

**THIS DOCUMENT AND THE ENCLOSED FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.** If you are in any doubt as to the action you should take, you are recommended to seek advice from your own stockbroker, bank manager, solicitor, accountant or other financial adviser authorised pursuant to the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all of your shares in Helius Energy plc, please send this document and the accompanying form of proxy at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.

**THIS DOCUMENT SHOULD BE READ IN CONJUNCTION WITH THE NOTICE OF GENERAL MEETING OF THE COMPANY SET OUT AT THE END OF THIS DOCUMENT.**

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## **HELIUS ENERGY PLC**

*(a company incorporated in England and Wales and registered with number 5745512)*

### **NOTICE OF GENERAL MEETING**

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Your attention is drawn to the letter from the Chairman of Helius Energy plc which is set out on pages 4 and 5 of this document and which contains, amongst other matters, your Board's recommendation to vote in favour of the Resolution to be proposed at the General Meeting referred to below.

Notice of the General Meeting of the Company to be held at 11.00 a.m. on 26 January 2009 at The Great Room, Palladia Central Court, 25 Southampton Buildings, London WC2 is set out at the end of this document. Shareholders are requested to return the enclosed form of proxy, which to be valid must be completed and returned in accordance with the instructions printed thereon. In the case of any appointment made otherwise than through CREST the form of proxy must be received as soon as possible by the Company's registrars, Capita Registrars at The Registry, PROXIES, 34 Beckenham Road, Kent BR3 4TU but in any event so as to be received by the Company not less than 48 hours (excluding non working days) before the time appointed for the meeting, being 11.00 a.m. on 22 January 2009. In the case of any appointment made through CREST the CREST Proxy Instruction must be received not more than 48 hours before 11.00 a.m. on 26 January 2009. Completion and return of a form of proxy will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish.

Matrix Corporate Capital is the nominated adviser and broker to the Company for the purposes of the AIM Rules. Matrix Corporate Capital, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting for the Company and no one else in connection with this document and will not be responsible to anyone other than the Company for providing the protections afforded to customers of Matrix Corporate Capital or for providing advice in relation to this document.

This document does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, purchase or subscribe for any securities. This document has not been examined or approved by the Financial Service Authority or the London Stock Exchange or any other regulatory authority.

Copies of this document are available free of charge until 26 January 2009 at the offices of Pinsent Masons LLP, 1 Ropemaker Street, London EC2Y 9AH during usual business hours on any weekday (public holidays excepted).

## **EXPECTED TIMETABLE OF PRINCIPAL EVENTS**

Publication of this document and posting to Shareholders	7 January 2009
Latest time and date for receipt of Forms of Proxy other than through CREST	11.00 a.m. on 22 January 2009
Time and date of General Meeting	11.00 a.m. on 26 January 2009

## DEFINITIONS

<b>Act</b>	the Companies Act 1985
<b>AIM Rules</b>	the AIM Rules for Companies and, as appropriate, the AIM Rules for Nominated Advisers, as respectively published by the London Stock Exchange plc from time to time
<b>Board or Directors</b>	the directors of the Company at the date of this document whose names are set out on page 4 of this document
<b>General Meeting or GM</b>	the general meeting of the Company convened for 11.00 a.m. on 26 January 2009 and any adjournment thereof, notice of which is set out at the end of this document
<b>Group</b>	the Company and its subsidiaries
<b>Helius or the Company</b>	Helius Energy plc
<b>Matrix Corporate Capital</b>	Matrix Corporate Capital LLP
<b>Notice</b>	the notice convening the General Meeting which is set out at the end of this document
<b>Ordinary Shares</b>	ordinary shares of 1 pence each in the capital of the Company
<b>Resolution</b>	the resolution set out in the Notice
<b>Shareholders</b>	holders of Ordinary Shares

# HELIUS ENERGY PLC

*(a company incorporated in England and Wales and registered with number 5745512)*

Alex David Worrall, FCCA, *Non-Executive Chairman*  
John Michael Seed, *Managing Director*  
Alan Lyons, *Finance Director*  
Dr Adrian Clive Bowles, *Technical Director*  
Christopher Corner, *Commercial Director*  
John Barclay Forrest, OBE, *Non-Executive Director*  
Demetri Pappadopoulos, *Non-Executive Director*  
Michelle Susette Morris, *Executive Director & Company Secretary*

South Tees Business Centre  
Puddlers Road  
Middlesbrough  
TS6 6TL

7 January 2009

*To Shareholders and, for information only, to the holders of options over Ordinary Shares*

Dear Shareholder

## **Proposed terms of the share buyback**

For some time now, the Board has believed that the Company's share price has not adequately reflected the true potential of the business. Accordingly, the Company is seeking the authority from Shareholders to repurchase Ordinary Shares in the Company, when appropriate. This authority will be utilised where the Board feels it is advantageous to existing shareholders for the Company to do so.

Helius is asking for the authority to purchase up to 12,814,098 Ordinary Shares in aggregate, which represents some 15 per cent. of the Company's current issued share capital. Helius will not pay more than 5 per cent. above the average mid market price for Ordinary Shares for the five business days immediately preceding the date on which Helius contracts to make any such purchase.

These will be the parameters with which your Board may purchase Ordinary Shares in the market in the 15 month period following the approval of the Resolution.

## **General Meeting**

A notice is set out at the end of this document convening a General Meeting of the Company to be held at The Great Room, Palladia Central Court, 25 Southampton Buildings, London WC2 at 11.00 a.m. on 26 January 2009.

At the General Meeting the Resolution will be proposed to seek authority to buy back up to 12,814,098 Ordinary Shares in aggregate in the market.

## **Action to be taken**

A Form of Proxy for use by Shareholders at the General Meeting is enclosed. Whether or not you propose to attend the General Meeting, in the case of any appointment made otherwise than through CREST you are requested to complete and sign the Form of Proxy in accordance with the instructions printed thereon and return it to the Company registrars, Capita Registrars at The Registry, PROXIES, 34 Beckenham Road, Kent BR3 4TU, as soon as possible and in any event so as to be received by the Company no later than 11.00 a.m. on 22 January 2009. In the case of any appointment made through CREST the CREST Proxy Instruction must be received not more than 48 hours before 11.00 a.m. on 26 January 2009. The completion and return of the Form of Proxy will not preclude you from attending the General Meeting and voting in person should you wish to do so.

## **Recommendation**

Your Directors consider that the Resolution is in the best interests of the Company and its Shareholders as a whole and we recommend that you vote in favour of it as the Directors intend to

do in respect of their own beneficial holdings of 36,711,779 Ordinary Shares representing 42.97 per cent. of the current issued share capital of the Company.

*Yours faithfully,*

**Alex Worrall**  
*Chairman*

## HELIUS ENERGY PLC

*(a company incorporated in England and Wales and registered with number 5745512)*

### NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of Helius Energy Plc (the "Company") will be held at 11.00 a.m. on 26 January 2009 at The Great Room, Palladia Central Court, 25 Southampton Buildings, London WC2 for the purpose of considering and, if thought fit, passing the following resolution will be proposed as a special resolution:

### RESOLUTION

That the Company be and is hereby generally and unconditionally authorised for the purposes of section 166 of the Companies Act 1985 (the "Act") to make market purchases (within the meaning of section 163(3) of the Act) of ordinary shares of 1p each in the Company ("Ordinary Shares") provided that:

- (a) the maximum number of Ordinary Shares which may be purchased is 12,814,098 (representing 15 per cent. of the Company's issued Ordinary Share capital as at 6 January 2009);
- (b) the minimum price (exclusive of expenses) which may be paid for each Ordinary Share is 1 pence;
- (c) the maximum price (exclusive of expenses) which may be paid for each Ordinary Share is an amount equal to 5 per cent. above the average of the middle market quotations of an Ordinary Share taken from the AIM appendix to the Stock Exchange Daily List for the five business days immediately preceding the day on which the share is contracted to be purchased;
- (d) this authority shall expire within 15 months from the date of passing this resolution (unless previously renewed, varied or revoked by the Company in general meeting); and
- (e) the Company may, before such expiry, enter into one or more contracts to purchase Ordinary Shares under which such purchases may be completed or executed wholly or partly after the expiry of this authority and may make a purchase of Ordinary Shares in pursuance of any such contract or contracts.

#### *BY ORDER OF THE BOARD*

Michelle Morris  
*Company Secretary*

#### *Registered Office:*

South Tees Business Centre  
Puddlers Road  
Middlesbrough  
TS6 6TL

7 January 2009

**Notes:**

1. A member entitled to attend and vote at the meeting is also entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. The proxy need not be a member of the Company.
2. To be effective, the instrument appointing a proxy and any authority under which it is executed (or a notarially certified copy of such authority) must be deposited with the Company's registrars, Capita Registrars, The Registry, PROXIES, 34 Beckenham Road, Beckenham, Kent, BR3 4TU not less than 48 hours (excluding non working days) before the time for holding the meeting. You may also deliver by hand to Capita Registrars, The Registry, PROXIES, 34 Beckenham Road, Beckenham, Kent, BR3 4TU. A form of proxy is enclosed with this notice. Completion and return of the form of proxy or other such instrument or any CREST Proxy Instruction (as described in note 3) will not preclude shareholders from attending and voting in person at the meeting.
3. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by Capita (ID RA10) not later than 48 hours before the time fixed for the General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Capita is able to retrieve the message by enquiry to CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages and normal system timings and limitations will apply in relation to the input of a CREST Proxy Instruction. It is the responsibility of the CREST member concerned to take such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
4. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, the Company specified that only those shareholders registered in the relevant register of members of the Company at 6 p.m. on 24 January 2009 shall be entitled to attend and vote at the General Meeting or, if the meeting is adjourned, close of business on such date being not more than two days prior to the date fixed for the adjourned meeting. Changes to entries on the register of members after that time shall be disregarded in determining the rights of any person to attend and/or vote at the meeting.
5. In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that:
  - (a) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all the other corporate representatives for that shareholder at the meeting then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and
  - (b) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative.Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrative on the proxy and corporate representatives (<http://www.icsa.org.uk/> for further details of this procedure. The guidance includes a sample form of representation letter if the chairman is being appointed as described in (a) above.
6. To appoint more than one proxy you may photocopy this form. Please include the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also include if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.

