

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 \$4.5 Million

Yalleen Iron Ore JV (30%)
84.3Mt @ 57.2% Fe

Gascoyne Resources Ltd (33%)
ASX Code: GCY

Tunkillia Gold JV (48%)
800,000 oz Au

Company Information:

ASX Codes HLX/HLXOA

Shares FPO 131.7M

Options – Listed 53.6M
(7.5 cents expiring 31/05/2011)

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

Share Price (20/1/10)
10 cents

Market Capitalisation
\$13 Million

Contact Details:

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Highlights

IRON ORE

- **Yalleen Iron Ore JV**- An 11 hole RC drilling program to assess Robe Exit extensions and Mara Mamba bedded iron targets has been undertaken by managers API during the quarter, results are pending.

GOLD

- **Tunkillia Gold JV** - JV manager Minotaur has advised pit optimisation studies by AMC Consultants Pty Ltd using updated parameters has captured 446,000 ounces Au in a theoretical A\$1200 pit shell.

COPPER/GOLD

- **Canbelego JV NSW** - Helix has completed initial field reconnaissance and landowner engagement prior to commencing exploration and drilling activities. A detailed 50m line spaced aeromagnetic survey is in progress.
- **Quanda and Five Ways NSW** - A 100m line spaced aeromagnetic survey is in progress and will assist in defining copper and gold targets for testing in 2010.
- **Little Boppy NSW** - Identified geochemical and geophysical targets on the project will be prioritised for 2010 drill testing.
- **Landsborough and Uralla Projects QLD** - Helix has applied for 3 tenement applications covering 950 km² in the Eastern Succession of the Mt Isa Block in Queensland as part of strategic land acquisitions in areas of world-class deposits.

CORPORATE

- Glenburgh gold project sold into successful Gascoyne Resources Ltd IPO & ASX listing which raised \$5.23M [ASX code:GCY].
- Project acquisition opportunities continue to be reviewed.

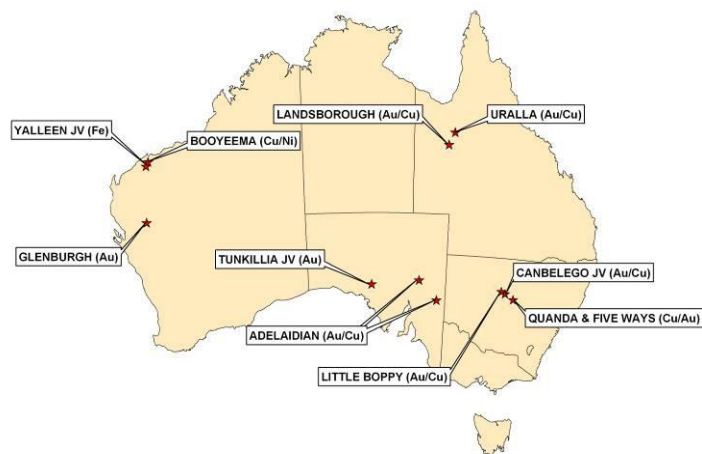


Figure 1: Project Location Map



The Helix strategy is:

- acquire large tenement holdings in prospective exploration regions of Australia
- 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

YALLEEN IRON ORE JOINT VENTURE - WESTERN AUSTRALIA

Helix Resource Limited (30%), API (AMCI/Aquila) (70%) iron ore rights
Helix Resources Limited 100% other minerals

- The 2009 resource estimation for Kumina Creek and Robe Exit prospects undertaken by JV manager API is a Total Resource of 84.3Mt @ 57.2% Fe (refer to appended resources table). Continuing activities are aimed at increasing the resource base together with assessing development scenarios for the project.

Activities during the quarter included the completion of infill RC drilling at Robe Exit channel iron deposit with the objective of improving the JORC classification and testing potential extensions around YABA086 which drilled and finished in mineralisation. Results are pending.

First-pass exploratory drilling also commenced with 8 vertical RC holes on 1km x 1km centres on the western side of the project targeting Marra Mamba bedded iron formation. Results are pending.

LAKE EVERARD (INCL. TUNKILLIA) JOINT VENTURE - SOUTH AUSTRALIA

Minotaur Exploration Limited 51% gold and base metal rights - EL 3403, ELA 389/06 and EL 3335

- Revised resource estimation stands at 14.3Mt @ 1.8 g/t Au Total Resources for 800,000 oz Au (refer to appended resources table)

Managers Minotaur advise that during the quarter a new pit optimisation study was undertaken by external consultants (AMC Consultants Pty Ltd) using an updated range of input parameters (resource distribution, pit slopes, mining costs and gold price). For a gold price of A\$1200, a schedule utilising a starter pit and two subsequent sub-pits was deemed the most practical solution to achieving a final optimised pit that captures approximately 55% (446,000 ounces) of the current gold resource ounces. (Refer to Minotaur ASX releases for additional detail).

Resource Class	Ore type	Au Grade	Ounces	%
Measured	Oxide	1.6	75,464	17%
Measured	Fresh	2.1	59,644	13%
Indicated	Oxide	1.2	68,689	15%
Indicated	Fresh	2.0	202,612	45%
Inferred	Oxide	1.4	12,265	3%
Inferred	Fresh	2.4	27,678	6%
Total			446,352	100%

Table 1: Summary of final pit extraction from theoretical optimised pit (assuming A\$1200 oz)

Options for advancing the Area 223 Deposit continue to be investigated in parallel with a program of near-field exploration in the coming year.

CANBELEGO JOINT VENTURE - NSW

Helix Resources Ltd earning 51% in EL 6105 by expending \$300,000 by October 2012

The Company has completed a comprehensive data review, field reconnaissance and landowner engagement prior to commencing field activities. A detailed 50m line spaced aeromagnetic survey is in progress and will assist in defining drill targets.

Helix is targeting Tritton-style copper mineralisation and Mt Boppy- style gold mineralisation in an area prospective for these style of deposits with historical high-grade (10%) copper mines and gold prospects with comparable lithologies and similar structural controls.

During the quarter a full review of historical data and compilation of information into a standard format has assisted in defining several walk-up drill targets and numerous prospective areas where further exploration is warranted. Clearance approvals are being obtained and drilling contractors sought to commence initial drilling programs in 2Q10.

LITTLE BOPPY PROJECT - NSW

Helix Resources Ltd 100% ELA3784

The Little Boppy Project covers the northwest extensions of the Canbelego JV magnetic complex and several additional historical copper/gold workings. Historical gossan geochemistry (Untested by drilling) with anomalous Copper (up to 0.24%), Silver (up to 20g/t) Lead (up to 1.8%) and Zinc (up to 0.4%) and a detailed 50m line spaced aeromagnetic survey currently in progress will assist in prioritising targets. These targets will be advanced during the 2010 exploration program.

QUANDA PROJECT and FIVE WAYS PROJECT - NSW

Helix Resources Ltd 100% ELA3719 and ELA3720

The Quanda and Five Ways Projects cover the southern extensions of the Girilambone-Tritton-Budgerygar mineralised trend in Central NSW.

The Company has identified a series of magnetic trends that are interpreted to represent mafic intrusive bodies beneath and within the Girilambone sedimentary sequence, an important element in the development of Tritton-style orebodies. The Company is awaiting data from a recently completed a detailed 100m line spaced aeromagnetic survey over the tenements. This will assist in defining copper and gold targets for testing in 2010.

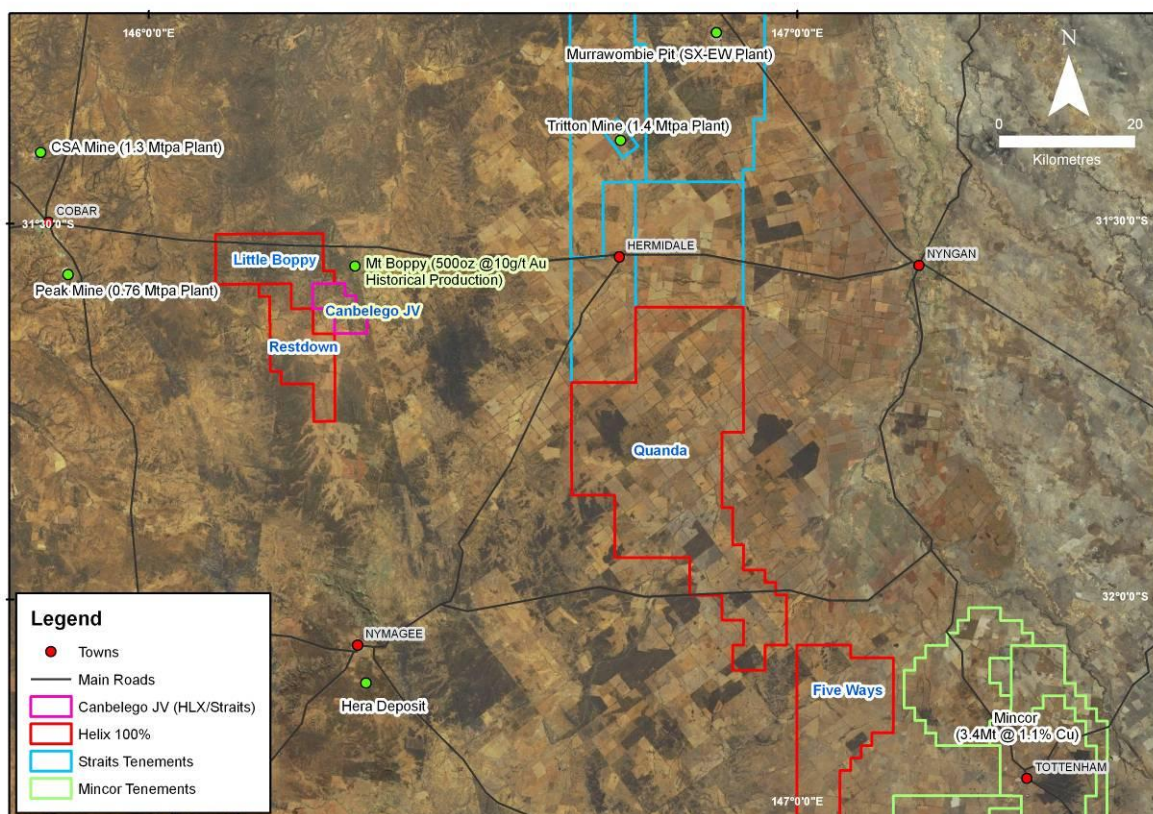


Figure 1: NSW Copper/Gold Projects - Tenement Location Map

ABOUT HELIX

Helix is a mineral exploration company established in 1986 with a strategy of acquiring large tenement holdings in the frontier exploration regions of Australia, 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, WA	30%	47.9Mt @ 57.3% Fe (Channel Iron)
	Inferred		(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. Significant exploration upside remains.

Commodity	Category	Project	Interest	Resource
Gold	<u>Oxide</u>	Tunkillia JV, SA	49% (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
	<u>Primary</u>			4.2Mt @ 2 g/t - 270,000 oz
	Indicated			4.4Mt @ 2.1 g/t - 300,000 oz
	Inferred			8.6Mt @ 5.7 g/t - 1.6M oz Silver
	Inferred			
	Total			0.8M oz Au and 1.6M oz Ag

Minotaur Exploration Ltd has earned 51% and as JV Manager are assessing economic and technical viability of the project. Whilst Helix has the option to contribute at any time, Minotaur will need to expend an additional \$10 million to dilute Helix from 49% 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 report that relates to the Yalleen JV Mineral Resources is based on information compiled by Mr Stuart H Tuckey. Mr Tuckey is full-time employee of the API Management Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves for the Tunkillia JV is based on information compiled by Dr A. P. Belperio, who is a full-time employee of Minotaur Exploration Limited and a Fellow of the Australasian Institute of Mining and Metallurgy. Dr A. P. Belperio has a minimum of 5 years 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". Dr A. P. Belperio consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves on all other Helix projects 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.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

HELIX RESOURCES LIMITED

ABN

27 009 138 738

Quarter ended ("current quarter")

31 December 2009

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date 6 months \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(225)	(501)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	44	104
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)	52	102
Net Operating Cash Flows	(356)	(731)
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		
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(356)	(731)

1.13	Total operating and investing cash flows (brought forward)	(356)	(731)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	30	840
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 (Share issue costs)	(2)	(2)
	Net financing cash flows	28	838
	Net increase (decrease) in cash held	(328)	107
1.20	Cash at beginning of quarter/year to date	4,788	4,353
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	4,460	4,460

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	119
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25

Explanation necessary for an understanding of the transactions

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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

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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

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Financing facilities available

Add notes as necessary for an understanding of the position.

	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	185
4.2 Development	
Total	185

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	1,460	12
5.2 Deposits at call	3,000	4,776
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	4,460	4,788

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	EL 47/1144	Surrendered	100%	0%
		EL 47/1145	Surrendered	100%	0%
		ELA 47/1146	Withdrawn	100%	0%
		E09/1079	Sold	100%	0%
		E09/1325	Sold	100%	0%
		P09/425	Sold	100%	0%
		P09/426	Sold	100%	0%
6.2	Interests in mining tenements acquired or increased				

Issued and quoted securities at end of current quarter

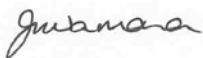
Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	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	131,706,231	131,706,231		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	406,345	406,345		
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 53,592,823	Nil 53,592,823	<i>Exercise price</i> \$0.55 \$0.075	<i>Expiry date</i> 30 October 2011 31 May 2011
7.8 Issued during quarter				
7.9 Exercised during quarter	406,345	406,345	\$0.075	31 May 2011
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

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 4).

2 This statement does give a true and fair view of the matters disclosed.



Sign here:

Date: 21 January 2010

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 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting 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.