

Helix Resources Limited

Gold, Copper, Iron Ore in Australia and Chile



Helix Resources Limited (ASX:HLX) is a minerals exploration company focused on identification, acquisition and development of projects in Australia and Chile

HELIX ENTERS MOU ON OLARY PROJECT

OLARY MAGNETITE PROJECT - SOUTH AUSTRALIA

Helix is pleased to announce it has entered into a Memorandum of Understanding [MoU] with Lodestone Equities Ltd (Lodestone) regarding the Olary Magnetite Project with the intention of the parties to complete the following transaction (without being legally bound):-

Lodestone shall acquire a 50% shareholding in the Helix wholly owned subsidiary, Olary Magnetite Pty Ltd, whose sole assets are EL3956 and EL4022 in South Australia, by the cash payment of \$0.5M and shall fund a \$2M work program to establish a JORC compliant resource.

Lodestone shall have one month after receipt of the independent JORC Report to elect whether to acquire the remaining 50% shareholding in Olary by a cash payment calculated in accordance with the following formula: Cash Payment = JORC Resource tonnes x DTR% x \$0.035 x 150% with a minimum floor of \$5M and a capped maximum of \$9M. [Example: 1 billion tonnes times 16% DTR times \$0.035 times 150% equals \$8.4M].

If the Option to acquire the remaining 50% is not exercised by Lodestone, the parties will operate Olary as a corporate joint venture.

The parties are targeting 31 August 2012 for deal completion following Lodestone due diligence.

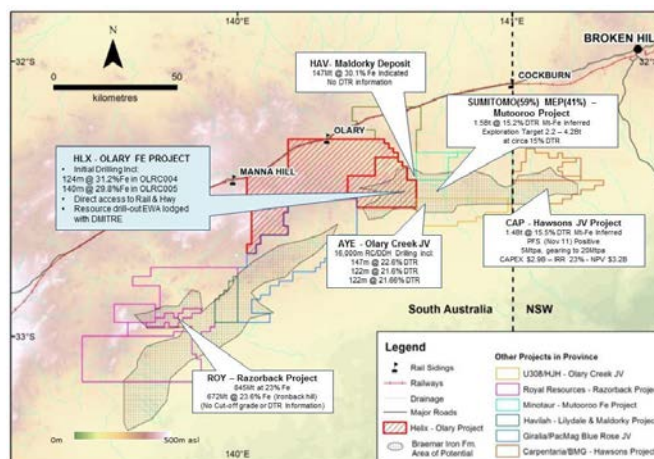
Lodestone is an investment company associated with Mr Gordon Toll BE Hons (Mining);MSc. (Business) who has 44 years' experience in mining including Chairman of Fortescue Minerals Group Limited during the critical engineering and funding of that company's initial US\$3.3billion development of its Pilbara iron ore interests; Founder and former Chairman of Ferrous Resources Ltd, a Brazilian iron company; Deputy Chairman of Ivanhoe Mines including responsibility for one of the largest copper discoveries of the past two decades; and has raised or helped to raise more than \$5 Billion for mining and associated infrastructure projects in the past decade.

Helix Chairman Mr Greg J Wheeler commented "We consider Olary has similar magnetite resource potential to the Hawsons (1.4Bt) and Mutooroo (1.5Bt) deposits and welcome Mr Toll's expertise to create value in this region". "The Olary deal illustrates the current disconnect between our Market Capitalisation and our significant portfolio of Mineral Assets and Helix will continue to monetize this unlocked value".

Competent Persons Statement

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.

Details of the assumptions underlying any Resource estimations are contained in previous ASX releases or at www.helix.net.au



Capital Structure

ASX Ticker Code	HLX
Share Price (as at 24 July 2012)	AU\$0.04
Market Cap	\$8M
Issued Capital (Fully Diluted)	204M
12 Month Range	AU\$0.04 - \$0.12

Directors and Management

Greg J Wheeler	Executive Chairman/MD
Michael Wilson	Executive Technical Director
John den Dryver	Non-Executive Director
Gordon Dunbar	Non-Executive Director
Craig Johnson	Exploration Manager – Aust
Alamiro San Francisco	Exploration Manager - Chile

Assets

Cash/Investments [30/6/12]	\$1.8 Million
Restdown Gold JV (70%)	2.6Mt @ 1.2g/t Au
Canbelego Copper JV (51%)	1.5Mt @ 1.2% Cu
Yalleen Iron Ore JV (30%)	84.3Mt @ 57.2% Fe
Tunkillia Gold JV (45%)	800,000oz Au + 1.6Moz Ag