

**HELIX RESOURCES LIMITED**

**ACN 009 138 738**

**NOTICE OF ANNUAL GENERAL MEETING 2012**

**AND**

**EXPLANATORY STATEMENT  
TO SHAREHOLDERS**

**A PROXY FORM IS ENCLOSED**

**The Directors recommend that Shareholders vote in favour of each of the Resolutions contained in this Notice of Meeting.**

**Please read the Notice and Explanatory Statement carefully.**

**If you are unable to attend the Annual General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.**

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2012 Annual General Meeting of members of Helix Resources Limited (**Helix** or the **Company**) will be held on Thursday, 8<sup>th</sup> November 2012 commencing at 10.00am at the Celtic Club, 48 Ord Street, West Perth, Western Australia.

The Explanatory Statement that accompanies and forms part of this Notice of Annual General Meeting describes in more detail the matters to be considered. Proxy and Voting Entitlement Instructions are included on the Proxy Form accompanying this Notice of Annual General Meeting. In accordance with Regulation 7.11.37 of the Corporations Regulations, the directors have determined that the identity of those entitled to attend and vote at the meeting is to be taken to be those persons who held shares in the Company as at 10.00am on 6<sup>th</sup> November 2012.

### AGENDA

#### ORDINARY BUSINESS

##### Accounts

To receive the annual financial report of the Company for the period ended 30 June 2012, the Directors' report and auditor's report.

##### Resolutions

#### 1. Remuneration Report

To consider, and if thought fit to pass, with or without amendment, the following resolution as a **non-binding resolution**:

*"That for the purposes of Section 250R(2) of the Corporations Act, and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company's annual financial report for the year ended 30 June 2012."*

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

##### Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the remuneration report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; and
- (b) the voter is the Chair and the appointment of the Chair as proxy:
  - (i) does not specify the way the proxy is to vote on this Resolution; and
  - (ii) expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, or if the Company is part of a consolidated entity, for the entity.

##### Definitions

**Key Management Personnel** has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

#### 2. Re-Election of Director

To consider, and if thought fit, pass the following resolution as an **ordinary resolution**:

*"That, for the purposes of clause 13.2 of the Constitution, Mr Michael H Wilson, being a Director of the Company who retires from the office of Director by rotation, and being eligible for re-election, is re-elected as a Director of the Company."*

### 3. Ratification of prior issue of 525,454 Shares

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 525,454 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** Helix will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, Helix need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

### 4. Ratification of prior issue of 200,000 Shares

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 200,000 Shares on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** Helix will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, Helix need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

### 5. Ratification of prior issue of 7,500,000 Options

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 7,500,000 Options on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** Helix will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, Helix need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

### 6. Approval of 10% Placement Capacity– Shares

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

*“That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the Shares on issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”*

**Voting Exclusion:** Helix will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, Helix will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**PROXIES**

A Proxy Form accompanies this Notice of Meeting and to be effective must be received at the Company's registered office:

**In person at:** Helix Resources Limited  
Suite 7 / 29 Ord Street  
WEST PERTH WA 6005

**OR By post to:** Helix Resources Limited  
PO Box 825  
WEST PERTH WA 6872

**OR By facsimile on:** (61 8) 9321 3909

by not later than 10.00am (WST), Tuesday, 6<sup>th</sup> November 2012.

Each Shareholder is entitled to appoint a proxy. The proxy does not need to be a member of the Company.

A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half of the Shareholder's votes.

**BY ORDER OF THE BOARD**



**Joneen McNamara**  
**Company Secretary**  
**5<sup>th</sup> October 2012**

---

## EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders of Helix Resources Limited (**Helix** or the **Company**) in connection with the business to be conducted at an Annual General Meeting of Shareholders to be held at the Celtic Club, 48 Ord Street, West Perth, WA on Thursday, 8<sup>th</sup> November 2012 at 10.00am.

This Explanatory Statement forms part of and should be read in conjunction with the accompanying Notice of Annual General Meeting.

Shareholders should note that all the Directors approved the proposal to put the Resolutions to Shareholders as outlined in the Notice of Annual General Meeting and to prepare this Explanatory Statement.

### 1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2012 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

In accordance with amendments to the Corporations Act the Company is no longer required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy. These amendments have resulted in a reduction in the Company's printing costs.

Whilst the Company will not provide a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may view the Company annual financial report on its website at [www.helix.net.au](http://www.helix.net.au) or request a copy from the Company at any time.

### 2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

The remuneration report is set out in the Company's annual financial report for the financial year ended 30 June 2012.

The remuneration report sets out the Company's remuneration arrangements for the directors and senior management of the Company.

A reasonable opportunity will be provided for discussion of the remuneration report at the Annual General Meeting.

The Corporations Act requires that a resolution to adopt the remuneration report be put to Shareholders. However, Shareholders should note that the vote on Resolution 1 is advisory only and not binding on the Company or its Directors.

Under changes to the Corporations Act which came into effect on 1 July 2011, if at least 25% of the votes cast on Resolution 1 are voted against adoption of the remuneration report at the Annual General Meeting, and then again at the Company's next annual general meeting, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of directors of the Company (**Spill Resolution**) at the second annual general meeting.

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the Company's Annual General Meeting. All of the Directors who were in office when the Company's Directors' report (as included in the Company's annual financial report for the previous financial year) was approved, other than the managing director of the Company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

#### ***If you appoint a member of the Key Management Personnel as your proxy***

If you elect to appoint a member of Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of that member, **you must direct the proxy how they are to vote**. Undirected proxies granted to these persons will not be included in any vote on Resolution 1.

#### ***If you appoint the Chair as your proxy***

If you elect to appoint the Chair as your proxy, you **do not** need to direct the Chair how you wish them to exercise your vote on Resolution 1, however if you do not direct the Chair how to vote, **you must tick the acknowledgement on the proxy form to acknowledge that the Chair may exercise their discretion in exercising your proxy even though Resolution 1 is connected directly or indirectly with the remuneration of Key Management Personnel**.

#### ***If you appoint any other person as your proxy***

You **do not** need to direct your proxy how to vote, and you **do not** need to tick any further acknowledgement on the proxy form.

### **3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR**

In accordance with ASX Listing Rule 14.4 and clause 13.2 of the Constitution one third of the Directors for the time being must retire from office at every annual general meeting and are eligible for re-election.

A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election.

Mr Michael Wilson retires by rotation and seeks re-election.

### **4. RESOLUTION 3 – RATIFICATION OF PRIOR ISSUE OF 525,454 SHARES**

#### ***General***

On 6 October 2011, the Company issued 525,454 Shares at a deemed issue price of \$0.055.

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

#### ***Technical information required by ASX Listing Rule 7.4***

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 3:

- a. 525,454 Shares were allotted;
- b. the issue price was \$0.055 per Share;
- c. the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- d. the Shares were allotted and issued to Mr R G Rangel who acted as General Manager - Chile in settlement of an unpaid employee bonus to preserve cash. Mr R G Rangel is not a related party of the Company; and
- e. no funds were raised from this issue as the Shares were issued in settlement of the employee bonus.

### **5. RESOLUTION 4 – RATIFICATION OF PRIOR ISSUE OF 200,000 SHARES**

#### ***General***

On 3 April 2012, the Company issued 200,000 Shares at a deemed issue price of \$0.06 per Share to Alpha Securities Pty Ltd as part consideration for the preparation of a Research Report on the Company.

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 4 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

#### ***Technical information required by ASX Listing Rule 7.4***

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 4:

- a. 200,000 Shares were allotted;

- b. the deemed issue price was \$0.06 per Share;
- c. the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- d. the Shares were allotted and issued to Alpha Securities Pty Ltd, which is not a related party of the Company; and
- e. no funds were raised from this issue as the Shares were issued in part consideration for corporate advisory services, namely preparation of a Research Report on the Company, provided by Alpha Securities Pty Ltd.

## **6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF 7,500,000 OPTIONS**

### **General**

On 27 March 2012, the Company issued 7,500,000 Options in consideration for investor relations strategies, sourcing capital, project funding and merger & acquisition advisory services provided by the Company's corporate adviser, Viaticus Capital Pty Ltd.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Options.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 4 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Shareholders should note the Tranche 1 Options have expired as the VWAP hurdle was not met and hence the Options did not vest.

### **Technical information required by ASX Listing Rule 7.4**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 5:

- a. 7,500,000 Options were allotted in three tranches of 2,500,000 Options which had VWAP share price hurdles before vesting of; \$0.10 by 30 September 2012 for Tranche 1; \$0.15 for Tranche 2 and \$0.20 for Tranche 3, both before 31 March 2013
- b. the Options were issued for nil cash consideration in satisfaction of corporate advisory services provided by Viaticus Capital Pty Ltd;
- c. the Options were issued on the terms and conditions set out in Schedule A;
- d. the Options were allotted and issued to Viaticus Capital Pty Ltd, which is not a related party of the Company; and
- e. no funds were raised from this issue as the Options were issued in consideration for corporate advisory services provided by Viaticus Capital Pty Ltd.

## **7. RESOLUTION 6 – APPROVAL OF 10% PLACEMENT CAPACITY– SHARES**

### **General**

ASX Listing Rule 7.1A provides that an Eligible Entity may seek Shareholder approval at its annual general meeting to allow it to issue Equity Securities up to 10% of its issued capital over a period up to 12 months after the annual general meeting (**10% Placement Capacity**).

The Company is an Eligible Entity.

If Shareholders approve Resolution 6, the number of Equity Securities the Eligible Entity may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (as set out in 'ASX Listing Rules 7.1A' below).

The effect of Resolution 6 will be to allow the Directors to issue Equity Securities up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% annual placement capacity granted under Listing.

Resolution 6 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 6 for it to be passed.

### **ASX Listing Rule 7.1A**

ASX Listing Rule 7.1A came into effect on 1 August 2012 and enables an Eligible Entity to seek shareholder approval at its annual general meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- a. is not included in the S&P/ASX 300 Index; and
- b. has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of approximately \$7,162,718.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has only one class of Equity Securities on issue, being the Shares (ASX Code: HLX).

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A is the number of Shares on issue 12 months before the date of issue or agreement:
- i. plus the number of Shares issued in the previous 12 months under an exception in ASX Listing Rule 7.2;
  - ii. plus the number of partly paid shares that became fully paid in the previous 12 months;
  - iii. plus the number of Shares issued in the previous 12 months with approval of holders of Shares under this rule; and
  - iv. less the number of Shares cancelled in the previous 12 months.
- D is 10%.
- E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under ASX Listing Rule 7.1 or 7.4.

### **Technical information required by ASX Listing Rule 7.1A**

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 6:

#### **a. Minimum Price**

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- i. the date on which the price at which the Equity Securities are to be issued is agreed; or
- ii. if the Equity Securities are not issued within 5 ASX trading days of the date in the paragraph above, the date on which the Equity Securities are issued.

#### **b. Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- i. 12 months after the date of this Meeting; and
- ii. the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking).

or such longer period if allowed by ASX (**10% Placement Capacity Period**).



c. **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 6 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue	Dilution			
	Issue Price (per Share)	\$0.018 (50% decrease in current issue price)	\$0.035 (Current issue price)	\$0.053 (50% increase in current issue price)
204,649,072 (Current)	Shares issued	20,464,908 Shares	20,464,908 Shares	20,464,908 Shares
	Funds Raised	\$368,369	\$716,272	\$1,084,641
306,973,608 (50% increase)*	Shares issued	30,697,361 Shares	30,697,361 Shares	30,697,361 Shares
	Funds Raised	\$552,553	\$1,074,408	\$1,629,961
409,298,144 (100% increase)*	Shares issued	40,929,815 Shares	40,929,815 Shares	40,929,815 Shares
	Funds Raised	\$736,737	\$1,432,544	\$2,169,281

\*The number of Shares on issue (variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

**The table above uses the following assumptions:**

1. The current shares on issue are the Shares on issue as at 5 September 2012.
2. The issue price set out above is the closing price of the Shares on the ASX on 5 September 2012.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.

6. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.

Shareholders should note that there is a risk that:

- i. the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- ii. the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

d. ***Purpose of Issue under 10% Placement Capacity***

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- i. as cash consideration in which case the Company intends to use funds raised for: the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's current assets and general working capital ; or
- ii. as non-cash consideration for: the acquisition of new resources assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

e. ***Allocation under the 10% Placement Capacity***

The allottees of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the allottees of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- i. the purpose of the issue;
- ii. alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- iii. the effect of the issue of the Equity Securities on the control of the Company;
- iv. the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- v. prevailing market conditions; and
- vi. advice from corporate, financial and broking advisers (if applicable).

f. ***Previous Approval under ASX Listing Rule 7.1A***

The Company has not previously obtained approval under ASX Listing Rule 7.1A.

***Voting Exclusion***

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 6.

## 8. DEFINITIONS

<b>\$</b>	means Australian dollars
<b>10% Placement Capacity</b>	has the meaning given in section 7 of this Notice
<b>Annual General Meeting or Meeting</b>	means the meeting convened by this Notice
<b>ASX</b>	means Australian Stock Exchange Limited
<b>ASX Listing Rules</b>	means the official listing rules of ASX
<b>Director</b>	means a director of the Company
<b>Directors</b>	means the current directors of the Company
<b>Eligible Entity</b>	means an entity that, at the date of the relevant general meeting: <ul style="list-style-type: none"><li>(a) is not included in the A&amp;P/ASX 300 Index; and</li><li>(b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.</li></ul>
<b>Equity Securities</b>	includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.
<b>Explanatory Statement</b>	means the explanatory statement accompanying the Notice
<b>Helix or the Company</b>	means Helix Resources Limited (ACN 009 138 738)
<b>Notice or Notice of Meeting or Notice of Annual General Meeting</b>	means this notice of Annual general meeting including the Explanatory Statement and the Proxy Form.
<b>Ordinary Securities</b>	has the meaning set out in the ASX Listing Rules.
<b>Option</b>	means the options referred to in section 6 of this Notice.
<b>Resolutions</b>	means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires
<b>Share</b>	means a fully paid ordinary share in the capital of the Company
<b>Shareholder</b>	means a holder of a Share
<b>Variable A</b>	means "A" as set out in the calculation in Section 7 of this Notice

## SCHEDULE A

### Terms and Conditions of Tranche 1, Tranche 2 and Tranche 3 Options

The 7,500,000 Options granted have been divided into 3 tranches. Each tranche consists of 2,500,000 Options, and will entitle the holder to subscribe for and be allotted Shares as follows:

- (i) each Option issued entitles the holder to subscribe for and be allotted one Share upon payment of the exercise price, being:
    - A. **Tranche 1 Options:** \$0.08 when the volume weighted average (VWAP) price of the Company's Shares trading on the ASX for any 10 day period prior to 30 September 2012 exceeds \$0.10;
    - B. **Tranche 2 Options:** \$0.125 when the VWAP price of the Company's Shares trading on the ASX for any 10 day period prior to 31 March 2013 exceeds \$0.15; and
    - C. **Tranche 3 Options:** \$0.175 when the VWAP price of the Company's Shares trading on the ASX for any 10 day period prior to 31 March 2014 exceeds \$0.20.
  - (ii) the Options shall expire at 5.00pm Perth time on 31 March 2014 (**Expiry Date**).
  - (iii) the Options shall be exercisable wholly or in part by notice in writing to the directors of the Company at any time until the Expiry Date on payment of the Exercise Price.
  - (iv) the Options are non-transferable and no application will be made to the ASX for Official Quotation of the options.
  - (v) there are no participating rights or entitlements inherent in the Options and holders of the Options will not be entitled to participate in new issues of capital which may be offered to shareholders during the currency of the Options.

However, Option holders have the right to exercise their Options prior to the date of determining entitlements to any capital issues to the then existing shareholders of the Company made during the currency of the Options, and will be granted a period of at least 10 business days before the date for determining entitlements to exercise the Options.
  - (vi) within 10 business days of receipt of a properly executed option notice and the required application monies the number of shares specified in the notice will be allotted.
  - (vii) shares issued on the exercise of the Options will rank pari-passu with the then existing issued ordinary shares. The Company will apply for Official Quotation by ASX of all shares issued upon exercise of the Options within fourteen business days after the date of allotment of those shares.
  - (viii) in the event of any reorganisation (including reconstruction, consolidation, subdivision, reduction or return) of the issued capital of the Company, the Options will be reorganised as required by the Listing Rules, but in all other respects the terms of exercise will remain unchanged
-

PROXY FORM

The Secretary  
Helix Resources Limited  
PO Box 825  
West Perth WA 6872  
FAX: (08) 9321 3909

I/We (full name) \_\_\_\_\_  
of \_\_\_\_\_  
being a member(s) of Helix Resources Limited, hereby appoint as my/our proxy

\_\_\_\_\_ of \_\_\_\_\_  
or, failing him/her or, if no person is named, the Chairperson of the Meeting, or the Chairperson's nominee, to attend and vote for me/us in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws, as the proxy sees fit, at the annual general meeting of the Company to be held at 10.00am on Thursday, 8<sup>th</sup> November 2012 and at an adjournment thereof in respect of \_\_\_% of my/our shares or, failing any number being specified, ALL of my/our shares in the Company.

Usual Signature \_\_\_\_\_ Usual Signature \_\_\_\_\_  
Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

**The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.**

**RESOLUTIONS**

	FOR	AGAINST	ABSTAIN
<b>Resolution 1 – Adoption of Remuneration Report</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 2 – Re-Election of Mr Michael Wilson as a Director</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 3 – Ratification of Prior Issue of 525,454 Shares</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 4 – Ratification of Prior Issue of 200,000 Shares</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 5 – Ratification of Prior Issue of 7,500,000 Options</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 6 – Approval of 10% Placement Capacity - Shares</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

***If the Member is a Company***

Signed in accordance with the constitution of the company (affix common seal if applicable)

\_\_\_\_\_  
Director/Sole Director                      Director/Secretary                      Sole Director and Sole Secretary

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

**Important for Resolutions 1, 3, 4, 5 and 6**

If you have not directed your proxy how to vote as your proxy in respect of Resolutions 1, 3, 4, 5 and 6 and the Chair is, or may by default be, appointed your proxy, you must mark the box below.

I/we direct the Chair to vote in accordance with his/her voting intentions (as set out above) on Resolutions 1, 3, 4, 5 and 6 (except where I/we have indicated a different voting intention above) and expressly authorise that the Chair may exercise my/our proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

If the Chair is, or may by default be, appointed your proxy and you do not mark this box and you have not directed the Chair how to vote, the Chair will not cast your votes on Resolutions 1, 3, 4, 5 and 6 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 1, 3, 4, 5 and 6 .

---

#### NOTES

1. A member entitled to attend and vote is entitled to appoint not more than two proxies.
2. Where more than one proxy is appointed and that appointment does not specify the proportion or number of the member's votes, each proxy may exercise half of the votes.
3. A proxy need not be a member of the Company.
4. A proxy is not entitled to vote unless the instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed is either deposited at the registered office of the Company, posted to PO Box 825 West Perth 6872 or sent by facsimile to Fax: 08 9321 3909 to be received not less than 48 hours prior to the time of the meeting.
5. If the member is a company it must execute under its common seal or otherwise in accordance with Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
  - 2 directors of the company; or
  - a director and a company secretary of the company; or
  - for a proprietary company that has a sole director who is also the sole company secretary, that director.