

HELIX RESOURCES LIMITED

ACN 009 138 738

ENTITLEMENT ISSUE PROSPECTUS

For a pro rata non-renounceable entitlement issue on the basis of one (1) Option for every two (2) Shares held by Shareholders at an issue price of \$0.015 per Option, to raise up to approximately \$984,749 (Entitlement Issue).

The Entitlement Issue is partially underwritten by the Directors of the Company. See section 7.2 for further details. The Directors have agreed to underwrite a maximum of 9,200,000 Shortfall Options on the same terms as existing shareholders for no fee.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered by this Prospectus should be considered as speculative.

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1. SUMMARY OF IMPORTANT DATES AND IMPORTANT NOTES

TIMETABLE AND IMPORTANT DATES*

Announce Entitlement Issue and lodge Appendix 3B	18 June 2009
Lodgement of Prospectus with ASIC and ASX	24 June 2009
Notice sent to Shareholders	26 June 2009
Ex Date	29 June 2009
Record Date for determining Shareholder entitlements	3 July 2009
Prospectus despatched to Shareholders	7 July 2009
Closing Date of Offer	22 July 2009
Securities quoted on a deferred settlement basis	23 July 2009
Notify ASX of under-subscriptions	24 July 2009
Despatch date/Shares entered into Shareholders' security holdings	27 July 2009

* These dates are determined based upon the current expectations of the Directors and may be changed with 6 Business Days prior notice.

IMPORTANT NOTES

Shareholders should read this document in its entirety and, if in doubt, should consult their professional advisors.

This Prospectus is dated 24 June 2009 and a copy of this Prospectus was lodged with the ASIC on that date. The ASIC and ASX take no responsibility for the content of this Prospectus.

The expiry date of the Prospectus is 24 July 2010 (Expiry Date). No Options will be allotted or issued on the basis of this Prospectus after the Expiry Date.

Applications for Options offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form which accompanies this Prospectus.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions.

Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

OFFER IN NEW ZEALAND

The Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and the Corporations Regulations 2001. In New Zealand, this is Part 5 of the Securities Act 1978 and the Securities (Mutual Recognition of Securities Offerings - Australia) Regulations 2008.

The Offer and the content of the Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act sets out how the Offer must be made.

There are differences in how securities are regulated under Australian law.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian securities may differ from the rights, remedies, and compensation arrangements for New Zealand securities.

Both the Australian and New Zealand securities regulators have enforcement responsibilities in relation to the Offer. If you need to make a complaint about the Offer, please contact the Securities Commission, Wellington, New Zealand. The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian securities is not the same as for New Zealand securities.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offer may involve a currency exchange risk. The currency for the securities is not New Zealand dollars. The value of the securities will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant. If you expect the securities to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

As noted in the Prospectus at Section 3.6, the Company will apply to the ASX for quotation of the Shares offered under this Prospectus. If quotation is granted, the Shares offered under this Prospectus will be able to be traded on the ASX. If you wish to trade the securities through that market, you will have to make arrangements for a participant in that market to sell the securities on your behalf. As the ASX does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the securities and trading may differ from securities markets that operate in New Zealand.

ELECTRONIC PROSPECTUS

Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Entitlement and Acceptance Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

2. CORPORATE DIRECTORY

Directors

Greg J Wheeler
Michael H Wilson
John denDryver
Gordon Dunbar

Share Registry*

Advanced Share Registry
150 Stirling Highway
Nedlands WA 6009

Company Secretaries

Greg J Wheeler
Joneen McNamara

Telephone: 08 9389 8033

Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
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PERTH WA 6000

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Auditor*

Grant Thornton (WA) Partnership
Level 1, 10 Kings Park Road
West Perth WA 6005

Australian Business Number

27 009 138 738

*These parties have been included for information purposes only. They have not been involved in the preparation of this Prospectus.

3. DETAILS OF THE OFFER

3.1 Offer

By this Prospectus, pursuant to a pro-rata non-renounceable entitlement issue, the Company offers for subscription approximately one (1) new Option for every two (2) Shares held by Shareholders held on the Record Date at an issue price of \$0.015 per Option. Fractional entitlements will be rounded up to the nearest whole number.

The Options issued will be exercisable at \$0.075 on or before 31st May 2011.

Based on the capital structure of the Company (and assuming no existing Options are exercised prior to the Record Date), the maximum number of Options to be issued pursuant to the Offer is approximately 65,649,943 Options. The Offer will raise approximately \$984,749. The purpose of the Offer and the use of funds raised are set out in Section 4 of this Prospectus.

Holders of existing Options will not be entitled to participate in the Offer. The Company currently has the following Options on issue as at the date of this Prospectus, which may be exercised by the Option holder prior to the Record Date in order to participate in the Offer:

- 17,600,000 unlisted Options held by Directors and staff which may be exercised on or before 31 October 2011 at \$0.55 per option
- 14,027,925 Listed Options (HLXO) exercisable at \$0.30 expiring on 30 June 2009

- 275,000 unlisted Options held by Staff which may be exercised at \$0.44 on or before 30 June 2009

3.2 How to Accept the Offer

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement.

You may participate in the Offer as follows:

- (a) if you wish to accept your Entitlement in full:
 - (i) complete the Entitlement and Acceptance Form, filling in the details in the spaces provided; and
 - (ii) attach your cheque for the amount indicated on that relevant Entitlement and Acceptance Form; or
- (b) if you only wish to accept part of your Entitlement:
 - (i) fill in the number of Securities you wish to accept in the space provided on the Entitlement and Acceptance Form; and
 - (ii) attach your cheque for the appropriate application monies (at \$0.015 per Option); or
- (c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "Helix Resources Ltd - Trust Account" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 5.00pm WST on the Closing Date.

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

3.3 Minimum Subscription

There is no minimum subscription of the Offer.

3.4 Underwriting

The Offer is partially underwritten. Refer to Section 7.2 of this Prospectus for further details of the terms of the underwriting.

The Directors have agreed with the Company to underwrite a portion of any Shortfall on the same terms and conditions as existing shareholders for no fee payable as follows:-

Director	Maximum Underwriting	% Interest in Helix if All New Options Exercised and No Other New Options Exercised
Greg J Wheeler	6,000,000 Options	11.7%
Michael H Wilson	2,000,000 Options	1.6%
Gordon Dunbar	600,000 Options	0.7%
John denDryver	600,000 Options	0.4%

3.5 Shortfall

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall. Shareholders who wish to apply for Options above their Entitlement can complete the Shortfall section of the Application Form attached to the back of this Prospectus and return it, together with payment for the value of those Shortfall Options (at \$0.015 per Option) to the Company.

The offer of the Shortfall is a separate offer pursuant to this Prospectus. The issue price of any Options offered pursuant to the Shortfall Offer shall be \$0.015 cents being the price at which the Entitlement has been offered to Shareholders pursuant to this Prospectus. The Shortfall shall be placed at the discretion of the Company. The Company reserves the right to allot to an

applicant a lesser number of Shortfall Options than the number for which the applicant applies, or to reject an application, or to not proceed with placing the Shortfall.

The decision of the Company on the number of Shortfall Options to be allocated to you (if any) will be final.

3.6 Australian Securities Exchange Listing

Application for official quotation by ASX of the Options offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If approval is not obtained from ASX before the expiration of 3 months after the date of issue of the Prospectus, (or such period as modified by the ASIC), the Company will not issue any Options and will repay all application monies for the Securities within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant official quotation to the Options is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

3.7 Allotment of Options

Options issued pursuant to the Offer will be allotted as soon as practicable after the Closing Date. The Company will allot the Options on the basis of a Shareholder's Entitlement. Where the number of Options issued is less than the number applied for, or where no allotment is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the Closing Date.

Pending the allotment and issue of the Options or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

3.8 Overseas Shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Securities will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

Shareholders resident in New Zealand should consult their professional advisors as to whether any government or other consents are required, or other formalities need to be observed, to enable them to exercise their Entitlements under the Offer.

3.9 Taxation Implications

The Directors do not consider that it is appropriate to give Applicants advice regarding the taxation consequences of applying for Securities under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation consequences. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Applicants. Potential Applicants should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Securities offered pursuant to this Prospectus.

3.10 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing share certificates. The Company will apply to ASX to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Options allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

3.11 Privacy Act

If you complete an application for Options, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASTC Settlement Rules. You should note that if you do not provide the information required on the application for Options, the Company may not be able to accept or process your application.

4. PURPOSE AND EFFECT OF THE OFFER

4.1 Purpose of the Offer

The purpose of the Offer is to raise approximately \$984,749 (before expenses). The proceeds of the Offer are planned to be used in accordance with the table set out below:

Proceeds of the Offer	\$
Exploration activities	954,749
Expenses of the Offer	30,000
Total	984,749

Notes:

1. The Offer is not fully underwritten and not subject to a minimum subscription. For this reason, if less than the maximum amount of the Offer is raised, the proceeds will be applied first to the expenses of the Offer and second to exploration activities.
2. Refer to Section 7.6 of this Prospectus for further details relating to the estimated expenses of the Offer.

4.2 Effect of the Offer and Pro Forma Consolidated Balance Sheet

The principal effect of the Offer will be to:

- (a) increase the cash reserves by approximately \$954,749 immediately after completion of the Offer after deducting the estimated expenses of the Offer; and
- (b) increase the number of Options on issue from 31,902,925 Options prior to the date of this Prospectus to approximately 97,552,868 Options following completion of the Offer. The new Options offered pursuant to the Offer will not be in the same class as

Options currently on issue and quoted on ASX under ASX code HLXO which expire on 30th June 2009.

4.3 Consolidated Balance Sheet

The unaudited Balance Sheet as at 17 June 2009 and the unaudited Pro Forma Balance Sheet as at 17 June 2009 shown on the following page have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position. They have been prepared on the assumption that all Options pursuant to the Offer in this Prospectus are issued.

The unaudited Balance Sheets have been prepared to provide Shareholders with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

Consolidated Balance Sheet and Pro Forma Balance Sheet as at 17 June 2009 (unaudited)

	Note	17 June 2009 Actual \$	17 June 2009 Pro-forma \$
CURRENT ASSETS			
Cash and cash equivalents		4,368,877	5,323,626
Trade and other receivables		232,600	232,600
Other		13,261	13,261
TOTAL CURRENT ASSETS		4,614,738	5,569,487
NON-CURRENT ASSETS			
Plant and equipment		143,265	143,265
Exploration and evaluation costs		13,761,087	13,761,087
TOTAL NON-CURRENT ASSETS		13,904,352	13,904,352
TOTAL ASSETS		18,519,090	19,473,839
CURRENT LIABILITIES			
Trade and other payables		78,520	78,520
Provisions		39,084	39,084
TOTAL CURRENT LIABILITIES		117,604	117,604
NON-CURRENT LIABILITIES			
Provisions		74,280	74,280
TOTAL NON-CURRENT LIABILITIES		74,280	74,280
TOTAL LIABILITIES		191,884	191,884
NET ASSETS		18,327,206	19,281,955
EQUITY			
Issued capital		55,824,935	55,824,935
Option Premium Reserve		78,787	1,033,536
Accumulated Losses		(37,576,516)	(37,576,516)
TOTAL EQUITY		18,327,206	19,281,955

4.4 Effect on Capital Structure

A comparative table of changes in the capital structure of the Company as a consequence of the Offer is set out below, assuming that the Offer is fully subscribed.

Shares

	Number
Shares on issue at date of Prospectus ¹	131,299,886
Shares offered pursuant to the Offer	Nil
Total Shares on issue after completion of the Offer²	131,299,886

Notes:

1. Assumes no existing options convert to new Shares prior to the Record Date as the exercise prices are significantly higher than the current share price, so that the capital structure is unlikely to be expanded prior to the record date for determining entitlements to Offer options.

Options

	Number
Quoted Options exercisable at \$0.30 on or before 30 June 2009 (Note 1)	14,027,925
Unlisted Options held by Staff which may be exercised at \$0.44 on or before 30 June 2009 (Note 1)	275,000
Incentive Options to Directors and Staff exercisable at \$0.55 on or before 31 October 2011	17,600,000
Options issued under the Offer exercisable at \$0.075 on or before 31 May 2011	65,649,943
Total Options on issue after completion of the Offer²	97,552,868

Notes:

1. Considered unlikely to be exercised given the current share price and the exercise price.
2. Assumes all Options offered under the Offer are subscribed for and issued.

5. RIGHTS ATTACHING TO OPTIONS AND UNDERLYING SECURITIES

5.1 Rights Attaching to Options

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for one Share. To obtain the right given by each Option, the Optionholder must exercise the Options in accordance with the terms and conditions of the Options.
- (b) The Options will expire at 5.00pm (WST) on 31 May 2011 (Expiry Date). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each Option will be \$0.075 (Exercise Price).

- (d) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (e) An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised,
 - (iii) **(Exercise Notice)**.
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 10 business days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (h) The Options are non-transferable.
- (i) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- (j) The Company will apply for quotation of the Options on ASX.
- (k) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (l) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 business days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (m) An Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

5.2 Rights Attaching to Shares (being the underlying securities)

The following is a summary of the more significant rights and liabilities attaching to Shares. Full details of the rights attaching to Shares are set out in the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

The rights, privileges and restrictions attaching to Shares can be summarised as follows:

- (a) **Notice of Meetings**
Each Shareholder is entitled to receive notice of general meetings of the Company. Except in certain circumstances, Shareholders are entitled to be present in person, or by proxy, attorney or representative to speak or to vote at general meetings of the Company or to join in demanding a poll. Shareholders may requisition general meetings in accordance with the Corporations Act.
- (b) **Voting**
At a general meeting, on a show of hands, every person present who is either a member, a proxy, an attorney or a representative of a Shareholder has one vote. At

the taking of a poll, every Shareholder present in person or by proxy, attorney or representative has one vote for each Share held.

(c) **Dividends**

The Directors may from time to time authorise and pay dividends out of the profits of the Company. Dividends are payable in proportion to the number of Shares held by Shareholders.

(d) **Winding Up**

If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the Shareholders the whole or any part of the property of the Company. The liquidator may also, with the sanction of a special resolution, vest the whole or any part of the property in a trustee on trust for Shareholders.

(e) **Transfer of Shares**

A Shareholder may transfer Shares by a written transfer or by a transfer effected under a computerised or electronic system recognised by the Listing Rules or by the Corporations Act. The Directors may refuse to register a transfer of Shares where the Listing Rules permit the Company to do so. On any refusal to register a transfer of Shares, the Company must give written notice to the transferee and the reasons for the refusal.

(f) **Allotment of Shares**

The Directors may, subject to the Constitution, allot new Shares with such terms and conditions as they think fit.

6. RISK FACTORS

Applicants should consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Options. Potential Applicants should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for or exercise the Options.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

If any of the following risks actually occur, the Company's business, financial condition, capital resources, results or future operations could be materially adversely affected. In such a case, the price of Securities could decline and investors may lose all or part of their investment.

6.1 Operating Risks

The current and future operations of the Company, including exploration, appraisal and possible production activities may be affected by a range of factors, including:

- (a) adverse geological conditions;
- (b) limitations on activities due to seasonal weather patterns and cyclone activity;
- (c) unanticipated operational and technical difficulties encountered in geophysical surveys, drilling and production activities;
- (d) mechanical failure of operating plant and equipment;
- (e) industrial and environmental accidents, industrial disputes and other force majeure events;
- (f) unavailability of aircraft or drilling equipment to undertake airborne electromagnetic and other geological and geophysical investigations;
- (g) unexpected shortages or increases in the costs of labour, consumables, spare parts, plant and equipment; and
- (h) inability to obtain necessary consents or approvals.

6.2 Native Title and Title Risks

Both the *Native Title Act 1993* (Cth), related State Native Title legislation and Aboriginal Land Rights and Aboriginal Heritage legislation may affect the Company's ability to gain access to prospective exploration areas or obtain production titles.

Compensatory obligations may be necessary in settling Native Title claims if lodged over any tenements acquired by the Company. The existence of outstanding registered Native Title claims means that the grant of a tenement in respect of a particular tenement application may be significantly delayed or thwarted pending resolution of future act procedures in the Native Title Act. The level of impact of these matters will depend, in part, on the location and status of the tenements acquired by the Company. At this stage it is not possible to quantify the impact (if any) which these developments may have on the operations of the Company.

6.3 Environmental Risks and Regulations

The Company's projects are subject to Commonwealth and State laws and regulations regarding environmental matters and the discharge of hazardous wastes and materials. As with all mining projects, these projects would be expected to have a variety of environmental impacts should development proceed.

The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws and industry standards. Areas disturbed by the Company's activities will be rehabilitated as required by the conditions attaching to the Tenements.

6.4 Economic Risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and future production activities, as well as on its ability to fund those activities.

6.5 Market conditions

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities and in particular, resources stocks. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

6.6 Security Investments

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of mining and exploration companies have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities regardless of the Company's performance.

Exploration in itself is a speculative endeavour, while mining operations can be hampered by force majeure circumstances and cost overruns for unforeseen events.

6.7 Legislative changes, Government policy and approvals

Changes in government regulations and policies may adversely affect the financial performance of the Company. For example, any increased rentals under the Mining Act may impact on the Company's actual financial statements. The Company's capacity to explore and mine, in particular the Company's ability to explore and mine any reserves, may be affected by changes in government policy, which are beyond the control of the Company.

6.8 Future Capital Requirements

The Company's ongoing activities will require substantial expenditures. There can be no guarantee that the funds raised through the Offer, will be sufficient to successfully achieve all the objectives of the Company's overall business strategy. If the Company is unable to continue to use debt or equity to fund expansion after the substantial exhaustion of the net proceeds of the Offer, there can be no assurances that the Company will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional fundraising on terms acceptable to the Company or at all. Any additional equity

financing may be dilutive to shareholders and any debt financing if available may involve restrictive covenants, which may limit the Company's operations and business strategy.

The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

6.9 Reliance on Key Personnel and Employees

The Company's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. To manage its growth, the Company must attract and retain additional highly qualified management, technical, sales and marketing personnel and continue to implement and improve operational, financial and management information systems. Investors must be willing to rely to a significant extent on management's discretion and judgement, as well as the expertise and competence of outside contractors.

The Company cannot guarantee that its mining and exploration activities will not be negatively affected by an inability to employ appropriately skilled staff.

An investment in the Company is not risk free and prospective new investors should consider the risk factors described below, together with information contained elsewhere in the Prospectus, before deciding whether to apply for Options.

6.10 General Risks

The value of the Company's securities are affected by a number of general factors which are beyond the control of the Company and its Directors.

Factors such as inflation, currency fluctuation, interest rates, supply and demand and industrial disruption have an impact on operating costs, commodity prices, local and international economic conditions and general investor sentiment.

The Company's share price can be afflicted by these factors which are beyond the control of the Directors.

7. ADDITIONAL INFORMATION

7.1 Continuous Disclosure Obligations

The Company is a "disclosing entity" (as defined in Section 111AC of the Corporations Act) for the purposes of Section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus". In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in Section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the financial statements of the Company for the financial year ended 30 June 2008 being the last financial statements for a financial year, of the Company lodged with the ASIC before the issue of this Prospectus;
 - (ii) any half year financial statements of the Company lodged with ASIC since the lodgement of the last financial statements for the year ended 30 June 2008 lodged with ASIC before the issue of this Prospectus; and
 - (iii) any documents used to notify ASX of information relating to the Company in the period from lodgement of the financial statements referred to in paragraph (i) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in Section 674(1) of the Corporations Act.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

The Company has lodged the following announcements with ASX since the lodgement of the 2008 audited financial statements:

Date	Description of Announcement
18/06/2009	Announce Entitlement Issue and lodge Appendix 3B
28/05/2009	Notification of HLXO 30 cent Options expiring 30 June 2009
20/05/2009	Anglo American Withdraws from Booyeema Base Metal JV
24/04/2009	Updated Resource Announcement Yalleen JV
08/04/2009	Quarterly Activities and Cash Flow Statement - Mar 09
31/03/2009	Change of Director`s Interest Notice
31/03/2009	Employee Incentive Options Expiry
24/03/2009	Change of Director`s Interest Notice
11/02/2009	Half Yearly Report and Accounts
27/01/2009	Quarterly Activities and Cashflow Reports - Dec 08
17/12/2008	Response to ASX Appendix 3Y Query
16/12/2008	Change of Director`s Interest Notices
09/12/2008	Appendix 3B
09/12/2008	Employee Incentive Options Expiry
29/10/2008	Quarterly Activities and Cash Flow Report - Sept 08
24/10/2008	MEP: Minotaur Achieves 51% Earn-In at Tunkillia_Amended
24/10/2008	MEP: Minotaur Achieves 51% Earn-In At Tunkillia Gold Deposit
14/10/2008	Change of Company Address

10/10/2008	Change of Director`s Interest Notice
09/10/2008	Results of Meeting
30/09/2008	Change of Director`s Interest Notice
16/09/2008	Change of Director`s Interest Notice
02/09/2008	Notice of Annual General Meeting/Proxy Form
28/08/2008	Becoming a substantial holder
28/08/2008	Change of Director`s Interest Notice
27/08/2008	MEP: Drilling Restarts at Tunkillia Gold Silver Deposit
26/08/2008	Annual Report to shareholders

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.helix.net.au.

7.2 Material Contracts

The only material agreement entered into which relates to this Prospectus is the underwriting agreement with the Directors. The key terms are summarised below.

Underwriting Agreement

By a letter agreement between the Directors or their associated entities (**Underwriters**) and the Company (**Underwriting Agreement**), the Underwriters agree to conditionally underwrite the Offer for up to a maximum of 9,200,000 Options (**Underwritten Securities**).

Pursuant to the Underwriting Agreement, the Company and the Underwriters have agreed that no management fee or underwriting fee is payable in respect of the Underwritten Securities.

The Agreement is conditional upon the Company lodging the Prospectus with the ASIC.

The Underwriters have agreed to underwrite a portion of any Shortfall in the following proportions:-

Director	Maximum Underwriting of Shortfall
Greg J Wheeler	6,000,000 Options
Michael H Wilson	2,000,000 Options
Gordon Dunbar	600,000 Options
John denDryver	600,000 Options

The obligation of the Underwriters to underwrite the Offer is subject to certain events of termination. The Underwriters may terminate their obligations under the Underwriting Agreement if:

- (a) **Prospectus:** any of the following occurs in relation to the Prospectus:
- (i) it is not lodged with ASIC by 30 June 2009 (or such later date agreed in writing by the Underwriter);
 - (ii) the Underwriters reasonably form the view that there is a material omission, it contains a material statement which is misleading or deceptive, or a material statement has become misleading or deceptive;
 - (iii) the Underwriters reasonably form the view that any projection or forecast in the Prospectus becomes, to a material extent, incapable of being met or unlikely to be met in the projected time;

- (iv) ASIC gives notice of intention to hold a hearing under section 739(2) of the Corporations Act or makes an interim order under section 739(3) of the Corporations Act; or
 - (v) any person other than the Underwriters who consent to being named in the Prospectus withdraws that consent;
- (b) **Supplementary Prospectus:** the Underwriters reasonably form the view that a supplementary or replacement document (as appropriate) must be lodged with ASIC under section 719 or section 724 of the Corporations Act and the Company does not lodge a supplementary or replacement document (as the case may be) in the form and content and within the time reasonably required by the Underwriters;
- (c) **ASX listing:** ASX does not give approval for the Underwritten Securities to be listed for official quotation, or if approval is granted, the approval is subsequently withdrawn, qualified or withheld;
- (d) **Index changes:** the S&P / ASX All Ordinaries Index (ASX Code: XAO) or S&P / ASX Small Resources Index (ASX Code: XSR) falls more than 10% from the date of the Underwriting Agreement for a period of 3 continuous Business Days;
- (e) **indictable offence:** a director of the Company or any Related Corporation is charged with an indictable offence;
- (f) **return of capital or financial assistance:** the Company or a Related Corporation takes any steps to undertake a proposal contemplated under section 257A of the Corporations Act or passes or takes any steps to pass a resolution under section 260B of the Corporations Act, without the prior written consent of the Underwriter;
- (g) **banking facilities:** the Company's bankers terminating or issuing any demand or penalty notice or amending the terms of any existing facility or claiming repayment or accelerated repayment of any facility or requiring additional security for any existing facility;
- (h) **change in laws:** any of the following occurs:
- (i) the introduction of legislation into the Parliament of the Commonwealth of Australia or of any State or Territory of Australia;
 - (ii) the public announcement of prospective legislation or policy by the Federal Government or the Government of any State or Territory; or
 - (iii) the adoption by the ASIC, its delegates, ASX, the Reserve Bank of Australia or any other regulatory authority of any regulations or policy, which does or is likely to prohibit, restrict or regulate the principal business of the Company, the Entitlements Issue or the operation of stock markets generally;
- (i) **failure to comply:** the Company or any Related Corporation fails to comply with any of the following:
- (i) a provision of its constitution;
 - (ii) any statute;
 - (iii) a requirement, order or request, made by or on behalf of the ASIC or any governmental agency; or
 - (iv) any material agreement entered into by it;
- (j) **alteration of capital structure or constitution:** except as described in this Prospectus, the Company alters its capital structure or its Constitution without the prior written consent of the Underwriter;
- (k) **hostilities:** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, Philippines, Indonesia, Japan, Russia, the United Kingdom, the United States of America, or the Peoples Republic of China, other than hostilities involving Afghanistan or Iraq, any country bordering Afghanistan or Iraq or any Arab country (being a country the majority of whose inhabitants are of Arab ethnicity);
- (l) **extended Force Majeure:** a Force Majeure (as defined in the Underwriting Agreement), which prevents or delays an obligation under the Underwriting Agreement, lasting in excess of 2 weeks occurs;

- (m) **default:** the Company is in default of any of the terms and conditions of the Underwriting Agreement or breaches any warranty or covenant given or made by it under the Underwriting Agreement;
- (n) **adverse change:** any adverse change occurs which materially impacts or is likely to impact the assets, operational or financial position of the Company or a Related Corporation (including but not limited to an administrator, receiver, receiver and manager, trustee or similar official being appointed over any of the assets or undertaking of the Company or a Related Corporation);
- (o) **investigation:** any person is appointed under any legislation in respect of companies to investigate the affairs of the Company or a Related Corporation;
- (p) **due diligence:** there is a material omission from the results of the due diligence investigation performed in respect of the Entitlements Issue or the results of the investigation or the verification material are false or misleading;
- (q) **Prescribed Occurrence:** a Prescribed Occurrence (as defined in the Underwriting Agreement) occurs, other than as disclosed in this Prospectus;
- (r) **Suspension of debt payments:** the Company suspends payment of its debts generally;
- (s) **Event of Insolvency:** an Event of Insolvency (as defined in the Underwriting Agreement) occurs in respect of a Related Corporation; or
- (t) **Judgment against a Related Corporation:** a judgment in an amount exceeding \$50,000 is obtained against the Company or a Related Corporation and is not set aside or satisfied within 7 days.

7.3 Directors' interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer pursuant to this Prospectus; or
- (c) the Offer pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or Offer pursuant to this Prospectus.

Directors' interests in securities of the Company at the date of this Prospectus are:

Name	Shares	Listed Options at \$0.30 Expiring 30/6/2009	Incentive Options at \$0.55 Expiring 31/10/2011	Offer Option Entitlement	Remuneration (\$)
Greg J Wheeler	7,248,839	494,838	8,000,000	3,624,420	280,000
Michael H Wilson	233,133	3,517	5,000,000	116,566	180,000
John denDryver	-	-	1,000,000	-	40,000
Gordon Dunbar	300,000	25,000	1,000,000	150,000	40,000

Notes:

1. Each of the Directors has indicated that it is their present intention to subscribe for their full Entitlement under the Offer and to part underwrite the Offer as set out in section 7.2.

The Constitution of the Company provides that the non-executive Directors may be paid for their services as Directors, a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the Directors and in

default of agreement then in equal shares. The Company paid to the Directors a total of \$647,806 the year ended 30 June 2007 and \$806,533 for the year ended 30 June 2008. In addition to the above, the Directors have been paid fees totalling \$619,875 from the end of the previous financial year until the date of this Prospectus. Directors, companies associated with the directors or their associates are also reimbursed for all reasonable expenses properly incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

7.4 Interests and Consents of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner, nor any company with which any of those persons is or was associated, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer of securities pursuant to this Prospectus; or
- (c) the Offer of securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, or to any firm in which any of those persons is or was a partner, or to any company with which any of those persons is or was associated, for services rendered by that person, or by the firm or the company, in connection with the formation or promotion of the Company or the Offer pursuant to this Prospectus.

Pursuant to Section 716 of the Corporations Act, the Underwriters have given and have not withdrawn their consent to being named as Underwriters to part of the Offer in this Prospectus in the form and context in which they are named.

Messrs Wheeler, Wilson and Dunbar (including their related entities) are Shareholders of the Company and currently have relevant interests in Securities as detailed in paragraph 7.3. Each Director has indicated that it is its current intention to subscribe for its full Entitlement under the Offer in respect of all of the Options in which it has a relevant interest.

The Underwriters will not be paid an underwriting fee or management fee in respect of this Offer.

Pursuant to Section 716 of the Corporations Act, Steinepreis Paganin has given, and has not withdrawn its consent to being named as Solicitors to the Company in the Corporate Directory of this Prospectus in the form and context in which it is named. Steinepreis Paganin has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus and takes no responsibility for any part of this Prospectus.

Steinepreis Paganin act as solicitors to the Company. Steinepreis Paganin will be paid approximately \$7,500 for services in relation to this Prospectus.

7.5 Legal Proceedings

There is no litigation, arbitration or proceedings pending against or involving the Company as at the date of this Prospectus.

7.6 Estimated Expenses of Offer

In the event that the Offer is fully subscribed, the estimated expenses of the Offer are as follows:

	\$
ASIC fees	2,010
ASX fees	11,922
Legal expenses	7,500
Printing and other expenses	8,568
Total	30,000

7.7 Market Price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest and lowest market sale prices of the Company's Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest: \$0.11 on 2 June 2009

Lowest: \$0.065 on 1 May 2009

The latest available closing sale price of the Company's Shares on ASX prior to the lodgement of this Prospectus with the ASIC was \$0.09 on 23 June 2009.

7.8 Electronic Prospectus

Pursuant to Class Order 00/044, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the application form. If you have not, please phone the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

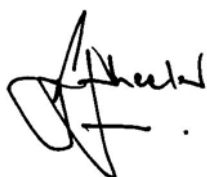
The Company reserves the right not to accept an application form from a person if it has reason to believe that when that person was given access to the electronic application form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

8. AUTHORITY OF DIRECTORS

8.1 Directors' Consent

Each of the Directors of Helix Resources Ltd has consented to the lodgement of this Prospectus with the ASIC in accordance with Section 720 of the Corporations Act

Dated the 24th day of June 2009



Signed for and on behalf of Helix Resources Ltd by
Greg J Wheeler
Managing Director

DEFINITIONS

Applicant means a Shareholder or Underwriter or other party instructed by the Underwriter who applies for Securities pursuant to the Offer.

ASIC means the Australian Securities and Investments Commission.

ASTC Settlement Rules means the settlement rules of the securities clearing house which operates CHESS.

ASX means the ASX Limited (ACN 008 624 691).

Board means the board of Directors unless the context indicates otherwise.

Business Day means a day on which trading takes place on the stock market of ASX.

Closing Date means the closing date of the Offer, being 5.00pm (WST) on 22 July 2009 (unless extended).

Company means Helix Resources Ltd (ABN 27 009 138 738).

Constitution means the Company's Constitution as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001*(Cth).

Directors means the directors of the Company at the date of this Prospectus.

Dollar or "\$" means Australian dollars.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Entitlement Issue means the issue of Options offered by this Prospectus.

Listing Rules or **ASX Listing Rules** means the Listing Rules of the ASX.

Offer means the offer pursuant to the Prospectus on the basis of one (1) Option for every two (2) Shares held by a Shareholder on the Record Date at an issue price of \$0.015 per Option, to raise approximately \$984,749.

Official List means the official list of ASX.

Option means an option to acquire a Share.

Prospectus means this prospectus.

Quotation and **Official Quotation** means official quotation on ASX.

Record Date means 5.00pm (WST) on 3 July 2009.

Related Corporation has the meaning given to that term in the Corporations Act.

Securities means Shares and Options.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Shortfall means those Securities under the Offer not applied for by Shareholders under their Entitlement.

Shortfall Application Form means the shortfall application form attached to or accompanying this Prospectus.

Shortfall Offer means the offer of any shortfall not subscribed for under the Offer. See section 3.5 for further details.

WST means Western Standard Time.