



ANNOUNCEMENT SUMMARY

- HELICON GROUP ANNOUNCES \$2 MILLION RE-CAPITALISATION PROGRAM
- IMMEDIATE 15% PLACEMENT
- FULLY UNDERWRITTEN NON-RENOUCEABLE RIGHTS ISSUE

PERTH, 16th June 2010. HELICON GROUP LIMITED (ASX: HCG) today announced a program to recapitalise the company through an immediate placement of shares to be followed by a fully underwritten non-renounceable rights issue to shareholders.

Helicon advises that it has placed 13,001,277 fully paid ordinary shares to clients of CPS Securities at 1.25 cents per share to raise \$162,516.

The Company also advises that it will raise approximately a further \$1.875 million through a fully underwritten non-renounceable issue to shareholders on the basis of an entitlement to shareholders of three (3) shares for every two (2) shares held at an issue price of 1.25 cents per share, with the Record Date to be on or about 30th June 2010. The rights issue is underwritten by CPS Securities. Formal announcement of the rights issue is expected to be made on or about 22nd June 2010.

The Company has been investigating business opportunities and continues to do so. The directors believe the re-capitalisation will better position the company to secure a quality project. The directors decided that a well priced underwritten rights issue was a sensible precursor to a project acquisition and would place the company in a stronger financial and negotiating position. The Company will also place 25 million options to CPS Securities and its clients exercisable at

one cent, subject to shareholder approval at an extraordinary general meeting of shareholders, expected to be held during July 2010.

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