



Helix Resources Limited

A.C.N. 009 138 738 Incorporated in Western Australia

24th April 2009

Australian Stock Exchange Limited
Via Electronic Lodgement

Dear Sirs

UPDATED CID RESOURCE ESTIMATE FOR YALLEEN JV

Helix Resources Limited ("Helix") is pleased to provide the following resource update (Appendix) made available by JV Manager, API Management Pty Ltd ("API"), for two zones of Channel Iron Deposits ("CID") at the Kumina Creek and Robe Exit Prospects on the Yalleen Iron Ore JV Project.

The new resource estimate is based on additional drilling completed in calendar year 2008 and updates the resource estimate provided to the ASX by Helix 3rd June 2008, based on drilling to December 2007. Helix is very encouraged by the improved iron grades and higher level of confidence in CID distribution resulting from this work.

Table 1: Resource Estimate Summary

West Pilbara Iron Ore Project Resource Estimate – YALLEEN JOINT VENTURE CHANNEL IRON DEPOSITS									
Resource Classification	Tonnes Mt	Fe %	SiO₂ %	Al₂O₃ %	P %	S %	LOI %	Mn %	MgO %
Kumina Creek Deposit									
Measured	-	-	-	-	-	-	-	-	-
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									
Measured	-	-	-	-	-	-	-	-	-
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									
Measured	-	-	-	-	-	-	-	-	-
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

Refer attached for detailed parameters underlying the above resource estimate.



This estimate provides an additional step in Helix's increasing status in the West Pilbara Region. Upside remains with the Robe Exit Prospect open to the south west and further exploration is required at the Bonham and Robe West Extension targets to fully evaluate the bedded iron and channel iron potential in these areas.

Yalleen JV Background

The Yalleen Project is located approximately 50 kms SE of Pannawonica in the West Pilbara region of Western Australia, and is the subject of an iron ore specific exploration joint venture with API 70%; Helix 30%.

API is a company 50% owned by Aquila Resources Limited ("Aquila") and 50% by AMCI. API (as agent for Aquila and AMCI) is the majority holder in a number of Joint Venture Projects in the region comprising their West Pilbara Iron Ore Project ("**WPIOP**") and is focused on the development of iron ore resources in the West Pilbara.

Should shareholders have any questions, please contact the Company.

Yours faithfully



Greg J Wheeler
Chairman



YALLEEN JOINT VENTURE

RESOURCE ESTIMATES – Kumina Creek and Robe Exit Deposits.

Resource estimates have been finalised 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.

The CID resource for the Yalleen JV totals 84.30 million tonnes.

Estimation Process

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
<u>Yalleen Joint Venture</u>		
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, SiO₂, Al₂O₃, P, S, Mn, MgO and LOI (LOI 1000°C).

All composites were flagged to the spacial 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 CID's a minimum of three passes of increasing search distances was employed to interpolate all the blocks within the ore and waste domains.

Block Model

Block models were constructed for each deposit using a parent block size of 25m x 25m x 2m and sub-block cell size of 5m x 5m x 2m. The mineralised envelope was used to constrain the block model.

Density

API has completed density determinations for pisolitic channel iron deposits within the region and applied appropriate density parameters. Densities were applied to respective deposits based on specific weathering intensity, ore types and the variability between deposit mineralogy. No specific density determinations have been completed on the Kumina Creek or Robe Exit mineralisation.

Deposit	Density
Kumina Creek	2.7
Robe Exit	2.7

Classification

Classification of the resources was completed based principally on the confidence in the geological interpretation and the density of data. Other criteria coded into the block model such as number of samples (Fe points), number of holes (Fe holes), run number used to fill block (Fe run), and the Kriging Variance (Fe Kvar) were also assessed in assigning the classification.

Indicated and Inferred categories have been defined.

Cut-off Grades

All resource estimates are reported applying iron cut-off's 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.

Reporting

The resource estimates have been compiled in accordance with the guidelines defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004 Edition). The resource statement is to be signed off by Mr Stuart Tuckey as an employee of API Management Pty Ltd. Mr Tuckey is a Member of the Australasian Institute of Mining and Metallurgy.

Details of the Resource Estimate parameters are contained in Attachment A.

Resource Estimates

Resource estimates have been completed for the Kumina Creek and Robe Exit deposits by API Management Pty Ltd following the completion of diamond and reverse circulation drilling programmes in late 2008.

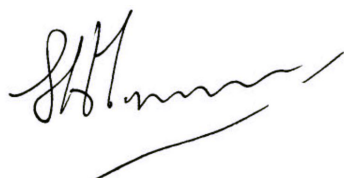
The total channel iron Resource for the Yalleen Joint Venture is 84.30 million tonnes at 57.19% iron.

West Pilbara Iron Ore Project Resource Estimate – YALLEEN JOINT VENTURE CHANNEL IRON DEPOSITS									
Resource Classification	Tonnes Mt	Fe %	SiO2 %	Al2O3 %	P %	S %	LOI %	Mn %	MgO %
Kumina Creek Deposit									
Measured	-	-	-	-	-	-	-	-	-
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									
Measured	-	-	-	-	-	-	-	-	-
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									
Measured	-	-	-	-	-	-	-	-	-
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

Total Resources

Competent Person Statement

The information in this report that relates to the Kumina Creek and Robe Exit Mineral Resources is based on information compiled by Mr Stuart H Tuckey. Mr Tuckey is full-time employee of the API Management Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves'.



Stuart Tuckey

Exploration Manager

Australian Premium Iron Joint Venture

Attachment A – Resource Estimate Parameters

KUMINA CREEK AND ROBE EXIT DEPOSITS	
SAMPLING TECHNIQUES AND DATA	
Drilling Technique	Kumina Creek - Diamond drilling (HQ core) and dual rotary (limited holes included in estimation process). All holes were drilled vertically. Robe Exit - Reverse Circulation (RC) drilling utilising a 5 1/4" face sampling hammer. All holes were drilled vertically.
Sampling Technique	Industry standard sampling techniques were used for all drill methods and ground conditions encountered. Diamond core- whole diamond core samples were submitted to the laboratory for analysis. RC - On average 3.5kg samples were collected directly from the cyclone after passing through a riffle splitter. API personnel supervised the drilling and sampling.
Drill Sample Recovery	Based on data recorded, within the mineralised zones the average diamond drilling core (HQ core) recovery is 91.74% at Kumina Creek. Average RC drilling recovery at Robe Exit is 83%.
Geological Logging	Geological logging has been completed on all drilling completed within the resource area. All information from drilling has been recorded using industry appropriate logging and recording system. The level of detail (stratigraphy, lithology, mineral content) is appropriate for mineral resource estimation. The logging data has been used to develop the geological interpretation and checked, where possible, against geochemical data.
Quality of Assay Data / QAQC	An external commercial laboratory has been used for all analytical testwork. Appropriate sample preparation and assaying procedures have been used. API has a systematic QA/QC procedure for all sampling programmes. Duplicate samples and industry certified standards are inserted within the sample sequence. No duplicate samples for diamond drilling were submitted as whole core was used for the initial assay. The QAQC procedures are designed to monitor all aspects of sampling techniques and analytical reliability. Results from the standards are acceptable; there are no major issues that would prevent the resource from being classified as Measured, Indicated or Inferred. The accuracy and precision of the data is good.
Surveying	All collar locations for the deposits were surveyed in three dimensions by licensed surveyors.
Data spacing	Drill holes are positioned on a regular grid at Kumina Creek - 100 x 200 metre and Robe Exit - 100 x 200 metre centres providing good geological control and grade continuity. The grade continuity has been established by variography and the data density is sufficient for reasonable variograms in most ore domains.
Auditing	The geological and assay data base is internally audited. Data integrity is checked on upload of all recorded drill, survey, geological and assay data.
ESTIMATION AND REPORTING OF MINERAL RESOURCE	
Database Integrity	The API database is managed by a dedicated Database Manager and has been validated for integrity and completeness.
Geological Interpretation	Geological and mineralisation interpretations were completed by API. The interpretations are based on geological and geochemical information from drill holes and surface mapping. The data density and regularity are considered adequate for the definition of the geological boundaries which were used to define both geological and mineralised zones for resource estimation purposes.
Dimensions	Kumina Creek Deposit - 2,850 x 1075 x 78 metres (E x N x RL) Robe Exit Deposit - 1,950 x 1775 x 90 metres (E x N x RL)
Estimation and Modelling Technique	The estimation techniques used for the deposits are based on the geostatistical method of Ordinary Kriging. Block model cell size used - 25 x 25 x 2 metres, sub-cell size - 5 x 5 x 2 metres.
Variables Interpolated	Fe, Al ₂ O ₃ , SiO ₂ , P, S, Mn, MgO and LOI (1000°C)
Moisture	Tonnage based on a dry basis
Cut-off Parameters	The resource models are not constrained by assumptions about economic cut-off grades. The reported resources are based on applying a lower cut-off grade of 54% for Fe.
Mining Factors	API has assumed that the deposit will be mined by excavators using 2 m high benches, or a bench height divisible by 2 m, primarily due to the thin nature of the ore horizons.
Metallurgical Considerations	It has been assumed that the metallurgical domains are primarily governed by the position of the ore and waste boundaries.
Bulk Density	Average dry bulk density values were applied to the resource model on a geological domain basis using values determined from channel iron deposits located at API's West Pilbara Iron Ore Project. An average density value of 2.7t/m ³ was used and is determined to be appropriate for the type and style of mineralisation.
Classification	Resource classification was primarily based on data density criteria and geological confidence. The level of continuity was not sufficient to classify any of the Kumina Creek or Robe Exit resources in the Measured Resource category. The deposits were classified as an Indicated resource, and Inferred where material represented zones of lower data density.
Accuracy and confidence	An alternative Inverse Distance Weighted (Squared) estimate was made to validate the ordinary Kriged resource estimate. A validation of block model grades against composited sample interval grades was completed.

Figure 1. Yalleen Joint Venture – CID deposit location plan.

