2003 annual report

HELIX RESOURCES LIMITED

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CORPORATE DIRECTORY

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Robert W Mosig	Managing Director
Anthony R Martin	Executive Director
Ian K Macpherson	Non Executive Director
Bryce E Wauchope	Non Executive Director

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Stock Exchange
The Company's Securities are quoted on the Australian Stock Exchange Limited CODE: HLX and HLXOA.

CHAIRMAN'S REVIEW

Dear Shareholder,

I am pleased to present to you this year's Annual Report that covers a very active and eventful period in your Company's history. This year marks the eighteenth year of operations for the Company.

Last year, Helix commenced evaluation of its advanced gold exploration properties after it was decided to place the Munni Munni Platinum Group Metals (PGM) Project on hold. The decision to focus on mining development was made against the backdrop of a reduction in exploration activity by most major mining companies. In fact, your Company was able to purchase the remaining 49% of the advanced Gawler Craton gold Joint Venture including the Tunkillia gold project from AngloGold during the year. I am pleased to advise that our recent drilling at Tunkillia is starting to show promise. At the time of printing this report, an 18,000 metre reverse circulation drilling program is still underway. The Company is proposing to delineate a 400,000 ounce open pit gold resource, the first on its Gawler Craton tenements. The drilling will be completed before the end of this year, after which a technical report outlining the Tunkillia ore resource, grade, basic metallurgical characteristics and other technical issues will be completed. Mining and production proposals will come together to make up a Scoping Study to be presented in the first quarter of 2004. The Company anticipates that the Tunkillia resource may produce 50,000 to 70,000 ounces of gold per year over a 5 year minimum mine life.

"Helix aims to become a recognised gold producer within the next few years."

Helix aims to become a recognised gold producer within the next few years. Accordingly, Tunkillia is an important component in the Company's proposed production strategy. Additional production is anticipated to come from the Company's advanced gold projects such as Glenburgh, as well as through gold project acquisitions.

Grass roots exploration for gold and PGM's will be significantly reduced whilst the Company focuses on its proposed gold production aims. Helix's reduction in regional exploration comes at a time when we believe that new technological breakthroughs are needed before further orebodies are discovered in Australia. Helix will ensure that its team maintains a close link with research institutions, whilst it is hoped that the Federal Government acknowledges the immediate requirement for R&D as a prelude to enticing companies back to grass roots exploration in Australia. In addition, the Federal Government must be able to offer far more incentives to the ordinary investor in order to encourage investment and support in the vital grass roots exploration sector. The Prosser Report of the House of Representatives Industry and Resource Committee makes 28 recommendations to the Government, which, if implemented, would facilitate fund raising and exploration.

Last year, I outlined details of our Munni Munni PGM Project and the need to place this Project on hold whilst the downtrend in the palladium price continued. Unfortunately, the palladium metal price is still low, approximately US $205.00 an ounce at the time of writing this review, and the project remains on hold until better PGM prices occur. Difficult conditions, including low PGM prices also shelved the commencement of Australia's other possible PGM mine at Panton Sill. Nevertheless, the Munni Munni Project remains a significant resource of metal in the ground, and reviews will be made, from time to time, on the projects viability.

During the reporting period, the Company made a loss of $2.55 million essentially related to exploration expenditure. At the time of printing this report the Company also had cash reserves of $2.8 million and investments in other mining and exploration companies of $1.5 million. The Company must raise further working capital in the near future in order to continue the development of the Tunkillia Project, and to help fund any possible acquisitions. The Board looks forward to your continued support when funding requirements are finalized later this year.

I take this opportunity on behalf of all Directors to thank the staff for the continuation of their valuable contributions during the year. Those of you who attended last year's Annual General Meeting will be aware that all Directors and senior management took a 25% reduction in salary. This year, the Remuneration Committee recommends that the management team should be granted new options at an average exercise price of $0.46. At the same time, existing options with an average exercise price of $1.00 will be cancelled. Your Board believes that the new options will provide the necessary incentives. We look forward to shareholders' support for this proposal, full details of which can be perused in the accompanying Notice of Meeting.

Finally, I would like to thank all shareholders for their support during this year and previous years, and I look forward to the Company's new future as a gold mining company.

Your faithfully

E W J Tyler
Chairman

REVIEW OF OPERATIONS – TECHNICAL & CORPORATE

INTRODUCTION

Following a detailed review of its exploration and project portfolio, Helix made the significant strategic decision during the year to focus its resources on the short-to-medium term development of the Tunkillia Gold Project in South Australia, which was first discovered by the Company in 1996. This marks a significant change of operating philosophy for Helix after nearly 18 years as one of Australia's most active exploration companies.

The decision to concentrate on 100%-owned gold developments rather than seeking joint ventures to fund ongoing exploration – both at Tunkillia and potentially at Glenburgh in Western Australia – is aimed at achieving a near-term cash flow for Helix.

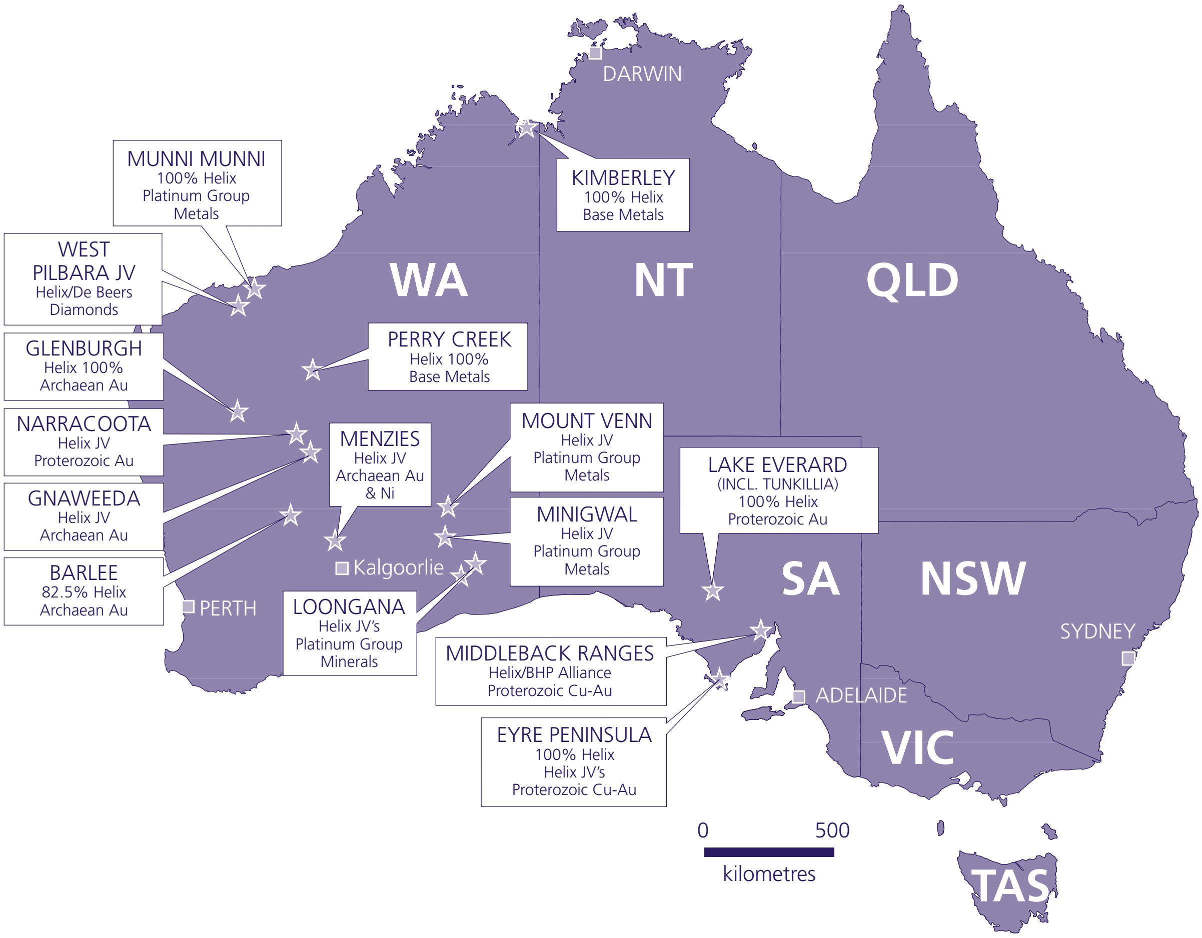
The Group's Platinum Group Metals (PGM) projects, including the Munni Munni PGM Project in Western Australia, represent a significant and valuable long-term asset for Helix. However, the establishment of a production base in gold is regarded as the most effective way of adding value to the Company in the short term and of funding future exploration activities.

REVIEW OF PROJECTS

LAKE EVERARD – GAWLER CRATON, SOUTH AUSTRALIA

The Lake Everard Gold Project is located 700 kilometres north west of Adelaide in South Australia's Gawler Craton and comprises 2,500 square kilometres of tenements including the Lake Everard tenement, EL2697, which contains the Tunkillia gold deposit. Helix acquired the Project in 1996 to explore for gold in Mesoproterozoic geological settings in the Gawler Craton.

The Tunkillia discovery, which was announced in late 1996, was one of the first gold discoveries in the Gawler Craton and the 20 square kilometre Tunkillia Prospect remains the largest robust gold-in-calcrete anomaly in the region. Subsequent exploration was carried out in joint venture, initially with Acacia Resources Limited and later with AngloGold Limited following its takeover of Acacia.



REVIEW OF OPERATIONS – TECHNICAL & CORPORATE

LAKE EVERARD *continued*

In June 2003, Helix finalised the acquisition of AngloGold's 49% interest in the Lake Everard Project, returning 100% ownership of the Project to Helix for the first time since 1998. The consideration comprised a $1 million up-front payment to AngloGold made up of $750,000 cash, 1.25 million fully paid Helix shares issued at 20 cents and 1.25 million options exercisable at 25 cents before November 2005. A further deferred payment of $500,000 will be made on delineation of a mineable resource of 350,000 ounces.

Based on the results of an in-house review of the Project and a subsequent independent resource assessment and preliminary economic evaluation by Snowden Mining Industry Consultants Pty Ltd, Helix committed to a $1.5 million drilling program commencing in June 2003.

In parallel with metallurgical testwork, geotechnical studies and hydrological studies, this is expected to lead to an updated resource estimate and the commencement of a Feasibility Study on the development of a commercial mining operation by the end of 2003.

Geology & Resources

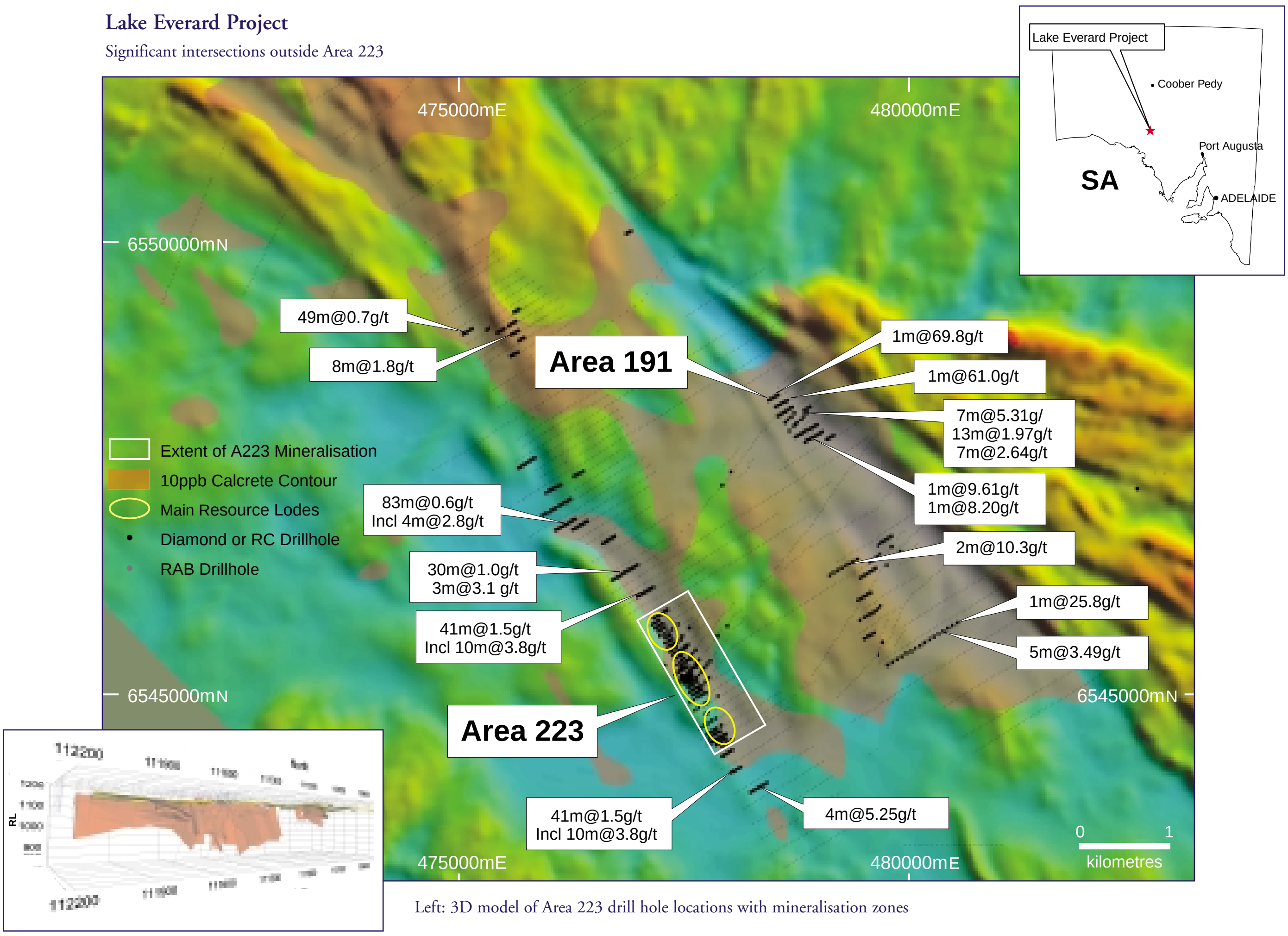
The Lake Everard Project is located within the central part of the Gawler Craton along the western margin of the Gawler Range Volcanic Province.

The Gawler Craton is broadly divided into three main geological units, Archaean crystalline basement, highly deformed Palaeoproterozoic metasediments and granites, and less deformed Mesoproterozoic volcanics, clastic sediments and granite. Almost all gold and copper mineralisation found in the Gawler Craton is directly associated with Mesoproterozoic magmatism, which explains Helix's original focus on exploration within this geological environment.

Basement rocks within the Lake Everard tenement rarely outcrop; they have been intensely weathered and are overlain by a thin veneer of sediments, representing a significant challenge to explorers. Only the use of modern aeromagnetic techniques and the skilful interpretation of data revealed the potential to exploration companies since the region was opened up to exploration in the early 1990s.

Lake Everard Project

Significant intersections outside Area 223



Left: 3D model of Area 223 drill hole locations with mineralisation zones

REVIEW OF OPERATIONS – TECHNICAL & CORPORATE

LAKE EVERARD *continued*

To date, Helix and its joint venture partners have amassed an impressive geological database on the Lake Everard Project comprising than 11,000 surface geochemical samples, gravity, radiometrics and magnetic surveys, as well as 150,000 metres of RAB, 50,000 metres of RC and 3,000 metres of diamond drilling.

Significant gold mineralisation has been intersected in a number of areas, with the bulk of previous drilling focused on Area 223, within the western demagnetised zone, and Area 191, within the eastern demagnetised zone.

The mineralisation at Area 223, the original discovery zone, comprises a broad, flat lying supergene blanket at 50 metres depth overlying a series of up to six steeply dipping primary ore shoots trending sub-parallel to the regional shear trend. The Area 223 mineralisation, which is contained within three main mineralised zones, extends along strike for 1.6 kilometres, but has only been drilled in detail over the central 400-metre zone.

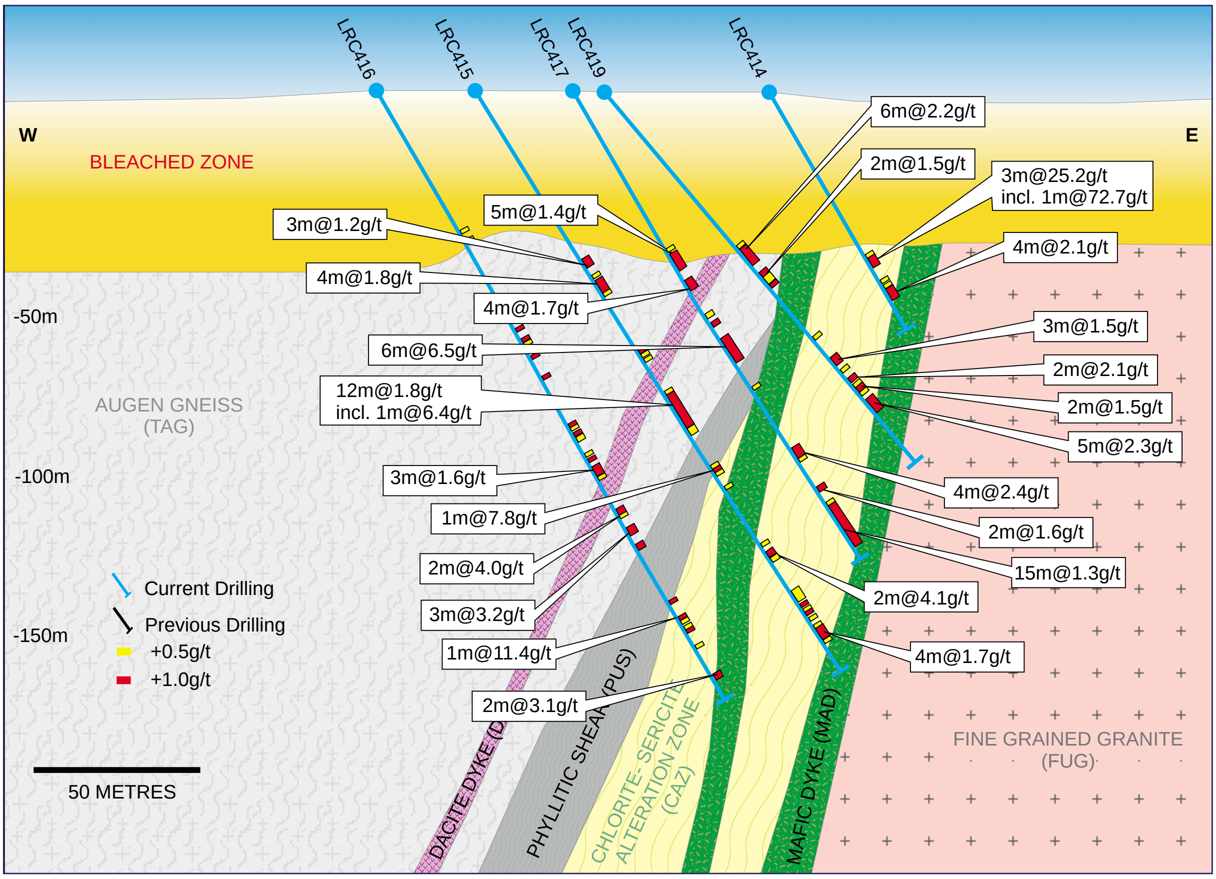
Snowden Mining Industry Consultants Pty Ltd carried out an independent valuation of the Lake Everard Project as part of a valuation of the Helix Group's mineral interests in May 2003. As part of this review, Snowden assessed the existing global resource estimate for the Tunkillia deposit. AngloGold and Acacia did not complete sufficient in-fill drilling to produce a JORC resource assessment for the Area 223 mineralisation.

Snowden confirmed a global resource estimate for Tunkillia of 8.5 million tonnes at 2.3 g/t gold for 600,000 contained ounces (at a 1g/t cut-off) and concluded that there was further potential to define new gold occurrences in proximity to the main mineralised zone.

Preliminary economic evaluations indicated that this resource could underpin a viable gold project yielding 350,000 ounces of gold, or 60–70,000 ounces of gold production per annum over a 5 to 7 year period provided.

Lake Everard Project - Area 223

Cross Section 111350mN



REVIEW OF OPERATIONS – TECHNICAL & CORPORATE

LAKE EVERARD *continued*

2003 Drilling Program

In July 2003 Helix commenced a $1.5 million, two-stage drilling program at Tunkillia focusing on the three main mineralised zones, Northern, Central and Southern, that comprise the Area 223 mineralisation. This program was designed to produce the first-ever JORC resource calculation for the Area 223 mineralisation.

Stage 1 of the drilling commenced on 10 July 2003, comprising 50 drill holes totalling 8,100 metres of reverse circulation (RC) drilling to a depth of 200 metres below surface. This program was very successful, with the first phase of drilling concentrating on the poorly drilled southern portion of the Central Zone mineralisation.

The results indicated the presence of higher grade supergene mineralisation and successfully extended a number of the primary mineralised lodes to the south, while also indicating significantly better development of the western lodes than predicted by previous mineralisation models. The most significant results included 7 metres at 4.5 g/t and 1 metre at 11.2 g/t in LRC 384, 9 metres at 2.6 g/t and 2 metres at 5.0 g/t in LRC 382, 3 metres at 25.2g/t in LRC 414 and 6 metres at 6.5 g/t in LRC 417.

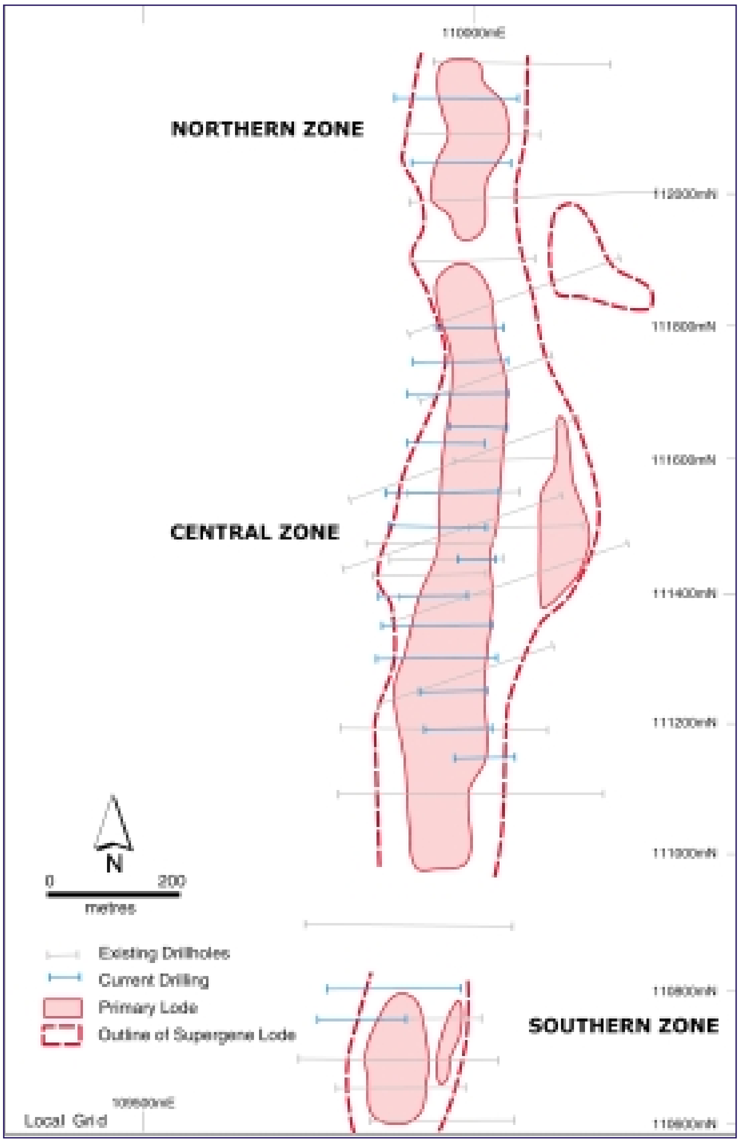
Subsequent drilling successfully extended the Southern Zone of mineralisation a further 50 metres to the north, delineating a broad low-grade eastern lode up to 10 metres wide with a number of steeply dipping higher grade hangingwall lodes 1 to 2 metres wide. Significant gold results in this area included 7 metres at 1.7 g/t in LRC 395, 2 metres at 5.6 g/t and 1 metre at 15.4 g/t in LRC 398 and 1 metre at 11.6 g/t and 16 metres at 2.8 g/t in LRC 400.

Drilling to the north of the Central Zone confirmed the existence of a new Northern Zone of mineralisation, Area 223 North, located some 200 metres north of the currently defined Central Zone. Significant results from this area included 29 metres at 4.3 g/t gold in LRC 403 (including 2 metres at 27.8 g/t and 1 metre at 29.7 g/t). Previous drilling by Acacia Resources in 1998 in this area had intersected 14 metres at 3.2 g/t 50 metres to the north of the northern boundary of the Northern Zone.

"The development of the Tunkillia Project represents a significant opportunity for Helix to establish a production and cash flow base within a relatively short time."

Lake Everard Project - Area 223

Drilling locations with mineralisation zones



Subsequent results from the northern end of the Central Zone mineralisation confirmed the existence of a previously untested, high-grade supergene gold zone at the northern end of the Central Zone mineralisation. LRC 388 drilled in this area intersected 11 metres at 3.5g/t gold while LRC 408 intersected 4 metres at 5.7 g/t from 24 metres depth.

REVIEW OF OPERATIONS – TECHNICAL & CORPORATE

LAKE EVERARD *continued*

The following table summarises some of the significant results from drilling of the three mineralised zones at Area 223:

Drillhole ID	easting mE	northing mN	from m	interval m	grade g/t
Central Zone					
LRC 381	109945	111300	118	7	2.1
LRC 382	109915	111300	157	2	5.0
			165	9	2.6
LRC 384	109855	111300	121	1	11.2
			182	7	4.5
LRC 385	109995	111650	89	1	5.3
			93	2	4.1
LRC 387	109965	111650	123	7	2.1
LRC 388	110000	111750	64	17	2.7
		including	67	11	3.5
LRC 389	109970	111750	102	1	9.7
			107	7	1.0
LRC 390	109940	111750	93	1	7.1
			98	1	8.6
			117	1	6.6
LRC 391	109910	111750	180	4	3.4
LRC 406	109980	111450	73	6	3.6
		including	73	1	10.1
LRC 407	109875	111500	140	13	1.5
			160	1	3.4
			198	5	3.6
		including	198	1	11.2
LRC 408	109985	111550	24	4	5.7*
			72	8	7.6
		including	74	1	12.8
LRC 414	109985	111350	58	3	25.2
		including	60	1	72.7
LRC 415	109895	111350	110	12	1.8
		including	118	1	6.4
			137	1	7.8
			167	2	4.1
LRC 416	109865	111350	146	2	4.0
			153	3	3.2
			184	1	11.4
			204	2	3.1
LRC 417	109925	111350	88	6	6.5
		including	88	1	17.5
			127	4	2.4
			148	15	1.3
LRC 418	109900	111700	113	1	3.2
			121	8	2.0
			157	2	11.7
			167	1	3.2

REVIEW OF OPERATIONS – TECHNICAL & CORPORATE

LAKE EVERARD *continued*

Drillhole ID	easting mE	northing mN	from m	interval m	grade g/t
Southern Zone					
LRC 395	109765	110750	187	2	6.8
			207	7	1.7
LRC 398	109870	110800	98	2	5.6
			113	1	15.4
LRC 399	109840	110800	106	2	4.9
			136	1	4.1
			155	1	4.8
LRC 400	109810	110800	111	1	11.6
			146	3	3.3
			181	16	2.8
		including	181	2	8.4
LRC 401	109780	110800	105	2	4.2
			162	3	3.6
			198	4	3.1
Northern Zone					
LRC 403	109970	112050	57	29	4.3
		including	63	2	27.8
		and	84	1	29.7
LRC 410	109980	112150	66	8	2.5
		including	70	1	8.5
LRC 411	109950	112150	141	5	6.2
		including	144	2	14.0
LRC 413	109890	112150	114	6	3.7
		including	115	1	13.7

All holes drilled at 60 degrees towards grid east.
Assays by Aqua-Regia, AAS utilising 1 metre riffle split samples.
Assay intervals reported are > 1g/t with a maximum of 3 consecutive metres of internal dilution.
* *4 metre composite sample*

Future Program

The results of the Stage 1 2003 drilling program have significantly upgraded the potential for existing resources at the Tunkillia Project to be increased. The structure and timing of the Stage 2 drilling will be adjusted in light of recent exploration success, with a particular focus on the new discoveries made in the Area 223 North zone.

The completion of the current drilling programs at Tunkillia is expected to lead to a resource upgrade announcement towards the end of the fourth Quarter of 2003. This will lay the foundation for a 6–8 month Feasibility Study, which the Company is aiming to commence by early 2004. On this timetable, Helix is confident that it will be in a position to make a decision to mine at Tunkillia within 12 months.

The development of the Tunkillia Project represents a significant opportunity for Helix to establish a production and cash flow base within a relatively short time, adding considerable value to the Company and enabling it to fund future exploration activities without recourse to the equity market.

REVIEW OF OPERATIONS – TECHNICAL & CORPORATE

GLENBURGH GOLD PROJECT – WESTERN AUSTRALIA

The Glenburgh Gold Project is located 300 kilometres east of Carnarvon in the Gascoyne Region, where many of Western Australia's earliest gold discoveries were made. The Project was one of Helix's early discoveries, with significant gold mineralisation first identified in 1994 and subsequent drilling delineating an 18 by 2 kilometre mineralised zone.

Drilling was completed to sufficient density at this stage to enable the calculation of an Inferred Resource of 1.44 million tonnes at 1.93 g/t for 90,000 contained ounces within the Apollo, Zone 102 and Zone 126 Prospects.

Subsequent reviews by Helix focused on the high-grade component of this resource, the bulk of which is contained within a plunging near-surface shoot at Apollo grading 6–8 g/t gold. During the year, further work confirmed the potential of the Glenburgh Project to evolve as a low tonnage, high-grade gold project with near-term development potential.

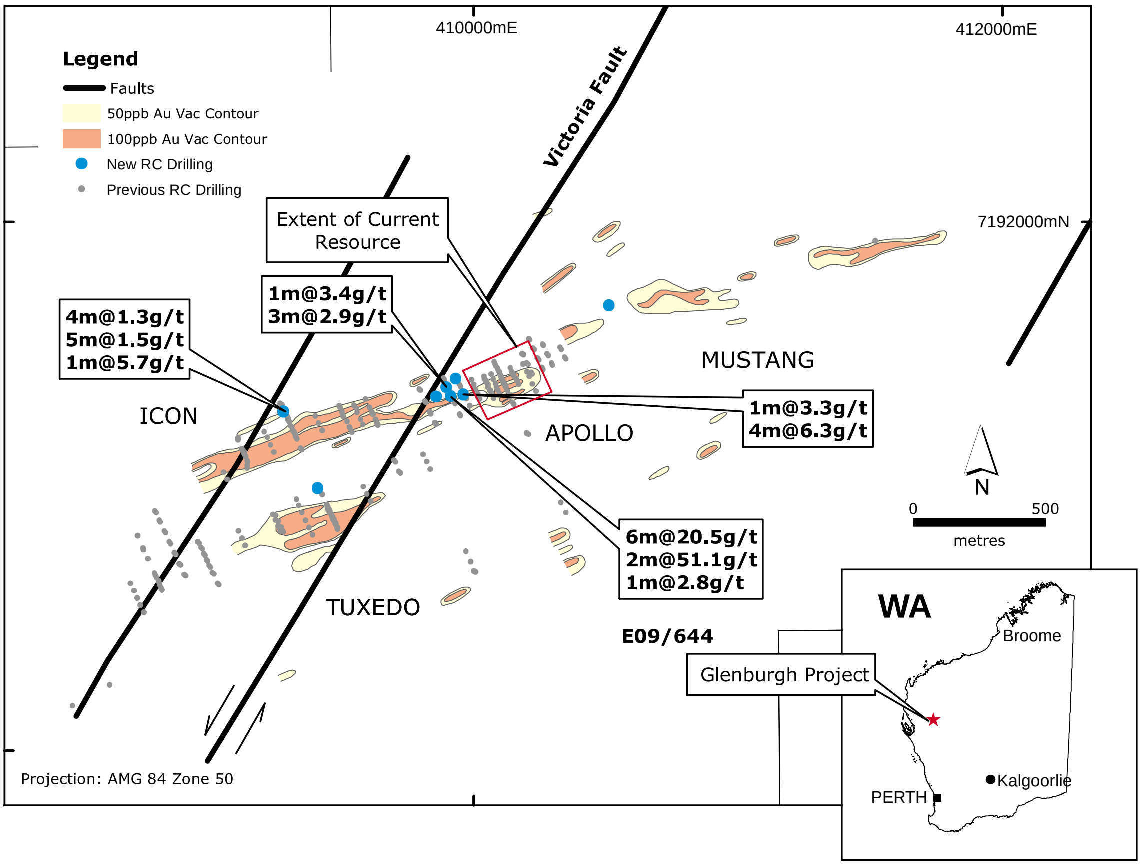
During late 2002, Helix assessed the high-grade component of the resource using a 4 g/t cut-off incorporating the results of a modelled extension of the Apollo resource. This study indicated the potential for a high-grade resource in the order of 500,000 tonnes at 8 g/t, which could be exploited underground.

A program of reverse circulation (RC) drilling conducted in March 2003 successfully extended the Apollo mineralisation a further 100 metres along strike to the west and delineated some of the highest grade mineralisation found to date at the project. Significantly, the extensions appear to be offset by the Victoria Fault, an important regional geological feature which may have truncated the earlier resource boundaries.

Drill hole VRC 294, located approximately 100 metres west of the Apollo zone, intersected 6 metres at 20.6 g/t (including 2 metres at 51.1 g/t) from 74 metres down hole; drill hole VRC 292, located between VRC 294 and Apollo, intersected 4 metres at 6.3 g/t.

Glenburgh Project

RC Drill hole locations and vacuum contours



REVIEW OF OPERATIONS – TECHNICAL & CORPORATE

GLENBURGH GOLD PROJECT *continued*

These results demonstrated the excellent potential to increase the Apollo resource (57,000 ounces at 2.1 g/t) by continuing to drill the shallow westerly plunge of the high-grade mineralisation. In addition, drilling at other prospects confirmed the potential to discover further mineralisation and resulted in the development of a new geological model for the Glenburgh Project.

Work completed to date has confirmed the potential to delineate a high-grade, near-surface resources of 300,000–400,000 ounces which could underpin a viable standalone mining and processing operation.

A single drill hole completed at the Icon Prospect, 600 metres west of Apollo, to test the down plunge potential of previously drilled shallow mineralisation intersected 5 metres at 1.5 g/t from 139 metres and 1 metre at 5.7 g/t from 146 metres. A single RC hole drilled at the Mustang anomaly intersected a broad zone of low-grade gold mineralisation.

Following is a summary of recent significant drilling results:

Prospect	Hole**	East (m)	North (m)	From (m)	Result* (g/t Au)
Apollo	VRC292	11545	9970	57	1m @ 3.3
				97	**4m @ 6.3**
Apollo	VRC293	11545	10035	139	1m @ 3.1
				143	1m @ 1.6
				186	2m @ 1.4
				196	2m @ 1.4 (EOH)
Apollo	VRC294	11500	9985	74	**6m @ 20.5**
			including	75	**2m @ 51.1**
				84	1m @ 2.8
Apollo	VRC295	11500	10025	136	1m @ 3.4
				162	**3m @ 2.9**
Apollo	VRC299	11450	10007	77	1m @ 1.2
				80	1m @ 1.3
Icon	VRC297	10900	10200	132	4m @ 1.3
				139	5m @ 1.5
				146	1m @ 5.7

* *All results based on 1 metre riffle split samples with analysis by Pb sulphide fire assay.*
** *All holes dip 60º towards grid south*

A subsequent program of 3,034 metres of vacuum drilling was completed over the Victoria Bore grid during the June 2003 Quarter to obtain further surface geochemical gold information along strike from the Apollo, Tuxedo and Icon mineralisation. More than of 1,000 holes were completed on 20 metre spacings between 50 and 200 metres apart to collect data from the Apollo, Tuxedo and Icon mineralisation.

This drilling resulted in the discovery of three new gold anomalies at the Mustang prospect extending east over a distance of 1.5 kilometres, along strike from the Apollo mineralisation. These anomalies recorded peak gold values of up to 3 g/t within coherent 100ppb anomalism.

Geochemical results indicate that the Tuxedo anomaly may represent the faulted extension of the Apollo resource.

Future Programs
A further RC program totalling 2,000 metres is planned to test the Mustang anomaly and the faulted down plunge continuation of the Apollo resource, although the timing of this drilling program depends on Helix's exploration commitments at the Tunkillia Gold Project which remains the Company's first priority.

The exploration success achieved at the Glenburgh Project during the year has significantly upgraded its status within Helix's project portfolio. The Company's objective is to fast-track exploration to increase the high-grade resource base with a view to developing a second production centre for the Company.

Work completed to date has confirmed the potential to delineate a high-grade, near-surface resources of 300,000–400,000 ounces which could underpin a viable standalone mining and processing operation.

REVIEW OF OPERATIONS – TECHNICAL & CORPORATE

OTHER PROJECTS

The Barlee Gold Project (Helix 100%), located 200 kilometres north of Southern Cross, and the Gnaweeda Gold and Base Metals Project (Helix 90%), located 30 kilometres north-east of Meekatharra, are significant regional exploration plays.

During the year, Helix completed a 1,400 metre RC drilling program targeting the Halley's – Mondie Rocks anomaly at Barlee to explore for primary gold mineralisation below previously identified supergene gold. Results including intersections of 12 metres at 2.12 g/t and 12 metres at 2.45 g/t were returned, defining the source of the supergene mineralisation and providing a good geological and structural model for the region.

After completing a low altitude, high-resolution aeromagnetic survey in the December 2002 Quarter to define new drilling targets, Helix is seeking a joint venture partner to advance this project to the next stage, given its focus on the Tunkillia Project.

Joint venture opportunities are also being sought for the Gnaweeda Project, which covers the entire Gnaweeda greenstone belt and includes a number of historic and recently identified gold prospects.

A 2,500 metre RAB drilling program was completed at the Carapee Copper Gold Project (Helix 80%, 90% and 100% in different EL's and ELA's) in South Australia. Apart from significant geochemical silver anomalism, gold and base metal analyses were low and no further work is planned for this project.

MUNNI MUNNI PROJECT – WESTERN AUSTRALIA

The Munni Munni Project is located 45 kilometres south of Karratha in the Pilbara region of Western Australia. The Munni Munni Complex is a layered mafic and ultramafic intrusion measuring 25 kilometres in length and 10 kilometres in width.

Following exploration expenditure to date of more than $12 million, a substantial Platinum Group Metals (PGM) resource has been defined at Munni Munni, predominantly within the Central Zone of the Ferguson Reef. Most of the recent expenditure, $8.5 million in total, was sole funded by Lonmin plc under a joint venture agreement announced in May 2001.

In March 2003, after completing all its initial exploration and development expenditure commitments, Lonmin elected to withdraw from the joint venture and also advised Helix that it would sell its 11.8% shareholding in the Company (see Corporate Review on Page 12).

This decision was reached after a detailed review of the Project concluded that, because of the high palladium component of the resource, it did not represent a viable development opportunity at current low palladium prices. With a defined grade of 2.9 g/t and high proportion of palladium relative to platinum, typical of Australian PGM projects, Munni Munni is reliant on a strong palladium price.

When the joint venture was formed in May 2001 the price of palladium, which is predominantly used in automobile catalytic converters, was $US600 an ounce and increased as high as US$1,100 an ounce as car manufactured stockpiled large amounts of the metal. Palladium prices have since fallen to around US$200 an ounce in 2003

As outlined in last year's Annual Report, the expanded regional exploration strategy targeting increases in the existing Munni Munni resource inventory and higher-grade extensions of the Ferguson Reef outside of the Central Zone resource did not yield conclusive results.

Nonetheless, exploration work completed over the past two years has resulted in a significant increase in the PGM resource base at Munni Munni within the Central Zone and Northern Domain mineralisation. This work has also confirmed the potential to discover additional resources.

The current resource (estimated by SRK Consulting Engineers and independently confirmed by Snowden Mining Industry Consultants Pty Ltd) totals 24 million tonnes grading 2.9 g/t platinum, palladium, rhodium and gold containing 2.1 million ounces of precious metals. Included within this resource is a high-grade core comprising 7.8 million tonnes at 3.3 g/t 3E for 815,000 ounces of precious metals.

This represents a substantial PGM resource and a significant asset for the Company. Since the withdrawal of Lonmin from the Project in March 2003, Helix has received expressions of interest from a number of major international resource companies in the possible future joint venture opportunities.

The Company will maintain a watching brief on the world platinum and palladium market with a view to keeping the viability of the Munni Munni Project under continual review. Most analysts are forecasting a moderate recovery in palladium prices over the next 12–18 months as inventories are reduced and the differential with higher platinum prices is eliminated.

WEST PILBARA JOINT VENTURE – WESTERN AUSTRALIA

During the June 2003 Quarter, Helix signed a joint venture agreement with De Beers Australia Exploration Limited covering 11 exploration licences and applications – a total area of 2,000 square kilometres – surrounding the Munni Munni PGM project. The Joint Venture excludes the Mining Leases covering the Munni Munni PGM resources.

Under the Joint Venture, De Beers has the right to earn 51% in any new diamond discoveries by spending $3 million on exploration within the next three years. Helix will then have the option to participate in further exploration or development by contributing on a pro rata basis, 49%, or further diluting to a minimum interest of 25%.

REVIEW OF OPERATIONS – TECHNICAL & CORPORATE

WEST PILBARA JOINT VENTURE *continued*

De Beers has commenced regional diamond sampling programs and has indicated that it rates the prospectivity of this region for diamond exploration very highly within its global exploration portfolio. The area is regarded as one of the last frontiers for diamond exploration in Australia.

MT VENN PROJECT

The Mt Venn Project is located in Western Australia's Eastern Goldfields area and covers a shallow east dipping differentiated pyroxenite and gabbro sill within the Jutson's Rocks greenstone belt. The tenements cover outcrop to shallow sand covered areas of sill where previous exploration during the 1960's 'nickel boom' delineated a series of massive sulphide horizons which are considered highly prospective for PGM and Nickel mineralisation.

The tenements are located within the Cosmo Newberry Aboriginal reserve, and native title objections have been lodged against them that are yet to enter the Native Title system. Once access to the reserve is obtained, the Mt Venn Project represents a promising PGM and Nickel exploration opportunity.

LOONGANA PROJECT

The Loongana Project is located in Western Australia's Eucla Basin, approximately 475 kilometres east of Kalgoorlie and 30 kilometres north of the Trans-Australia Rail Line. The Project was identified by Helix as a promising PGM exploration opportunity because of the presence of a large geophysical anomaly within a large layered mafic/ultramafic complex.

The anomaly is some 100 kilometres long and up to 15 kilometres wide at its widest point, about three times the size of the Munni Munni complex.

Two diamond drill holes were completed at Loongana during the year which intersected cumulate gabbros, pyroxenites and dunite, confirming the geophysical interpretation of the anomaly and its prospectivity for PGM deposits. Possible exploration models include both the Bushveld style layered mafic/ultramafic hosted PGM targets and Jinchuan/Voisey's Bay style nickel-copper-PGM style mineralisation.

OTHER PROJECTS AND SUMMARY

Helix holds tenure over a number of other PGM projects including several grass roots projects in Western Australia and the basement mineralisation rights to the Fifield Project in New South Wales. The Company is negotiating with the receivers of Black Range Minerals NL to regain title to the Exporation Licence.

The Company's extensive portfolio of Australian PGM projects constitutes a significant asset. While Helix will maintain its focus on developing its 100%-owned gold projects in Western Australia and South Australia, the Company will continue to review opportunities to consolidate and realise value from its PGM portfolio.

CORPORATE & FINANCIAL REVIEW

In October 2002, Helix sold its 8% shareholding in the Australian Stock Exchange-listed Platinum Australia Limited, for A$1.8 million. This represented a very successful investment for Helix, realising a profit of approximately $1.5 million on the original investment. The funds raised provided a significant boost to Helix's working capital position during the year.

In November 2002, the Company announced a Rights Issue of Options to existing shareholders to replace expired October 2002 Options. A total of 16,841,820 Options exercisable at 25 cents and expiring on 30 November 2005 were offered to shareholders on a one-for-three basis at 1 cent per option. Of these, 12,860,310 were taken up via entitlements and shortfall applications, raising A$128,603 in additional working capital.

The Company also announced a Share Purchase Plan (SPP) during the year, giving shareholders the opportunity to increase their holdings and their exposure to Helix's gold development activities. The SPP closed on 25 July 2003, raising a total of $826,000. These funds were allocated to further exploration of the Tunkillia and Glenburgh Gold Projects.

Following Lonmin's withdrawal from the Munni Munni Joint Venture, Helix was advised of its intention to dispose of its 11.8% shareholding in the Company (6 million shares), which had been acquired through a share placement in 2001 at $1.30 a share.

While the Board did consider the opportunity to buy back the Lonmin shareholding at 19 cents a share, subject to shareholder approval, this proposed buy-back did not proceed. This decision was made after reviewing the Company's commitments in its gold exploration and development programs.

The cancellation of the buy-back enabled Helix to focus its available cash resources on the drilling program at Tunkillia without a requirement to raise additional equity funding.

During August 2003, the entire Lonmin holding was sold to a range of Australian investors. This represents a positive outcome for the Company and has resulted in the introduction of some important new long-term shareholders to Helix.

As at the date of this report, Helix had cash of $2.8 million as well as a portfolio of liquid investments totalling $1.5 million. This includes its 12% stake in gold explorer Diamond Ventures NL and 1.8% stake in the industrial company Imdex Limited, both listed on the Australian Stock Exchange.

CORPORATE GOVERNANCE

The Board of Directors of Helix Resources Limited is responsible for the corporate governance of the Company. The Board monitors the business affairs of Helix Resources Limited on behalf of the shareholders by whom they are elected and to whom they are accountable.

The Board of Directors acknowledge the Principals of Good Corporate Governance and Best Practice Recommendations set by the Australian Stock Exchange ("ASX") Corporate Governance Council. However, in view of the Company's size and extent and nature of operations, full adoption of the best practice recommendations is currently not practicable. The Board will continue to work towards full adoption of the recommendations in line with the growth and development of the Company in the years ahead. A summary of current corporate governance practices adopted by the Board is as follows:

COMPOSITION OF THE BOARD

The composition of the Board is determined in accordance with the following principals and guidelines:

- The Board shall comprise at least 3 Directors, increasing where additional expertise is considered desirable in certain areas; and
- Directors may bring characteristics that allow a mix of qualifications, skills and experience.

The primary responsibilities of the Board include:

- The approval of the annual and half-year financial report;
- The establishment of corporate strategy and to continually monitor strategic development;
- The review and adoption of annual budgets for the financial performance of the Company and monitoring the results on a quarterly basis;
- To establish written policies and procedures to ensure compliance with the ASX Listing Rules regarding continuous disclosure;
- Reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance;
- To access potential investment opportunities for the Company.

AUDIT COMMITTEE

The audit committee was established in 1996 and comprises of non-executive directors appointed by the Board, being Mr. B E Wauchope and Mr. I K Macpherson, and with regular attendance by the Chief Financial Officer at the request of the audit committee

Meetings of the committee are usually held in each year and at any other time as requested by a member of the committee or the external auditors.

The primary function of the committee is to assist the Board in fulfilling its responsibilities for the Company's financial reporting and external reporting and ensuring all accounting reports are prepared in accordance with the appropriate accounting standards and statutory requirements. In addition, it reviews the performance of the auditors and makes any recommendations the committee feels necessary.

INDEPENDENT PROFESSIONAL ADVICE

In fulfilling their duties, each Director has the right to seek independent professional advice at the Company's expense. Prior approval of the Chairman is required, but this will not be unreasonably withheld.

REMUNERATION COMMITTEE

The remuneration committee was established in 1996 and comprises of non-executive directors, being Messrs Tyler, Macpherson and Wauchope, appointed by the Board.

The aims of the committee are to maintain a remuneration policy, which ensures the remuneration package of senior executives properly reflects their duties and responsibilities, and to attract and motivate senior executives of the quality required.

CORPORATE GOVERNANCE

RISK MANAGEMENT

The Board is responsible for the company's system of internal controls.

The Board is responsible for establishing and implementing policies on risk management. Specific areas of risk, which are identified, will be regularly considered at Board Meetings including foreign currency and commodity price fluctuations, industry trends, performance of activities, human resources, the environment and continuous disclosure obligations.

ENVIRONMENT AND SAFETY

The Company is committed to ensuring that sound environmental management and safety practices are carried out in its mining and exploration activities and in compliance with the relevant statutory requirements relating to the environment.

ETHICAL STANDARDS

The Board acknowledges the need for and continued maintenance of a high standard of corporate governance practice and ethical conduct by all Directors and employees.

COMMUNICATION TO SHAREHOLDERS

The Board of Directors aims to ensure that the shareholders are informed of all information necessary to assess the performance of the Directors. Information is communicated to the shareholders through:

- The annual report which is distributed to all shareholders;
- The half-yearly report lodged with the ASX;
- The annual general meeting and other meetings so called to obtain approval for board action as appropriate; and
- Quarterly reports and other announcements made by the Company to the ASX under continuous disclosure requirements.

DIRECTORS' REPORT

In respect of the financial year ended 30 June 2003, the Directors of Helix Resources Limited submit the financial report. In order to comply with the provisions of the Corporations Act 2001, the Director's report as follows:

DIRECTORS

The following persons held office as Directors of Helix Resources Limited during or since the end of the financial period:

Ewen W J Tyler AM BSc (Hons), FAusIMM, FAIM, MIMM, CPGeo, CEng
Chairman – Non-Executive Director
Appointed 23 January 1996
Mr Tyler is a Geologist with more than 50 years experience in the mining and exploration industry in Australia, Africa and the United Kingdom. Mr Tyler is currently Chairman of Lion Selection Group Limited and Striker Resources NL.

Robert W Mosig MSc, FAusIMM
Managing Director – Executive Director
Appointed 1 July 1985
Mr Mosig is a Geologist with over 25 years experience in platinum group metals, gold and diamond exploration within Australasia.

Anthony R Martin BSc (Hons), MAusIMM
Director Exploration – Executive Director
Appointed 20 July 1998
Mr Martin is a Geologist with over 15 years experience in the mining and exploration industry in Australia.

Ian K Macpherson Bcom, CA
Non-Executive Director
Appointed 26 August 1985
Mr Macpherson is a Chartered Accountant with over 25 years experience in the resources, financial and corporate advisory industries. He is a Director of Ord Group Pty Ltd, Chartered Accountants, a Non-Executive Chairman of Visiomed Group Limited and Non-Executive Director of Navigator Resources Limited.

Bryce E Wauchope FCA, FAICD
Non-Executive Director
Appointed 10 March 1993
Mr Wauchope is a member of the Remuneration and Audit Committees. He has extensive experience in the mining, services and finance industries. Former roles include Finance Director of Renision Goldfields Consolidated Limited and Chairman of Bank of America Australia Limited. He is also a former President of the Finance Executives International of Australia.

PRINCIPAL ACTIVITIES

The principal activity of the economic entity constituted by Helix Resources Limited and the entities it controlled during the year consisted of platinum group metals (PGM), gold and mineral exploration. There has been no significant change in the nature of these activities during the year.

FINANCIAL RESULTS

The net consolidated profit (loss) of the economic entity for the financial period, after provision for income tax was $(2,551,319),[2002: $(2,674,929)].

DIVIDENDS

No dividend has been paid since the end of the previous financial year and no dividend is recommended for the current period.

REVIEW OF OPERATIONS

The Company acquired the balance of the Tunkillia gold project from AngloGold Australia Limited and is currently undertaking a resource definition drilling program. A full review of operations can be found on page 3 of this Annual Report.

DIRECTORS' REPORT

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

In the opinion of the Directors there were no significant changes in the state of affairs of the economic entity that occurred during the period under review.

AFTER BALANCE DATE EVENTS

On 9 July 2003 Helix Resources Ltd acquired the remaining 49% interest of the Tunkillia Gold Project from AngloGold Ltd. Terms of the acquisition comprise of $1M upfront which is made of $750,000 cash, 1.25M fully paid Helix shares at 20 cents and 1.25M options exercisable at $0.25 before 30 Nov 2005 and a deferred payment of $500,000. The net affect of this transaction results in the reduction of the cash balance by $750,000.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely developments in the operations of the economic entity are included elsewhere in this Annual Report. Disclosure of any further information has not been included in this report because, in the reasonable opinion of the Directors, to do so would be likely to prejudice the business activities of the economic entity.

DIRECTORS' INTERESTS

Director	*Fully Paid Ordinary Shares	Listed Options	Staff Options
R W Mosig	2,246,957	738,571	[a]1,600,000#
E W J Tyler	51,250	6,667	–
A R Martin	210,571	59,776	[b]950,000#
I K Macpherson**	211,000	70,333	–
B E Wauchope**	555,002	157,501	–

* *Directors' interests in ordinary shares of the parent entity are shown at the date of this Directors' Report.*
** *Member of the Audit Committee*
# *See note below.*

In accordance with the provisions of the Employee Share Option Plan, executives and employees are entitled to subscribe for ordinary shares on the terms agreed to by the Shareholders at a meeting held on 14 May 2001 in respect of the 2005 options. Further details are disclosed below.

Director	No. of Options	Exercise Price	Exercise Date
[a]Robert W Mosig	366,667*	$0.80*	14.05.2005
	366,666*	$1.00*	14.05.2005
	366,666*	$1.20*	14.05.2005
	166,666	$0.42	29.03.2009
	166,667	$0.46	29.03.2009
	166,667	$0.50	29.03.2009
[b]Anthony R Martin	183,334*	$0.80*	14.05.2005
	183,333*	$1.00*	14.05.2005
	183,333*	$1.20*	14.05.2005
	133,334	$0.42	29.03.2009
	133,333	$0.46	29.03.2009
	133,333	$0.50	29.03.2009

* *To be cancelled after the next AGM to be held on 10 November 2003.*

DIRECTORS' REPORT

DIRECTORS' AND EXECUTIVES' REMUNERATION

Non-executive Directors

Non-executive Directors are remunerated by fees determined by the Board within the aggregate Directors' fee pool limit of $150,000 approved by shareholders in April 1996. The pool limit is not at present fully utilised. In setting the fees, account is taken of the responsibilities inherent in the stewardship of the Company and the demands made of Directors in the discharge of their responsibilities. Advice is taken from independent consultancy sources to ensure remuneration accords with market practice.

Income received, or due and receivable from the parent entity and related entities by Non-executive Directors of the parent entity for the year ended 30 June 2003 was:

Name	Fees $	Retirement Benefits $	Superannuation Guarantee Charge $	Total Cost $
E W J Tyler (Chairman)	56,175	–	–	56,175
I K Macpherson	32,109	–	3,000	35,109
B E Wauchope	32,109	–	3,000	35,109

Note: Remuneration for Executive Directors is disclosed as part of remuneration details for Executive Officers, please refer to note 17 for additional disclosures and comparative figures.

Executive Officers

The Company's Executive Officers' remuneration policy is set to ensure that remuneration packages properly reflect the duties and responsibilities of the senior executives and are sufficient to attract, retain and motivate personnel of the requisite quality. The policy is administered by the Remuneration Committee, which is composed of Non-executive Directors.

Details of the nature and amount of each element of the emolument for the company and consolidated entity of each of the Executive Officers receiving the highest emolument for the year ended 30 June 2003 were:

Name and Position	Salary $	Superannuation Contributions $	Total Cost $
R W Mosig, Managing Director and Chief Executive Officer	271,500	16,000	287,500
A R Martin, Exploration Director and Exploration Manager	167,550	10,519	178,069
R E M Vittino, Chief Financial Officer and Company Secretary	158,257	12,000	170,257

OFFICERS' INDEMNITY AND INSURANCE

During the year the Company paid an insurance premium to insure the Directors and Officers of the Company and related bodies corporate. The Officers of the Company covered by the insurance policy include the Directors named in this report.

The Directors' and Officers' Liability insurance provides cover against all costs and expenses that may be incurred in defending civil or criminal proceedings that fall within the scope of the indemnity and that may be brought against the officers in their capacity as officers of the Company or a related body corporate. The insurance policy does not contain details of the premium paid in respect of individual officers of the Company. Disclosure of the nature of the liability cover and the amount of the premium is subject to a confidentiality clause under the insurance policy.

The Company has entered into an agreement with the Directors and Officers to indemnify them against any claim and related expenses, which arise as a result of work completed in their respective capacities.

The Company has not otherwise, during or since the financial year indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

DIRECTORS' REPORT

ENVIRONMENTAL REGULATIONS

The economic entity is subject to environmental regulations under laws of the Commonwealth and State. The economic entity has a policy of complying with its environmental performance obligations and at the date of this report, is not aware of any breach of such regulations.

MEETINGS OF DIRECTORS

The number of meetings held during the year by Company Directors (including meetings of committees of Directors) and the number of those meetings attended by each Director was:

	Board of Directors' Meetings		Remuneration Committee Meetings		Audit Committee Meetings	
	Held*	**Attended**	**Held***	**Attended**	**Held**	**Attended**
E W J Tyler	8	8	1	1	–	–
R W Mosig	8	8	–	–	–	–
A R Martin	8	8	–	–	–	–
I K Macpherson	8	8	1	1	2	2
B E Wauchope	8	8	1	1	2	2

* *Reflects the number of meetings held during the time that the Director held office during the year.*

Dated at Perth this 25th day of September 2003.

This report is made and signed in accordance with a resolution of Directors made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the Directors

Robert W Mosig
Managing Director

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF HELIX RESOURCES LIMITED

Scope

The financial report and directors' responsibility
The financial report comprises the statement of financial position, statement of financial performance, statement of cashflows, accompanying notes to the financial statements, and the directors' declaration for both Helix Resources Limited (the company) and the consolidated entity, for the financial year ended 30 June 2003 as set out on pages 8 to 25. The consolidated entity comprises the company and the entities it controlled at the year's end or from time to time during the financial year.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach
We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the company. Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal controls, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the Corporations Act 2001 and Accounting Standards and other mandatory professional reporting requirements in Australia so as to present a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and performance as represented by the results of their operations and their cash flows.

Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

The audit opinion expressed in this report has been formed on the above basis.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Audit Opinion

In our opinion, the financial report of Helix Resources Limited is in accordance with:

(a) the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2003 and of their performance for the year ended on that date; and
- (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

(b) other mandatory professional reporting requirements in Australia.

DELOITTE TOUCHE TOHMATSU

Deloitte Touche Tohmatsu

K F Jones
Partner
Chartered Accountants
Perth, 30 September 2003

The liability of Deloitte Touche Tohmatsu is limited by, and to the extent of, the Accountants' Scheme under the Professional Standards Act 1994 (NSW).

DIRECTORS' DECLARATION

The Directors declare that:

a) The attached financial statements and notes thereto comply with Accounting Standards;

b) The attached financial statements and notes thereto give a true and fair view of the financial position and performance of the Company and the consolidated entity;

c) In the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001; and

d) In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the Directors

Robert W Mosig
Managing Director
Signed at Perth this 25th day of September 2003

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2003

		CONSOLIDATED		COMPANY	
	Note	2003	2002	2003	2002
		$	$	$	$
Current Assets					
Cash assets	2	2,377,662	538,356	2,377,660	538,354
Receivables	3	1,022,506	4,571,065	1,022,506	4,571,065
Other	5	53,422	47,555	53,422	47,555
Total Current Assets		3,453,590	5,156,976	3,453,588	5,156,974
Non-Current Assets					
Other financial assets	4	937,283	3,250,391	938,208	3,251,316
Property, plant & equipment	6	190,565	167,834	190,565	167,834
Mineral interests	7	10,423,932	9,095,654	10,423,932	9,095,654
Other	5	348,445	333,967	348,445	333,967
Total Non-Current Assets		11,900,225	12,847,846	11,901,150	12,848,771
Total Assets		15,353,815	18,004,822	15,354,738	18,005,745
Current Liabilities					
Payables	8	170,381	293,686	170,381	293,686
Provisions	9	50,175	77,479	50,175	77,479
Total Current Liabilities		220,556	371,165	220,556	371,165
Non Current Liabilities					
Provisions	9	364,658	374,842	364,658	374,842
Total Non Current Liabilities		364,658	374,842	364,658	374,842
Total Liabilities		585,214	746,007	585,214	746,007
Net Assets		$14,768,601	$17,258,815	$14,769,524	$17,259,738
Equity					
Contributed Equity	10	39,018,205	38,889,600	39,018,205	38,889,600
Reserves	11	190,606	258,106	490,606	558,106
Accumulated Losses	12	(24,440,210)	(21,888,891)	(24,739,287)	(22,187,968)
Total Equity		$14,768,601	$17,258,815	$14,769,524	$17,259,738

Notes to the financial statements are included on pages 24 to 38.

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

	Note	CONSOLIDATED 2003 $	CONSOLIDATED 2002 $	COMPANY 2003 $	COMPANY 2002 $
Revenue from operating activities	13	257,060	302,423	257,060	302,423
Proceeds from sale of investments		1,759,507	–	1,759,507	–
Write down of investment		(282,608)	–	(282,608)	–
Depreciation		(47,251)	(53,854)	(47,251)	(53,854)
Exploration and evaluation expenditure recoverable amount adjustment		(978,468)	(1,158,528)	(979,278)	(621,257)
Receivables – controlled entity doubtful debt expense		–	(810)	–	(538,081)
Non-Executive Directors' retirement provision		–	(361,150)	–	(361,150)
Legal Expenses and Professional Services		(167,215)	(123,995)	(167,215)	(123,995)
Consultancy fees		(112,641)	(182,154)	(112,641)	(182,154)
Public Relations expenses		(35,902)	(108,302)	(35,902)	(108,302)
Travel and Accommodation expenses		(139,106)	(213,838)	(139,106)	(213,838)
Rental expenses		(69,194)	(112,200)	(69,194)	(112,200)
Employee benefits expense		(497,077)	(470,222)	(497,077)	(470,222)
Directors' Fees		(126,394)	(144,450)	(126,394)	(144,450)
Written Down Value of disposal – Investment in Platinum Australia		(1,962,780)	–	(1,962,780)	–
Other expenses from ordinary activities		(149,250)	(47,849)	(148,440)	(47,849)
Loss Attributable to Members of the Parent Entity	12	(2,551,319)	(2,674,929)	(2,551,319)	(2,674,929)
Income tax expense relating to ordinary activities	18	–	–	–	–
Net Profit (Loss) /Total Changes in Equity Other than those Resulting from Transactions with Owners as Owners		$(2,551,319)	$(2,674,929)	$(2,551,319)	$(2,674,929)
Earnings per share					
Basic (cents per share)	21	(5.0)	(5.3)		
Diluted (cents per share)	21	(5.0)	(5.3)		

Notes to the financial statements are included on pages 24 to 38.

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

		CONSOLIDATED		COMPANY	
	Note	2003	2002	2003	2002
		$	$	$	$
Cash Flow From Operating Activities					
Payments to suppliers and employees		(1,546,309)	(1,075,960)	(1,546,309)	(1,113,231)
Interest received		245,912	306,438	245,912	306,438
Other receipts		34,107	14,063	34,107	14,063
Net cash used in operating activities	2(b)	(1,266,290)	(755,459)	(1,266,290)	(792,730)
Cash Flow From Investing Activities					
Payments for capitalised exploration & evaluation expenditure		(2,307,556)	(1,886,364)	(2,307,556)	(1,849,093)
Payment for property, plant & equipment		(9,041)	(115,036)	(9,041)	(115,036)
Payments for shares – listed companies		–	(135,000)	–	(135,000)
Proceeds from sale of shares		1,759,507	–	1,759,507	–
Proceeds from sale of equipment		–	52,110	–	52,110
Proceeds/(Payments) for security deposits		(14,478)	(13,783)	(14,478)	(13,783)
Proceeds/(Payments) for bills of exchange		3,548,559	1,486,157	3,548,559	1,486,157
Net cash provide by/(used in) investing activities		2,976,991	(611,916)	2,976,991	(574,645)
Cash Flow From Financing Activities					
Proceeds from issue of shares/options		128,605	–	128,605	–
Net cash provided by Financing Activities		128,605	–	128,605	–
Net increase/(decrease) in cash held		1,839,306	(1,367,375)	1,839,306	(1,367,375)
Cash at beginning of financial year		538,356	1,905,731	538,354	1,905,729
Cash at End of Financial Year	2(a)	$2,377,662	$538,356	$2,377,660	$538,354

Notes to the financial statements are included on pages 24 to 38.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

1. SUMMARY OF ACCOUNTING POLICIES

Financial Reporting Framework

The financial report is a general-purpose financial report that has been prepared in accordance with the Corporations Act 2001, applicable Accounting Standards and Urgent Issues Group Consensus Views, and complies with other requirements of the law.

The financial report has been prepared on the basis of historical cost and except where stated, does not take into account changing money values or current valuations of non-current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Significant Accounting Policies

Accounting policies are selected and applied in a manner, which ensure that the resulting financial information satisfied the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report.

a) **Principles of Consolidation**

The consolidated financial statements are prepared by combining the financial statements of all the entities that comprise the economic entity, being the Company (the parent entity) and its controlled entities as defined in accounting standard AASB 1024 "Consolidated Accounts". A list of controlled entities appears in note 4 to the financial statements. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

The consolidated financial statements include the information and results of each controlled entity from the date on which the Company obtains control and until such time as the Company ceases to control such entity.

In preparing the consolidated financial statements, all intercompany balances and transactions, and unrealised profits arising within the economic entity are eliminated in full.

b) **Income Tax**

Tax-effect accounting principles are adopted whereby the income tax expense shown in the profit and loss account is based on the pre-tax accounting profit adjusted for any permanent differences. Timing differences, which arise due to the different accounting periods in which items of revenue and expense are included in the determination of pre-tax accounting profit and taxable income, are brought to account as either a provision for deferred income tax, or an asset described as future income tax benefit at the rate of income tax applicable to the period in which the benefit will be received, or the liability will become payable.

c) **Property, Plant and Equipment**

Property, plant and equipment is stated at cost. Fixed assets, excluding freehold land, are depreciated at rates based upon their expected useful lives to the economic entity. The carrying amount of property, plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. Expected net cash flows have not been discounted in determining recoverable amount. The depreciation rates used for each class of depreciable assets are:

Plant and equipment	Straight line	10% – 33%
	Diminishing value	20% – 40%
Motor Vehicles	Diminishing value	22.5%

d) **Exploration, Evaluation and Development Expenditure**

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area, or where activities in the area have not yet reached a stage, which permits reasonable assessment of the existence of economically recoverable reserves. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. Any costs of site restoration are provided for during the relevant production stages and included in the costs of that stage. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest and costs are written down to the extent they are not considered recoverable.

e) **Leases**

Lease payments for operating leases where substantially all the risks and benefits remain with the lessor are charged as expenses in the periods in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

1. SUMMARY OF ACCOUNTING POLICIES *continued*

f) Investments

Investments are valued at cost or recoverable amount. The carrying amount of investments is reviewed annually by Directors to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the shares' current market value or the underlying net assets in the particular entities. Expected net cash flows have not been discounted in determining recoverable amounts.

g) Employee Benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provision is made in respect of wages and salaries, annual leave, sick leave and other employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provision made in respect of long service leave which is not expected to be settled within 12 months is measured as the present value of the estimated future cash outflows to be made by the consolidated entity in respect of services provided by the employees up to reporting date.

h) Interest in Joint Venture Operations

Interest in joint venture operations, where material, are brought to account by including in the respective classifications, the economic entity's share of the individual assets employed and liabilities and expenses incurred.

Details of interests in joint ventures are shown at Note 23.

i) Revenue Recognition

SALE OF GOODS AND DISPOSAL OF ASSETS

Revenue from the sale of goods and disposal of assets is recognised when the economic entity has passed control of the goods or other assets to the buyer.

RENDERING OF SERVICES

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract.

j) Accounts Payable

Trade payables and other accounts payable are recognised when the economic entity becomes obliged to make future payments resulting from the purchase of goods and services .

k) Receivables

Trade receivables and other receivables are recorded at amounts due less any provision for doubtful debts. Bills of exchange are recorded at amortised cost with revenue recognised on an effective yield basis.

l) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax GST), except:

i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or

ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

m) Recoverable Amount of Non-Current Assets

Non-current assets are written down to recoverable amount where the carrying value of any non-current asset exceeds recoverable amount. In determining the recoverable amount of non-current assets, the expected net cash flows have not been discounted to their present value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

2. NOTES TO THE STATEMENT OF CASHFLOWS

a) Reconciliation of Cash

For the purposes of the statement of cashflows, cash includes cash on hand and in banks, and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	Note	CONSOLIDATED		COMPANY	
		2003	2002	2003	2002
		$	$	$	$
Cash at Bank		(48,794)	124,857	(48,796)	124,855
Cash on Deposit		2,426,456	413,499	2,426,456	413,499
		$2,377,662	$538,356	$2,377,660	$538,354

b) Reconciliation of loss from ordinary activities after related income tax to net cash flows from operating activites

Loss from Ordinary Activities after related income tax	(2,551,319)	(2,674,929)	(2,551,319)	(2,674,929)
Non-cash flows in Operating Loss				
Depreciation	47,251	53,853	47,251	53,853
Recoverable amount write-down of exploration and evaluation expenditure	978,468	1,158,528	978,468	621,257
Recoverable amount write-down of investments	282,608	(36,976)	282,608	(75,057)
(Profit)/loss on sale of investments	203,292	640	203,292	640
(Profit)/loss on sale of fixed assets	17,375	2,645	17,375	2,645
Inherited Assets	(77,304)	–	(77,304)	–
Provision for doubtful debts – controlled entities	–	–	–	538,081
Changes in Net Assets and Liabilities				
(Increase)/Decrease in Assets				
(Increase)/decrease in trade debtors	–	812,247	–	812,247
(Increase)/decrease in prepayments	(5,867)	(23,979)	(5,867)	(23,979)
Increase/(decrease) in Liabilities				
Increase/(Decrease) in trade creditors	(123,306)	(374,971)	(123,306)	(374,971)
Provisions employee entitlements	(37,488)	327,483	(37,488)	327,483
Net Cash from Operating Activities	$(1,266,290)	$(755,459)	$(1,266,290)	$(792,730)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

	CONSOLIDATED		COMPANY	
	2003	2002	2003	2002
	$	$	$	$
3. RECEIVABLES				
Current				
Other	26,601	102,686	26,601	102,686
Commercial Bills	995,905	4,468,379	995,905	4,468,379
Total Current Receivables	$1,022,506	$4,571,065	$1,022,506	$4,571,065
Non-Current				
Amounts receivable from controlled entity (i)	–	–	–	2,338,228
Allowance for doubtful debts	–	–	–	(2,338,228)
Total Non-Current Receivables	$–	$–	$–	$–

(i) Amounts receivable from the controlled entity are unsecured and interest free

4. OTHER NON-CURRENT FINANCIAL ASSETS

	CONSOLIDATED 2003	CONSOLIDATED 2002	COMPANY 2003	COMPANY 2002
Shares in unlisted companies	55,391	55,391	55,391	55,391
Shares in controlled entities – at cost (i)	–	–	925	925
Shares in companies listed on a prescribed Stock Exchange – at recoverable amount (ii)	881,892	3,195,000	881,892	3,195,000
	$937,283	$3,250,391	$938,208	$3,251,316
Shares in companies listed on a prescribed Stock Exchange at market value	$824,891	$3,740,500	$824,891	$3,740,500

The ultimate parent entity is Helix Resources Limited. Helix Resources Limited is a company incorporated in Australia.

(i) Shares in controlled entities

Name	Country of Incorporation	Percentage Held 2003	Percentage Held 2002
Hillview Mining NL	Australia	100%	100%
Helix Mining Investment P/L	Australia	100%	100%

(ii) The Directors have determined the recoverable amount for the shares after consideration of prevailing market conditions and the escrow condition attached to certain shares.

	CONSOLIDATED		COMPANY	
	2003	2002	2003	2002
	$	$	$	$
5. OTHER ASSETS				
Current				
Prepayments	53,422	47,555	53,422	47,555
Total Other Assets	$53,422	$47,555	$53,422	$47,555
Non-Current				
Security Deposits on Tenements	348,445	333,967	348,445	333,967
Total Other Assets	$348,445	$333,967	$348,445	$333,967

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

6. PROPERTY, PLANT AND EQUIPMENT

	CONSOLIDATED		
	Plant & Equipment $	Motor Vehicles $	Total $
Gross Carrying Amount			
Balance at 30 June 2002	280,359	86,623	366,982
Additions	86,787	–	86,787
Disposals	(18,635)	(36,599)	(55,234)
Balance at 30 June 2003	348,511	50,024	398,535
Accumulated Depreciation			
Balance at 30 June 2002	165,638	3,510	199,148
Disposals	(16,011)	(23,867)	(39,878)
Depreciation	40,125	8,575	48,700
Balance at 30 June 2003	189,752	18,218	207,970
Net Book Value			
30 June 2002	114,721	53,113	167,834
30 June 2003	158,759	31,806	190,565

	COMPANY		
	Plant & Equipment $	Motor Vehicles $	Total $
Gross Carrying Amount			
Balance at 30 June 2002	280,359	86,623	366,982
Additions	86,787	–	86,787
Disposals	(18,635)	(36,599)	(55,234)
Balance at 30 June 2003	293,511	50,024	343,535
Accumulated Depreciation			
Balance at 30 June 2002	165,638	33,510	199,148
Disposals	(16,011)	(23,867)	(39,878)
Depreciation	40,125	8,575	48,700
Balance at 30 June 2003	189,752	18,218	207,970
Net Book Value			
30 June 2002	114,721	53,113	167,834
30 June 2003	158,759	31,806	190,565

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

	CONSOLIDATED		COMPANY	
	2003	2002	2003	2002
	$	$	$	$
7. EXPLORATION AND EVALUATION EXPENDITURE				
Balance at beginning of the financial year	9,095,654	8,529,686	9,095,654	7,867,818
Expenditure incurred during the year	2,307,556	1,886,364	2,307,556	1,849,093
Value of Projects sold during the year	–	(161,868)	–	–
Expenditure written off during the year	(979,278)	(1,158,528)	(979,278)	(621,257)
Balance at the end of the financial year	$10,423,932	$9,095,654	$10,423,932	$9,095,654

The Directors' assessment of recoverable amount was after: consideration of prevailing market conditions; previous expenditure carried out on the tenements; and the potential for mineralisation based on both the entity's and independent geological reports.

The ultimate value of these assets is dependent upon recoupment by commercial development or the sale of the whole, or part, of the economic entity's interests in those areas for an amount at least equal to the carrying value. There may exist, on the economic entity's exploration properties, areas subject to claim under native title or containing sacred sites or sites of significance to Aboriginal people. As a result, exploration properties or areas within the tenements may be subject to exploration and mining restrictions.

	CONSOLIDATED 2003 $	CONSOLIDATED 2002 $	COMPANY 2003 $	COMPANY 2002 $
8. CURRENT PAYABLES				
Trade payables	$170,381	$293,686	$170,381	$293,686
9. PROVISIONS				
Current				
Provision for annual leave	20,854	51,853	20,854	51,853
Provision for long service leave	29,321	25,626	29,321	25,626
	$50,175	$77,479	$50,175	$77,479
Non Current				
Provision for Non-Executive Directors' retirement	361,150	361,150	361,150	361,150
Provision for long service leave	3,508	13,692	3,508	13,692
	$364,658	$374,842	$364,658	$374,842
10. CONTRIBUTED EQUITY				
50,525,428 Fully Paid Ordinary Shares (2002: 50,525,458)	38,889,600	38,889,600	39,018,205	38,889,600
12,860,310 Listed Options Rights Issue	128,605	–	128,605	–
Balance at end of financial year	$39,018,205	$38,889,600	$38,889,600	$38,889,600

Fully paid ordinary shares carry one vote per share and carry the right to dividends. During the year the company made a Rights Issue of 1:3 options to existing shareholders. Refer to Note 22 for details.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

	CONSOLIDATED		COMPANY	
	2003	2002	2003	2002
	$	$	$	$
11. RESERVES				
Asset Revaluation Reserve				
Balance at beginning of financial year	258,106	219,456	558,106	519,456
Revaluation of investments	–	38,650	–	38,650
Transfer on disposal	(67,500)	–	(67,500)	–
Balance at end of financial year	$190,606	$258,106	$490,606	$558,106

The asset revaluation reserve arises on the revaluation of non-current assets. Where a revalued asset is sold that portion of the asset revaluation reserve that relates that asset, and is effectively realised, is transferred to retained profits.

12. ACCUMULATED LOSSES

Balance at beginning of financial year	(21,888,891)	(19,213,962)	(22,187,968)	(19,513,039)
Net Loss	(2,551,319)	(2,674,929)	(2,551,319)	(2,674,929)
Balance at end of financial year	$(24,440,210)	$(21,888,891)	$(24,739,287)	$(22,187,968)

13. LOSS FROM ORDINARY ACTIVITIES

Loss from ordinary activities before Income Tax includes the following items of revenue and expense:

a) Operating Revenue				
Interest Revenue	222,953	288,360	222,953	288,360
Joint Venture Recoveries	–	–	–	–
Other	34,107	14,063	34,107	14,063
	257,060	302,423	257,060	302,423
b) Non-Operating Revenue				
Proceeds from Sale of Assets	1,759,507	–	1,759,507	–
	2,016,567	302,423	2,016,567	302,423
c) Expenses:				
Depreciation of non-current assets: Property, plant and equipment	47,251	53,853	47,251	53,853
Net transfers to employee entitlement provisions	(37,488)	327,483	(37,488)	327,483
Write Off of exploration and evaluation expenditure	979,278	1,158,528	979,278	621,257
Allowance for doubtful debt from controlled entity	–	–	–	538,081
Operating lease rental expenses:				
Minimum lease payments	69,194	112,200	69,194	112,200
Auditors Remuneration	26,320	18,000	26,320	18,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

	CONSOLIDATED		COMPANY	
	2003	2002	2003	2002
	$	$	$	$

14. SALE OF ASSETS

Sales of assets in the ordinary course of business have given rise to the following losses:

NET LOSSES				
Property, plant and equipment	17,375	2,645	17,375	2,645
Investments	203,292	640	203,292	640
	$220,667	$3,285	$220,667	$3,285

15. COMMITMENTS

a) **Operating Lease Commitments**

Not later than 1 year	129,420	129,420	129,420	129,420
Later than 1 year but not later than 2 years	129,420	129,420	129,420	129,420
Later than 2 years but not later than 5 years	66,710	196,130	66,710	196,130
	$325,550	$454,970	$325,550	$454,970

The term of the Operating Lease in existence over the Company's head office was for an initial period of six years. As at balance date there was a balance of two and a half years remaining.

b) **Exploration Expenditure**

The economic entity has certain statutory obligations to perform minimum exploration work on its tenements to the value of $4,241,920 (2002: $3,250,000) in the next twelve months. These obligations may be varied from time to time, subject to approval, and are expected to be fulfilled in the normal course of operations of the economic entity.

16. CONTINGENT LIABILITIES

a) **Joint Venture**

In accordance with normal industry practice, the economic entity has entered into joint ventures and farm in agreements with other parties for the purpose of exploring and developing its mineral interests. If a party to a joint venture defaults and does not contribute its share of joint venture obligations, then the other joint venturers are liable to meet those obligations. In this event, the interest in the tenement held by the defaulting party may be redistributed to the remaining joint venturers. A contingent liability exists in respect of contributions due to be paid by farm in partners of the economic entity to some of its joint venturers. Details of interests in joint ventures are under Note 23.

17. REMUNERATION OF DIRECTORS

The Directors of Helix Resources Limited during the year were:

- E W J Tyler
- R Mosig
- A R Martin
- I K Macpherson
- B E Wauchope

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

17. REMUNERATION OF DIRECTORS *continued*

	CONSOLIDATED		COMPANY	
	2003	2002	2003	2002
	$	$	$	$
a) Directors' Remuneration				
The aggregate of income paid or payable, or otherwise made available, in respect of the financial year, to all Directors of the Company, directly or indirectly, by the Company or by any related party			591,962	995,600
The aggregate of income paid or payable, or otherwise made available, in respect of the financial year, to all Directors of each entity in the consolidated entity, directly or indirectly, by the entities in which they are Directors of any related party	591,962	995,600		

The number of Directors of the Company whose total income falls within each successive $10,000 band of income:

	Number	Number
$30,000 – $39,999	2	–
$50,000 – $59,999	1	–
$160,000 – $169,999	–	2
$170,000 – $179,999	1	–
$180,000 – $189,999	–	1
$190,000 – $199,999	–	1
$200,000 – $299,999	1	–
$300,000 – $309,999	–	1

	CONSOLIDATED		COMPANY	
	2003	2002	2003	2002
	$	$	$	$
b) Executive Remuneration				
Aggregate remuneration of executive officers of the parent entity working mainly in Australia and receiving $100,000 or more from the Company or from any related party.			635,826	670,000
Aggregate remuneration of executive officers of each entity in the economic entity working mainly in Australia and receiving $100,000 or more from the entity for which they are Executive Officers or from any related party.	635,826	670,000		

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

17. REMUNERATION OF DIRECTORS *continued*

	Number	Number	Number	Number
$170,000 – $179,999	2	–	2	–
$180,000 – $189,999	–	1	–	1
$190,000 – $199,999	–	1	–	1
$200,000 – $299,999	1	–	1	–
$300,000 – $309,999	–	1	–	1

18. INCOME TAX

Loss before income tax	(2,551,319)	(2,674,926)	(2,551,319)	(2,674,926)
Income Tax Expense:				
Income tax expense/(benefit) calculated at 30%	(765,396)	(802,479)	(765,396)	(802,479)
(Increase)/Decrease in income tax benefit due to:				
– non-deductible expenses	38,977	66,799	38,977	66,799
– write off of exploration expenditure	–	–	–	–
– provision for write down of inter Company loans	–	–	–	–
Benefit of tax losses not brought to account as an asset	726,419	735,680	726,419	735,680
Income tax expense attributable to operating loss	–	–	–	–

As of 30 June 2003, the parent entity and its controlled entities have future income tax benefits not brought to account as assets in relation to tax losses and timing differences of parent entity $8,638,096 (2002: $7,587,734), economic entity $9,268,286 (2002: $8,217,925), available to offset against future year's taxable income. The benefit will only be obtained if:

a) the economic entity derives future assessable income of a nature and of an amount sufficient to enable the benefits from the deductions for the losses to be realised;

b) the economic entity continues to comply with the conditions for deductibility imposed by the law; and

c) no changes in tax legislation adversely affect the companies in realising the benefit from the deductions for the losses.

Legislation to allow groups, comprising a parent entity and its Australian resident wholly-owned entities, to elect to consolidate and be treated as a single entity for income tax purposes was substantively enacted on 21 October 2002. This legislation, which includes both mandatory and elective elements, is applicable to the company.

At the date of this report the directors have not assessed the financial effect, if any, the legislation may have on the company and the consolidated entity and, accordingly, the directors have not made a decision whether or not to elect to be taxed as a single entity. The financial effect of the implementation of the tax consolidation system on the economic entity has not been recognised in the financial statements.

19. SEGMENT INFORMATION

The economic entity operated predominantly in one geographical segment and one business, being platinum, gold and other base metals exploration and development in Western Australia, South Australia and New South Wales.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

20. RELATED PARTY DISCLOSURES

Transactions between related parties are on normal commercial terms and conditions unless otherwise stated. Transactions with related parties:

1) Director – Related Entities

(a) During the year, Ord Partners provided professional services to the value of $16,348 (2002 $2,480) on normal commercial terms and conditions (net of GST). Mr I K Macpherson, a Director, has significant influence in Ord Partners.

(b) During the year, E W J Tyler & Associates provided professional services to the value of $26,322 (2002 $21,733) on normal commercial terms and conditions (net of GST). Mr E W J Tyler, a Director, has significant influence in E W J Tyler & Associates Pty Ltd.

2) Directors' equity in the Parent Entity:

	2003 Number	2002 Number
a) Fully Paid Ordinary Shares held as at the reporting date by Directors and their director-related entities:	3,274,780	3,115,530
During the year there were 159,250 Fully Paid Ordinary shares issued/purchased by Directors and their director-related entities.		
b) Listed Options held as at the reporting date by Directors and their director-related entities:	1,032,848	1,028,512
During the year there were 4,336 Listed Options issued/purchased by Directors and their director-related entities.		
c) Staff Options held as at the reporting date by Directors and their director-related entities:	2,550,000	2,550,000

21. EARNINGS PER SHARE

	COMPANY	
	2003 Cents Per share	2002 Cents per share
Basic loss per share	(5.0)	(5.3)
Diluted loss per share	(5.0)	(5.3)

Basic Earnings per Share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	2003 $'000	2002 $'000
Earnings (a)	(2,551,319)	(2,674,926)

	2003 No.	2002 No.
Weighted average number of ordinary shares (b)	50,525,458	50,525,458

(a) Earnings used in the calculation of basic earnings per share is net loss after tax of $2,551,319 (2002 : $2,674,926).

(b) The staff and listed options are considered to be potential ordinary shares and are therefore excluded from the weighted average number of shares used in the calculation of basic earnings per share. Where dilutive, potential ordinary shares are included in the calculation of diluted earnings per share (refer below).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

21. EARNINGS PER SHARE *continued*

Diluted Earnings per Share

The earnings and weighted average number of ordinary and potential ordinary shares used in the calculation of diluted earnings per share are as follows:

	2003 $'000	2002 $'000
Earnings (a)	(2,551,319)	(2,674,926)

	12 months to 30 June 2003 No.	12 months to 30 June 2002 No.
Weighted average number of ordinary shares and potential ordinary shares (b)	50,525,458	50,525,458

(a) Earnings used in the calculation of diluted earnings per share is net profit after tax of $2,551,319 (2002 : $2,674,926).

(b) The following potential ordinary shares are not dilutive and are therefore excluded from the weighted average number of ordinary shares and potential ordinary shares used in the calculation of diluted earnings per share:

	2003 No.	2002 No.
Staff options	4,055,999	4,055,999
Listed options	12,860,310	18,842,932

22. SUBSEQUENT EVENTS

On 9 July 2003 Helix Resources Ltd acquired the remaining 49% interest of the Tunkillia Gold Project from AngloGold Ltd. Terms of the acquisition comprise of $1M upfront which is made of $750k cash, 1.25M fully paid Helix shares at 20 cents and 1.25M options exercisable before 30 Nov 2003 and a deferred payment of $500k.

There have been no other transactions or events that substantially affect the operations of the economic entity,the results of those operations or the state of affairs of the economic entity in future financial years since year end.

23. INTEREST IN JOINT VENTURES

The parent entity has entered into the following unincorporated joint ventures:

Joint Venture Project	Percentage Interest	Principal Exploration Activities
Menzies	49% (Golden State Resources NL 51%)	Nickel
Meekatharra Region	90% contributing (J A Bunting & Associates Pty Ltd 10%)	Gold
Loongana	90% contributing (J A Bunting & Associates Pty Ltd 10%)	Platinum Group Metals

The joint ventures are not separate legal entities but are contractual arrangements between the participants for sharing costs and output and do not in themselves generate revenue and profit. Exploration expenditure is the only asset of the joint ventures. The consolidated entities interest in exploration expenditure in the above mentioned joint ventures is included in note 7 and at 30 June 2003 is $780,233 (2002 : $3,268,447).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

24. FINANCIAL INSTRUMENTS

a) Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

b) The economic entity's exposure to interest rate risk and effective weighted average interest rate for classes of financial assets is set out below:

	Average Interest Rate	Fixed Interest Rate	Floating Interest Rate Maturity Less than 1 year $	Floating Interest Rate Maturity More than 1 Year $	Non Interest Bearing $	Total $
2003						
Employee Entitlements						
Financial Assets						
Trade debtors		–	–	–	26,601	26,601
Investments		–	–	–	937,283	937,283
Cash at bank and on deposit	4.2%	2,377,462	–	–	200	2,377,662
Commercial bills	4.7%	–	95,905	–	–	995,905
Security deposits	4.5%	–	348,445	–	–	348,445
		$2,377,462	$1,344,350	–	$964,084	$4,685,896
Financial Liabilities						
Trade creditors		–	–	–	170,381	170,381
Employee Entitlements		–	–	–	414,833	414,833
		–	–	–	585,214	585,214
Net Financial Assets		$2,377,462	$1,344,350	–	$378,870	$4,100,682
2002						
Financial Assets						
Trade debtors		–	–	–	102,686	102,686
Investments		–	–	–	3,250,391	3,250,391
Cash at bank and on deposit	4.6%	538,356	–	–	200	538,556
Commercial bills	4.6%	–	4,468,379	–	–	4,468,379
Security deposits	4.6%	–	333,967	–	–	333,967
		$538,356	$4,802,346	–	$3,353,277	$8,693,979
Financial Liabilities						
Trade creditors		–	–	–	293,686	293,686
Employee Entitlements		–	–	–	452,321	452,321
		–	–	–	746,007	746,007
Net Financial Assets		$538,356	$4,802,346	–	$2,607,270	$7,947,972

Other than those classes of assets and liabilities denoted as "listed" in note 4, none of the classes of financial assets and liabilities are readily traded on organised markets in standardised form.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

24. FINANCIAL INSTRUMENTS *continued*

c) **Credit Risk**

Credit Risk refers to the risk that counterparty will default on, its contractual obligations resulting in financial loss to the economic entity. The economic entity has adopted the policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The economic entity measures risk on a fair value basis.

The maximum credit risk on financial assets of the economic entity which have been recognised on the statement of financial position, other than investments in shares, is generally the carrying amount, net of any provisions for doubtful debts.

Bills of exchange, which have been purchased at a discount to face value, are carried on the statement of financial postition at an amount less than the amount realisable at maturity. The total credit risk exposure of the economic entity could also be considered to include the difference between the carrying amount and the realisable amount.

d) **Net Fair Value of Financial Assets and Liabilities**

On-balance Sheet

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximates their carrying value.

The net fair value of financial assets and financial liabilities is based upon market prices where a market exists or by discounting the expected future cash flows by the current interest rates for assets and liabilities with similar risk profiles.

Listed equity investments have been valued by reference to market prices prevailing at balance date. For unlisted equity investments, the net fair value is an assessment by the Directors based on the underlying net assets, future maintainable earnings and any special circumstances pertaining to a particular investment.

		CONSOLIDATED		COMPANY	
	Note	2003	2002	2003	2002
		$	$	$	$
25. EMPLOYEE ENTITLEMENTS					
The aggregate employee entitlement liability recognised and included in the financial statements is as follows:					
Provision for employee entitlements:					
Current (Note 9)		50,175	82,295	50,175	82,295
Non-Current (Note 9)		364,658	370,026	364,658	370,026
		414,833	452,321	414,833	452,321
		No	No	No	No
Number of employees at end of financial year		11	16	11	16

26. REMUNERATION OF AUDITORS

	2003	2002	2003	2002
	$	$	$	$
a) **Auditor of the Parent Entity**				
Auditing the financial report	26,320	18,000	26,320	18,000
Other services	–	–	–	–
	26,320	18,000	26,320	18,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2003

27. SHARE OPTION PLANS

As at 30 June 2003 the Company had issued 4,055,999 share options (30 June 2002 4,055,999). No options were granted, exercised or lapsed during the financial year. Share options carry no rights to dividends and no voting rights. The difference between the total market value of options issued during the financial year, at the date of issue, and the total amount received from executives and employees is not recognised in the financial statements except for the purposes of determining directors' and executives' remuneration in respect of that financial year .The amounts are disclosed in remuneration in respect of the financial year in which the entitlement was earned.

Further details are disclosed below:

No. of Options	Date Issued	Exercise Price	Exercise Date
528,665	29.07.1999	$0.42	14.05.2005
528,667	29.07.1999	$0.46	14.05.2005
528,668	29.07.1999	$0.50	14.05.2005
90,000	24.05.2001	$0.74	29.03.2009
90,000	24.05.2001	$0.81	29.03.2009
90,000	24.05.2001	$0.88	29.03.2009
733,335	24.05.2001	$0.80	14.05.2005
733,332	24.05.2001	$1.00	14.05.2005
733,332	24.05.2001	$1.20	14.05.2005

28. ADDITIONAL COMPANY INFORMATION

Helix Resources Limited is a listed public company, incorporated and operating in Australia.

Registered Office
Level 3, 24 Kings Park Road
WEST PERTH WA 6005
Tel (08) 9321 2644

Principal Place of Business
Level 3, 24 Kings Park Road
WEST PERTH WA 6005
Tel (08) 9321 2644

SHAREHOLDING INFORMATION
ANALYSIS OF SHAREHOLDERS
AS AT 15 SEPTEMBER 2003

NUMBER OF SHARES HELD

Spread of Holdings	Number of Shareholders	Number of Shares
1 – 1000	647	393,861
1,001 – 5,000	958	2,796,580
5,001 – 10,000	500	4,251,040
10,001 – 100,000	684	22,411,040
100,001 and over	67	27,085,952
Total	**2,856**	**56,938,958**
Number of shareholders holding less than a marketable parcel	1,186	1,344,377

PERCENTAGE HELD BY 20 LARGEST SHAREHOLDERS

	Shareholder	Shares	%
1.	Zero Nominees	4,402,500	7.73
2.	National Nominees Limited	3,083,158	5.41
3.	Colter Holdings Group	2,245,957	3.94
4.	Invia Custodian Pty Ltd	2,199,834	3.86
5.	Cairnglen Investments Pty Ltd	1,564,634	2.75
6.	AngloGold Australia Limited	1,250,000	2.19
7.	ANZ Nominees Limited	1,014,782	1.78
8.	Arcaro Holdings Pty Ltd	653,880	1.15
9.	Weresyd Proprietary Limited	642,425	1.13
10.	Westpac Custodian Nominees	532,500	0.94
11.	Niddrie Holdings Pty Limited (Wauchope Super Fund A/C)	475,752	0.84
12.	Equities Trustees Limited	461,250	0.81
13.	Mr. Abdelaziz Soliman	400,000	0.70
14.	Macarthur Capital Pty Ltd (Macarthur Equity A/C)	378,000	0.66
15.	Mr. John Halaska	362,500	0.64
16.	Mr. Michael Betts (Kimono Super Fund A/C)	355,000	0.62
17.	MR. JG & Mrs. AG Robertson	350,400	0.62
18.	MDA Capital Pty Ltd (Macarthur Equities Account)	280,000	0.49
19.	Technica Pty Ltd	273,568	0.48
20.	The Portland House Group Pty Ltd (Client A/C)	234,500	0.41
	Top 20 Total	**21,160,640**	**37.15**

VOTING RIGHTS

One vote for each ordinary share held in accordance with the Company's Constitution.

SUBSTANTIAL SHAREHOLDERS

Shareholder	Shares	% of Issued Capital
1. Yandal Investments Pty Ltd	4,234,406	7.43
2. Cairnglen Investments Pty Ltd	3,450,218	6.06
3. Société Générale	3,083,158	5.41

DIRECTORS' INTEREST IN SHARE CAPITAL

Disclosed elsewhere in this report.

SHAREHOLDING INFORMATION ANALYSIS OF SHAREHOLDERS

AS AT 15 SEPTEMBER 2003

NUMBER OF OPTIONS HELD

Spread of Holdings	Number of Option Holders	Number of Options
1 – 1000	149	85,627
1,001 – 5,000	249	679,944
5,001 – 10,000	97	765,405
10,001 – 100,000	159	5,451,797
100,001 and over	28	7,126,537
Total	**682**	**14,109,310**

PERCENTAGE HELD BY 20 LARGEST OPTIONHOLDERS

Optionholder		Shares	%
1.	AngloGold Australia Limited	1,250,000	8.86
2.	Zero Nominees Pty Ltd	912,934	6.47
3.	Colter Holdings Group	738,237	5,23
4.	Invia Custodian Pty Ltd	718,112	5.09
5.	Cairnglen Investments Pty Ltd	334,045	2.37
6.	Mr. Andrew Bruce Doak	300,000	2.13
7.	Mrs. Clare Mary Sung-Reid	270,000	1.91
8.	Mr. John Halaska	270,000	1.91
9.	Kafir Pty Limited	236,667	1.68
10.	ANZ Nominees Limited	220,594	1.56
11.	Mr. Abdelaziz Soliman	219,358	1.55
12.	Reynolds (Nominees) Pty Limited	171,800	1.22
13.	Truwest Pty Ltd (Superfund A/C)	170,001	1.20
14.	Mr. Raymond Paul Sandle	170,000	1.20
15.	Mr. Michael Hopkins	156,667	1.11
16.	Netshare Nominees Pty Ltd	150,000	1.06
17.	Niddrie Holdings Pty Limited (Wauchope Super Fund A/C)	148,168	1.05
18.	Mr. Michael Betts (Kimono Super Fund A/C)	135,000	0.96
19.	Mr. Douglas Charles Perry	122,184	0.87
20.	Mr. DG & Mrs. JA Grant	118,500	0.84
	Top 20 Total	**6,812,267**	**48.27**

The above listed options are due to expire on 30 November 2005 and are currently listed on the Australian Stock Exchange Ltd.

SCHEDULE OF TENEMENTS

AS AT 30 SEPTEMBER 2003

Tenement Type and Number	Name	Mineral	Ownership
WESTERN AUSTRALIA			
EL09/644*	Glenburgh	Gold	Helix Resources Limited 100%
MLA09/87	Glenburgh	Gold	*Conversion from EL to MLs
MLA09/88	Glenburgh	Gold	
ELA09/1079	Glenburgh	Gold	Helix Resources Limited 100%
PLA09/424	Glenburgh	Gold	
PLA09/425	Glenburgh	Gold	
PLA09/426	Glenburgh	Gold	
PLA09/427	Glenburgh	Gold	
EL29/139*	Menzies	Nickel	Menzies Nickel Joint Venture
MLA29/214	Menzies	Nickel	(Heron Resources NL 51 %,Helix 49%)
			*Conversion from EL to MLAs
EL29/139*	Menzies	Gold	Helix Resources Limited 100%
MLA29/139	Menzies	Gold	*Conversion from EL to MLAs
MLA29/214	Menzies	Gold	
MLA29/215	Menzies	Gold	
MLA29/216	Menzies	Gold	
MLA29/217	Menzies	Gold	
MLA29/218	Menzies	Gold	
MLA29/219	Menzies	Gold	
MLA29/220	Menzies	Gold	
EL29/145*	Menzies	Gold	Helix Resources Limited 100%
MLA29/226	Menzies	Gold	*Conversion from EL to MLAs
MLA29/227	Menzies	Gold	
PL29/1257*	Menzies	Gold	Helix Resources Limited 100%
MLA29/171	Menzies	Gold	* Conversion from PL to MLA
PL29/1259*	Menzies	Gold	Helix Resources Limited 100%
MLA29/173	Menzies	Gold	* Conversion from PLs to MLA
ML29/174	Menzies	Gold	Helix Resources Limited 100%
EL77/1029	Barlee	Gold	Helix Resources Limited 100%
EL77/1030	Barlee	Gold	
EL77/1031	Barlee	Gold	
ELA77/1154	Barlee	Gold	
EL77/1042	Barlee	Gold	Comet Resources NL Joint Venture
EL77/1043	Barlee	Gold	(Helix 82.5%)

TENEMENT SCHEDULE

Tenement Type and Number	Name	Mineral	Ownership
WESTERN AUSTRALIA			
ML47/123	Munni Munni	PGM	Helix Resources Limited 100%
ML47/124	Munni Munni	PGM	
ML47/125	Munni Munni	PGM	
ML47/126	Munni Munni	PGM	
ML47/141	Munni Munni	PGM	
ML47/142	Munni Munni	PGM	
ML47/143	Munni Munni	PGM	
ML47/144	Munni Munni	PGM	
ELA47/1089	Munni Munni South	PGM	
EL47/905	Munni Munni South	Diamonds	West Pilbara Joint Venture
EL47/1015	Munni Munni South	Diamonds	Helix Resources Limited 100%
EL47/1074	Munni Munni South	Diamonds	DeBeers Australia Exploration
EL47/1075	Munni Munni South	Diamonds	Limited earning 51%
ELA47/1090	Munni Munni South	Diamonds	
ELA47/1144	Elvire	Diamonds	
ELA47/1145	Elvire	Diamonds	
ELA47/1146	Elvire	Diamonds	
ELA47/1169	Yalleen.	Diamonds	
ELA47/1170	Yalleen.	Diamonds	
ELA47/1171	Yalleen	Diamonds	
ELA38/1000	Mt Venn	PGM, Nickel	Kelray Joint Venture (Helix earning 80%)
ELA38/1476	Mt Venn East	PGM, Nickel	Helix Resources Limited 100%
EL69/1734	Haig	PGM	Helix Resources Limited 100%
EL69/1735	Haig	PGM	
EL39/918	Minigwal	PGM	R Smit Joint Venture (Helix earning 80%)
EL52/1495	Narracoota	Gold	J A Bunting & Assoc Pty Ltd Joint
EL52/1496	Narracoota	Gold	Venture (Helix 90%)
EL51/946	Narracoota	Gold	
EL51/926	Gnaweeda	Gold	
EL51/927	Gnaweeda	Gold	

TENEMENT SCHEDULE

Tenement Type and Number	Name	Mineral	Ownership
WESTERN AUSTRALIA			
EL69/1516	Loongana	Gold, PGM, Base metals	J A Bunting & Assoc Pty Ltd Joint
EL69/1517	Loongana	Gold, PGM, Base metals	Venture (Helix 90%)
EL69/1718	Loongana	Gold, PGM, Base metals	
EL69/1719	Loongana	Gold, PGM, Base metals	
EL69/1720	Loongana	Gold, PGM, Base metals	
PL69/34	Loongana	Gold, PGM, Base metals	
PL69/35	Loongana	Gold, PGM, Base metals	
PL69/36	Loongana	Gold, PGM, Base metals	
PL69/37	Loongana	Gold, PGM, Base metals	
EL80/2931	Bindoola	Base metals	Helix Resources Limited 100%
EL80/2933	Bindoola	Base metals	
EL80/2934	Bindoola	Base metals	
EL80/3090	Bonaparte	Gold, Base metals	Helix Resources Limited 100%
EL80/3091	Bonaparte	Gold, Base metals	
EL80/3122	Bonaparte	Gold, Base metals	
ELA80/2910	Bonaparte	Gold, Base metals	
ELA80/3126	Bonparte	Gold, Base metals	
ELA80/3127	Bonparte	Gold, Base metals	
EL80/3092	Kimberley Group	Gold, PGM, Base metals	Helix Resources Limited 100%
EL80/3093	Kimberley Group	Gold, PGM, Base metals	
EL80/3094	Kimberley Group	Gold, PGM, Base metals	
ELA38/1477	Isolated Hill	Gold, PGM, Base metals	Helix Resources Limited 100%
ELA38/1478	Isolated Hill	Gold, PGM, Base metals	
ELA52/1623	Perry Creek	Base metals	Helix Resources Limited 100%
ELA52/1624	Perry Creek	Base metals	
ELA52/1625	Perry Creek	Base metals	
ELA52/1626	Perry Creek	Base metals	

TENEMENT SCHEDULE

Tenement Type and Number	Name	Mineral	Ownership
SOUTH AUSTRALIA			
EL2968	Purple Downs	Gold, Copper, Base metals	Hillview Mining NL 100% #
EL3034	Jim's Hill	Gold, Copper, Base metals	
EL3035	Gaiger Bluff	Gold, Copper, Base metals	
EL2697	Lake Everard	Gold	Helix Resources Limited 100%
EL2854	Lake Everard West	Gold	
EL2858	Carapee	Gold, Copper, Base metals	Olliver Geological Services
EL2550	Karkarook	Gold, Copper, Base metals	Joint Venture (Helix earning 90%)
EL2648	Hincks	Gold, Copper, Base metals	
EL2851	Pine Row	Gold, Copper, Base metals	
EL3050	Bosanquet		Helix Resources Limited 100%

The following Licences and Licence Applications are BHP owned tenements of which Helix has the right to explore and develop any resources discovered under the terms of the BHP - Helix Alliance Agreement. Under the terms of the BHP-Helix Alliance Agreement, Helix has the right to 100% ownership of all resources with a metal value less than $1 billion. BHP has the right to 70% ownership of larger resources.

EL2763	Middleback Ranges	Gold/Base metals (Excludes iron ore & steel making minerals)	Previously EL2109 (Including BHP MLs within EL2763)
EL2742	Corunna	Gold, Copper, Base metals	Helix Resources Limited 100%
EL2993	Bullcarkle Dam	Gold, Copper, Base metals	
EL3036	Lake Gilles	Gold, Copper, Base metals	

#Hillview Mining NL - wholly owned subsidiary of Helix Resources Limited.

Abbreviations and Definitions used in Schedule:

EL	Exploration Licence	ELA	Exploration Licence Application
ML	Mining Lease	MLA	Mining Lease Application
PL	Prospecting Licence	ALA	Assessment Lease Application

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