



Helix Resources Limited

A.C.N. 009 138 738 Incorporated in Western Australia

9th March 2010

Australian Stock Exchange Limited
via Electronic Lodgement

Dear Sirs

COMPANY UPDATE FOR SHAREHOLDERS

The Board and Management during the last 12 months have focused on 3 concurrent strategies:-

1. monetise and/or progress development scenarios for our mineral resource assets, including divestment of non-core assets
2. identify and secure new ground in regions where operating mines and infrastructure are present and where drill targets have been identified
3. review potential merger or project acquisition opportunities to create 'size' and/or synergy benefits

1. MINERAL RESOURCE ASSETS

At present we have exposure to JORC compliant Resources which separates us from a significant number of the +600 ASX listed junior resource companies. Shareholders are encouraged to visit www.helix.net.au for further information.

Glenburgh Gold Asset

This asset was vended into the successful listing of Gascoyne Resources Ltd [ASX code: GCY] in December 2009 and +80% of the shares held, valued at \$3.2 million, were distributed in-specie to shareholders in late February 2010. This provides Helix shareholders with continued exposure to the Glenburgh Project, together with additional prospective projects in the Gascoyne Region of WA, within a separate ASX listed entity with fresh capital to advance the projects.

Tunkillia Gold Asset [Minotaur 52%/Helix 48% diluting]

JV manager Minotaur continues to expend monies through mining studies and regional exploration. Helix are presently not contributing to the exploration programs, and note that should Minotaur expend a further \$5 million, it will dilute Helix to 31%, still a significant interest in the asset.

Strategies to monetise the asset continue in light of the current gold price, size of the undeveloped resource and regional prospectivity.



Yalleen Iron Ore Asset [API 70% / Helix 30%]

The JV has commenced initial work on development scenarios for the Project. It is anticipated the studies will cover:-

- Access to infrastructure
 - Link to proposed API WPIOP Stage 1
 - 3rd party access to existing rail and port infrastructure
 - Mine gate sales arrangements
- Metallurgical test-work
- Commencement of baseline studies covering heritage, environmental and water management issues.

For Information Purposes, we note that in an experts report in November 2009 regarding an iron ore company under takeover, an Industry Rule of Thumb average value of \$1.20 per in-situ Fe tonne was outlined. If the same calculation was performed on the basis all other Helix mineral assets are excluded, it would equate to \$0.37 per HLX share for every in-situ Fe tonne. Whilst we offer no comment on the in-situ Fe tonne values, we consider the valuation may improve as additional information on Project development options are made available.

Divestment of Non-Core Projects

The Company is also seeking partners for several non-core assets. This allows our available capital to be directed to Projects targeting our preferred commodities that possess the best risk/reward profiles, whilst also providing a suitable mix between green-fields and near-production assets.

As an example: Bonython Resources Pty Ltd has entered into a binding terms sheet to earn into a JV with Helix whereby Bonython will spend \$2 million over 5 years to earn 65% of the iron ore rights of the Company's Olary Project (EL4022 and EL3956) in South Australia.

2. SECURE NEW GROUND HOLDINGS

Helix has secured new ground holdings targeting gold & copper in NSW and Queensland.

NSW Projects to Advance during 2010

Canbelego JV [Straits 100%, Helix earning 51% by expending \$300,000 over 3 years]

Helix has completed a comprehensive data review, field reconnaissance and stakeholder engagement process to advance the project where historic drilling has intersected zones of +1% copper mineralisation proximal to historic workings. Helix has completed a 50m line spaced detailed aeromagnetic survey and have outlined numerous geophysical and geochemical targets for drilling within the 10km strike of a prospective magnetic complex.

The initial drill program's ground disturbance application has been lodged with the NSW Minerals Department, with drilling anticipated early 2Q10. The program seeks to confirm a mineralised copper zone of sufficient size and grade to haul and process at nearby operating mills with excess capacity.

Quanda and Five Ways Projects [Helix 100%]

The Quanda and Five Ways Projects cover the southern extensions of the Girilambone-Tritton-Budgery mineralised trend, approximately 60 kms south of the Straits' Tritton mine. The tenements cover an area of approximately 1100 km² and the Company has identified a



series of magnetic trends within Girilambone sediments that are considered prospective for the style of copper and gold mineralisation that is being targeted.

Helix intends to advance these projects with drilling in 2H10 following interpretation of the recent aeromagnetic survey and once further geochemical and geophysical work is completed.

Little Boppy Project

The Little Boppy Project covers the north-west extensions of the Canbelego JV magnetic complex including additional historical copper and gold workings with an area of approximately 100 km². This project will provide additional exploration exposure in a similar setting to the Canbelego (Cu) and Mt Boppy (Au) deposits.

Helix intends to drill test a series of targets including an anomalous gold + basemetals zone identified from untested historic gossan sampling [2km x 1.2km] in conjunction with targets identified from the interpretation of a recently completed aeromagnetic survey.

QLD Projects to Advance during 2011

Helix has applied for tenements covering two areas within the eastern region of the Mt Isa Belt, the Landsborough Project and Uralla Project, covering 950 km². The Applications cover a series of regional magnetic/gravity anomalies coincident with major regional structures. The tenement applications are expected to be granted early 2011 and will provide Helix with further exposure to areas with operating mines, good infrastructure and where excellent exploration potential exists for copper and gold mineralisation.

3. PROJECT OR COMPANY ACQUISITIONS

In conjunction with the above strategies, Helix has been actively searching for potential assets or companies, both in Australia and overseas, whereby value will accrue to shareholders via an acquisition or merger.

To date the Projects assessed (either as stand alone or within potential merger entities) have been determined to be economically marginal or the Vendor value expectations/synergies do not reflect the risks involved.

We consider there is potential for a re-rating of Helix over the coming months from the current market capitalisation of ±\$10 million, which undervalues our +\$4M Cash position, our advanced projects with JORC compliant mineral resources and the exploration potential from our recently acquired tenements which are being drill tested during 2010.

Yours faithfully



Greg J Wheeler
Executive Chairman

