamond drilling was completed to validate the initial Barber drilling. Results returned from the diamond drill program confirmed the thickness and high grade nature of the channel iron. All drill holes (barber and diamond) intersected variable thickness of mineralised pisolitic iron, up to 30m thick, overlain by approximately 10–12m of "shingle" (gravel and cobble sized unconsolidated clasts).

The 2007 field campaign is expected to commence in the 2nd quarter.

Table1: The greater grade/thickness results received from the initial drilling include*:

Hole ID	From	To	Intercept	Al2O3%	SiO2%	P%	S%	LOI%
YABA001	10	46	36m @ 58.42 % Fe	3.19	5.40	0.048	0.016	7.38
YABA007	17	47	30m @ 60.47 % Fe	2.85	3.17	0.055	0.019	7.11
YADD019	12	26	14m @ 57.12 % Fe	3.86	6.17	0.047	0.019	7.79
	29	40	11m @ 58.63 % Fe	3.21	3.78	0.056	0.020	8.40
YADD021	34	55	21m @ 59.36 % Fe	2.76	4.80	0.055	0.022	6.79

*All drilling results received to date from API are listed on the company's website under the Projects tab - Yalleen JV

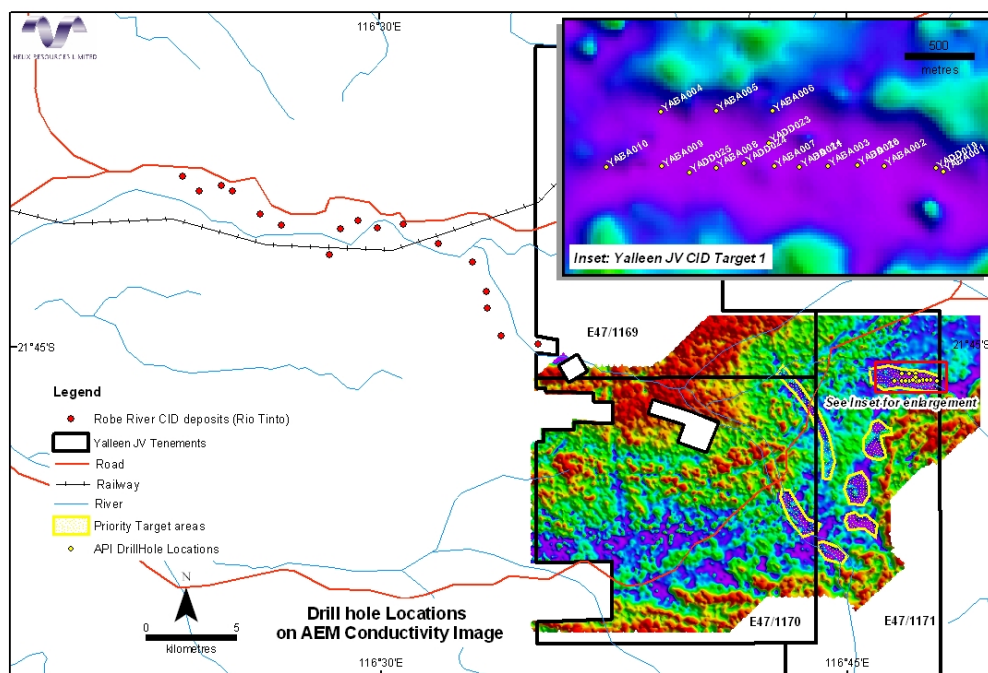


Figure 1: Yalleen Iron JV - Drillhole Locations on AEM Conductivity Image

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GLENBURGH PROJECT – WESTERN AUSTRALIA

Helix Resources Limited 100%

EL 09/644, 09/1079, ELA 09/1278-1289

Drilling targets continue to be honed from the results of soil sampling over the regional stream sediment gold anomalies at the Glenburgh Project. To date, Challenger (up to 400ppb Au in soils), Barracuda (up to 1.6g/t Au in soils) and Firebird (up to 300ppb Au in soils) areas are proving to be the most prospective. The anomalies are all within a 50km radius of the original Victoria Bore Grid orebodies, which hosts an inferred JORC resource of 1.1Mt @ 3.1g/t for 108,000oz of Au. The regional program was aimed at identifying new mineralised systems improving the potential to define the critical number of ounces required to support a stand alone operation in the area (circa 500,000oz).

During the quarter, field work concentrated on infill soil sampling to 100m x 50m at the Firebird and Barracuda prospects. Sampling has identified a +10ppb Au soil anomaly 700m x 200m (Max 300ppb Au) open along strike, surrounded by several smaller anomalies at Firebird and two +10ppb 300m x 100m Au soil anomalies (Max 1.6g/t Au) that appear to be controlled by structure at Barracuda. Present indications suggest that gold anomalism is associated with shallowly to moderate plunging parasitic folds along the regional E-NE trend.

Helix's field teams are presently finalising targets with mapping and infill soil sampling and are awaiting Government approval and Aboriginal Heritage Clearances before undertaking a first-pass 5,000m Aircore and slim-line RC drilling program over the prioritised targets. We expect approvals for drilling to be forthcoming and a drill contractor to be secured during the next quarter.

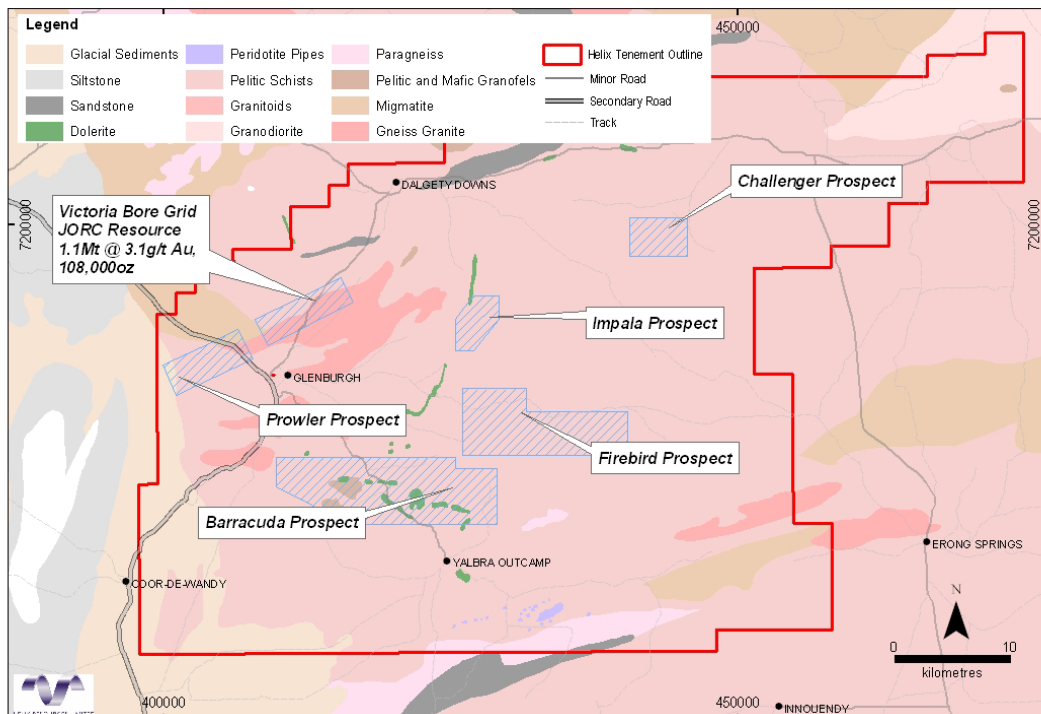


Figure 2: Location of Prospects at Glenburgh Project



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LAKE EVERARD (INCL. TUNKILLIA) PROJECT – SOUTH AUSTRALIA

Helix Resources Limited 100%, Minotaur Exploration Limited earning 51%
Toro Energy Limited earning 51% of Uranium Rights
EL 3403, EL 2854 and EL 3335

GOLD

Joint venture partner and project manager, Minotaur Exploration Ltd, is presently re-assessing the Area 223 gold resource. The studies are taking into account additional diamond, reverse circulation (RC) and slim-line RC drilling completed by Minotaur. This includes some previously reported significant intersections in the oxide portion of the ore body outside the previously defined resource. Minotaur has also been continuing slim-line RC drilling during the quarter (81 holes for 4866 metres). Details of this drilling and results have not yet been released by Minotaur.

The IOCGU* target in the Tunkillia regional exploration program remains untested due to seasonal access issues within the Yellabinna Regional Reserve.

** IOCGU- Iron oxide copper gold uranium style deposit, as typified by the Olympic Dam and Prominent Hill deposits.*

URANIUM

Toro has identified an approximately 25 kilometre long portion of palaeochannel, along which an AEM survey identified five (5) priority palaeochannel uranium targets on EL3335 and EL3403. Each target area will have holes drilled 100-200m apart on fence lines to transect the palaeochannels to fresh basement.

Toro Energy Ltd has recently announced that it has started an aircore drilling program on its neighbouring JV projects. This drilling program is expected to take approximately 5 to 6 weeks. The rig will then move to other palaeochannel targets which include the Lake Everard JV targets.

As this area is located on the eastern edge of South Australia's Yellabinna Regional Reserve, several access conditions must be met prior to drilling. Baseline work to allow drilling in these areas is expected to commence 2nd quarter 2007.

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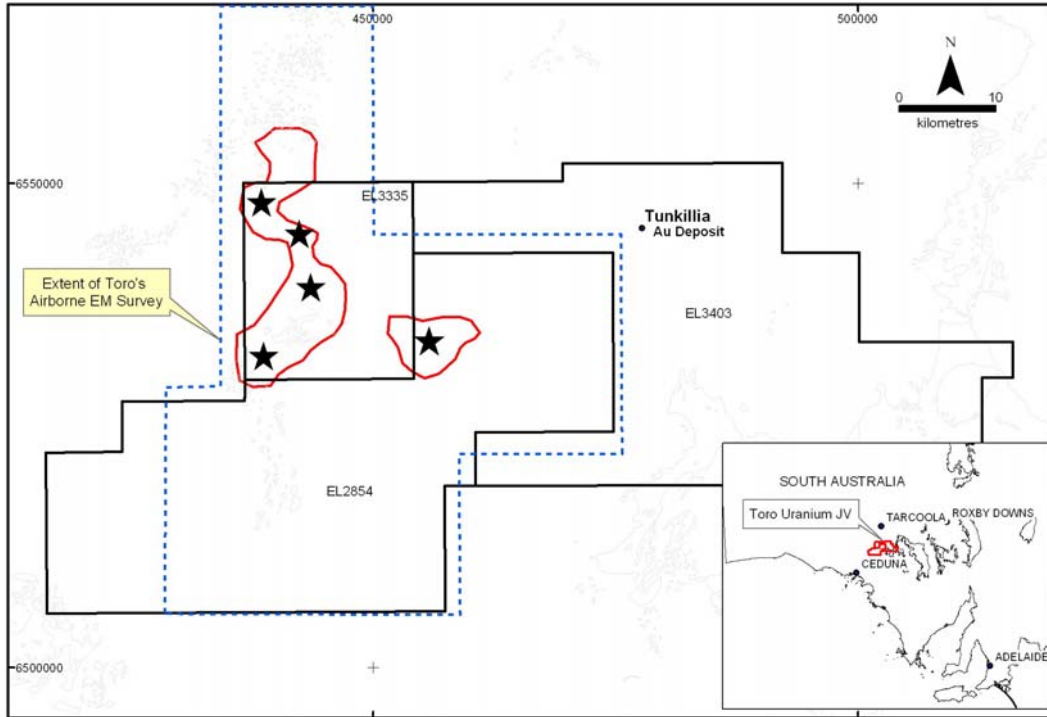


Figure 3: Palaeochannel Uranium Targets

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WEST PILBARA PROJECT – WESTERN AUSTRALIA

Helix Resources Limited 100%

E47/1075, 1169-1171, 1144-1145

ELA47/1089-90 & 1146, MLA 47/786-794

A Radio Hill style nickel target and a series of VMS/VHMS style base metal targets have been identified from a review of historical data and regional aeromagnetics on Helix's West Pilbara tenements.

Helix's consultant geophysicists have modelled several conceptual targets from the open-file regional aeromagnetics, including the Radio Hill Style target. Refinement of this modelling was enabled by a line of ground magnetic surveying completed during a helicopter assisted field examination in January 2007. This modelling suggests the main target is located at approximately 220m depth below surface. Helix will conduct additional groundmagnetic traverses in the second quarter of 2007 to improve the magnetic modelling of the principal target.

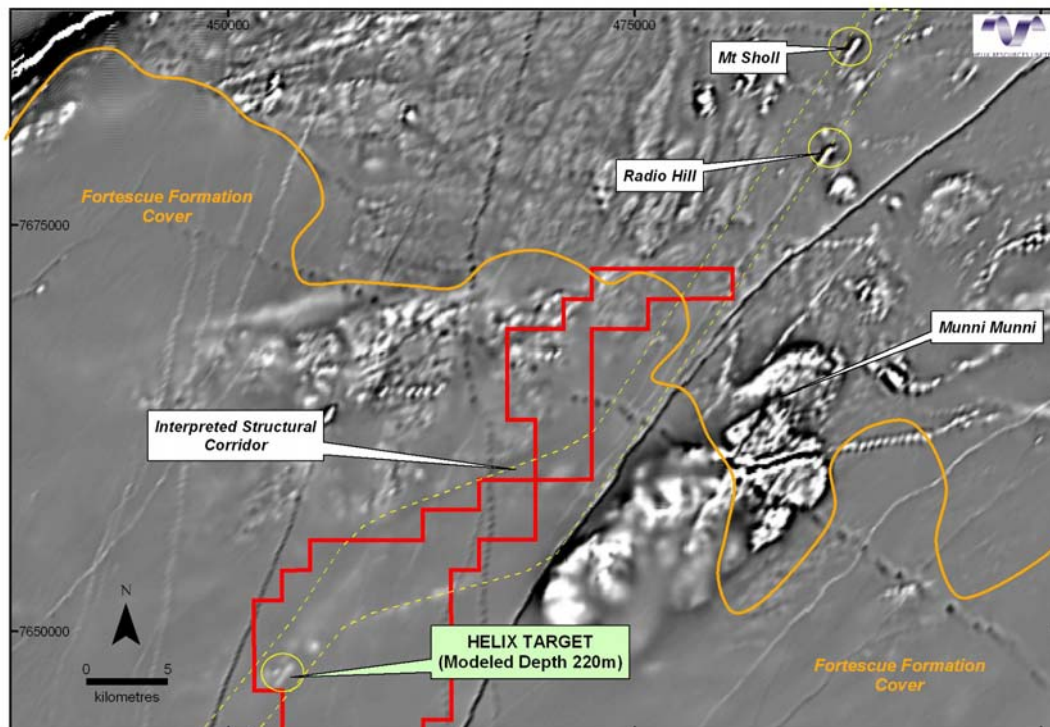


Figure 4: West Pilbara Potential Radio Hill Style Target

A reconnaissance field visit was also carried out on the West Pilbara tenements to provide a preliminary assessment of several base metal targets highlighted by regional multi-element assays defined from the 2005 DeBeers JV stream sediment sampling. Rock chip, soil and stream sediment samples were collected over the various targets. Several of the areas visited returned elevated precious and base



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metal anomalism in soils and streams with the rock chips assaying up to 0.4% Zinc, 0.18% Arsenic, 250ppm Copper and 175ppm Lead. Helix is currently reviewing targets and planning a more detailed field program for the 2007 field season.

NORTHAMPTON PROJECT – WESTERN AUSTRALIA

Helix Resources Limited 100%
ELA66/54-55

The Northampton District hosted some of Western Australia's first mining activity, where base metals were mined in the region as early as the 1840s. Very high-grade lead and copper (10-40%) was mined from thin lensoidal ore bodies (several hundred metres long) to depths less than 100m. Historical records suggest zinc was only ever mined as a bi-product in this area given that metallurgical extraction was not perfected until the 1920s.

During the quarter Helix geologists carried out field reconnaissance on the Northampton project. Field examination of some of the historical mine workings on Helix's ground has confirmed the high grade nature of the mineralisation in this district.

Table 2: Rockchip assay results- collected on recent field reconnaissance trip to Northampton Project.

East	North	Au ppb	Cu%	Pb%	Zn%	Ag g/t	Location Type
270605	6849965	6.8	0.86	41.70	0.02	8.5	Mullock Heap
270605	6849965	1	0.23	5.51	0.01	4	Mullock Heap
265515	6908169	2	0.03	11.70	0.01	1.5	Mullock Heap
275736	6918873	1.2	4.08	0.60	0.01	-	Structure
268204	6829596	4	4.25	0.06	0.03	6.5	Mullock Heap
269418	6831740	5.6	0.01	0.30	0.02	1.5	Float
269992	6834864	35.8	17.40	0.15	0.12	56	Mullock Heap
269992	6834864	1.4	0.30	0.09	0.04	6	Wallrock
269992	6834864	2.4	1.63	2.32	2.37	6.5	Mullock Heap
270022	6850035	0.6	0.01	5.15	0.01	0.5	Mullock Heap

The metal content of the old workings along with the structural complexity and the presence of base-metal rich fluid systems in the region, suggest that the Northampton Inlier has excellent potential to host larger hydrothermal and/or strata-bound precious and base metals deposits. The company will target the areas obscured by shallow cover that would have inhibited previous explorers. Once granted, Helix will commence regional geochemical exploration, using its expertise in geochemistry and exploring under cover to test for these mineralisation models.

ADELAIDE GEOSYNCLINE - SOUTH AUSTRALIA

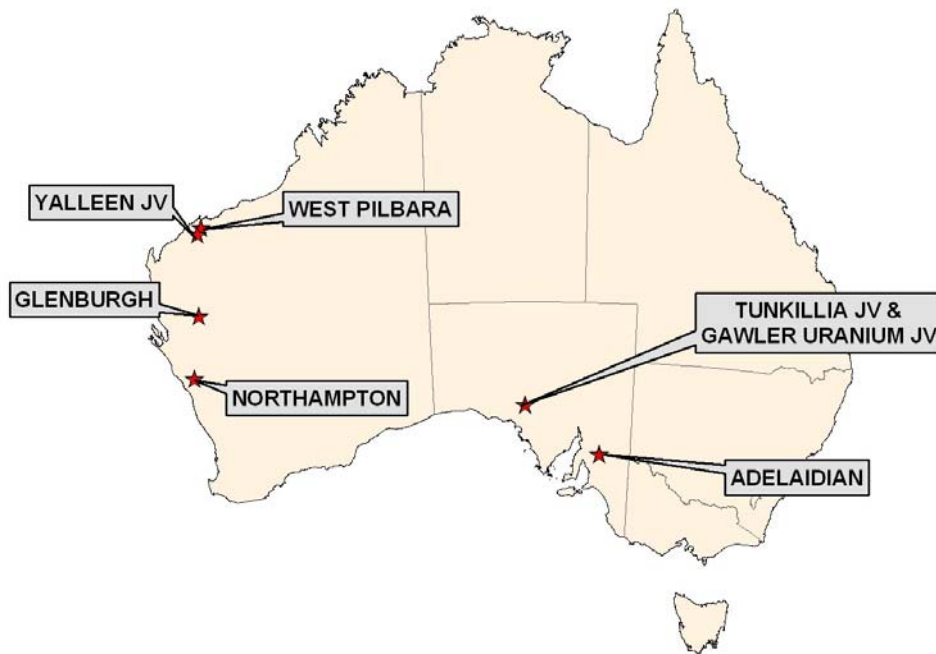
Helix Resources Limited 100%
ELA570/06, ELA571/06

A series of conceptual targets have been generated targeting predominantly gold and base metals in the Adelaide Geosyncline of South Australia. Helix is looking to use the skills and ideas developed in its exploration of other Proterozoic terranes around Australia to take a fresh look at this region.

A recent field visit to these projects revealed significant scope for new discoveries with limited historical exploration evident in a number of the target areas.

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The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves on other projects 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.

The information in this announcement, insofar as it relates to Mineral Exploration activities at the Yalleen Iron Ore Project, is based on information compiled by Stuart H Tuckey, who is a member of the Australian Institute of Mining and Metallurgy, and who has more than five years experience in the field of activity being reported on. Mr Tuckey is a full-time employee of API Management Pty Ltd. Mr Tuckey 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 of Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Tuckey consents to the inclusion in the report of the above matters, based on the information in the form and context in which it appears.

For further information please contact:

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Michael Wilson
Exploration Manager
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Corporate Directory

Directors

Greg Wheeler	Executive Chairman
John denDryver	Non-executive Director
Gordon Dunbar	Non-executive Director

Company Secretaries

Greg Wheeler
Joneen McNamara

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Advanced Share Registry

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Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

HELIX RESOURCES LIMITED

ABN

27 009 138 738

Quarter ended ("current quarter")

31 March 2007

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date 9 months \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(268)	(802)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	11	47
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)	1	4
Net Operating Cash Flows	(364)	(1,414)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity investments (c) other fixed assets	-	(25)
1.9 Proceeds from sale of: (a)prospects (b)equity investments (c)other fixed assets	-	502
1.10 Loans to other entities	-	(266)
1.11 Loans repaid by other entities	-	368
1.12 Other	-	200
Net investing cash flows	-	779
1.13 Total operating and investing cash flows (carried forward)	(364)	(635)

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1.13	Total operating and investing cash flows (brought forward)	(364)	(635)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	2,532	2,532
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (Share issue costs)		
Net financing cash flows		2,532	2,532
Net increase (decrease) in cash held		2,168	1,897
1.20	Cash at beginning of quarter/year to date	1,145	1,416
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	3,313	3,313

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	55
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25

Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	350
4.2 Development	
Total	350

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	16	-
5.2 Deposits at call	3,297	1,002
5.3 Bank overdraft	-	
5.4 Other (provide details)	-	143
Total: cash at end of quarter (item 1.22)	3,313	1,145



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Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased	E47/1775 E47/1776	0% 0%	100% 100%

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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	113,748,377	113,748,377		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date</i>
	2,830,000	Nil	Various	29 March 2009
	353,212		14 cents	31 March 2007
7.8 Issued during quarter				
7.9 Exercised during quarter	17,733,338		14 cents	31 March 2007
7.10 Expired during quarter	1,052,925		14 cents	31 March 2007
7.11 Debentures (totals only)				
7.12 Unsecured notes (totals only)				

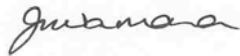


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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

Company secretary

Date: 5 April 2007

Print name: Joneen McNamara.

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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