ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

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CHAIRMAN'S REVIEW

Dear Shareholder

I am pleased to present Helix's 2018 Annual Report.

The past year has been a busy time for your Company. Helix has continued to identify and advance the exploration potential and opportunities presented by the Company's diverse suite of exploration assets within its limited means as a junior explorer. This work included both direct exploration activity and direct value realisation from the rationalisation of three non-core assets.

Helix is fortunate to hold high quality exploration projects prospective for both copper and gold. The Australian assets are spearheaded by the Company's flagship Collerina Copper Project located in the Cobar Region of central New South Wales. This is a region that is fast becoming one of Australia's most exciting mining and exploration districts, where new discoveries and active corporate interest continues to emerge.

Following initial exploration success at the Collerina Copper Deposit, the local geological complexity associated with the deposit required the Company to re-assess its original geological interpretation and exploration approach. With the development in 2017 of an improved understanding of the shape and geometry of the Collerina massive copper sulphide unit, this year, Helix began testing this revised geological model with a new exploration approach that has proven to be successful and has resulted in an exploration breakthrough in the plunge plane of the central zone massive sulphide. This important work has provided a key to unlocking the inherent exploration potential of the deposit.

Regionally, the Collerina Copper Project represents a significant exploration asset, with it constituting an 80 kilometre portion of an underexplored VMS belt. Whilst the Collerina Copper Deposit is the most advanced prospect within the greater project, the Company is also endeavouring to generate new exploration prospects within this belt. The most advanced of these new exploration prospects is Yathella, where an initial reconnaissance drill program was recently undertaken.

Helix's other key exploration projects, include the emerging Mundarlo Project, a joint venture near Gundagai where strong evidence of another potential VMS system is emerging and the Cobar Gold Project.

Following discussions with a range of parties during the year, Helix has been successful in securing joint venture partners for both of the Company's large Chilean Projects; the Joshua Porphyry Copper Project and the Samuel Copper Project. These initiatives provide Helix shareholders with retained exposure to a world-class copper district, with no cost to Helix in the short term. A minimum of $1.5 million is contracted to be expended on the projects by the farminees between now and March 2019. With exploration success and a longer term commitment from our joint venture partners (Manhattan Corporation and JOGMEC), it is possible that in excess of $6 million of exploration activity may take place on these Chilean projects over the next two and a half years.

Additionally, during the year Helix rationalised its remaining interest in the Yalleen iron ore project, by agreeing to transfer its residual joint venture interest to its joint venture partner (API) for a consideration of $0.5 million and a 1% FOB royalty.

During the year Tim Kennedy, joined the Board as a Non-Executive Director. He is a geologist with a successful 30-year career in the mining industry, including extensive involvement in the exploration, feasibility and development of precious metal, base metals and uranium projects throughout Australia. Tim's appointment coincided with the resignation of Mike Naylor, who stepped down as a Non-Executive Director, due to the growing commitments of his corporate consultancy business. The Board would like to thank Mike for his contribution to Helix.

Also, on behalf of the Board, I would like to thank the Company's dedicated team of employees and consultants, led by Mick Wilson, for their hard work and contribution during the year.

Finally, I would also like to acknowledge the patience and continued support of shareholders as Helix endeavours to unlock value from its exploration asset portfolio.

Yours faithfully,

Gary Lethridge
Chairman

REVIEW OF OPERATIONS

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

During the reporting period the Company has continued to advance its primary copper assets, being the flagship Collerina Project (comprising the Collerina Copper Deposit, the Collerina Regional Prospects) and the new Mundarlo Project, while undertaking reviews on the Cobar Gold Project and successfully pursuing funding options for the Chilean assets.

AUSTRALIA - COPPER AND GOLD PROJECTS

Background

Helix holds a quality portfolio of projects in the Cobar mining district - NSW. The district hosts long-lived operating mines and has excellent access to infrastructure. Helix is continuing to carry out targeted exploration programs to isolate precious and base metal mineralisation in this prospective region. Helix's work to date has resulted in the discovery of its flagship Collerina Copper Deposit as well as advancing emerging copper and gold prospects within the prospective trends held under Helix tenure.

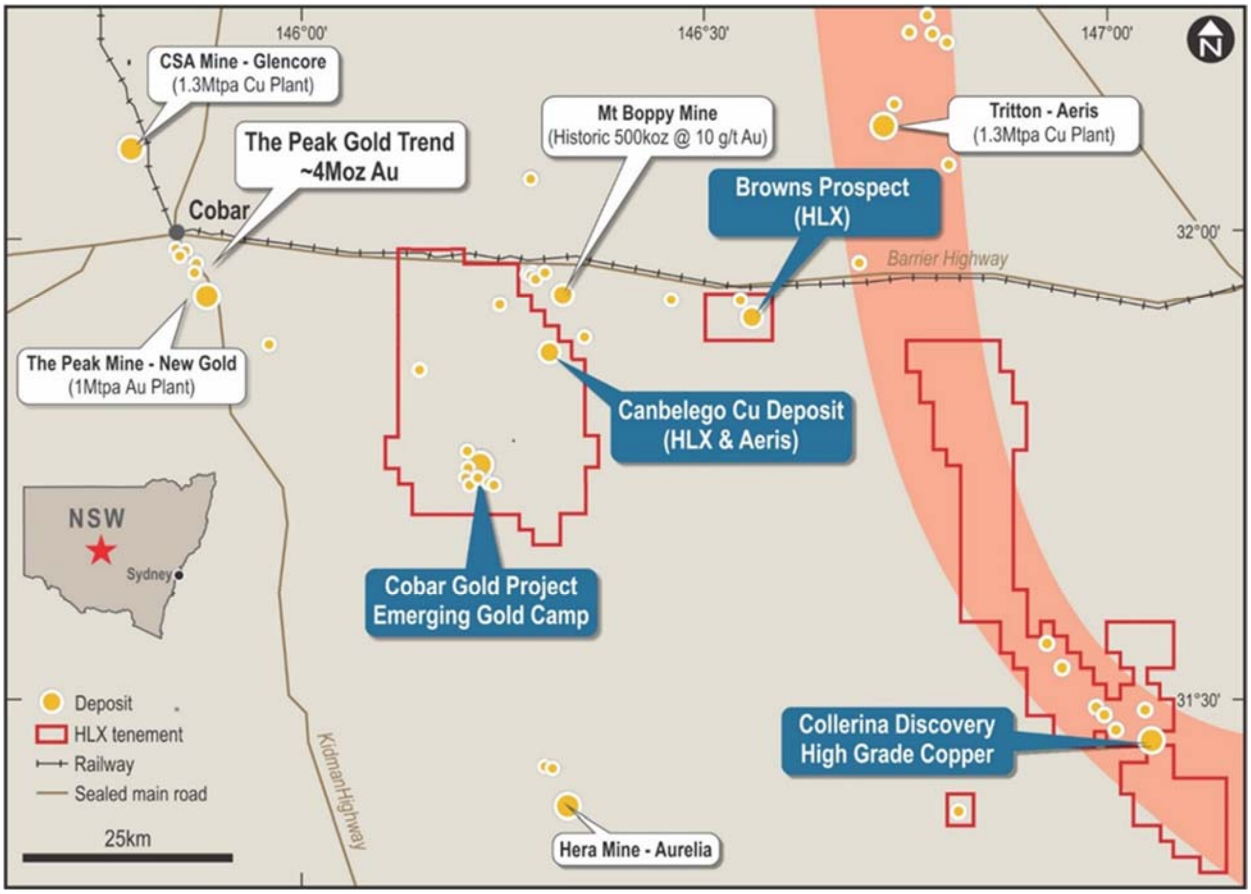

Figure 1: Location of Helix's Collerina Copper Project and Surrounding Projects in the Cobar District NSW

Collerina Copper Deposit

In 2017 a shallow RC drill program was undertaken to gain a better understanding of the distribution of near-surface copper mineralisation at the Collerina Deposit. This work was considered critical to provide an understanding of the geometry and likely geological vectors for targeting additional sulphide accumulation in deeper drilling.

The follow-up deep exploration drill program was then completed in late 2017. The deep RC/DD holes were each used as platforms for down-hole electromagnetic (DHEM) surveys and identified new zones of partially defined EM conductivity below, between and down plunge of previous exploration drilling. Additional DHEM surveys were subsequently completed in diamond tails on previously drilled RC holes in this dip/plunge zone of the Collerina Deposit, assisting in refining a series of new prospective EM conductive targets.

Exploration drilling and immediate follow-up DHEM surveying has proven highly successful, improving the drill “hit rate” as drilling gets deeper. Testing these new target zones in 1H18 resulted in an exploration breakthrough with additional massive sulphide copper mineralisation intersected for the first time at depth. New drilling in the plunge zone returned significant intercepts including 5m @ 4.3% Cu, 4m @ 3.4% Cu and 3.5m @ 4.7% Cu[1] in zones where the DHEM and Fixed Loop EM (FLEM) surveys had identified EM conductors (refer Figure 2).

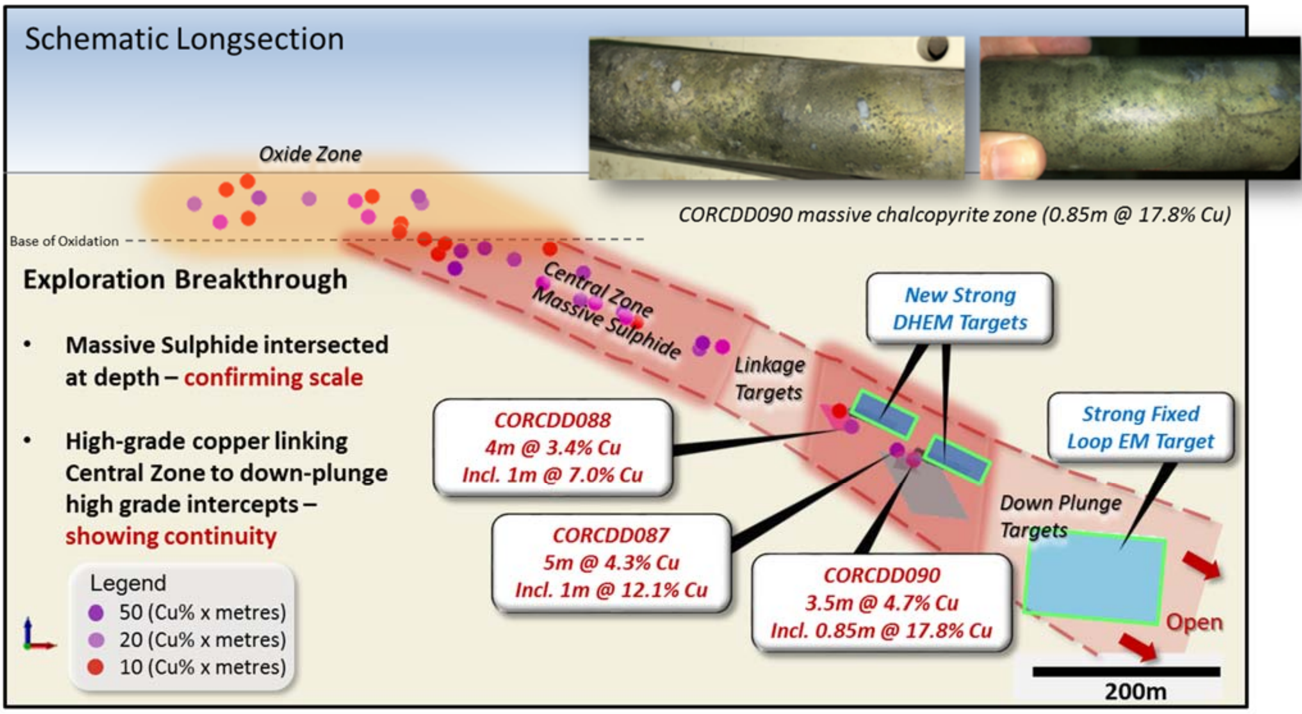

Figure 2: Schematic long section of the Collerina Deposit showing the position of the breakthrough intercepts in the plunge of the Central massive sulphide unit.

Follow-up DHEM surveys in these deeper holes have identified nearby targets with strong EM conductance, which are interpreted to relate to local thickening of the massive copper sulphide unit.

This exploration breakthrough, at depth in the plunge plane of the central massive sulphide zone, provides evidence for both scale and continuity of the copper system at Collerina. The Company is planning to estimate a maiden resource by late 2018 for the Collerina Deposit.

Collerina Regional Copper Exploration

A mapping and surface sampling program assessing the potential for additional copper systems along the Collerina Trend was completed in late 2017. Assays returned significant anomalous copper and gold results from samples taken at the various prospects and also displayed geological similarities to the Collerina Deposit. Three priority areas were ear-marked for further exploration, being the Widgelands, Tindalls and Yathella Prospects. Additional field mapping, geochemistry and EM surveys at Yathella confirmed the presence of a coincident copper-in-soil anomaly over a FLEM and VTEM anomaly within a favourable geological setting.

An initial exploration drill program was undertaken in September 2018 at Yathella including DHEM surveys to assist in vectoring toward areas of potential base metal accumulation. Results are awaited. The remaining regional target areas are expected to be worked up to drilling status in future exploration campaigns.

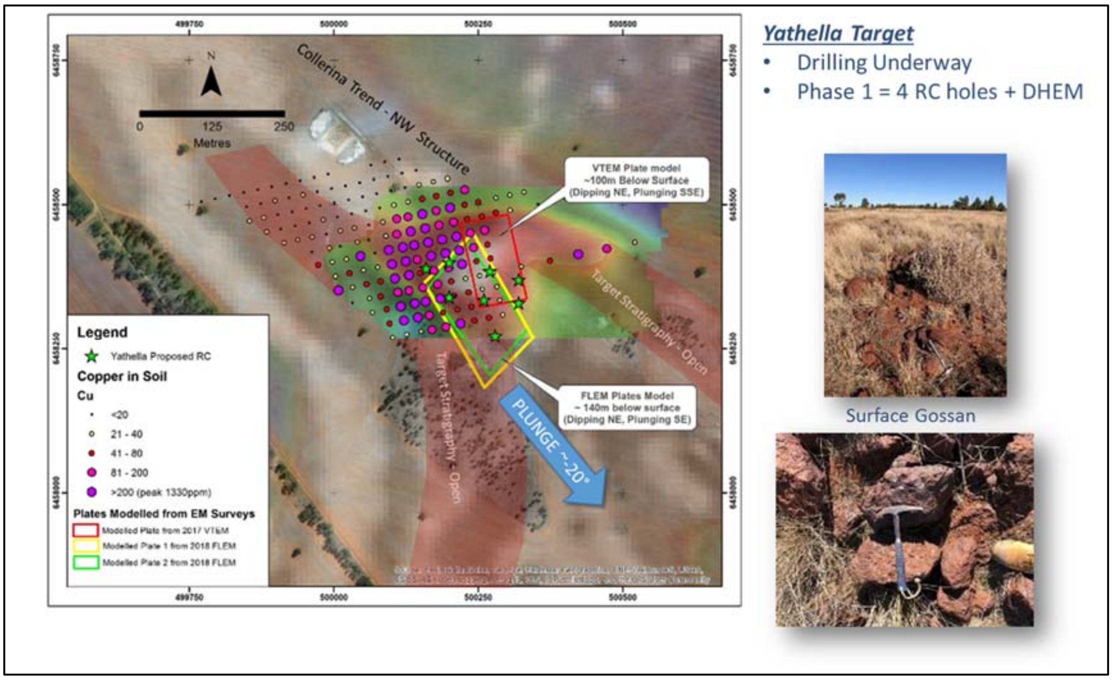

Figure 3: Priority regional copper exploration target at Yathella - coincident copper-in-soil anomalism and EM conductors are being tested with exploration drilling.

Mundarlo Joint Venture

An initial Moving Loop Electro Magnetic (MLEM) survey was completed at Mundarlo which identified a large but discrete bedrock conductor in this favourable setting for precious and base metal systems. The conductor sits below a zone of copper-in-soil anomalism hosted in a mixed sedimentary/volcanoclastic basin sequence. During January 2018, the Company completed an infill auger soil sampling program over the MLEM target area with assays confirming the presence of copper and associated zinc and gold anomalism in soils above the MLEM conductor.

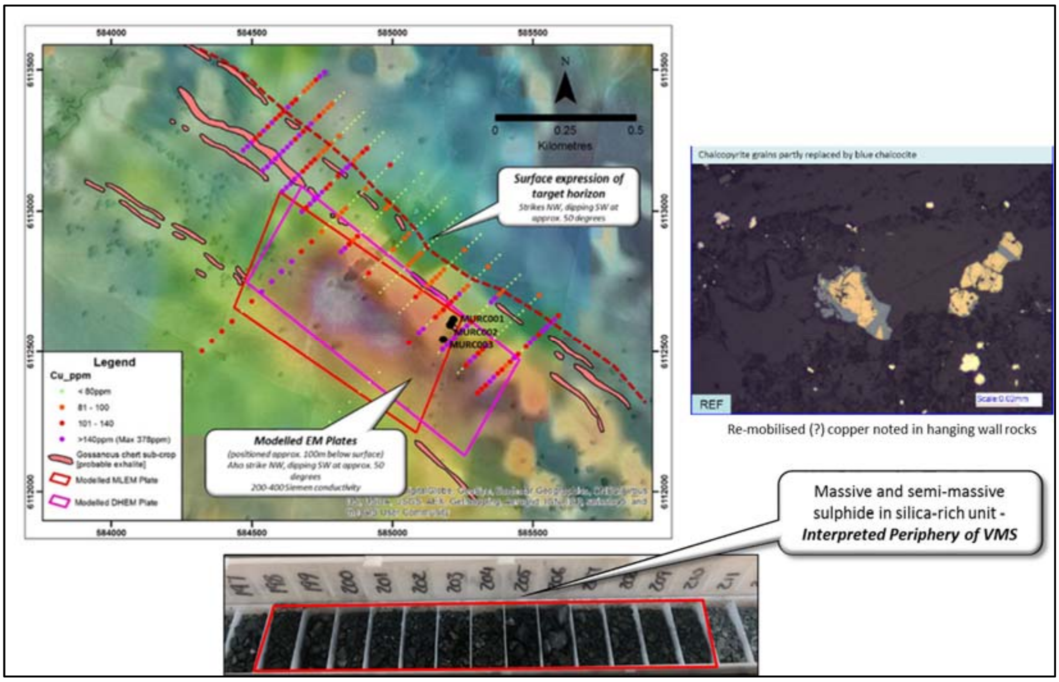

Figure 4: Coincident copper-in-soil anomalism and modelled EM conductors in a favorable geological setting for VMS style mineralisation at Mundarlo NSW.

Helix followed up this initial work with a three hole RC drill program in February (two holes extended in May 2018) The initial drilling confirmed the EM conductor is sulphide related. Subsequent geological studies and new information from the NSW Geological Survey has confirmed the project to be of a similar age to the VMS systems Helix is targeting at Collerina, and the geological setting is suitable for the style of VMS target being pursued[2].

In September 2018 Helix has drilled a deep hole to provide an initial test of the 750m x 600m modelled EM conductor plate. A DHEM survey has also been undertaken. Results are awaited.

Helix has satisfied the first expenditure requirement securing 60% equity, and moving toward 80% ownership of the Mundarlo project.

Cobar Gold Project

Helix completed an RC drill program which consisted of 30 holes for 3,600m across six prospects[2]. New gold intercepts identified during the drilling program expanded the known prospects both along strike and at depth. The drilling also identified further gold bearing structures and highlighted the potential for additional gold systems at the respective regional prospects.

The Company also completed a rock chip and mapping program collected during reconnaissance at the un-tested Lone Hand and Girl in Blue workings with best gold assays returned being 17.7g/t Au from Lone Hand and 2.17g/t Au from Girl in Blue.[3]

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

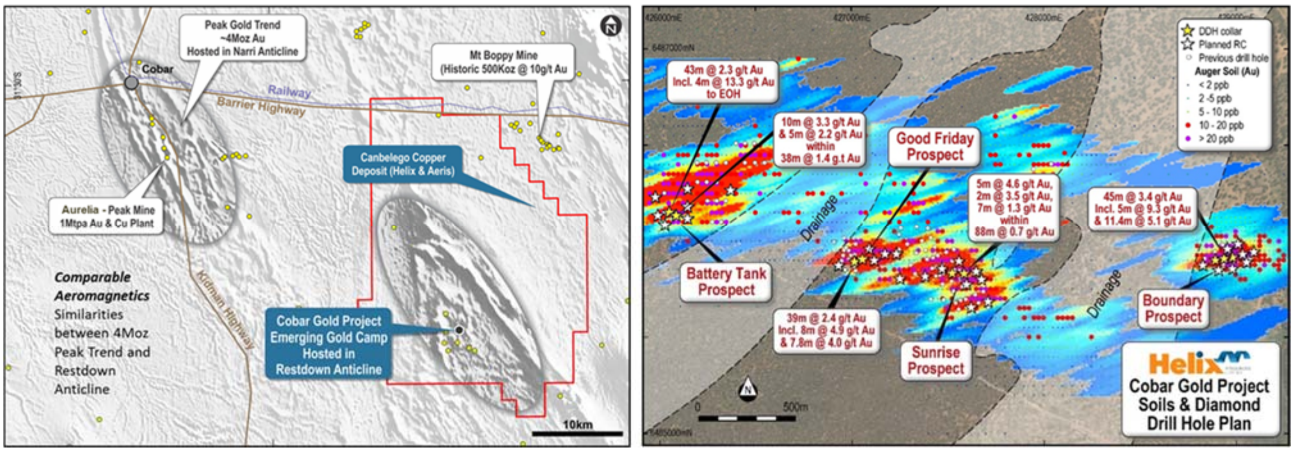

Figure 5: Location of Cobar Gold Project 30km southwest of the 4M ounce Peak Gold Trend – recent gold intercepts around the prospects drilled within the Battery Tank Goldfield.

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

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

Chile Projects

The Company has received several un-solicited approaches from third parties regarding joint venture opportunities on specific projects and/or potential sale of Helix's Chilean assets. The Company progressed talks with these parties and during August 2018 Helix announced a JV with Manhattan Corporation covering the Joshua Porphyry Copper Project and in September 2018 the Company announced a JV with the Japanese Government Agency JOGMEC over the Samuel Copper Project.

These new Joint Ventures will see a minimum of over AUD$1.5m spent on the projects by the end of the first quarter of 2019 and if our new partners commit to the remaining stages of these Joint Ventures, a total of over $6m in the next two and a half years. Helix is managing the joint ventures, utilising our experienced Chilean Team to oversee the field programs for the benefit of all participants.

Helix maintains exposure to significant copper exploration news flow from these projects at no cost to the Company, and importantly retains appropriate equity positions in these copper projects as the assets are advanced and de-risked.

Resources

Commodity	Category	Project	Interest	Resource
Copper (+Gold)	Indicated and Inferred	**Blanco Y Negro, Chile**	100% Helix	**Indicated: 0.8Mt @ 1.5% Cu, 0.5 g/t Au for 12,000t Cu & 12,000oz Au** **Inferred: 0.7Mt @ 1.3% Cu, 0.6g/t Au for 8,000t Cu & 12,000oz Au** **Total Resource: 1.5Mt @ 1.4% Cu, 0.5g/t Au for 20,000t Cu & 24,000oz Au** (at 0.5% Cut-off) – 2012 JORC[4]
Copper	Inferred	**Canbelego JV,NSW**	70% (Aeris 30%)	**1.5Mt @ 1.2% Cu for 18,000t Contained Cu** (at 0.3% Cu Cut-off)[5]
Gold	Inferred	**Cobar Gold**	100% (Glencore 1% NSR)	**2.6Mt @ 1.2g/t Au for 100,000oz** (0.3 g/t Au cut off)[6]

Review of material changes

Blanco Y Negro: There are no changes to the resource from the previous reporting statement.
Canbelego: There are no changes to the resource from the previous reporting statement.
Cobar Gold: There are no changes to the resource from the previous reporting statement.

Governance controls

All Mineral Resource Estimates are prepared by qualified professionals following JORC-compliant procedures that ensure representative and unbiased samples are obtained with appropriate QA/QC practices in place.

Competent Persons Statement

The information in this announcement that relates to previous reported Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr M Wilson who is a full time employee of Helix Resources Limited and a Member of The Australasian Institute of Mining and Metallurgy. Mr M Wilson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 and 2012 Editions of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr M Wilson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Notes

1. For full details of exploration results refer to ASX announcement dated 5 April 2018 and 13 June 2018. Helix Resources is not aware of any new information or data that materially effects the information in these announcements.

2. For full details of exploration results refer to ASX on 29 March 2018 and 23 May 2018. Helix Resources is not aware of any new information or data that materially effects the information in these announcements.

3. For full details of exploration results refer to ASX announcement dated 23 August 2017. Helix Resources is not aware of any new information or data that materially effects the information in these announcements.

4. The information in this report that relates to the Mineral Resource Estimation for Blanco y Negro is based on information compiled by Mr Byron Dumpleton a Consultant Resource Geologist from his company BKD Resources Pty Ltd. Mr Dumpleton is a member of the Australian Institute of Geoscientist. Mr Dumpleton has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Mineral Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Dumpleton consents to the inclusion in this report of the matters based on their information in the form and context in which they appear.

5. For more information on the Canbelego JV resource estimate, refer to ASX announcement dated 7 October 2010. Helix is not aware of any new information or data that materially effects the information included in the said announcement.

6. For more information on the Cobar Gold resource estimate, refer to ASX announcement dated 17 August 2011. Helix is not aware of any new information or data that materially effects the information included in the said announcement

CORPORATE GOVERNANCE

Helix reviews all of its corporate governance practices and policies on an annual basis to ensure they are appropriate for the Company's current stage of development. This year, the review was made against the new ASX Corporate Governance Council's Principles and Recommendations (third edition) which became effective for financial years beginning on or after 1 July 2014.

The Company's Corporate Governance Statement for the year ended 30 June 2018 was approved by the Board on 28th September 2018 and is available on the Company's website at www.helix.net.au.

The directors of Helix Resources Limited believe that effective corporate governance improves company performance, enhances corporate social responsibility and benefits all stakeholders. Changes and improvements are made in a substance over form manner, which appropriately reflect the changing circumstances of the company as it grows and evolves. Accordingly, the Board has established a number of practices and policies to ensure that these intentions are met and that all shareholders are fully informed about the affairs of the Company.

The Company has a corporate governance section on the website at www.helix.net.au. The section includes details on the company's governance arrangements and copies of relevant policies and charters.

The Directors of Helix Resources Limited ("Helix" or "the Company") present their Report together with the financial statements of the consolidated entity, being Helix Resources Limited and its controlled entities ("the Group") for the year ended 30 June 2018.

DIRECTORS

The following persons held office as Directors of Helix Resources Limited during or since the end of the financial year and up to the date of this report:

Gary Lethridge BCom, CA, FCIS, FGIA, MAICD

Non-Executive Chairman

Mr Lethridge has more than 30 years of corporate expertise in resource and finance related roles. He is a Chartered Accountant and Chartered Secretary with significant experience in corporate strategy, capital and debt markets, transaction origination and execution, mining operations, project development and exploration.

From March to September 2018, Mr Lethridge was the Finance Director of Echo Resources Limited. From 2009 to 2016 he was Managing Director of Talisman Mining Limited and was previously Chief Financial Officer (CFO) with Jubilee Mines NL, a very successful nickel miner acquired by Xstrata in 2007 for $3.1 billion.

Michael Wilson B Ec, B Sc (Hons), MAusIMM

Managing Director

Mr Wilson established the Company's current copper and gold asset portfolios in Australia and Chile, securing tenement holdings and JV's with incumbent mine operators in these strategically selected infrastructure-rich regions. Michael's experience includes project management; mineral exploration using geology, geochemistry, geophysics and drilling; ore resource drilling, ore resource estimation and evaluation programs; and monitoring joint venture projects. Michael's corporate skills include broker and stakeholder engagement, commercial negotiations, acquisitions and divestitures.

Jason Macdonald LLB, BCom

Non-Executive Director

Mr Macdonald has practiced law in both mining corporate/commercial and commercial litigation. Mr Macdonald is also a Director of several private resource companies and has a diverse range of corporate, equity capital market and mining related experience.

Tim Kennedy

Non-Executive Director – Appointed 16 February 2018

Mr Kennedy is a geologist with a successful 30-year career in the mining industry, including extensive involvement in the exploration, feasibility and development of gold, nickel, platinum group elements, base metals and uranium projects throughout Australia. His most recent role was as Exploration Manager with Independence Group NL, which during his 11 years grew from a junior explorer to a multi-asset and multi-commodity mining company. Prior to that, Mr Kennedy held several senior positions with global diversified miner, Anglo American, including as Exploration Manager – Australia, Principal Geologist / Team Leader – Australia and Principal Geologist. He also held a technical position with Resolute Limited, Hunter Resources and PNC Exploration.

Michael Naylor BCom, CA, AGIA

Non-Executive Director – Resigned 16 February 2018

Mr Naylor has 20 years' experience in corporate advisory and public company management since commencing his career and qualifying as a chartered accountant with Ernst & Young. Michael has been involved in the financial management of mineral and resource focused public companies serving on the Board and in the executive team focusing on advancing and developing mineral resource assets and business development. Michael is also a member of the Governance Institute of Australia.

DIRECTORSHIPS OF OTHER LISTED COMPANIES

Directorships of other listed companies held by Directors in the 3 years immediately before the end of the financial year are as follows:

Name	Company
Gary Lethridge	Echo Resources Limited, Reward Minerals Limited, Talisman Mining Limited
Tim Kennedy	Millennium Minerals Limited, Sipa Resources Limited
Michael Naylor	Tawana Resources NL, Cobalt One Limited

INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY AND RELATED BODIES CORPORATE

As at the date of this report, the interests of the Directors in the shares and options of Helix Resources Limited were:

	Number of Ordinary Securities	Number of Options over Ordinary Shares
G Lethridge	200,000	3,000,000
M Wilson	3,504,434	3,000,000
J Macdonald	10,077,500	3,000,000
T Kennedy	300,000	3,000,000

COMPANY SECRETARY

Benjamin Donovan – Appointed 1 August 2018

Mr Donovan is an experienced Company Secretary, previously providing Helix with corporate advisory and consultancy services. He is currently a company secretary for several listed and unlisted Australian Companies and has previously served as a company director at a number of companies. Mr Donovan has extensive experience in listing rules, compliance and corporate governance, having served as a Senior Advisor at the Australian Securities Exchange (ASX) in Perth, as well as being a member of the ASX JORC Committee. In addition, he has experience in the capital markets, having raised capital and assisted numerous companies on achieving listing on ASX, as well as time as a private client advisor in a boutique stockbroking firm.

Dale Hanna BCom, CA – Resigned 1 August 2018

Mr Hanna is a Chartered Accountant with over 15 years in accounting finance and management roles. He commenced his career with Ernst & Young, and has held senior positions with Dominion Mining Ltd and Lemur Resources Ltd.

PRINCIPAL ACTIVITIES

The principal activity of the Group constituted by Helix Resources Limited and the entities it controlled during the year consisted of copper, gold, iron ore and other base metal mineral exploration in Australia and Chile. There has been no significant change in the nature of these activities during the year.

FINANCIAL RESULTS

The net consolidated loss of the Group for the financial period, after provision for income tax was $348,200(2017: loss of $6,312,894).

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 Consolidated entity's activities are contained in releases to the ASX on a quarterly basis, discussed in a separate section of this Annual Report as well as on our website at www.helix.net.au.

The Company's strategy continues to focus on prospective gold and copper regions in Australia and Chile and utilising our corporate and geological expertise to create and extract value for the benefit of our shareholders.

Mineral Asset Project Highlights

Refer to the Review of Operations.

Corporate

The Group reported a loss of $348,200. In the current year there was no impairment expense (June 2017: $6,312,894) of carried forward exploration costs.

Major corporate events include:

- In November 2017, the Company completed a share placement raising $1.2 million at $0.03 per share before costs.
- In February 2018, the Company sold its interest in Yalleen Iron Ore Project for a total consideration of:
    - $0.5 million cash payable upon sale completion;
    - Uncapped 1% free on board (FOB) royalty on any iron ore produced from the Yalleen Tenement Area (E48/1169, E47/1170 & E47/1171); and
    - Uncapped 1% net smelter royalty (NSR) on certain future precious and base metal production from the Tenement Area.
- In February 2018, Mr Naylor resigned from his position as Non-Executive Director and Mr Kennedy was appointed onto the Board.

Significant Changes In State Of Affairs

In the opinion of the Directors, other than disclosed elsewhere in this Report, there were no significant changes in the state of affairs of the Group that occurred during the period under review.

Subsequent Events

No other matter or circumstance has arisen since 30 June 2018 that has significantly affected or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future years.

Future Developments

Disclosure of information regarding likely developments in the operations of the Group in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Group. Accordingly, this information has not been disclosed in this report.

Share Options

Unissued Shares

As at the date of this report, there were 19,650,000 unissued ordinary shares under option. Refer to the remuneration report for further details of the options outstanding for Key Management Personnel (KMP).

Option holders do not have any right, by virtue of the option, to participate in any share issue of the Company or any related body corporate.

No shares were issued as a result of the exercise of options during the year or until the date of this report.

REMUNERATION REPORT [AUDITED]

This remuneration report sets out the remuneration information for Directors and Key Management Personnel ('KMP') of the Company for the year ended 30 June 2018. KMP are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly including any Director (whether executive or otherwise) of the parent.

The information provided within this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001.

To help preserve the company's cash position, the Board spent considerable time focusing on its remuneration framework and policy reflecting on past feedback from stakeholders and significant cost reduction measures.

The individuals included in this report are:

Non-Executive Directors

Mr G Lethridge	Non-Executive Chairman
Mr J Macdonald	Non-Executive Director
Mr T Kennedy	Non-Executive Director (Appointed 13 February 2018)
Mr M Naylor	Non-Executive Director (Resigned 13 February 2018)

Executive Director

Mr M Wilson	Managing Director

Key Management Personnel

Mr D Hanna	Chief Financial Officer and Company Secretary (Resigned 1 August 2018)

All Directors and KMP held their positions for the entire financial year and up to the date of this report unless otherwise stated.

Remuneration Governance

The Board has determined that there are no efficiencies to be gained from forming a separate remuneration committee and hence the current Board members carry out the roles that would otherwise be undertaken by a remuneration committee with each Director excluding themselves from matters in which they have a personal interest.

The Board (operating under the formal charter of the Nomination and Remuneration Committee) is responsible for reviewing and recommending the remuneration arrangements for the Executive and Non-Executive Directors and KMP each year in accordance with the Company's remuneration policy approved by the Board. This includes an annual remuneration review and performance appraisal for the Managing Director and other executives, including their base salary, short and long-term incentives, bonuses, superannuation, termination payments and service contracts.

Further information relating to the role of the Nomination & Remuneration Committee, which is assumed by the Board, can be found within the Corporate Governance section of the Company's website, www.helix.net.au.

Overall Remuneration Framework

The Board recognises that the Company's performance and ultimate success in project delivery depends very much on its ability to attract and retain highly skilled, qualified and motivated people. At the same time, remuneration practices must be transparent to shareholders and be fair and competitive taking into account the nature, complexity and size of the organisation.

The approach to remuneration has been structured with the following objectives:

- to attract and retain a highly skilled executive team who are motivated and rewarded for successfully delivering the short and long-term objectives of the Company, including successful project delivery;
- to link remuneration with performance, based on long-term objectives and shareholder return, as well as critical short-term objectives which are aligned with the Company's business strategy;
- to set clear goals and reward performance for successful project development in a way which is sustainable, including in respect of health & safety, environment and community based objectives;
- to be fair and competitive against the market;
- to preserve cash where necessary for exploration, by having the flexibility to attract, reward or remunerate executives with an appropriate mix of equity based incentives;
- to reward individual performance and group performance - thus promoting a balance of individual performance and teamwork across the executive management team and the organisation;
- to have flexibility in the mix of remuneration, including offering a balance of conservative LTI instruments such as options to ensure executives are rewarded for their efforts, but also share in the upside of the Company's growth and are not adversely affected by tax consequences; and

The remuneration framework provides a mix of fixed and variable "at risk" remuneration and a blend of short and long-term incentives. The remuneration for executives has three components:

- Fixed remuneration, inclusive of superannuation and allowances;
- STIs under a performance based cash bonus incentive plan; and
- LTIs through participation in the Company's shareholder approved equity incentive plan.

These three components comprise each executive's total annual remuneration.

Executive Remuneration

All executives receive a fixed base cash salary and other associated benefits. All executives also receive a superannuation guarantee contribution required by Australian legislation, which was 9.5%. No executives receive any retirement benefits.

Fixed remuneration of executives are set by the Board each year and is based on market relativity and individual performance. In setting fixed remuneration for executives, individual performance, skills, expertise and experience are also taken into account to determine where the executive's remuneration should sit within the market range. Where appropriate, external remuneration consultants will be engaged to assist the Board to ensure that fixed remuneration is set to be consistent with market practices for similar roles.

Fixed remuneration for executives are reviewed annually to ensure each executive's remuneration remains fair and competitive. However, there is no guarantee that fixed remuneration will be increased in any service contracts for executives.

Short Term Incentives

The Managing Director and other executives were eligible to earn short-term cash bonuses upon achievement of significant performance based outcomes aligned with the Company's strategic objectives at that time. These performance based outcomes are considered to be an appropriate link between executive remuneration and the potential for creation of shareholder wealth. Given market conditions for exploration companies, no short-term incentives were paid during the year.

Long Term Incentives

LTI awards are generally limited to Directors, executives, senior in-country managers and other key employees approved by the Board who influence or drive the strategic direction of the Company. The Company issued 3,000,000 options as LTI's during the year (2017: 3,000,000).

Value of Options Awarded, Exercised and Lapsed During the Year

30 June 2018

Name	Value of Options Granted During the Year $	Grant Date	Fair Value Per Option $	Exercise Price $	Expiry Date	Value of Options Exercised during the year $	Value of Options Lapsed or Cancelled During the Year $	Number of Options Lapsed or Cancelled During the Year	Number of Options Held at Date of Resignation
Non-Executive Directors									
Mr G Lethridge	-	-	-	-	-	-	-	-	-
Mr J Macdonald	-	-	-	-	-	-	-	-	-
Mr T Kennedy	$58,498	6 Apr 2018	$0.0195	$0.0607	5 Apr 2021	-	-	-	-
Mr M Naylor	-	-	-	-	-	-	-	-	3,000,000
Executive Directors									
Mr M Wilson	-	-	-	-	-	-	-	-	-
Executives									
Mr D Hanna	-	-	-	-	-	-	-	-	-

30 June 2017

Name	Value of Options Granted During the Year $	Grant Date	Fair Value Per Option $	Exercise Price $	Expiry Date	Value of Options Exercised during the year $	Value of Options Lapsed or Cancelled During the Year $	Number of Options Lapsed or Cancelled During the Year	Number of Options Held at Date of Resignation
Non-Executive Directors									
Mr G Lethridge	$81,154	8 May 2017	$0.0271	$0.0673	2 May 2020	-	-	-	-
Mr P Rombola	-	-	-	-	-	-	$22,811	-	2,000,000
Mr J Macdonald	-	-	-	-	-	-	-	-	-
Mr M Naylor	-	-	-	-	-	-	-	-	-
Executive Directors									
Mr M Wilson	-	-	-	-	-	-	-	-	-
Executives									
Mr D Hanna	-	-	-	-	-	-	-	-	-

Grant of Long Term Incentives

For the year ended 30 June 2018, the following options were issued to KMP:

	Number of Options over Ordinary Shares
T Kennedy	3,000,000

For the year ended 30 June 2017, the following options were issued to KMP:

	Number of Options over Ordinary Shares
G Lethridge	3,000,000

All options issued to Directors and KMP are issued for nil consideration.

All options issued carry no dividend or voting rights. When exercised, each option is converted into one ordinary share pari passu with existing ordinary shares.

Non-Executive Remuneration

The policy of the Board is to remunerate Non-Executive Directors in the form of Directors' fees at market rates for comparable companies based on their time, commitment and responsibilities. Fees for Non-Executive Directors are not linked to the performance of the Company to maintain independence and impartiality. In determining competitive remuneration rates, the Board have historically reviewed local trends among comparative companies and the industry generally.

Non-Executive Director fees are also determined within an aggregate fee pool which is subject to approval by shareholders. The aggregate fee pool is currently set at $150,000 per annum which was last approved at the Annual General Meeting in April 2006. As at the date of this report the level of total Non-Executive Director remuneration actually paid remains below the maximum amount payable.

Other than for Mr Lethridge, salaries and fees paid do not include any superannuation payments. The Company does not pay retirement allowances to Non-Executive Directors in line with ASX Corporate Governance Recommendations.

Details of Remuneration

2018	Short Term Employee Benefits			Post-Employment Benefits	Long-Term Benefits	Share Based Payments		% of Remuneration	Total	Performance Related
	Salary & Fees	Bonus	Non-Monetary	Superannuation	Annual & Long Service Leave	Shares	Options(2)			
	$	$	$	$	$	$	$		$	$
Non – Executive Directors										
G Lethridge	54,795	-	-	4,730	-	-	22,604	28%	82,129	-
J Macdonald	36,530	-	-	3,470	-	-	2,233	5%	42,233	-
T Kennedy(3)	13,590	-	-	1,291	-	-	23,284	61%	38,165	-
M Naylor(1)	25,571	-	-	2,429	-	-	2,233	7%	30,233	-
Executive Directors										
M Wilson	200,000	-	-	19,000	18,147	-	2,233	1%	239,380	-
Key Management Personnel										
D Hanna	86,636	-	-	-	-	-	-	-	86,636	-
Total	**417,122**	**-**	**-**	**30,920**	**18,147**	**-**	**52,587**		**518,776**	**-**

(1)Mr Naylor resigned from the position of non-executive Director on 16 February 2018.

(2)The fair value of options is calculated at the date of grant using the Black Scholes option pricing model and allocated to each reporting period over the period from grant date to vesting date. The value disclosed in the above table is the portion of the fair value of the options recognised in the reporting period.

(3)Mr Kennedy was appointed the position of non-executive Director on 16 February 2018. On 6 April 2018, Mr Kennedy was issued 3,000,000 non-transferrable unlisted options exercisable at $0.0607, on or before 5 April 2021.

No short-term cash bonuses included as paid or accrued for during the year ended 30 June 2018.

2017	Short Term Employee Benefits			Post-Employment Benefits	Long-Term Benefits	Share Based Payments				
	Salary & Fees	**Bonus**	**Non-Monetary**	**Superannuation**	**Annual & Long Service Leave**	**Shares**	**Options[(2)]**	**% of Remuneration**	**Total**	**Performance Related**
	$	**$**	**$**	**$**	**$**	**$**	**$**		**$**	**$**
Non – Executive Directors										
P Rombola	23,833	-	-	-	-	-	11,131	32%	34,964	-
J Macdonald	40,000	-	-	-	-	-	16,696	29%	56,696	-
G Lethridge	16,939	-	-	1,609	-	-	30,633	62%	49,181	-
M Naylor[(1)]	24,500	-	-	-	-	-	16,696	41%	41,196	-
Executive Directors										
M Wilson	182,648	-	-	17,352	20,384	-	16,696	7%	237,080	-
Key Management Personnel										
M Naylor[(1)]	37,500	-	-	-	-	-	-	-	37,500	
D Hanna	7,500	-	-	-	-	45,000[(3)]	-	-	52,500	-
Total	**332,920**	**-**	**-**	**18,961**	**20,384**	**45,000**	**91,852**	**-**	**509,117**	**-**

[(1)]Mr Naylor resigned from the position of CFO and Company Secretary and was appointed to the Board as a non-executive Director on 28 November 2016.

[(2)]The fair value of options is calculated at the date of grant using the Black Scholes option pricing model and allocated to each reporting period over the period from grant date to vesting date. The value disclosed in the above table is the portion of the fair value of the options recognised in the reporting period.

[(3)] Mr Hanna participated in the share placement that occurred during the period and provided CFO and Company Secretarial services as consideration.

No short-term cash bonuses included as paid or accrued for during the year ended 30 June 2017.

Whilst the level of remuneration is not dependent on the satisfaction of any performance condition, the performance of Executives is reviewed on an annual basis against a number of qualitative and quantitative factors.

Consequences of performance on shareholder wealth

In considering the Group's performance and benefits for shareholder wealth, the Board have regard to the following indices in respect of the current financial year and the previous four financial years:

Item	2014	2015	2016	2017	2018
Revenue	112,425	72,161	27,720	22,495	43,940
Net Profit/(Loss)	(1,971,585)	(4,301,431)	(1,502,964)	(6,312,894)	(348,200)
Share Price	$0.026	$0.028	$0.07	$0.037	$0.037
Loss per share (cents)	(0.96)	(1.64)	(0.54)	(1.94)	(0.09)
Dividends	Nil	Nil	Nil	Nil	Nil

Service Agreements

On appointment to the Board all Non-Executive Directors enter into a service agreement in the form of a letter of appointment. The letter sets out the Company's policies and terms including compensation relevant to the Director.

Remuneration and other key terms of employment for the Managing Director and other executives are formalised in executive service agreements. The agreements provide for payment of fixed remuneration, performance related cash bonuses where applicable, other allowances and confirm eligibility to participle in the Company's STI and LTI plans.

The major provisions of the agreements relating to remuneration are set out below.

Name	Base Salary / Fee[1]	Term of Agreement	Notice Period by Company	Notice Period from Executive
G Lethridge	60,000	Not specified	Not Specified	Not specified
M Wilson	200,000	Not specified	Not specified	Not specified
J Macdonald	40,000	Not specified	Not specified	Not specified
T Kennedy	40,000	Not specified	Not specified	Not specified
M Naylor	42,000	Not specified	Not specified	Not specified
D Hanna	90,000	Not specified	Not specified	Not specified

(1) Inclusive of 9.5% Superannuation guarantee contributions

Options held by Directors and Key Management Personnel

The number of options over ordinary shares in the Company held during the financial year by each Director of Helix Resources Limited and other KMP of the Company, including their personally related parties, are set out below.

Director/Key Management Personnel	Balance as at 1 July 2017	Options Granted during year as remuneration	Options Exercised during year	Options disposed / cancelled / lapsed during year	Balance as at 30June 2018	Options vested & exercisable at end of year
G Lethridge	3,000,000	-	-	-	3,000,000	3,000,000
M Wilson	3,000,000	-	-	-	3,000,000	3,000,000
J Macdonald	3,000,000	-	-	-	3,000,000	3,000,000
T Kennedy	-	3,000,000 (2)	-	-	3,000,000	3,000,000
M Naylor	3,000,000	-	-	-	3,000,000(1)	3,000,000(1)
D Hanna	-	-	-	-	-	-

(1) These balances are as at the date of Mr Naylor's resignation being 16 February 2018.

(2) On 6 April 2018, Mr Kennedy was issued 3,000,000 non-transferrable unlisted options exercisable at $0.0607, on or before 5 April 2021.

Shares held by Directors and Key Management Personnel

The number of ordinary shares in the Company held during the financial year by each Director of Helix Resources Limited and other KMP of the Company, including their personally related parties, are set out below.

Director/Key Management Personnel	Balance as at 1 July 2017	Purchased	Disposed	Other Movements	Balance as at 30 June 2018
G Lethridge	200,000	-	-	-	200,000
M Wilson	3,505,434	-	-	-	3,505,434
J Macdonald	10,077,500	-	-	-	10,077,500
T Kennedy	-	-	-	-	-
M Naylor	1,996,501	-	-	-	1,996,501 (1)
D Hanna	1,996,501	-	-	-	1,996,501

(1) These balances are as at the date of Mr Naylor's resignation being 16 February 2018.

No shares were issued as part of remuneration.

Related Party Transactions

The Company has adopted a policy to contract the services of certain Director Related entities to retain access to relevant expertise. The policy provides that Helix will only enter into a transaction with a Director Related entity in the following circumstances:

a) Any proposed transaction is at arm's length and on normal commercial terms; and

b) Where it is believed that the Director Related entity is the best equipped to undertake the work after taking into account: experience, expertise, knowledge of the Group; and value for money.

Use of Remuneration Consultants

During the year ended 30 June 2018, whilst the Board did not engage the formal services of external remuneration consultants, it did hold informal discussions with such consultants. In addition, the Board utilised publicly available remuneration benchmarking surveys prepared by an international recruitment agency.

Voting and comments made at the Company's last Annual General Meeting

Helix received more than 76% of "yes" votes on its Remuneration Report for the financial year ending 30 June 2017 at its 2017 Annual General Meeting. The Company received no specific feedback on its Remuneration Report at the Annual General Meeting.

END OF AUDITED REMUNERATION REPORT

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.

Environmental Regulations

The Group is subject to environmental regulations under laws of the Commonwealth and State. The Group 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	
	Entitled to Attend	Attended	Entitled to Attend	Attended	Entitled to Attend	Attended
G Lethridge	5	5	-	-	-	-
M Wilson	5	5	-	-	-	-
J Macdonald	5	5	-	-	-	-
T Kennedy	2	2	-	-	-	-
M Naylor	3	3	-	-	-	-

Non-Audit Services

The auditors did not provide any non-audit services during the financial year.

Auditor’s Independence Declaration

The auditor’s independence declaration is included on page 31of the financial report.

Dated at Perth this 28thday of September2018.

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.

Michael Wilson

Director

28th September 2018

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Auditor's Independence Declaration

To the Directors of Helix Resources Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Helix Resources Limited for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

P. Warr.

P W Warr
Partner – Audit & Assurance

Perth, 28 September 2018

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Independent Auditor's Report

To the Members of Helix Resources Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Helix Resources Limited (the Group), which comprises the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the Group's financial position as at 30 June 2018 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1(v) in the financial statements, which indicates that the Group incurred a net loss of $348,200 during the year ended 30 June 2018, and as of that date, the Group's cash outflows from operating activities totalled $1,144,483. As stated in Note 1(v), these events or conditions, along with other matters as set forth in Note 1(v), indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Exploration and evaluation assets – refer to Note 7	

At 30 June 2018, the carrying value of exploration and evaluation assets was $7.954 million.
 	
In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*, the Group is required to assess at each reporting date if there are any triggers for impairment which may suggest the carrying value is in excess of the recoverable value.
 	
The process undertaken by management to assess whether there are any impairment triggers in each area of interest involves an element of management judgement.
 	
This area is a key audit matter due to the significant judgement involved in determining the existence of impairment triggers.
	Our procedures included, amongst others:
	
	• obtaining the management reconciliation of capitalised exploration and evaluation expenditure and agreeing to the general ledger;
	• reviewing management's area of interest considerations against AASB 6;
	• conducting a detailed review of management's assessment of trigger events prepared in accordance with AASB 6 including;
	  ○ tracing projects to statutory registers, exploration licenses and third party confirmations to determine whether a right of tenure existed;
	  ○ enquiry of management regarding their intentions to carry out exploration and evaluation activity in the relevant exploration area, including review of management's budgeted expenditure;
	  ○ understanding whether any data exists to suggest that the carrying value of these exploration and evaluation assets are unlikely to be recovered through development or sale;
	• assessing the accuracy of impairment recorded for the year as it pertained to exploration interests; and
	• assessing the appropriateness of the related financial statement disclosures.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

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

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar2.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 12 to 20 of the Directors' report for the year ended 30 June 2018.

In our opinion, the Remuneration Report of Helix Resources Limited, for the year ended 30 June 2018 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Group are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

P. Warr.

P W Warr
Partner – Audit & Assurance

Perth, 28 September 2018

DIRECTORS' DECLARATION

The Directors of the company declare that:

1. The consolidated financial statements and notes, as set out on pages 37to 69are in accordance with the Corporations Act 2001 and:-

    a) comply with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001and other mandatory reporting requirements; and

    b) give a true and fair view of the financial position as at 30 June 2018and of the performance for the year ended on that date of the group; and

    c) complies with International Financial Reporting Standards as disclosed in Note 1.

2. the Chief Finance Officer has declared that:

    a) the financial records of the Company for the financial year have been properly maintained in accordance with s 286 of the Corporations Act 2001;

    b) the financial statements and notes for the financial year comply with the Accounting Standards; and

    c) the financial statements and notes for the financial year give a true and fair view;

3. 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;

This declaration is made in accordance with a resolution of the Board of Directors as required by section 295A of the Corporations Act 2001.

On behalf of the Directors

Michael Wilson

Director

Signed at Perth this 28th day of September 2018.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2018

	Note	CONSOLIDATED 2018	CONSOLIDATED 2017
		$	$
Current Assets			
Cash and Cash Equivalents	2	900,629	1,965,627
Trade and Other Receivables	3	64,442	198,671
Other Financial Assets	4	219,788	-
Total Current Assets		**1,184,859**	**2,164,298**
Non-Current Assets			
Property, Plant & Equipment	6	55,380	96,900
Exploration and Evaluation	7	7,954,697	6,255,307
Other Financial Assets	5	-	185,851
Total Non-Current Assets		**8,010,077**	**6,538,058**
Total Assets		**9,194,936**	**8,702,356**
Current Liabilities			
Trade and Other Payables	8	159,609	509,373
Provisions	9	104,038	71,306
Total Current Liabilities		**263,647**	**580,679**
Non- Current Liabilities			
Provisions	9	-	3,851
Total Non-Current Liabilities		**-**	**3,851**
Total Liabilities		**263,647**	**584,530**
Net Assets		**8,931,289**	**8,117,826**
Equity			
Share Capital	10	65,677,689	64,571,704
Reserves	11	395,415	339,737
Accumulated Losses	12	(57,141,815)	(56,793,615)
Total Equity		**8,931,289**	**8,117,826**

This statement should be read in conjunction with the Notes to the Financial Statements

CONSOLIDATED STATEMENT OF PROFIT OR LOSS &OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2018

	Note	CONSOLIDATED 2018 $	 2017 $
Revenue	13	43,940	22,495
Other Income		-	-
Employment Costs		(61,188)	(144,394)
Audit and Accountancy		(39,951)	(45,990)
Corporate Marketing		(11,842)	(43,176)
Directors' Fees		(379,553)	(106,882)
Depreciation	6	(45,020)	(14,389)
Foreign Exchange Loss/(Gain)		(426)	(3,167)
Impairment of Exploration and Evaluation Assets	7	-	(5,652,055)
Share Based Payments		(55,678)	(103,818)
Information Technology Costs		(14,228)	(14,899)
Premises Costs		(58,787)	(73,998)
Professional Services		(25,797)	(2,480)
Travel expenses		(11,473)	(24,853)
Gain on Sale of Mineral Interest	21	500,000	-
Share Registry and Listing Costs		(27,223)	(58,239)
Other Expenses	14	(160,974)	(47,049)
Loss before income tax		(348,200)	(6,312,894)
Income tax benefit	18	-	-
Loss for the year		(348,200)	(6,312,894)
Other Comprehensive Income			
Other comprehensive income, after tax		-	-
Total Comprehensive Loss attributable to members of Helix Resources Limited		**(348,200)**	**(6,312,894)**
Loss Per Share			
Basic (cents per share)	20	(0.09)	(1.94)
Diluted (cents per share)	20	(0.09)	(1.94)

This statement should be read in conjunction with the Notes to the Financial Statements

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2018

	Note	CONSOLIDATED 2018 $	2017 $
Cash Flow From Operating Activities			
Payments to suppliers and employees		(1,306,388)	(507,071)
Interest received		18,794	22,048
R&D tax rebate	18	-	167,110
Other receipts		143,111	-
Net cash (used in) operating activities	2(b)	(1,144,483)	(317,913)
Cash Flow From Investing Activities			
Payments for capitalised exploration & evaluation expenditure		(1,497,060)	(1,721,439)
Payments from purchase of property, plant & equipment		(3,500)	(71,828)
Proceeds from sale of property, plant & equipment		7,000	500
Proceeds from sale of mineral interest		500,000	-
Payments for security deposits		(69,521)	-
Proceeds from security deposits		37,007	-
Net cash (used in) investing activities		(1,027,074)	(1,792,767)
Cash Flow From Financing Activities			
Proceeds from issue of shares		1,200,000	2,208,000
Share issue costs		(94,015)	(132,341)
Net cash provided by financing activities		1,105,985	2,075,659
Net increase/(decrease) in cash and cash equivalents held		(1,064,572)	(35,021)
Exchange rate adjustment		(426)	(3,167)
Cash and cash equivalents at beginning of financial year		1,965,627	2,003,815
Cash and cash equivalents at End of Financial Year	**2(a)**	**900,629**	**1,965,627**

This statement should be read in conjunction with the Notes to the Financial Statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2018

CONSOLIDATED		Share Capital			
2018		**Ordinary**	**Reserves**	**Accumulated Losses**	**Total**
		$	**$**	**$**	**$**
Total equity at the beginning of the financial year		**64,571,704**	**339,737**	**(56,793,615)**	**8,117,826**
Issue of shares during the financial year	10	1,200,000	-	-	1,200,000
Share issue costs during the financial year	10	(94,015)	-	-	(94,015)
Options vested during financial year	11	-	32,394	-	32,394
Options issued during financial year	11	-	23,284	-	23,284
Total transactions with owners		1,105,985	55,678	-	1,161,663
Loss for the year		-	-	(348,200)	(348,200)
Other comprehensive income for the year		-	-	-	-
Total comprehensive income		-	-	(348,200)	(348,200)
Total equity at the end of the financial year		**65,677,689**	**395,415**	**(57,141,815)**	**8,931,289**

CONSOLIDATED		Share Capital			
2017		**Ordinary**	**Reserves**	**Accumulated Losses**	**Total**
		$	**$**	**$**	**$**
Total equity at the beginning of the financial year		**62,496,044**	**235,918**	**(50,480,721)**	**12,251,241**
Issue of shares during the financial year	10	2,208,000	-	-	2,208,000
Share issue costs during the financial year	10	(132,340)	-	-	(132,340)
Options vested during financial year	11	-	103,819	-	103,819
Total transactions with owners		64,571,704	339,737	(50,480,721)	14,430,720
Loss for the year		-	-	(6,312,894)	(6,312,894)
Other comprehensive income for the year		-	-	-	-
Total comprehensive income		-	-	(6,312,894)	(6,312,894)
Total equity at the end of the financial year		**64,571,704**	**339,737**	**(56,793,615)**	**8,117,826**

This statement should be read in conjunction with the Notes to the Financial Statements

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, Australian Accounting Standards and Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and complies with other requirements of the law. The financial report includes financial statements for Helix Resources Limited as the Consolidated Entity (Group) consisting of Helix Resources Limited and its controlled entities. The Group is a for-profit entity for financial reporting purposes.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

Accounting policies

Material accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified where applicable by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property. A summary of the Group's significant accounting policies is set out below.

a) Principles of Consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of 30 June 2018. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

b) Cash and Cash Equivalents

Cash on hand and in banks and short term deposits are stated at nominal value. For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within 90 days, net of outstanding bank overdrafts.

c) Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Amounts receivable from the Australian Tax Office in respect of research and development tax concession claims are recognised when management have a reasonable basis to estimate the claim proceeds.

d) Plant and Equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal.

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%

De-recognition and disposal

An item of property, plant and equipment is derecognised on disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on the de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

e) Exploration and evaluation

Exploration and evaluation 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 that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

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.

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.

f) 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.

g) Non-derivative financial instruments

Financial instruments are initially measured at cost on trade date, which includes transaction costs. Subsequent to initial recognition, these instruments are measured as set out below.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in receivables in the Statement of Financial Position.

(ii) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date.

Purchases and sales of investments are recognised on trade-date - the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the profit or loss in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as available-for-sale are recognised in equity in the available-for-sale investments revaluation reserve.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in profit or loss as gains and losses from investment securities.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The Group assesses at reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss - is removed from equity and recognised in the profit or loss. Impairment losses recognised in the profit or loss on equity instruments are not reversed through the profit or loss.

h) Employee Benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service 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 and other employee benefits expected to be settled wholly 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 Group in respect of services provided by the employees up to reporting date.

Share-based payments

Share-based compensation benefits are provided to employees via various Share Option Plans.

The fair value of options granted is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value of the options granted excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate.

Upon the exercise of options, the balance of the share-based payments reserve relating to those options is transferred to share capital. The market value of shares issued to employees for no cash consideration under the Share Plans is recognised as an employee benefits expense with a corresponding increase in equity when the employees become entitled to the shares.

i) Interest in Joint Venture Operations

Associates are those entities over which the Group is able to exert significant influence but which are not subsidiaries.

A joint venture is an arrangement that the Group controls jointly with one or more other investors, and over which the Group has rights to a share of the arrangement's net assets rather than direct rights to underlying assets and obligations for underlying liabilities. A joint arrangement in which the Group has direct rights to underlying assets and obligations for underlying liabilities is classified as a joint operation.

Investments in associates and joint ventures are accounted for using the equity method. Interests in joint operations are accounted for by recognising the Group's assets (including its share of any assets held jointly), its liabilities (including its share of any liabilities incurred jointly), its revenue from the sale of its share of the output arising from the joint operation, its share of the revenue from the sale of the output by the joint operation and its expenses (including its share of any expenses incurred jointly).

Any goodwill or fair value adjustment attributable to the Group's share in the associate or joint venture is not recognised separately and is included in the amount recognised as investment.

The carrying amount of the investment in associates and joint ventures is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the associate and joint venture, adjusted where necessary to ensure consistency with the accounting policies of the Group.

Unrealised gains and losses on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

Details of interests in joint ventures are shown at Note 21.

j) Revenue Recognition

Revenue from the disposal of assets is recognised when the Group has passed control of the goods or other assets to the buyer.

Interest on bank deposits is recognised as income as it accrues. Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument and is net of GST.

Other revenue is recognised when it is received or when the right to receive payment is established.

k) Trade and Other Payables

Trade payables and other accounts payable are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days or recognition.

l) Trade and Other Receivables

Other receivables are recorded at amounts due less any specific allowance for impairment.

m) Goods and Services Tax

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

- 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
- 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.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

n) Impairment of Non-financial Assets

Non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

o) Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

p) Provisions

Mine restoration and rehabilitation costs are provided for at the present value of future expected expenditures required to settle the Group’s obligations on commencement of commercial production, discounted using a rate specified to the liability. When this provision is recognised a corresponding asset is also recognised as part of the development costs of the mine to the extent that it is considered that the provision gives access to future economic benefits. On an ongoing basis, the rehabilitation liability is re-measured at each reporting period in line with the changes in the time value of money (recognised as an expense in the statement of profit or loss and other comprehensive income and an increase in the provision), and additional disturbances or changes in rehabilitation costs will be recognised as additions or changes to the corresponding asset and rehabilitation liability.

q) Foreign Currency Translation

Functional and Presentation Currency

The consolidated financial statements are presented in Australian dollars (AUD), which is also the functional currency of all entities in the group.

Foreign Currency Transactions and Balances

Foreign currency transactions are translated into the functional currency of the respective Group entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at year end exchange rates are recognised in profit or loss. Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the date of the transaction), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

r) Operating Segment

Operating segments are presented using the 'management approach' where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM') who are the Board of Directors. The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

s) Current and Non-Current Classification

An asset is classified as current when it is either expected to be realised; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when it is either expected to be settled in the Group's normal operating cycle; due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

t) New and Amended Accounting Standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period, however, the Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards. Information on these new standards which are relevant to the Group is presented below.

AASB 2016-1 *Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses* amends AASB 112 *Income Taxes* to clarify how to account for deferred tax assets related to debt instruments measured at fair value, particularly where changes in the market interest rate decrease the fair value of a debt instrument below cost. When these amendments are first adopted for the year ending 30 June 2018, there will be no material impact on the financial statements.

AASB 2016-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107* amends AASB 107 *Statement of Cash Flows* to require entities preparing financial statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. When these amendments are first adopted for the year ending 30 June 2018, there will be no material impact on the financial statements.

AASB 2016-3 *Clarifications to AASB 15 Revenue from Contracts with Customers* clarify the application of AASB 15 in three (3) specific areas to reduce the extent of diversity in practice that might otherwise result from differing views on how to implement the requirements of the new standard. When these amendments are first adopted for the year ending 30 June 2019, there will be no material impact on the financial statements.

AASB 2017-2 *Amendments to Australian Accounting Standards - Further Annual Improvements 2014-2016 Cycle* amends AASB 12 'Disclosure of Interests in Other Entities' clarify that the disclosure requirements of AASB 12 (other than the requirements for summarised information for subsidiaries, joint ventures and associates) apply to an entity's interests in other entities that are classified as held for sale, held for distribution to owners in their capacity as owners, or discontinued operations in accordance with AASB 5 'Non-current Assets Held for Sale and Discontinued Operations'.

New Accounting Standards and Interpretations not yet Mandatory or Early Adopted

New and revised accounting standards and amendments that are currently issued for future reporting periods that are relevant to the Group include:

AASB 9*Financial Instruments* and AASB 2014-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)* introduce new requirements for the classification and measurement of financial assets and liabilities and includes a forward-looking ''expected loss'' impairment model and a substantially-changed approach to hedge accounting. These requirements improve and simplify the approach of classification and measurement of financial assets compared with the requirements of AASB 139. The effective date is for annual reporting periods beginning on or after 1 January 2018.The Group is yet to undertake a detailed assessment of the impact of AASB 9. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2019.

AASB 15 *Revenue from Contracts with Customers*, AASB 2014-5 and AASB 2015-8 *Amendments to Australian Accounting Standards* replace AASB 118: Revenue, AASB 111 Construction Contracts and some revenue-related Interpretations. In summary, AASB 15:

- establishes a new revenue recognition model;
- changes the basis for deciding whether revenue is to be recognised over time at a point in time;
- provides a new and more detailed guidance on specific topics (eg multiple element arrangements, variable pricing, rights of return and warranties); and
- expands and improves disclosures about revenue.

When this Standard is first adopted for the year ending 30 June 2019, there will be no material impact on the transactions and balances recognised in the financial statements.

AASB 16 *Leases* replaces AASB 117 *Leases* and some lease-related Interpretations. It largely retains the existing lessor accounting requirements in AASB 117. It provides new guidance on the application of the definition of lease and on sale and lease back accounting and requires new and different disclosures about leases. It requires all leases to be accounted for 'on-balance sheet' by lessees, other than short-term and low value asset leases. The entity is yet to undertake a detailed assessment of the impact of AASB 16. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2020.

u) Critical Accounting Estimates and Other Accounting Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the application of the Australian Accounting Standards, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

The Group is of the view that there are no critical accounting estimates and judgements in this financial report, other than accounting estimates and judgements in relation to the following:

Exploration and Evaluation Expenditure

The Group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of resources or reserves.

Fair value of options issued

Management apply valuation techniques to determine the fair value of financial instruments where active market quotes are not available. This requires management to develop estimates and assumptions based on market inputs, using observable data that market participants would use in pricing the instrument. Where such data is not observable, management uses its best estimate. Estimated fair values of financial instruments may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

v) Going Concern

These financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Company incurred an operating loss after income tax for the year ended 30 June 2018 of $348,200 (2017: $6,312,894) and reported net cash outflows from operating and investing activities of $2,171,557 (2017: $2,110,680). As at 30 June 2018 the Group had available cash and cash equivalents of $900,629 (2017: $1,965,627).

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

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

If the Company is unable to continue as a going concern, it may be required to realise its assets and/or settle its liabilities other than in the ordinary course of business and at amounts different from those stated in the financial statements.

2) Notes to the Cash Flow Statement

a) Reconciliation of Cash

For the purposes of the statement of cash flows and statement of financial position, cash and cash equivalents include 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:

	CONSOLIDATED	
	2018	2017
	$	$
Cash on Hand	1,073	13
Cash at Bank	899,556	1,965,614
Total Cash	900,629	1,965,627

Cash on hand is non-interest bearing. Cash at bank bears floating interest rates between 0.00% and 0.50% (2017: between 0.00% and 1.62%).

b) Reconciliation of loss after income tax to cash flows provided by operating activities

	CONSOLIDATED	
	2018	2017
	$	$
Loss after income tax	(348,200)	(6,312,894)
Non-cash flows in Loss		
Depreciation	45,020	14,389
Impairment of exploration and evaluation	-	5,652,055
Gain on foreign exchange transactions	426	3,167
Share based payments	55,678	103,818
Changes in Net Assets and Liabilities		
Decrease / (increase) in trade and other receivables	(374,194)	56,982
(Decrease) / increase in trade and other payables	(552,094)	156,692
Increase in provisions	28,881	7,878
Net Cash provided by Operating Activities	(1,144,483)	(317,913)

Non- cash financing activities

During the year, a total value of $55,678 options had vested. Part of this balance relates to 3,000,000 unlisted options exercisable at $0.0607 on or before 5 April 2021, that were issued to Mr Kennedy of $23,284.

3) Trade and Other Receivables

CURRENT RECEIVABLES	CONSOLIDATED 2018 $	CONSOLIDATED 2017 $
Prepayments	-	34,512
Other Receivables	64,442	164,159
Total Current Receivables	64,442	198,671

The net carrying value of trade receivables is considered a reasonable approximation of fair value. No current or past due receivables were impaired at the end of the financial year.

4) Other Financial Assets - Current

	CONSOLIDATED 2018 $	CONSOLIDATED 2017 $
Security Deposits	219,788	-
Total Current Financial Assets	219,788	-

a) Shares in subsidiaries

Name	Country of Incorporation	Principal Activity	Percentage Held 2018	Percentage Held 2017
Oxley Exploration Pty Ltd*	Australia	Mineral Exploration	100%	100%
Leichhardt Resources (QLD) Pty Ltd*	Australia	Mineral Exploration	100%	100%
Helix Resources (Overseas) Pty Ltd*	Australia	Mineral Exploration	100%	100%
Helix Resources Chile Limitada*	Chile	Mineral Exploration	100%	100%

* All Subsidiaries' primary activities are mineral exploration.

5) Other Financial Assets – Non Current

	CONSOLIDATED 2018 $	CONSOLIDATED 2017 $
Security Deposits	-	184,651
Shares in Listed Corporations – Available-for-sale	-	1,200
Total Other Assets – Non-Current	-	185,851

Changes in fair values of financial assets held for trading are recorded in the profit and loss.

Movement in shares in listed corporations – available for sale is as follows:

	CONSOLIDATED	
	2018	2017
	$	$
Opening balance	1,200	1,200
Revaluation on shares in listed corporations	(1,200)	-
Closing balance	-	1,200

6) Property, Plant and Equipment

	CONSOLIDATED		
2018	**Plant & Equipment**	**Motor Vehicles**	**Total**
	$	**$**	**$**
Gross Carrying Amount			
Balance at 1 July 2017	130,763	161,054	291,817
Additions	3,500	-	3,500
Disposals	(10,000)	-	(10,000)
Balance at 30 June 2018	124,263	161,054	285,317
Accumulated Depreciation			
Balance at 1 July 2017	106,807	88,110	194,917
Depreciation	20,763	24,257	45,020
Depreciation write off on disposal	(10,000)	-	(10,000)
Balance at 30 June 2018	117,570	112,367	229,937
Net Book Value			
30 June 2018	6,693	48,687	55,380

CONSOLIDATED			
2017	**Plant & Equipment**	**Motor Vehicles**	**Total**
	$	**$**	**$**
Gross Carrying Amount			
Balance at 1 July 2016	126,541	94,856	221,397
Additions	5,630	66,198	71,828
Disposals	(1,408)	-	(1,408)
Balance at 30 June 2017	130,763	161,054	291,817
Accumulated Depreciation			
Balance at 1 July 2016	98,235	83,202	181,437
Depreciation	9,481	4,908	14,389
Depreciation write off on disposal	(909)	-	(909)
Balance at 30 June 2017	106,807	88,110	194,917
Net Book Value			
30 June 2017	23,956	72,944	96,900

7) Exploration and Evaluation Expenditure (Non-Current)

	CONSOLIDATED	
	2018	**2017**
	$	**$**
Balance at beginning of the financial year	6,255,307	10,129,423
Expenditure incurred during the year	1,699,390	1,777,939
Impairment losses	-	(5,652,055)
Balance at the end of the financial year	7,954,697	6,255,307

The Directors' assessment of carrying 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 Group's interests in those areas for an amount at least equal to the carrying value. There may exist, on the Group’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. As a result of the assessment of the economic recoverability of certain tenements, no provision for impairment was required (2017: $5,652,155) against the carrying value of its exploration and evaluation expenditure.

Chile

Exploration and evaluation expenditure incurred is capitalised 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 that permits reasonable assessment of the existence of economically recoverable reserves.

During the prior year, the board reviewed the carrying value of the Chilean Assets, being the Joshua Copper Project ($3,496,270) and the Huallillinga(Samuel) / Blanco Y Negro Copper/Gold Project ($2,021,694). The board considered the impairment indicators contained within AASB 6. The board concluded that given the assets are held in care & maintenance, that no exploration activity was undertaken during the current period and that no exploration activity was budgeted over the forward 12 months, that it would be prudent to impair 100% of the capitalised exploration costs relating to both projects. This resulted in a non-cash impairment expense in the Statement of Financial Performance of in the prior period of $5,517,964. Noting that no further amounts were capitalised for these projects in the current year.

It should be noted that the requirement for impairment arises from the accounting standards and not from any geological, technical or prospectivity down-grades of these projects. (Refer to Note 26: Subsequent event)

OtherNSW

Prior year impairment losses related to EL 7438 (Quanda) – 40% of the tenement ground holding was relinquished during the prior period, and as such $34,091 was expensed in the current year profit and loss.

8) Trade and Other Payables

	CONSOLIDATED	
	2018	**2017**
	$	**$**
Trade Payables	93,955	382,376
Other Payables	65,654	126,997
Total Trade Payables	159,609	509,373

All amounts are current and are expected to be settled within 12 months. The carrying value of trade payables is considered to be a reasonable approximation of fair value.

9) Provisions

	CONSOLIDATED	
	2018	2017
	$	$
Current		
Employee Benefits	104,038	71,306
Total Current Provisions	104,038	71,306
Non-Current		
Employee Benefits	-	3,851
Total Non-Current Provisions	-	3,851

10) Share Capital

	CONSOLIDATED	
	2018	2017
	$	$
394,466,692 Fully Paid Ordinary Shares (2017: 354,466,692)	65,677,689	64,571,704
Total Share Capital	65,677,689	64,571,704

	2018		2017	
	No	$	No	$
Fully Paid Ordinary Shares				
Balance at beginning of financial year	354,466,692	64,571,704	308,466,692	62,496,044
Share Issue: 40,000,000 Fully Paid Shares @ $0.03	40,000,000	1,200,000	-	-
Share Issue: 46,000,000 Fully Paid Shares @ $0.048	-	-	46,000,000	2,208,000
Share Issue Costs	-	(94,015)	-	(132,340)
Balance at end of financial year	394,466,692	65,677,689	354,466,692	64,571,704

Fully paid ordinary shares have no par value, carry one vote per share and carry the right to dividends. Options carry no voting rights until converted to fully paid ordinary shares.

Capital Management

Management controls the capital of the group in order to maximise the return to shareholders and ensure that the group can fund its operations and continue as a going concern.

Management effectively manages the group's capital by assessing the group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of expenditure and debt levels, distributions to shareholders and share and option issues.

There have been no changes in the strategy adopted by management to control the capital of the group since the prior year.

11) Reserves

	2018		2017	
	No.	**$**	**No.**	**$**
Unlisted Options				
Balance at beginning of financial year	16,650,000	339,737	14,750,000	235,918
Options issued during the financial year	3,000,000	23,284	3,000,000	103,819
Options vesting during the financial year	-	32,394	-	-
Cancellation of Options	-	-	(1,100,000)	-
Balance at end of financial year	19,650,000	395,415	16,650,000	339,737

There were no other options on issue as at 30 June 2018 (2017: Nil).

Option Reserve

The option reserve recognises the fair value of options issued but not exercised. Upon the exercise, lapsing or expiry of options, the balance of the option reserve relating to those options is transferred to accumulated losses.

12) Accumulated Losses

	CONSOLIDATED	
	2018	**2017**
	$	**$**
Balance at beginning of financial year	(56,793,615)	(50,480,721)
Net Loss attributable to members of the parent entity	(348,200)	(6,312,894)
Balance at end of financial year	(57,141,815)	(56,793,615)

13) Revenue

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

	CONSOLIDATED	
	2018	2017
	$	$
Interest Revenue	20,363	22,048
Other	23,577	447
Total Revenue	43,940	22,495

14) Other Expenses

	CONSOLIDATED	
	2018	2017
	$	$
Bank Fees	5,727	2,582
Insurance	26,059	23,639
Listing costs	38,375	153
Office costs	42,780	15,554
Other	48,033	5,121
Total Other Expenses	160,974	47,049

15) Commitments

a) Operating Lease Commitments

	CONSOLIDATED	
	2018	2017
	$	$
Not later than 1 year	53,088	39,305
Later than 1 year but not later than 5 years	22,392	-
More than 5 years	-	-
	75,480	39,305

The lease for the office is for a 2 year term. As at reporting date, there was a balance of 17 months remaining on the office lease.

b) Exploration Expenditure Commitments

In order to maintain current rights of tenure to exploration tenements, the Group is required to perform minimum exploration work to meet the requirements specified by various State governments. These obligations can be reduced by selective relinquishment of exploration tenure or application for expenditure exemptions. Due to the nature of the Group's operations in exploring and evaluating areas of interest, it is very difficult to forecast the nature and amount of future expenditure commitments beyond the next 12 months. It is anticipated that expenditure commitments for the next twelve months will be tenement rentals of $29,445 (2017: $18,995). No minimum work expenditure commitments exist over any of the Company's tenements (2017: $nil).

16) Key Management Personnel's Remuneration

The totals of remuneration paid to key management personnel of the Group during the year are as follows:

	CONSOLIDATED	
	2018	**2017**
	$	**$**
Short term employee benefits		
Salaries and fees	417,122	332,920
Long term employee benefits		
Long service leave entitlements	8,443	4,999
Annual leave entitlements	9,704	15,385
Superannuation	30,920	18,961
Total long term employee benefits	49,067	39,345
Share based payments		
Options	52,587	91,852
Shares	-	45,000
	52,587	136,852
Total	**518,776**	**509,117**

Aa at 30 June 2018,$6,667 for Mr Macdonald's director fees (2017: $20,000) and $8,250for Mr Hanna's consultancy fees (2017: Nil)was accrued for and unpaid (2017: $5,000 for Mr Lethridge's director fees).

17) Related Party and Directors' Disclosures

a) Other Transactions with key management personnel

There were no items of expenses that resulted from transactions other than remuneration with key management personnel or their personally-related entities as shown in the remuneration report. Transactions between related parties are on normal commercial terms and conditions unless otherwise stated.

b) Parent entity

The ultimate parent entity of the Group is Helix Resources Limited.

18) Income Tax

	CONSOLIDATED	
	2018	2017
	$	$
Accounting profit / (loss) before tax from continuing operations	(348,200)	(6,312,894)
Accounting profit / (loss) before tax	(348,200)	(6,312,894)
Reconciliation of Income Tax Expense / (Benefit) to Accounting Profit / (Loss)		
Prima facie tax payable / (benefit) at Australian rate of 27.5% (2017 – 27.5%)	(95,755)	(1,736,046)
Prima facie tax payable / (benefit) at Chilean rate of 20% (2017 – 20%)	-	-
Adjusted for tax effect of the following:		
- taxable / non-deductible items	15,311	29,670
- adjustment for change of Australian tax rate	463,408	394,645
- income tax benefit not brought to account	(382,964)	1,311,731
Income tax expense / (benefit)	-	-

	CONSOLIDATED	
	2018	2017
	$	$
Statement of Profit or Loss and Other Comprehensive Income		
<u>Deferred income tax</u>		
Relating to origination and reversal of temporary differences	480,493	1,116,959
Adjustment for change of Australian tax rate	-	47,110
Australian temporary differences not brought to account	(480,493)	(1,164,069)
Income tax expense/(benefit) reported in statement of profit or loss & other comprehensive income	-	-

	CONSOLIDATED	
	2018	**2017**
	$	**$**
Unrecognised Deferred Tax Balances:		
Australian deferred tax asset losses	11,470,602	12,865,016
Chilean deferred tax asset losses	1,498,852	211,803
Net Unrecognised deferred tax assets	12,969,454	13,076,819
Recognised Deferred Tax Balances:		
Deferred tax assets:		
Deferred tax assets in relation to tax losses	2,188,193	1,484,568
Deferred tax assets	2,188,193	1,484,568
Deferred tax liabilities:		
Deferred tax liabilities in relation to exploration and evaluation expenditure	2,188,193	1,484,568
Deferred tax liabilities	2,188,193	1,484,568
Net deferred tax	-	-

Helix Resources Limited currently satisfies the conditions to be a small business entity.

19) Segment Information

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (Chief Operating decision makers) in assessing performance and determining the allocation of resources.

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

	Australia		Chile		Total	
	2018	**2017**	**2018**	**2017**	**2018**	**2017**
Current Assets						
Cash	899,015	1,964,958	1,614	669	900,629	1,965,627
Trade and Other Receivables	64,442	198,671	-	-	64,442	198,671
Other Financial Assets	206,771	-	13,017	-	219,788	-
Non-Current Assets						
Plant and Equipment	55,380	96,900	-	-	55,380	96,900
Mineral Assets	8,088,788	6,389,398	5,517,964	5,517,964	13,606,752	11,907,362
Impairment expense	(134,091)	(134,091)	(5,517,964)	(5,517,964)	(5,652,055)	(5,652,055)
Other Financial Assets	-	172,834	-	13,017	-	185,851
Total Assets	9,180,305	8,688,670	14,631	13,686	9,194,936	8,702,356
Current Liabilities						
Trade payables	159,609	509,373	-	-	159,609	509,373
Provisions	104,038	71,306	-	-	104,038	71,306
Non-Current Liabilities						
Provisions	-	3,851	-	-	-	3,851
Total Liabilities	263,647	584,530	-	-	263,647	584,530
Revenue	43,940	22,495	-	-	43,940	22,495
Depreciation	45,020	14,389	-	-	45,020	14,389
Loss before tax	(348,200)	(794,928)	-	-	(348,200)	(794,928)

20) Earnings Per Share

	COMPANY	
	2018	**2017**
	Cents Per share	**Cents Per share**
Basic loss per share	(0.09)	(1.94)
Diluted loss per share	(0.09)	(1.94)

Basic& Diluted Loss per Share

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

	2018	**2017**
	$	**$**
Loss after tax	(348,200)	(6,312,894)
	No.	**No.**
Weighted average number of ordinary shares	377,809,158	325,527,132

The following unlisted options are all out the money and are therefore not considered to be dilutive and have been excluded from the weighted average number of ordinary shares and potential ordinary shares used in the calculation of diluted earnings per share:

	2018	**2017**
	No.	**No.**
Unlisted Options	19,650,000	16,650,000

Since the Group made a loss of $346,703 during the year, the potential ordinary shares were not considered to be dilutive.

21) Interest in Joint Operations

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

Joint Operations Project	Percentage Interest	Principal Exploration Activities
Yalleen	0% (2017: 30%) (API Management Pty Ltd 70% Iron Ore rights)	Iron Ore
Cobar Gold Project	90% moving to 100%; (Glencore moving to 1% NSR Royalty) (2017: 90%) (Glencore)	Gold
Canbelego	70% (2017: 70%) (Aeris Resources)	Copper

The joint operations 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 operations.

The Group's interest in exploration expenditure in the above mentioned joint operations is as follows:

	Restdown Joint Operation 90%	Canbelego Joint Operation 70%
Non-Current Assets		
Mineral Assets	2,389,097	1,114,150
Additions	266,771	6,997
Impairment	-	-
Carrying Amount	2,655,868	1,121,147

The recoverability of the carrying amount of the mineral assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

During the current financial year, the Company sold its interest in the Yalleen Iron Ore Project, that had a carrying amount of $Nil for a total consideration of:

- $500,000 cash payable upon sale completion;
- Uncapped 1% free on board (FOB) royalty on any iron ore produced from the Yalleen Tenement Area (E48/1169, E47/1170 & E47/1171); and
- Uncapped 1% net smelter royalty (NSR) on certain future precious and base metal production from the Tenement Area.

The Company has not recognized any amounts relating to royalty from API Management Pty Ltd ('API') as it cannot be reliably measured. As the Company becomes more certain as to when API will be achieving these milestones, the income relating to the royalties will be recognized.

	22 February 2018 $
Carrying amount of assets disposed	-
Total sale consideration	500,000
Gain on disposal	500,000

22) Financial Instruments

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.

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

2017	Level 1	Level 2	Level 3	Total $
Financial Assets				
Held for trading assets	1,200	-	-	1,200
	1,200	-	-	1,200

Included within Level 1 of the hierarchy are listed investments. The fair values of these financial assets have been based on the closing quoted bid prices at reporting date, excluding transaction costs. The Group has no other financial instruments for which fair value is derived without reference to unadjusted quoted prices in an active market for identified assets.

Financial Risk Exposures and Management

The main risks the group is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk and credit risk. The Board is responsible for the financial risk management.

Interest Rate Risk Sensitivity Analysis

At 30 June 2018, the effect on loss and equity as a result of a 50% increase in the interest rate, with all other variables remaining constant would be a decrease in loss by $10,182 (2017: $10,121) and an increase in equity by $10,182 (2017: $10,121). The effect on loss and equity as a result of a 50% decrease in the interest rate, with all other variables remaining constant would be an increase in loss by $10,182 (2017: $10,121) and a decrease in equity by $10,182 (2017: $10,121).

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

			Floating Interest Rate Maturity			
	Average Interest Rate	Fixed Interest Rate	Less than 1 year	More than 1 Year	Non Interest Bearing	Total
	%	$	$	$	$	$
2018						
Financial Assets						
Current Receivables		-	-	-	64,442	64,442
Held for trading assets		-	-	-	-	-
Cash and cash equivalent assets	0.86%	-	899,556	-	1,073	900,629
Security deposits and deposits at financial institutions	4.00%	-	219,788	-	-	219,788
		-	1,119,344	-	65,515	1,184,859
Financial Liabilities						
Trade Payables (all payable within 30 days)		-	-	-	93,955	93,955
		-	-	-	93,955	93,955

	Floating Interest Rate Maturity					
	Average Interest Rate	Fixed Interest Rate	Less than 1 year	More than 1 Year	Non Interest Bearing	Total
	%	$	$	$	$	$
2017						
Financial Assets						
Current Receivables		-	-	-	198,671	198,671
Non-current Receivables		-	-	-	-	-
Held for trading assets		-	-	-	1,200	1,200
Cash and cash equivalent assets	0.32%	-	1,965,614	-	13	1,965,627
Security deposits and deposits at financial institutions	1.71%	-	-	184,651	-	184,651
		-	1,965,614	184,651	199,884	2,350,149
Financial Liabilities						
Trade Payables (all payable within 30 days)		-	-	-	382,376	382,376
		-	-	-	382,376	382,376

Other than those classes of assets and liabilities denoted as "listed" in Note 5, none of the classes of financial assets and liabilities are readily traded on organised markets in standardised form.

Foreign Currency Risk

The Group is exposed to fluctuations in foreign currencies arising from expenditure in currencies other than the Group's measurement currency. The Group is exposed to currency exposures to the United States Dollar and Chilean Pesos. The Group has not formalised a foreign currency risk management policy, however it monitors its foreign currency expenditure subject to exchange rate movements and retains the right to withdraw from the foreign exploration commitments after minimum expenditure targets have been met.

The Group's exposures to foreign currency risk at the end of the reporting period, expressed in Australian dollars, were as follows:

2018	**CLP**
Cash and cash equivalents	1,614
Trade and other payables	-
	1,614

2017	USD	CLP
Cash and cash equivalents	-	669
Trade and other payables	-	-
	-	669

Liquidity Risk

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that sufficient cash and financial assets are available to meet the current and future commitments of the Group. The Group's operations require it to raise capital on an on-going basis to fund its planned exploration program and to commercialise its tenement assets. If the Group does not raise capital in the short term, it can continue as a going concern by reducing planned but not committed exploration expenditure until funding is available and/or entering into joint venture arrangements where exploration is funded by the joint venture partner.

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group 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. All cash and cash equivalents are held with financial institutions with a credit rating of AA3 or above.

The Group measures risk on a fair value basis. The maximum credit risk on financial assets of the Group 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.

23) Contingent Liabilities

Bank Guarantees

The Company may be required to issue bank guarantees to secure tenement holdings. The Company currently has bank guarantees to the value of $219,788 (2017: $184,651) for tenement holdings.

24) Remuneration of Auditors

	2018 $	2017 $
a) Auditor of the Parent Entity		
Auditing the financial report	29,451	26,512
	29,451	26,512

The auditor of Helix Resources Limited for the 2018 financial year is Grant Thornton Audit Pty Ltd.

25) Helix Resources Limited Parent Company Information

	2018 $	2017 $
Assets		
Current Assets	1,183,245	2,164,298
Non-current Assets	6,310,687	6,538,058
Total Assets	**7,493,932**	**8,702,356**
Liabilities		
Current Liabilities	1,964,651	580,679
Non-current Liabilities	-	3,851
Total Liabilities	**1,964,651**	**584,530**
Equity		
Issued Capital	65,677,689	64,571,704
Options Reserve	395,415	339,737
Accumulated Losses	(60,543,823)	(56,793,615)
Total Equity	**5,529,281**	**8,117,826**
Financial Performance		
Profit / (Loss) for the year	(3,750,208)	(6,312,894)
Total Comprehensive Income	**(3,750,208)**	**(6,312,894)**

26) Subsequent Events

On 1 August 2018, the Company announced that the pre-conditions for Heads of Agreement (executed on 8 June 2018) with Manhattan Corporation Limited ('MHC') in relation to the Joshua Copper Project ('Joshua Project') in Chile has been satisfied, and MHC are committing to fund a $1 million exploration program at the Joshua Project for 80% interest in the Joshua Project.

On 5 September 2018 the Company announced the signing of an Interim Joint Venture Agreement with the Japanese Oil, Gas and Metals National Corporation (JOGMEC) in relation to the Samuel Copper Project ('Samuel Project') in Chile, and JOGMEC are committing to fund a US$0.4 million exploration program at the Samuel Project as the first stage of earning up to 60% interest in the Samuel Project.

No other matter or circumstance has arisen since 30 June 2018 that has significantly affected or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future years.

27) Share Based Payments

Options

During the year the following options were granted to the Non-Executive Director:

Number Issued	Grant Date	Expiry Date	Exercise Price	Fair Value at Grant Date
3,000,000	6 April 2018	5 April 2021	$0.0607	$0.0195

The Black Scholes option pricing model was used to value these options. Inputs into the valuation model were as stated in the table above, and as follows:

- Spot price: The spot price of the Company's shares was $0.039 per share at the close of trade on 6 April 2018, the closing price immediately prior to Valuation Date.
- Expected future volatility: The share price volatility of the Company at 93.35% for the securities, was calculated and based on assessing historical volatility over recent trading periods.
- Risk free rate: Determined based on volatility yields of Commonwealth bonds using a ten-year bond, the period which most closely corresponds to the maximum life of the Options. The interest rates were measured as the closing rate on the day prior to the Valuation Date. A 3-year bond yielded 2.14% on 6 April 2018 as disclosed by the Reserve Bank of Australia.
- Dividend yield: Assumed dividend yield of 0% as the Company does not have a history of paying dividends and is not expected to declare or pay any dividends over the life of the Rights.
- Vesting conditions: 1/3 on grant date, 1/3 on 6 April 2019, 1/3 on 6 April 2020

The fair value of these 3,000,000 options granted during the current year was $58,498. The accounting expense recognised for the current year is$23,284 based on the number of options vested during the current year. The accounting expense recognised for options granted in previous years $32,394 based on the number of options vested during the current year.

The following table illustrates the outstanding options granted, exercised and forfeited during the year.

Granted/ Exercised/ Forfeited	Number	Date	Expiry Date	Exercise Price (cents)	Fair Value at Grant Date (cents)
Grant	3,000,000	6 April 2018	5 April 2021	$0.0607	$0.0195

The following table illustrates the outstanding options granted, exercised and forfeited during the year.

	2018		2017	
	No.	$	No.	$
Unlisted Options				
Balance at beginning of financial year	16,650,000	339,737	14,750,000	235,918
Options issued during the financial year	3,000,000	23,284	3,000,000	103,819
Options vesting during the financial year	-	32,394	-	-
Cancellation of Options	-	-	(1,100,000)	-
Balance at end of financial year	19,650,000	395,415	16,650,000	339,737

	Number	Weighted average exercise price	Number	Weighted average exercise price
Outstanding at 1 July	16,750,000	6.75 cents	14,750,000	6.75 cents
Granted during the year	3,000,000	6.07 cents	3,000,000	6.73 cents
Cancelled during the year	-	-	(1,100,000)	6.75 cents
Outstanding as at 30 June	**19,650,000**	**6.65 cents**	**16,650,000**	**6.75 cents**

The weighted average remaining contractual life for the share-based payment options outstanding as at 30 June 2018 was 0.98 years (2017: 1.66 years).

The range of exercise prices for share-based payment options outstanding as at the end of the year was $0.0607to $0.0675(2017: $0.0673 to $0.0675).

ADDITIONAL ASX INFORMATION

AS AT 31st AUGUST 2018

NUMBER OF SHARES HELD

Range	Total holders	Units	% Units
1 - 1,000	104	31,261	0.01
1,001 - 5,000	150	458,191	0.12
5,001 - 10,000	244	2,125,679	0.54
10,001 - 100,000	790	32,840,998	8.33
100,001 Over	450	359,010,563	91.01
Total	**1,738**	**394,466,692**	**100.00**

	Minimum Parcel Size	Holders	Units
Minimum $ 500.00 parcel at $ 0.03 per unit	16,667	630	4,366,969

PERCENTAGE HELD BY 20 LARGEST SHAREHOLDERS as at 24 SEPTEMBER 2018

Rank	Name	Units	% of Units
1.	YANDAL INVESTMENTS PTY LTD	27,000,000	6.84
2.	GEE VEE PTY LTD <GJ WHEELER FAMILY A/C>	13,117,759	3.33
3.	GEE VEE PTY LTD <WHEELER SUPERANNUATION A/C>	11,000,000	2.79
4.	BLAMNCO TRADING PTY LTD	10,000,000	2.54
5.	MR ROBERT PATRICK HEARNE	9,270,000	2.35
6.	AQUILA RESOURCES LTD	7,681,293	1.95
7.	CREEKWOOD NOMINEES PTY LTD <CHALLENGER A/C>	7,250,000	1.84
8.	MR BULENT BESIM	6,500,000	1.65
9.	WYTHENSHAWE PTY LTD	6,300,000	1.60
10.	ROMBOLA FAMILY PTY LTD <ROMBOLA FAMILY A/C>	5,400,000	1.37
11.	MR GREGORY JOHN MUNYARD <THE G J MUNYARD FAMILY A/C>	4,500,000	1.14
12.	SHIPSTERS INVESTMENTS PTY LTD <HEINRICH FAMILY A/C>	4,486,849	1.14
13.	MR MARC ANTHONY SCHAFFERT	4,285,000	1.09
14.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,956,173	1.00
15.	GOTHA STREET CAPITAL PTY LTD <BLUE SKY NO 2 A/C>	3,725,000	0.94
16.	MRS MELANIE JANE CHESSELL	3,700,000	0.94
17.	MR GREGORY JOHN MUNYARD + MRS MARIA ANN MUNYARD + MISS CARMEN HELENE MUNYARD <RIVIERA SUPER FUND A/C>	3,580,048	0.91
18.	TECHNICA PTY LTD	3,513,332	0.89
19.	WYTHENSHAWE PTY LTD	3,400,083	0.86
20.	MR WILLIAM HENRY HERNSTADT	3,400,000	0.86
Totals: Top 20 holders of Ordinary Fully Paid Shares (TOTAL)		**142,065,537**	**36.01**

VOTING RIGHTS

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

SUBSTANTIAL SHAREHOLDERS

Shareholder	Number of Shares	% of Issued Capital
Gee Vee Pty Ltd	24,117,759	6.12
Yandal Investments Pty Ltd	27,000,000	6.84

DIRECTORS' INTEREST IN SHARE CAPITAL as at 25 September 2018

Director	Fully Paid Ordinary Shares	Unlisted Options
G Lethridge	200,000	3,000,000
M H Wilson	3,505,434	3,000,000
J Macdonald	10,077,500	3,000,000
T. Kennedy	300,000	3,000,000
Total	14,082,934	12,000,000

TENEMENT SCHEDULE

Tenement	Name	Mineral	Ownership
NSW COPPER & GOLD PROJECTS (INCL. JV's)			
EL6105	Canbelego	Copper/Gold	Helix 70%, Aeris Resources 30%
EL6140	Restdown	Gold	Helix 90%, Glencore moving to 1% NSR royalty
EL6336	Collerina	Copper/Gold	HLX 100% precious and base metals
EL6501	South Restdown	Gold	Helix 90%, Glencore moving to 1% NSR royalty
EL6739	Muriel Tank	Gold	Helix 90%, Glencore moving to 1% NSR royalty
EL7438	Quanda	Copper/Gold	HLX 100%
EL7439	Fiveways	Copper/Gold	HLX 100%
EL7482	Little Boppy	Copper/Gold	HLX 100%
EL8433	Boundary	Copper/Gold	HLX 100%
EL 8633	Rochford	Copper/Gold	HLX 100%
EL 8608	Yanda Creek	Copper/Gold	HLX 100%
EL 8096	Mundarlo	Copper/Basemetals	HLX 60%, earning 80%
CHILE PROJECTS			
EXPLORATION CONCESSIONS			
Joshua (13 concessions)	Joshua	Copper/Gold	HLX 100%*
Bogarin(13 concessions)	Huallillinga	Copper/Gold	HLX 100%**
EXPLOITATION CONCESSIONS			
Blanco Y Negro 1/20	Blanco Y Negro	Copper/Gold	HLX 100%
Joshua (5 concessions)	Joshua	Copper/Gold	HLX 100%*
Bogarin (6 concessions)	Huallillinga	Copper/Gold	HLX 100%**

Abbreviations and Definitions used in Schedule:

EL or E	*Exploration License*
*	*Subject to MHC JV Refer Note 26 (Subsequent Events)*
**	*Subject to JOGMEC JV Refer Note 26 (Subsequent Events)*

CORPORATE DIRECTORY

Directors

Gary Lethridge	Non- Executive Chairman
Michael Wilson	Managing Director
Jason Macdonald	Non-Executive Director
Timothy Kennedy	Non-Executive Director

Company Secretary

Benjamin Donovan

Australian Business Number

27 009 138 738

Head and Registered Office

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Subiaco, Western Australia 6008

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Telephone: +61 8 9321 2644

Facsimile: +61 8 9321 3909

Email: helix@helix.net.au

Website: www.helix.net.au

Share Registry

Computershare Investor Services Pty Limited

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Postal Address: GPO Box 2975

Melbourne VIC 3001, Australia

Phone: 1300 850 505 (within Australia)

+61 3 9415 4000 (outside Australia)

Fax: +61 3 9473 2500

Email: www.investorcentre.com/contact

Web: www.computershare.com

Auditor

Grant Thornton Audit Pty Ltd

Central Park, Level 43

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Perth Western Australia 6000

Telephone: +61 8 9480 2000

Facsimile: +61 8 9322 7787

Stock Exchange

The Company Securities are quoted on the Australian Stock Exchange Limited

CODE: **HLX**