

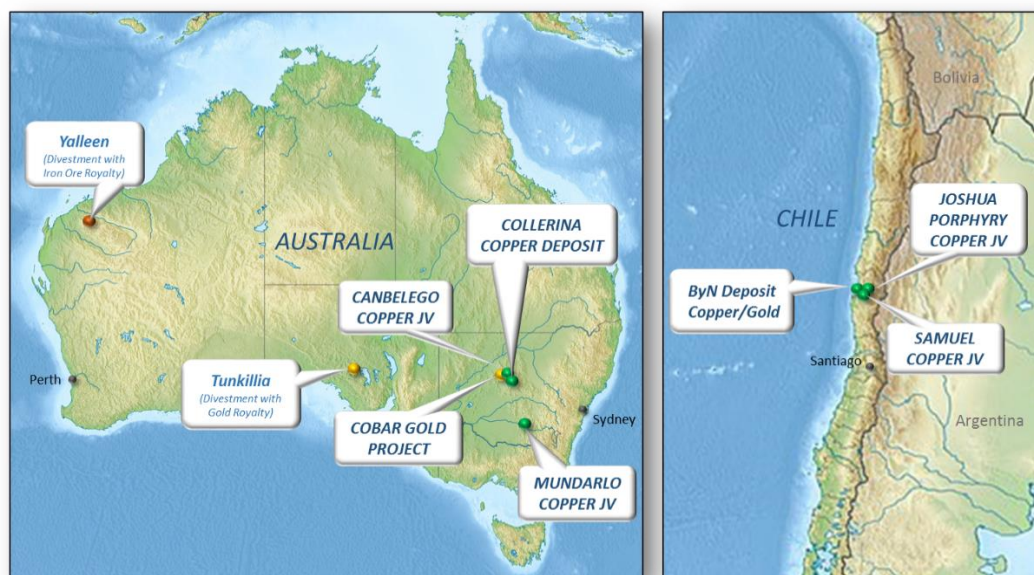


**CONSOLIDATED INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019**

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## PROJECT LOCATION MAP



## CORPORATE DIRECTORY

### Directors

Mr Peter Lester                      Executive Chairman  
Mr Jason Macdonald                Non-Executive Director  
Mr Timothy Kennedy                Non-Executive Director

### Company Secretary

Benjamin Donovan

### Australian Business Number

27 009 138 738

### Head and Registered Office

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Subiaco, WA 6008

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West Perth, WA 6008  
T: +61 8 9321 2644  
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W: [www.helix.net.au](http://www.helix.net.au)  
E: [helix@helix.net.au](mailto:helix@helix.net.au)

### Auditor

HLB Mann Judd  
Level 4, 130 Stirling Street  
Perth, WA 6000

PO Box 8124  
Perth BC, WA 6849  
T: +61 8 9227 7500  
F: +61 8 9227 7533  
W: [www.hlb.com.au](http://www.hlb.com.au)  
E: [mailbox@hlbwa.com.au](mailto:mailbox@hlbwa.com.au)

### Share Registry

Computershare Investor Services Pty Limited  
Level 11, 172 St Georges Terrace  
Perth, WA 6000  
T: 1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)  
F: +61 8 9323 2033  
W: [www.computershare.com](http://www.computershare.com)  
E: [www.investorcentre.com](http://www.investorcentre.com)

### Securities Exchange

The Company securities are quoted on the  
Australian Securities Exchange Limited  
ASX Code: HLX

## DIRECTORS' REPORT

The Directors present the financial report of the Group, consisting of Helix Resources Limited ("Company") and its controlled entities, for the half-year ended 31 December 2019.

### DIRECTORS

The names of the Company's Directors in office during the half-year and until the date of this report are as below. Directors were in the office for the entire period unless otherwise stated.

- ❑ Mr Peter Lester Executive Chairman (Executive Chairman from 13 March 2020)
- ❑ Mr Michael Wilson Managing Director (resigned 12 March 2020)
- ❑ Mr Jason Macdonald Non-Executive Director
- ❑ Mr Timothy Kennedy Non-Executive Director

### REVIEW OF OPERATIONS

The Company's strategy is to advance its internally generated asset portfolio, with a focus on copper and gold, utilising the Company's geological and corporate expertise to create and extract value for the benefit of shareholders.

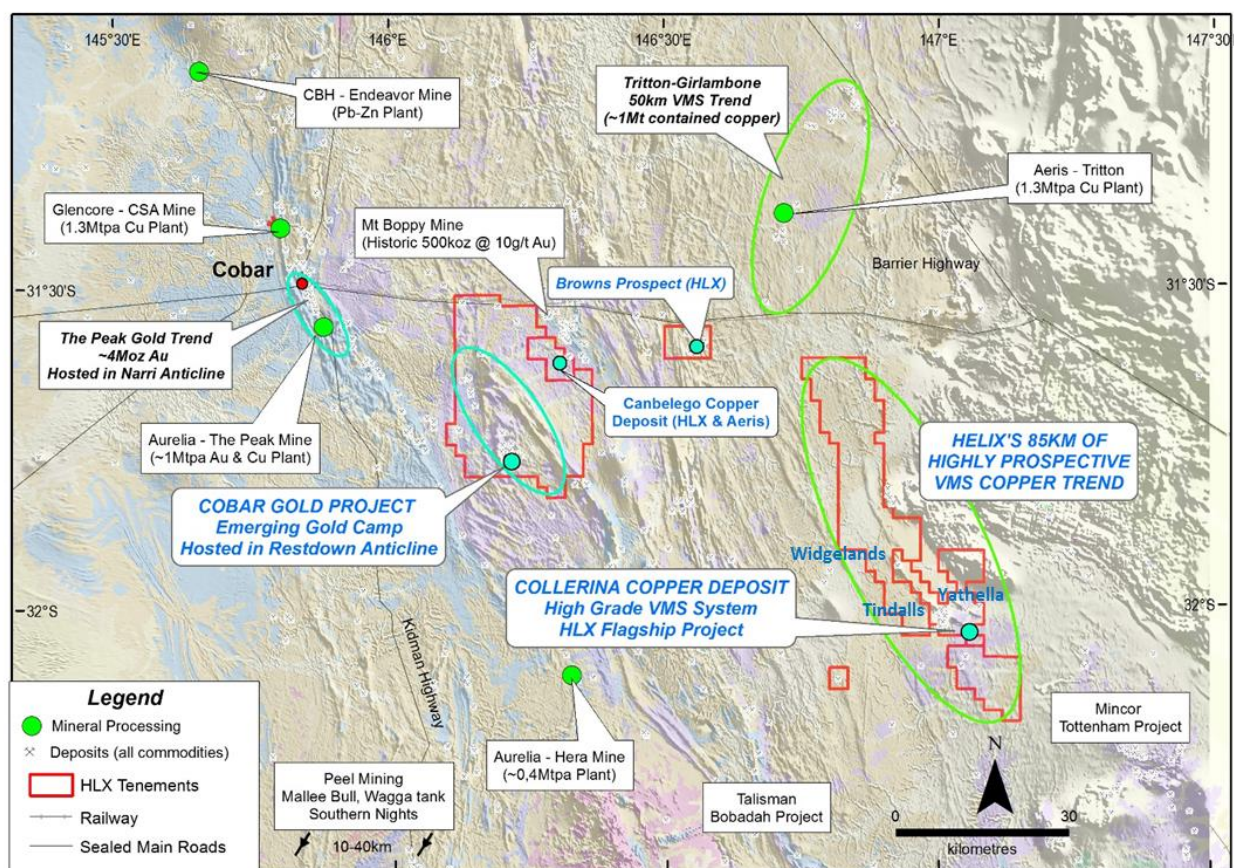


Figure 1: Helix's Central NSW Projects – strategic asset portfolio in a richly endowed mineral province

## DIRECTORS' REPORT

### REVIEW OF OPERATIONS

#### NSW - Copper & Gold Projects

Helix holds a quality portfolio of projects in the Cobar mining district – NSW. The district hosts long-lived operating mines and has excellent access to infrastructure. Helix is continuing to carry out targeted exploration programs to isolate precious and base metal mineralisation in this prospective region. During the half-year the Company has continued to advance its primary copper assets, being the Collerina Project (comprising the Collerina Copper Deposit, Collerina Regional and the Other Regional Projects).

#### Collerina Copper Deposit

The next phase of RC drilling targeting new zones of high-grade copper commenced in December 2019. Drilling is testing extensions to copper mineralisation surrounding the Maiden Resource Estimate block model. An ongoing drill program is designed to prove scale and increase the resource base within the broader Exploration Target in order to advance Collerina toward initial economic studies.

- Maiden Resource: 2.02Mt at @2.03% Cu and 0.1g/t Au (Indicated and Inferred). Currently 40kt contained copper – open in multiple directions (refer ASX announcement 11 June 2019).
- Exploration Target: Targeting additional 2- 5Mt at similar grades (1-3% Cu) to a depth of 450m from surface at Collerina (refer ASX announcement 11 June 2019).

In 2020, Helix will be looking into proof of scale drilling, initial metallurgical testing and preliminary mine studies to support a subsequent Resources Estimate upgrade.

#### Collerina Regional

Regional auger soil surveys continue targeting additional copper systems along the Collerina Copper Trend. First-pass auger soil samples collected covering the Tindalls, Widgelands and Collerina South areas. Initial results have highlighted several new copper trends requiring urgent follow-up. Forward program includes sampling along the parallel Homeville Trend, infill soil auger sampling and prioritising of Collerina Trend regional targets for initial drill testing in the 2020 field season.

#### Regional Copper Projects

At the Rochford Prospect, scout mapping was undertaken on extensions of previously reported pXRF readings of brecciated ironstone sub-crop samples that returned Cu (up to 0.17%), Pb (up to 0.18%) and Bi (up to 0.12%). Additional ironstone subcrop and prospector pits discovered 1.5km along strike, nearby to first-pass auger soil samples returning anomalous copper readings in pXRF (up to 580ppm Cu). Further mapping, infill auger sampling and surface geophysics planned to prioritise areas for first-ever drilling at Rochford in 2020 program.

#### Cobar Gold Project

A resource update was performed, with new geological interpretation and resource modelling that provided near deposit drill targets. Inferred resource estimate for the Cobar Gold Project of 3.75 million tonnes grading 1.0g/t Au containing 118,800 ounces of gold (0.4g/t Au cut-off). At a 1.2g/t Au cut-off the Cobar Gold Project has 0.9 million tonnes grading 2.0g/t Au containing 54,300 ounces Gold (refer to ASX announcement 7 November 2019). Resource estimation (Oxide and Transition material) brings the Cobar Gold Project Resource up to JORC2012 compliance. The new geological interpretation and resource modelling provides near deposit drill targets.

#### Mundarlo Joint Venture

The project has seen limited fieldwork during 2019 as the Company has focussed on the Cobar Region projects. NSW Geological survey is reviewing drill core as part of a broader VMS study in NSW.

#### Canbelego Copper Project (HLX 70% Manager: Aeris 30%)

The JV Participants are assessing the previous work at the Canbelego Project, with exploration programs and budgets being considered to test additional copper targets on the property.

## DIRECTORS' REPORT

### REVIEW OF OPERATIONS

#### Chile – Samuel Project Joint Venture

Japanese Oil, Gas and Metals National Corporation (“JOGMEC”) funded and completed Stage 2 of the initial exploration drilling phase of the Samuel Copper Project Joint Venture, in September 2019. JOGMEC has approved and commenced Stage 3, funding a further US\$435,000. Stage 3 comprises of a minimum 1,200m (2 holes) testing, with the target derived from the Stage 1 activities and an 800m hole testing a large copper porphyry target in the southern portion of the project area. Drilling at the Samuel project shows the system to be both fertile and prospective for porphyry and manto style of copper mineralization over the 19km<sup>2</sup> target area.

#### Chile – Joshua Project

Helix retains 100% ownership of the project and has received unsolicited interest in the project during the period. Site visits and technical due diligence were conducted by interested parties during the period.

### CORPORATE

#### Capital Raising

The Company completed a share placement to raise \$1,000,000 on 28 November 2019. The placement was undertaken at \$0.016 per share. Morgans Corporate was the lead manager with the funds raised from institutional, sophisticated and strategic investors. 62,500,000 ordinary shares were issued using the Company's 15% placement capacity under ASX Listing Rule 7.1.

#### Annual General Meeting

The Company's annual general meeting was held on 22 November 2019, with all resolutions passed.

### EVENTS SUBSEQUENT TO REPORTING DATE

There have been no events subsequent to the current balance date requiring additional disclosure.

### AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under s 307C of the Corporations Act 2001 is presented on page 22 of this interim financial report.

Signed in accordance with a resolution of the Board of Directors.



Mr Peter Lester  
Executive Chairman  
13 March 2020

#### Competent Persons Statements

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr M Wilson, a Competent Person and a Member of The Australasian Institute of Mining and Metallurgy. Mr M Wilson is the Exploration Manager, shareholder and full-time employee of Helix Resources Limited. 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 and 2012 Editions 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.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME**  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

	Notes	Consolidated	
		31 Dec 2019 \$	31 Dec 2018 \$
Other income	10	94,783	14,849
Employment costs		(41,014)	(10,482)
Audit and accountancy		(7,653)	(35,332)
Corporate marketing expense		(215)	(14,200)
Directors' fees		(122,847)	(103,637)
Depreciation expense		(30,254)	(6,819)
Exploration expenditure		(7,107)	-
Foreign exchange gain		8,323	-
Information technology costs		(2,699)	(4,100)
Premises costs		(6,488)	(18,930)
Professional fees		(39,000)	(29,332)
Travel expenses		(6,099)	(5,241)
Share based payments		(35,703)	(80,847)
Share registry and listing fees		(16,418)	(18,687)
Other expenses		(60,471)	(66,378)
Loss before income tax		<b>(272,862)</b>	<b>(379,136)</b>
Income tax benefit		-	-
Loss for the year		<b>(272,862)</b>	<b>(379,136)</b>
<b>Other Comprehensive Income</b>			
Other comprehensive income, after tax		-	-
<b>Total Comprehensive Loss attributable to members of Helix Resources Limited</b>		<b>(272,862)</b>	<b>(379,136)</b>
<b>Loss per Share</b>			
Basic loss per share (cents)	11	(0.06)	(0.09)
Diluted loss per share (cents)	11	(0.06)	(0.09)

The consolidated interim financial statements should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

	Notes	Consolidated	
		31 Dec 2019 \$	30 Jun 2019 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		326,924	366,391
Trade and other receivables		66,680	80,823
Other assets	6	20,958	-
<b>TOTAL CURRENT ASSETS</b>		<b>414,562</b>	<b>447,214</b>
<b>NON-CURRENT ASSETS</b>			
Exploration and evaluation expenditure	2	9,526,715	9,272,553
Financial assets	3	235,886	233,436
Plant and equipment		38,194	43,275
Right-of-use asset	4	88,750	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>9,889,545</b>	<b>9,549,264</b>
<b>TOTAL ASSETS</b>		<b>10,304,107</b>	<b>9,996,478</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	5	195,803	348,836
Other liabilities	6	-	337,632
Provisions		152,851	133,826
Lease liabilities	7	44,546	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>393,200</b>	<b>820,294</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	7	44,478	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>44,478</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>437,678</b>	<b>820,294</b>
<b>NET ASSETS</b>		<b>9,866,429</b>	<b>9,176,184</b>
<b>EQUITY</b>			
Share capital	8	67,444,424	66,517,020
Reserves	9	226,682	190,979
Accumulated losses		(57,804,677)	(57,531,815)
<b>TOTAL EQUITY</b>		<b>9,866,429</b>	<b>9,176,184</b>

The consolidated interim financial statements should be read in conjunction with the accompanying notes.



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

### FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

		Share Capital	Reserves	Accumulated Losses	Total
	Notes	\$	\$	\$	\$
<b>Balance at 1 Jul 2019</b>		66,517,020	190,979	(57,531,815)	9,176,184
Loss for the period		-	-	(272,862)	(272,862)
Other comprehensive income for the period		-	-	-	-
Total comprehensive loss		-	-	(272,862)	(272,862)
<b>Transactions with owners</b>					
Issue of shares	8	1,000,000	-	-	1,000,000
Share issue costs	8	(72,596)	-	-	(72,596)
Options vested	9	-	35,703	-	35,703
<b>Balance at 31 Dec 2019</b>		<b>67,444,424</b>	<b>226,682</b>	<b>(57,804,677)</b>	<b>9,866,429</b>
<b>Balance at 1 Jul 2018</b>		65,677,689	395,415	(57,141,815)	8,931,289
Loss for the period		-	-	(379,136)	(379,136)
Other comprehensive income for the period		-	-	-	-
Total comprehensive loss		-	-	(379,136)	(379,136)
<b>Transactions with owners</b>					
Issue of shares	8	900,000	-	-	900,000
Share issue costs	8	(60,669)	669	-	(60,000)
Issue of options	9	-	51,746	-	51,746
Options vested	9	-	29,101	-	29,101
Options forfeited / expired	9	-	(310,154)	310,154	-
<b>Balance at 31 Dec 2018</b>		<b>66,517,020</b>	<b>166,777</b>	<b>(57,210,797)</b>	<b>9,473,000</b>

The consolidated interim financial statements should be read in conjunction with the accompanying notes.

## CONSOLIDATED STATEMENT OF CASH FLOWS

### FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

	Consolidated	
	31 Dec 2019	31 Dec 2018
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payments to suppliers and employees	(330,678)	(343,149)
Interest received	375	2,087
Interest paid on right-of-use asset	(2,730)	-
Other receipts	-	10,797
<b>Net cash used in operating activities</b>	<b>(333,033)</b>	<b>(330,265)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for capitalised exploration and evaluation expenditure	(456,268)	(378,462)
Payments for property, plant and equipment	-	(1,500)
Proceeds from JV	875,130	1,370,611
Payments for JV exploration expenditure	(1,048,165)	(1,075,413)
<b>Net cash used in investing activities</b>	<b>(629,303)</b>	<b>(84,764)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from share issue	1,000,000	900,000
Payment of share issue costs	(60,555)	(66,000)
Payment of lease principal	(24,899)	-
<b>Net cash provided by financing activities</b>	<b>914,546</b>	<b>834,000</b>
Net (decrease) / increase in cash and cash equivalents	(47,790)	418,971
Exchange differences on cash and cash equivalents	8,323	(48)
Cash and cash equivalents at the beginning of period	366,391	900,629
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>326,924</b>	<b>1,319,552</b>

The consolidated interim financial statements should be read in conjunction with the accompanying notes.

# NOTES TO THE INTERIM FINANCIAL STATEMENTS

## 1. Basis of Preparation of the Interim Financial Statements

These general purpose financial statements for the half-year ended 31 December 2019 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134 *Interim Financial Reporting*, and the Corporations Act 2001.

The interim financial statements do not include all of the information required in annual financial statements in accordance with Australian Accounting Standards, and should be read in conjunction with the consolidated financial statements of Helix Resources Limited for the year ended 30 June 2019 and any public announcements made by the Group during the half-year in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the Corporations Act 2001.

The Group is a for-profit entity for financial reporting purposes and is domiciled in Australia.

The Consolidated Interim Financial Report have been approved for issue by the Board of Directors on the 13 March 2020.

### Accounting Policies

The accounting policies and methods of computation adopted in the preparation of the interim financial report are consistent with those adopted and disclosed in the 2019 annual financial report and the corresponding half-year period, unless otherwise stated.

These financial statements have been prepared under the historical cost convention, as modified where applicable by the revaluation of right-of-use assets, financial assets and liabilities at fair value through profit or loss, and certain classes of plant and equipment.

### Significant Judgements and Key Estimates

The preparation of the interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2019, except for the impact if the new Standards and Interpretations effective 1 July 2019 as disclosed below.

### New or Amended Accounting Standards and Interpretations Adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. Accounting Standards and Interpretations adopted by the Group that are mandatory for the current reporting period:

#### *AASB 16 Leases*

AASB 16 replaces AASB 117 *Leases* and introduces a single lessee accounting model that requires a lessee to recognise right-of-use assets and lease liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Right-of-use assets are initially measured at cost and lease liabilities are initially measured on a present value basis. Subsequent to initial recognition:

- (a) Right-of-use assets are accounted for on a similar basis to non-financial assets, whereby the right-of-use asset is accounted for on a cost basis unless the underlying asset is accounted for on a revaluation basis, in which case if the underlying asset is:

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 1. Basis of Preparation of the Interim Financial Statements (Continued)

#### New or Amended Accounting Standards and Interpretations Adopted (Continued)

- i. Investment property, the lessee applies the fair value model in AASB 140 *Investment Property* to the right-of-use asset; or
  - ii. Property, plant or equipment, the applies the revaluation model in AASB 116 *Property, Plant and Equipment* to all of the right-of-use assets that relate to that class of property, plant and equipment; and
- (b) Lease liabilities are accounted for on a similar basis to other financial liabilities, whereby interest expense is recognised in respect of the lease liability and the carrying amount of the lease liability is reduced to reflect the principal portion of lease payments made.

The Group has applied AASB 16 from 1 July 2019 using the modified retrospective approach, with no restatement of corporative information.

The Group applied the practical expedient for short-term leases exemptions to leases with lease terms that end within 12 months of the date of initial application.

The Group recognises right-of-use assets totalling \$123,621 (net of straight line lease liability upon implementation) representing its right to use the underlying asset and lease liabilities representing its obligations to make lease payments with exemptions for short-term leases and leases of low-value items. The recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate of 4.75%. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The following is a reconciliation of total operating lease commitments at 30 June 2019 to the lease liabilities recognised at 1 July 2019:

	\$
<b>Total operating lease commitments disclosed at 30 June 2019</b>	<b>21,762</b>
<i>Recognition exemptions</i>	
Leases of low value assets	-
Leases with remaining lease term of less than 12 months	-
Variable lease payments not recognised	(2,608)
Operating lease liabilities before discounting	19,154
Discounted using incremental borrowing rate	(1,843)
Operating lease liabilities	17,311
Reasonably certain extension options	106,636
<b>Total lease liabilities recognised under AASB 16 at 1 July 2019</b>	<b>123,947</b>

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 1. Basis of Preparation of the Interim Financial Statements (Continued)

#### **New Accounting Standards and Interpretations Not Yet Mandatory**

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

#### **Going Concern**

The interim financial report for the six months ended 31 December 2019 has been prepared on the going concern basis that contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Company incurred an operating loss after income tax for the half-year ended 31 December 2019 of \$272,862 (31 December 2018: \$379,136) and reported net cash outflows from operating of \$333,033 (31 December 2018: \$330,265). As at 31 December 2019 the Group had available cash and cash equivalents of \$326,924 (30 June 2019: \$366,391).

The Company has the ability to defer or reduce its operating expenditure and commitments, or to dispose of assets. However, based on its current projected work program it is anticipated that it will be necessary for the Company to raise additional equity capital during the next twelve months.

The Directors are of the opinion that the Company's projects are very prospective and that the ongoing copper and gold potential of its projects will enable the Company to secure fresh capital as and when required. The Directors have reviewed the Company's financial position and are of the opinion that the going concern basis of accounting is appropriate having regard to the matters outlined above.

Should the Group be unable to obtain the funding as described above, there is a material uncertainty that casts significant doubt on whether the Group will be able to continue as a going concern, and therefore, whether it will be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from these stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that may be necessary should the Group be unable to continue as a going concern.

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 2. Exploration and Evaluation Expenditure

	Consolidated	
	31 Dec 2019	30 Jun 2019
	\$	\$
Exploration and Evaluation Expenditure	9,526,715	9,272,553

<i>Movements in Exploration and Evaluation Expenditure</i>	Half-year to	Year to
	Dec 2019	Jun 2019
	\$	\$
Opening balance	9,272,553	7,954,697
Expenditure incurred during the period	254,162	1,317,856
Impairment losses	-	-
Closing balance	9,526,715	9,272,553

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phase is dependent on the successful development and commercial exploitation or sale of the respective areas.

### 3. Financial Assets

	Consolidated	
	31 Dec 2019	30 Jun 2019
	\$	\$
Security deposits	235,886	233,436

Security deposits relates to deposits held to secure exploration tenement holdings.

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 4. Right-Of-Use Asset

	Consolidated	
	31 Dec 2019	30 Jun 2019
	\$	\$
Right-of-use asset	88,750	-

<i>Movements in Right-Of-Use Asset</i>	Half-year to	Year to
	Dec 2019	Jun 2019
	\$	\$
Balance at 1 July	-	-
Adjustment on transition to AASB 16	123,621	-
Revaluation <sup>1</sup>	(31,012)	-
Additions	-	-
Balance at 31 December	92,609	-
<b>Accumulated Depreciation</b>		
Balance at 1 July	-	-
Depreciation expense	25,173	-
Revaluation <sup>1</sup>	(21,314)	-
Balance at 31 December	3,859	-
<b>Net Book Value</b>		
31 December	88,750	-

<sup>1</sup> On 1 December 2019, the Group exercised its option as lessee to extend the term of the leasing agreement for the office premises in Subiaco, WA. At this time, the terms of the agreement were renegotiated and differed from those at the date of initial application. The Group has determined this to be a modification of the agreement under AASB 16 *Leases* and a reassessment of the resulting lease liability and right-of-use asset was performed at that time. The revaluation was based on the present value of lease payments, using an incremental borrowing rate of 6.11%.

### 5. Trade and Other Payables

	Consolidated	
	31 Dec 2019	30 Jun 2019
	\$	\$
Trade Payables	49,249	236,976
Other Payables	146,554	111,860
	195,803	348,836

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 6. Other Assets / (Liabilities)

	Consolidated	
	31 Dec 2019	30 Jun 2019
	\$	\$
Other assets / (liabilities)	20,958	(337,632)

Other assets / (liabilities) represent advances to / (from) Manhattan and JOGMEC to fund Chilean exploration expenditure on the Joshua and Samuel projects respectively.

#### Joshua Project

Manhattan Corporation Limited (ASX:MHC) was funding this exploration program as part of its Option commitment under a Heads of Agreement (“HOA”) with Helix’s Chilean technical team managing the work. The HOA provided an avenue for Manhattan to earn up to an 80% interest in the Joshua project in exchange for Helix being free-carried through to completion of a BFS. Manhattan contributed a total of \$1,040,000 for Stage 1 of the earn-in, and elected not to proceed past that Stage in June 2019.

#### Samuel Project Joint Venture

A Joint Venture agreement was entered with Japanese Oil, Gas and Metals National Corporation (“JOGMEC”) to fund exploration of up to US\$2.4 million (A\$3.6 million) through 3 stages, enabling them to earn a 60% interest in the Samuel Copper Project. Field work commenced in November with an initial drone magnetic survey completed in December. Detailed mapping, and an IP survey are expected to be completed in the first phase. Helix is currently receiving a fee to manage the Joint Venture. The Joint Venture terms are:

- **Stage 1:** Contribute US\$0.4 million by 31 March 2019 primarily for the purpose of undertaking large-scale geophysical surveys and mapping of the Samuel porphyry and manto-style copper systems.
- **Stage 2:** Contribute US\$0.8 million by 31 March 2020 primarily for the purpose of undertaking initial diamond drilling to drill test the identified mineralized systems.
- **Stage 3:** Contribute US\$1.2 million by 31 March 2021 primarily for the purpose of undertaking a second phase diamond drilling to establish scale and continuity of an identified mineralized system.
- At completion of Stage 3, JOGMEC will earn an option to acquire 60% equity in the project and have the right to sell their Joint Venture interest by tender to a Japanese company.
- Helix’s Chilean team will manage the project until the completion of Stage 3 with Helix receiving a management fee for those services.
- JOGMEC has funded and completed Stage 2 in September 2019, and has approved and commenced Stage 3, funding a further US\$435,000.
- Funds received during the half-year amounted to \$875,130 (30 June 2019: \$1,200,121).



## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 7. Lease Liabilities

	Consolidated	
	31 Dec 2019	30 Jun 2019
	\$	\$
Current	44,546	-
Non-current	44,478	-
	89,024	-

	Consolidated	
	Half-year to Dec 2019	Half-year to Dec 2018
	\$	\$
<i>Amounts recognised in the statement of profit or loss</i>		
Depreciation expense on right of use asset (Note 4)	25,173	-
Interest expense	2,730	-

	Consolidated 31 Dec 2019 Premises \$
Recognised on 1 July 2019 on adoption of AASB 16 Leases	123,947
Lease modification	(16,726)
Principal repayments	(18,197)
Closing balance	89,024

### 8. Share Capital

	Dec 2019 Shares	Jun 2019 Shares	Dec 2019 \$	Jun 2019 \$
Fully Paid Ordinary Shares	486,966,692	424,466,692	67,444,424	66,517,020

<i>Movements in Share Capital – Half-year to 31 December 2019</i>	Shares	\$
Balance at 1 July 2019	424,466,692	66,517,020
Share issued: 62,500,000 shares @ \$0.016 each <sup>(i)</sup>	62,500,000	1,000,000
Share Issue Costs	-	(72,596)
Balance at 31 December 2019	486,966,692	67,444,424

- (i) On 28 November 2019, 62,500,000 fully paid ordinary shares were issued to institutional and sophisticated investors at an issue price of \$0.016 per share. The Placement was to raise funds for exploration expenditure at the Collerina Copper Deposit and for working capital.

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 8. Share Capital (Continued)

<i>Movements in Share Capital – Year to 30 June 2019</i>	Shares	\$
Balance at 1 July 2018	394,466,692	65,677,689
Share issued: 30,000,000 shares @ \$0.03 each <sup>(i)</sup>	30,000,000	900,000
Share Issue Costs	-	(60,699)
Balance at 30 June 2019	424,466,692	66,517,020

- (i) On 19 October 2018, 30,000,000 fully paid ordinary shares were issued to institutional and sophisticated investors at an issue price of \$0.03 per share. The Placement was to raise funds for exploration expenditure at the Collerina Projects and for working capital.

### 9. Reserves

	Consolidated	
	31 Dec 2019	30 Jun 2019
	\$	\$
Option Reserve	226,682	190,979

<i>Movements in Option Reserve – Half-year to 31 December 2019</i>	Unlisted Options	\$
Balance at 1 July 2019	17,000,000	190,979
Options vesting during the period	-	35,703
Balance at 31 December 2019	17,000,000	226,682

<i>Movements in Option Reserve – Year to 30 June 2019</i>	Unlisted Options	\$
Balance at 1 July 2018	19,650,000	395,415
Options issued to consultants	1,750,000	669
Options issued to employees	12,000,000	85,874
Options vesting during the period	-	39,058
Options expired during the period	(15,400,000)	(319,562)
Options forfeited during the period	(1,000,000)	(10,475)
Balance at 30 June 2019	17,000,000	190,979

### 10. Revenue

	Consolidated	
	Half-year to Dec 2019	Half-year to Dec 2018
	\$	\$
Interest revenue	2,791	4,052
Rental income	12,130	-
Other	79,862	10,797
	94,783	14,849

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 11. Loss per Share

	Half-year to Dec 2019	Half-year to Dec 2018
	<b>Cents</b>	<b>Cents</b>
Basic loss per share	(0.06)	(0.09)
Diluted loss per share	(0.06)	(0.09)
	<b>\$</b>	<b>\$</b>
Loss after tax	(272,862)	(379,136)
	<b>No.</b>	<b>No.</b>
Weighted average number of ordinary shares	436,015,605	404,225,025

### 12. Events Subsequent to Reporting Date

No matter or circumstance has arisen since 31 December 2019 that has significantly affected or may affect the Group's operations, the results of those operations of the Group's state of affairs in future years.

### 13. Contingent Assets and Liabilities

No contingent assets or liabilities noted as at 31 December 2019 (30 June 2019: nil).

### 14. Commitments

At 30 June 2019, the Group disclosed operating lease commitments of \$21,762. From the date of initial application of AASB 16 *Leases*, being 1 July 2019, all future amounts payable under leasing contracts previously classified as operating leases have been accounted for under the provisions of the new *Leases* standard. These amounts were reflected in the lease liability, of which \$123,947 was recognised on 1 July 2019 (Note 1).

There have been no significant changes in exploration commitments from 30 June 2019.

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 15. Operating Segments

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 that it is a mineral exploration company operating predominately in the geographical region of Australia (mainly New South Wales) and Chile. Decisions are made on a geographical basis.

	Australia		Chile		Total	
	31 Dec 2019	30 Jun 2019	31 Dec 2019	30 Jun 2019	31 Dec 2019	30 Jun 2019
<b><u>Current Assets</u></b>						
Cash	317,821	323,853	9,103	42,538	326,924	366,391
Trade and other receivables	66,680	78,147	-	2,676	66,680	80,823
Other assets	-	-	20,958	-	20,958	-
<b><u>Non-Current Assets</u></b>						
Exploration and evaluation expenditure	9,526,715	9,272,553	-	-	9,526,715	9,272,553
Financial assets	222,154	220,419	13,732	13,017	235,886	233,436
Plant and equipment	38,194	43,275	-	-	38,194	43,275
Right-of-use asset	88,750	-	-	-	88,750	-
<b>Total assets</b>	<b>10,260,314</b>	<b>9,938,247</b>	<b>43,793</b>	<b>58,231</b>	<b>10,304,107</b>	<b>9,996,478</b>
<b><u>Current Liabilities</u></b>						
Trade and other payables	90,110	298,311	105,693	50,525	195,803	348,836
Other liabilities	-	-	-	337,632	-	337,632
Provisions	152,851	133,826	-	-	152,851	133,826
Lease liabilities	44,546	-	-	-	44,546	-
<b><u>Non-Current Liabilities</u></b>						
Lease liabilities	44,478	-	-	-	44,478	-
<b>Total liabilities</b>	<b>331,985</b>	<b>432,137</b>	<b>105,693</b>	<b>388,157</b>	<b>437,678</b>	<b>820,294</b>

Half-year to:	Dec 2019	Dec 2018	Dec 2019	Dec 2018	Dec 2019	Dec 2018
Revenue	94,132	14,701	651	148	94,783	14,849
Depreciation	(30,254)	(6,819)	-	-	(30,254)	(6,819)
(Loss) / gain before tax	(280,098)	(378,282)	7,236	(854)	(272,862)	(379,136)

## DIRECTORS' DECLARATION

In accordance with a resolution of the Board of Directors of Helix Resources Limited, we state that:

In the opinion of the Directors:

1. The financial statements and notes of the Group comply with the Corporations Act 2001 and Accounting Standard AASB 134: Interim Financial Reporting and give a true and fair view of the Group's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and
2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable

A handwritten signature in black ink, appearing to read 'Peter Lester', with a stylized flourish at the end.

**Mr Peter Lester**  
Executive Chairman  
13 March 2020

## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Helix Resources Limited for the half-year ended 31 December 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.



**Perth, Western Australia**  
**13 March 2020**

**N G Neill**  
**Partner**

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## **INDEPENDENT AUDITOR'S REVIEW REPORT**

To the members of Helix Resources Limited

### **Report on the Condensed Half-Year Financial Report**

#### *Conclusion*

We have reviewed the accompanying half-year financial report of Helix Resources Limited ("the company") which comprises the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Helix Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### *Emphasis of matter - material uncertainty related to going concern*

We draw attention to Note 1 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

#### *Directors' responsibility for the half-year financial report*

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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*Auditor's responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



**HLB Mann Judd**  
**Chartered Accountants**

**Perth, Western Australia**  
**13 March 2020**



**N G Neill**  
**Partner**