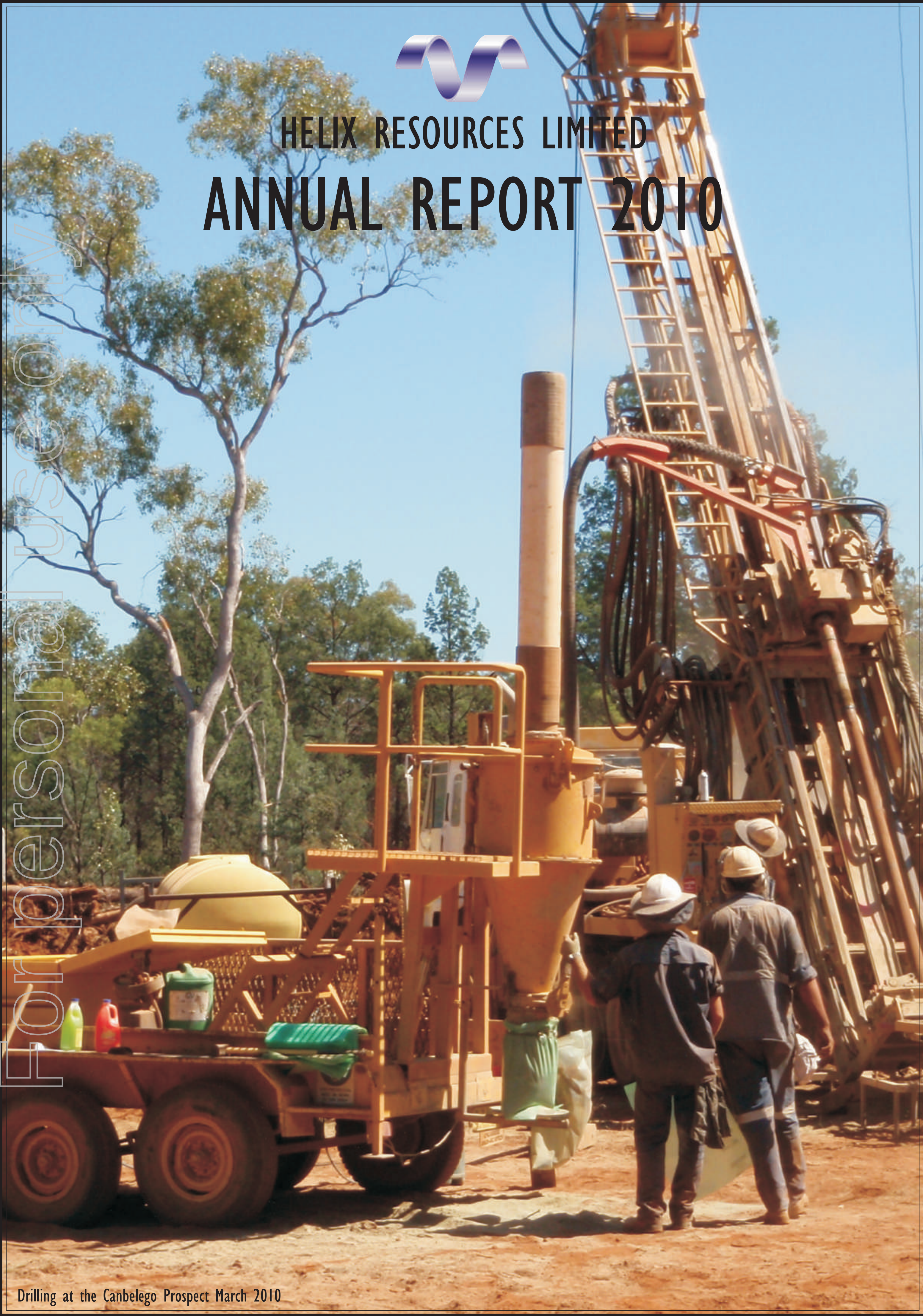
HELIX RESOURCES LIMITED

ANNUAL REPORT 2010



Drilling at the Canbelego Prospect March 2010

Contents

Sulphide mineralisation at Little Boppy, NSW

Soil Sampling at Little Boppy, NSW

Chairman's Review

Dear Shareholder

I am pleased to present the 2010 Annual Report for the Company. During the past 12 months Helix has focused on 3 concurrent strategies:-

- monetise and/or progress development scenarios for our mineral resource assets, including divestment of non-core assets
- identify and secure new ground in regions where operating mines and infrastructure are present and where drill targets have been identified
- review potential merger or project acquisition opportunities to create 'size' and/or synergy benefits

The Scoping Study completed for the Yalleen Iron Ore Project reports technical and financial viability based on a 5Mtpa road haulage option to access the proposed API WPIOP rail infrastructure 70kms west. The Financial Evaluation indicates significant operating margins can be achieved and detailed studies regarding development aspects have commenced.

We monetised our Glenburgh gold asset by vending it into the successful listing of Gascoyne Resources Ltd [ASX code: GCY] in December 2009 and distributed in-specie to shareholders +80% of the shares held valued at $3.2 million.

The Tunkillia Gold JV continues to be funded by Minotaur, with Helix continuing to dilute until value is seen in the Minotaur exploration and development initiatives regarding the asset.

We have secured significant ground holdings in NSW targeting copper and gold, with initial drilling programs increasing our confidence that mineralised copper zones will be delineated of sufficient size and grade to consider hauling and processing at nearby operating mills with excess capacity.

We expect to have continuing news flow throughout 2010 from drilling programs on our NSW copper & gold targets and encourage you to visit our website at www.helix.net.au for the latest information regarding our activities.

I would like to thank the Board and Staff for their strong contributions in 2009/10 and ongoing commitment.

I look forward to your attendance at the forthcoming Annual General Meeting.

Yours faithfully

Greg J Wheeler
Executive Chairman

Review of Operations

Helix is a mineral exploration company established in 1986. The Company has a strategy of acquiring large tenement holdings in the frontier exploration regions, using leading edge exploration methodologies and techniques under the guidance of an experienced Board & Management team to create shareholder wealth.

RESERVES & RESOURCES

Commodity	Category	Project	Interest	Resource
Iron Ore	Indicated	**Yalleen JV, WA**	30%	**47.9Mt @ 57.3% Fe (Channel Iron)**
	Inferred			**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 [WPIOP] which comprises multiple JV's. Positive Scoping study results have led to detailed studies being commenced on production scenarios.

Commodity	Category	Project	Interest	Resource
	Oxide			
Gold	Measured	**Tunkillia JV, SA**	47% (Diluting)	1.5 Mt @ 1.6 g/t – 75,000 oz
	Indicated			2.0 Mt @ 1.2 g/t – 75,000 oz
	Inferred			2.8 Mt @ 0.8g/t – 74,000 oz
	Primary			
	Measured			0.8Mt @ 2.2 g/t – 59,000 oz
	Indicated			4.5 Mt @ 2 g/t – 284,000 oz
	Inferred			3.9 Mt @ 2.1 g/t – 236,000 oz
Silver*				9.3 Mt @ 5.5 g/t – 1.66M oz
	Total			**0.8M oz Au and 1.66M oz Ag**

Minotaur Exploration Ltd has earned 53% and as JV Manager continue to assess and fund economic and technical viability of the project as well as exploration potential. 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% to dilute Helix from its original 49% interest to 24%.

**(within +1g/t primary Au blocks)*

Competent Persons Statements

The information in this report that relates to the Yalleen JV Mineral Resources is based on information compiled by Mr Stuart Tuckey, who is a Member of the Australasian Institute of Mining and Metallurgy and is a full-time employee of the API Management Pty Ltd. Mr Tuckey 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 of Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr S Tuckey 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 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 report that relates to Exploration Results, Mineral Resources or Ore Reserves on all 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.

YALLEEN IRON ORE JOINT VENTURE – WESTERN AUSTRALIA

Helix Resource Limited (30%), API (AMCI/Aquila) (70%) iron ore rights
Helix Resources Limited 100% other minerals
EL 47/1169-1171

Project Summary

- 600km² tenement area located in the West Pilbara region of WA, 50km ESE of Pannawonica;
- JV Manager API has estimated a channel iron (CID) Total Resource of 84.3 million tonnes @ 57.2% Fe(*See appended resource table) for Kumina Creek and Robe Exit prospects;
- Scoping study reports technical and financial viability based on 5Mtpa road haulage to access proposed API WPIOP rail infrastructure 70kms West
- Preliminary economic evaluation of the Project demonstrates that robust returns could be achievable. The financial model indicates a post tax value range $NPV_{12\%}$ of $1,100M and $NPV_{16\%}$ of $900M based on:-
    - Capital expenditure range of $150M to $200M including haul road to access planned rail infrastructure 70km W, screening plant to upgrade ore, camp construction and pre-strip costs, including allowances for EPCM and 25% Contingency;
    - Operating costs including royalties of ±$48/t based on access to proposed rail and port infrastructure on acceptable commercial terms;
    - Life of Mine [LOM] Revenue of ±$109/t;
- Scoping study indicates two (2) potential infrastructure solutions for transporting ore to customers
- The Project economic evaluation involves assumptions as to future events which are not capable of independent substantiation. Readers should refer to the assumptions and Disclaimer included in the previous ASX releases regarding Yalleen and form their own views. The economic evaluation findings should not be used as a basis for investment decisions about shares in Helix
- Detailed studies have commenced which will include metallurgical test-work; baseline studies covering heritage, environmental and water management issues, and infrastructure access agreements.

DISCLAIMER

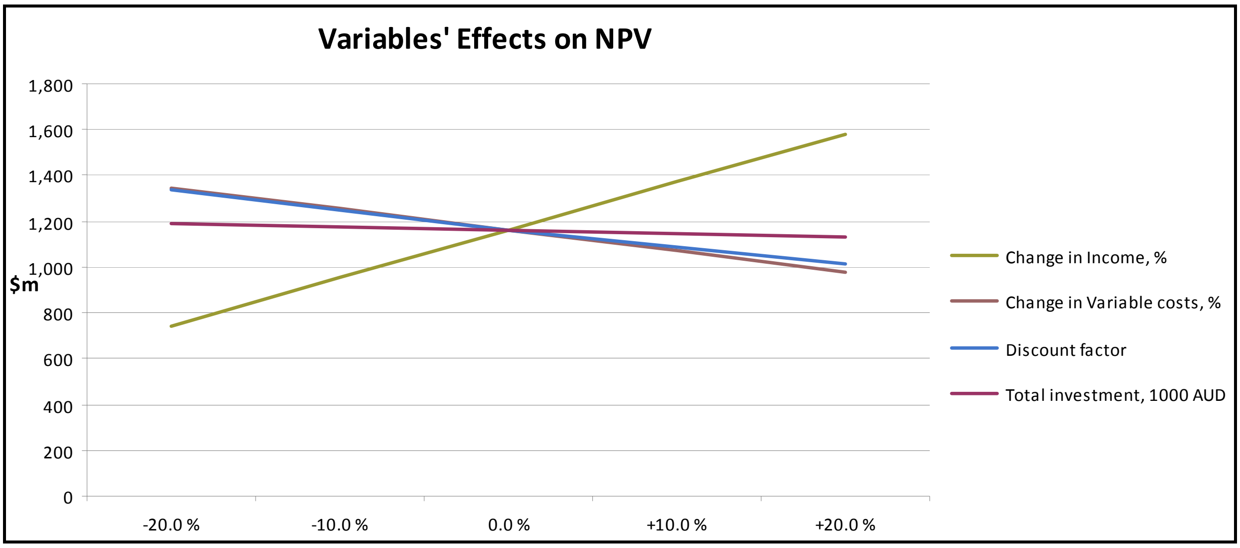
This scoping study contains forward-looking statements which are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Helix Resources Ltd. Actual values, results or events may be may be materially different to those expressed or implied and hence given these uncertainties, recipients are cautioned when placing any reliance on such forward looking statements. Assumptions inherent in the scoping study include, without limitation:-

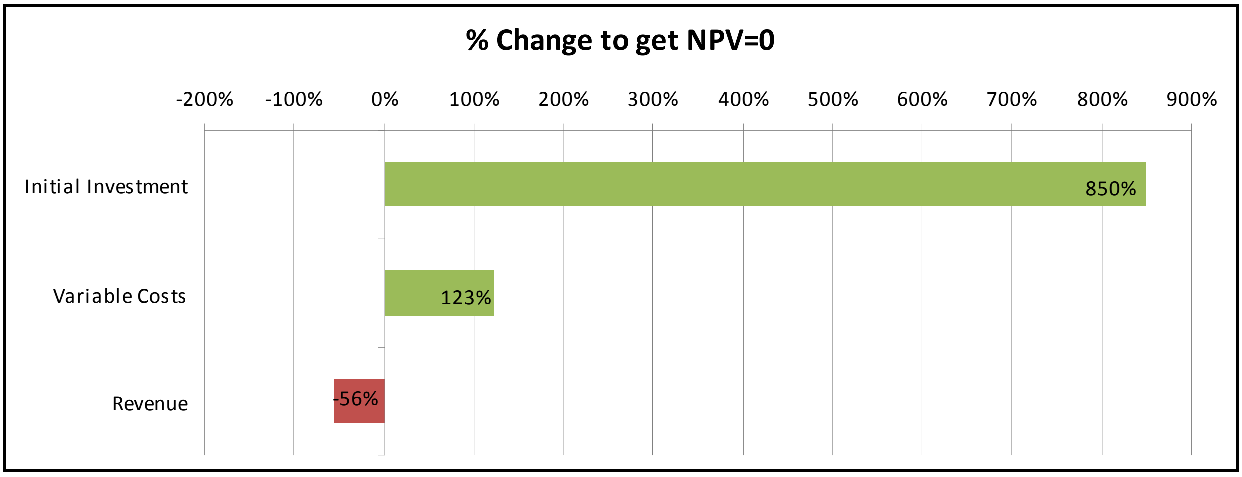
- Estimates of resources and the conversion to mineable reserves in a saleable product form;
- Estimates of future earnings and cashflows, and the sensitivity of earnings and cashflows to movements in the underlying assumptions;
- Estimates of future operating and capital costs; production and recovery rates; sales;
- political and operational risks in the countries and states in which we operate or sell product to, and governmental regulation and judicial outcomes

Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis.

Sensitivity Analysis of Scoping Study Financial Evaluation

Varying underlying assumptions affects the financial evaluation as follows:-





The chart above shows the percentage by which each of the items would need to change in order to reduce the NPV of the project to zero. Consistent with the previous chart, this shows that a fall in revenue would have the greatest impact on the project, followed by variable costs, and a substantial increase in the initial investment.

Note that the impact of each variable has analysed in isolation. The effect of changing two or more variables concurrently has not been analysed above.

The Mineral Resources Rent Tax has not been included as its impact has yet to be determined.

Project Background

The Yalleen Iron Ore JV Project covers approximately 600km² of the upper reaches of the Robe River drainage system. Pisolitic iron mineralisation in buried palaeodrainage systems developed from erosion of iron rich strata in the Hamersley Range to create a series of channel iron deposits within the drainage basins. These deposits are variably covered by younger unconsolidated alluvial sediments. The Brockman and Marra Mamba Formations, host to many of the major iron ore deposits in the Pilbara region of WA, form the main exposures in the project area.

The Yalleen Joint Venture is managed by API Management Pty Ltd (API) for the Australian Premium Iron JV (Aquila/AMCI) and forms part of their larger West Pilbara Iron Ore Project (WPIOP) from deposits in separate joint ventures with Red Hill Iron Ltd and Cullen Resources Limited and their own projects. These projects are approximately 50-70 km southwest of the Yalleen Project area.

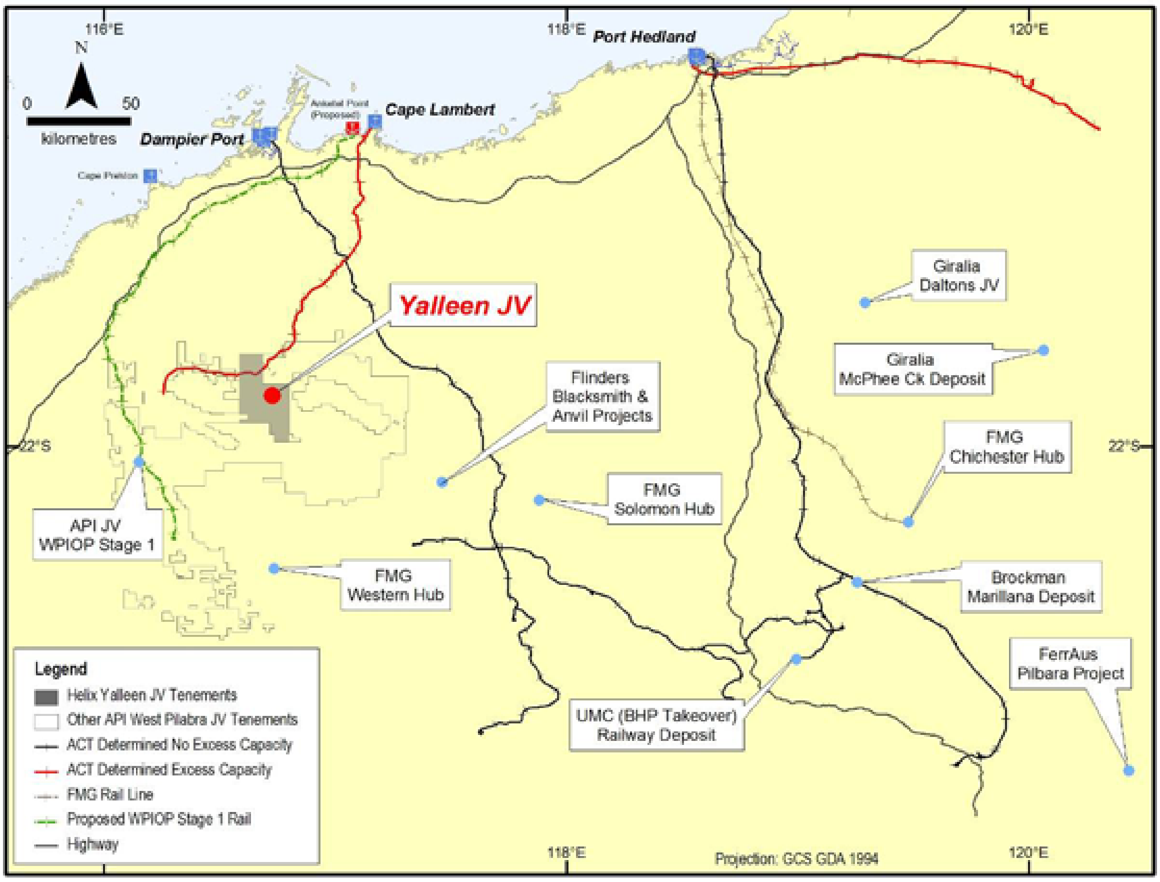


Figure 1: Yalleen Iron Ore JV Location Plan

Yalleen has potential for two infrastructure solutions to development:-

- API WPIOP Stage 1 with a proposed railhead load out facility 70km W [refer green line]
- Robe River – given June 2010 Australian Competition Tribunal [ACT] decision that capacity exists and 3rd party access is available [refer red line]

The fact Yalleen has two potential transport solutions compares favourably to a number of other identified iron ore deposits which planned access to BHP or Rio infrastructure prior to the ACT in June 2010 determining their is no excess capacity [black lines above].

Resource Estimate

Resource estimates have been compiled by API Management Pty Ltd for the Kumina Creek, Robe Exit deposits located within the Yalleen Joint Venture. API Management Pty Ltd has completed the resource estimates applying industry standard estimation techniques. Resource estimates have been checked and audited by API.

West Pilbara Iron Ore Project Resource Estimate – YALLEEN JOINT VENTURE CHANNEL IRON DEPOSITS									
***Resource Classification**	**Tonnes Mt**	**Fe %**	**SiO_2 %**	**Al_2O_3 %**	**P %**	**S %**	**LOI %**	**Mn %**	**MgO %**
Kumina Creek Deposit									
Indicated	34.96	57.53	5.18	3.70	0.060	0.015	8.24	0.06	0.11
Inferred	23.61	57.53	5.19	3.77	0.060	0.015	8.15	0.07	0.11
TOTAL	**58.57**	**57.53**	**5.18**	**3.73**	**0.060**	**0.015**	**8.20**	**0.06**	**0.11**
Robe Exit Deposit									
Indicated	12.91	56.50	5.52	3.74	0.053	0.018	9.41	0.05	0.14
Inferred	12.82	56.32	5.45	3.89	0.064	0.016	9.31	0.03	0.11
TOTAL	**25.73**	**56.41**	**5.49**	**3.81**	**0.058**	**0.017**	**9.36**	**0.04**	**0.12**
Total Resource – CID									
Indicated	47.87	57.25	5.27	3.71	0.058	0.016	8.56	0.06	0.12
Inferred	36.43	57.10	5.28	3.81	0.061	0.015	8.56	0.06	0.11
TOTAL	**84.30**	**57.19**	**5.28**	**3.75**	**0.060**	**0.016**	**8.56**	**0.06**	**0.11**

Competent Person Statement

The information in this report that relates to the Yalleen JV Mineral Resources is based on information compiled by Mr Stuart Tuckey, who is a Member of the Australasian Institute of Mining and Metallurgy and is a full-time employee of the API Management Pty Ltd. Mr Tuckey 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 of Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr S Tuckey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Estimation Parameters

Geological Interpretation

Three-dimensional geological interpretations have been completed for each deposit. Interpreted geological boundaries are based on drill hole data, surface mapping and constraining topography.

A summary of total drilling by deposit is tabulated below.

Deposit	Number of Drill Holes	Metres Drilled
Yalleen Joint Venture		
Kumina Creek Deposit	153	4,032
Robe Exit Deposit	112	3,283

Diamond drilling was the primary drilling method undertaken within the Kumina Creek resource area whilst Reverse Circulation drilling was the primary sole drill technique used to assess the Robe Exit resource area.

Mineralised envelopes were defined by geological / assay boundaries at notional +54% Fe cut-off for the Kumina Creek and Robe Exit resources pisolitic channel iron deposits.

Internal dilution was kept to a minimum provided continuity of the mineralised envelopes could be maintained. Zones of lower grade ranging 52-54% Fe for Kumina Creek and Robe Exit were incorporated into the mineralised envelopes if the geological continuity could not be maintained.

Mineralised envelopes were constrained by the CID unit identified in the geological model.

The mineralised zones were used to define spatial regions for statistical and geostatistical analysis.

For statistical data analysis, exploration data was composited to 1m downhole lengths for the Kumina Creek deposit and 2m downhole lengths for the Robe Exit deposits. Analysis was based on eight assay variables: Fe, SiO_2, Al_2O_3, P, S, Mn, MgO and LOI (LOI 1000^{o}C).

All composites were flagged to the spatial domain for statistical analysis.

Directional grade variography was completed for all domains at both Kumina Creek and Robe Exit to provide parameters for the Ordinary Kriging method used for resource estimation.

For grade estimation of the CIDs a minimum of three passes of increasing search distances was employed to interpolate all the blocks within the ore and waste domains.

Cut-off Grades

All resource estimates are reported applying iron cut-offs determined from grade tonnage curves. A 54% lower cut-off grade for iron (Fe) has been applied to the resource model for the Kumina Creek and Robe Exit deposits.

Full details on the resource estimation parameters can be viewed in the 24 April 2009 ASX release on the Company's website: www.helix.net.au

<u>Other comments on the Yalleen Project</u>

1. The JV currently operates under a Heads of Agreement whilst formal documentation is negotiated, with API ceasing negotiations in February 2009. API control the information regarding the Yalleen Iron Ore JV and the API JV participants hold ±26% of Helix.

2. The JV agreement negotiated to date provides for the following:-

    a. Each Participant will be subject to pre-emptive rights when dealing in their JV interests

    b. Helix will have access to API infrastructure on commercial terms

    c. Helix has the right on the JV Decision to Mine to sell their interest to API at fair market value

NSW COPPER/GOLD PROJECTS

During 2009/2010 Helix has acquired a significant ground holding in the Cobar/Girilambone District of NSW. The projects include 100% held Helix tenements together with earn-in JV's with Straits Resources (Canbelego JV) and Glencore subsidiary Isokind Pty Ltd (Restdown JV & Muriel Tank JV), and covers over 1,500 square kilometres of tenements and applications prospective for copper and gold in a region with operating mines, access to infrastructure and a history of discovery for the commodities being sought.

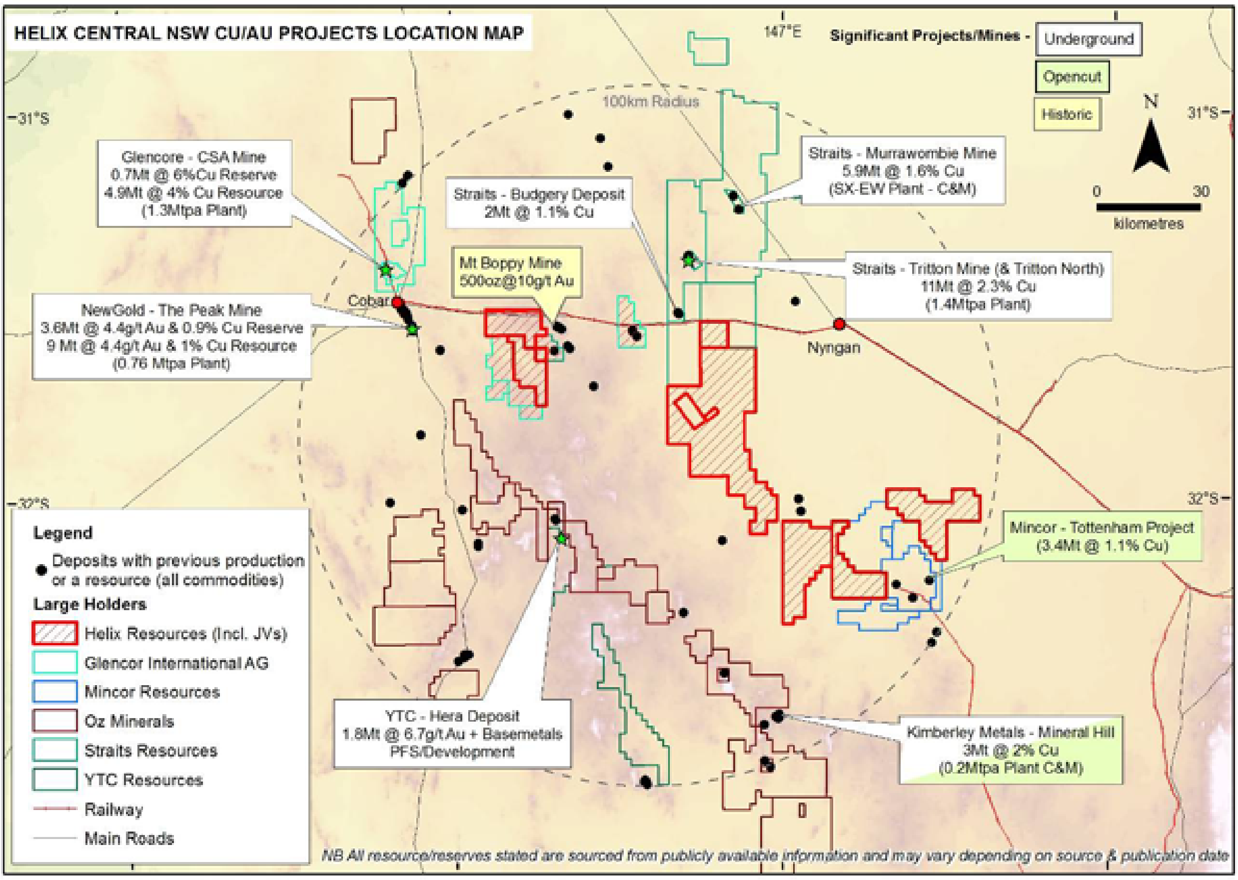
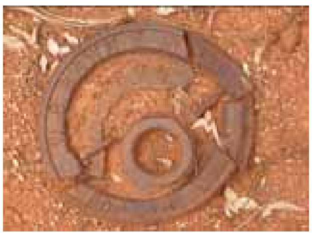


Figure 2: Helix Project Location Map showing other major tenement holders



Remnants from Historical Mining activity at the Canbelego Copper Mine, NSW

Drill site clearing at Canbelego

CANBELEGO PROJECT JV – NSW

EL6105 - Helix Resources Ltd 51%/Tritton Resources Pty Ltd 49%

The RC drilling program of 6 holes for 780m announced in May 2010 extended the strike of known mineralisation to +200m [remains open down dip and along strike].

Drill Results From Helix Program At The Canbelego Mine Prospect

Hole ID	East MGA94	North MGA94	From	Result
CBLRC001	434381	6500730	52m	11m @ 1.3% Cu
CBLRC002	434359	6500743	89m And 107m	12m @ 1.3% Cu 4m @ 1.6% Cu
CBLRC003	434342	6500847	73m	4m @ 2.0% Cu
CBLRC004	434055	6500063	104m	1m @ 1.7% Cu
CBLRC005	434427	6500638	21m	11m @ 1.3% Cu (Incl. 4m @ 3.9% Cu)
CBLRC006	434408	6500624	74m And 77m	1m @ 1.1% Cu 1m @ 1.0% Cu

0.2% cut off, 2m max internal dilution, >1% intercepts reported.

The drilling confirmed the Company's exploration model which is based on a detailed review of surface and downhole geology, geophysics, historic surface geochemistry and previous drilling surrounding the Prospect.

Historic diamond core was quarter sawn at the NSW Minerals core library and assayed after it was noted that the core had only been assayed in the 1970's, where massive sulphide was present. These results illustrate the presence of substantially wider mineralised zones than previously thought and indicates excellent down dip potential for the system.

The combination of the recent Helix drilling, assay of historic core and results from drill holes previously completed by Straits, provides enough data to undertake a maiden resource model and estimate for the project which is underway.

Historic Diamond Core Re-Assay Of Zones Of Interest

Hole ID	East MGA94	North MGA94	From	Result
CD2	434312.41	6500690.08	170	19m @ 1.1% Cu (Incl. 5m @ 2.4%)
CC4	434283.33	6500867.5	167	5m @ 3.1% Cu (incl. 2.5m @ 9.9%)
CC5	434170.68	6500745.75	321	12m @ 1.2% Cu (incl. 3m@3.4%)
CD1	434325.69	6500780.25 and	168 182	2m @ 1.2% Cu 2m @ 1.1% Cu
CC9	434109.64	6500828.93	168	1m @ 1.5% Cu
CC10	434191.01	6500648.69	319	4m @ 1.1% Cu

0.2% cut off, 2m max internal dilution, >1% intercepts reported.

Canbelego Project Regional Targets

A 2nd drilling program is expected to commence late 3Q10 [subject to relevant approvals being obtained] to assess up to five (5) regional target areas identified from recent geophysical surveys and surface sampling.

The Priority 1 targets include:

- **Hawk Prospect** – Coincident magnetic "bulls eye", copper-lead-arsenic surface geochemistry, with a gravity linear feature wrapping around southern edge and extending NW and SE of the magnetic feature (+/- 400m of strike).
- **McGill Prospect**: Magnetic linear feature, gravity high, with arsenic, lead, minor copper geochemistry. Rockchips up to 0.1% As, 0.1g/t Au (+/- 1,200m strike)
- **Gonzales Prospect**: Magnetic linear features, two Straits drill holes with wide intercepts of +0.1% anomalous copper (best 3m@1.1% Cu, historic workings and anomalous copper in surface geochemistry (+/- 800m strike)
- **Caballero Prospect**: NW Magnetic linear, coincident with 1km x 500m copper in soils anomaly, rockchips to 0.5g/t gold, 0.3% copper and 0.1% arsenic
- **Mullen Prospect**: Magnetic anomaly, single Straits drill hole which finished in elevated arsenic (up to 1.2%)and gold (up to 0.2g/t) (+/- untested 500m strike)

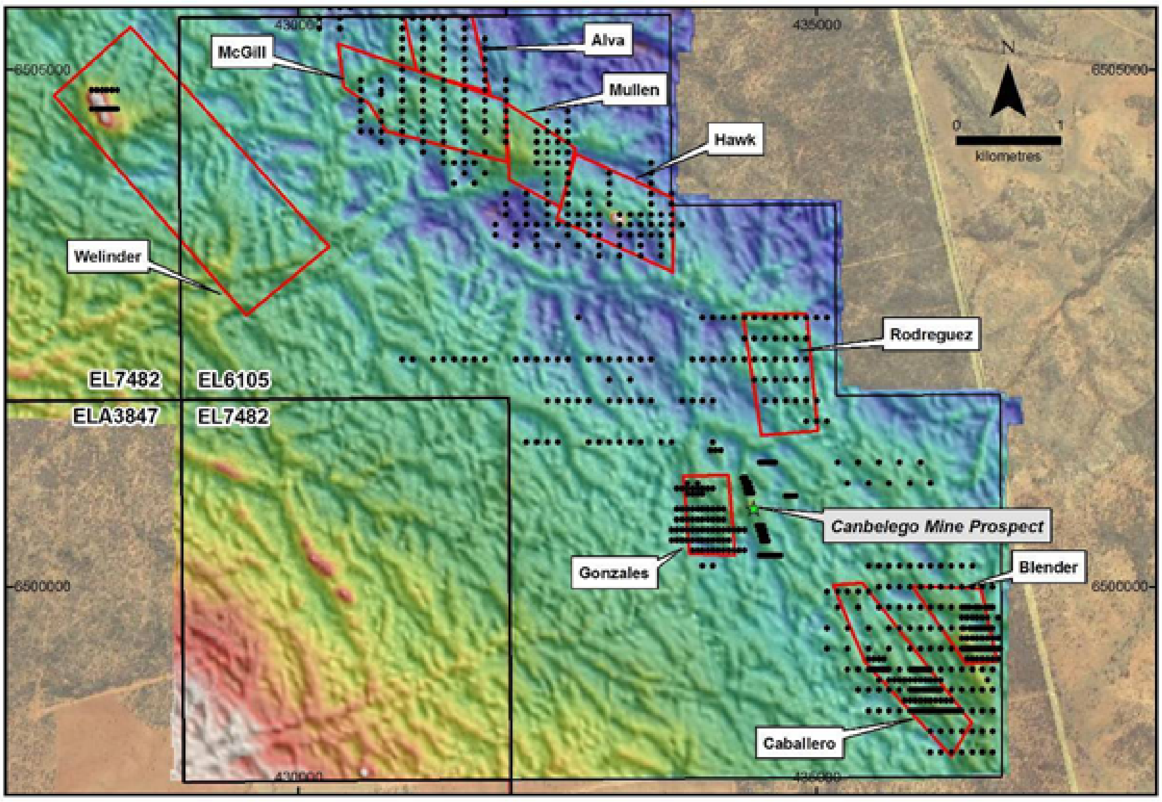


Figure 3: Canbelego regional targets based in geophysics and geochemical sampling

Restdown and Muriel Tank Joint Venture Projects

Helix, through its 100% owned subsidiary Oxley Exploration Pty Ltd [**Oxley**], has signed an earn-in joint venture covering the Restdown and Muriel Tank Projects with Isokind Pty Ltd, a subsidiary of Glencore International AG.

This opportunity provides Helix with an additional 3 granted tenements in the prospective Lachlan Fold belt, with priority targets for gold and copper mineralisation which, subject to regulatory approvals, will be drill tested 3Q10.

The terms of the Earn-in require Oxley to expend $700,000 within 2 years to earn a 70% interest in the tenements, with a minimum $225,000 to be spent within 12 months. Oxley will then have the right to earn a further 10% interest and move to 80% by expending a further $1,000,000 within 24 months of the First Expenditure Requirement notice, should Glencore choose to dilute. Oxley also have the right to earn a further 10% interest and move to 90% by expending a further $1,000,000 within 48 months of the First Expenditure Requirement notice, should Glencore choose to dilute. A Party with an interest less than 10% will convert to a 1% Net Smelter Royalty.

Restdown

The Restdown Project covers an area of approximately 188km² and is located 40km south-east of Cobar in Central West NSW. Tenements EL6140 and EL6501 cover a package of Girilambone Beds unconformably overlain in places by younger Meryula Formation, and numerous historic workings are located within the project area.

Helix is targeting both gold and base metal models consistent with the known deposits in the Cobar/Girilambone Region.

Muriel Tank

The Muriel Tank Project [EL6739] covers an area of approximately 90km² and is located 70km east of Cobar. The project covers a series of historic gold workings hosted in quartz scree and quartz vein subcrop on low ridges within plains of shallow alluvial cover. The high-grade gold-sulphide mineralisation mined in the 1920's and 1930's appears to be structurally controlled and provides a focus for initial work.

Helix has commenced field reconnaissance and is lodging applications for approval for the proposed 1,000m drilling program on the Restdown tenement EL 6140.

LITTLE BOPPY PROJECT - NSW

Helix Resources Ltd 100% EL7482

Little Boppy project covers approximately 150 km² tenement area in the Cobar/Girilambone District of NSW with excellent infrastructure and operating mines.

The project covers the NW extensions of the Canbelego JV magnetic complex and includes areas with additional historical copper/gold workings. Interpretation of the detailed 50m line spaced aeromagnetics has identified numerous anomalies that have been prioritised, with several currently being depth-modelled for drill testing.

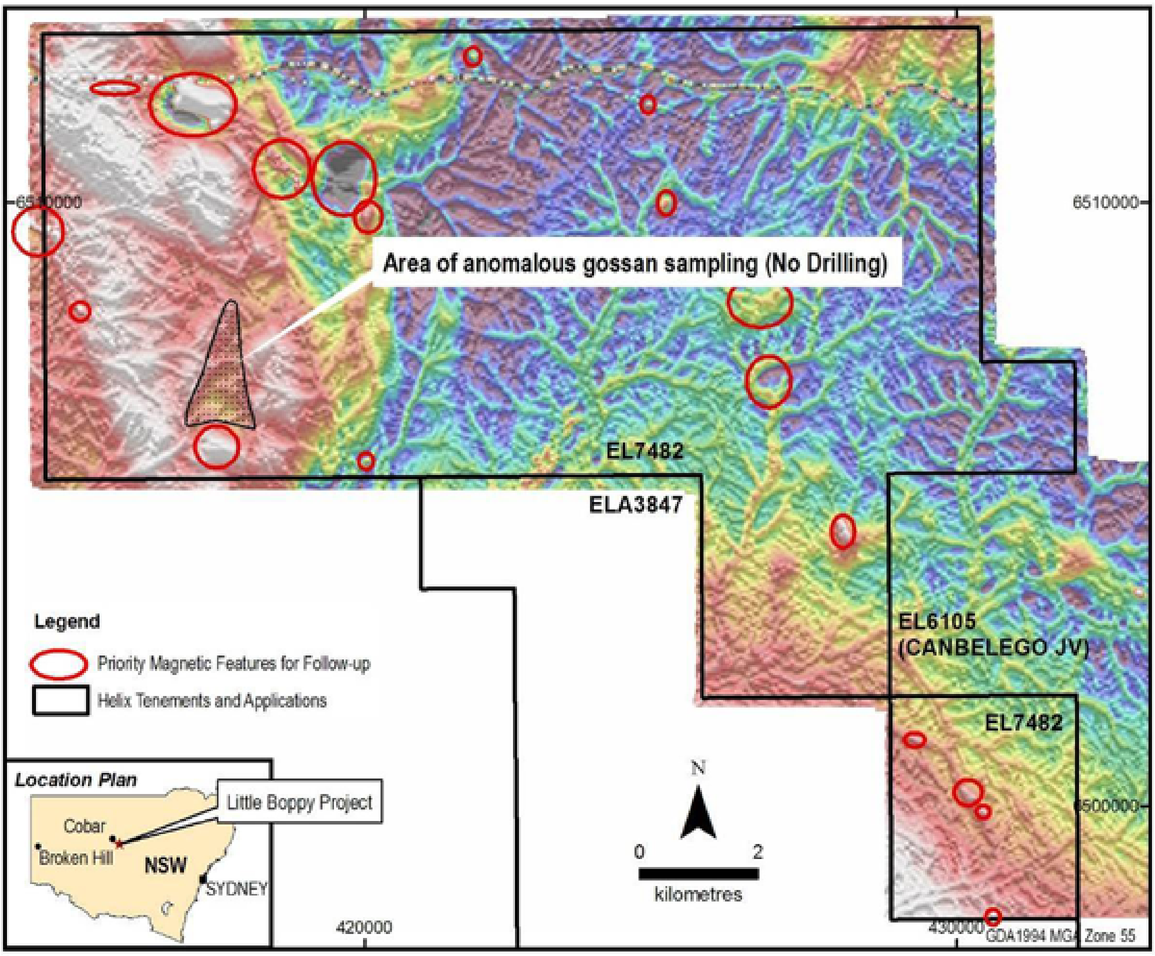


Figure 4: Little Boppy Tenement Area showing priority anomalies on detailed aeromagnetic

QUANDA PROJECT and FIVE WAYS PROJECT - NSW

Helix Resources Ltd 100% EL7438 and EL7439

Quanda and Five Ways cover approximately 1300 km² ground holding in the Cobar/Girilambone District of NSW with excellent infrastructure and operating mines.

The projects cover the southern extensions of the Girilambone-Tritton-Budgery mineralised trend and a detailed 100m line spaced aeromagnetic survey recently completed has highlighted a number of target areas for drill testing 1H11.

M Wilson and C Johnson inspecting drillcore
from Eastern Girilambone Anticlinal Zone, NSW

LAKE EVERARD (INCL. TUNKILLIA) PROJECT – SOUTH AUSTRALIA

Helix Resources Limited 47%, Minotaur Exploration Limited 53%
EL 3403, ELA2006/389 and EL 3335 [excluding uranium rights]

GOLD

Project Summary

- Resource inventory of 803,000oz Au and 1,658,000oz Ag (*See appended resource table);
- Minotaur continue to sole fund their proposed work programs whilst Helix dilute. Minotaur has to sole fund a further $10M from their initial 51% equity position to dilute Helix to ±24%;

Project Background

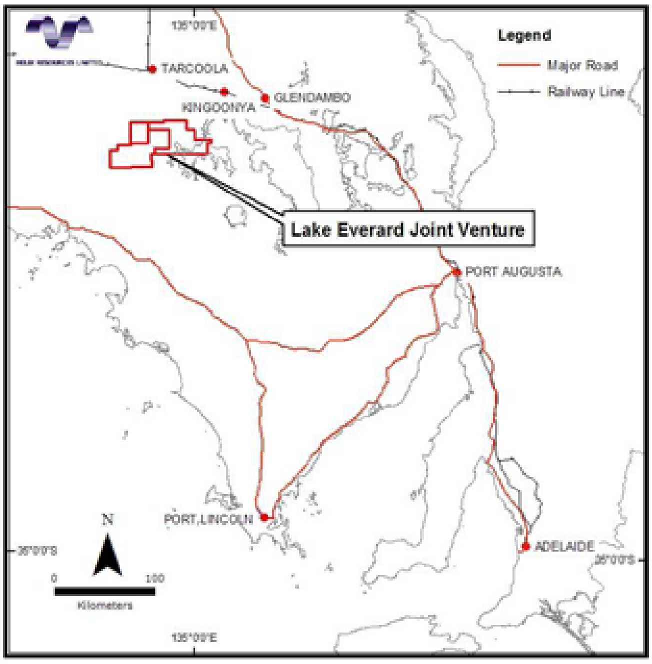


Figure 5: Lake Everard JV Location Plan

Helix discovered the deposit in the mid 1990's while exploring for gold under cover in the Gawler Craton of South Australia. The Tunkillia discovery, which was announced in late 1996, was one of the first gold discoveries in the Gawler Craton and the 20 km² Tunkillia Prospect remains the largest robust gold-in-calcrete anomaly in the region. Subsequent exploration (1998-2002) was carried out in joint venture, initially with Acacia Resources Limited and later with AngloGold Limited following its takeover of Acacia.

In June 2003, Helix finalised the acquisition of AngloGold's 49% interest in the Lake Everard Project, returning 100% ownership of the Project to Helix for the first time since 1998.

During 2003/2004 Helix completed a drill out of the Area 223 prospect, estimating a JORC resource of 720,000 ounces of gold.

By mid 2004, it became clear that the Tunkillia Project required a major injection of funds to give the project the critical mass required to enter into a feasibility study. The Helix Board decided at this time to seek a JV partner and in March 2005 Minotaur Exploration Ltd agreed to expend $5M to earn a 51% interest.

Since 2005 Minotaur have spent approximately $6M carrying out additional drilling at Area 223 and several exploration campaigns using geophysics, geochemistry and drilling. In August 2009, Minotaur released an updated combined measured, indicated and inferred estimate inventory of 803,000oz Au and 1,658,000oz Ag within the Area 223 deposit. Minotaur advise they continue to complete geotechnical, structural and metallurgical testing of diamond core together with economic studies.

Whilst Helix is not contributing to expenditure during the 2010 calendar year pending success of Minotaur's exploration and development programs, Helix has the opportunity to contribute at any time.

Geology

The Gawler Craton is broadly divided into three main geological units, Archaean crystalline basement, highly deformed Palaeoproterozoic metasediments and granites, and less deformed Mesoproterozoic volcanics, clastic sediments and granite. Almost all gold and copper mineralisation found in the Gawler Craton is directly associated with Mesoproterozoic magmatism.

The host rocks to the Tunkillia prospect are medium- to coarse-grained granitoids of the Tunkillia Suite that have been intensely sheared and brecciated within the Yarlbrinda Shear Zone.

In a regional context, the Tunkillia area shows evidence of extensive alteration. Large zones of demagnetisation (alteration of primary magnetite to ilmenite) are observed in aeromagnetic images, from which Helix defined a western and eastern demagnetised zone within the northern Yarlbrinda Shear Zone. Area 223 is located within the western demagnetised zone along which large volumes of fluid were focused, particularly along the margins of the shear zone producing the gold deposit and alteration.

At the prospect scale, gold mineralisation at Tunkillia is associated with zones of intense sericite alteration, and quartz and sulphide veining.

Resources

Tunkillia Project Resource August 2009			
	Tonnes (MT)	**Gold g/t**	**Gold ounces**
Oxide			
Measured	1.5	1.6	75,000
Indicated	2.0	1.2	75,000
Inferred	2.8	0.8	74,000
Total (0.5g/t cut-off)	**6.3**	**1.1**	**224,000**
Primary			
Measured	0.8	2.2	59,000
Indicated	4.5	2.0	284,000
Inferred	3.9	1.9	236,000
Total (1.0g/t cut-off)	**9.3**	**1.9**	**579,000**
	Tonnes (MT)	**Silver g/t**	**Silver ounces**
Silver			
Measured	0.8	7.4	200,000
Indicated	4.5	5.5	803,000
Inferred	3.9	5.2	655,000
Total (estimated for blocks with >1g/t Au)	9.3	5.5	1,658,000

The current resource consists of a mineralisation inventory of 803,000oz gold and 1,658,000oz silver to a depth of 300m below surface. Full details of the methodology were released by Minotaur in August 2009.

GAWLER CRATON URANIUM PROJECT

Project Summary

- Helix has commenced a search for interested parties to advance the uranium prospectivity of the tenements after negotiations with the South Australian Department of Environment over access permits as the target area is located in the buffer zone of South Australia's Yellabinna Regional Reserve.

Project Background

As part of a previous JV earn-in arrangement $250,000 was spent defining a significant portion of the Kingoonya Palaeochannel System, on the Yellabinna (EL3335) and Lake Everard West (EL4495) tenements, was defined utilising airborne EM and identified several "previously unexplored radiometric anomalies" located within a 50 kilometre long target zone along the palaeochannel course.

Historical drilling in the area for coal confirmed the presence of Tertiary palaeochannel sequences. These sequences contain sands, which may provide porous and transmissive zones for possible uranium bearing solutions, and carbonaceous mudstone lithologies which could provide an important chemical trap component to the roll front uranium model being pursued.

OLARY PROJECT – SA

Helix Resources Ltd 100% EL4022; EL3956

Bonython Metals Group Pty Ltd has entered into an earn-in JV with Helix whereby Bonython will spend $2 million over 5 years to earn 65% of the iron ore rights, with a minimum of $300,000 by 1 March 2011.

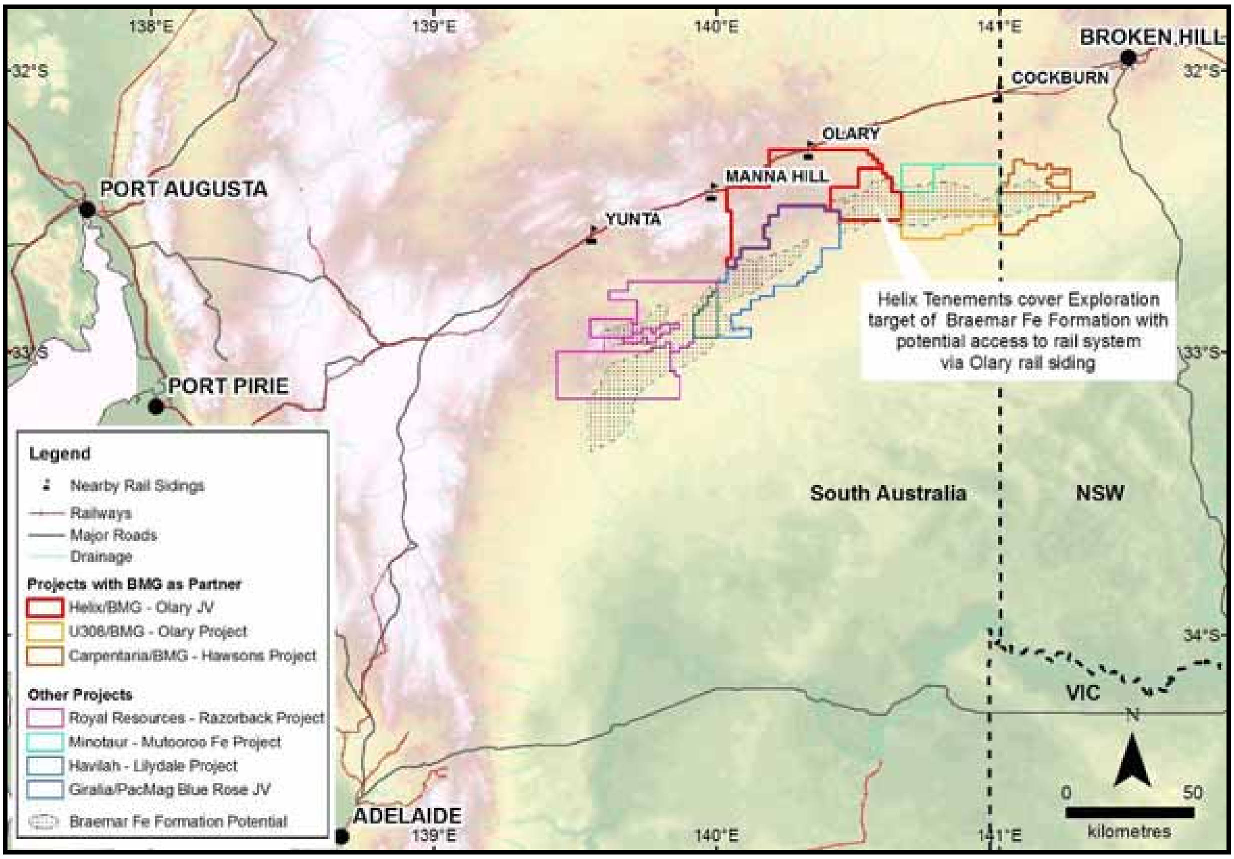


Figure 6: Companies with Exposure to Braemar Iron Province, South Australia

<u>Helix Comments on the JV with BMG</u>

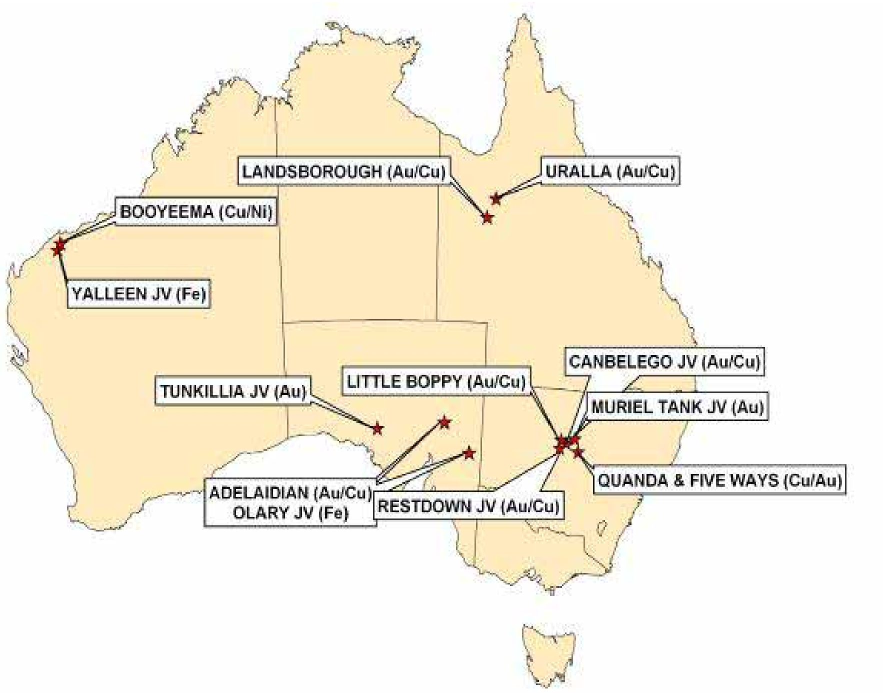
- Initial BMG exploration target +1Bt @ 18% magnetite DTR
- HLX right to sell at fair market value after BMG earn 51%
- BMG JV with Carpentaria re Hawsons Iron Project 50km E has staged payments of $81M to earn 80%
- Royal Resources acquisition of Razorback Ridge and nearby tenements with staged payments of $40M
- Helix tenements have considerable strategic value for BMG development aspirations given existing Broken Hill-Pt Pirie rail passes through HLX tenements

BOOYEEMA NICKEL PROJECT – WESTERN AUSTRALIA

E47/1090 and ELA47/1089

Project Summary

- A 629 line km VTEM survey identified a buried 800m long conductive target controlled by structure which Geophysical consultants have modelled at 200m.
- Discussions are continuing with JV parties interested in drilling the target.



PROJECT LOCATION MAP

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

CORPORATE GOVERNANCE

The directors of Helix Resources Limited believe that effective corporate governance improves company performance, enhances corporate social responsibility and benefits all stakeholders. Governance practices are not a static set of principles and the company assesses its governance practices on an ongoing basis. Changes and improvements are made in a substance over form manner, which appropriately reflect the changing circumstances of the company as it grows and evolves. Accordingly, the Board has established a number of practices and policies to ensure that these intentions are met and that all shareholders are fully informed about the affairs of the Company.
The Company has a corporate governance section on the website at www.helix.net.au. The section includes details on the company's governance arrangements and copies of relevant policies and charters.

ASX Corporate Governance Council Best Practice Principles and Recommendations (2nd Edition)

For ease of comparison to the recommendations, the Corporate Governance statement addresses each of the 8 principles in turn. Where the company has not followed a recommendation this is identified with the reasons for not following the recommendation. This disclosure is in accordance with ASX listing rule 4.10.3.

The following table outlines which of the ASX recommendations the Company has not complied with. Reasons for non-compliance are explained in this report.

ASX Recommendation	Description
2.1	A majority of the board should be independent directors
2.2	The chair should be an independent director
2.3	The roles of chair and chief executive officer should not be exercised by the same individual
2.4	The board should establish a separate nomination committee
4.1	The board should establish a separate audit committee
4.2	The audit committee should be structured so that it: • consists only of non-executive directors • consists of a majority of independent directors • is chaired by an independent director, who is not chair of the board • has at least 3 members
8.1	The board should establish a separate remuneration committee

PRINCIPLE 1 - LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT BY THE BOARD

The board operates in accordance with broad principles set out in its charter which is available from the corporate governance section of the company's website. The directors formally adopted the board charter in August 2006.

Broadly the key responsibilities of the board are:

1. Setting the strategic direction of the company with management and monitoring management implementation of that strategy;
2. Evaluating, approving and monitoring major capital expenditure, capital management and all major corporate transactions;
3. Approving the annual operating budget, annual shareholders report and annual financial accounts;
4. Appointing, monitoring, managing the performance of, and if necessary terminating the employment of the Chief Executive Officer;
5. Approving and monitoring the company's risk management framework;
6. Ensuring compliance with the Corporations Act 2001, ASX listing rules and other relevant regulations.

All directors and key executives reporting to the CEO of the company have been given formal letters of appointment outlining key terms and conditions of their appointment.

Performance evaluations for senior executives are carried out annually by either the Chief Executive Officer or the Technical Director. Performance during the previous 12 months is assessed against relevant performance indicators, and role expectations and goals are set for the following year. Performance evaluations have been completed for all executives during the reporting period in accordance with approved processes.

PRINCIPLE 2 – STRUCTURE THE BOARD TO ADD VALUE

Board Members

Details of board members, their experience, expertise, qualifications, term in office and independence status are set-out in the Directors' Report. The structure of the board does not comply with ASX recommendation 2.1 in that a majority of the directors are not independent. Currently the board consists of four directors of which Mr Gordon Dunbar and Mr John den Dryver are considered independent within the ASX's definition. The board charter is available from the company's website.

The Company does not comply with ASX recommendations 2.2 and 2.3 in that the Chairman is not an independent director, and the roles of Chairman and Chief Executive Officer are performed by the same person. The board believes the current structure is appropriate at this stage of the company's activities.

The board has formalised various policies on securities trading, disclosure and codes of conduct, which assist in providing a stronger governance framework for the Company. These of course are in addition to the Company's requirements under the Corporations Act 2001 and ASX Listing Rules.

Board structure and composition will be reviewed as and when the company's strategic directions and activities change. The Company will only recommend the appointment of additional Directors to your board where it believes the expertise and value added outweighs the additional cost. During the year no new directors were appointed to the Helix board.

A copy of the Director Nomination and Induction Policy is available from the corporate governance section of the company's website.

Nomination Committee

The company does not comply with ASX recommendation 2.4 in that there is no separate nomination committee. Given the board comprises four directors it has been decided that there are no efficiencies to be gained from forming a separate nomination committee. The current board members carry out the roles that would otherwise be undertaken by a nomination committee and each director excludes himself from matters in which he has a personal interest.

Each Director completes an annual formal evaluation of the Board's performance including the Chief Executive Officer and Technical Director. The Chairman conducts an informal evaluation of the board members at least once per annum.

Further information on the performance assessment process for the board and senior executives can be found in the Directors' Report. Details of director's attendance at board, audit committee and remuneration committee meetings are detailed in the Directors' Report.

A copy of the Nomination Committee Charter is available from the corporate governance section of the company's website.

Independent Advice

A director of the Company is entitled to seek independent professional advice (including but not limited to legal, accounting and financial advice) at the Company's expense on any matter connected with the discharge of his or her responsibilities, in accordance with the procedures and subject to the conditions set out in the board's charter

PRINCIPLE 3 – PROMOTE ETHICAL AND RESPONSIBLE DECISION MAKING

Code of Conduct

The board adopted a code of business conduct in August 2006. The code has formalised policies and practices that were in place prior to formal adoption of the code by the company. A copy of the code is made available to all employees of the company.

This code expresses certain basic principles that the Company and employees should follow in all dealings related to the Company. They should show the highest business integrity in their dealings with others, including preserving the confidentiality of other peoples' information and should conduct the Company's business in accordance with law and principles of good business practice.

A copy of the code of conduct is available from the corporate governance section of the company's website.

Securities Trading Policy

A formal Securities Trading Policy has been in place since August 2006. Prior to this date there was an understanding among executives of when it was appropriate to trade in the Company's securities. The policy which has now been adopted has been strengthened, as certain key executives ("Restricted Persons") are prevented from trading in the company's shares 2 weeks prior to the announcement of quarterly, half-year and the full-year reports. This is a restriction over and above the requirement to not trade in the Company's securities when in possession of inside information.

A copy of the Securities Trading Policy is available from the corporate governance section of the company's website.

PRINCIPLE 4 – SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

The Chief Executive Officer and Chief Financial Officer have made the following certifications to the board;

- That the company's financial reports are complete and present a true and fair view, in all material respects, of the financial condition and operational results of the group and are in accordance with relevant accounting standards;
- That the reports were founded on a sound system of financial risk management and internal compliance and control.

Audit Committee

The company does not comply with ASX recommendations 4.1 and 4.2 in that there is no separate audit committee, and it is not comprised only of non-executive Directors. Given the board comprises four directors it has been decided that there are no efficiencies to be gained from forming a separate audit committee. The current board members carry out the roles that would otherwise be undertaken by an audit committee.

The board adopted a formal audit charter in August 2006. Prior to this date the audit committee carried out many of the roles and responsibilities outlined in the charter. The charter sets out the roles and responsibilities of the audit committee and contains information on the procedures for the selection and rotation of the external auditor. A full copy of the Audit Committee Charter is available from the corporate governance section of the Company's website.

The board believes the audit committee structure is appropriate given the company's size. The composition of the audit committee will be assessed on an ongoing basis in light of the company's overall board structure and strategic direction.

PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE

Continuous Disclosure

The board adopted a formal disclosure policy outlining procedures for compliance with ASX continuous disclosure requirements in August 2006. Informal procedures were in place prior to this time and these have been formulated and strengthened into the written policy. The policy is based upon the Company's desire to promote fair markets, honest management and full and fair disclosure. The disclosure requirements must be complied with in accordance with their spirit, intention and purpose.

The purpose of the policy is to:

- summarise the Company's disclosure obligations;
- explain what type of information needs to be disclosed;
- identify who is responsible for disclosure; and
- explain how individuals at the Company can contribute.

The Company Secretary is responsible for ensuring disclosure of information to the ASX.

A copy of the Disclosure Policy is available from the corporate governance section of the company's website.

PRINCIPLE 6 – RESPECT THE RIGHTS OF SHAREHOLDERS

Shareholder Communication Strategy

The board adopted a formal shareholder communication guidelines policy in August 2006. The policy formalises many of the practices that were in place already but has also resulted in some additional information being made available on the website.

All information disclosed to the ASX is posted on the company's website as soon as it is disclosed to the ASX. When analysts are briefed on aspects of the group's operations, the material used in the presentation is released to the ASX and posted on the company's website. Procedures are in place to determine where price sensitive information has been inadvertently disclosed, and if so, this information is released to the ASX.

The company's website underwent a significant overhaul in 2006 and again in 2008 to make it more user friendly and informative for shareholders and other visitors to the site. The website continues to be updated and refined as appropriate.

The external auditor attends the annual general meeting and is available to respond to questions about the conduct of the audit and content of the independent audit report.

A full copy of the shareholder communication policy is available from the corporate governance section of the company's website.

PRINCIPLE 7 – RECOGNISE AND MANAGE RISK

Risk assessment and management

The company does not have a separate Risk Management committee. Given the current size of the company and board, the directors believe there are no efficiencies in forming a separate committee and the board as a whole performs this role.

The company does not have a single specific risk management policy, but rather, financial and operating risks are addressed through individual approved policies and procedures covering financial, contract management, safety and environmental activities of the company. In addition to financial audits, the company's operations in Australia are subjected to annual Risk Management reviews in accordance with Risk Management Standard AS/NZS ISO 31000:2009. The company engages an insurance broking firm as part of the company's annual assessment of the coverage for insured assets and risks. The results of all the various reviews and insurances are reported to the board at least annually.

The integrity of Helix's financial reporting relies upon a sound system of risk management and control. Accordingly, the Chief Executive Officer and Chief Financial Officer, to ensure management accountability, are required to provide a statement in writing to the board that the financial reports of Helix are based upon a sound risk management policy.

The board believes that it has a thorough understanding of the Company's key risks and is managing them appropriately. A copy of the company's risk management committee charter is available from the corporate governance section of the company's website.

PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY

Remuneration committee

The Company does not comply with ASX recommendation 8.1 in that it has not established a separate remuneration committee. Given the current size of the company and board, the directors believe there are no efficiencies in forming a separate committee and the board as a whole performs this role. The board of directors reviews and approves recommendations in terms of compensation and incentive plan arrangements for directors and senior executives, having regard to market conditions and the performance of individuals and the consolidated entity.

Remuneration Policies

The Company's remuneration policies are detailed in the Remuneration report in the Directors' Report.

Non-Executive Director Remuneration

Non-executive directors are remunerated by way of director's fees. Apart from compulsory superannuation entitlements, non-executive directors are not eligible to receive retirement benefits.

A copy of the Remuneration Policy is available from the corporate governance section of the company's website.

Visible Copper Mineralisation (malachite) near the Canbelego Copper Mine, NSW

DIRECTORS' REPORT

In respect of the financial year ended 30 June 2010, the Directors of Helix Resources Limited, (the parent entity), submit the financial report. In order to comply with the provisions of the Corporations Act 2001, the Director's report as follows:

DIRECTORS

The following persons held office as Directors of Helix Resources Limited during or since the end of the financial year and up to the date of this report:

Greg J Wheeler BCom; FCA; SF Fin; GAICD
Executive Chairman; Managing Director and Chief Financial Officer – 14th July 2006 to present
Non-Executive Director – 25 October 2004 to 14th July 2006

Mr Wheeler is a Fellow of the Institute of Chartered Accountants in Australia and the Financial Services Institute of Australasia, and has operated in many of the major accounting practices for the past 25 years in Australia and overseas. Greg was a Partner at the Chartered Accounting practices of Grant Thornton [1990 to 1999] and Deloitte Touche Tohmatsu [1999 to 2002], before establishing his own consulting firm in 2002. His skills include:- company and business valuations, advice to directors/shareholders; shareholder wealth strategies, capital raisings and broker presentations, acquisitions and divestitures, corporate governance; commercial negotiations and risk assessment and mitigation.

Michael Wilson B Ec; B Sc (Hons); MAusIMM
Executive Technical Director - 1st June 2007 to present

Mr Wilson has been with the company for twelve years and has played major roles at Tunkillia on the Gawler Craton, South Australia and in the exploration for gold, platinum group metals and base metals in the Proterozoic Terranes of New South Wales and South Australia, and the Proterozoic and Archaean Terranes in Western Australia. Michael's experience includes project management; mineral exploration using geology, geochemistry, geophysics and drilling; ore resource drilling, ore resource estimation and evaluation programs; and monitoring joint venture projects. Michael leads our team of experienced geologists and technical staff and is also completing his Masters of Business Administration and Masters of Mineral Economics part-time at Curtin University.

John den Dryver BE (Mining) MSc FAusIMM (CP)
Non-Executive Director - Appointed 25 October 2004

Mr den Dryver is a mining engineer with some 30 years mining experience in operational and corporate management. John joined Mount Isa Mines in 1973. In 1982, John joined North Flinders Mines as the Company Mining Engineer. He became the Operations Manager for North Flinders after the mine was commissioned in 1986 and over the next 10 years managed the operations as well as developing the further discoveries in this region including the Callie Mine. In 1987 he was invited to join the Board of North Flinders to become Executive Director-Operations. In 1997 after Normandy Mining took over North Flinders, John was appointed Executive General Manager-Technical leading a team of specialist geologists, mining engineers and metallurgists in operational support, technical review and due-diligence activities. In 2003, after the takeover of Normandy by Newmont Corporation, John set up his own mining consultancy business.

Gordon Dunbar BSc (Hons), MSc, FAusIMM, FAIG
Non-Executive Director - Appointed 18 July 2006

Mr Dunbar is a consulting geologist with 40 years experience in the Australian minerals industry managing project development, mineral exploration and evaluation programmes, mine geology, financial studies, production assessment and monitoring joint venture projects. Gordon's experience includes exploration and mining geology roles at Kambalda with WMC, the evaluation of the Golden Grove base metal deposit in WA, the Chief Geologist at Rosebery Mine in Tasmania and management roles with BP Australia undertaking financial studies, monitoring the evaluation of the Olympic Dam deposit and as Exploration manager for BP Minerals.

Gordon formed his own consulting group in 1990 to provide advice on exploration, evaluation, mining geology, project assessment and pre-feasibility studies, particularly those involving gold, base metals and nickel. He has worked on projects within Australia and Internationally.

DIRECTORSHIPS OF OTHER LISTED COMPANIES

Directorships of other listed companies held by directors in the 3 years immediately before the end of the financial year are as follows:

Name	Company	Period of directorship
John den Dryver	Adelaide Resources Limited	18 April 2005 – current
	Gascoyne Resources Limited	5 October 2009 – current
Gordon Dunbar	Gascoyne Resources Limited	5 October 2009 – current
Greg J Wheeler	Gascoyne Resources Limited	25 September 2009 – 19 October 2009

JOINT COMPANY SECRETARIES

Greg J Wheeler	Mr Wheeler is a Chartered Accountant with over 25 years experience in accounting, company secretarial and corporate management.

Joneen McNamara Mrs McNamara is an Accountant and has completed Chartered Secretaries Australia's Graduate Diploma in Applied Corporate Governance. She is a member of the Institute of Chartered Secretaries and Administrators.

PRINCIPAL ACTIVITIES

The principal activity of the Group constituted by Helix Resources Limited and the entities it controlled during the year consisted of gold, iron ore and base metal mineral exploration. There has been no significant change in the nature of these activities during the year.

FINANCIAL RESULTS

The net consolidated loss of the Group for the financial period, after provision for income tax was $6,885,378 (2009: $1,914,530).

DIVIDENDS

No dividend has been paid since the end of the previous financial year and no dividend is recommended for the current period.

REVIEW OF OPERATIONS

The Consolidated entity's activities are contained in releases to the ASX on a quarterly basis, discussed in a separate section of this Annual Report as well as on our website at www.helix.net.au.

The Company's strategy continues to focus on prospective gold and copper regions and utilising our corporate and geological expertise to create and extract value for the benefit of our shareholders.

Mineral Asset Project Highlights include:-

Iron Ore

- Yalleen Project [API (Aquila/AMCI) 70% / Helix 30%] - API Resource estimate of 84.3 Mt @ 57.2% Fe for Kumina Creek and Robe Exit deposits
- Activities continue with the aim to increase the Resource and to assess development scenarios for the Project after Helix completed a Scoping Study which concluded economic and financial viability. The fact the API WPIOP Stage 1 DFS results are positive provides potential access to their planned rail and port infrastructure.

Gold

- Tunkillia Project - JV partner and manager Minotaur Exploration continue to sole fund economic and technical studies as well as RC drilling programs to assess regional gold targets within the controlling structure of the Area 223 resource – comprising a total of 800,000oz Au and 1,600,000oz Ag.
- Helix is encouraged Minotaur are focusing on regional gold prospectivity to improve Project economics. Helix has made a decision to not contribute in respect of the JV programs for 2010 calendar year and should Minotaur expend a further $8M, the Helix JV interest would reduce to ±25%.

Copper/Gold

- Helix has secured over 1,500 km2 of ground in the Cobar/Girilambone District of NSW prospective for copper and gold in a region with operating mines, access to infrastructure and a history of discovery for the commodities being sought.
- The 1st drilling program at Canbelego has indicated a mineralized copper zone of sufficient size and grade to haul and process at nearby operating mills with excess capacity.
- Interpretation of aeromagnetic, geochemical and geophysical surveys conducted have identified 5 High Priority targets which are scheduled for drilling 2 H10.

Booyeema Nickel Project

- Helix has reviewed the Versatile Time-domain Electromagnetics [VTEM] survey which identifies a buried 800m long conductive target controlled by structure and indicates the feature is at a modelled depth of approximately 200m. Helix has assessed drill targets and is seeking a Joint Venture party to fund the program.

Olary Project

- A Joint Venture with Bonython Metals Group Pty Ltd ["BMG"] was secured whereby BMG will earn a 65% interest in the iron ore rights by expending $2M over 5 years, with a minimum spend of $300,000 in Year 1.

Glenburgh Gold Project

This asset was vended into the successful listing of Gascoyne Resources Ltd [ASX code: GCY] in December 2009 and +80% of the shares held, valued at $3.2 million, were distributed in-specie to shareholders in late February 2010. This provides Helix shareholders with continued exposure to the Glenburgh Project, together with additional prospective projects in the Gascoyne Region of WA, within a separate ASX listed entity with fresh capital to advance the projects

Corporate

The Group reported a loss of $6,885,378 during the year after writing off $5.818m of carried forward exploration costs largely related to the Tunkillia Gold JV.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

In the opinion of the Directors, other than disclosed elsewhere in this Report, there were no significant changes in the state of affairs of the Group that occurred during the period under review.

SUBSEQUENT EVENTS

There has not been any matter or circumstance, other than referred to in the financial statements or notes thereto, that has arisen since the end of the financial year, that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs on the Group in future financial years.

FUTURE DEVELOPMENTS

Disclosure of information regarding likely developments in the operations of the Group in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Group. Accordingly, this information has not been disclosed in this report.

REMUNERATION REPORT

The Company's Executive Officers' remuneration policy is set to ensure that remuneration packages properly reflect the duties and responsibilities of the senior executives and are sufficient to attract, retain and motivate personnel of the requisite quality. The policy is administered by the Remuneration Committee, which is comprised of all board members. The Executive Officers of the Company are employed under Service Agreements which are all identical in their contents and only differ in remuneration levels. They have durations of thirty six months from 19th June 2008 and renew automatically unless terminated by either the Company by giving a minimum of twelve months notice to the individual; or by the individual by giving six months notice to the Company. Whilst the level of remuneration is not dependent on the satisfaction of any performance condition, the performance of Executives is reviewed on an annual basis.

Non-executive Directors are remunerated by fees determined by the Board within the aggregate Directors' fee pool limit of $150,000 approved by shareholders in April 1996. The pool limit is not at present fully utilised. In setting the fees, account is taken of the responsibilities inherent in the stewardship of the Company and the demands made of Directors in the discharge of their responsibilities. Advice is taken from independent consultancy sources where appropriate to ensure remuneration accords with market practice.

The company has largely adopted the ASX Corporate Governance Council's *Principles of Good Corporate Governance and Best Practice Recommendations* and decided to remunerate its non-executive directors on an ongoing basis with no accrual or entitlement to a retirement benefit.

Remuneration packages contain the following key elements:
a) Primary benefits – salary / fees and performance based bonuses;
b) Post employment benefits – prescribed retirement benefit; and
c) Equity – share options granted under the executive share option plan as disclosed in note 17 to the financial statements.

The following table discloses the remuneration of the directors and executives of the company:

		Primary			Post Employment			Equity		
2010	Salary & Fees $	Perfor-mance Based Payment $	Non Monetary $	Super-annuation $	Pre-scribed Benefits $	Other Retire-ment Benefits $	Options $	% of Remu-neration %	Other Benefits $	Total $
Key Management Personnel										
G J Wheeler	262,040	-	-	23,584	-	-	-		-	285,624
M H Wilson	169,324	-	-	15,239	-	-	-		-	184,563
J den Dryver	40,000	-	-	-	-	-	-		-	40,000
G Dunbar	40,000	-	-	-	-	-	-		-	40,000
J McNamara	50,330	-	-	4,529	-	-	-		-	54,859
Total Key Management Personnel	561,694	-	-	43,352	-	-	-		-	605,046

	Primary			Post Employment			Equity			
2009	Salary & Fees $	Performance Based Payment $	Non Monetary $	Superannuation $	Prescribed Benefits $	Other Retirement Benefits $	Options $	% of Remuneration %	Other Benefits $	Total $
Key Management Personnel										
G J Wheeler	288,190	-	-	25,559	-	-	28,000	8.2	-	341,749
M H Wilson	190,252	-	-	17,123	-	-	17,500	7.8	-	224,875
J den Dryver	49,375	-	-	-	-	-	3,500	6.6	-	52,875
G Dunbar	49,375	-	-	-	-	-	3,500	6.6	-	52,875
J McNamara	67,655			6,089			1,750	2.3		75,494
Total Key Management Personnel	644,847	-	-	48,771	-	-	54,250		-	747,868

KEY MANAGEMENT PERSONNELS' SHARE OPTIONS

Pursuant to approval at Shareholders' meetings, executives and employees are entitled to subscribe for ordinary shares on the terms agreed to by the Shareholders. At the date of this report current directors and executives are entitled to purchase an aggregate of 15,500,000 ordinary shares of Helix Resources Limited according to the following terms:

Key Management Personnel	Number of Executive Options Held	Issuing Entity	Exercise Price	Expiry Date	Number of ordinary shares under option
G J Wheeler	8,000,000	Helix Resources Limited	$0.525	31.10.2011	8,000,000
M H Wilson	5,000,000	Helix Resources Limited	$0.525	31.10.2011	5,000,000
J den Dryver	1,000,000	Helix Resources Limited	$0.525	31.10.2011	1,000,000
G Dunbar	1,000,000	Helix Resources Limited	$0.525	31.10.2011	1,000,000
J McNamara	500,000	Helix Resources Limited	$0.525	31.10.2011	500,000
Total	15,500,000				15,500,000

DIRECTORS' SHARE AND OPTION HOLDINGS

Director	*Fully Paid Ordinary Shares	*Listed Options	*Staff Options
G J Wheeler	7,248,839	9,624,420	8,000,000
M H Wilson	233,133	2,116,567	5,000,000
J den Dryver	-	600,000	1,000,000
G Dunbar	300,000	750,000	1,000,000

* Directors' interests in ordinary shares and options of the parent entity are shown at the date of this Directors' Report.

OFFICERS' INDEMNITY AND INSURANCE

During the year the Company paid an insurance premium to insure the Directors and Officers of the Company and related bodies corporate. The Officers of the Company covered by the insurance policy include the Directors named in this report.

The Directors' and Officers' Liability insurance provides cover against all costs and expenses that may be incurred in defending civil or criminal proceedings that fall within the scope of the indemnity and that may be brought against the officers in their capacity as officers of the Company or a related body corporate. The insurance policy does not contain details of the premium paid in respect of individual officers of the Company. Disclosure of the nature of the liability cover and the amount of the premium is subject to a confidentiality clause under the insurance policy.

The Company has entered into an agreement with the Directors and Officers to indemnify them against any claim and related expenses, which arise as a result of work completed in their respective capacities.

The Company has not otherwise, during or since the financial year indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

ENVIRONMENTAL REGULATIONS

The Group is subject to environmental regulations under laws of the Commonwealth and State. The Group has a policy of complying with its environmental performance obligations and at the date of this report, is not aware of any breach of such regulations.

MEETINGS OF DIRECTORS

The number of meetings held during the year by Company Directors (including meetings of committees of Directors) and the number of those meetings attended by each Director was:

	Board of Directors' Meetings		Remuneration Committee Meetings		Audit Committee Meetings	
	Held	Attended	Held	Attended	Held	Attended
G J Wheeler	3	3	1	1	2	2
M H Wilson	3	3	1	1	2	2
J den Dryver	3	3	1	1	2	2
G Dunbar	3	3	1	1	2	2

NON-AUDIT SERVICES

The directors are satisfied that the provision of non-audit services, during the year, by the auditor is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in note 26.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is included on page 30 of the financial report.

Dated at Perth this 31st day of August 2010.

This report is made and signed in accordance with a resolution of Directors made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the Directors.

Greg J Wheeler
Executive Chairman

Competent Persons Statements

The information in this report that relates to the Yalleen JV Mineral Resources is based on information compiled by Mr Stuart Tuckey, who is a Member of the Australasian Institute of Mining and Metallurgy and is a full-time employee of the API Management Pty Ltd. Mr Tuckey 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 of Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr S Tuckey 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 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 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.

AUDITOR'S INDEPENDENCE DECLARATION

Grant Thornton Audit Pty Ltd
ABN 94 269 609 023

10 Kings Park Road
West Perth WA 6005
PO Box 570
West Perth WA 6872

T +61 8 9480 2000
F +61 8 9322 7787
E admin@gtwa.com.au
W www.grantthornton.com.au

Auditor's Independence Declaration
To the Directors of Helix Resources Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Helix Resources Limited for the year ended 30 June 2010, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

J W Vibert
Director – Audit & Assurance

Perth, 31 August 2010

Grant Thornton Audit Pty Ltd
ABN 94 269 609 023

10 Kings Park Road
West Perth WA 6005
PO Box 570
West Perth WA 6872

T +61 8 9480 2000
F +61 8 9322 7787
E admin@gtwa.com.au
W www.grantthornton.com.au

Independent Auditor's Report
To the Members of Helix Resources Limited

Report on the financial report

We have audited the accompanying financial statements of Helix Resources Limited (the "Company"), which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes to the financial statements and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. The directors also state, in the notes to the financial statements, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards which require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

Grant Thornton

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we complied with applicable independence requirements of the Corporations Act 2001.

Basis for qualified auditor's opinion

During the previous financial year ended 30 June 2009 (comparative period), the company issued 17,600,000 employee incentive options. The company was required to value and expense these options under Australian Accounting Standard AASB 2 "Share-based Payment". The company valued the options at 0.35 cents each, resulting in a charge to the statement of comprehensive income and a credit to the share option reserve of $61,600. The valuation was based upon the Black-Sholes option valuation model.

As set out in the notes to the financial report for the comparative period, the company used a share price volatility input of 70%. In addition, the value obtained via the company's option valuation model had been discounted by 50% as the options have inherent restrictive conditions. We consider a valuation discount to be inappropriate in principle.

If an historical volatility factor based on a similar term to the option period was used and the impact of the 50% discount was removed, the value of the options would be calculated as 3.1 cents each. This would have resulted in an increased charge to the statement of comprehensive income for the comparative period and a further credit to the share option reserve of $484,000.

Qualified Auditor's opinion

In our opinion, except for the effects on the comparative figures and opening balances of the matter referred to in the qualification section above:

a the financial report of Helix Resources Limited is in accordance with the Corporations Act 2001, including:

i giving a true and fair view of the consolidated entity's financial position as at 30 June 2010 and of its performance for the year ended on that date; and

Grant Thornton

ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements..

Report on the remuneration report

We have audited the Remuneration Report included in pages 26 to 27 of the directors' report for the year ended 30 June 2010. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the Remuneration Report of Helix Resources Limited for the year ended 30 June 2010, complies with section 300A of the Corporations Act 2001.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

J W Vibert
Director – Audit & Assurance

Perth, 31 August 2010

DIRECTORS' DECLARATION

The Directors of the company declare that:

1. the financial statements and notes, as set out on pages 35 to 61 are in accordance with the Corporations Act 2001 and:-

    a. comply with Accounting Standards; and

    b. give a true and fair view of the financial position as at 30 June 2010 and of the performance for the year ended on that date of the company and consolidated group; and

    c. complies with International Financial Reporting Standards as disclosed in Note 1.

2. the Chief Executive Officer and Chief Finance Officer have each declared that:-

    a. the financial records of the company for the financial year have been properly maintained in accordance with s 286 of the Corporations Act 2001;

    b. the financial statements and notes for the financial year comply with the Accounting Standards; and

    c. the financial statements and notes for the financial year give a true and fair view;

3. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;

This declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the Directors

Greg J Wheeler
Executive Chairman

Signed at Perth this 31st day of August 2010.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2010

		CONSOLIDATED	
	Note	2010	2009
		$	$
Current Assets			
Cash and Cash Equivalents	2	3,577,835	4,360,573
Trade and Other Receivables	3	137,946	138,372
Other Financial Assets	4	57,860	23,670
Total Current Assets		3,773,641	4,522,615
Non-Current Assets			
Property, Plant & Equipment	6	99,856	110,718
Exploration and Evaluation	7	6,149,147	13,815,868
Other Financial Assets	5	426,000	100,000
Total Non-Current Assets		6,675,003	14,026,586
Total Assets		10,448,644	18,549,201
Current Liabilities			
Trade and Other Payables	8	135,035	125,778
Short Term Provisions	9	122,541	78,668
Total Current Liabilities		257,576	204,446
Non- Current Liabilities			
Other Long Term Provisions	9	24,469	24,876
Total Non-Current Liabilities		24,469	24,876
Total Liabilities		282,045	229,322
Net Assets		10,166,599	18,319,879
Equity			
Share Capital	10	54,371,954	55,815,856
Reserves	11	237,600	61,600
Accumulated Losses	12	(44,442,955)	(37,557,577)
Total Equity		10,166,599	18,319,879

Notes to the financial statements are included on pages 39 to 61

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

	Note	CONSOLIDATED 2010 $	2009 $
Revenue from Continuing Operations	13	431,802	430,781
Employment Costs		(306,714)	(464,072)
Audit and Accountancy		(32,005)	(50,620)
Corporate Marketing		(9,732)	(17,010)
Directors' Fees		(80,000)	(98,750)
Depreciation	14	(51,298)	(61,910)
Impairment of Exploration and Evaluation Assets	7	(5,818,552)	(1,563,952)
I T Costs		(20,270)	(30,606)
Overhead Allocation to Exploration		112,013	146,065
Premises Costs		(143,811)	(177,765)
Professional Services		(2,251)	(23,646)
Travel expenses		(4,232)	(2,958)
Profit on Disposal of Fixed Assets		16,816	199,229
Revaluation of Shares in Listed Companies		49,440	(107,130)
Loss on Distribution of Capital at Fair Value		(900,000)	-
Other General and Admin expenses		(126,584)	(92,186)
Loss before income tax		(6,885,378)	(1,914,530)
Income tax expense	19	-	-
Loss for the year		(6,885,378)	(1,914,530)
Other Comprehensive Income			
Fair value movements on available for sale financial assets		176,000	-
Income tax relating to comprehensive income		-	-
Other comprehensive income, afer tax		176,000	-
Total Comprehensive Loss attributable to members of Helix Resources Limited		(6,709,378)	(1,914,530)
Basic (cents per share)	21	(5.23)	(1.46)
Diluted (cents per share)	21	(5.23)	(1.46)

Notes to the financial statements are included on pages 39 to 61

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

	Note	CONSOLIDATED 2010 $	CONSOLIDATED 2009 $
Cash Flow From Operating Activities			
Payments to suppliers and employees		(622,763)	(710,393)
Interest received		204,460	421,393
Other receipts		301,028	196,968
Net cash used in operating activities	2(b)	(117,275)	(92,032)
Cash Flow From Investing Activities			
Payments for capitalised exploration & evaluation expenditure		(1,347,962)	(3,277,824)
Payment for property, plant & equipment		(55,619)	(10,264)
Proceeds from sale of property, plant & equipment		32,000	259,285
Payment for investments		(100,000)	-
(Payments) / Proceeds from security deposits		(50,000)	3,406
Net cash used in investing activities		(1,521,581)	(3,025,397)
Cash Flow From Financing Activities			
Proceeds from issue of shares and options		858,277	27
Share issue costs paid		(2,159)	(2,010)
Net cash provided by / (used in) financing activities		856,118	(1,983)
Net decrease in cash and cash equivalents held		(782,738)	(3,119,412)
Cash and cash equivalents at beginning of financial year		4,360,573	7,479,985
Cash and cash equivalents at End of Financial Year	2(a)	3,577,835	4,360,573

Notes to the financial statements are included on pages 39 to 61

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

CONSOLIDATED	Share Capital			
2010	Ordinary	Other Reserves	Accumulated Losses	Total
	$	$	$	$
Total equity at the beginning of the financial year	55,815,856	61,600	(37,557,577)	18,319,879
Shares issued during the financial year	48,290	-	-	48,290
Options issued during the financial year	800,330	-	-	800,330
Share Issue Costs	(2,160)	-	-	(2,160)
Exercise of options during the financial year	9,658	-	-	9,658
Capital Distribution via Distribution in-specie	(2,300,020)	-	-	(2,300,020)
Total Comprehensive Income for the year	-	176,000	(6,885,378)	(6,709,378)
Total equity at the end of the financial year	54,371,954	237,600	(44,442,955)	10,166,599

CONSOLIDATED	Share Capital			
2009	Ordinary	Other Reserves	Accumulated Losses	Total
	$	$	$	$
Total equity at the beginning of the financial year	55,824,908	287,187	(35,930,234)	20,181,861
Shares issued during the financial year	27	-	-	27
Options issued during the financial year	-	-	-	-
Share Issue Costs	(9,079)	-	-	(9,079)
Issue of Employee Incentive Options	-	61,600	-	61,600
Expiry of Employee Incentive Options during the financial year	-	(287,187)	287,187	-
Loss attributable to members of the parent entity	-	-	(1,914,530)	(1,914,530)
Total equity at the end of the financial year	55,815,856	61,600	(37,557,577)	18,319,879

Notes to the financial statements are included on pages 39 to 61

1. SUMMARY OF ACCOUNTING POLICIES

Financial Reporting Framework

The financial report is a general-purpose financial report that has been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and complies with other requirements of the law. The financial report includes financial statements for Helix Resources Limited as the Consolidated Entity (Group) consisting of Helix Resources Limited and its subsidiaries.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

Accounting policies

Material accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified where applicable by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property. A summary of the Group's significant accounting policies is set out below.

a) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Helix Resources Limited at the end of the reporting period. A controlled entity is any entity over which Helix Resources Limited has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 4 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

b) Cash and Cash Equivalents

Cash on hand and in banks and short term deposits are stated at nominal value. For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within 90 days, net of outstanding bank overdrafts.

c) Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

d) Plant and Equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The depreciation rates used for each class of depreciable assets are:

Plant and equipment	Straight line 10% - 33%
	Diminishing Value 20% - 40%
Motor Vehicles	Diminishing Value 22.5%

e) Exploration and evaluation

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

f) Leases

Lease payments for operating leases where substantially all the risks and benefits remain with the lessor are charged as expenses in the periods in which they are incurred.

g) Non-derivative financial instruments

Financial instruments are initially measured at cost on trade date, which includes transaction costs. Subsequent to initial recognition, these instruments are measured as set out below.

(i) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss on initial recognition. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. The policy of management is to designate a financial asset if there exists the possibility it will be sold in the short term and the asset is subject to frequent changes in fair value. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

(ii) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in receivables in the Statement of Financial Position.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity.

(iv) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Purchases and sales of investments are recognised on trade-date - the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the statement of comprehensive income in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as available-for-sale are recognised in equity in the available-for-sale investments revaluation reserve.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the statement of comprehensive income as gains and losses from investment securities.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss - is removed from equity and recognised in the statement of comprehensive income. Impairment losses recognised in the statement of comprehensive income on equity instruments are not reversed through the statement of comprehensive income.

h) Employee Benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably. Provision is made in respect of wages and salaries, annual leave and other employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Provision made in respect of long service leave which is not expected to be settled within 12 months is measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by the employees up to reporting date.

Share-based payments

Share-based compensation benefits are provided to employees via various Share Option Plans.

The fair value of options granted is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value of the options granted excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate.

Upon the exercise of options, the balance of the share-based payments reserve relating to those options is transferred to share capital. The market value of shares issued to employees for no cash consideration under the Share Plans is recognised as an employee benefits expense with a corresponding increase in equity when the employees become entitled to the shares.

i) Interest in Joint Venture Operations

Interest in joint venture operations, where material, are brought to account by including in the respective classifications, the Group's share of the individual assets employed and liabilities and expenses incurred.

Details of interests in joint ventures are shown at Note 22.

j) Revenue Recognition

Revenue from the disposal of assets is recognised when the Group has passed control of the goods or other assets to the buyer. Interest on bank deposits is recognised as income as it accrues.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument and is net of GST.

k) Accounts Payable

Trade payables and other accounts payable are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services.

l) Receivables

Other receivables are recorded at amounts due less any specific provision for doubtful debts.

m) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax GST), except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of

- acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.
Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

n) Business Combinations

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (ie parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent shall recognise, in the consolidated accounts, and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements. Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the equity interests issued by the acquirer.

Fair value uplifts in the value of pre-existing equity holdings are taken to the statement of comprehensive income. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

All transaction costs incurred in relation to the business combination are expensed to the statement of comprehensive income.

o) Impairment of Non-financial Assets

Non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

p) Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

q) Provisions

Mine restoration and rehabilitation costs are provided for at the present value of future expected expenditures required to settle the Group's obligations on commencement of commercial production, discounted using a rate specified to the liability. When this provision is recognised a corresponding asset is also recognised as part of the development costs of the mine to the extent that it is considered that the provision gives access to future economic benefits. On an ongoing basis, the rehabilitation liability is re-measured at each reporting period in line with the changes in the time value of money (recognised as an expense in the statement of comprehensive income and an increase in the provision), and additional disturbances or changes in rehabilitation costs will be recognised as additions or changes to the corresponding asset and rehabilitation liability.

Provisions for legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

r) Critical Accounting Estimates and Other Accounting Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group is of the view that there are no critical accounting estimates and judgements in this financial report, other than accounting estimates and judgements in relation to the carrying value of mineral exploration expenditure.

Exploration and Evaluation Expenditure

The Group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of resources or reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded. Such capitalised expenditure is carried at the end of the reporting period at $6.149m.

s) Adoption of New and Revised Accounting Standards

During the current year the Group adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these standards and interpretations has had on the financial statements of Helix Resources Limited.

AASB 8: Operating Segments

In February 2007 the Australian Accounting Standards Board issued AASB 8 which replaced AASB 114: Segment Reporting. As a result, some of the required operating segment disclosures have changed with the addition of a possible impact on the impairment testing of goodwill allocated to the cash generating units (CGUs) of the entity. Below is an overview of the key changes and the impact on the Group's financial statements.

Measurement impact

Identification and measurement of segments — AASB 8 requires the 'management approach' to the identification measurement and disclosure of operating segments. The 'management approach' requires that operating segments be identified on the basis of internal reports that are regularly reviewed by the entity's chief operating decision maker, for the purpose of allocating resources and assessing performance. This could also include the identification of operating segments which sell primarily or exclusively to other internal operating segments. Under AASB 114, segments were identified by business and geographical areas, and only segments deriving revenue from external sources were considered.

The adoption of the 'management approach' to segment reporting has resulted in the identification of reportable segments largely consistent with the prior year.

Under AASB 8, operating segments are determined based on management reports using the 'management approach', whereas under AASB 114 financial results of such segments were recognised and measured in accordance with Australian Accounting Standards. This has resulted in changes to the presentation of segment results, with inter-segment sales and expenses such as depreciation and impairment now being reported for each segment rather than in aggregate for total group operations, as this is how they are reviewed by the chief operating decision maker.

Disclosure impact

AASB 8 requires a number of additional quantitative and qualitative disclosures, not previously required under AASB 114, where such information is utilised by the chief operating decision maker. This information is now disclosed as part of the financial statements.

AASB 101: Presentation of Financial Statements

In September 2007 the Australian Accounting Standards Board revised AASB 101 and as a result, there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the Group's financial statements.

Disclosure impact

Terminology changes — the revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

Reporting changes in equity — the revised AASB 101 requires all changes in equity arising from transactions with owners, in their capacity as owners, to be presented separately from non-owner changes in equity. Owner changes in equity are to be presented in the statement of changes in equity, with non-owner changes in equity presented in the statement of comprehensive income. The previous version of AASB 101 required that owner changes in equity and other comprehensive income be presented in the statement of changes in equity.

Statement of comprehensive income — the revised AASB 101 requires all income and expenses to be presented in either one statement, the statement of comprehensive income, or two statements, a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.
The Group's financial statements now contain a statement of comprehensive income.

Other comprehensive income — The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expenses that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. Entities are required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

t) New standards and interpretations which may impact the Company not yet adopted

Whilst amendments to the Accounting Standards and Australian Accounting Interpretations have been considered, the Group does not anticipate early adoption of any of the reporting requirements and does not expect these requirements to have any material effect on the Group's financial statements.

2. NOTES TO THE CASH FLOW STATEMENT

a) Reconciliation of Cash

For the purposes of the statement of cash flows and statement of financial position, cash and cash equivalents include cash on hand and in banks, and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	CONSOLIDATED	
	2010	2009
	$	$
Cash at Bank	21,960	50,502
Cash on deposit	3,555,875	4,310,071
Total Cash	3,577,835	4,360,573

b) Reconciliation of loss after income tax to cash flows used in operations

	CONSOLIDATED	
	2010 $	2009 $
Loss after income tax	(6,885,378)	(1,914,530)
Non-cash flows in Loss		
Depreciation	51,298	61,910
Impairment of Exploration and evaluation	5,818,552	1,563,952
Issuance /(Cancellation) of employee options	-	61,600
(Gain) on sale of investments	(5,272)	-
(Gain) /Loss on revaluation of investments	(49,440)	107,130
(Gain)/Loss on disposal of property, plant and equipment	(16,816)	(173,697)
Loss on capital distribution	900,000	-
Changes in Net Assets and Liabilities		
(Increase)/Decrease in Assets		
(Increase)/decrease in trade and other receivables	20,950	233,767
Increase/(Decrease) in Liabilities		
Increase/(decrease) in trade and other payables	5,365	(60,174)
Increase in provisions	43,466	28,010
Net Cash used in Operations	(117,275)	(92,032)

c) Non-cash Transactions

Nil.

3. TRADE AND OTHER RECEIVABLES

	CONSOLIDATED	
	2010 $	2009 $
Prepayments - Insurances	26,145	27,817
Prepayments – Tenement application and rents	-	7,685
Other	111,801	102,870
Total Current Receivables	137,946	138,372

4. OTHER FINANCIAL ASSETS

	CONSOLIDATED 2010 $	2009 $
Current:		
Held for trading financial assets:		
Shares in listed corporations – at fair value through profit or loss	57,860	23,670
Total Current Financial Assets	57,860	23,670

4(a) Shares in subsidiaries

Name	Country of Incorporation	Percentage Held	Percentage Held
		2010	2009
Hillview Mining NL (i)	Australia	-	100%
Helix Mining Investment Pty Ltd (i)	Australia	-	100%
Oxley Exploration Pty Ltd	Australia	100%	100%
Leichhardt Resources (QLD) Pty Ltd	Australia	100%	100%
Helix Resources (Overseas) Pty Ltd	Australia	100%	-

(i) These companies were deregistered during the financial year.

5. OTHER FINANCIAL ASSETS

	CONSOLIDATED 2010 $	2009 $
Non-Current		
Security Deposits	150,000	100,000
Available for Sale Financial Assets:		
Shares in Listed Companies	276,000	-
Total Other Assets – Non-Current	426,000	100,000

6. PROPERTY, PLANT AND EQUIPMENT

2010	CONSOLIDATED Plant & Equipment $	Motor Vehicles $	Total $
Gross Carrying Amount			
Balance at 30 June 2009	165,411	171,520	336,931
Additions	3,387	52,232	55,619
Disposals	-	(59,031)	(59,031)
Balance at 30 June 2010	168,798	164,721	333,519
Accumulated Depreciation			
Balance at 30 June 2009	129,440	96,773	226,213
Disposals	-	(43,847)	(43,847)
Depreciation	20,189	31,108	51,297
Balance at 30 June 2010	149,629	84,034	233,663
Net Book Value			
30 June 2009	35,971	74,747	110,718
30 June 2010	19,169	80,687	99,856

2009	CONSOLIDATED Plant & Equipment $	Motor Vehicles $	Total $
Gross Carrying Amount			
Balance at 30 June 2008	317,638	171,520	489,158
Additions	10,264	-	10,264
Disposals	(162,491)	-	(162,491)
Balance at 30 June 2009	165,411	171,520	336,931
Accumulated Depreciation			
Balance at 30 June 2008	224,482	66,060	290,542
Disposals	(126,239)	-	(126,239)
Depreciation	31,197	30,713	61,910
Balance at 30 June 2009	129,440	96,773	226,213
Net Book Value			
30 June 2008	93,156	105,460	198,616
30 June 2009	35,971	74,747	110,718

7. EXPLORATION AND EVALUATION EXPENDITURE (NON-CURRENT)

	CONSOLIDATED	
	2010	2009
	$	$
Balance at beginning of the financial year	13,815,868	12,158,401
Expenditure incurred during the year	1,351,831	3,221,419
Sale of Glenburgh Tenements	(3,200,000)	-
Impairment losses	(5,818,552)	(1,563,952)
Balance at the end of the financial year	6,149,147	13,815,868

The Directors' assessment of carrying amount was after consideration of prevailing market conditions; previous expenditure carried out on the tenements; and the potential for mineralisation based on both the entity's and independent geological reports. The ultimate value of these assets is dependent upon recoupment by commercial development or the sale of the whole, or part, of the Group's interests in those areas for an amount at least equal to the carrying value. There may exist, on the Group's exploration properties, areas subject to claim under native title or containing sacred sites or sites of significance to Aboriginal people. As a result, exploration properties or areas within the tenements may be subject to exploration and mining restrictions.

	CONSOLIDATED	
	2010 $	2009 $
8. TRADE AND OTHER PAYABLES (CURRENT)		
Trade payables	135,035	125,778
9. PROVISIONS		
Current		
Employee Benefits	122,541	78,668
Balance at end of financial year	122,541	78,668
Non -Current		
Employee Benefits	24,469	24,876
Balance at end of financial year	24,469	24,876
10. SHARE CAPITAL		
131,943,746 Fully Paid Ordinary Shares (2009: 131,299,886)	53,571,624	55,815,856
53,355,308 Listed Options (2009: Nil)	800,330	-
Balance at end of financial year	54,371,954	55,815,856

	2010		2009	
	No.	$	No.	$
Fully Paid Ordinary Shares				
Balance at beginning of financial year	131,299,886	55,815,856	131,299,798	55,824,908
Captial Distribution via Distribution In - specie	-	(2,300,020)	-	-
Share Issue Costs	-	(2,159)	-	(9,079)
Exercise of Options to Fully Paid Shares @ $0.075	643,860	57,947	-	-
Exercise of Options to Fully Paid Shares @ $0.30	-	-	88	27
Balance at end of financial year	131,943,746	53,571,624	131,299,886	55,815,856

	2010		2009	
	No.	$	No.	$
Listed Options				
Balance at beginning of financial year	-	-	14,028,013	-
Options expired during financial year	-	-	(14,027,925)	-
Options issued during financial year *	53,999,168	809,988	-	-
Exercise of Options to Fully Paid Shares	(643,860)	(9,658)	(88)	-
Balance at end of financial year	53,355,308	800,330	-	-

Fully paid ordinary shares have no par value, carry one vote per share and carry the right to dividends. Listed options carry no votes until converted to fully paid ordinary shares.

* Non-renounceable rights issue at $0.015 per option, exercisable at $0.05 before 31 May 2011

Capital Management

Management controls the capital of the group in order to maximise the return to shareholders and ensure that the group can fund its operations and continue as a going concern.

Management effectively manages the group's capital by assessing the group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of expenditure and debt levels, distributions to shareholders and share and option issues.

There have been no changes in the strategy adopted by management to control the capital of the group since the prior year.

Employee Options

17,600,000 employee options were issued in October 2008 following approval at the 2008 AGM. The options were valued under Black and Scholes at 0.35 cents each ($61,600) and were in substitute of a cash bonus.

Value at Grant Date [also Issuance Date] of 10th October 2008
A Black & Scholes calculation [www.blobek.com] of the notional value of the Incentive Options is outlined below based on the following assumptions:

a. the Incentive Options expire on 31 October 2011 and are exercisable at $0.55 each;
b. a current price per Share of $0.08;
c. a volatility factor of 70%;
d. an interest rate of 5.38%;
e. a discount factor of 50% has been applied due to the lack of marketability of the Incentive Options;
f. the valuations ascribed to the Incentive Options may not necessarily represent the market price of the Incentive Options at the date of the valuation; and
g. the valuation date for the Incentive Options was 10th October 2008.

Applying the 50% discount factor as described in (e) above, the value for each Incentive Option is therefore $0.0035 at 10th October 2008, the date of issuance.

There were 17,600,000 employee options outstanding at 30 June 2010.

Distribution in-specie of Gascoyne Resources Ltd shares

A shareholders meeting pursuant to the Notice of Meeting and Prospectus dated 6th January 2010 was called for 8th February 2010 to consider the proposal to distribute 'in-specie' on a pro-rata basis 16,000,100 Gascoyne Resources Ltd shares received for promoting and vending the Glenburgh gold assets into the successful $5.2 million IPO and ASX listing of Gascoyne Resources.

The proposed resolution was subsequently approved by shareholders and the Net Assets of the Company were reduced by approximately $3.2 million of which $900,000 was disclosed as a loss on distribution of capital at fair value.

11. OTHER RESERVES

	CONSOLIDATED 2010 $	CONSOLIDATED 2009 $
Options Reserve		
Balance at beginning of financial year	61,600	287,187
Issue of Employee Incentive Options	-	61,600
Exercise of Employees Incentive Options	-	-
Expiry of Terminated Employee Incentive Options	-	(287,187)
Balance at end of financial year	61,600	61,600

The Options Reserve records items recognised as expenses on valuation of employee incentive options.

	CONSOLIDATED 2010 $	CONSOLIDATED 2009 $
Financial Assets Reserve		
Balance at beginning of financial year	-	-
Fair Value of Gascoyne Resources shares	176,000	-
Balance at end of financial year	176,000	-

The financial asset reserve records revaluation of financial assets.

12. ACCUMULATED LOSSES

Balance at beginning of financial year	(37,557,577)	(35,930,234)
Net Loss attributable to members of the parent entity	(6,885,378)	(1,914,530)
Expiry of Employee Incentive Options	-	287,187
Balance at end of financial year	(44,442,955)	(37,557,577)

13. REVENUE

Loss before Income Tax includes the following items of revenue and expense:

	CONSOLIDATED 2010 $	CONSOLIDATED 2009 $
Operating Activities		
Interest Revenue	174,398	328,964
Tenement Rental Reimbursements	65,818	-
PACE Funding	-	100,000
Other	186,314	1,817
Total Operating Revenue	426,530	430,781
Non-Operating Activities		
Profit on sale of investments	5,272	-
Total Non – Operating Revenue	5,272	-
Total Revenues	431,802	430,781

14. LOSS FOR THE YEAR

Expenses

	CONSOLIDATED	
	2010 $	2009 $
Depreciation of non-current assets: Property, plant and equipment	51,298	61,910
Impairment of exploration and evaluation expenditure	5,818,552	1,563,952
Operating lease rental expenses: Minimum lease payments	132,914	152,987
Loss for the year	6,885,378	1,914,530

15. COMMITMENTS

a) Operating Lease Commitments

Not later than 1 year	99,756	94,828
Later than 1 year but not later than 2 years	104,744	99,569
Later than 2 years but not later than 5 years	22,321	130,999
	226,821	325,396

The lease is for a 4 year term with a 2 year option to extend. As at balance date there was a balance of 2 years and 3 months remaining on the office lease.

b) Exploration Expenditure Commitments

In order to maintain current rights of tenure to exploration tenements, the Group are required to perform minimum exploration work to meet the requirements specified by various State governments. These obligations can be reduced by selective relinquishment of exploration tenure or application for expenditure exemptions. Due to the nature of the Group's operations in exploring and evaluating areas of interest, it is very difficult to forecast the nature and amount of future expenditure. It is anticipated that expenditure commitments for the next twelve months will be tenement rentals of $83,305 (2009:$104,000) and exploration expenditure of $1,250,000 (2009: $1,520,000). JV parties earning their interest in various tenements may effectively meet a portion of these commitment costs.

16. KEY MANAGEMENT PERSONNELS' REMUNERATION

Please refer to disclosures contained in the Remuneration Report section of the Directors' Report.

The totals of remuneration paid to key management personnel of the Group during the year are as follows:

	2010 $	2009 $
Short term employee benefits	561,694	644,847
Post-employment benefits	43,352	48,771
Other long-term benefits	-	-
Termination benefits	-	-
Share Based payments	-	54,250
Total	605,046	747,868

17. EXECUTIVE SHARE OPTION PLAN

As at 30 June 2010 the Company had issued 15,500,000 share options (30 June 2009 15,500,000). Share options carry no rights to dividends and no voting rights. The difference between the total market value of options issued during the financial year, at the date of issue, and the total amount received from executives and employees is not recognised in the financial statements except for the purposes of determining key management personnels' remuneration in respect of that financial year. The amounts are disclosed in remuneration in respect of the financial year in which the entitlement was earned.

Further details are disclosed below:

Executive Share Option Plan		2010 No.	Weighted average exercise price	2009 No.	Weighted average exercise price
Balance at beginning of financial year	(i)	15,500,000	$0.525	4,510,000	$0.46
Cancelled during the financial year	(ii)	-	-	-	-
Expired during the financial year	(iii)	-	-	(4,510,000)	$0.46
Granted during the financial year	(iv)	-	-	15,500,000	$0.55
Exercised during the financial year	(v)	-	-	-	-
Balance at end of financial year	(vi)	15,500,000	$0.525	15,500,000	$0.55

(i) Balance at beginning of financial year

Options - Series	No.	Vested	Unvested	Grant Date	Expiry Date	Exercise Price $	Fair value at grant date
Issued 9 Oct 2008	15,500,000	15,500,000	-	9 Oct 2008	31 Oct 2011	$0.55	0.35c per option
	15,500,000	15,500,000	-				

(ii) Cancelled during the financial year

There were no options cancelled during the financial years ended 30 June 2010 and 2009.

(iii) Expired during the financial year

Expired during the year ended 30 June 2009

Options Series	No.	Vested	Unvested	Grant Date	Expiry Date	Exercise Price $	Fair value at grant date
Issued 26 May 1999	20,000	20,000	-	26/5/99	29/3/09	$0.42	Not valued
Issued 26 May 1999	20,000	20,000	-	26/5/99	29/3/09	$0.46	Not valued
Issued 26 May 1999	20,000	20,000	-	26/5/99	29/3/09	$0.50	Not valued
Issued 11 Nov 2003	50,000	50,000	-	11/11/03	29/3/09	$0.42	9.36c per option
Issued 11 Nov 2003	50,000	50,000	-	11/11/03	29/3/09	$0.46	8.84c per option
Issued 11 Nov 2003	50,000	50,000	-	11/11/03	29/3/09	$0.50	8.37c per option
Issued 10 April 2007	4,300,000	4,300,000	-	10/4/07	30/11/08	$0.26	5c per option
	4,510,000	4,510,000	-				

No options expired during the financial year ended 30 June 2010.

(iv) Granted during the financial year

Granted during the year ended 30 June 2009

Options - Series	No.	Grant Date	Expiry Date	Exercise Price $	Fair Value Received $
Issued 9 Oct 2008	15,500,000	9/10/08	31/10/11	$0.525	-
	15,500,000				-

There were no options granted during the financial year ended 30 June 2010.

(v) Exercised during the financial year

There were no executive options exercised during the financial years ended 30 June 2010 and 2009.

(vi) Balance at end of the financial year

Options Series	No.	Vested	Unvested	Grant Date	Expiry Date	Exercise Price $	Fair value at grant date
Issued 9 Oct 2008	15,500,000	15,500,000	-	9/10/08	31/10/11	$0.525	0.35c per option
	15,500,000	15,500,000	-				

Fair value of consideration received is measured as the nominal value of cash receipts on conversion. The fair value of shares at the date of their issue is measured as the market value at close of trade on the date of their issue. Employee share options carry no rights to dividends and no voting rights. In accordance with the terms of the executive share option plan, options may be exercised at any time from the date the vesting period ends to the date of their expiry.

The difference between the total market value of options issued during a financial year, at the date of issue, and the total amount received from executives and employees is not recognised in the financial statements except for the purposes of determining key management personnels' remunerations in respect of that financial year as disclosed in note 16 to the financial statements. The amounts are disclosed in remuneration in respect of the financial years over which the entitlement was earned.

Consideration received on the exercise of executive options is recognised in contributed equity. During the financial year no options were exercised, hence no amount was recognised in contributed equity arising from the exercise of executive options (2009: $nil).

18. RELATED PARTY AND DIRECTORS' DISCLOSURES

a) Other Transactions with key management personnel

The loss from ordinary activities before income tax includes the following items of expenses that resulted from transactions other than remuneration with key management personnel or their personally-related entities. Transactions between related parties are on normal commercial terms and conditions unless otherwise stated.

Greg Wheeler Consulting Pty Ltd provided professional services to the value of $60,000 (2009 $nil) payable within 30 days from date of invoice (net of GST). Mr Greg Wheeler, a Director, has significant influence in Greg Wheeler Consulting Pty Ltd. There were no balances outstanding at 30 June 2010 to Mr Greg Wheeler.

Den Dryver Mining Consultants Pty Ltd provided professional services to the value of $nil (2009 $1,430) payable within 30 days from date of invoice (net of GST). Mr John den Dryver, a Director, has significant influence in Den Dryver Mining Consultants Pty Ltd. There were no balances outstanding at 30 June 2010 to Mr John den Dryver.

b) Transactions with Gascoyne Resources Limited

Helix Resources provided equipment rental, accommodation and employee services to Gascoyne Resources on normal commercial terms and conditions to the value of $168,785. There was an outstanding balance of $6,103 at 30 June 2010.

c) Key Management Personnels' Equity Holdings

Fully paid ordinary shares issued by Helix Resources Limited

2010	Balance @ 1/7/09 No.	Granted as remuneration No.	Received on exercise of options No.	Net other change No.	Balance @ 30/6/10 No.	Balance held nominally No.
Key Management Personnel						
G J Wheeler	7,248,839	-	-	-	7,248,839	-
M H Wilson	233,133	-	-	-	233,133	-
J den Dryver	-	-	-	-	-	-
G Dunbar	300,000	-	-	-	300,000	-
J McNamara	94,833	-	-	-	94,833	-
Total	7,876,805	-	-	-	7,876,805	-

2009	Balance @ 1/7/08	Granted as remuneration	Received on exercise of options	Net other change	Balance @ 30/6/09	Balance held nominally
	No.	No.	No.	No.	No.	No.
Key Management Personnel						
G J Wheeler	3,958,702	-	-	3,290,137	7,248,839	-
M H Wilson	93,133	-	-	140,000	233,133	-
J den Dryver	-	-	-	-	-	-
G Dunbar	300,000	-	-	-	300,000	-
J McNamara	94,833	-	-	-	94,833	-
Total	4,446,668	-	-	3,430,137	7,876,805	-

Executive Share Options issued by Helix Resources Limited

2010	Bal @ 1/7/09	Granted as remuneration	Exercised	Other change	Bal @ 30/6/10	Bal vested @ 30/6/10	Vested but not exerciseable	Vested and exercisable	Options vested during year
	No.	No.	No.	No.	No.	No.	No.	No.	No.
Key Management Personnel									
G J Wheeler	8,000,000	-	-	-	8,000,000	8,000,000	-	8,000,000	-
M H Wilson	5,000,000	-	-	-	5,000,000	5,000,000	-	5,000,000	-
J denDryver	1,000,000	-	-	-	1,000,000	1,000,000	-	1,000,000	-
G Dunbar	1,000,000	-	-	-	1,000,000	1,000,000	-	1,000,000	-
J McNamara	500,000	-	-	-	500,000	500,000	-	500,000	-
Total	15,500,000	-	-	-	15,500,000	15,500,000	-	15,500,000	-

2009	Bal @ 1/7/08	Granted as remuneration	Exercised	Other change	Bal @ 30/6/09	Bal vested @ 30/6/09	Vested but not exerciseable	Vested and exercisable	Options vested during year
	No.	No.	No.	No.	No.	No.	No.	No.	No.
Key Management Personnel									
G J Wheeler	2,000,000	8,000,000	-	(2,000,000)	8,000,000	8,000,000	-	8,000,000	-
M H Wilson	1,535,000	5,000,000	-	(1,535,000)	5,000,000	5,000,000	-	5,000,000	-
J denDryver	400,000	1,000,000	-	(400,000)	1,000,000	1,000,000	-	1,000,000	-
G Dunbar	400,000	1,000,000	-	(400,000)	1,000,000	1,000,000	-	1,000,000	-
J McNamara	175,000	500,000	-	(175,000)	500,000	500,000	-	500,000	
Total	4,510,000	15,500,000	-	(4,510,000)	15,500,000	15,500,000	-	15,500,000	-

Each executive share option converts into 1 ordinary share of Helix Resources Limited on exercise. No amounts are paid or payable by the recipient on receipt of the option.
During the financial year, no executive share options were exercised by key management personnel.
Further details of the options granted during the year are contained in note 16 and 17 to the financial statements.

Listed Share Options issued by Helix Resources Limited

2010	Bal @ 1/7/09	Granted as remuneration	Exercised	Other change	Bal @ 30/6/10	Bal vested @ 30/6/10	Vested but not exerciseable	Vested and exercisable	Options vested during year
	No.	No.	No.	No.	No.	No.	No.	No.	No.
Key Management Personnel									
G J Wheeler	-	-	-	9,624,420	9,624,420	9,624,420	-	9,624,420	-
M H Wilson	-	-	-	2,116,567	2,116,567	2,116,567	-	2,116,567	-
J denDryver	-	-	-	600,000	600,000	600,000	-	600,000	-
G Dunbar	-	-	-	750,000	750,000	750,000	-	750,000	-
J McNamara	-	-	-	47,417	47,417	47,417	-	47,417	-
Total	-	-	-	13,138,404	13,138,404	13,138,404	-	13,138,404	-

2009	Bal @ 1/7/08	Granted as remuneration	Exercised	Other change	Bal @ 30/6/09	Bal vested @ 30/6/09	Vested but not exerciseable	Vested and exercisable	Options vested during year
	No.	No.	No.	No.	No.	No.	No.	No.	No.
Key Management Personnel									
G J Wheeler	494,838	-	-	(494,838)	-	-	-	-	-
M H Wilson	3,517	-	-	(3,517)	-	-	-	-	-
J denDryver	-	-	-	-	-	-	-	-	-
G Dunbar	25,000	-	-	(25,000)	-	-	-	-	-
J McNamara	-	-		-	-	-	-	-	-
Total	523,355	-	-	(523,355)	-	-	-	-	-

19. INCOME TAX	CONSOLIDATED	
	2010	2009
	$	$
Accounting loss before tax from continuing operations	(6,885,378)	(1,914,530)
Accounting loss before tax from discontinuing operations	-	-
Accounting loss before tax	(6,885,378)	(1,914,530)
Income Tax Expense to Accounting Loss		
Tax expense at the statutory income tax rate of 30%	(2,065,613)	(574,359)
Sundry non-deductible/assessable (deductible/assessable) expenses		
- non-deductible expenses	697	1,165
- revaluation of investments	(14,832)	32,139
- taxable gain on sale of investments	1,575	-
- loss on capital distribution	270,000	-
- employee incentive options	-	18,480
- capital raising costs put to equity	(31,380)	-
-utilisation of prior year tax losses	(481,723)	(70,434)
Benefit of tax losses not brought to account	2,321,276	593,009
Income tax expense	-	-
Statement of Comprehensive Income		
Current income tax charge	-	(1,028,160)
Deferred income tax		
Relating to origination and reversal of temporary differences	(2,321,276)	435,151
Current year tax losses not recognised in the current period	2,321,276	593,009
Income tax expense reported in statement of comprehensive income	-	-
Unrecognised Deferred Tax Balances:		
Unrecognised deferred tax asset losses	13,254,063	14,262,597
Unrecognised deferred tax assets other	56,036	46,100
Unrecognised deferred tax liabilities	(1,847,484)	(4,158,824)
Net Unrecognised deferred tax assets	11,462,615	10,149,873

20. SEGMENT INFORMATION

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed on the basis it is a mineral exploration company operating in the geographical region of Australia. The mineral assets held via outright ownership or joint venture are considered one business segment and the minerals currently being targeted include gold, copper, iron ore and other base metals in Western Australia, New South Wales and South Australia.

21. EARNINGS PER SHARE

	COMPANY	
	2010	2009
	Cents Per share	Cents Per share
Basic loss per share	(5.23)	(1.46)
Diluted loss per share	(5.23)	(1.46)

Basic Loss per Share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	2010	2009
	$	$
Earnings / (loss) (a)	(6,885,378)	(1,914,530)

	2010	2009
	No.	No.
Weighted average number of ordinary shares (b)	131,653,710	131,299,886

(a) Earnings used in the calculation of basic earnings per share is net loss after tax of $6,885,378 (2008: $1,914,530).

(b) The executive share options are not considered to be potential ordinary shares and are therefore excluded from the weighted average number of shares used in the calculation of basic earnings per share. Where dilutive, potential ordinary shares are included in the calculation of diluted earnings per share (refer below).

Diluted Loss per Share

The earnings and weighted average number of ordinary and potential ordinary shares used in the calculation of diluted earnings per share are as follows:

	2010	2009
	$	$
Earnings (a)	(6,885,378)	(1,914,530)
	12 months to 30 June 2010	12 months to 30 June 2009
	No.	No.
Weighted average number of ordinary shares and potential ordinary shares (b)	131,653,710	131,299,886

(a) Earnings used in the calculation of diluted loss per share is net loss after tax of $6,885,378 (2009: $1,914,530).

(b) The following potential ordinary shares are not dilutive and are therefore excluded from the weighted average number of ordinary shares and potential ordinary shares used in the calculation of diluted earnings per share:

	2010	2009
	No.	No.
Executive options	15,000,000	15,000,000
Listed options	53,355,308	14,028,013

22. INTEREST IN JOINT VENTURES

The parent entity has entered into the following unincorporated joint ventures:

Joint Venture Project	Percentage Interest	Principal Exploration Activities
Tunkillia	46.2% (2009: 48.32%) (Minotaur Exploration)	Gold
Yalleen	30% (2009: 30%) (API Management Pty Ltd 70% Iron Ore rights)	Iron Ore
Canbelego	51% (2009: 0%) (Straits Resources)	Copper / Gold

The joint ventures are not separate legal entities but are contractual arrangements between the participants for sharing costs and output and do not in themselves generate revenue and profit. Exploration expenditure is the only asset of the joint ventures. The Group's interest in exploration expenditure in the above mentioned joint ventures is as follows:

	Yalleen JV 30%	Tunkillia JV 47%	Canbelego JV 51%
Non-Current Assets			
Mineral Assets	1,789,834	4,803,920	306,233
Impairment	-	(1,782,686)	-
Carrying Amount	1,789,834	3,021,234	306,233

The recoverability of the carrying amount of the mineral assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

23. FINANCIAL INSTRUMENTS

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

The Group's exposure to interest rate risk and effective weighted average interest rate for classes of financial assets is set out below:

		Floating Interest Rate Maturity				
	Average Interest Rate	Fixed Interest Rate	Less than 1 year	More than 1 Year	Non Interest Bearing	Total
	%	$	$	$	$	$
2010						
Financial Assets						
Other Receivables (incl tenement appl.)		-	-	-	137,946	137,946
Held for trading assets		-	-	-	57,860	57,860
Cash and cash equivalent assets	5.0%	1,077,835	2,500,000	-	-	3,577,835
Security deposits and deposits at financial institutions	3.75%	-	150,000	-	-	150,000
Available for sale assets		-	-	-	276,000	276,000
		1,077,835	2,650,000	-	471,806	4,199,641
Financial Liabilities						
Trade Payables (all payable within 30 days)		-	-	-	135,035	135,035
		-	-	-	135,035	135,035

		Floating Interest Rate Maturity				
	Average Interest Rate	Fixed Interest Rate	Less than 1 year	More than 1 Year	Non Interest Bearing	Total
	%	$	$	$	$	$
2009						
Financial Assets						
Other Receivables (incl tenement appl.)		-	-	-	138,372	138,372
Held for trading assets	-	-	-	-	23,670	23,670
Cash and cash equivalent assets	6.1%	1,297,943	3,062,630	-	-	4,360,573
Security deposits and deposits at financial institutions	6.5%	-	100,000	-	-	100,000
		1,297,943	3,162,630	-	162,042	4,622,615
Financial Liabilities						
Trade Payables (all payable within 30 days)		-	-	-	125,778	125,778
		-	-	-	125,778	125,778

Other than those classes of assets and liabilities denoted as "listed" in note 4, none of the classes of financial assets and liabilities are readily traded on organised markets in standardised form.

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

— quoted prices in active markets for identical assets or liabilities (Level 1);

— inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and

— inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

2010	Level 1	Total
		$
Financial Assets		
Held for trading assets	57,860	57,860
Available for sale assets	276,000	276,000
	333,860	333,860

2009	Level 1	Total
		$
Financial Assets		
Held for trading assets	23,670	23,670
Available for sale assets	-	-
	23,670	23,670

Included within Level 1 of the hierarchy are listed investments. The fair values of these financial assets have been based on the closing quoted bid prices at reporting date, excluding transaction costs.

Financial Risk Exposures and Management

The main risks the group is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk. The Board is responsible for the financial risk management.

Interest Rate Risk

Interest rate risk is managed by investing cash with major financial institutions in both cash on deposit and term deposit accounts.

Interest Rate Risk Sensitivity Analysis

At 30 June 2010, the effect on loss and equity as a result of a 2% increase in the interest rate, with all other variables remaining constant would be a decrease in loss by $79,000 (2009: $87,000) and an increase in equity by $79,000 (2009: $87,000). The effect on loss and equity as a result of a 2% decrease in the interest rate, with all other variables remaining constant would be an increase in loss by $79,000 (2009: $87,000) and a decrease in equity by $79,000 (2009: $87,000).

Liquidity Risk

The group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained. The Group's operations require it to raise capital on an on-going basis to fund its planned exploration program and to commercialise its tenement assets. If the Group does not raise capital in the short term, it can continue as a going concern by reducing planned but not committed exploration expenditure until funding is available and/or entering into joint venture arrangements where exploration is funded by the joint venture partner.

Credit Risk

Credit Risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted the policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group measures risk on a fair value basis.

The maximum credit risk on financial assets of the Group which have been recognised on the statement of financial position, other than investments in shares, is generally the carrying amount, net of any provisions for doubtful debts.

24. EMPLOYEE ENTITLEMENTS

The aggregate employee entitlement liability recognised and included in the financial statements is as follows:

	CONSOLIDATED	
	2010 $	2009 $
Provision for employee entitlements:		
Current (Note 9)	122,541	78,668
Non-Current (Note 9)	24,469	24,876
	147,010	103,544
	No	No
Number of employees at end of financial year	6	6

25. CONTINGENT LIABILITIES

The Company may be required to issue bank guarantees to secure tenement holdings. The Company currently has bank guarantees to the value of $77,085 (2009: $71,085).

26. REMUNERATION OF AUDITORS

	2010 $	2009 $
a) Auditor of the Parent Entity		
Auditing the financial report	21,555	23,575
	21,555	23,575

The auditor of Helix Resources Limited for the 2010 financial year is Grant Thornton Audit Pty Ltd.

27. HELIX RESOURCES LIMITED PARENT COMPANY INFORMATION

	Note	2010	2009
		$	$
Assets			
Current Assets		3,773,641	4,522,615
Non-current Assets		6,675,003	14,026,586
Total Assets		10,448,644	18,549,201
Liabilities			
Current Liabilities	8, 9	257,576	204,446
Non-current Liabilities	9	24,469	24,876
Total Liabilities		282,045	229,322
Equity			
Issued Capital		54,371,954	55,815,856
Accumulated Losses		(44,442,955)	(37,557,577)
Reserves			
Options Reserve		61,600	61,600
Financial Assets		176,000	-
Total Equity		10,166,599	18,319,879
Financial Performance			
Loss for the year	15	(6,885,378)	(1,914,530)
Other comprehensive income		176,000	-
Total Comprehensive Income		(6,709,378)	(1,914,530)

28. SUBSEQUENT EVENTS

There has not been any matter or circumstance, other than referred to in the financial statements or notes thereto, that has arisen since the end of the financial year, that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs on the Group in future financial years.

29. ADDITIONAL COMPANY INFORMATION

Helix Resources Limited is a listed public company, incorporated and operating in Australia.

Registered Office
Suite 7, 29 Ord Street
WEST PERTH WA 6005
Tel (08) 9321 2644

Principal Place of Business
Suite 7, 29 Ord Street
WEST PERTH WA 6005
Tel (08) 9321 2644

The financial report for Helix Resources Limited for the year ended 30 June 2010 was authorised for issue in accordance with a resolution of the directors on the 31st August 2010.

AS AT 24th AUGUST 2010

NUMBER OF SHARES HELD

Spread of Holdings	Number of Shareholders	Number of Shares
1–1000	64	26,563
1,001–5,000	187	584,893
5,001–10,000	355	3,072,060
10,001–100,000	769	27,901,438
100,001 and over	141	100,358,784
Total	1,516	131,943,738

Number of shareholders holding less than a marketable parcel	339

PERCENTAGE HELD BY 20 LARGEST SHAREHOLDERS

	Shareholder	Number of Shares	% of Issued Capital
1	Rubicon Nominees Pty Ltd	13,063,829	9.9
2	UBS Wealth Management	13,063,829	9.9
3	Yandal Investments Pty Ltd	11,172,514	8.47
4	Gee Vee Pty Ltd	7,248,839	5.49
5	Wythenshawe Pty Ltd	6,016,760	4.56
6	BTX Pty Ltd	4,681,293	3.55
7	Penoir Pty Ltd	3,000,000	2.27
8	Blamnco Trading Pty Ltd	2,000,000	1.52
9	Technica Pty Ltd	1,856,666	1.41
10	ANZ Nominees Ltd	1,813,584	1.37
11	Warramboo Holdings Pty Ltd	1,750,000	1.33
12	Zero Nominees Pty Ltd	1,456,802	1.10
13	Niddrie Holdings Pty Ltd	1,429,115	1.08
14	Nefco Nominees Pty Ltd	1,155,141	0.87
15	Mr Abdelaziz Soliman	950,000	0.72
16	Mr Nicholas Murray Gleeson	890,739	0.67
17	Berne No 132 Nominees Pty Ltd	878,465	0.67
18	Paso Holdings Pty Ltd	815,482	0.62
19	Loxden Pty Ltd	800,000	0.61
20	Mr Chen De Zhong	780,000	0.59
	Top 20 Total	74,823,058	56.71

VOTING RIGHTS
One vote for each ordinary share held in accordance with the Company's Constitution.

SUBSTANTIAL SHAREHOLDERS

Shareholder	Number of Shares	% of Issued Capital
Rubicon Nominees Pty Ltd	13,063,829	9.9
UBS Wealth Management	13,063,829	9.9
Yandal Investments Pty Ltd	11,172,514	8.47
Aquila Resources Limited	7,681,293	5.82
Gee Vee Pty Ltd	7,248,839	5.49

DIRECTORS' INTEREST IN SHARE CAPITAL

Director	Fully Paid Ordinary Shares	Listed Options	Staff Options
G J Wheeler	7,248,839	9,624,420	8,000,000
M H Wilson	233,133	2,116,567	5,000,000
J den Dryver	-	600,000	1,000,000
G Dunbar	300,000	750,000	1,000,000
Total	7,781,972	13,090,987	15,000,000

NUMBER OF OPTIONS HELD

Spread of Holdings	Number of Optionholders	Number of Options
1–1000	29	14,694
1,001–5,000	101	302,436
5,001–10,000	57	467,001
10,001–100,000	182	7,310,926
100,001 and over	62	45,260,259
Total	431	53,355,316

PERCENTAGE HELD BY 20 LARGEST OPTIONHOLDERS

	Optionholder	Number of Options	% of Issued Capital
1	Yandal Investments Pty Ltd	10,000,000	18,74
2	Gee Vee Pty Ltd	9,624,420	18.04
3	Berne No 132 Nominees Pty Ltd	2,200,000	4.12
4	Mr Michael Hood Wilson	2,110,000	3.95
5	Blamnco Trading Pty Ltd	2,000,000	3.75
6	Lawrence Crow Consulting Pty Ltd	1,100,000	2.06
7	Mrs Li Ming Yu	1,070,000	2.00
8	Aotea Minerals Ltd	1,000,000	1.87
9	Croftbank Pty Ltd	953,750	1.79
10	Technica Pty Ltd	928,333	1.74
11	Goldbondsuper Pty Ltd	800,000	1.50
12	Dunbar Super Fund	750,000	1.41
13	ANZ Nominees Pty Ltd	651,250	1.22
14	Niddrie Holdings Pty Ltd	614,558	1.15
15	DenDryver Super Fund	600,000	1.12
16	Ms Shandy Sui Han Wong	564,000	1.06
17	Florin Mining Investment Company Ltd	500,000	0.94
18	Tromso Pty Ltd	500,000	0.94
19	Octifil Pty Ltd	500,000	0.94
20	Loxden Pty Ltd	500,000	0.94
	Top 20 Total	36,966,311	69.28

TENEMENT SCHEDULE

Tenement	Name	Mineral	Ownership
NSW COPPER & GOLD PROJECTS (INCL. CANBELEGO AND RESTDOWN JV's)			
EL3971	Inverness	Copper/Gold	HLX 100%
EL6105	Canbelego	Copper/Gold	Straits 49%, HLX 51% (earning 70%)
EL6140	Restdown	Gold/Copper	Glencore 100%, Helix earning 70%
EL6501	South Restdown	Copper/Gold	Glencore 100%, Helix earning 70%
EL6739	Muriel Tank	Gold/Copper	Glencore 100%, Helix earning 70%
EL7438	Quanda	Copper/Gold	HLX 100%
EL7439	Fiveways	Copper/Gold	HLX 100%
EL7482	Little Boppy	Copper/Gold	HLX 100%
EL7565	Arsenal	Copper/Gold	HLX 100%
EL7566	Tottenham	Copper/Gold	HLX 100%
EL7567	Restdown	Copper/Gold	HLX 100%
QUEENSLAND COPPER & GOLD PROJECTS			
EPM18363	Landsborough	Copper/Gold	HLX 100%
EPM18373	Saxby 2	Copper/Gold	HLX 100%
EPM18374	Saxby 1	Copper/Gold	HLX 100%
LAKE EVERARD (INCL. TUNKILLIA)			
EL3335	Yellabinna	Gold/Uranium/Basemetals	HLX 100%, Minotaur 51% all minerals other than uranium
EL3403	Lake Everard	Gold/Uranium/Basemetals	HLX 100%, Minotaur 51% all minerals other than uranium
EL4495	Lake Everard West	Gold/Uranium/Basemetals	HLX 100%, Minotaur 51% all minerals other than uranium
ADELAIDIAN (INCL. OLARY JV)			
EL3814	Mt Elkington	Copper	HLX 100%
EL3956	Devonborough Downs	Gold/Copper/Iron Ore	HLX 100%, BMR earning 65% Iron ore rights
EL4022	Olary	Gold/Copper/Iron Ore	HLX 100%, BMR earning 65% Iron ore rights

Tenement	Name	Mineral	Ownership
WEST PILBARA			
E47/1089	Munni Munni South	Nickel	HLX 100%
E47/1090	Munni Munni South	Nickel	HLX 100%
E47/1775	Munni Munni	Basemetals/Gold	HLX 100%
E47/1776	Munni Munni	Basemetals/Gold	HLX 100%
YALLEEN IRON ORE PROJECT			
E47/1169-I	Yalleen	Iron ore/Basemetals	HLX 100%, API Management Pty Ltd 70% iron ore rights
E47/1170-I	Yalleen	Iron ore/Basemetals	HLX 100%, API Management Pty Ltd 70% iron ore rights
E47/1171-I	Yalleen	Iron ore/Basemetals	HLX 100%, API Management Pty Ltd 70% iron ore rights

Abbreviations and Definitions used in Schedule:

EL, EPM or E	Exploration Licence	ELA	Exploration Licence Application
ML	Mining Lease	MLA	Mining Lease Application
PL	Prospecting Licence	PLA	Prospecting Licence Application

CORPORATE DIRECTORY

Directors

Greg J Wheeler	Executive Chairman
John den Dryver	Non-executive Director
Gordon Dunbar	Non-executive Director
Michael Wilson	Technical Director

Australian Business Number

27 009 138 738

Head and Registered Office

Suite 7, 29 Ord Street

West Perth Western Australia 6005

PO Box 825 West Perth Western Australia 6872

Telephone: +61 8 9321 2644

Facsimile: +61 8 9321 3909

Email: helix@helix.net.au Website: www.helix.net.au

Share Registry

Advanced Share Registry

150 Stirling Highway

Nedlands Western Australia 6009

PO Box 1156 Nedlands Western Australia 6909

Telephone: +61 8 9389 8033

Facsimile: +61 8 9389 7871

Auditor

Grant Thornton Audit Pty Ltd

Level 1, 10 Kings Park Road

West Perth Western Australia 6005

Telephone: +61 8 9480 2000

Facsimile: +61 8 9322 7787

Stock Exchange

The Company Securities are quoted on the Australian Stock Exchange Limited

CODES: HLX and HLXOA