

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/Investments \$4.5 Million

Restdown JV (70%)

2.6Mt @ 1.2g/t Au

Canbelego JV (51%)

1.5Mt @ 1.2% Cu

Yalleen Iron Ore JV (30%)

84.3Mt @ 57.2% Fe

Tunkillia Gold JV (46%*)

800,000 oz Au

* Based on Minotaur figures

Company Information:

ASX Codes HLX

Shares FPO 204M

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

Share Price 6 cents

Market Capitalisation
±\$12 MillionContact Details:

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• **JOSHUA COPPER PROJECT – CHILE**

- Initial 5 hole RC drill program (1,200m) confirms presence of Cu (+ Au) porphyry mineralisation over significant widths.
- Better drill results include **243m @ 0.25% Cu** to EOH, incl. **27m @ 0.51% Cu + 0.1g/t Au**; **156m @ 0.20% Cu** to EOH + 0.1g/t Au; and **147m @ 0.22% Cu + 0.1g/t Au**; all from surface.
- An Induced polarization (IP) and ground magnetic survey completed after the RC drilling highlights the potential scale of the Porphyry system at Joshua, with large untested chargeable and resistive features surrounding the initial target area.
- Additional access tracks and geochemical sampling are underway to refine and prioritise targets for 4Q11 diamond drill program (subject to rig availability).

• **TALCA GOLD PROJECT – CHILE**

- Recently completed ground magnetics has highlighted a series of structural targets for gold, in this historically high grade district. Trenching and sampling is planned for 4Q11.

• **RESTDOWN JV – NSW**

- Maiden inferred resource **2.6Mt @ 1.2g/t Au for 100,000oz** hosted in oxidised sediments from surface at the Sunrise and Good Friday Prospects (refer ASX release 17th August 2011). Mineralisation remains open in all directions.
- Regional geochemical sampling is identifying new gold anomalies within a large zone of interest (+100km²).
- Rockchips have returned 1.6g/t Au from ferruginous sandstone sub-crop, 950m along strike from Sunrise Prospect, which highlights the size potential of this gold system.
- 1,400m RC drill program due to commence 4Q11 aims to expand the initial resource and confirm linkage between Sunrise and Good Friday Prospects.

• **LITTLE BOPPY PROJECT – NSW**

- Regional auger geochemical sampling has defined a copper in soil anomaly (peak 250ppm Cu) over 1km x 0.5km remaining open to east, west and south. Additional sampling is underway to define extent of system and isolate priority areas for geophysical surveys and drill testing.

• **OLARY FE PROJECT – SA**

- Initial 11 hole regional RC drill program (1,500m) testing the magnetite-rich Braemar Iron Formation confirms a large iron ore system is present.
 - Better drill results include ^(refer ASX release 15th August 2011) **124m @ 31.2% Fe** from surface to EOH in OLRC004; and **140m @ 29.8% Fe** from 4m in OLRC005.
- The first phase of metallurgical testing on a composited bulk sample from various drill holes shows the material grinds easily, with recovered grades comparable with other explorers in the region.
- Testing has now moved to the second phase, selecting optimal grind sizes and grind times to determine mass recovery of iron from specific intervals from the drilling.

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

CHILE - COPPER AND GOLD PROJECTS

Milestones for Helix’s first full year of exploration in Chile include:-

- Successfully acquired six projects - 100% owned by Helix with no option payments to 3rd Parties;
- Established an experienced and motivated local technical team to carry out exploration activities;
- Identified porphyry copper systems and high grade shear hosted gold systems on the two projects actively advanced this year;
- The Joshua Project is showing early potential to be a significant asset for the company;
- Continuing review and assessment of new areas and projects that add value to the Chile portfolio.

Joshua Project

Background: The Joshua Project is a green-fields discovery by Helix located 40km SE of Teck’s Carmen de Andacollo porphyry deposit (400Mt @ 0.38% Cu Reserve) in Region IV Chile. Broad scale mapping carried out 1H11 highlighted four (4) target zones, where porphyry intrusions with associated copper anomalism were identified on the 90km² of tenements. Following this initial work, a small RC drilling program was undertaken mid 2011 to confirm the surface anomalism continued at depth at one of the four (4) targets identified.

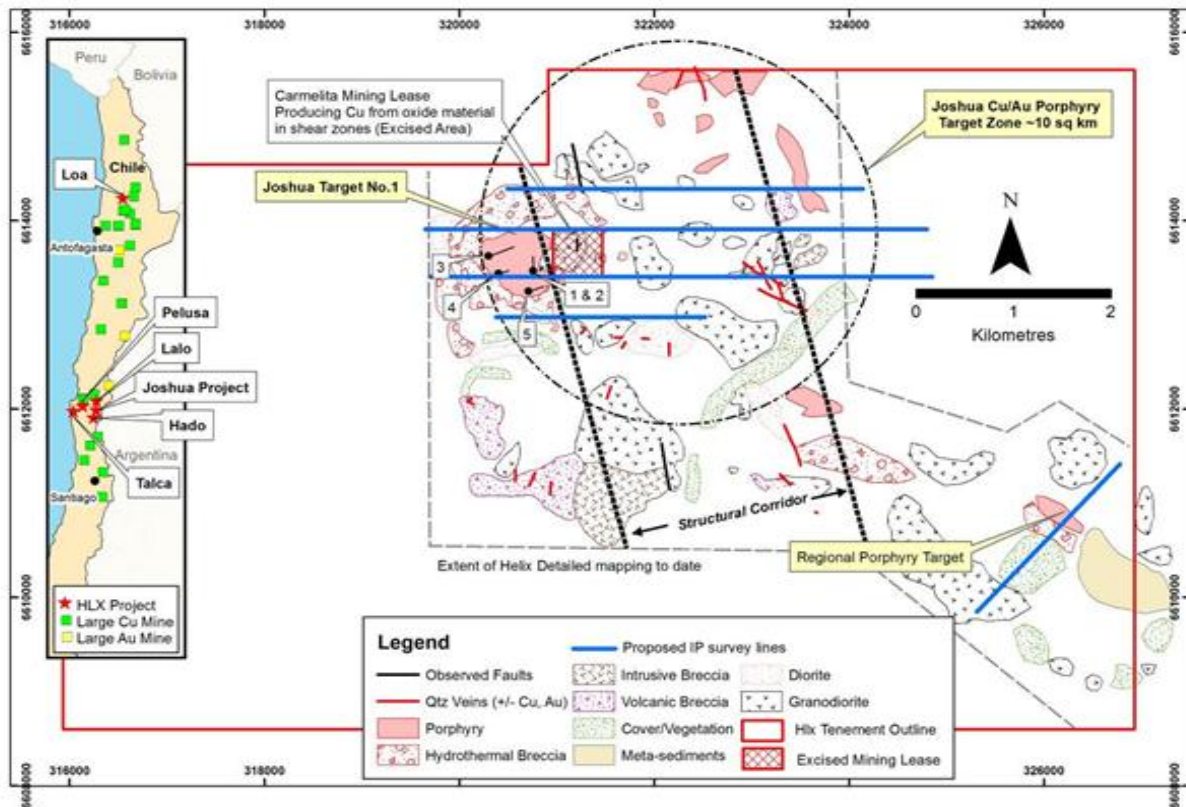


Figure 1: Joshua Project location and geological map

September 2011

During the quarter, Helix received outstanding assays for the maiden drilling at the Joshua Project (refer ASX release 10 August). Drill results include **243m @ 0.25% Cu** to EOH, incl. **27m @ 0.51% Cu + 0.1g/t Au**; **156m @ 0.20% Cu** to EOH + 0.1g/t Au; and **147m @ 0.22% Cu + 0.1 g/t Au**; all from surface. Results from the 5 hole 1,200m RC drilling campaign, additional mapping and petrology confirm the porphyry system at Joshua has significant size potential and the limited drilling to date has only tested a very small portion of the identified system.

Four (4) lines of 200m spaced pole-dipole IP and ground magnetics was completed over the larger target zone during August and the IP survey has confirmed the presence of a much larger system and highlighted chargeable and resistive features surrounding the initial target zone. Ground magnetics confirmed the chargeable features are non-magnetic and are therefore likely to represent sulphide accumulation.

Modeling of the geophysics suggest the systems are very large and with access becoming available through new track work, additional IP is warranted to close off the systems. Meanwhile channel sampling and additional mapping is assisting in prioritising drill positions for the 4Q11 diamond drilling program.

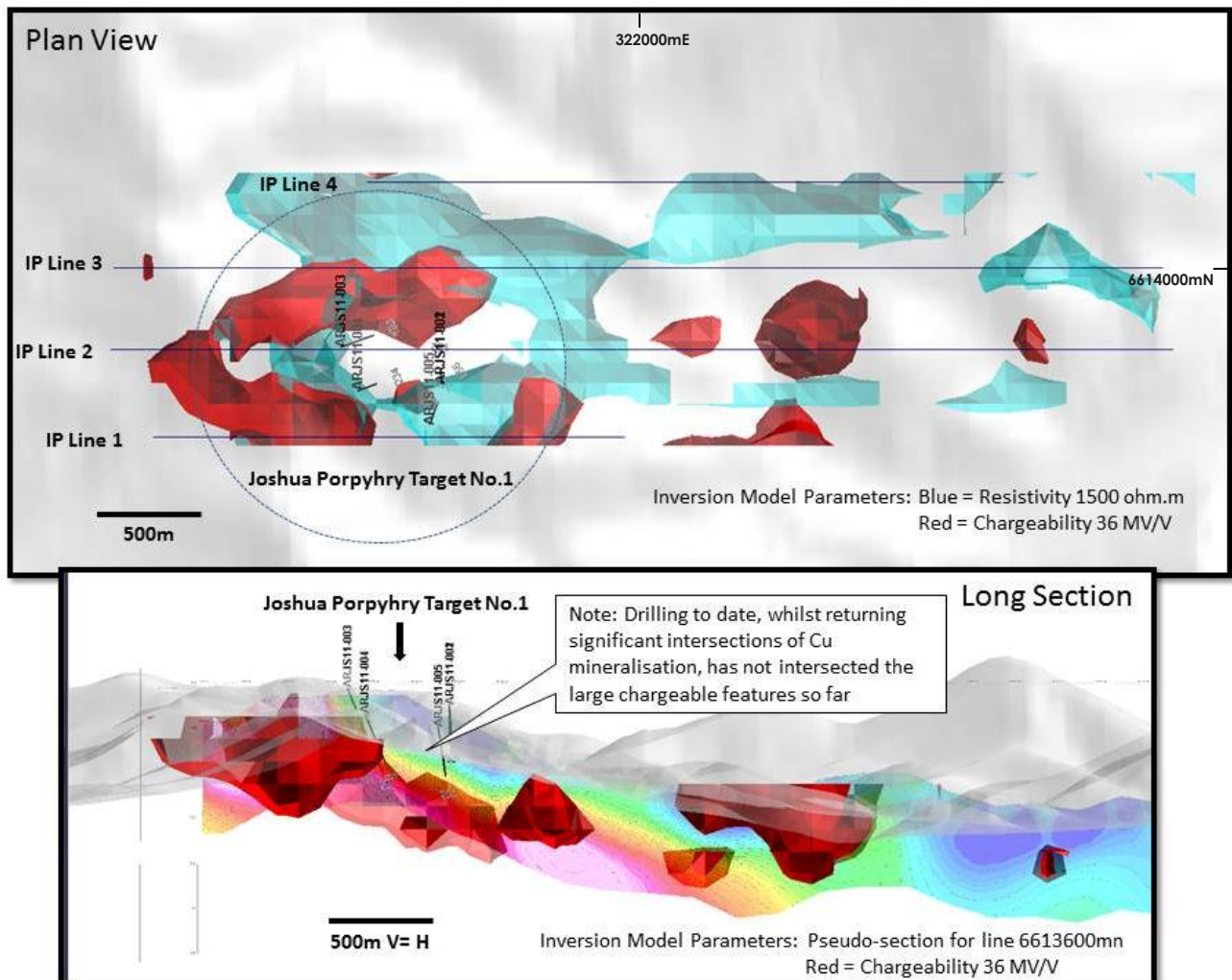


Figure 2: IP survey inversion model - Chargeable & Resistive features with respect to drilling and topography

September 2011

Talca Gold Project

Located in an historically significant gold district, 120km south of La Serena in Region IV, Chile

- Initial geochemistry and mapping has confirmed regional prospectivity with rock chips up to 15.2g/t Au
- A detailed ground magnetic survey was partially completed last quarter, and recently re-commenced to cover the initial priority target area.
- Interpretation of the magnetics suggests the presence of important 2nd order structures for mineralisation in at least two positions (refer Figure 3) within the survey area.
- Trenching, mapping and sampling will be undertaken on these targets before prioritising drill positions.

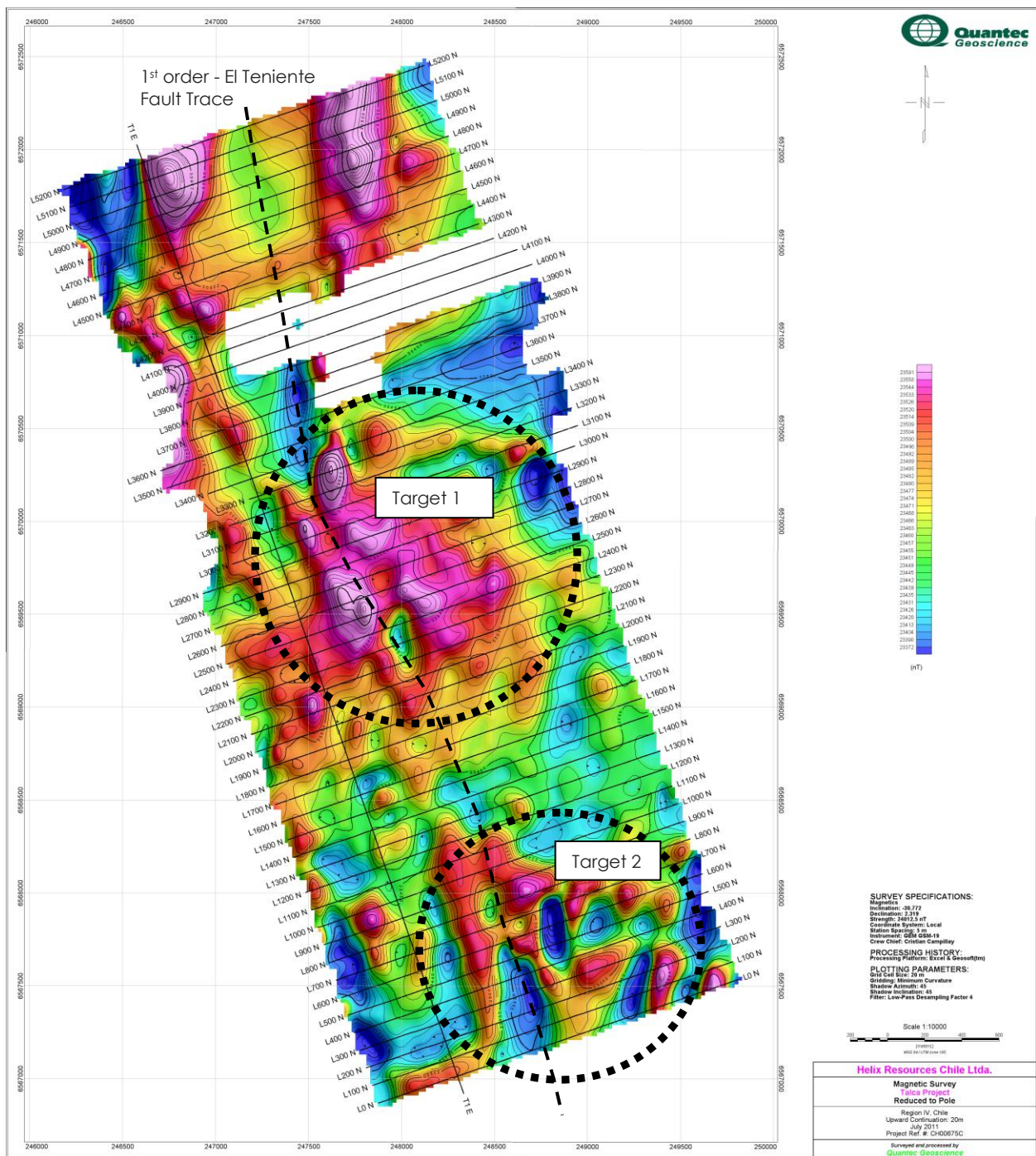
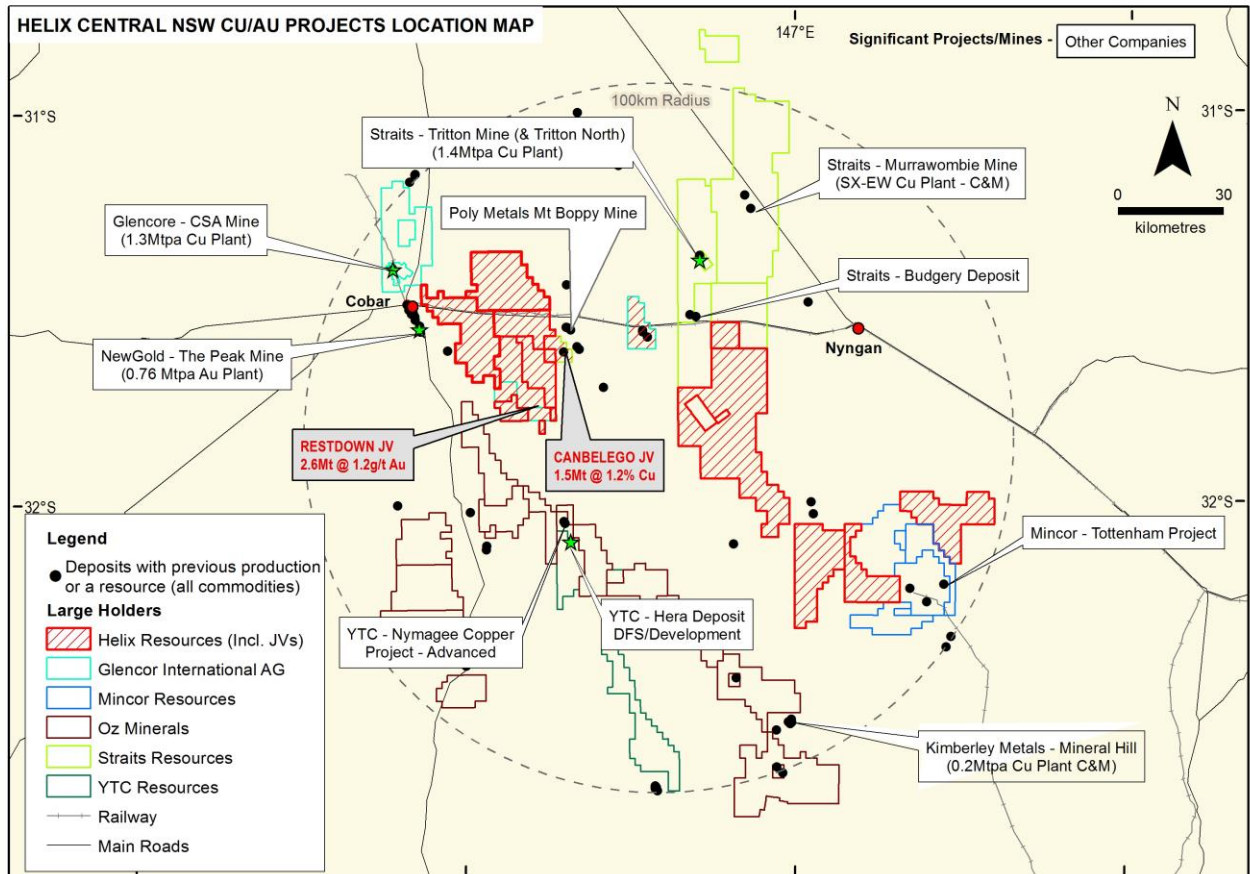


Figure 3: Talca Project ground magnetics showing priority targets for trenching and sampling

COPPER & GOLD PROJECTS - NSW

BACKGROUND: Helix has established a significant ground holding in Central NSW covering 2,000km² of tenements through joint ventures it controls and tenement acquisitions. The area has been targeted for its Cu and Au mineral prospectivity, excellent infrastructure [including nearby copper and gold processing plants, some with excess capacity]; and the presence of mining-focused companies in the district (Straits; Mincor; Glencore; YTC; Oz Minerals, Polymetals).



RESTDOWN JV & MURIEL TANK JV PROJECTS

EL 6140, EL6501& EL6739:- Helix Resources 70% - Glencore International AG 30% (Contributing)

The Projects are located 40km to 70 km SE 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).

Restdown Gold Project

The Restdown Project is ±25km SW of the historic Mt Boppy Gold Mine (produced ~500,000 oz at +10g/t Au) now owned by PolyMetals and ±35km N of YTC’s Nymagee and Hera development projects. Historic mine records for the Restdown goldfield report it was active during the late 1800’s/early 1900’s with gold extracted from silica-rich material at very high grades (records list grades at up to 3kg Au per tonne). Historic workings were limited to hand-dug shafts and pits due to a lack of water being available for treating ore.

September 2011

Drilling at the Restdown JV has confirmed the presence of broad gold intersections associated with silica and sericite altered sediments within a regionally significant fold. During the quarter Helix finalised RC drilling and produced an inferred resource estimation for the Sunrise and Good Friday prospects of **2.6Mt @ 1.2g/t Au** at a 0.3g/t cut-off.

Restdown Prospect - Inferred				
Domain	Au Cut Off Grade	Tonnes	Au grade (g/t)	Contained Au (oz)
Sunrise	0.3	2,100,000	1.3	85,000
	1.0	1,100,000	1.9	66,000
Good Friday	0.3	470,000	0.9	13,000
	1.0	80,000	1.6	4,000
Total (0.3g/t Au Cut)				
	0.3	2,600,000	1.2	100,000oz
Total (1.0g/t Au Cut)				
	1.0	1,200,000	1.8	70,000oz

Note: Discrepancies in table figures are due to rounding

Further details on the Resource estimation process are outlined in the ASX release dated 17 August 2011.

The resource drilling and modeling process has highlighted a series of lithological controls and pathfinder elements in down-hole geochemistry that are assisting in focusing future exploration.

First pass broad spaced soil sampling (800m x 200m) covering the broader zone of interest is presently being infilled to close off and better define anomalies. A rockchip collected from subcrop of ferruginous sediments 950m along strike of the Sunrise Prospect returned 1.6g/t Au providing confidence the systems have significant strike potential.

Helix is very encouraged by the results on the Restdown Project to date. The current resource at Sunrise and Good Friday remains open. The total discovery cost of ≈\$16 per oz represents excellent value for work undertaken and the drilling has highlighted a new interpretation for sediment hosted gold, which opens up the Company's entire 2000km² of tenements to this style of mineralisation.

Drilling is due to re-commence at the end of October to assist in expanding the known mineralisation at the Sunrise Prospect and confirm linkage to the nearby Good Friday Prospect.

LITTLE BOPPY PROJECT – NSW *[Helix 100%]*

Helix undertook regional surface geochemical surveys during the quarter. A total of 612 samples were collected and from this program a series of copper and gold anomalies were defined. At the Boppy Broken Hill Prospect sampling has defined a copper in soil anomaly (peaking at 250ppm Cu) over 1km x 0.5km remaining open to east, west and south. The area has three small historic shafts confirming the presence of mineralisation and potential exists for a larger system in the surrounding lithologies. Additional sampling is underway to define extent of the system and isolate priority areas for consideration for geophysics and drill testing.

An additional two areas on Little Boppy have been identified as priority gold anomalies with regional soils returning anomalous gold assays up to 379ppb Au on broad spaced sampling. Infill sampling is currently underway to assist in closing off and defining these prospects.

September 2011

CANBELEGO JV – NSW *[Helix Resources 51%, moving to 70% - Straits 49% (Diluting)]*

Since completing the maiden inferred resource estimation of **1.5Mt @ 1.2% Cu** at a 0.3% Cu cut-off in 3Q10, Helix has been completing regional exploration activities as well as monitoring the progress by other companies targeting copper in the region.

The completion of first-pass regional soils on the adjacent Little Boppy Project suggests the Canbelego mineralising trend extends at least 30km in a NW direction from the Caballero Prospect in the south-east through to Little Boppy Prospect in the NW on Helix's 100% owned tenement. Surface geochemistry suggests mineralised systems occur at 3-5km intervals along the trend with seven separate target zones identified to date.

In addition to regional activities, a review of the Canbelego Mine Prospect (taking into account the recent results from YTC at their Nymagee copper project and Straits at their Avoca Tank deposit) suggests a steep higher grade plunge could exist at Canbelego and drilling to date has not sufficiently tested this concept. Helix is currently reviewing data for the project and will prioritise drill positions, as well as prioritising activities on the advancing regional targets.

OLARY MAGNETITE PROJECT – SA *[Helix Resources Ltd 100% - EL4022; EL3956]*

The Olary region is an emerging iron ore province in the E-NE of South Australia and Helix has a strategic tenement holding in the area with significant exploration potential and direct access to infrastructure (Rail & Highway) in a region that is being considered as a new frontier for the development of magnetite iron ore.

Helix completed a 10 hole RC program [\approx 1500m] during the quarter testing the magnetite rich Braemar Iron formation which provided confidence a large iron ore system is present. Better drill results **124m @ 31% Fe** from surface and **140m @ 30% Fe** from 4m were received, with the drilling only tested <10% of the prospective Fe horizons. [refer ASX release 15 August 2011]

The first phase of metallurgical testing on a composited bulk sample from various drill holes shows the material grinds easily, with recovered grades comparable with other explorers in the region.

Testing has now moved to the second phase, selecting optimal grind sizes and grind times to determine mass recovery of iron from the drill samples.

NON MANAGED JOINT VENTURES**TUNKILLIA GOLD PROJECT JV - SA**

We refer to the ASX release 22nd September 2011 which outlines our position regarding the in-situ leaching proposal by Minotaur Exploration Ltd [ASX: MEP].

YALLEEN IRON ORE PROJECT – WA

API Management Pty Ltd, the JV Manager, has commissioned RPS Aquaterra to commence a ground and surface water risk assessment study to cover the Kumina Creek and Robe Exit deposits. The study is scheduled for completion next quarter.

DFS and Funding for the API Stage 1 WPIOP, which provides a potential infrastructure solution for the Yalleen Project, has been subject to delays and we await further details.

September 2011

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 Aug 2010 reported 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>Inferred</u>	Restdown JV	70% (Glencore Contributing 30%)	2.6Mt @ 1.2g/t Au for 100,000oz (0.3 g/t Au cut off)
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Gold	<u>Oxide</u>	Tunkillia JV, SA	46% (Diluting)	1.2Mt @ 1.8 g/t – 66,000 oz
	Measured			2Mt @ 1.3 g/t – 86,000 oz
	Indicated			2.5 Mt @ 1g/t – 77,000 oz
	Inferred			
	<u>Primary</u>			
	Indicated			4.2Mt @ 2 g/t – 270,000 oz
	Inferred			4.4Mt @ 2.1 g/t – 300,000 oz
	Inferred			8.6Mt @ 5.7 g/t – 1.6M oz Silver
	Total			0.8M oz Au and 1.6M oz Ag*

Minotaur Exploration Ltd has indicated it has earned a 54% interest 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% [earned in December 2008] 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.

*Note: Any Exploration Target discussed should not be misinterpreted as an estimate of Mineral Resources or Ore Reserves. Whilst the company remains optimistic that it will be in a position to report resources in the future, any discussion in relation to targets, resources, reserves or 'ore' is only conceptual in nature as there is insufficient drilling or analysis to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Helix Resources Limited

ABN

27 009 138 738

Quarter ended ("current quarter")

30 September 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (1 month) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(360)	(360)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	53	53
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)	32	32
Net Operating Cash Flows	(460)	(460)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets		
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(460)	(460)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(460)	(460)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		
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)		
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(460)	(460)
1.20	Cash at beginning of quarter/year to date	4,284	4,284
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	3,824	3,824

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.

Appendix 5B
Mining exploration entity quarterly report

	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	875
4.2 Development	
4.3 Production	
4.4 Administration	245
Total	1,120

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	218	150
5.2 Deposits at call	3,606	4,134
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	3,824	4,284

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed				
6.2 Interests in mining tenements acquired or increased	ELA 4375 ELA 4376	Application Application	0% 0%	100% 100%

+ 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	203,923,618	203,923,618		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
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	Nil	<i>Exercise price</i> \$0.5258	<i>Expiry date</i> 30 October 2011
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				

+ See chapter 19 for defined terms.

7.12	Unsecured notes (totals only)		
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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



19 October 2011

Sign here: Date:
(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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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.