



HELIX RESOURCES LIMITED



Cover Story



Helix Resources Has the Cash in the Bank to Fund the Implementation of its Aggressive Exploration Plan to Enable it to Maximise the Potential Value of its Significant Land Holding and Capitalise on the Strength in the Resource Sector

Helix Resources Limited is strategically positioned to capitalise on the strength within the resource sector by utilising its well resourced position to develop its diversified portfolio of projects targeting iron ore, gold and base metals.

Reflecting the value of this position, the Company has released an initial inferred resource estimate of 112 million tonnes for its Yalleen Iron Ore Joint Venture located in the West Pilbara region of Western Australia

Mr. Greg J Wheeler, Helix's Managing Director and Executive Chairman told the Australian Investor, "We believe this resource estimate demonstrates the potential value represented in the project and we are very encouraged by the initial results."

The initial inferred iron ore resource estimate was undertaken for the Kumina Creek and Robe Exit Prospects covering zones of channel iron deposits (CID) on the Yalleen Joint Venture Project. The Yalleen Joint Venture is 70% API Management Pty Ltd (API) and 30% Helix and is managed by API.

The resource estimate of 112 million tonnes is based on data from surface Reverse Circulation (RC) and Diamond (DD) drill holes, all of which were completed by API. At the time of this estimate, results were still pending for a number of holes.

"We believe this initial resource estimate has scope to be increased with further drilling and inclusion of other identified deposits within the 600 sq km project area," Mr. Wheeler informed the Australian Investor, "We consider this puts us in a good position, especially considering that other Pilbara iron ore focused companies' value is worth between \$3.00 to \$10.00 per in-situ tonne."

The Joint Venture continues exploration drilling of several other identified iron targets and in-fill drilling on Kumina Creek.

In addition to the work at the Yalleen Iron Ore JV, Helix has continued to pursue the potential at its gold projects.

"We have just completed a 6,000m RC drilling program at the Glenburgh Gold Project," Mr. Wheeler explained to the Australian Investor, "The aim of this drilling is to assist in defining additional mineralization for expanding the resource base from current inferred resource estimation of 108,000 oz grading 3.1 g/t Au."

The Company is currently awaiting assay results and interpretative analysis from this program to evaluate how to proceed with its development.

At Helix's Tunkillia Gold JV, which has a resource of 800,000 oz Au, potential development

scenarios are being examined by the JV manager Minotaur. Minotaur are required to complete their expenditure of \$5 million before 31 March 2009 to earn their 51% interest in the JV, with ±\$4.2 million spent to date.

The Company has also continued to progress the work at its base metal projects, with a renewed focus on targeting copper and nickel

"Our Parachilna Project in South Australia is in an area that has a historical production of 200,000 tonnes of 5% copper," Mr. Wheeler told the Australian Investor, "We are waiting on results from our first pass soil sampling and mapping and have the intention to commence a 2,000m RC and Diamond drilling program in the third quarter of 2008."

Additionally, detailed aeromagnetic surveys have been completed over several precious, base metal and manganese targets on the Company's West Pilbara Project. The interpretation of this survey and regional geochemical surveys will assist in defining drill targets.

According to Mr. Wheeler one of the key attributes of the Company that will assist the continuation of its aggressive exploration plan, is that Helix is well resourced with approximately \$8 ½ million in the bank.

"We will not need to return to the market for further capital to implement our exploration plans," Mr. Wheeler noted, "Especially, considering the commitment of our JV partners to fund approximately \$4 million of our anticipated \$8 million in exploration costs for 2008/9."

Furthermore, Helix's future growth and development will be aided by its experienced board that is comprised of talented individuals who are focused on advancing the Company's status within the resource sector.

Mr. Wheeler concluded, "We are well funded with over 10,000 km of tenement tenure in Western Australia and South Australia. We believe this exposure to a significant land holding and the expertise of our team will enable us to leverage off our solid foundation that has been built over the past 20 years to capitalise on the strength of the resource market."

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