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**CONSOLIDATED INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

TABLE OF CONTENTS

CORPORATE DIRECTORY	3
DIRECTORS' REPORT	4
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	9
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	10
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	11
CONSOLIDATED STATEMENT OF CASH FLOWS	12
NOTES TO THE INTERIM FINANCIAL STATEMENTS	13
DIRECTORS' DECLARATION	22
AUDITOR'S INDEPENDENCE DECLARATION	23
INDEPENDENT AUDITOR'S REVIEW REPORT	24

CORPORATE DIRECTORY

Directors

Peter Lester	Non-Executive Chairman
Mike Rosenstreich	Managing Director
Jason Macdonald	Non-Executive Director
Timothy Kennedy	Non-Executive Director

Company Secretary

Benjamin Donovan

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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 2020.

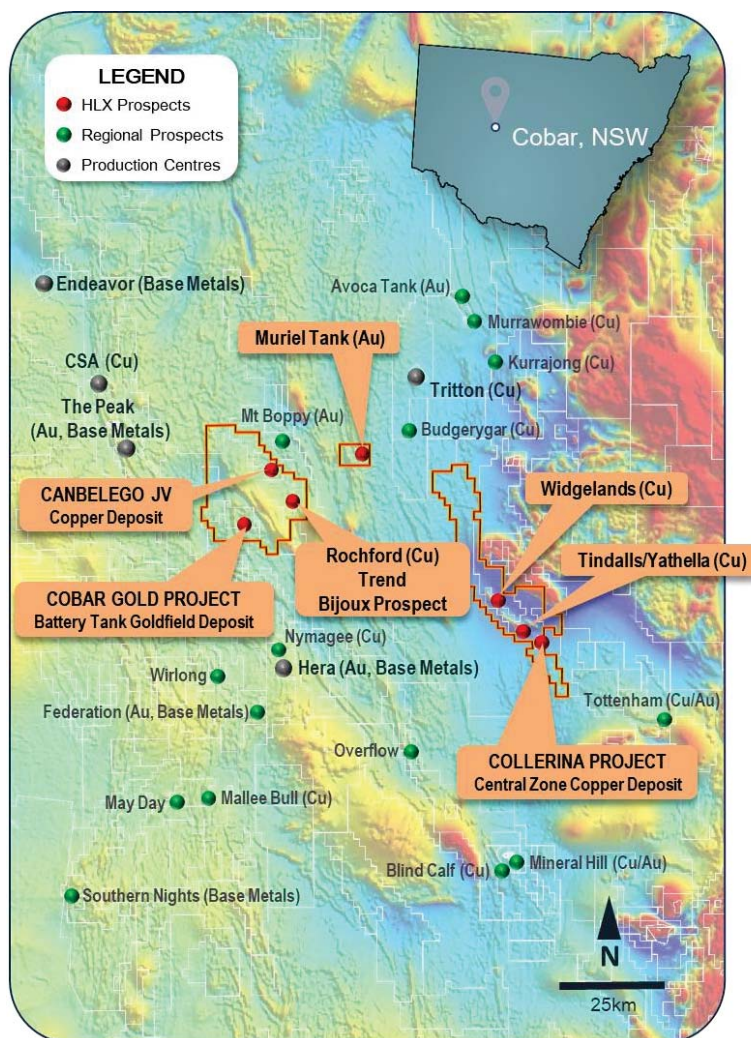
DIRECTORS

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 Non-Executive Chairman
- ❑ Mr Mike Rosenstreich Managing Director (appointed 11 January 2021)
- ❑ Mr Jason Macdonald Non-Executive Director
- ❑ Mr Timothy Kennedy Non-Executive Director

REVIEW OF OPERATIONS

The Company's strategy is to focus on its interests in the Cobar region of New South Wales ("NSW") to grow its existing copper mineral resources¹ through extensional drilling, regional target generation and testing and regional consolidation opportunities to develop a copper business. It is also assessing opportunities to attract outside, project level investment into its Chile copper projects and advance its Cobar gold assets.



¹ Refer Table of Resources at the end of this report

DIRECTORS' REPORT

REVIEW OF OPERATIONS (CONTINUED)

NSW – Copper & Gold Projects

Helix holds a quality portfolio of projects in the Cobar mining district of NSW. The Company's tenements cover large scale, prospective regional trends with established copper and gold deposits, and additional prospects emerging from its ongoing field programs.

Collerina Copper Project

In December 2020, a nine (9) hole exploratory reverse-circulation (RC) drilling program for 1,632 metres was undertaken at Collerina. Shallow RC holes were drilled to test an additional 300 metres of the north-western extension of the defined copper mineralisation. Oxide copper mineralisation was intersected high in the shallow holes (in the depletion zone), with CORC127 returning 20 metres at 0.2% Cu, 0.2g/t Au & 0.3g/t Ag from 16 metres downhole². The intercepts were higher in the drill hole than predicted and drill holes targeting 30-50 metres down dip from these holes will be prioritised in a future drill program.

The RC program also included a series of wide-spaced exploratory holes targeting a zone 150-180 metres down dip from the Central Zone (CZ) Mineral Resource³. A fold hinge is interpreted in this vicinity (Northern Hinge Zone target). Whilst primary copper mineralisation was intersected at the predicted target depth (eg CORC124 1 metre at 1% Cu, 0.13g/t Au, 0.8g/t Ag from 192 metres)⁴, the fold hinge target, typically associated with thicker massive copper sulphide at Collerina, remains untested due to significant hole deviation.

Several of the drill holes completed in 2020 will be subject to down-hole geophysics (DHEM) and conductors identified will be tested using more accurate diamond core drilling in 2021. DHEM has proven very successful in vectoring toward the thickened copper zones in the deeper plunge extent of the CZ Deposit at Collerina.

As the Company builds a better understanding of the geological controls for the high-grade copper in and surrounding the CZ Deposit, work at Collerina will focus on building confidence in the geological model, expanding the resource inventory, initiating development studies and assessing other near-deposit opportunities.

Collerina Regional

Regional soil auger and mapping programs remain a priority along the Collerina trend extensions, however fieldwork was curtailed by COVID travel restrictions during the reporting period.

The entire trend will be subject to a large Heli-borne electromagnetic (EM) survey, as part of Helix's push in 2021 to identify new copper mineralisation and prioritise targets along this copper prospective corridor.

Canbelego Copper Project (HLX 70% - Manager: Aeris Resources 30% - Contributing)

Representatives of the earn-in partners assessed previous work at the Canbelego Project during the reporting period. This review has identified a series of prospective copper oxide and copper sulphide targets within the project area. Helix, the Manager, has prepared a program and budget to advance the Canbelego project during the current field season. Subject to approvals, Canbelego will see an accelerated exploration program in 2021, including airborne and surface geophysics, geochemistry, geological studies, drilling and a new resource estimation.

² Refer ASX announcement 15 February 2021

³ Refer Table of Resources at the end of this report

⁴ Refer ASX announcement 15 February 2021

DIRECTORS' REPORT

REVIEW OF OPERATIONS (CONTINUED)

Other Regional Copper Projects

At the Bijoux Prospect, a 1.7 kilometre long by 700 metre wide copper-in soil anomaly was tested with a four hole 400 metre scout RC drilling program (two holes per line, 1.4 km apart). The drilling returned anomalous copper over broad widths in the two southern-most holes drilled, (pXRF readings included 38 metres at 0.22% from surface). A small moving loop EM survey was undertaken surrounding these holes prior December 2020, with a partial EM response identified on the eastern and northern edge of the area surveyed.

First-pass exploration at the Bijoux Prospect has produced early indications of a potential copper mineral system. The entire host trend, the Rochford Trend (28km), will be subject to a Heli-borne EM survey in the first quarter of 2021, with plans for additional auger soil programs and drilling in the 2021 field season.

Cobar Gold Project

Scout RC drilling in the second half of 2020 was undertaken surrounding a series of untested historic gold workings and structural targets. The 28-hole program was completed for 3,659 metres. The program returned anomalous gold (>0/1g/t Au) over broad widths in many of the holes drilled. A highlight was five metres at 1.3g/t Au from 25 metres downhole at the Link Zone, which may indicate a connection between gold mineralisation at the Sunrise and Good Friday prospects.

Access to a 50km² area in the northern end of the gold-prospective area was granted during 2020. This is the first time there has been access granted to this area in nearly two decades. With a geological setting analogous to the 4 Moz producing Peak Trend at nearby Cobar, the Company is reviewing data collected this reporting period and assessing and prioritising these new geological and structural targets.

Mundarlo Joint Venture (80% Helix and Manager; 20% Private Partners)

The Mundarlo Project hosts a new greenfield volcanogenic massive sulphide (VMS) copper system 10km west of Gundagai, in southern NSW.

The main target is defined by a very large surface EM anomaly (over 1km of strike) that is confirmed to relate to massive sulphide. Limited drilling to date has intersected iron sulphides, however DHEM in a 2019 diamond drill hole has identified two strong off-hole conductors. One modelled conductor is situated in the same plane as the sulphide mineralisation intersected in the hole, close to a cross-cutting structure. This perpendicular structure may represent a (typically base metal-rich) VMS feeder zone. The other lies beyond the depth of the hole and may represent a second sulphide accumulation/pulse during deposition.

The project was not subject to field activities in the 2020 due to COVID travel restrictions and the renewal of the tenement.

Chile Projects

Helix maintains exposure to three copper exploration properties, at low altitude and close to infrastructure in Region IV Chile. Helix is looking at opportunities to attract outside, project level investment into this "world-class" copper province. In October 2020, JOGMEC had advised it was withdrawing from the Samuel Project.

CORPORATE

On 10 July 2020, the Company issued 264,706,567 ordinary shares at \$0.007 per share, raising a total of \$1.85 million (before costs), completing the Non-Renounceable Entitlement issue of 1 share for every 2 shares held by eligible shareholders as announced on 5 June 2020.

The Company's annual general meeting was held on 2 November 2020, with all resolutions passed.

DIRECTORS' REPORT

EVENTS SUBSEQUENT TO REPORTING DATE

On 11 January 2021, Mr Mike Rosenstreich was appointed as Managing Director. As such Mr Lester has reverted to a Non-Executive Chairman's role.

On 11 January 2021, the Company proposed the issue of up to 10,000,000 unlisted performance options with nil exercise price expiring on 11 January 2023, issued in three tranches (21%, 37% and 42%) with vesting dependent upon the satisfaction of specific performance hurdles. The options are to be issued subject to shareholder approval at a general meeting of shareholders to be held in April 2021.

On 18 February 2021, the Company announced that it has received binding applications for \$3 million (before costs) via a 2-tranche placement of 300,000,000 fully paid ordinary shares at \$0.01 per share, with 179,918,314 fully paid ordinary shares issued in the first tranche ("**Tranche 1**") under the Company's existing placement capacity, and the remaining 120,081,686 fully paid ordinary shares in the second tranche ("**Tranche 2**") subject to shareholder approval at a general meeting of shareholders to be held in April 2021. The Lead Manager is entitled to 8,000,000 options exercisable at \$0.02 expiring 23 February 2024 ("**Lead Manager options**"). Tranche 1 shares and Lead Manager options were subsequently issued on 24 February 2021.

There have been no other 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 23 of this interim financial report.

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



Mike Rosenstreich
Managing Director
10 March 2021

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 Michael Wilson, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Wilson is a full-time employee and shareholder of Helix Resources Limited. Mr 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 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Wilson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Table of Resources

Commodity	Category	Project	Interest	Resource
Copper	Indicated and Inferred	Collerina	100% Helix	Oxide: 0.63Mt at 0.7% Cu, for 4,600t Cu Fresh: 1.4Mt at 2.6% Cu, 0.2g/t Au for 35,800t Cu and 9,100oz Au Total Resource: 2.02Mt at 2.03% Cu, 0.1g/t Au for 40,400t Cu & 9,400oz Au (at 0.5% Cut-off) – 2012 JORC^a
Copper	Inferred	Canbelego, NSW	70% (Aeris 30%)	1.5Mt at 1.2% Cu for 18,000t Contained Cu (at 0.3% Cu Cut-off) –JORC 2004^b
Gold	Inferred	Cobar Gold	90% (Glencore moving to 1% NSR)	Oxide: 3.75Mt at 1.0g/t Au for 118,800oz (0.4 g/t Au Cut-off) 2012 JORC^c
Copper (+Gold)	Indicated and Inferred	Blanco Y Negro, Chile	100% Helix	Indicated: 0.8Mt at 1.5% Cu, 0.5 g/t Au for 12,000t Cu & 12,000oz Au Inferred: 0.7Mt at 1.3% Cu, 0.6g/t Au for 8,000t Cu & 12,000oz Au Total Resource: 1.5Mt at 1.4% Cu, 0.5g/t Au for 20,000t Cu & 24,000oz Au (at 0.5% Cut-off) – 2012 JORC^d

Rounding discrepancies may occur in summary tables

Notes for Table of Resources

- For more information on the Collerina resource estimate, refer to ASX announcement dated 11 June 2019. Helix is not aware of any new information or data that materially effects the information included in the said announcement
- For more information on the Canbelego JV resource estimate, refer to ASX announcement dated 7 October 2010. Helix is not aware of any new information or data that materially effects the information included in the said announcement.
- For more information on the Cobar Gold resource estimate, refer to ASX announcement dated 7 November 2019. Helix is not aware of any new information or data that materially effects the information included in the said announcement.
- For more information on the Blanco y Negro Deposit resource estimate, refer to ASX announcement dated 13 August 2015. Helix is not aware of any new information or data that materially effects the information included in the said announcement. The information in this report that relates to the Mineral Resource Estimation for Blanco y Negro is based on information compiled by Mr Byron Dumpleton a Consultant Resource Geologist from his company BKD Resources Pty Ltd. Mr Dumpleton is a member of the Australian Institute of Geoscientist. Mr Dumpleton has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Mineral Exploration Results, Mineral Resources and Ore Reserves” (JORC Code). Mr Dumpleton consents to the inclusion in this report of the matters based on their information in the form and context in which they appear.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2020**

	Notes	Consolidated	
		31 Dec 2020	31 Dec 2019
		\$	\$
Other income	10	13,319	94,783
Audit and accountancy		(31,188)	(7,653)
Corporate marketing expense		(10,279)	(215)
Directors' fees		(37,998)	(122,847)
Depreciation expense		(26,995)	(30,254)
Employment costs		(55,263)	(41,014)
Exploration expenditure		(85,553)	(7,107)
Foreign exchange gain		8,518	8,323
Impairment expense	6	(114,446)	-
Information technology costs		(9,403)	(2,699)
Premises costs		(15,383)	(6,488)
Professional fees		(19,000)	(39,000)
Travel expenses		(2,603)	(6,099)
Share based payments	9	(9,607)	(35,703)
Share registry and listing fees		(14,145)	(16,418)
Other expenses		(61,430)	(60,471)
Loss before income tax		(471,456)	(272,862)
Income tax benefit		-	-
Loss for the year		(471,456)	(272,862)
Other Comprehensive Income			
Other comprehensive income, after tax		-	-
Total Comprehensive Loss attributable to members of Helix Resources Limited		(471,456)	(272,862)
Loss per Share			
Basic and diluted loss per share (cents)	11	(0.06)	(0.06)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	Consolidated	
		31 Dec 2020	30 Jun 2020
		\$	\$
Current assets			
Cash and cash equivalents		775,859	155,356
Trade and other receivables		73,277	113,101
Other assets	6	-	237,565
Total current assets		849,136	506,022
Non-current assets			
Exploration and evaluation expenditure	2	10,816,999	10,059,074
Financial assets	3	251,922	244,902
Plant and equipment		29,271	33,114
Right-of-use asset	4	42,446	65,598
Total non-current assets		11,140,638	10,402,688
Total assets		11,989,774	10,908,710
Current liabilities			
Trade and other payables	5	535,960	830,642
Provisions		155,081	106,493
Lease liabilities	7	44,478	46,624
Total current liabilities		735,519	983,759
Non-current liabilities			
Lease liabilities	7	-	20,517
Total non-current liabilities		-	20,517
Total liabilities		735,519	1,004,276
Net assets		11,254,255	9,904,434
Equity			
Share capital	8	69,421,949	67,676,147
Reserves	9	262,070	186,595
Accumulated losses		(58,429,764)	(57,958,308)
Total equity		11,254,255	9,904,434

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 2020

	Notes	Share Capital \$	Reserves \$	Accumulated Losses \$	Total \$
Balance at 1 Jul 2019		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)
Transactions with owners					
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
Balance at 31 Dec 2019		67,444,424	226,682	(57,804,677)	9,866,429
Balance at 1 Jul 2020		67,676,147	186,595	(57,958,308)	9,904,434
Loss for the period		-	-	(471,456)	(471,456)
Other comprehensive income for the period		-	-	-	-
Total comprehensive loss		-	-	(471,456)	(471,456)
Transactions with owners					
Issue of shares	8	1,852,946	-	-	1,852,946
Share issue costs	8	(107,144)	65,868	-	(41,276)
Options vested	9	-	9,607	-	9,607
Balance at 31 Dec 2020		69,421,949	262,070	(58,429,764)	11,254,255

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 2020

	Consolidated	
	31 Dec 2020	31 Dec 2019
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(366,558)	(330,678)
Interest received	4,523	375
Interest paid on right-of-use asset	(4,233)	(2,730)
Net cash used in operating activities	(366,268)	(333,033)
Cash flows from investing activities		
Payments for capitalised exploration and evaluation expenditure	(716,049)	(456,268)
Proceeds from JV	123,119	875,130
Payments for JV exploration expenditure	(167,366)	(1,048,165)
Payments for exploration security deposits	(10,000)	-
Net cash used in investing activities	(770,296)	(629,303)
Cash flows from financing activities		
Proceeds from share issue	1,852,946	1,000,000
Payment of share issue costs	(81,734)	(60,555)
Payment of lease principal	(22,663)	(24,899)
Net cash provided by financing activities	1,748,549	914,546
Net increase / (decrease) in cash and cash equivalents	611,985	(47,790)
Exchange differences on cash and cash equivalents	8,518	8,323
Cash and cash equivalents at the beginning of period	155,356	366,391
Cash and cash equivalents at end of period	775,859	326,924

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 2020 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134 *Interim Financial Reporting*.

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 2020 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 has been approved for issue by the Board of Directors on the 10 March 2021.

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 2020 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 2020.

New or Amended Accounting Standards and Interpretations Adopted

The Directors have reviewed 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 pronouncements which became effective from 1 July 2020 were adopted but do not have a significant impact on the Group's financial results or position.

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. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

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

Going Concern

The interim financial report for the six months ended 31 December 2020 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 2020 of \$471,456 (31 December 2019: \$272,862) and reported net cash outflows from operating activities of \$366,268 (31 December 2019: \$333,033). As at 31 December 2020 the Group had available cash and cash equivalents of \$775,859 (30 June 2020: \$155,356).

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. As announced on 18 February 2021, the Company has received binding applications for \$3 million (before costs) via a 2-tranche placement. 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 may cast 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.

2. Exploration and Evaluation Expenditure

	Consolidated	
	31 Dec 2020	30 Jun 2020
	\$	\$
Exploration and Evaluation Expenditure	10,816,999	10,059,074

<i>Movements in Exploration and Evaluation Expenditure</i>	Half-year to	Year to
	Dec 2020	Jun 2020
	\$	\$
Opening balance	10,059,074	9,272,553
Expenditure incurred during the period	757,925	786,521
Closing balance	10,816,999	10,059,074

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.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

3. Financial Assets

	Consolidated	
	31 Dec 2020	30 Jun 2020
	\$	\$
Security deposits	251,922	244,902

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

4. Right-Of-Use Asset

	Consolidated	
	31 Dec 2020	30 Jun 2020
	\$	\$
Right-of-use asset	42,446	65,598

<i>Movements in Right-Of-Use Asset</i>	Half-year to Dec 2020 \$	Year to Jun 2020 \$
Cost		
Balance at 1 July	92,609	-
Adjustment on transition to AASB 16	-	123,621
Revaluation ¹	-	(31,012)
Balance at 31 December	92,609	92,609
Accumulated Depreciation		
Balance at 1 July	27,011	-
Depreciation expense	23,152	48,325
Revaluation ¹	-	(21,314)
Balance at 31 December	50,163	27,011
Net Book Value		
31 December	42,446	65,598

¹ 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%.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

5. Trade and Other Payables

	Consolidated	
	31 Dec 2020	30 Jun 2020
	\$	\$
Trade Payables	353,183	423,384
Other Payables	182,777	407,258
	535,960	830,642

6. Other Assets

	Consolidated	
	31 Dec 2020	30 Jun 2020
	\$	\$
Other assets	-	237,565

Other assets represent amount receivable from JOGMEC for the reimbursement of Chilean exploration expenditure paid by the Group on the Samuel project.

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. Completed in December 2018.
- **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. Completed in September 2019.
- **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 before COVID shut down exploration activities.
- In October 2020, JOGMEC had advised it was withdrawing from the Samuel Project.
- Funds received during the half-year amounted to \$123,119 (30 June 2020: \$1,231,113).
- The Group has recognised an impairment expense in the consolidated statement of profit or loss and other comprehensive income during the period for the remaining receivable balance of \$114,466 as management has assessed the recoverability of the balance to be low due to COVID shut down and withdrawal of JOGMEC from the Samuel project.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

7. Lease Liabilities

	Consolidated	
	31 Dec 2020	30 Jun 2020
	\$	\$
Current	44,478	46,624
Non-current	-	20,517
	44,478	67,141

	Consolidated	
	Half-year to Dec 2020	Half-year to Dec 2019
	\$	\$
<i>Amounts recognised in the statement of profit or loss</i>		
Depreciation expense on right of use asset	23,152	25,173
Interest expense	1,718	2,730

	Consolidated	
	Half-year to Dec 2020	Year to Jun 2020
	\$	\$
<i>Movement in lease liabilities</i>		
Opening balance	67,141	-
Recognised on adoption of AASB 16 Leases	-	123,947
Lease modification	-	(10,024)
Principal repayments	(22,663)	(46,782)
Closing balance	44,478	67,141

8. Share Capital

	Dec 2020	Jun 2020	Dec 2020	Jun 2020
	Shares	Shares	\$	\$
Fully Paid Ordinary Shares	794,119,928	529,413,361	69,421,949	67,676,147

<i>Movements in Share Capital – Half-year to 31 December 2020</i>	Shares	\$
Balance at 1 July 2020	529,413,361	67,676,147
Share issue @ \$0.007 each ⁽ⁱ⁾	264,706,567	1,852,946
Share issue costs	-	(107,144)
Balance at 31 December 2020	794,119,928	69,421,949

- (i) On 10 July 2020, 264,706,567 fully paid ordinary shares were issued to professional and sophisticated investors at an issue price of \$0.007 per share. The Entitlement Offer was to raise funds for exploration expenditure at the Cobar Gold Project, Collerina Copper Project and for working capital.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

8. Share Capital (Continued)

<i>Movements in Share Capital – Year to 30 June 2020</i>	Shares	\$
Balance at 1 July 2019	424,466,692	66,517,020
Share issue @ \$0.016 each ⁽ⁱ⁾	62,500,000	1,000,000
Share issue @ \$0.007 each ⁽ⁱⁱ⁾	42,446,669	297,127
Share Issue costs	-	(138,000)
Balance at 30 June 2020	529,413,361	67,676,147

- (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.
- (ii) On 5 June 2020, 42,446,669 fully paid ordinary shares were issued to institutional and sophisticated investors at an issue price of \$0.007 per share. The Placement was to raise funds for exploration expenditure at the Collerina Copper Deposit and for working capital.

9. Reserves

	Consolidated	
	31 Dec 2020	30 Jun 2020
	\$	\$
Option Reserve	262,070	186,595

<i>Movements in Option Reserve – Half-year to 31 December 2020</i>	Unlisted Options	\$
Balance at 1 July 2020	15,000,000	186,595
Options issued to Lead Manager ⁽ⁱ⁾	2,500,000	10,433
Options issued to consultants ⁽ⁱⁱ⁾	11,000,000	55,435
Options vesting during the period	-	9,607
Balance at 31 December 2020	28,500,000	262,070

- (i) On 5 November 2020, 2,500,000 unlisted options were issued to the Lead Manager (Morgans Corporate) upon shareholder approval for the successful Placement in November 2019. The options are exercisable at \$0.024 each with an expiry date of 5 November 2022. All the options vested on grant date. The Black Scholes option pricing model was used to value these options and inputs used are as stated in the table below.
- (ii) On 5 November 2020, 11,000,000 unlisted options were issued to consultants for the successful Placement in July 2020. The options are exercisable at \$0.015 each with an expiry date of 31 December 2022. The Black Scholes option pricing model was used to value these options and inputs used are as stated in the table below.

Grant Date	Expiry Date	Exercise Price	Share Price	Volatility	Risk Free Rate
2 Nov 2020	5 Nov 2022	\$0.024	\$0.009	131.39%	0.11%
2 Nov 2020	31 Dec 2022	\$0.015	\$0.009	127.84%	0.11%

NOTES TO THE INTERIM FINANCIAL STATEMENTS

9. Reserves (Continued)

<i>Movements in Option Reserve – Year to 30 June 2020</i>	Unlisted Options	\$
Balance at 1 July 2019	17,000,000	190,979
Options issued in prior years vesting	-	49,719
Options expired	(2,000,000)	(54,103)
Balance at 30 June 2020	15,000,000	186,595

10. Revenue

	Consolidated	
	Half-year to Dec 2020	Half-year to Dec 2019
	\$	\$
Interest revenue	1,189	2,791
Rental income	12,130	12,130
Other	-	79,862
	13,319	94,783

11. Loss per Share

	Half-year to Dec 2020	Half-year to Dec 2019
	Cents	Cents
Basic loss per share	(0.06)	(0.06)
Diluted loss per share	(0.06)	(0.06)
	\$	\$
Loss after tax	(471,456)	(272,862)
	No.	No.
Weighted average number of ordinary shares	781,101,572	436,015,605

12. Contingent Assets and Liabilities

No contingent assets or liabilities were noted as at 31 December 2020 (30 June 2020: nil).

NOTES TO THE INTERIM FINANCIAL STATEMENTS

13. Events Subsequent to Reporting Date

On 11 January 2021, Mr Mike Rosenstreich was appointed as Managing Director. As such Mr Lester has reverted to a Non-Executive Chairman's role.

On 11 January 2021, the Company proposed the issue of up to 10,000,000 unlisted performance options with nil exercise price expiring on 11 January 2023, issued in three tranches (21%, 37% and 42%) with vesting dependent upon the satisfaction of specific performance hurdles. The options are to be issued subject to shareholder approval at a general meeting of shareholders to be held in April 2021.

On 18 February 2021, the Company announced that it has received binding applications for \$3 million (before costs) via a 2-tranche placement of 300,000,000 fully paid ordinary shares at \$0.01 per share, with 179,918,314 fully paid ordinary shares issued in the first tranche ("**Tranche 1**") under the Company's existing placement capacity, and the remaining 120,081,686 fully paid ordinary shares in the second tranche ("**Tranche 2**") subject to shareholder approval at a general meeting of shareholders to be held in April 2021. The Lead Manager is entitled to 8,000,000 options exercisable at \$0.02 expiring 23 February 2024 ("**Lead Manager options**"). Tranche 1 shares and Lead Manager options were subsequently issued on 24 February 2021.

No other matter or circumstance has arisen since 31 December 2020 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.

14. Commitments

Exploration expenditure commitments

	Consolidated	
	Dec 2020	Jun 2020
	\$	\$
Less than 1 year	29,164	21,599
1 – 5 years	10,960	21,331
More than 5 years	-	-
	40,124	42,930

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 2020	30 Jun 2020	31 Dec 2020	30 Jun 2020	31 Dec 2020	30 Jun 2020
<u>Current Assets</u>						
Cash	756,560	81,245	19,299	74,111	775,859	155,356
Trade and other receivables	73,277	113,101	-	237,565	73,277	350,666
<u>Non-Current Assets</u>						
Exploration and evaluation expenditure	10,816,999	10,059,074	-	-	10,816,999	10,059,074
Financial assets	238,943	232,284	12,979	12,618	251,922	244,902
Plant and equipment	29,271	33,114	-	-	29,271	33,114
Right-of-use asset	42,446	65,598	-	-	42,446	65,598
Total assets	11,957,496	10,584,416	32,278	324,294	11,989,774	10,908,710

	Australia		Chile		Total	
	31 Dec 2020	30 Jun 2020	31 Dec 2020	30 Jun 2020	31 Dec 2020	30 Jun 2020
<u>Current Liabilities</u>						
Trade and other payables	393,861	522,036	142,099	308,606	535,960	830,642
Provisions	155,081	106,493	-	-	155,081	106,493
Lease liabilities	44,478	46,624	-	-	44,478	46,624
<u>Non-Current Liabilities</u>						
Lease liabilities	-	20,517	-	-	-	20,517
Total liabilities	593,420	695,670	142,099	308,606	735,519	1,004,276

Half-year to:	Dec 2020	Dec 2019	Dec 2020	Dec 2019	Dec 2020	Dec 2019
Other income	13,296	94,132	23	651	13,319	94,783
Depreciation	(26,995)	(30,254)	-	-	(26,995)	(30,254)
(Loss) / gain before tax	(319,330)	(280,098)	(152,126)	7,236	(471,456)	(272,862)

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 2020 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.



Mike Rosenstreich
Managing Director
10 March 2021

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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 2020, 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
10 March 2021



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 2020, 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 information, 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 does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2020 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*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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.

Responsibility of the directors for the 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 for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether 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 2020 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*.

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
10 March 2021



N G Neill
Partner

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