

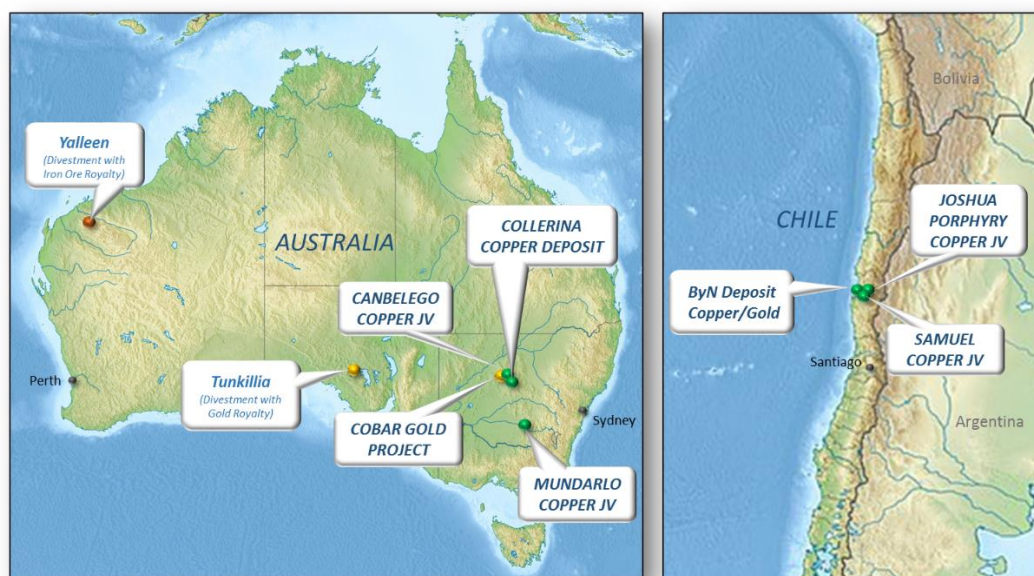


INTERIM FINANCIAL REPORT
31 DECEMBER 2018

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PROJECT LOCATION MAP



CORPORATE DIRECTORY

Directors

Peter Lester	Non-Executive Chairman (Appointed 25 Oct 2018)
Gary Lethridge	Non-Executive Chairman (Resigned 25 Oct 2018)
Michael Wilson	Managing Director
Jason Macdonald	Non-Executive Director
Timothy Kennedy	Non-Executive Director

Auditor

Grant Thornton Audit Pty Ltd
Central Park, Level 43
152 – 158 St Georges Terrace
Perth, Western Australia 6000

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Company Secretary

Benjamin Donovan

Share Registry

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Perth, Western Australia 6000

Australian Business Number

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Head and Registered Office

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Stock Exchange

The Company securities are quoted on the
Australian Stock 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 2018.

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 (Appointed 25 October 2018)
❑ Mr Gary Lethridge	Non-Executive Chairman (Resigned 25 October 2018)
❑ Mr Michael Wilson	Managing Director
❑ 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.

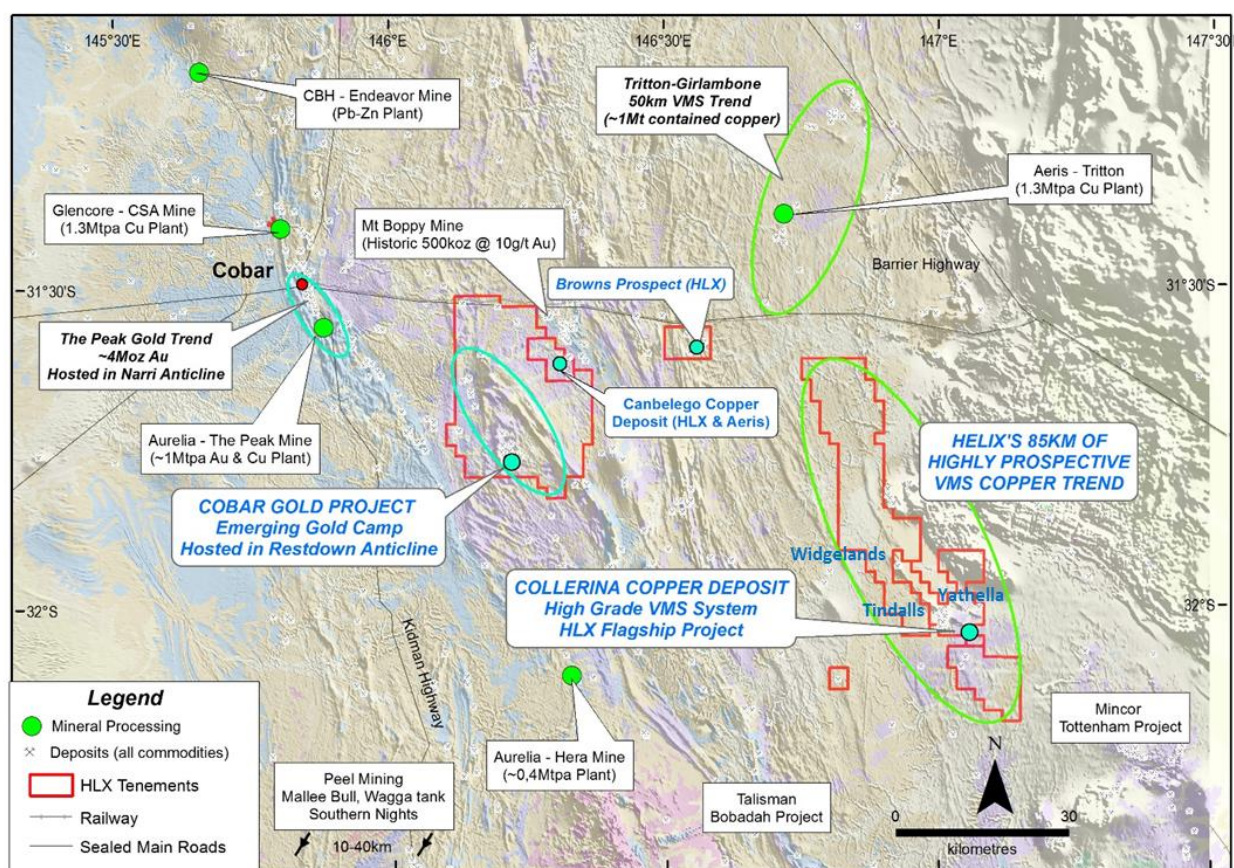


Figure 1: Helix's Central NSW Projects – strategic asset portfolio in a richly endowed mineral province

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 reporting period the Company has continued to advance its primary copper assets, being the Collierina Project (comprising the Collierina Copper Deposit and the Collierina Regional Prospects) and the Mundarlo Project.

Activities During the Half Year

Collierina Copper Deposit

A 3,500m RC/DDH program commenced in the 4th quarter of 2018 to further test the high-grade Central Zone massive sulphide. More down-hole electromagnetic (DHEM) surveys were completed during the program. Drilling is targeting extensions of the massive sulphide copper mineralisation to approximately 1km down-plunge and 450m below surface. Drilling is also set to infill areas of low drill density and support previously reported high-grade copper intercepts. Results from this drill program will be incorporated into an initial Mineral Resource estimate for the Collierina Copper Project.

Collierina Regional

Regional exploration along the 25km prospective Collierina Trend continues. Initial 3 exploration holes targeting interpreted plunge intersected an ultramafic rock unit at Yathella, with a follow-up DHEM survey identifying a 550m by 150m off-hole EM conductor northeast of the initial holes. The target unit likely to be peripheral to the ultramafic unit. The new DHEM conductor position is being assessed and geochemistry coverage is planned to be expanded. Results from this work will assist in more effective positioning of additional drill holes at Yathella. Emerging regional prospects including Widgelands, Tindalls and the Gwinear Trend are being assessed for initial drilling.

Mundarlo Joint Venture

An RC/DDH drill hole targeting a large MLEM conductor at Mundarlo was completed to a depth of 519m. drilling intersected a 6m zone of massive and semi-massive sulphides at the target depth. A follow-up DHEM survey was identified a strong off-hole conductor along strike of this zone and a partial conductor in front of the hole. The NSW Mines department has assessed the core from this hole and are providing additional geological information that will assist in future programs. Following completion of this hole, Helix has satisfied its expenditure commitment to earn 80% of the Mundarlo project, the JV partner has indicated that they wish to contribute to the expenditure at their 20% interest for the 2019 field season.

Cobar Gold Project

The project has seen limited fieldwork during 2018 as the Company has focussed on the flagship copper assets.

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.

Chile – Joshua Project

A 3,000m diamond drilling program is progressing well with core being cui, sampled and transported to the lab in batches. Manhattan Corporation Limited (ASX:MHC) is 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 provides 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.

Key term of the HOA include:

- **Stage 1:** Helix has granted Manhattan an option whereby they can exercise that option by sole funding of A\$1.0 million on the Joshua project within 9 months of the Commencement Date, such expenditure to be expended on the 3,000m diamond drilling (**Option**).
- If Manhattan exercises the Option by funding the requisite expenditure, it shall have the right to earn up to an 80% interest in the Joshua project on the following basis:
 - **Stage 2:** Manhattan may earn a 51% Joint Venture interest in the Joshua project by sole funding the expenditure necessary to complete a further 5,000m of drilling within 18 months of the Commencement Date.
 - **Stage 3:** If Stage 2 is completed, Manhattan may elect to earn a further 29% (giving it a total 80%) Joint Venture interest by sole funding expenditure up to the completion of a BFS in respect of the Joshua project.
- In the event that Helix chooses not to contribute to the Joint Venture after the completion of the BFS (Stage 3), it will dilute its Joint Venture interest in exchange for an uncapped 1.0% Net Smelter Return royalty over the Joshua project.
- Helix will be the Manager of the Joshua project during Stage 1, and Manhattan will be the Manager for Stages 2 and 3, unless Helix and Manhattan mutually agree that Helix is to be retained as Manager.

Chile – 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\$3.4 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.

CORPORATE

Board Appointment

On 25 October 2018, Helix announced the appointment of Mr Peter Lester as Non-Executive Chairman, following the resignation of Mr Gary Lethridge from the Board. Mr Lester is a highly credentialed mining executive who brings, amongst other things, his mining engineering skills and corporate experience to Helix.

Mr Lester is a qualified Mining Engineer and has over 40 years of experience in the mining industry. Mr Lester has held senior executive positions with North Ltd, Newcrest Mining Limited, Oxiana/Oz Minerals Limited and Citadel Resource Group Limited. Mr Lester’s experience covers operations, project and business development and general corporate activities including financial services. Mr Lester has served on several ASX listed and private mining boards and is currently a Non-Executive Director of Millennium Minerals Ltd and White Rock Minerals Ltd.

Capital Raising

The Company completed a share placement to raise proceeds of \$900,000. The placement was undertaken at market price at \$0.03 per share. Peloton Capital was the Lead Manager of the placement, with funds raised from both institutional and sophisticated investors. 30,000,000 ordinary shares and 1,750,000 unlisted options were issued using a portion of the Company's available capacity under ASX Listing Rule 7.1. The unlisted options were issued to Peloton Capital as a success fee, with an exercise price of \$0.08 and an expiry of 19 April 2019.

On 10 December 2018, 12,000,000 unlisted options were issued to director and employees, exercisable at a minimum of \$0.065 each with an expiry date of 30 November 2021.

Annual General Meeting

The Company's annual general meeting was held on 30 November 2018, with all resolutions passed unanimously on a show of hands, with incentive options being issued to Directors Wilson, Macdonald and Lester, along with key staff and consultants.

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 20 of this half-year financial report.

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



Mr Michael Wilson

Managing Director

Dated this 14th day of March 2019

Competent Persons Statements

The information in this announcement that relating to previous reported Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr M Wilson who is a full-time employee of Helix Resources Limited and a Member of The Australasian Institute of Mining and Metallurgy. 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 Edition 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
HALF-YEAR ENDED 31 DECEMBER 2018

		Consolidated	
		Dec 2018	Dec 2017
	Notes	\$	\$
Revenue	8	14,849	20,311
Employment costs		(10,482)	(71,405)
Audit and accountancy		(35,332)	(15,157)
Administrative costs		-	(60,114)
Corporate marketing		(14,200)	(2,738)
Directors' fees		(103,637)	(95,925)
Depreciation		(6,819)	(26,419)
Foreign exchange loss		-	(296)
IT costs		(4,100)	(11,331)
Premises costs		(18,930)	(17,862)
Professional fees		(29,332)	(12,867)
Travel and accommodation costs		(5,241)	(6,436)
Share-based payments		(80,847)	(21,092)
Share registry and listing fees		(18,687)	(13,525)
Other expenses from ordinary activities		(66,378)	(50,730)
LOSS BEFORE INCOME TAX		(379,136)	(385,586)
Income tax expense		-	-
LOSS FOR THE PERIOD		(379,136)	(385,586)
Other Comprehensive Income			
Income tax relating to other comprehensive income		-	-
Other comprehensive income, after tax		-	-
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO MEMBERS OF HELIX RESOURCES LIMITED		(379,136)	(385,586)
Basic loss per share (cents)	7	(0.09)	(0.11)
Diluted loss per share (cents)	7	(0.09)	(0.11)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2018

		Consolidated	
	Notes	Dec 2018 \$	Jun 2018 \$
CURRENT ASSETS			
Cash and cash equivalents		1,319,552	900,629
Trade and other receivables		54,500	64,442
TOTAL CURRENT ASSETS		1,374,052	965,071
NON-CURRENT ASSETS			
Property, plant and equipment		49,925	55,380
Exploration and evaluation expenditure	2	8,344,346	7,954,697
Financial assets		221,785	219,788
TOTAL NON-CURRENT ASSETS		8,616,056	8,229,865
TOTAL ASSETS		9,990,108	9,194,936
CURRENT LIABILITIES			
Trade and other payables	3	109,512	159,609
Other liabilities	4	294,876	-
Provisions		112,720	104,038
TOTAL CURRENT LIABILITIES		517,108	263,647
NON-CURRENT LIABILITIES			
Provisions		-	-
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		517,108	263,647
NET ASSETS		9,473,000	8,931,289
EQUITY			
Share capital	5	66,517,020	65,677,689
Reserves	6	166,777	395,415
Accumulated losses		(57,210,797)	(57,141,815)
TOTAL EQUITY		9,473,000	8,931,289

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
HALF-YEAR ENDED 31 DECEMBER 2018

		Share Capital	Reserve	Accumulated Losses	Total
	Notes	\$	\$	\$	\$
Balance at 1 Jul 2018		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		-	-	-	-
		-	-	(379,136)	(379,136)
Transactions with owners					
Issue of shares		900,000	-	-	900,000
Share issue costs		(60,669)	669	-	(60,000)
Issue of options	6	-	51,746	-	51,746
Options vested	6	-	29,101	-	29,101
Options forfeited / expired	6	-	(310,154)	310,154	-
Balance at 31 Dec 2018		66,517,020	166,777	(57,210,797)	9,473,000
Balance at 1 Jul 2017		64,571,704	339,737	(56,793,615)	8,117,826
Loss for the period		-	-	(385,586)	(385,586)
Other comprehensive income for the period		-	-	-	-
		-	-	(385,586)	(385,586)
Transactions with owners					
Issue of shares		1,200,000	-	-	1,200,000
Share issue costs		(94,015)	-	-	(94,015)
Options vested		-	21,092	-	21,092
Balance at 31 Dec 2017		65,677,689	360,829	(57,179,201)	8,859,317

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 2018

	Consolidated	
	Dec 2018	Dec 2017
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(343,149)	(540,850)
Interest received	2,087	7,529
Other receipts	10,797	58,974
Net cash used in operating activities	(330,265)	(474,347)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for capitalised exploration and evaluation expenditure	(378,462)	(790,698)
Payments for property, plant and equipment	(1,500)	(3,500)
Proceeds from JV	1,370,611	-
Payments for JV exploration expenditure	(1,075,413)	-
Payments for security deposits	-	(29,193)
Refund of security deposits	-	27,007
Net cash used in investing activities	(84,764)	(796,384)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issue	900,000	1,200,000
Payment of share issue costs	(66,000)	(94,015)
Net cash provided by financing activities	834,000	1,105,985
Net increase / (decrease) in cash and cash equivalents	418,971	(164,746)
Exchange differences on cash and cash equivalents	(48)	(296)
Cash and cash equivalents at the beginning of period	900,629	1,965,627
CASH AND CASH EQUIVALENTS AT END OF PERIOD	1,319,552	1,800,585

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS

31 DECEMBER 2018

1. Basis of Preparation of the Interim Financial Statements

These general purpose financial statements for the interim reporting period ended 31 December 2018 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 2018 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.

Accounting policies

The accounting policies adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the 2018 annual financial report, unless otherwise stated.

New or Amended Accounting Standards and Interpretations Adopted

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

AASB 15 *Revenue from Contracts with Customers* and AASB 9 *Financial Instruments* (2014) became effective for periods beginning on or after 1 January 2018 and 1 July 2018 respectively. Accordingly, the Group applied AASB 15 and AASB 9 for the first time to the interim period ended 31 December 2018. Any other new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. Changes to the Group's accounting policies arising from these standards are summarised below:

AASB 15 Revenue from Contracts with Customers

AASB 15 replaces AASB 118 Revenue, AASB 111 Construction Contracts and several revenue-related interpretations. The new Standard has been applied as at 1 July 2018 with no adjustment to opening retained earnings required. Accordingly, the company has not set out its revenue recognition policies under the new standard.

AASB 9 Financial Instruments

AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' model for impairment of financial assets. AASB 9 also contains new requirements on the application of hedge accounting.

The Group has adopted the standard in this period but does not have any financial instruments of which are impacted by the adoption. Thus, there has been no adjustment to opening retained earnings as at 1 July 2018. Given that the Group does not have any material financial instruments that are impacted by the adoption of the standard, the Group has not disclosed any accounting policies with respect to the adoption.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

31 DECEMBER 2018

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

Going Concern

The interim financial report for the six months ended 31 December 2018 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 2018 of \$379,136 (31 December 2017: \$385,586) and reported net cash outflows from operating of \$330,265 (31 December 2017: \$474,347). As at 31 December 2018 the Group had available cash and cash equivalents of \$1,319,552 (30 June 2018: \$900,629).

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 material uncertainty 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 those 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	
	Dec 2018	Jun 2018
	\$	\$
Exploration and Evaluation Expenditure	8,344,346	7,954,697

<i>Movements in Exploration and Evaluation Expenditure</i>	\$
Balance at 1 July 2018	7,954,697
Expenditure incurred during the period	389,649
Impairment losses	-
Balance at 31 December 2018	8,344,346

NOTES TO THE INTERIM FINANCIAL STATEMENTS

31 DECEMBER 2018

3. Trade and Other Payables

	CONSOLIDATED	
	Dec 2018	Jun 2018
	\$	\$
Trade Payables	42,098	93,955
Other Payables	67,414	65,654
	109,512	159,609

4. Other Liabilities

	CONSOLIDATED	
	Dec 2018	Jun 2018
	\$	\$
Other liabilities	294,876	-

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

Joshua Project

A 3,000m diamond drilling program is progressing well with core being cored, sampled and transported to the lab in batches. Manhattan Corporation Limited (ASX:MHC) is 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 provides 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. Key term of the HOA include:

- **Stage 1:** Helix has granted Manhattan an option whereby they can exercise that option by sole funding of A\$1.0 million on the Joshua project within 9 months of the Commencement Date, such expenditure to be expended on the 3,000m diamond drilling (**Option**).
- If Manhattan exercises the Option by funding the requisite expenditure, it shall have the right to earn up to an 80% interest in the Joshua project on the following basis:
 - **Stage 2:** Manhattan may earn a 51% Joint Venture interest in the Joshua project by sole funding the expenditure necessary to complete a further 5,000m of drilling within 18 months of the Commencement Date.
 - **Stage 3:** If Stage 2 is completed, Manhattan may elect to earn a further 29% (giving it a total 80%) Joint Venture interest by sole funding expenditure up to the completion of a BFS in respect of the Joshua project.
- In the event that Helix chooses not to contribute to the Joint Venture after the completion of the BFS (Stage 3), it will dilute its Joint Venture interest in exchange for an uncapped 1.0% Net Smelter Return royalty over the Joshua project.
- Helix will be the Manager of the Joshua project during Stage 1, and Manhattan will be the Manager for Stages 2 and 3, unless Helix and Manhattan mutually agree that Helix is to be retained as Manager.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

31 DECEMBER 2018

4. Other Liabilities (Continued)

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\$3.4 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.

5. Share Capital

	Dec 2018 Shares	Jun 2018 Shares	Dec 2018 \$	Jun 2018 \$
Fully Paid Ordinary Shares	424,466,692	394,466,692	66,517,020	65,677,689

<i>Movements in Share Capital</i>	Shares	\$
Balance at beginning of the period	394,466,692	65,677,689
Share issued: 30,000,000 shares @ \$0.03 each ⁽ⁱ⁾	30,000,000	900,000
Share Issue Costs	-	(60,669)
Balance at end of the period	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.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

31 DECEMBER 2018

6. Reserves

	CONSOLIDATED	
	Dec 2018	Jun 2018
	\$	\$
Option Reserve	166,777	395,415

<i>Movements in Option Reserve</i>	Unlisted Options	\$
Balance at beginning of the period	19,650,000	395,415
Options issued to consultants ⁽ⁱ⁾	1,750,000	669
Options issued to employees ⁽ⁱⁱ⁾	12,000,000	51,746
Options vesting during the period	-	29,101
Options expired during the period	(13,150,000)	(299,679)
Options forfeited during the period	(1,000,000)	(10,475)
Balance at end of the period	19,250,000	166,777

- (i) On 19 October 2018, 1,750,000 unlisted options were issued to the Lead Manager (Peloton Capital) upon successful Placement. The options are exercisable at \$0.08 each with an expiry date of 19 April 2019. 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.

Grant Date	Expiry Date	Exercise Price	Share Price	Volatility	Risk Free Rate
19 Oct 2018	19 Apr 2019	\$0.08	\$0.031	75%	1.49%

- (ii) On 10 December 2018, 12,000,000 unlisted options were issued to director and employees. The options are exercisable at a minimum of \$0.065 each with an expiry date of 30 November 2021. Options vest 1/3 on grant date, 1/3 on 30 November 2019, and 1/3 on 30 November 2020. 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
30 Nov 2018	30 Nov 2021	\$0.065	\$0.031	84%	1.93%

NOTES TO THE INTERIM FINANCIAL STATEMENTS

31 DECEMBER 2018

7. Earnings per Share

	Dec 2018	Dec 2017
	Cents	Cents
Basic loss per share	(0.09)	(0.11)
Diluted loss per share	(0.09)	(0.11)
	\$	\$
Loss after tax	(379,136)	(385,586)
	No.	No.
Weighted average number of ordinary shares	404,225,025	350,532,727

8. Revenue

	CONSOLIDATED	
	Dec 2018	Dec 2017
	\$	\$
Interest Revenue	4,052	7,529
Other	10,797	12,782
	14,849	20,311

9. Events Subsequent to Reporting Date

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

10. Contingent Assets and Liabilities

The Company has bank guarantees of \$221,785 as at 31 December 2018 (30 June 2018: \$219,788) for tenement holdings. No further contingent assets or liabilities noted as at 31 December 2018.

11. Commitments

There have been no significant changes in operating lease and exploration commitments from 30 June 2018.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

31 DECEMBER 2018

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

	Australia		Chile		Total	
	Dec 2018	June 2018	Dec 2018	June 2018	Dec 2018	June 2018
<u>Current Assets</u>						
Cash	1,140,810	899,015	178,742	1,614	1,319,552	900,629
Trade and other receivables	51,350	64,442	3,150	-	54,500	64,442
<u>Non-Current Assets</u>						
Financial assets	208,768	206,771	13,017	13,017	221,785	219,788
Plant and equipment	49,925	55,380	-	-	49,925	55,380
Mineral Assets	8,478,437	8,088,788	5,517,964	5,517,964	13,996,401	13,606,752
Impairment	(134,091)	(134,091)	(5,517,964)	(5,517,964)	(5,652,055)	(5,652,055)
Total assets	9,795,199	9,180,305	194,909	14,631	9,990,108	9,194,936
<u>Liabilities</u>						
Trade and other payables	109,512	159,609	-	-	109,512	159,609
Provisions	112,720	104,038	-	-	112,720	104,038
Other liabilities	-	-	294,876	-	294,876	-
Total liabilities	222,232	263,647	294,876	-	517,108	263,647
	Dec 2018	Dec 2017	Dec 2018	Dec 2017	Dec 2018	Dec 2017
Revenue	14,701	20,311	148	-	14,849	20,311
Depreciation	(6,819)	(26,419)	-	-	(6,819)	(26,419)
(Loss) before tax	(378,282)	(325,472)	(854)	(60,114)	(379,136)	(385,586)

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 financial position as at 31 December 2018 and the 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



Mr Michael Wilson
Managing Director

Dated this 14th day of March 2019

Auditor's Independence Declaration

To the Directors of Helix Resources Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Helix Resources Limited for the half-year ended 31 December 2018. I declare that, to the best of my knowledge and belief, there have been:

- a No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b No contraventions of any applicable code of professional conduct in relation to the review.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



P W Warr
Partner – Audit & Assurance

Perth, 14 March 2019

Independent Auditor's Review Report

To the Members of Helix Resources Limited

Report on the review of the half year financial report

Conclusion

We have reviewed the accompanying half year financial report of Helix Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year ended on that date, a description of accounting policies, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half year financial report of Helix Resources Limited does not give a true and fair view of the financial position of the Group as at 31 December 2018, and of its financial performance and its cash flows for the half year ended on that date, in accordance with the *Corporations Act 2001*, including complying with Accounting Standard AASB 134 *Interim Financial Reporting*.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a net loss of \$379,136 during the half year ended 31 December 2018 and, as of that date, the Group's cash outflows from operating activities totalled \$330,265. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate 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.

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 2018 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 Helix Resources Limited, 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*.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



P W Warr
Partner – Audit & Assurance

Perth, 14 March 2019