

HIGHLIGHTS

CORPORATE DETAILS

Directors

Greg J Wheeler
FCA; SF Fin; GAICD
Executive Chairman

Michael Wilson
B Ec; B Sc (Hons); MAusMM
Executive Technical Director

Gordon Dunbar
B Sc (Hons); M Sc; FAusIMM; FAIG
Non-executive Director

John den Dryver
B E (Mining); M Sc; FAusIMM
Non-executive Director

Assets

Cash \$4.5 Million

Yalleen Iron Ore JV (30%)
84.3Mt @ 57.2% Fe

Canbelego JV (51%)
1.5Mt @ 1.2% Cu

Tunkillia Gold JV (46%)
800,000 oz Au

Company Information:

ASX Codes HLX/HLXOA

Shares FPO 152.5M

Options – Listed 53M
(5 cents expiring 31/05/2011)

Options – Unlisted 17.6M
(53 cents expiring 31/10/2011)

Share Price 15.5 cents

Market Capitalisation \$24 Million

Contact Details:

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Web: www.helix.net.au

GOLD/COPPER

Restdown JV (HLX earning 70% by expending \$700,000 by June 2012; Glencore International AG 100%)

- Initial ten (10) hole reverse circulation drill program confirms significant gold intercepts at Sunrise and Good Friday Prospects. Nine out of the ten holes drilled intersected >1g/t Au and significant results include:
 - 13m @ 4.2g/t Au HRRC006 – Sunrise
 - 18m @ 2.3 g/t Au & 4m @ 4.4g/t Au HRRC008 - Sunrise
 - 4m @ 4.0g/t Au HRRC004 - Good Friday
 - 15m @ 1.1g/t Au HRRC005 – Good Friday
- A +5000m RC drill program is planned for 1Q11 to test extensions and continuity of these significant intercepts, as well as drill test several additional new prospects within the project and region.

Canbelego Project JV (HLX 51% and earning 70%; Straits Resources 49%)

- 8 hole (1,320m) regional reverse circulation drill program confirms a copper anomalous system present at the Caballero Prospect and presence of altered mafic-ultramafic intrusives and sulphide-rich altered sediments at Hawk and Mullen Prospect, key features associated with VMS/Tritton Style copper systems.
- Downhole EM survey at Canbelego identifies potential along down dip extension to Canbelego mineralisation and a sub-parallel conductor 150m east of resource. Additional exploration to define these targets is planned.

These encouraging exploration results, together with results from companies with adjoining and nearby tenements, confirm the prospectivity and significant potential of the Cobar-Girilambone district and re-affirms our commitment to significantly expand on our existing Inferred Resource base in the region of 1.5Mt @ 1.2% Cu (*refer resource table*) through the Company's exposure to 1500km² of copper and gold projects in the district.

Tunkillia JV (HLX 46%, Minotaur 54% gold & base metal rights, HLX 100% uranium rights)

- Minotaur commit to \$1.04M budget for 2011, that when completed will dilute Helix to 42%.

CHILE

- Gold and copper project acquisition strategy continuing via 100% owned local subsidiary with in-country General Manager & Geological Team. Have secured three (3) 100% HLX owned exploration concessions and are currently undertaking due diligence on a fourth project.
- Local technical team is advancing first-pass exploration activities for drill target generation on priority areas for drilling 2Q11, whilst continuing to conduct due diligence reviews on additional project acquisitions.

IRON ORE

Yalleen Iron Ore JV

- API has completed and submitted Project studies to AQA and AMCI. Helix has requested a copy.
- Helix has requested API commence discussions with RioTinto regarding access to their rail infrastructure 12kms from Kumina Creek deposit.

CORPORATE

- Helix placed 19.8M shares at 11.5 cents each to raise \$2.28M to professional, institutional and sophisticated investors under the 15% limit rule.

The Helix strategy is:

- acquire large tenement holdings in prospective exploration regions
- use of leading edge exploration methodologies and techniques under the guidance of a skilled Board and Management team
- create shareholder wealth whilst managing risks



REVIEW OF OPERATIONS

COPPER & GOLD PROJECTS NSW

Helix has established a significant ground holding in Central NSW covering 1,500km² of tenements through joint ventures and tenement acquisitions (Figure 1). The area has been targeted for its mineral prospectivity, excellent infrastructure including nearby copper and gold processing plants, some with excess capacity.

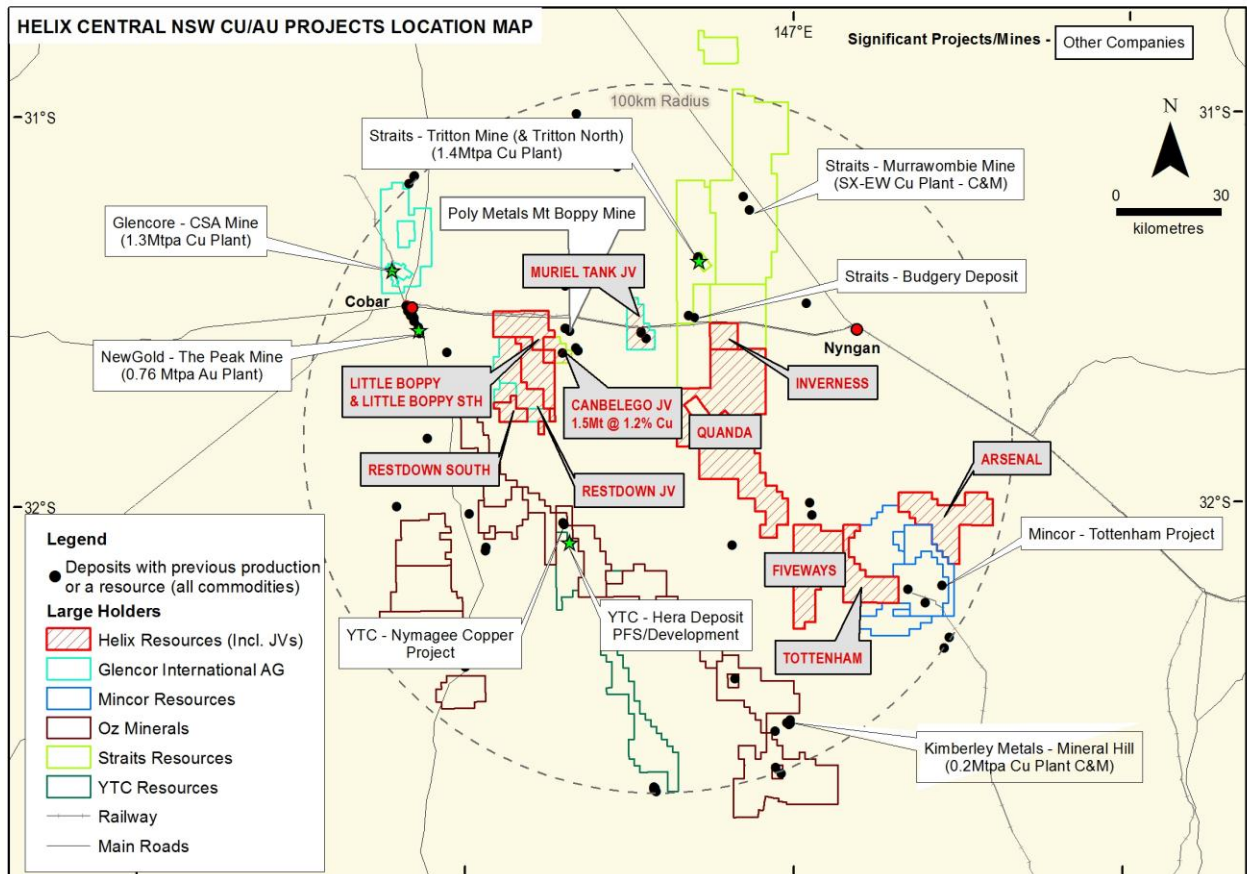


Figure 1: Helix's NSW project location map

Positive results from the Company's 4Q10 exploration activities on the Canbelego and Restdown Project , together with those from companies with adjoining and nearby tenements (incl. YTC, Mincor, and Straits), confirm the prospectivity and significant potential of the Cobar-Girilambone district and re-affirm our commitment to exploration in Central NSW.

Helix will be expanding its exploration activities in 2011 with plans to define targets, using geochemistry and geophysics, for drill testing on the rest of the Company's tenements and JVs throughout the coming months.

RESTDOWN JV & MURIEL TANK JV PROJECTS

EL 6140, EL6501& EL6739:- Helix Resources earning 70%

The Projects are located 40km – 70 km south-east of Cobar in Central West, NSW with the tenement package covering an area of approximately 278km² (Restdown JV Project 188km², Muriel Tank JV Project 90km²). The Earn-in Joint venture with Isokind Pty Ltd (Subsidiary of Glencore International AG) requires Helix to spend \$700,000 by June 2012 for a 70% interest in the Restdown and Muriel Tank Projects.

Restdown Project

The Restdown Project is approximately 15km southwest of the historic Mt Boppy Gold Mine (produced ~500,000 oz at +10g/t Au). Historical reports suggest the Restdown goldfield was active in the late 1800’s/early 1900’s with gold extracted from quartz veins at very high grades (Mines department records list grades at up to 3kg Au per tonne). Whilst the old workings were limited to hand-dug shafts and pits, the alteration and structural setting suggests there may be potential for a larger tonnage system in the area.

Prior to Helix’s involvement in the project, Glencore had carried out trenching and some drilling in the immediate vicinity of the old workings at Good Friday confirming the presence of gold mineralisation. The best result from Glencore’s drilling at Good Friday returned 56m @ 11.7g/t Au from 5m including 23m @ 24g/t Au from 32m in an RC hole drilled to a depth of 60m. Helix reviewed the Glencore data and planned a small program to test a possible extension of this mineralised trend at Good Friday as well as some initial holes to test below gold in soil anomalism at the Sunrise Prospect.

A total of 10 holes for 1,104m of Reverse Circulation (RC) Drilling were undertaken at the Good Friday (504m) and Sunrise (600m) Prospects during October 2010. Gold results from first-pass 4m composite sampling were followed up with all 4m composites returning >0.1g/t Au being re-sampled at 1m intervals with a riffle splitter and fire assayed, any result greater than 5g/t Au was screen fire assayed. Screen fire assays from +5g/t Au samples suggest coarse gold is present in these systems.

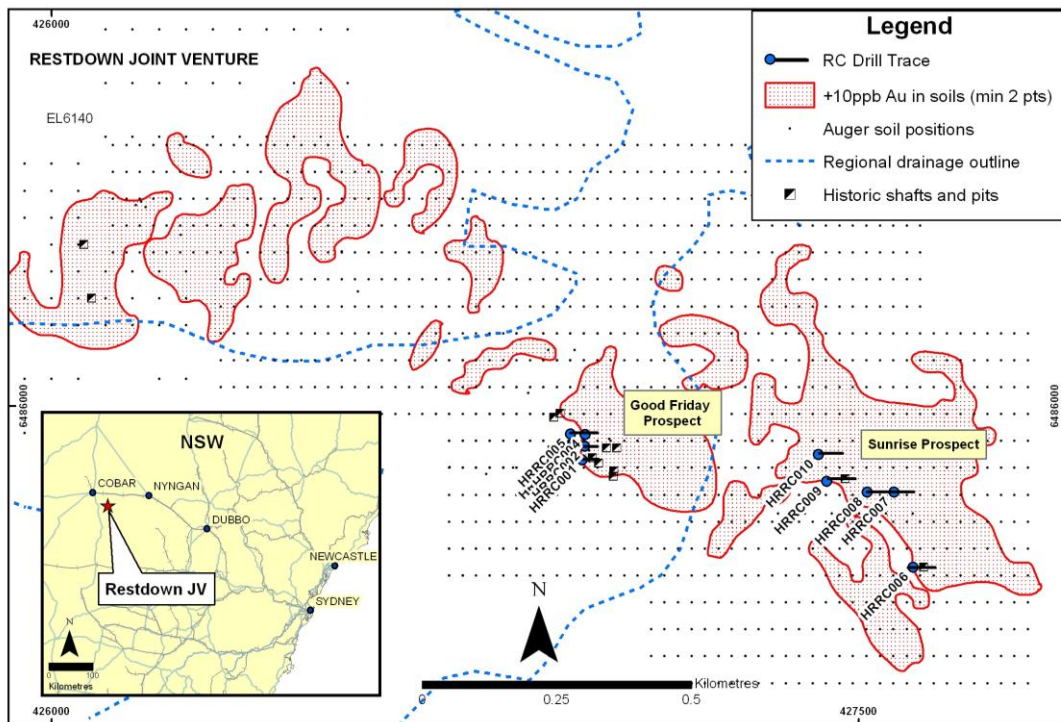


Figure 2: Location of RC Drilling on +10ppb gold in soil contour

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Good Friday Prospect

First pass results from Helix's drilling suggest gold mineralisation is widespread with four of the five holes returning intercepts with grades up to 4g/t Au. Whilst the results have not returned as high tenor gold as Glencore's best hole, the results demonstrate that the system is mineralised over a strike of at least 100m, and remains open in all directions. There is potential for several lode positions at Good Friday and additional exploration effort will be directed to gaining more information about the extent and continuity of the gold mineralisation through drilling at this Prospect in 2011.

The following table shows all results returned greater than 0.1g/t Au from the Good Friday Prospect.

Hole ID	Easting MGA94	Northing MGA94	Dip	Azimuth	Total Depth (m)	From (m)	To (m)	Result
HRRC001	426985	6485900	-70	90	102	25	31	6m @ 0.3 g/t Au
					<i>including</i>	30	31	1m @ 1.1 g/t Au
HRRC002	426990	6485925	-60	90	84	0	2	2m @ 0.2 g/t Au
HRRC003	426965	6485925	-60	90	120	7	13	6m @ 1.2 g/t Au
					<i>including</i>	10	12	2m @ 2.8 g/t Au
					<i>and</i>	17	22	5m @ 0.5 g/t Au
HRRC004	426991	6485947	-60	85	78	0	11	11m @ 2.0 g/t Au
					<i>including</i>	6	10	4m @ 4.0 g/t Au
					<i>and</i>	24	26	2m @ 0.3 g/t Au
					<i>and</i>	46	48	2m @ 0.9 g/t Au
HRRC005	426964	6485948	-60	90	120	0	15	15m @ 1.1g/t Au
					<i>including</i>	1	4	3m @ 2.3 g/t Au
					<i>and</i>	19	20	1m @ 0.1g/t Au
					<i>and</i>	25	26	1m @ 0.1g/t Au

Results of all significant assays (>0.1g/t Au) from 1m riffle split samples (max 2m internal dilution), assayed using fire assay with +5g/t Au samples screen fire assayed.

Sunrise Prospect

The Sunrise Prospect was identified from 50 x 25m soil sampling by Glencore (verified by Helix with several orientation lines to confirm that positions and results were repeatable). The Sunrise Prospect lies approximately 300-500m south-east of Good Friday. At +10ppb Au in soils, the gold in soil anomaly extends for over 800m and is up to 300m wide; it remains open to the south-east.

Field reconnaissance in the area has identified two small historic pits <3m deep with minor evidence of surface quartz scree being swept into piles by the old timers nearby. There is no record or field evidence that any drilling had been undertaken at Sunrise prior to Helix's program.

A total of 5 holes for 600m of RC drilling was completed in October 2010 with all 5 holes returning better than 1g/t Au. The best results were extremely encouraging with 21m @ 2.7g/t Au including 13m @ 4.2 g/t Au in HRRC006, with 18m @ 2.3 g/t Au and 11m @ 2g/t Au returned from HRRC008 located approximately 150m along strike to the northwest of HRRC006. This zone remains open in all directions and will be the initial focus for infill and extensional drilling at the Sunrise Prospect.

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The following table shows all results returned greater than 0.1g/t Au from the Sunrise Prospect.

Hole ID	Easting MGA94	Northing MGA94	Dip	Azimuth	Total Depth (m)	From (m)	To (m)	Result
HRRC006	427600	6485700	-60	90	120	7	28	21m @ 2.7g/t Au
					<i>including</i>	7	20	13m @ 4.2g/t Au
					<i>and</i>	38	39	1m @ 0.2 g/t Au
					<i>And</i>	96	97	1m @ 0.1 g/t Au
HRRC007	427565	6485840	-60	90	120	0	6	6m @ 0.2g/t Au
						9	15	6m @ 0.5 g/t Au
					<i>including</i>	9	10	1m @ 2.2 g/t Au
HRRC008	427515	6485840	-60	90	120	35	53	18m @ 2.3 g/t Au
					<i>And</i>	56	67	11m @ 2.0 g/t Au
					<i>including</i>	60	64	4m @ 4.4g/t Au
HRRC009	427440	6485860	-60	90	120	10	24	14m @ 0.7g/t Au
					<i>including</i>	12	19	7m @ 1.1 g/t Au
					<i>and</i>	33	60	27m @ 0.4g/t Au
HRRC010	427424	6485910	-60	60	120	1	14	13m @ 0.4g/t Au
					<i>and</i>	20	26	6m @ 0.2g/t Au
					<i>and</i>	32	33	1m @ 0.1g/t Au
					<i>and</i>	39	42	3m @ 0.7g/t Au
					<i>including</i>	40	41	1m @ 1.6 g/t Au
					<i>and</i>	46	53	7m @ 0.5 g/t Au
					<i>including</i>	49	51	2m @ 1.2 g/t Au
					<i>and</i>	57	60	3m @ 0.4 g/t Au

Results of all significant assays (>0.1g/t Au) from 1m riffle split samples (max 2m internal dilution), assayed using fire assay with +5g/t Au samples screen fire assayed.

Initial drilling by Helix on the Restdown Project has illustrated that gold mineralisation with excellent grades and broad widths are present and associated with gold in soil anomalies in the district. At the 10ppb Au in soils level, anomalism extends (discontinuously) over a strike of over 2km and up to 500m wide (Figure 2). This anomalous zone remains open to the Northwest and Southeast with variable cover potentially masking the geochemical response in some areas.

Whilst the early prospectors appear to have concentrated their activities around outcrops of very high grade lodes/veins in small but plentiful workings, Helix's first drilling program has illustrated that these systems have broad halos' of gold mineralisation and there is potential for systems of the size and grade to be economic.

Field activities will be accelerated on the Restdown Project in 2011 to target extensions of these drilled zones, as well as test additional prospective areas highlighted from our work to date. The Company is planning to have a drill rig onsite to conduct a +5000m drill program commencing in March, subject to statutory approvals and weather conditions.

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CANBELEGO PROJECT JV – NSW

EL 6105:- Helix Resources Ltd 51%, moving to 70%, Straits Resources 49%

Project Summary

The Canbelego Project is located 45km south-east of Cobar. Helix completed its first year on the project defining an Initial inferred resource for the Canbelego Project at a 0.3% Cut off grade of **1.5 million tonnes at 1.2% Copper for 18,000t Contained Copper** (refer ASX announcement 1st October 2010). Regional drilling on the project in October 2010 has confirmed prospectivity and significant potential to host additional copper systems to potentially expand the initial resource.

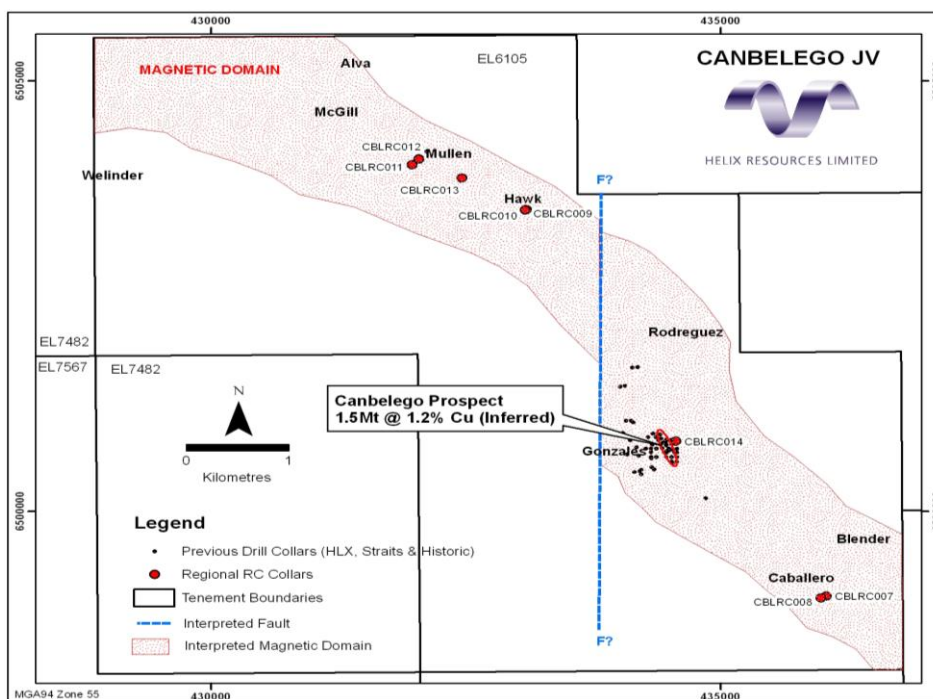


Figure 3: Regional drill hole location map

A 1,320m regional first-pass drill program was completed in October 2010 to test a series of geochemical and geophysical targets identified with drilling results released to the ASX 24 November 2010.

The results:-

- provide valuable geological information and encouragement that additional mineral deposits may be present nearby to the Canbelego resource.
- identified broad copper anomalism at the Caballero Prospect (2km SE of Canbelego Prospect), returning 72m @ >0.1% Cu from surface in CBLRC007, one of only two holes within the 1.4km long +50ppm Cu in soils anomalous zone.
- Drilling at Hawk Prospect intersected altered mafic-ultramafic intrusives and along strike at the Mullen Prospect sulphide-rich altered sediments were present, both are key factors for the development of VMS/Tritton Style systems.
- Downhole EM survey in CBLRC0014 at the Canbelego Prospect has highlight two off-hole conductors. One is interpreted to be the down plunge/dip extension of the main Canbelego Lode, the second a sub-parallel position 150m east of the workings that may represent an addition mineralised position. Further work is underway to better define these positions for drilling.

YALLEEN IRON ORE JOINT VENTURE – WESTERN AUSTRALIA

Helix Resources Limited (30%), API (AMCI/Aquila) (70%) iron ore rights E47/1169-1171
 Helix Resources Limited 100% other minerals

- The resource estimation for Kumina Creek and Robe Exit prospects undertaken by JV manager, API Management Pty Ltd currently stands at 84.3Mt @ 57.2% Fe Channel Iron *(refer to appended resources table)*
- Helix prepared Scoping Study reports technical and financial viability for Yalleen Iron Ore Project ^[refer 17]
 August 2010 ASX release detailing assumptions and Disclaimer]
- Scoping study indicates two potential infrastructure solutions for transporting Yalleen sourced product to port.

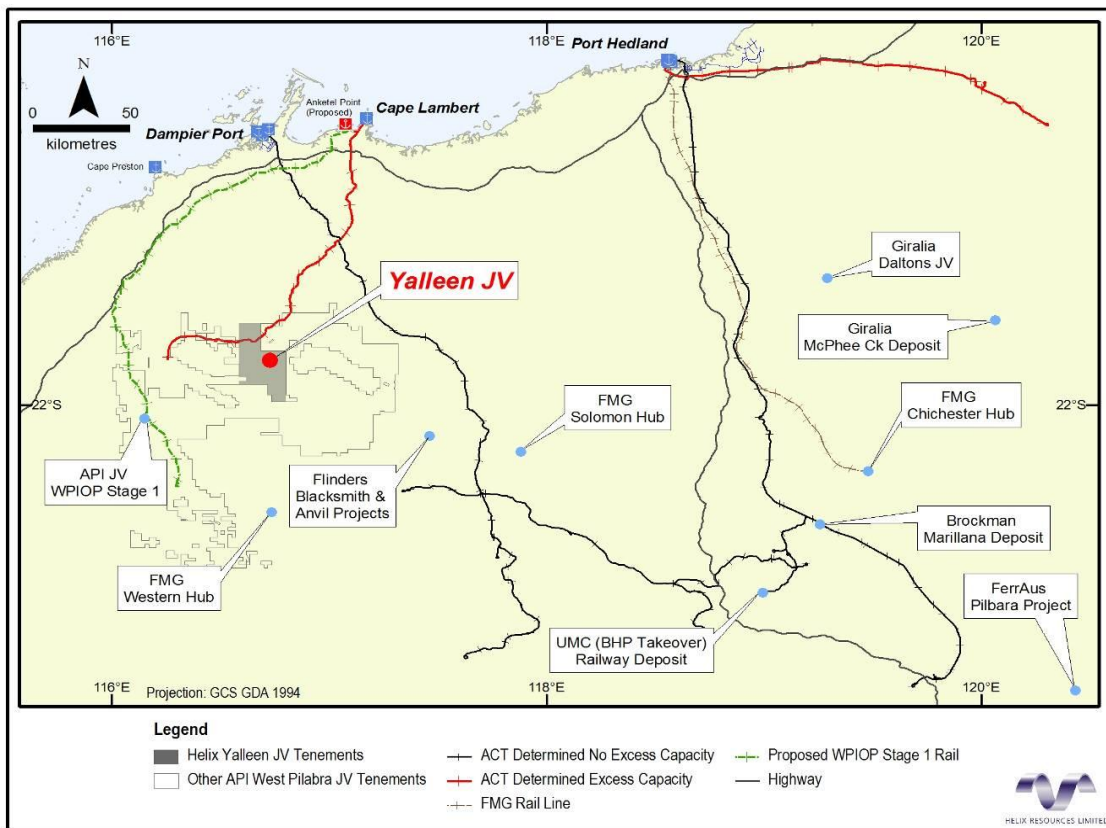


Figure 4: Location of Yalleen JV Project relative to other Pilbara companies

Joint venture partner, API Management, have undertaken some development studies using an external consultant. API is yet to provide Helix with a copy.

During the quarter Helix again has requested API to engage with RioTinto regarding potential access arrangements to the Robe rail line following the Australian Competition Tribunals decision to declare that rail system had excess capacity.

December 2010

CHILE EXPOSURE

Helix has identified Chile as a country with a low rate of ASX listed resource company participation, a suitable risk profile and excellent prospectivity for copper and gold, to add geographical diversification to our exploration and development portfolio. Helix has established a 100% owned Chilean subsidiary with an in-country general manager, an exploration manager, senior geologist and associated staff to progress its current Projects below and secure new Projects:-

Talca Project

- 100% owned exploration concession adjacent and along strike to local gold mining operations covering 9,700Ha of gold prospective ground within the mining district of Punta De Talca (Region IV). The district has been only ever been artisanally mined, producing +800,000 oz gold since colonial times.
- opportunity to use modern exploration methods and drilling to assess scope for larger scale developments based on known gold exploited from high-grade quartz tension veins [Average >5g/t Au] bounded by parallel NW trending shears, traceable for 5-10km along strike. First pass geochemistry and mapping is planned for 1Q11.

Joshua Project

- 100% owned exploration concession targeting Cu/Au porphyry systems. Surrounds the Carmelita Mine which is artisanally mining ~2.5% Cu oxide material. Geological mapping and geophysical analysis is being completed for planned drilling 2Q11.

Loa Project

- 100% owned exploration concession targeting Cu porphyry systems. Licence 23,400Ha situated ~50km west of the Chucquicamata Copper Mine and 50km along strike to the north of La Spence Copper Mine in Region II. The exploration concessions, covering an area with variable shallow cover, were targeted for the possible interaction of major N-S lineaments with secondary NW and NE structures, crucial elements for porphyry emplacement in this region. The project is abutted by BHP, Vale and several local mid-cap mining companies.

Sherpa Project

- MOU signed ^[refer ASX 24 November 2010 announcement] and due diligence ['DD'] site visit to assess prospectivity completed. Helix has requested extension to DD period prior to 1st option payment. The Sherpa target is gold rich porphyry systems within the Maricunga Belt. Sherpa is located in the shadow of the Barrick/Kinross Cerro Casale JV, a 23Moz Au deposit.

OLARY PROJECT – SA

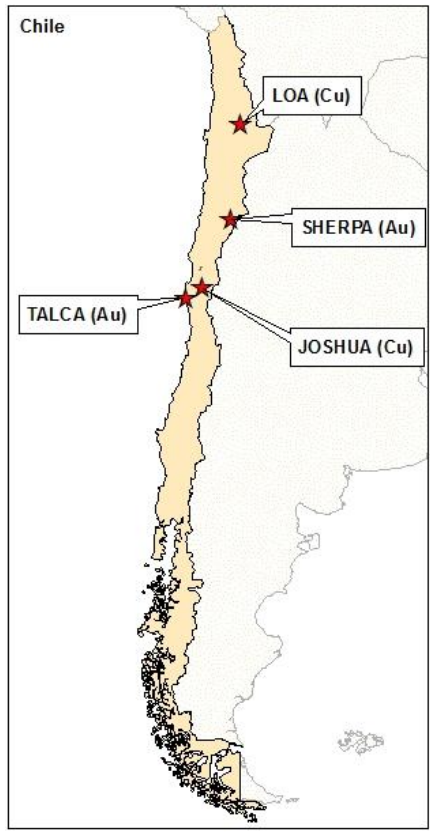
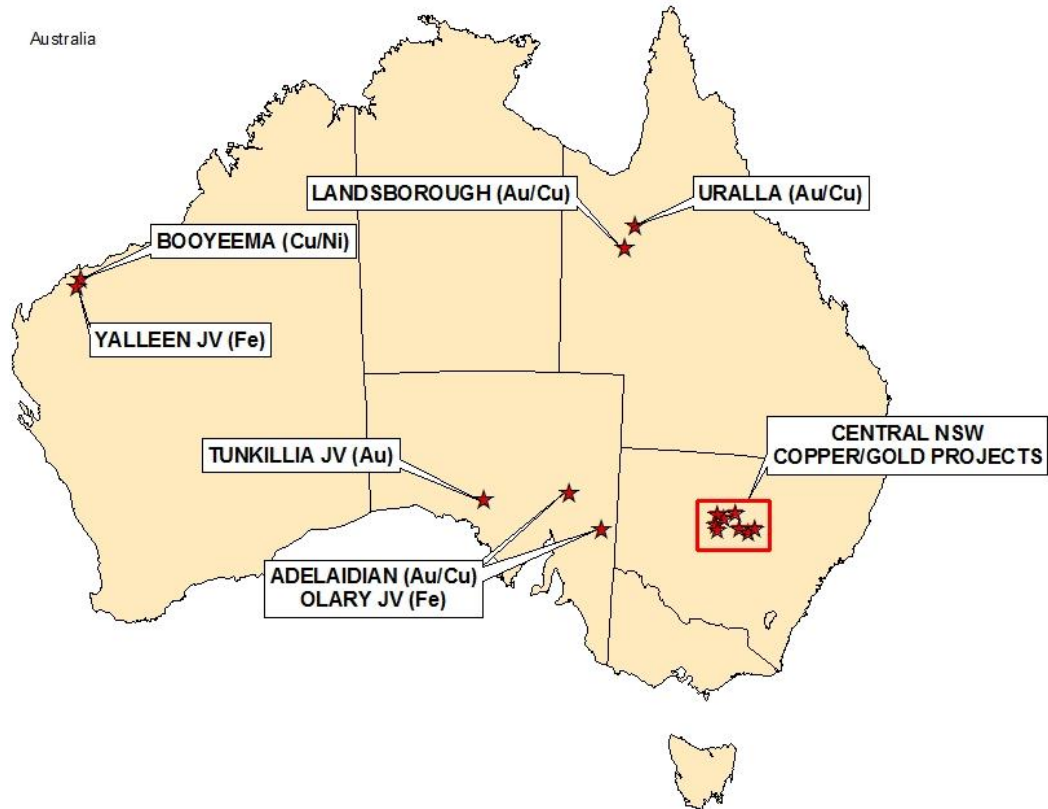
Helix Resources Ltd 100% EL4022; EL3956

Helix has advised Bonython Metals Group Pty Ltd ['BMG'] that due to non-compliance with their obligations under the Terms Sheet dated 26th February 2010, the Earn In arrangement has been terminated.

Helix will immediately commence work to maintain the tenements in good standing and expects to undertake a drilling program to assess magnetite prospectivity in 2Q11, subject to regulatory approvals and contractor availability.

Helix has reserved all its rights against BMG.

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Helix Project Location Maps

December 2017

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,	30%	47.9Mt @ 57.3% Fe (Channel Iron)*
	Inferred	WA	(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
	<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	
	Total			0.8M oz Au and 1.6M oz Ag*

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

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.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

HELIX RESOURCES LIMITED

ABN

27 009 138 738

Quarter ended ("current quarter")

31 December 2010

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(714)	(1,124)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	43	93
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)	34	106
Net Operating Cash Flows	(825)	(1,305)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	(15)	(15)
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets		60
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	(15)	45
1.13 Total operating and investing cash flows (carried forward)	(840)	(1,260)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(840)	(1,260)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	2,127	2,127
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 (provide details if material)	40	40
	Net financing cash flows	2,167	2,167
	Net increase (decrease) in cash held	1,327	907
1.20	Cash at beginning of quarter/year to date	3,158	3,578
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	4,485	4,485

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	145
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

Financing facilities available

Add notes as necessary for an understanding of the position.

+ See chapter 19 for defined terms.

	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	677
4.2 Development	
4.3 Production	
4.4 Administration	356
Total	1,033

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	24	14
5.2 Deposits at call	4,461	3,144
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	4,485	3,158

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	E47/1775	Surrendered	100%	0%
	E47/1776	Surrendered	100%	0%
6.2 Interests in mining tenements acquired or increased				

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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 <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	152,507,928	152,507,928		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	20,564,190	20,564,190		
7.5 *Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	17,600,000 52,591,126	Nil 52,591,126	Exercise price \$0.5258 \$0.0508	Expiry date 30 October 2011 31 May 2011
7.8 Issued during quarter				
7.9 Exercised during quarter	764,190	764,190		
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				

+ See chapter 19 for defined terms.

7.12	Unsecured notes (<i>totals only</i>)		
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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: Date: 28 January 2011
Company secretary

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.

+ See chapter 19 for defined terms.

