

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 and/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 Heliuss 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 ANNUAL GENERAL MEETING OF THE COMPANY SET OUT IN THIS DOCUMENT.

HELIUS ENERGY PLC

(incorporated in England and Wales with registered number 5745512)

NOTICE OF ANNUAL GENERAL MEETING

Your attention is drawn to the letter from the Chairman of Heliuss Energy plc which is set out on page 2 of this document and which contains, amongst other matters, your Board's recommendation to vote in favour of the Resolutions to be proposed at the Annual General Meeting referred to below.

Notice of the Annual General Meeting to be held at 3.00 p.m. on Wednesday 17 March 2010 at the offices of Burges Salmon LLP, Chancery Exchange, 10 Furnival Street, London EC4A 1AB is set out in 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 so as to be received as soon as possible by the Company's registrars, Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU but in any event so as to be received not less than 48 hours before the time appointed for the meeting, being 3.00 p.m. on Monday 15 March 2010. Completion and return of a form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting should they so wish.

Matrix Corporate Capital LLP is the nominated adviser and broker to the Company for the purposes of the AIM Rules. Matrix Corporate Capital LLP, 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 LLP 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 Services Authority or the London Stock Exchange or any other regulatory authority.

Copies of this document are available free of charge until the date of the Annual General Meeting during normal business hours at the registered offices of Heliuss Energy plc, at 242 Marylebone Road, London NW1 6JL, and at the place and on the date of the Annual General Meeting from 2.45 p.m. until its conclusion.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	2010
Publication of this document and posting to Shareholders	22 February
Latest time and date for receipt of Forms of Proxy	3.00 p.m. on 15 March
Time and date of Annual General Meeting	3.00 p.m. on 17 March

DEFINITIONS

Act or CA 2006	the Companies Act 2006
Annual General Meeting or AGM	the Annual General Meeting of the Company convened for 3.00 p.m. on Wednesday, 17 March 2010 and any adjournment thereof, notice of which is set out in this document, or such other Annual General Meeting of the Company as the context requires
AIM Rules	the AIM Rules for Companies and, as appropriate, the AIM Rules for Nominated Advisers, as respectively published by the London Stock Exchange
Board	the directors of the Company at the date of this document whose names are set out on page 2 of this document
CA 1985	the Companies Act 1985
EU	European Union
Group	the Company and its subsidiaries
Helius or the Company	Helius Energy plc
London Stock Exchange	London Stock Exchange plc
Matrix	Matrix Corporate Capital LLP of One Vine Street, London, W1J 0AH
Notice	the notice convening the Annual General Meeting, which is set out in this document
Ordinary Shares	ordinary shares of 1 pence each in the capital of the Company
Resolutions	the resolutions to be proposed at the AGM as set out in the Notice
Shareholders	holders of Ordinary Shares

HELIUS ENERGY PLC

(incorporated in England and Wales with registered number 5745512)

Keith N Henry, non-executive Chairman

Adrian C Bowles, Chief Executive Officer

David G Brocksom, non-executive director

Christopher M Corner, Commercial Director

J Barclay Forrest, OBE, non-executive director

Alan G Lyons, Chief Financial Officer

John M Seed, non-executive director

242 Marylebone Road

London NW1 6JL

TO SHAREHOLDERS AND, FOR INFORMATION ONLY, TO THE HOLDERS OF OPTIONS OVER ORDINARY SHARES

Dear Shareholder,

ANNUAL GENERAL MEETING

A notice is set out in this document convening the Annual General Meeting of the Company, to be held at the offices of Burges Salmon LLP, Chancery Exchange, 10 Furnival Street, London EC4A 1AB, at 3.00 p.m. on Wednesday 17 March 2010.

The Notice contains details of the Resolutions proposed and attaches an appendix setting out further information in respect of those proposed Resolutions.

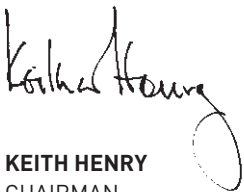
ACTION TO BE TAKEN

A form of proxy for use by Shareholders at the Annual General Meeting is enclosed. Whether or not you propose to attend the AGM, you are requested to complete and sign the form of proxy in accordance with the instructions printed thereon and to return it to the Company's registrars, Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU, as soon as possible and in any event so as to be received not less than 48 hours before the time appointed for the meeting, being 3.00 p.m. on Monday 15 March 2010. The completion of the form of proxy will not preclude you from attending the Annual General Meeting and voting in person should you wish to do so.

RECOMMENDATION

Your directors consider that all of the Resolutions are in the best interests of the Company and its Shareholders as a whole and recommend that you vote in favour of them as the directors intend to do in respect of their own beneficial holdings of 11,803,661 Ordinary Shares, representing 13.86 per cent. of the total current issued share capital of the Company.

Yours faithfully,



KEITH HENRY
CHAIRMAN

HELIUS ENERGY PLC

(incorporated in England and Wales with registered number 5745512)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("AGM") of Helius Energy plc (the "Company") will be held at 3.00 p.m. on Wednesday, 17 March 2010 at the offices of Burges Salmon LLP, Chancery Exchange, 10 Furnival Street, London EC4A 1AB for the purpose of considering and, if thought fit, passing the following resolutions, which will be proposed, in the case of Resolutions 1 to 7 (inclusive) as Ordinary Resolutions and, in the case of Resolutions 8 to and 10 (inclusive), as Special Resolutions:

ORDINARY RESOLUTIONS

1. THAT the report of the directors and accounts for the year ended 30 September 2009, together with the report of the auditors thereon, be received.
2. THAT BDO Stoy Hayward LLP be re-appointed as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the Company, at a remuneration to be fixed by the directors from time to time.
3. THAT Keith Nicholas Henry, having been appointed to the Board since the last Annual General Meeting, who retires and is eligible for re-appointment in accordance with the articles of association of the Company, be re-appointed as a director of the Company.
4. THAT David Graham Brocksom, having been appointed to the Board since the last Annual General Meeting, who retires and is eligible for re-appointment in accordance with the articles of association of the Company, be re-appointed as a director of the Company.
5. THAT the directors of the Company for the time being be and they are hereby generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (the "Act"), in substitution for any existing authority to the extent unused, to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company on, and subject to, such terms as the directors may determine. The authority hereby conferred shall, subject to Section 551 of the Act, be for a period commencing on the date of the passing of this Resolution and expiring at the conclusion of the Annual General Meeting of the Company to be held in 2011 or 17 June 2011 (whichever is the earlier) unless reviewed, varied or revoked by the Company in General Meeting, and the maximum nominal amount of shares which may be allotted pursuant to such authority shall be £283,964.39 (representing the lower of one third of the total ordinary share capital of the Company in issue and the total authorised but unissued share capital of the Company). The directors shall be entitled under such authority or any renewal thereof to make at any time prior to the expiry of such authority any offer or agreement which would or might require shares in the Company to be allotted after the expiry of such authority and the directors may allot shares in pursuance of such offer or agreement as if such authority had not expired.
6. THAT the Company and its subsidiaries at any time during the period for which this resolution has effect be and they are hereby authorised, in accordance with Section 366 of the Companies Act 2006 (the "Act"), to:
 - (a) make political donations to political parties or political organisations or independent election candidates, as defined in Sections 363 and 364 of the Act, during the period commencing on the date of this resolution and ending at the conclusion of the Annual General Meeting (the "AGM") of the Company to be held in 2011 or 17 June 2011 (whichever is earlier), not exceeding £10,000 in total in respect of the Company and all its subsidiaries referred to above; and
 - (b) incur political expenditure, as defined in Section 365 of the Act, during the period commencing on the date of this resolution and ending at the conclusion of the AGM of the Company to be held in 2011 or 17 June 2011 (whichever is earlier), not exceeding £10,000 in total in respect of the Company and all its subsidiaries referred to above.
7. THAT the Company be and it is hereby authorised, subject to and in accordance with the provisions of the Companies Act 2006, to send and supply all types of notices, documents and information to the members of the Company by means of electronic equipment for the processing, storage and transmission of data, using wires, radio optical technologies, or any other electromagnetic means, including without limitation by making such notices, documents or information available on a website.

**NOTICE OF ANNUAL GENERAL MEETING
CONTINUED****SPECIAL RESOLUTIONS**

8. THAT, subject to the passing of Resolution 5 set out in the Notice of Annual General Meeting of the Company convened for 17 March 2010, the directors of the Company for the time being be and they are hereby generally and unconditionally empowered pursuant to Section 570 of the Companies Act 2006 (the "Act"), in substitution for any existing authority to the extent unused, to allot equity securities (as defined in Section 560 of the Act) for cash pursuant to the authority conferred by Resolution 5 above as if Section 561 of the Act did not apply to such allotment, provided that the power hereby conferred shall be limited to:
- (i) the allotment of equity securities in connection with an offer of securities by way of rights to the holders of equity securities in proportion (as nearly as may be) to the respective amounts of equity securities held by them on a record date fixed by the directors and subject to such exclusions or other arrangements as the directors may deem necessary or expedient to deal with legal or practical problems under the laws of any overseas territory or the requirements of any regulatory body or any stock exchange in any territory or in connection with fractional elements or otherwise howsoever;
 - (ii) otherwise than pursuant to sub-paragraph (i) above, the allotment of equity securities, or the grant of rights to subscribe for such equity securities, for cash up to an aggregate nominal amount of £148,106.82 in connection with the exercise and grant of options; and
 - (iii) otherwise than pursuant to sub-paragraphs (i) and (ii) above, the allotment of equity securities for cash up to an aggregate nominal amount of £42,594.66 (representing approximately 5% of the total ordinary share capital of the Company in issue),
- and the power hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2011 or 17 June 2011 (whichever is the earlier), save that the Company may before such expiry make an offer or agreement which would or might require equity securities in the Company to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.
9. THAT the Company be and it is hereby generally and unconditionally authorised for the purposes of Section 701 of the Companies Act 2006 (the "Act") to make one or more market purchases (within the meaning of Section 693(4) of the Act) of fully paid ordinary shares of 1 pence each in the capital of the Company on such terms and in such manner as the directors may determine, provided that:
- (a) the maximum aggregate number of ordinary shares hereby authorised to be purchased is 8,518,931 (representing approximately 10% of the total ordinary issued share capital of the Company);
 - (b) the minimum price (exclusive of expenses) which may be paid for each ordinary share is 1 pence per share;
 - (c) the maximum price (exclusive of expenses) which may be paid for each ordinary share shall not be more than 5% above the average of the middle market quotations for an ordinary share as derived from the AIM section of the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which the ordinary share is contracted to be purchased;
 - (d) unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2011 or 17 June 2011 (whichever is the earlier);
 - (e) the Company may, pursuant to the authority hereby conferred, enter into a contract to purchase ordinary shares which would, will or might be executed wholly or partly after the expiry of such authority and the Company may make a purchase of ordinary shares in pursuance of such contract as if the authority conferred hereby had not expired.
10. THAT:
- (a) the articles of association of the Company be amended by deleting all the provisions of the Company's memorandum of association which, by virtue of Section 28 of the Companies Act 2006, are treated as provisions of the Company's articles of association; and
 - (b) the articles of association produced to the meeting and initialled by the Chairman of the meeting for the purposes of identification be and are hereby adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.

BY ORDER OF THE BOARD

WILLIAM J. INGRAM HILL
COMPANY SECRETARY
22 February 2010

REGISTERED OFFICE:

242 Marylebone Road
London NW1 6JL

NOTES TO THE NOTICE OF AGM:

1. Resolutions 1 to 7 (inclusive) are proposed as Ordinary Resolutions. This means that for those resolutions to be passed, more than half of the votes cast on such resolutions must be in favour of such resolutions. Resolutions 8 to 10 (inclusive) are proposed as Special Resolutions. This means that for those resolutions to be passed, at least three-quarters of the votes cast on such resolutions must be in favour of such resolutions.
2. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to exercise all or any that member's rights to attend, speak and, on a poll, vote at the meeting. A proxy need not be a member of the Company.
3. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. In the event of a conflict between a blank proxy form and a proxy form which states the number of shares to which it applies, the specific proxy form shall be counted first, regardless of whether it was sent or received before or after the blank proxy form, and any remaining shares in respect of which such member is the registered holder will be apportioned to the blank proxy form. A member may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, a member may photocopy this form of proxy. That member should indicate the proxy holder's name and number of shares in relation to which they are authorised to act as his/her proxy (which in aggregate should not exceed the number of shares held by him/her). A member should also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned in the same envelope.
4. A member which is a corporation is entitled to appoint one or more corporate representatives to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual member. If a member which is a corporation appoints more than one corporate representative in relation to the meeting, each representative must exercise the rights attached to a different share or shares held by that member.
5. A form of proxy is enclosed. To be valid, the form of proxy, and any power of attorney or other authority (if any) under which it is executed (or a notarially certified copy of such authority), must be duly completed, executed and deposited with Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU, not less than 48 hours before the time for holding the meeting (or any adjourned meeting). Completion of a form of proxy does not preclude a member from attending and voting in person at the meeting.
6. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members entered on the register of members of the Company at 6.00 p.m. on Monday, 15 March 2010 or, in the event that the meeting is adjourned, as at 6.00 p.m. on the day two days before the date of the adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares registered in their names at that time. Changes to the entries on the register of members of the Company after that time shall be disregarded in determining the rights of any person to attend and/or vote at the meeting.
7. CREST members who wish to appoint one or more proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members and those CREST members who have appointed voting service provider(s) should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf.
8. To be valid, the appropriate CREST message to effect a proxy appointment or instruction made using the CREST service (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. A CREST proxy instruction, irrespective of whether it constitutes the appointment of a proxy or an amendment to an instruction given to a previously appointed proxy, must be transmitted so as to be received by Capita Registrars (ID RA 10) by no later than 3.00 p.m. on Monday, 15 March 2010. No CREST proxy instruction received through the CREST system after this time will be accepted. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST proxy instruction by the CREST Applications Host) from which Capita Registrars are able to retrieve the CREST proxy instruction by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
9. 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.
10. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular CREST proxy instruction. Normal CREST system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a CREST proxy instruction is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors and voting service providers are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
11. Copies of the directors' service contracts and letters of appointment will be available for inspection at the registered office of the Company from the date of this notice until the date of the meeting during normal business hours, and at the place of the meeting from 2.45 p.m. until its conclusion.
12. Copies of the existing memorandum and articles of association of the Company, and copies of the new memorandum and articles of association of the Company, as proposed to be adopted pursuant to Resolution 10, will also be available for inspection at the registered office of the Company from the date of this notice until the date of the meeting during normal business hours, and at the place of the meeting from 2.45 p.m. until its conclusion. Copies of the new memorandum and articles of association of the Company proposed to be adopted pursuant to Resolution 10 are also available on the Company's website at www.heliusenergy.com/investors.
13. The purpose and effect of the resolutions to be proposed as Resolutions 1 to 9 (inclusive) are explained in the Appendix to this Notice of AGM.
14. The principal changes proposed to be made to the articles of association of the Company, by virtue of the removal of provisions of the memorandum of association and the adoption of new articles of association of the Company pursuant to Resolution 10, are also summarised in the Appendix to this Notice of AGM.

APPENDIX TO NOTICE OF ANNUAL GENERAL MEETING – EXPLANATORY NOTES

RESOLUTION 1 – RECEIPT OF ACCOUNTS AND REPORTS

Resolution 1 will be proposed to receive the report of the directors and the accounts for the financial year ended 30 September 2009, together with the report of the auditors thereon.

RESOLUTION 2 – RE-APPOINTMENT OF AUDITORS

Resolution 2 will be proposed to re-appoint BDO Stoy Hayward LLP as the auditors of the Company to hold office from the conclusion of the annual general meeting until the conclusion of the next annual general meeting of the Company, and to authorise the directors to fix the remuneration of the auditors.

RESOLUTIONS 3 AND 4 – RE-APPOINTMENT OF DIRECTORS

Resolutions 3 and 4 will be proposed to re-appoint Keith Henry, the non-executive Chairman, and David Brocksom, a non-executive director, as directors of the Company, both of whom were appointed to the Board since the last AGM of the Company and are eligible for re-appointment at this AGM of the Company in accordance with the Company's articles of association.

RESOLUTION 5 – AUTHORITY TO ALLOT SECURITIES

Resolution 5 will be proposed to renew the authority of the directors of the Company to allot shares (or rights in respect thereof), up to an aggregate nominal amount of £283,964.39 (being one third of the total ordinary share capital of the Company in issue at the latest practicable date prior to publication of this notice), until the earlier of the conclusion of the AGM of the Company to be held in 2011 or 17 June 2011.

RESOLUTION 6 – AUTHORITY TO MAKE POLITICAL DONATIONS AND INCUR POLITICAL EXPENDITURE

Resolution 6 will be proposed to renew the authority of the Company and its subsidiaries to make political donations and incur political expenditure, in each case up to a maximum aggregate amount of £10,000 for both the Company and its subsidiaries during the period from the date the resolution is passed until the earlier of the conclusion of the AGM of the Company to be held in 2011 or 17 June 2011.

The Company has no present intention to make any particular political donations or to incur any specified political expenditure. However, as the Act defines the terms 'political donations' and 'political expenditure' widely, it may capture activities and expenditure that it would be in the interests of the Company to undertake or incur, such as supporting organisations involved in the development and promotion of renewable energy or bio-fuels, and attendance at political events (such as party conferences) for information purposes. The Company would not, without the approval of its shareholders at the AGM, otherwise be able to offer this support or obtain information in this manner.

RESOLUTION 7 – AUTHORITY TO COMMUNICATE WITH SHAREHOLDERS BY ELECTRONIC MEANS

Resolution 7 will be proposed to enable the Company, subject to the Company seeking further individual consents from its shareholders, to communicate with its shareholders by electronic means.

If Resolution 7 is passed, provided a shareholder has agreed, generally or specifically, that documents or information may be sent or supplied to him/her in electronic form, it would enable the Company to send or supply documents or information to that shareholder in electronic form. Likewise, provided the Company has agreed, generally or specifically, it would enable shareholders to send or supply documents and information to the Company in electronic form.

If Resolution 7 is passed, it would also allow the Company to take advantage of the deemed consent provisions in the CA 2006 in relation to the use of a website to supply notices, documents and other information. These provisions operate to allow the Company to treat a shareholder, of whom it has requested his/her individual consent to the supply of notices, documents and other information by means of a website and who has not responded to that request within 28 days, as having consented to the supply of documents and other information by making them available on a website. The Company must still notify that shareholder, by any other permitted means, when a relevant document or information is placed on the website.

If Resolution 7 is passed, it should be noted that shareholders may, if they do not give their individual consent (or, in the case of communications by means of a website, respond in the negative to a request by the Company to communicate with them by means of a website within 28 days of that request), continue to receive communications from the Company in hard copy form. Moreover, a shareholder may, in relation to a particular communication, request a hard copy of that communication or, at any time by serving written notice on the Company, revoke his consent to receiving communications from the Company by means of a website or in any other electronic form.

The letter which accompanies this document is the letter by which the Company is seeking its shareholders' individual consents to the publication of documents via its website. Your attention is drawn to this letter and you are asked, subject to Resolution 7 being passed, to confirm if you do **not** consent to website publication and wish to continue to receive hard copies of relevant documents.

RESOLUTION 8 - AUTHORITY TO DISAPPLY STATUTORY PRE-EMPTION RIGHTS

Resolution 8 will be proposed to renew the power of the directors of the Company to allot equity securities (or rights in respect thereof) for cash without first offering them to the existing shareholders in proportion to their existing holdings of shares, either in connection with a rights issue, to satisfy the exercise of share options up to an aggregate nominal amount of £148,106.82 or, alternatively, up to an aggregate nominal amount of £42,594.66 (being approximately 5% of the total ordinary share capital of the Company in issue at the latest practicable date prior to publication of this notice), and until the earlier of the conclusion of the next annual general meeting of the Company to be held in 2011 or 17 June 2011.

RESOLUTION 9 – AUTHORITY TO PURCHASE OWN SHARES

Resolution 9 will be proposed to renew the authority of the Company to make market purchases of its own ordinary shares on AIM up to a maximum aggregate number of 8,518,931 ordinary shares (being approximately 10% of the total ordinary share capital of the Company in issue at the latest practicable date prior to publication of this notice), at a minimum price of 1 pence per share (being their nominal value) and a maximum price of 105% of the average of the market value for an ordinary share as derived from the AIM section of the London Stock Exchange Daily Official List for the five business days preceding the date of purchase, and until the earlier of the conclusion of the AGM of the Company to be held in 2011 or 17 June 2011. Any ordinary shares purchased by the Company pursuant to this authority would either be cancelled or held in treasury.

The Company has no present intention to purchase any of its own ordinary shares, and the directors of the Company will only consider making purchases if they believe it would be in the best interests of the Shareholders. However, it is also best practice for the Company to seek its shareholders' approval to the renewal of this authority at successive AGMs of the Company.

RESOLUTION 10 – REMOVAL OF OBJECTS AND ADOPTION OF NEW ARTICLES OF ASSOCIATION

The Company is seeking its shareholders' approval to the removal of a number of the provisions of its memorandum of association and the adoption of new articles of association of the Company, which take into account the changes in company law made as a result of the final provisions of the CA 1985 being repealed and the remaining provisions of the CA 2006 coming into force on 1 October 2009.

The new articles of association proposed to be adopted also incorporate provisions which reflect other legislation enacted, including The Companies (Shareholders' Rights) Regulations 2009, which came into force on 3 August 2009 (the "Shareholders' Rights Regulations") and the Companies Act 2006 (Consequential Amendments) (Uncertificated Securities) Order 2009 (the "Uncertificated Securities Order"), which came into force on 1 October 2009, and which reflect corporate governance recommendations and best practice promulgated since 2008, when the existing articles of association were adopted.

In view of the proposed adoption of new articles of association, the Board has also taken the opportunity to review a number of the provisions of the Company's existing articles of association and make changes to them to ensure they are clear and give the Company and/or the Board, as appropriate, the requisite powers and flexibility to manage the Company's affairs.

As a result of the proposed adoption of new articles of association incorporating the changes to the existing articles of association described above, it has also been necessary to re-order certain provisions of the articles of association and to re-number the articles throughout.

The principal changes which are proposed to be made to the Company's existing articles of association by virtue of the adoption of the new articles of association are explained below, and a copy of the proposed new articles of association of the Company (both in clean form and in a form marked to show all changes from the existing articles of association of the Company) are available for inspection as noted above.

1. COMPANY'S OBJECTS

CA 2006 significantly reduces the constitutional significance of a company's memorandum. CA 2006 provides that the memorandum will now record only the names of the subscribers and the number of shares each subscriber has agreed to take in the company. Under CA 2006, the objects clause, which sets out the scope of the activities a company is authorised to undertake, and all other provisions which are contained in the memorandum are deemed, for companies incorporated prior to 1 October 2009, to be contained in the Company's articles of association, but the company can remove these provisions by special resolution.

Further, CA 2006 states that, unless a company's articles provide otherwise, a company's objects are unrestricted. This effectively removes the requirement for a company to have an objects clause. For this reason, the Company is proposing to remove its objects clause, together with all other provisions of its memorandum which, by virtue of CA 2006, are now treated as forming part of its articles of association. Resolution 10 confirms the removal of these provisions.

As the effect of Resolution 10 will also be to remove the statement currently contained in the Company's memorandum regarding the limited liability of its members, the new articles of association to be adopted pursuant to this Resolution will contain an express statement regarding the limited liability of the members.

APPENDIX TO NOTICE OF ANNUAL GENERAL MEETING – EXPLANATORY NOTES CONTINUED

2. AUTHORISED SHARE CAPITAL

CA 2006 removes the requirement for a company to have an authorised share capital. The new articles of association proposed to be adopted reflect this. It should be noted that the directors will still be limited as to the number and nominal value of shares in the Company they can allot at any time as CA 2006 continues to require the directors either to have authority in the Company's articles of association or to have authority by a resolution of the Shareholders to allot shares, save in respect of shares allotted pursuant to employee share schemes.

3. ALTERATIONS TO SHARE CAPITAL

Under CA 1985, a company required both specific enabling provisions in its articles of association and authority by a resolution of its shareholders to increase its share capital, consolidate or sub-divide its shares, cancel any unissued shares, reduce its share capital or other undistributable reserves and to purchase its own shares. Under CA 2006, a company will only require authority by a resolution of its shareholders to carry out these alterations to its share capital and it is no longer necessary for the articles of association to contain enabling provisions. Accordingly, the enabling provisions contained in the Company's existing articles of association have been removed in the new articles of association proposed to be adopted.

4. REDEEMABLE SHARES

Under CA 1985, if a company wished to issue redeemable shares, it had to include in its articles of association the terms and manner of redemption of those shares. Under CA 2006, the directors are able to determine the terms and manner of redemption of shares, if authorised by the articles of association to do so. Accordingly, the new articles of association proposed to be adopted contain such an authorisation. It should be noted that the directors have no current plans to issue redeemable shares and any such issue of redeemable shares would require authority by a resolution of the Shareholders in the usual way.

5. TRANSFERS OF SHARES

The existing articles of association of the Company permit the directors to refuse to register transfers of shares in certain circumstances. CA 2006 provides that, if the directors refuse to register the transfer of any share, they must give their reasons for such refusal to the proposed transferee of that share. The new articles of association of the Company proposed to be adopted provide for the directors to give reasons for refusal, and to give such other information regarding those reasons as the transferee reasonably requests.

The existing articles of association of the Company also permit the directors to suspend the registration of transfers of shares for up to 30 days. CA 2006 provides that share transfers must now be registered as soon as practicable. Accordingly, the new articles of association of the Company proposed to be adopted remove the power for the directors to suspend the registration of share transfers.

6. CHANGE OF COMPANY NAME

Under CA 1985, a company could only change its name by special resolution of the members. Under CA 2006, a company is able to change its name by other means provided for by its articles of association. To take advantage of this provision, the new articles of association proposed to be adopted enable the directors to pass a resolution to change the Company's name. It should be noted that the directors have no present intention to change the Company's name, and any future decision of the directors to change the Company's name would be taken carefully having due regard to the expectations of the Company's members and any goodwill attaching to that name.

7. PROVISION FOR EMPLOYEES ON CESSATION OR TRANSFER OF BUSINESS

CA 2006 provides that the powers of directors of a company to make provision for employees or former employees of the Company or any of its subsidiaries, in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary, may only be exercised by the directors if they are so authorised by the articles of association or by authority of a resolution of the Shareholders. The new articles of association proposed to be adopted grant this power to the directors, but any decision of the directors to exercise this power will be taken carefully with all due regard to the circumstances.

8. VOTING BY PROXIES

CA 2006 enables proxies appointed by members to exercise the voting rights of such members at general meetings, on a show of hands as well as on a poll, provided the articles of association of the Company do not provide otherwise. The Shareholders' Rights Regulations amended CA 2006 so that it also now provides that proxies appointed by one or more members each have one vote on a show of hands, unless any such proxy is appointed by more than one member and has been instructed by such different members to vote in different ways, in which case that proxy has one vote for and one vote against the resolution.

The current articles of association of the Company only enable proxies to vote on a poll. To reflect the most up-to-date best practice, the articles of association proposed to be adopted provide that proxies can also vote on a show of hands, and they reflect provisions of CA 2006 as to the number of votes proxies have on a show of hands.

9. VOTING RECORD DATES

Under CA 2006, as amended by the Shareholders' Rights Regulations, a company must determine the right of members to vote at a general meeting by reference to its register of members not more than 48 hours before the time for holding the meeting, not taking account of any part of a day which is not a working day. The Uncertificated Securities Order now provides that for companies with shares held in CREST, the record date for determining the entitlement of members to vote at a general meeting must not be more than 48 hours before the meeting, not taking account of any part of a day which is not a working day. The new articles of association proposed to be adopted reflect this change in the law.

10. OTHER VOTING MATTERS

Under CA 2006, as amended by the Shareholders' Rights Regulations, there is now a requirement for a proxy or corporate representative of a member to vote in accordance with the instructions given by that member. The new articles of association proposed to be adopted clarify that the Company is not obliged to verify whether a proxy or corporate representative has voted in accordance with instructions and that the vote will not be invalidated by any failure by a proxy or corporate representative to vote in accordance with instructions.

The current articles of association of the Company still refer to the members of the Company being able to pass a resolution by means of a resolution in writing signed by all the members. CA 2006 no longer allows public companies to pass resolutions in writing and, accordingly, these provisions have been removed in the new articles of association proposed to be adopted.

In addition, the current articles of association enable the Company to make facilities for electronic proxy voting available to its members, as the Company did in respect of its annual general meeting in 2009. The opportunity has been taken to clarify these provisions and make more specific provision for how members are able to appoint proxies by means of an "uncertificated proxy instruction" given through the CREST system.

11. DIRECTORS' INTERESTS

The existing articles of association of the Company, which were adopted in ay 2008, contain provisions which regulate directors' conflicts of interest both before and after 1 October 2008, being the date on which the provisions of CA 2006 relating to directors' conflicts of interest came into force. As the provisions of CA 2006 relating to directors' conflicts of interest are now in force, the provisions of the articles regulating the position prior 1 October 2008 have been removed, and certain refinements have been made to the provisions regulating the position after 1 October 2008.

12. DIRECTORS' APPOINTMENT, RETIREMENT AND REMOVAL

The current articles of association of the Company provide that each director who has been in office for three years since his appointment or last re-appointment retire, and be eligible for re-election, at annual general meetings, which reflects the Combined Code corporate governance recommendations. The Combined Code also recommends that each non-executive director who has been in office for nine years or more since his appointment his appointment or last re-appointment retire, and be eligible for re-election, at annual general meetings. The new articles of association proposed to be adopted reflect this additional corporate governance recommendation.

The current articles of association of the Company also specify certain circumstances in which a director must vacate his office. The new articles of association proposed to be adopted update these provisions to reflect the approach taken to the incapacity of directors caused by both mental and physical illness in the model articles for public companies produced by the Department for Business, Innovation and Skills.

13. DIRECTORS' INDEMNITY AND INSURANCE

The provisions of the articles of association which relate to the powers of the Company to indemnify directors and other offices (other than auditors) out of its own funds in respect of certain liabilities incurred by them in connection with their duties towards the Company have been updated to reflect the full powers available to companies in this regard under CA 2006. In particular, the indemnity provisions have been extended to enable the Company to provide funds to officers to avoid them incurring expenditure in certain circumstances and insurance provisions have been added to enable the Company to maintain insurance for its officers' benefit. As these powers of the Company remain at the discretion of the Board, it is considered appropriate to ensure the Board has the maximum flexibility to do as the law permits.

APPENDIX TO NOTICE OF ANNUAL GENERAL MEETING – EXPLANATORY NOTES CONTINUED

14. OTHER DIRECTOR MATTERS

The proposed new articles of association to be adopted remove the aggregate cap on directors' ordinary remuneration (which does not, in any event, include executive directors' remuneration or other non-ordinary course remuneration, such as bonuses). The directors consider, in good faith, that this cap is not necessary, particularly as the Board has appointed a Remuneration Committee whose responsibility it is to set appropriate levels of remuneration for all the directors and whose members remain subject to their statutory duty to act in a way which is most likely to promote the success of the Company.

The proposed new articles of association also remove the need for directors, who are or who intend to be absent from the UK, specifically to provide the Company with an address for service of notices of Board meeting during that period, failing which they are not entitled to receive notice of such Board meetings. Such provision is no longer considered necessary or appropriate on the basis that the articles of association provide, in any event, that directors can provide to the Company an electronic address at which they can receive notice of Board meetings.

In addition, the new articles confirm the legal requirement that all directors of the Company must be at least sixteen years old.

15. NOTICES AND ELECTRONIC COMMUNICATIONS

The current articles of association of the Company contain provisions which, subject to the requirements of CA 2006, including the requirements to seek individual consents from Shareholders in certain circumstances and for a company to give specific consent in other circumstances, enable the Company to send and receive documents and other information by both hard copy and electronic means.

In view of the individual consents of its members which the Company is now seeking to be able to communicate with its members by electronic means, as set out in the accompanying letter, the opportunity has been taken to clarify a number of the provisions which regulate how notices, documents and other information may be given by or to the Company in particular circumstances, which reflects most up-to-date best practice.

It should be noted however that, unless Resolution 7, by which the Company is seeking the collective consent of its shareholders to communicate with them by electronic means, is passed, the Company will not be able to take advantage of certain of the provisions of the proposed new articles of association which, or of any individual consents given by shareholders to, enable the Company to communicate with such shareholders by electronic means.

The new articles of association of the Company also propose to remove, in relation to giving notice of annual and other general meetings of the Company, the concept of the distinction between ordinary and special business, as such a distinction is not required by CA 2006 and is no longer considered best practice.

16. USE OF COMPANY SEALS

Under CA 1985, a company required authority in its articles of association to have an official seal for use abroad. Under CA 2006, such authority is no longer required and, accordingly, the relevant authorisation has been removed in the new articles of association proposed to be adopted. The ways in which the Company may execute documents to which the Seal is affixed are also now clarified in the new articles of association proposed to be adopted, as CA 2006 now permits any document (other than share and other securities certificates) to which a company's seal is affixed to be signed by a single director in the presence of a witness, rather than just a director and the secretary or two directors.

17. OTHER MISCELLANEOUS MATTERS

A number of other amendments have been made to the new articles of association proposed to be adopted pursuant to Resolution 10 which are either consequential to the principal amendments to the articles of association explained above or are intended to ensure that the new articles of association use clear and consistent language throughout.

HELIUS ENERGY PLC

(incorporated in England and Wales with registered number 5745512)

FORM OF PROXY

For use by ordinary shareholders of Helius Energy plc (the "Company") at the Annual General Meeting of the Company to be held at 3.00 p.m. on Wednesday, 17 March 2010 (the "AGM")

I/We
of

hereby appoint the Chairman of the meeting or (see Note 3)

in respect of my/our entire holding of shares or (see Note 4)

as my/our proxy to vote for me/us and on my/our behalf at the AGM (and at any adjournment thereof).

I/We direct my/our proxy to vote as on the resolutions being proposed at the AGM as indicated below (see Note 2).

No. RESOLUTION	FOR	AGAINST	ABSTAIN
1. To receive the accounts and reports thereon.			
2. To re-appoint the auditors and fix their remuneration.			
3. To re-appoint Keith Nicholas Henry as a director.			
4. To re-appoint David Graham Brocksom as a director.			
5. To give the directors authority to allot shares.			
6. To authorise the Company to make political donations and incur political expenditure.			
7. To authorise the Company to communicate with its shareholders by electronic means.			
8. To empower the directors to disapply statutory pre-emption rights on the allotment of shares.			
9. To authorise the Company to make market purchases of its shares.			
10. To amend the articles of association by removing the objects and to adopt new articles of association of the Company.			

Signature Date 2010

NOTES TO THE PROXY FORM:

- A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to exercise all or any of the member's rights to attend, speak and, on a poll, vote at the meeting. A proxy need not be a member of the Company. If a member appoints more than one proxy in relation to the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by that member. You can only appoint a proxy using the procedures set out in these notes.
- Please indicate by placing an 'X' in the appropriate boxes how you wish your proxy/proxies to vote, or whether you wish your proxy/proxies to abstain from voting, on the resolutions being proposed at the AGM. Your proxy/proxies will exercise his/their discretion as to how to vote or whether to abstain from voting:
 - on any resolution referred to above if no instruction is given in respect of that resolution; and
 - on any business or resolution considered at the meeting other than the resolutions referred to above.

Please note that, if you direct your proxy/proxies to abstain from voting on any particular resolution, it will not take effect as a vote in law and will not be counted in determining the number of votes cast for and against that resolution.
- If you wish to appoint someone other than the chairman of the meeting as your proxy, please delete the words 'the chairman of the meeting' and insert the full name and address of the person you wish to appoint in the space provided. A proxy need not be a member of the Company. If you wish to appoint more than one proxy, you will need to photocopy this Proxy Form and submit separate Proxy Forms for each proxy you wish to appoint to Capita Registrars at their address set out below.
- If you wish to appoint your proxy to exercise the voting rights attached to less than your entire holding of shares, please delete the words 'my entire holding of shares' and insert the number of shares in respect of which the proxy is entitled to exercise the voting rights in the space provided. If you wish to appoint more than one proxy to exercise the voting rights attached to different shares held by you, as noted above, you will need to photocopy this Proxy Form and submit separate Proxy Forms, each indicating the number of shares in respect of which each proxy is entitled to exercise voting rights, to Capita Registrars at their address set out below.
- To be effective, the instrument appointing the proxy otherwise than by means of CREST, and any power of attorney or other authority under which it is/they are executed (or a notarially certified copy of any such power or authority), must be deposited at, or delivered by hand to, Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU not less than 48 hours before the time for holding the meeting.
- CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. In order for a proxy appointment or instruction made using the CREST service to be effective, the appropriate CREST message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy) must be transmitted so as to be received by Capita Registrars (ID RA 10) by no later than 3.00 p.m. on Monday, 15 March 2010. Please refer to the notes to the notice of meeting for further information on making proxy appointments through CREST.
- The completion and deposit of an instrument of proxy or the submission of an electronic proxy appointment will not preclude you from attending and voting in person at the meeting or at any adjournment thereof. However, if you appoint a proxy and then attend and vote the meeting in person, your proxy appointment will automatically be terminated.
- In the case of a member which is a corporation, this Proxy Form must be executed under its common seal or signed by an officer, attorney or other person duly authorised by the corporation.
- In the case of joint holders of shares, only one need sign this Proxy Form. If more than one of joint holders purports to appoint a proxy or otherwise to vote the same shares, whether in person or by proxy, the appointment by and vote of the senior holder will be accepted to the exclusion of the votes of the other joint holders. Seniority will be determined by the order in which the names of the joint holders appear in the register of members of the Company in respect of the joint holding.
- Please note that you may not use any electronic address provided in this Proxy Form to communicate with the Company for any purposes, other than those expressly stated.

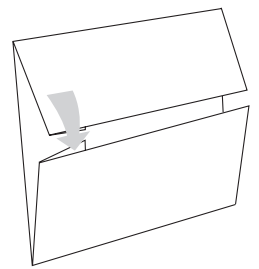
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PXS
34 Beckenham Road
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