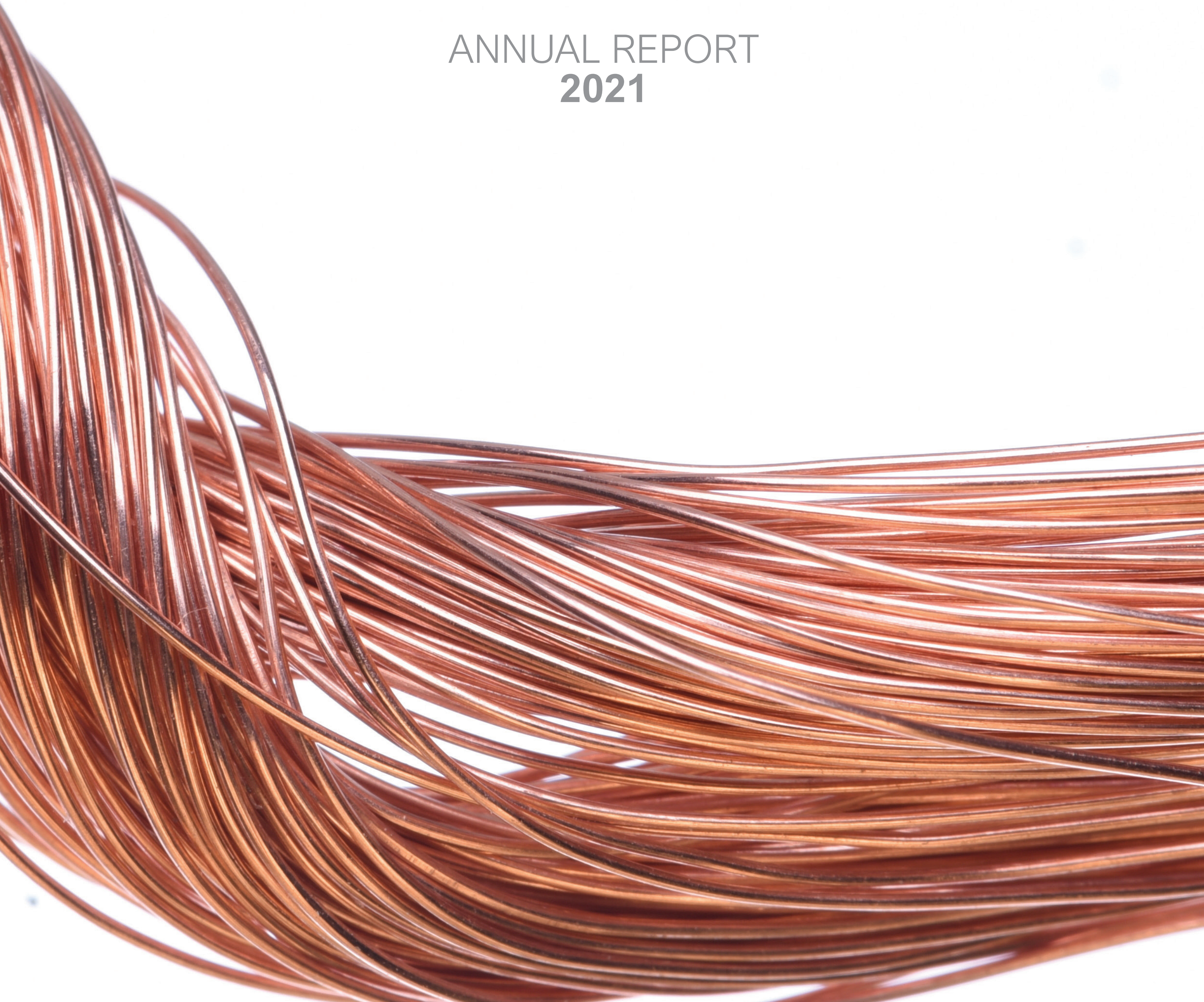
HELIX RESOURCES LIMITED

ANNUAL REPORT
2021



ABN 27 009 138 738

CONTENTS

COMPANY DIRECTORY

Directors	Peter Lester - Non-Executive Chairman Mike Rosenstreich - Managing Director Jason Macdonald - Non-Executive Director Timothy Kennedy - Non-Executive Director
Company secretary	Benjamin Donovan
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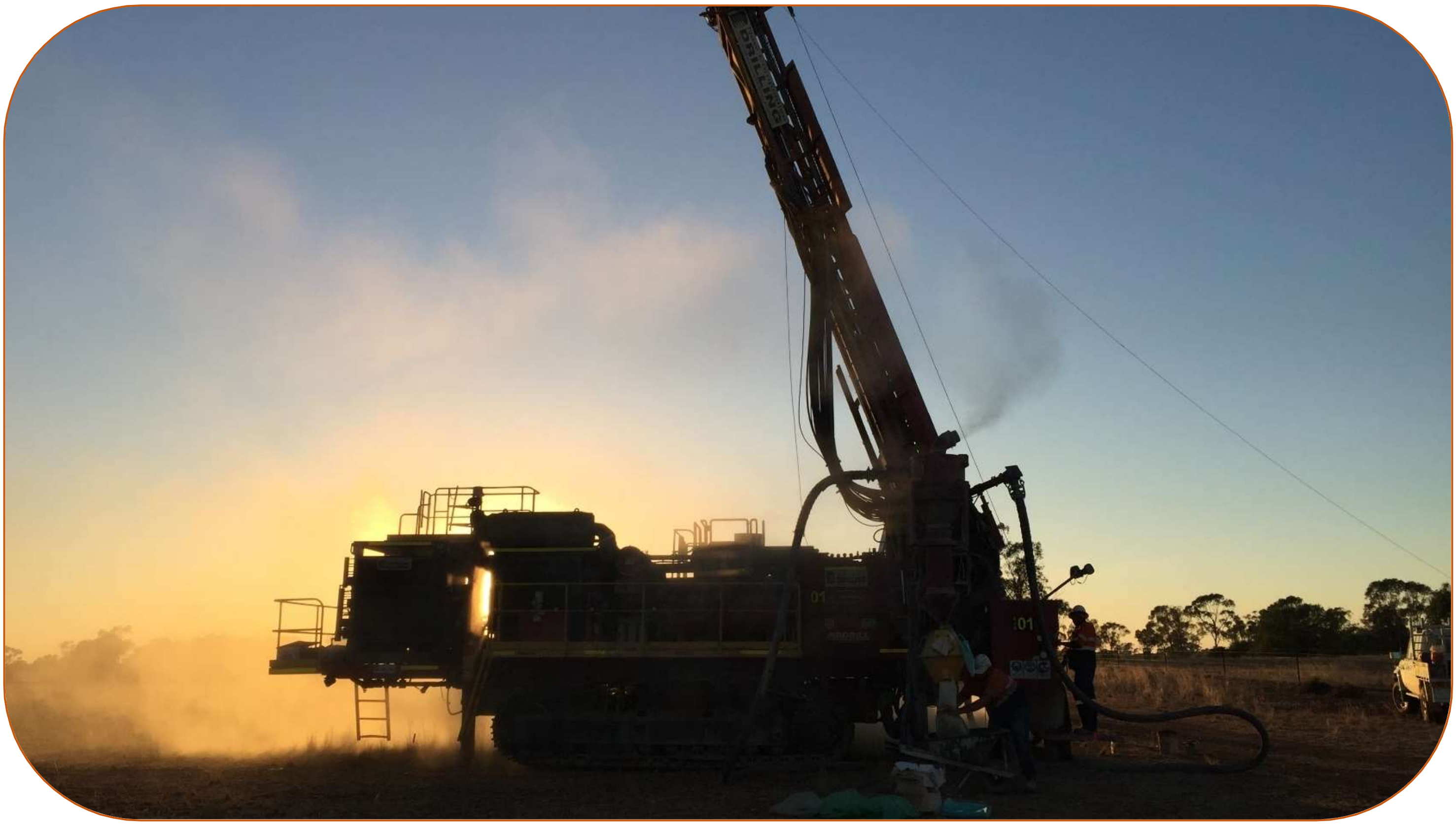
Auditor	HLB Mann Judd Level 4, 130 Stirling Street Perth, WA 6000
Stock exchange listing	Australian Securities Exchange (ASX code: HLX)



CHAIRMAN'S LETTER

Dear Shareholders,

It is my pleasure to present Helix Resources Limited's Annual Report for the financial year ending 30 June 2021, in which the Company has accelerated its focus on its highly prospective copper-gold projects, located in the Cobar region of central NSW.

Strategy

The focus on copper-gold in the Cobar region with a balance between regional, target-generation work and work to grow existing resources represents a strategic shift from the Company's earlier greater emphasis on gold exploration. This approach represents a more systematic, regional approach which I am pleased to say is yielding fruitful results.

Helix has continued to prove up and develop a series of very interesting targets from the aerial VTEM survey throughout all of its tenements. Drilling at Canbelego demonstrated high-grade copper mineralisation such as 14m at 4.2% copper and potential for further extensions. Post year-end, the Company has started drilling at the CZ Project area including metallurgical sample holes and testing for extensions to the current CZ Mineral Resources. The Company has also consolidated its footprint around CZ, adding further highly prospective copper tenure (with additional nickel-cobalt optionality).

We have established significant momentum and I am excited heading into the new financial year with a strategy emphasising 'the right metals in the right neighbourhood'.

Team

The Board was delighted to welcome Mike Rosenstreich on board in early 2021 as Managing Director. He has wasted no time to review the Company's legacy activities and accelerate current operations in the Cobar region. As part of our expanding operations, Mike has overseen the revitalisation of our exploration and discovery team, now based in Orange, NSW. This includes new leadership for the discovery team in Mr Gordon Barnes, who joined as Exploration Manager in May, contributing extensive NSW geological and operating experience.

Helix has a completely new team spanning technical and financial management which has rejuvenated and energised the Company. The team has made significant strides especially when considering the challenges posed by lockdowns across NSW as a result of COVID-19. I would like to take this opportunity to express condolences on behalf of myself and the Board of Helix to all our stakeholders that have been affected.

Regardless of these challenges, the Board and I look forward to working with Mike and his team as Helix heads into the new year at an exciting time. We hold two compelling opportunities at CZ and Canbelego and possess the team, capital and management experience to ensure we build the most value possible for our shareholders.

I encourage everyone to watch Helix closely into the future as we continue to execute our strategy.

Yours faithfully,

Peter Lester

Chairman

REVIEW OF OPERATIONS

1. OPERATIONS REPORT

Helix Resources Limited ("Helix" or "the Company") has been active on its mineral exploration projects located in central NSW and Chile. It also holds royalty interests over two advanced projects located in Australia.

2. OVERVIEW

Helix is implementing a revised strategy from previous years to advance our asset portfolio, with a primary focus on our strategic commodities, copper, and gold. Through Pthe second half of the year with a new management team the Company is seeking to focus solely on its Cobar regional projects where it considers it can extract intrinsic value for the benefit of its shareholders from high grade copper and gold discoveries. In Chile, the Company is seeking to divest its early-stage copper projects. Similarly, the Company is seeking to commercialise its iron-ore focussed mineral production royalties. Regrettably, in the second half, several legacy management issues were uncovered which current management and Board are working to resolve.

Helix holds a high-quality project portfolio in one of Australia's best regions for recent mineral discoveries, the Cobar mining district in NSW. This district hosts long-lived operating mines (150 years of mining operations) and has excellent access to infrastructure. Helix is continuing to carry out targeted exploration programs to define further precious and base metal mineralisation to add to its established copper and gold resources in this highly prospective region. The Company's primary assets consist of tenements covering what it terms the "Collerina, Rochford and Meryula" trends (see Figure 1).

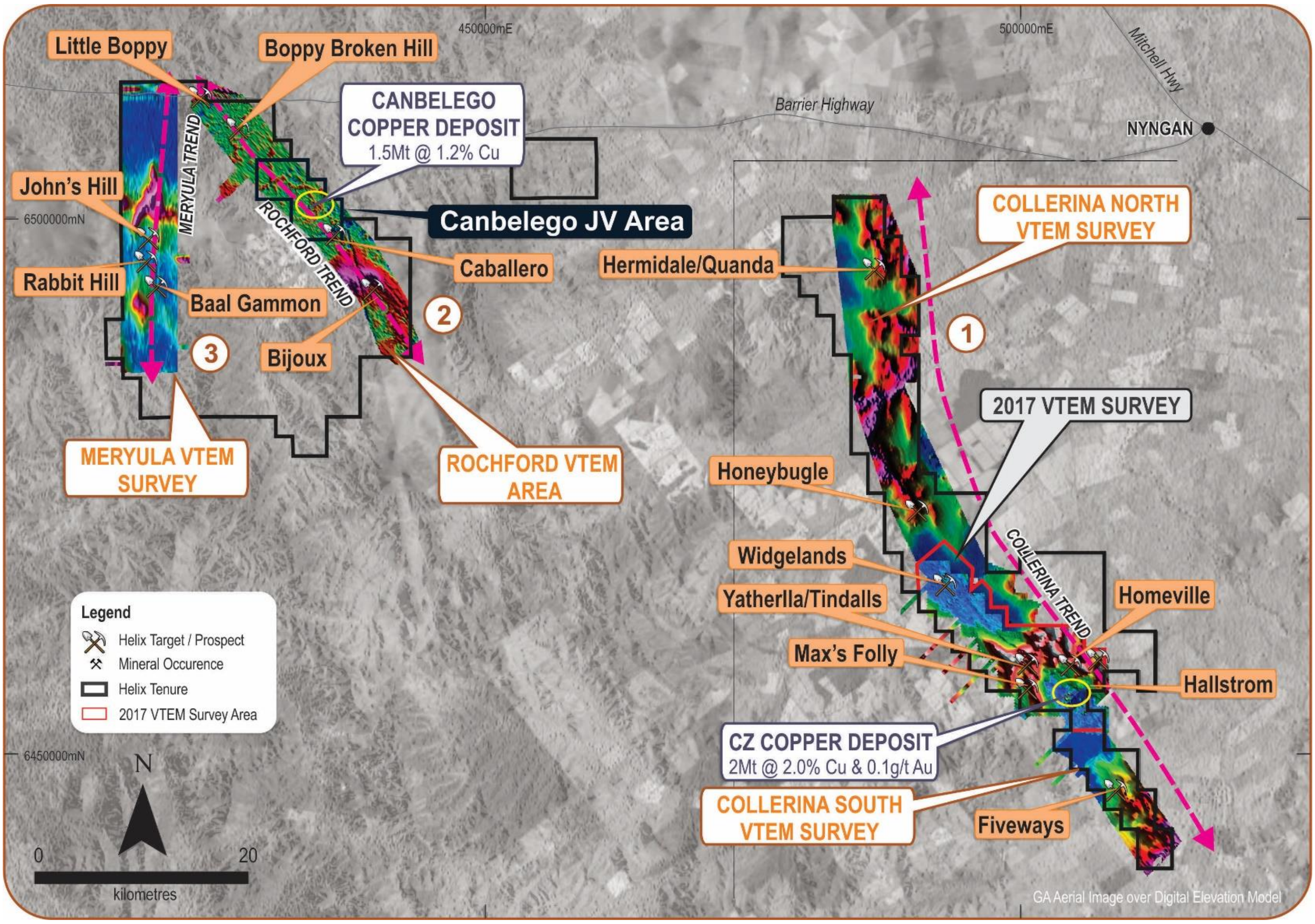


Figure 1: Helix Resources tenement map covering the Collerina, Rochford and Meryula trends

3. ADVANCED EXPLORATION

3.1 Collerina Copper Trend

During the year, conceptual modelling was completed at the Central Zone (CZ) Deposit[1] (formerly referred to as the Collerina copper project[2]) which occurs along the regional scale Collerina trend. The modelling work was undertaken to provide a clearer understanding of how a potential CZ pit design may be influenced and constrained by the current Mineral Resource model and hence where additional drilling to extend mineralisation should be targeted (see Figure 2).

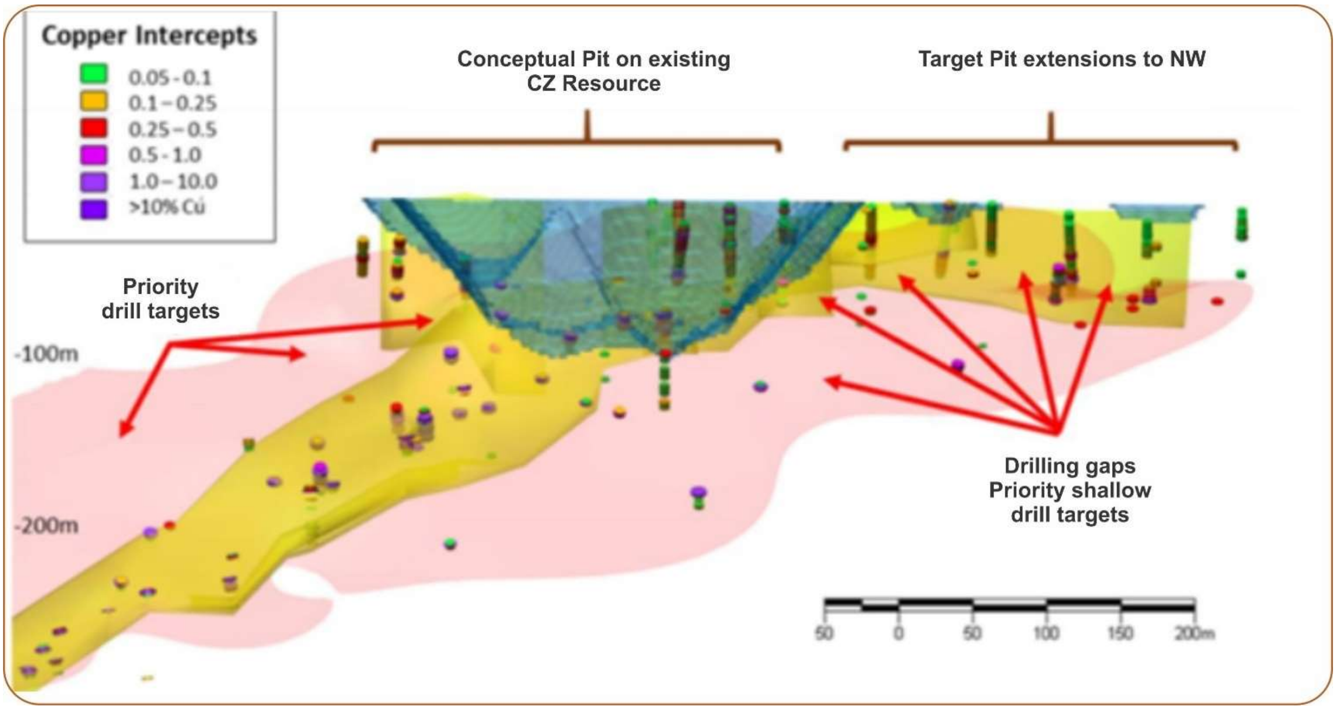


Figure 2: Schematic 3D Long-Section (looking south) with copper drill intercepts, Central Zone Resource Envelope (yellow), Exploration Target Implicit Model (red-transparent), Conceptual Pit outline (blue-transparent).

The findings of the modelling informed a nine-hole reverse-circulation (RC) drilling campaign which commenced in November 2020[3]. Several drill hole locations were designed to test an additional 300 metres of strike of near-surface targets to a depth of 100 metres located northwest of the modelled pit location. The remaining holes were designed to test downhole and fixed loop EM conductors identified in the previous financial year. In many cases the drill holes failed to intersect the planned target zones and in retrospect better supervision and a more accurate drilling method such as diamond core should have been utilised to avoid the significant drill hole deviation that was encountered.

The Company's drilling has been based on a geological model controlled by an east-west crosscutting kink band structure interpreted to pass through this zone, which is being reviewed and updated. The thickened hinge zones of localised folds were considered to control the formation of thick high-grade copper sulphide accumulations such as is interpreted at the Collerina, CZ Mineral Resource[1].

The drilling of the shallow northwest targets intersected broad (>20 metre wide) zones of anomalous copper in three of the four holes[4]. Drill testing targeting the Northern Plunge Target Zone intersected copper sulphide mineralisation in all holes, unfortunately due to persistent deviation of the RC drill paths the conceptual Fold Hinge target was not intersected, and the results appear to indicate 'near-misses' on interpreted fold limb positions.

[1] Refer Section 4 "Mineral Resource Estimates"
[2] See ASX Announcement 28 September 2020
[3] See ASX Announcement 25 November 2020
[4] See ASX Announcement 15 February 2021

REVIEW OF OPERATIONS

All copper intercepts from this RC program surrounding the CZ Mineral Resource are presented in Table 1. These results, which overall are disappointing, led to a renewed program of detailed data collection and rigorous geological interpretations by the newly installed exploration team. This is an ongoing process, and the results will form the basis to plan the next phase of drilling in early FY22 which will be less constrained by the pre-existing geological model.

Table 1: Copper intercepts from RC drilling program surrounding the CZ Mineral Resource

Hole_ID	From	Drill Intercepts	Comment
CORC0122	233m	2m at 0.6% Cu, 0.04 g/t Au, 1.0g/t Ag	Veinlet Chalcopyrite
CORC0123	218m	2m at 0.4% Cu, 0.2 g/t Ag	Veinlet Chalcopyrite
CORC0124	192m	1m at 1.0% Cu, 0.13 g/t Au, 0.8 g/t Ag, 0.1 % Zn	Semi-massive chalcopyrite
CORC0125	234m	1m at 1.0% Cu, 0.02 g/t Au, 0.27 g/t Ag	Semi-massive chalcopyrite
CORC0126	N/A	Target horizon below EOH	DDH Pre-collar
CORC0127	16m	20m at 0.2%, 0.2 g/t Au, 0.3 g/t Ag	Wide intercept in Depletion zone
CORC0128	Surface	36m at 500ppm Cu	Wide intercept in Depletion zone
CORC0129		NSR	Intersected FW mafic before target depth
CORC0130	Surface	24m at 500ppm Cu	Wide intercept in Depletion zone

Oxide intercepts based on 500ppm, Cu cut-off, sulphide intercepts based on 0.3% Cu cut-off – NSR= No significant result, EOH = End of hole

3.2 Rochford Copper Trend

The Rochford copper trend is a large-scale copper trend located west of the nearby Collerina trend, with a strike length of approximately 30km (refer Figure 1). The region contains several historic high-grade copper deposits and includes the Canbelego Joint Venture ('JV') project – a 70% Helix Resources / 30% Aeris Resources JV with Helix being the manager. The Canbelego JV project has an Inferred Mineral Resource of 1.5Mt at 1.2% copper (refer Section 4 for details).

Advanced Target Testing

The Canbelego Copper JV has drilled five diamond drillholes (CANDD001 to CANDD005) for nearly 2,000 metres, since restarting exploration drilling around and beneath the Canbelego Mineral Resource in April 2021 after an 8-year exploration hiatus. This outline includes results received up to mid-September 2021.

Copper mineralisation comprises disseminated and vein of copper sulphide (chalcopyrite) with occasional massive chalcopyrite zones such as intersected in CANDD002 which returned 14 metres at 4.2% copper (Figure 4). The sulphide copper mineralisation is typically associated with intensely folded and chlorite altered sediments. Oxide copper mineralisation, primarily malachite and azurite, is also present near surface.

Table 2 presents a summary of the intersected copper grades[5] at a range of cut-off grades and Figure 3 presents a long section of the Canbelego copper deposit showing the recent copper intercepts.

In addition to drill results, the Company has undertaken downhole electromagnetic (DHEM) surveys in CANDD001, CANDD002 (Figure 5), CANDD003, and CANDD005[6]. All holes returned conductive anomalies, demonstrating the effectiveness of 'electromagnetic' surveys at the prospect scale to identify more massive high-grade copper shoots, such as in CANDD002 but also regionally as indicated by the VTEM survey results (refer Section 5)

Work is ongoing to update the geological model based on the recent drill and geophysical data as well as review of the historical data with the aim of better resolving the geological controls on the higher-grade copper zones. The JV plans to workshop these updated concepts ahead of a further round of drilling.

[5] See ASX Announcements: 15 April 2021, 3 May 2021, 12 May 2021, 31 May 2021, 23 June 2021, 21 July 2021 & 23 September 2021
[6] See ASX Announcement: 3 June 2021

REVIEW OF OPERATIONS

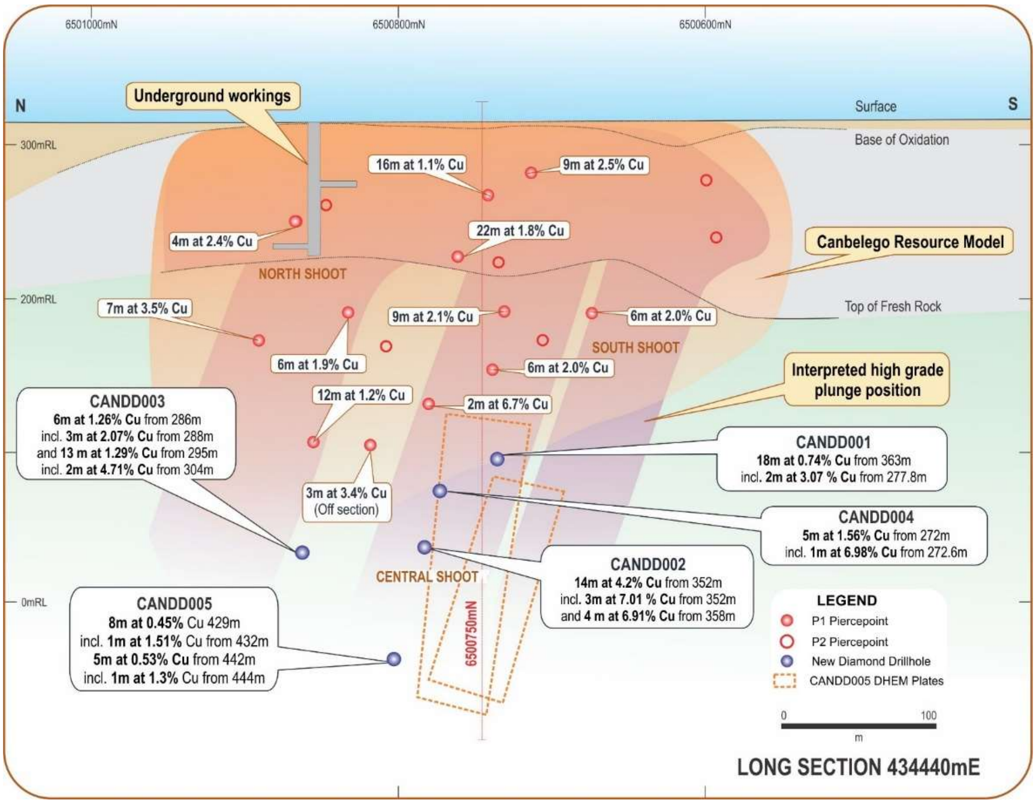


Figure 3: Schematic long section of Canbelego Copper deposit showing recent assay results for CANDD001 to 5

Figure 4: Example of massive copper sulphide (chalcopyrite) in CANDD002 veins (118 metres)

Table 2: Summary Assay Results for CANDD001 to CANDD005 at a range of copper cut-off grades

Hole ID	0.1% Cut-off	1% Cut-off	3% Cut-off
CANDD001	18m at 0.74% Cu from 263m	2m at 3.07% Cu from 277.8m	1m at 3.5% Cu from 277.8m
CANDD002	5m at 0.47% Cu from 110m	1m at 1.39% Cu from 110m	-
	-	2m at 2.99% Cu from 118m	1m at 3.92m from 118m
	21m at 2.92% Cu from 345m	14m at 4.22% Cu from 352m	3m at 7.01% Cu from 352m 4m at 5.94% Cu from 358m
CANDD003	6m at 1.26% Cu from 286m	3m at 2.07% Cu from 288m	-
	13m at 1.29% Cu from 295m	3m at 3.80% Cu from 303m 1m at 1.09% Cu from 307m	2m at 4.71% Cu from 304m
CANDD004	3.7m at 0.20% Cu from 255m	-	-
	5m at 1.56% Cu from 272m	1m at 6.98% Cu from 272.6m	1m at 6.98% Cu from 272.6m
CANDD005	7.1m at 0.64% Cu from 65.9m	1m at 2.53% Cu from 65.9m	-
	1m at 0.81% Cu from 103m	-	-
	6m at 0.74% Cu from 108m	1m at 3.48% Cu from 108m	1m at 3.48% Cu from 108m
	1m at 0.57% Cu from 384m	-	-
	8m at 0.45% Cu from 429m	1m at 1.51% Cu from 429m	-
	5m at 0.53% Cu from 442m	1m at 1.3% Cu from 442m	-
	4m at 0.31% Cu from 454m	-	-
	1m at 0.49% Cu from 469m	-	-

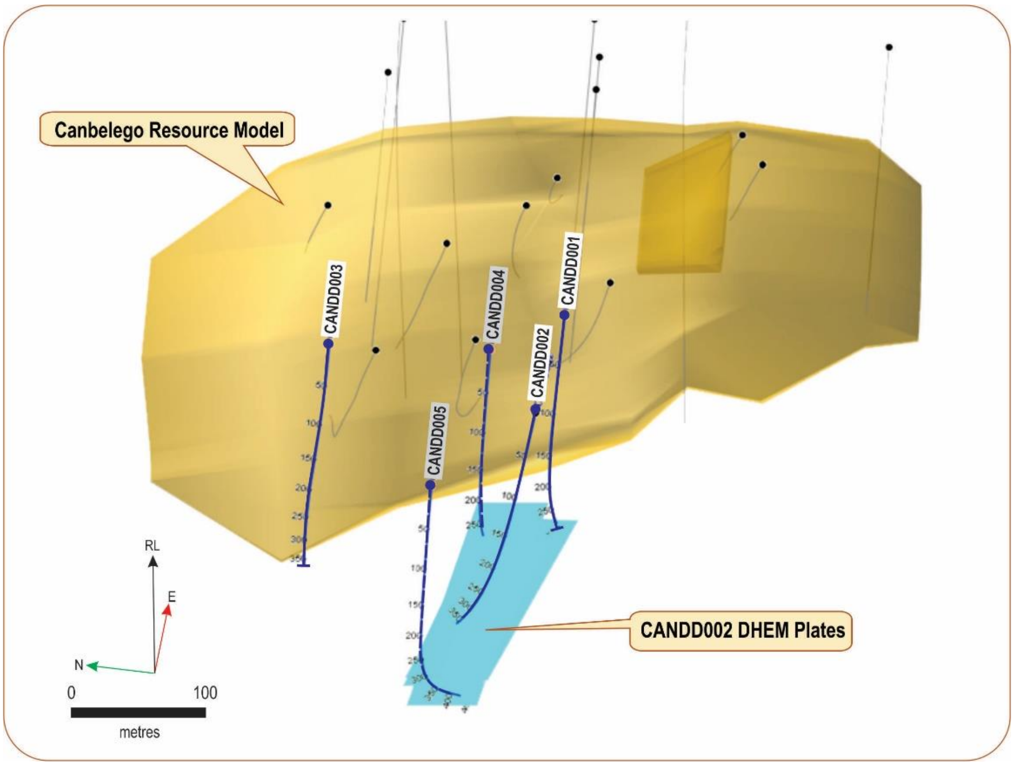


Figure 5: DHEM modelled conductor plates from CANDD002

Early Stage Targets

In late 2020 the Company completed its first RC drilling within the Rochford trend targeting the Bijoux prospect, located SSE from the Canbelego JV area (refer Figure 1). Four scout RC holes were completed at Bijoux with the two southern holes returning broad zones of copper in pXRF readings. In December 2020 initial 4 metre composite sample laboratory results returned[7]:

- BJRC003 24 metres at 0.24% Cu from 10 metres following-up pXRF readings of 38 metres at 0.22% Cu from surface (peak reading of 0.54% Cu)
- BJRC004 12 metres at 0.18% Cu from 14 metres following-up pXRF readings of 33 metres at 0.13% Cu from 4 metres (peak reading of 0.50% Cu)

Gold results from these holes were delayed by laboratory constraints and reported in February 2021[8]. Zones of near-surface gold anomalism were returned from the 4 metre composite samples in three of the four holes. These early-stage copper results are highly encouraging and will be followed up in FY22. The best gold result was 4 metres at 0.2g/t Au from surface in BJRC004 in heavily weathered sediments.

A Moving Loop Electromagnetic (MLEM) Survey covering the southern half (600 metres of strike) of the Bijoux Prospect was also conducted during the period. A partially defined NW trending EM response has been identified, which remains open to the north. The MLEM survey will be extended to the north in FY22. This target position is coincident with historic, broad-spaced copper in auger-soil anomalies, significant early-stage RC copper results and a northwest trending magnetic feature. This target position is open to the northwest, southeast and represents a highly prospective copper target.

3.3 Restdown Gold Project

The Restdown Gold Project hosts regionally significant structures prospective for gold mineralisation, typified by the historic Battery Tank gold field. The geological and structural setting is analogous to the nearby multiple-mine Peak Trend (over 4-million-ounce gold endowment). In 2011, Helix delineated a small Inferred Mineral Resource of 3.8Mt at 1.0 g/t gold containing 118,000 ounce of gold (refer figure 6 and Section 4).

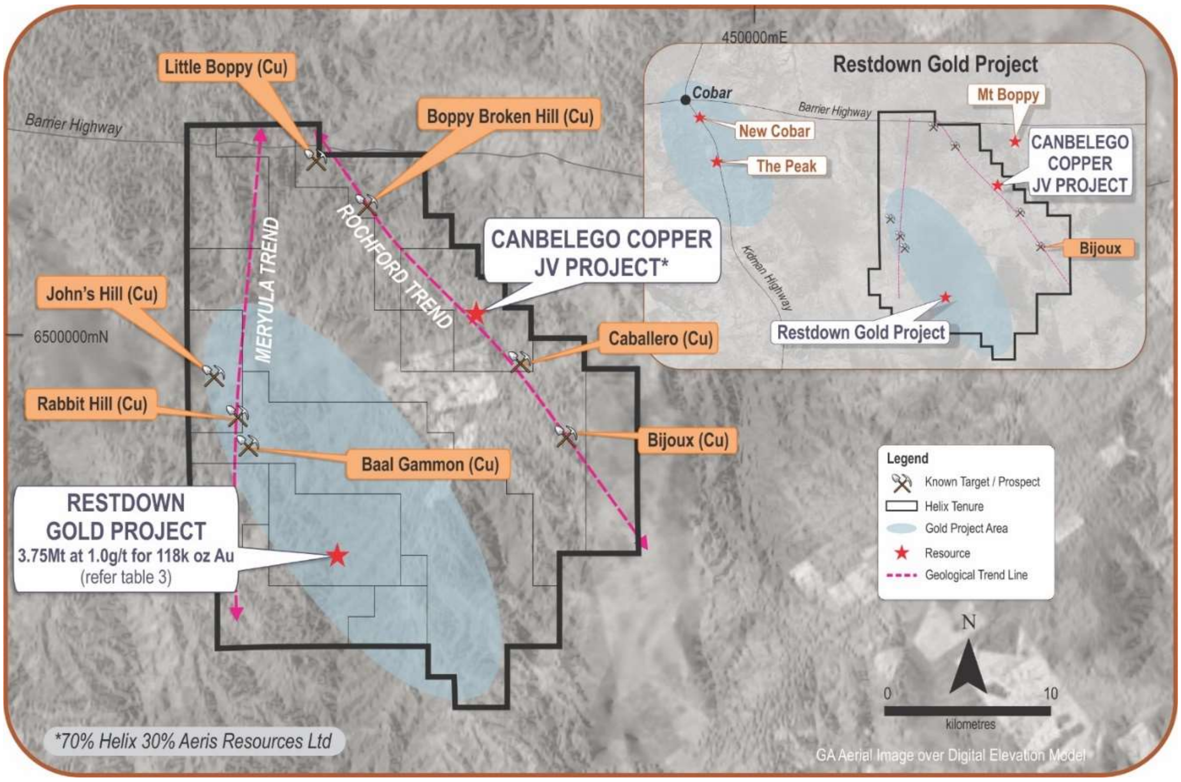


Figure 6: Regional setting of the Restdown Gold Project

[7] See ASX Announcement 23 December 2020
[8] See ASX Announcement 15 February 2021

In October 2020, Helix received assays from 13 drill holes with significant intercepts including[9]:

- Link Zone – 5 metres at 1.3 g/t Au (incl 1 metre at 2.4g/t Au) from 25 metres
- Reward – 3 metres at 1.2 g/t Au (incl 1 metre at 3.2g/t Au) from 18 metres
- Amity's – 1 metre at 1.4g/t Au from 93 metres
- Battery Tank North – 2 metres at 1.0 g/t Au from 15 metres

A follow-up drill campaign comprising 15 RC drillholes for 1,768 metres was conducted at seven new, nearby prospects. The objective of the second phase of this program was to test for evidence of bedrock gold mineralisation beneath previously untested geochemical and structural gold targets that included numerous old workings.

Gold assays for preliminary, 4 metre composite samples, were received and for several of the targets confirm the potential for gold mineralised systems. Of the 15 holes drilled in phase 2 of the program, 10 returned anomalous gold of greater than 4 metres at 0.1g/t Au[10].

The Company is undertaking a thorough review of all its historical data which is planned for completion late 2021. In the district, these deposits are generally high-grade, with small 'footprints' but can persist to great depths (>2,000 metres vertically), so they are very attractive targets albeit difficult to find without strong geological targeting vectors – which the Company will seek to identify ahead of any further drilling.

4. MINERAL RESOURCE ESTIMATES

4.1 CZ Mineral Resource

A mineral resource compliant with the 2012 JORC Code for the CZ deposit is summarised in Table 3 below. It is a high-grade copper discovery made by Helix in late 2016 along the Collerina Trend.

Table 3: Central Zone Mineral Resource Estimate (June 2019) (0.5% Cu Cut-off)

Classification	Type	Tonnes	Cu	Au	Cu	Au
		Mt	**%**	**g/t**	**t**	**oz**
Indicated	Oxide / Transitional	0.17	1.1	0.0	1,900	200
Inferred	Oxide / Transitional	0.46	0.6	0.0	2,700	100
Total	**Oxide / Transitional**	**0.63**	**0.7**	**0.0**	**4,600**	**300**
Indicated	Fresh	0.83	2.6	0.2	21,800	6,600
Inferred	Fresh	0.57	2.5	0.1	14,100	2,500
Total	**Fresh**	**1.40**	**2.6**	**0.2**	**35,800**	**9,100**
Indicated	Oxide / Transitional	0.17	1.1	0.0	1,900	200
Indicated	Fresh	0.83	2.6	0.2	21,800	6,600
Inferred	Oxide / Transitional	0.46	0.6	0.0	2,700	100
Inferred	Fresh	0.57	2.5	0.1	14,100	2,500
Total	**Combined**	**2.03**	**2.0**	**0.3**	**40,400**	**9,400**

(*Rounding errors may occur in summary tables*)

Other than results contained in this report, Helix confirms that it is not aware of any new information or data that materially affects the Mineral Resource information included in Helix ASX release dated 11 June 2019, *Interim Maiden Resource at Collerina Copper Project*. All material assumptions and technical parameters underpinning the estimates in that release continue to apply and have not materially changed.

[9] See ASX Announcement 8 October 2020
[10] See ASX Announcement 12 January 2021

4.2 Canbelego Mineral Resource

A mineral resource compliant with the 2004 JORC Code was reported 7 October 2010 as presented in Table 4. This Mineral Resource estimate is based on a total of 39 holes for 8,080 metres of RC and diamond drill core.

Since this estimate, the joint venture has undertaken additional exploration work including drilling and geophysics which is currently being compiled and interpreted.

Table 4: Canbelego* (October 2010) (0.5% Cu cut-off)

Classification	Type	Tonnes	Cu	Au	Contained Cu	Contained Au
		Mt	**%**	**g/t**	**t**	**oz**
Inferred	Oxide/Transition/Fre	1.50	1.2	N/A	18,000	N/A
Total	**Combined**	**1.50**	**1.2**	**N/A**	**18,000**	**N/A**

(Rounding errors may occur in summary tables)

* Reported as 100% of deposit; Helix has 70% equitable interest through the Joint Venture

Historic production from the Canbelego Copper mine was reported (1920) to be approximately10,000t of hand-picked ore grading 5% copper when mining ceased at the water table at a depth of approximately80 metres.

Canbelego is located on EL6105 which is a joint venture with local copper producer Aeris Resources Limited (ASX: AIS). Helix holds 70% and is the Manager and AIS is a contributing 30% partner.

Other than results contained and referred to in this report, Helix confirms that it is not aware of any new information or data that materially affects the Mineral Resource information included in Helix ASX release dated 7 October 2010 Initial Copper Resources for Canbelego and Exploration Update. All material assumptions and technical parameters underpinning the estimates in that release continue to apply and have not materially changed.

4.3 Restdown Gold Project Mineral Resources

Mineral resources compliant with the 2012 JORC Code for four discrete deposits at the Restdown Gold Project are summarised in Table 5 below.

Table 5: Restdown Gold Project Mineral Resource (November 2019) at 0.4 g/t Au cut-off

Deposit	Classification	Classification	Tonnes	Au	Au
			Mt	g/t	oz
Sunrise	Inferred	Oxide/Trans	1.58	1.1	56,400
Good Friday	Inferred	Oxide/Trans	0.45	0.9	13,700
Boundary	Inferred	Oxide/Trans	1.54	0.9	42,800
Battery Tank	Inferred	Oxide/Trans	0.18	1.0	5,900
Total (0.3 g/t Au Cut)			**3.75**	**1.0**	**118,800**

(Rounding errors may occur in summary tables)

Other than results contained in this report, Helix confirms that it is not aware of any new information or data that materially affects the Mineral Resource information included in Helix ASX release dated 7 November 2019, *Resource Upgrade to JORC2012 Cobar Gold Project – Cobar NSW*. All material assumptions and technical parameters underpinning the estimates in that release continue to apply and have not materially changed.

4.4 Blanco y Negro Mineral Resource

A mineral resource compliant with the 2012 JORC Code for the Blanco Y Negro Mineral Resource, located in Chile, is summarised in Table 6 below.

Table 6: Blanco Y Negro Inferred Mineral Resource estimate (2013) at 0.4 and 0.8 % Cu cut-off grades

Cut-Off Grade Cu%	Tonnes	Cu	Au	Cu	Au
	Mt	**%**	**g/t**	**t**	**oz**
0.4	1,440,000	1.4	0.5	20,000	23,000
0.8	880,000	2.0	0.7	17,500	21,000

(Rounding errors may occur in summary tables)

Other than results contained in this report, Helix confirms that it is not aware of any new information or data that materially affects the Mineral Resource information included in Helix ASX releases dated 20 November 2013, *Maiden Inferred Resource Blanco Y Negro – Chile* and 28 November 2013, *Addendum to Blanco Y Negro Maiden Inferred Resource Announcement 20/11/2013.* All material assumptions and technical parameters underpinning the estimates in that release continue to apply and have not materially changed.

5. REGIONAL SCALE EXPLORATION

The Company has approximately 1,300km^2 of tenure in the Cobar region which covers an estimated 120km of prospective mineralised trends. The 2021 exploration strategy aims to generate a 'pipeline' of new prospects to assess for advancing to resource delineation work to add to the existing Mineral Resource inventory (Section 4).

The key targeting tools in the district comprise electromagnetic (EM) surveys and geochemistry underpinned by sound geological maps and interpretations. Therefore, as part of the new exploration strategy, the Company's immediate focus was to fly an aerial EM survey over the remaining 80% of prospective trends with no EM coverage. In the following year this will be followed up with widespread multi-element geochemical sampling with major portions of Helix's tenure having had no effective (geophysical or geochemical) prior coverage.

In February 2021, the Company commenced a regional scale, detailed airborne electromagnetic survey across its Cobar region copper projects. As shown in Figure 1, only approximately 20% of the prospective trends had regional scale EM coverage (denoted 2017 VTEM survey). A total program of approximately 2,300 line-kilometres utilising the VTEM MAX™ system was completed (Figure 7). Regional EM surveys have proven very successful in the Cobar region at identifying sulphide-mineral, copper deposits.

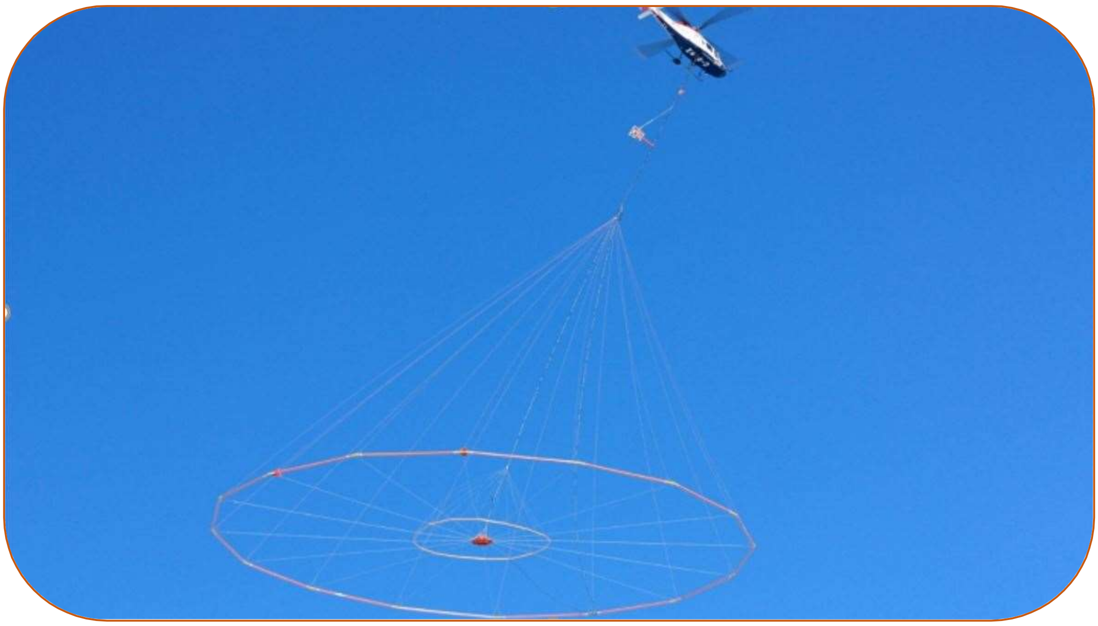


Figure 7: VTEM MAX™ system in flight (Photo – Geotech)

Results of the airborne survey were reported in March 2021, with the Company identifying 24 high priority copper targets along the combined 120km of prospective copper trends[11].

Highlights for the three regional scale copper trends tested, include:

- *Collerina Trend – Eight high-priority targets identified***.** Extensions indicated to the immediate north and south of the CZ deposit, as well as high confidence EM conductors to the north at Quanda which is in a similar trend as Aeris' high-grade Kurrajong and Constellation discoveries. Also, distinct subtle conductors at Fiveways are present south of CZ, which is on strike from the Tottenham copper deposits and has no surface geochemical coverage.
- *Rochford Trend – Ten high-priority targets identified*. Significant EM anomalies highlighting potential extensions of the Canbelego deposit to the north, south and east, discrete high confidence EM anomalies in the north near the historical Boppy Broken Hill copper workings – as well as reinforcing the potential of both the Cabellero and Bijoux prospects.
- *Meryula Trend – Six high priority targets identified***.** Strong, discrete EM anomalies highlighting prospective stratigraphy and structural sites, supported by sparse geochemical data and historical copper (+ lead and zinc) workings.

6. CHILE PROJECTS

The Company owns 100% of 3 highly prospective early-stage copper (and gold) projects in an accessible, low-elevation area in Chile. These comprise:

- Blanco Y Negro: a historical mine with an Inferred Mineral Resource of 1.5 mt at 1.4% Cu and 0.5 g/t Au (refer Section 4.4);
- Joshua Copper Porphyry: several large-scale copper targets defined by geophysics and drilling including 352 metres at 0.27% Cu, 240 metres at 0.22% Cu and 400 metres at 0.25% Cu[2]; and
- Samuel Project: large scale copper target defined by geophysics and early-stage drilling.

To maintain a focus on its Cobar region assets, Helix is exploring opportunities to attract outside, project level investment into this highly endowed copper province. To facilitate this, the Company has recently addressed various legacy creditor and concession matters which are now largely resolved.

7. COVID-19

The implications and risks to all Helix's stakeholders from the Coronavirus has continued to dominate the way the Company has operated through the current reporting period.

Helix has continued to adapt its activities and to monitor and mitigate the impacts of COVID-19 such as safety and health measures in line with government guidelines. There remains significant uncertainty around the impact and duration of business disruptions in Australia in general for the 2022 financial year which may or may not affect the Company's exploration activities.

8. MINERAL ROYALTIES

Helix holds two iron ore focused mineral production royalties arising from historic joint venture and divestment transactions:

- *Yalleen Royalty*: is a 1.0% FOB royalty on all iron ore production from the former Yalleen Iron Ore Project JV located in the west Pilbara region of Western Australia (as well as a 1.0% NSR royalty on precious and base metals production). These royalty interests arose following execution of a Sale Agreement with API Management Pty Ltd, Aquilla Steel Pty Ltd and AMC (IO) Pty Ltd (the later two are owned by POSCO and Bao Steel respectively), announced in January 2018. Further background to its Royalty interests is available in the ASX report "Helix Sells Yalleen Iron Ore Interests for Cash & Royalties" 15 January 2018 and on the API Management website; https://www.apijv.com.au/.

- *Olary Royalty*: is a 1% FOB royalty on all iron ore products produced and sold from EL6115 located in the Braemar Iron Province of South Australia which hosts magnetite iron mineralisation. The EL is a core component of Lodestone Mines Limited's Olary Flats Project. Lodestone and Helix have recently refreshed the original Royalty Deed which was executed in January 2013. Further background to the Olary Flats project can be found on the Lodestone Mines Ltd website https://www.lodestonemines.com/.

[11] See ASX Announcement 23 March 2021

The Company is exploring commercialisation opportunities for these royalties.

9. COMPETENT PERSON STATEMENT

The information in this report that relates to exploration results and geological data for the Cobar region projects is based on information compiled by Mr Gordon Barnes and Mr Mike Rosenstreich who are both employees and shareholders of the Company. Mr Barnes is a Member of the Australian Institute of Geoscientists and Mr Rosenstreich is a Fellow of the Australasian Institute of Mining and Metallurgy. They both have sufficient experience that is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being undertaken to each qualify as Competent Person(s) as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

The information in the report which relates to Mineral Resource estimates has been reviewed by Mr Rosenstreich and Mr Barnes. Original references to competent persons for the Mineral Resources have been provided elsewhere within this report. Mr Barnes and Mr Rosenstreich have consented to the inclusion of this information in the form and context in which it appears in this report.

10. CORPORATE

10.1 Management

The Board has implemented significant management changes in the Company during the second half of the financial year to form a new core executive leadership group comprising:

- *Mike Rosenstreich, Managing Director*: commenced on 11 January 2021. He contributes a blend of technical and commercial skills which are highly applicable to the Company as it continues to embark on its next phase of growth in the Cobar basin[12] (refer to the Directors Report – page 18 for further details of Mr. Rosenstreich's qualifications, experience and expertise). With the appointment of Mr Rosenstreich, Mr Peter Lester reverted to his previous role as Non-Executive Chairman.
- *Gordon Barnes, Exploration Manager*: commenced on 10 May 2021. Gordon has over 30 years of practical mineral exploration experience, ranging from active field-based projects through to multi-commodity project generation initiatives in Australia and overseas. He has extensive NSW copper and gold exploration experience, including Exploration Manager roles with listed explorers Magmatic Resources Ltd and Clancy Exploration Ltd, and prior to that Geoinformatics Exploration Pty Ltd. Since October 2018 he has been a Senior Consultant with R.W. Corkery & Co Pty Limited, a geological and environmental consultancy specialising in NSW mining and development projects.
- *Meagan Hamblin, Chief Financial Officer*: commenced in April 2021. Meagan is a Director of Meridian Corporate Consultants with extensive experience in financial reporting, corporate accounting, advisory services, training, and workshop facilitation. Prior to co-founding Meridian, Meagan worked in audit and advisory at Deloitte Perth and has more recently worked as part of the statutory reporting team at Wesfarmers, which involved preparing the Annual Report, Board reporting, providing technical accounting advice and facilitating accounting training.

10.2 Capital Management

During the financial year, the Company continued to prudently manage its capital with the aim of strategically supporting its exploration activities. In February 2021 the Company successfully completed a placement to raise $3 million (before costs)[13].

Due to strong demand, the placement was conducted via two-tranches to sophisticated investors comprising of:

- Tranche 1 – An initial placement to raise $1,799,183 (Tranche 1) under the Company's existing 15% (LR 7.1) and 10% (LR 7.1A) placement capacity; and
- Tranche 2 – A capital raising of up to $1,200,817 (Tranche 2) which was undertaken following shareholder approval.

[12] See ASX Announcement 14 December 2020
[13] See ASX Announcement 18 February 2021

Following the successful drilling results at the Canbelego JV, Helix sought to secure additional funding to maintain a long-term drilling program. In May 2021, the Company raised $4 million (before costs) via a placement of approximately 149.4 million new shares at $0.027 per share under the Company's existing 15% (LR 7.1) placement capacity[14].

11. SUSTAINABILITY

In FY2021, the board of Helix Resources introduced a Sustainable Development and Environmental policy which will guide the Company's actions and ensure compliance with acceptable environmental, social and governance practices.

The development of the policy reflects the Company's commitment to the community and to thinking sustainably as it explores for copper, an essential component of electrification which is critical in a low-carbon economy.

To achieve these performance standards, Helix shall provide both adequate financial and human resources to ensure the Company:

- Conducts operations, as a minimum, in compliance with all relevant environmental codes of practice, licences and legislation;
- Identifies monitors and manages environmental risks arising from its operations;
- Seeks continuous performance improvement in environmental management, production processes, waste management and the use of resources;
- Recognises and seeks to minimise its carbon footprint in all its operational activities;
- Aims to recycle and reuse materials in its offices and exploration sites;
- Sets and periodically reviews objectives and targets which relate to environmental management;
- Provides appropriate training and awareness for all employees on environmental issues;
- Communicates regularly with employees about its aims and about the responsibilities of individuals; and,
- Communicates with shareholders and the community about its environmental performance and contributes to the development of laws and regulations which may affect our business.

This is an essential update and 'reset' given legacy environmental and landholder issues from early 2018, to reaffirm for all stakeholders the Company's adherence to and ongoing development of an environmentally responsible culture to be promoted at all locations and environmental awareness is to be included as a major component in the induction of personnel at all sites, including the corporate head office.

[14] See ASX Announcement 18 May 2021

CORPORATE GOVERNANCE

Helix Resources Limited has made it a priority to adopt systems of control and accountability as the basis for the administration of corporate governance. Commensurate with the spirit of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations ("Principles & Recommendations") fourth edition, the Company has followed each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices.

Where the Company's corporate governance practices follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. Where, after due consideration, the Company's corporate governance practices depart from a recommendation, the Board has offered full disclosure and reason for the adoption of its own practice, in compliance with the "if not, why not" regime.

The Company's Corporate Governance Statement for the year ended 30 June 2021 is available on the Company's website at www.helixresources.com.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.

DIRECTORS' REPORT

The Directors of Helix Resources Limited ('Helix' or ' the Company') present their Report together with the financial statements of Helix Resources Limited and its controlled entities ('the Group') for the year ended 30 June 2021.

Directors

The names of Directors who held office during or since the end of the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated:

Peter Lester (Non-Executive Chairman)
Tim Kennedy (Non-Executive Director)
Jason Macdonald (Non-Executive Director)
Mike Rosenstreich (Managing Director)

Information on Directors

Name:	Peter Lester
Title:	Non-Executive Chairman (Executive Chairman for 1 July 2021 to 11 January 2021)
Qualifications:	B.E (Mining), MAUSIMM, MAICD
Experience and expertise:	Mr Lester is a qualified Mining Engineer and has over 40 years of experience in the mining industry. Mr Lester has held senior executive positions with North Ltd, Newcrest Mining Limited, Oxiana/Oz Minerals Limited and Citadel Resource Group Limited. Mr Lester's experience covers operations, project and business development and general corporate activities including financial services. Mr Lester has served on several ASX listed and private mining boards.
Other current directorships:	White Rock Minerals Limited (since April 2013).
Former directorships (last 3 years):	Millennium Minerals Limited (from March 2017 to February 2020) and Kingrose Mining Limited (from February 2020 to November 2020).
Interests in shares:	2,105,342
Interests in options:	3,000,000

Name:	Timothy Kennedy
Title:	Non-Executive Director
Qualifications:	BAppSc(Geol), GDOp(Comp), MBA, MAIMM
Experience and expertise:	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 (ASX: IGO), which during his 11 years tenure grew from being a junior explorer to a multi-asset and multi-commodity mining company. In particular Mr Kennedy played a key role as part of the team that represented IGO on the Exploration Steering Committee during the multi-million ounce Tropicana, Havana and Boston Shaker discoveries; the discovery of the Rosie magmatic nickel sulphide deposit; the discovery of the Bibra orogenic gold deposit; and the discovery of the Triumph VMS deposit. 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 technical positions with Resolute Limited, Hunter Resources and PNC Exploration.
Other current directorships:	Sipa Resources Limited (since December 2016) and Yandal Resources Limited (since July 2021).
Former directorships (last 3 years):	Millennium Minerals Limited (from May 2016 to February 2020).
Interests in shares:	450,000
Interests in options:	nil

DIRECTORS' REPORT

Name:	Jason Macdonald
Title:	Non-Executive Director
Qualifications:	LLB, BCom
Experience and expertise:	Mr Macdonald is a qualified legal practitioner, he has practiced 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.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	15,635,514
Interests in options:	3,000,000

Name:	Mike Rosenstreich
Title:	Managing Director
Qualifications:	BSc(Hons), MEEC, FAusIMM, MAICD
Experience and expertise:	Mr Rosenstreich contributes over 30 years technical, corporate and financial experience. He has held senior geological roles covering exploration, development and production. He worked in resource banking with NM Rothschild before becoming founding Managing Director of Bass Metals, leading it from IPO, exploration success and over 5 years of base and precious metals production. Since late 2013, he has held several executive roles with ASX listed companies focused on 'specialty materials' such as tantalum, graphite and REE as well as gold and base metals in Australia and off-shore.
Other current directorships:	Tantalum International Ltd (since May 2014).
Former directorships (last 3 years):	Hexagon Energy Materials Ltd (from March 2017 to December 2020).
Interests in shares:	2,458,333
Interests in options:	5,541,667

Company Secretary

Mr Benjamin Donovan

Mr Donovan is an experienced Company Secretary, providing Helix with corporate advisory and consultancy services. Mr Donovan is a member of the Governance Institute of Australia and provides corporate advisory, IPO and consultancy services to a number of companies. Mr Donovan is currently a company secretary of several ASX listed and public unlisted companies and has gained experience across resources, agritech, biotech, media and technology industries. He has extensive experience in listing rules compliance and corporate governance, having served as a Senior Adviser at the ASX in Perth for nearly 3 years, where he managed the listing of nearly 100 companies on the ASX. In addition, Mr Donovan has experience in the capital markets having raised capital and assisted numerous companies on achieving an initial listing on the ASX, as well as for a period of time, as a private client adviser at a boutique stock broking group.

Meetings of Directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2021, and the number of meetings attended by each director were:

	Full Board		Nomination and Remuneration Committee		Audit and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
P Lester	11	11	-	-	2	2
T Kennedy	11	11	-	-	2	2
J Macdonald	11	11	-	-	2	2
M Rosenstreich	6	6	-	-	1	1

Held: represents the number of meetings held during the time the Director held office.

DIRECTORS' REPORT

Principal activities

The principal activity of the Group consisted of copper, gold, 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 after income tax for the year ended 30 June 2021 was $1,169,550 (30 June 2020: $480,596) and net cash outflows from operating activities of $1,104,126 (30 June 2020: $661,720). As at 30 June 2021, the Group had a net asset position of $17,303,165 (30 June 2020: $9,904,434).

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 Group'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.helixresources.com.au.

The Company's strategy is to advance our internally generated asset portfolio, with a primary focus on our strategic commodities, copper and gold. Utilising the Company's deep geological knowledge of its asset portfolio and corporate expertise, Helix creates and looks to extract intrinsic value for the benefit of its shareholders.

Mineral Asset Project Highlights

Refer to the Review of Operations on page 4.

Corporate

Major corporate events during the year included:

- On 10 July 2020, the Company issued 264,706,567 ordinary shares at $0.007 per share, raising a total of $1.85 million (before costs), completing the Non-Renounceable Entitlement issue of 1 share for every 2 shares held by eligible shareholders as announced on 5 June 2020.
- On 5 November 2020, 2,500,000 unlisted options were issued to the Lead Manager (Morgans Corporate) upon shareholder approval for the successful Placement in November 2019. The options are exercisable at $0.024 each which an expiry date of 5 November 2022.
- On 5 November 2020, 11,000,000 unlisted options were issued to the consultants for the successful Placement in July 2020. The options are exercisable at $0.015 each which an expiry date of 31 December 2022.
- On 11 January 2021, Mr Mike Rosenstreich was appointed as Managing Director. As such, Mr Peter Lester reverted to a non-executive Chairman's role on the same date.
- On 11 January 2021, the Company proposed the issue of 7,000,000 unlisted performance options to the Managing Director with nil exercise price expiring on 11 January 2023. The performance options were issued in three tranches (21%, 37% and 42%) with vesting dependent upon the satisfaction of specific performance hurdles. Shareholder approval was obtained for the options on 7 April 2021.
- On 18 February 2021, the Company announced that it had received binding applications for $3 million (before costs) via a 2-tranche placement of 300,000,000 fully paid ordinary shares at $0.01 per share, with 179,918,314 fully paid ordinary shares issued in the first tranche under the Company's existing placement capacity and were issued on 24 February 2021, and the remaining 120,081,686 fully paid ordinary shares in the second tranche approved by shareholders at the general meeting on 7 April 2021 and issued on 13 April 2021. The Lead Manager was awarded 8,000,000 options exercisable at $0.02 expiring on 23 February 2024.
- Unlisted options with an exercise price of $0.0607 (3,000,000 options) expired on 5 April 2021.
- On 18 May 2021, 11,000,000 fully paid ordinary shares were issued on the exercise of unlisted options.
- On 18 May 2021, the Company announced it had received binding applications for $4 million (before costs) via a placement of 149,400,989 million fully paid ordinary shares at $0.027 per share and the shares were issued on 26 May 2021. The Lead Manager was awarded 10,000,000 options exercisable at $0.054 expiring on 26 May 2024.
- On 29 June 2021, 2,500,000 fully paid ordinary shares were issued on the exercise of unlisted options.

Significant changes in the 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.

DIRECTORS' REPORT

Future Developments

A discussion of likely developments in the Group's operations in future financial years and the expected results of those operations are set out in the Review of Operations above.

Subsequent Events

- On 2 August 2021, 1,458,333 fully paid ordinary shares were issued on exercise of Tranche A of the performance options issued to the Company's Managing Director.
- On 4 August 2021, the Company announced it had issued 6,000,000 performance options to employees of the Company.
- On 2 September 20201, the Company announced it had entered into a binding offer letter with Alpha HPA Ltd ('Alpha HPA') to acquire a new tenement (EL8703) prospective for copper/base metals adjacent to its Collerina tenements. As part of the transaction, Helix will extinguish all 'deemed' joint venture rights over tenement EL8768 as well as reduce the Helix royalty by 0.5% NSR, whereby Alpha HPA will retain a 1.0% NSR Royalty on all metals from the former joint venture and newly acquired tenements. The transaction will involve Helix issuing 20 million shares to Alpha HPA (subject to shareholder approval), with the shares subject to voluntary escrow of between 9 to 18 months.

No matter or circumstance, other than those mentioned above, have arisen since 30 June 2021 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 financial years.

Share Options

As at the date of this report, there were 41,541,667 options on issue at various exercise prices and expiry periods. Refer to the remuneration report for further details of the options held by 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.

13,500,000 fully paid ordinary shares were issued as a result of the exercise of options during the year raising $225,000.

Remuneration report (audited)

This remuneration report sets out the remuneration information for Directors and other Key Management Personnel ('KMP') of the Company for the year ended 30 June 2021. 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.

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

The individuals included in this report are:

Managing Director
Mr M Rosenstreich - Managing Director (appointed on 11 January 2021)

Non-Executive Directors
Mr P Lester - Non-Executive Chairman (previously Executive Chairman until 11 January 2021)
Mr T Kennedy - Non-Executive Director
Mr J Macdonald - Non-Executive Director

Key Management Personnel
Mr M Wilson - General Manager Geology (appointed 12 March 2020 and resigned on 22 June 2021)

Remuneration Governance

The Board appointed Mr Peter Lester, Mr Timothy Kennedy and Mr Jason Macdonald to the remuneration committee on 9 March 2021. Each Director excludes themselves from matters in which they have a personal interest and Mr Timothy Kennedy chairs such discussions.

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.helixresources.com.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, good corporate governance and community based objectives;
- To be fair and competitive in 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 and performance rights 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.

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 and comprise each executive's total annual remuneration:

- 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 is 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 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, and other key employees approved by the Board who influence or drive the strategic direction of the Company. 7,000,000 performance options were issued to the Managing Director during the year as set out below (2020: nil).

2021	Value of Performance Options granted during the year	Grant Date	Fair Value per option	Exercise price	Expiry date	Number of Performance options held at end of year
	$					
Mr M Rosenstreich	17,500	07/04/2021	0.0120	-	07/04/2026	1,458,333
Mr M Rosenstreich	23,625	07/04/2021	0.0090	-	07/04/2026	2,625,000
Mr M Rosenstreich	20,417	07/04/2021	0.0070	-	07/04/2026	2,916,667

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 approved to be paid.

Details of Remuneration
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.

	Primary benefits			Post Employment	Equity			
	Salary & Fees	Annual and Long Service Leave Provision	Non-Monetary Benefits	Superannuation	Options	Performance Rights*	Total	
2021	$	$	$	$	$	$	$	%
P Lester[1]	50,228	-	-	4,772	-	-	55,000	-
J Macdonald	36,530	-	-	3,470	-	-	40,000	-
T Kennedy	36,530	-	-	3,470	-	-	40,000	-
M Rosenstreich[2]	82,292	12,608	-	7,818	-	22,937	125,655	18.25%
M Wilson[3]	193,636	(72,484)	-	18,395	-	-	139,547	-
	399,216	(59,876)	-	37,925	-	22,937	400,202	

[1]Mr P Lester was appointed as Executive Chairman on 13 March 2020 and transitioned to Non-Executive Chairman on 11 January 2021.
[2]Mr M Rosenstreich was appointed on 11 January 2021.
[3]Mr M Wilson was appointed as General Manager - Geology on 12 March 2020 and resigned on 22 June 2021.

*The performance rights include market based vesting conditions and therefore can only be exercised on the satisfaction of the vesting conditions. The performance rights have been valued using a barrier up-and-in trinomial option pricing model with a Parisian barrier adjustment. The model takes into consideration that the performance rights will vest at any time during the performance period, given that the relevant VWAP barriers are met. The value disclosed in the above table is the portion of the fair value of the rights recognised in the reporting period.

	Primary benefits			Post Employment	Equity			
	Salary & Fees	Annual and Long Service Leave Provision	Non-Monetary Benefits	Superannuation	Options (*)	Performance Rights	Total	Performance Related
2020	$	$	$	$	$	$	$	%
P Lester[1]	39,764	-	-	3,778	10,556	-	54,098	-
J Macdonald	28,919	-	-	2,747	10,556	-	42,222	-
T Kennedy	28,919	-	-	2,747	7,496	-	39,162	-
M Wilson[2]	191,818	(7,893)	-	18,223	10,556	-	212,704	-
	289,420	(7,893)	-	27,495	39,164	-	348,186	

[1]Mr Lester was appointed as Executive Chairman on 13 March 2020, having been Non-Executive Chairman up to that date, at no additional salary to his non-executive fees.
[2]Mr Wilson resigned as Managing Director and was appointed as General Manager - Geology on 12 March 2020.

*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 the 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.

Directors' salaries were waived in full and management salaries were reduced by 20% for the three months April to June 2020 as part of cost conservation during the early stages of the COVID-19 crisis.

No short-term cash bonuses were paid or accrued for during the year ended 30 June 2021 (30 June 2020: nil).

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.

Additional Information
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	2017	2018	2019	2020	2021
Other income	22,495	43,940	63,995	144,636	201,339
Net (loss)	(6,312,894)	(348,200)	(720,037)	(480,596)	(1,169,550)
Share price	$0.037	$0.037	$0.014	$0.014	$0.025
Loss per share (cents)	(1.94)	(0.09)	(0.17)	(0.10)	(0.13)
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
P Lester	55,000	Not specified	Not Specified	Not Specified
T Kennedy	40,000	Not specified	Not specified	Not specified
J Macdonald	40,000	Not specified	Not specified	Not specified
M Rosenstreich	250,000[2]	Not specified	3 months	3 months

(1) *Inclusive of Superannuation guarantee contributions.*
(2) *$250,000 per annum full time - $175,000 on 70% part time basis.*

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 2020	Options Granted during year as remuneration	Options Exercised during year	Options Expired during year	Balance as at 30 June 2021	Options vested & exercisable at end of year
P Lester	3,000,000	-	-	-	3,000,000	3,000,000
T Kennedy	3,000,000	-	-	(3,000,000)	-	-
J Macdonald	3,000,000	-	-	-	3,000,000	3,000,000
M Rosenstreich	-	7,000,000	-	-	7,000,000	1,458,333

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. No shares were issued as part of remuneration.

Directors/Key Management Personnel	Balance as at 1 July 2020	Purchased	Disposed	Other Movements	Balance as at 30 June 2021
P Lester	736,895	1,368,447	-	-	2,105,342
T Kennedy	300,000	150,000	-	-	450,000
J Macdonald	10,846,764	4,788,750	-	-	15,635,514
M Rosenstreich[1]	-	-	-	1,000,000	1,000,000

[1] *M Rosenstreich was appointed on 11 January 2021.*

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 2021, 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
A total of 82.75% of votes determined via a poll at the Company's 2020 Annual General Meeting on the resolution dealing with the Remuneration Report for the financial year ended 30 June 2020 were cast in favour of the resolution. The resolution was passed by the required 75% majority. There was no specific feedback at the Annual General Meeting in relation to the Remuneration Report.

This concludes the remuneration report, which has been audited.

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.

On and from 6 September 2021 the Company became aware that:
- a number of aircore drillholes may have been drilled in early 2018 without all requisite statutory approvals;
- there were other potential non-compliances in relation to rehabilitation work required at a historical drill site; and
- that Landholder compensation payments were in arrears.

Helix 'self-reported' the above suspected breaches to the NSW Resources Regulator. The Company is committed to co-operating fully with the Regulator and any investigation deemed necessary by the Regulator. As at 30 June 2021, no provision has been recognised and no contingent liability disclosed in relation to the suspected breaches as the matter is still under investigation with the NSW Resources Regulator and the outcome as yet cannot reasonably be determined by management.

A preliminary risk assessment completed by the Company indicates there are no other regulatory breaches associated with its operations.

Pending the outcome of any possible investigation by the Regulator, Helix has taken active steps to verify that rehabilitation was completed for the unpermitted drillholes, recompense the Landholders in respect of outstanding amounts and has commenced rehabilitation of the identified historical drill site.

These non-compliance event occurred prior to the appointment of the majority of the current Directors and prior to the new management team that was appointed in 2021. The Board has now satisfied themselves that appropriate compliance measures and a suitably experienced team are in place to ensure that these type of events cannot occur in the future.

Non-audit services

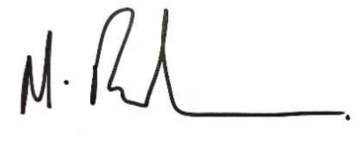
The auditors did not provide any non-audit services during the financial year.

Auditor's independence declaration

The auditor's independence declaration is included on page 29 of the annual report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Mike Rosenstreich
Managing Director
Signed at Perth on 30 September 2021

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Helix Resources Limited for the year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia
30 September 2021

N G Neill
Partner

hlb.com.au

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DIRECTORS' DECLARATION

The Directors of the Company declare that:

The consolidated financial statements and notes, as set out on pages 31 to 61 are in accordance with the Corporations Act 2001 and:

- Comply with Australian Accounting Standards (including the Australian Accounting Interpretations), the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- Give a true and fair view of the financial position of the Group as at 30 June 2021 and of its performance for the year ended on that date; and
- Complies with International Financial Reporting Standards as disclosed in Note 1.

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

Mike Rosenstreich
Managing Director
Signed at Perth on 30 September 2021

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Consolidated 2021 $	2020* $
Revenue			
Other income	14	201,340	143,921
Expenses			
Other expenses	15	(161,460)	(121,424)
Employment costs		(99,414)	(67,155)
Directors fees		(196,921)	(129,695)
Share based payments		(32,544)	(49,719)
Depreciation and amortisation expense		(54,257)	(58,486)
Audit and accountancy		(42,507)	(76,434)
Professional fees		(110,280)	(54,581)
Information technology costs		(15,585)	(4,010)
Corporate marketing costs		(119,762)	(13,085)
Share registry and listing fees		(34,422)	(18,212)
Premises costs		(45,898)	(20,068)
Travel expenses		(14,803)	(2,750)
Exploration expenditure		(108,360)	(36,138)
Foreign exchange gain/(loss)		765	-
Loss before income tax expense from continuing operations		(834,108)	(507,836)
Income tax expense	20	-	-
Loss after income tax expense from continuing operations		(834,108)	(507,836)
(Loss)/profit after income tax expense from discontinued operations	16	(335,442)	27,240
Loss after income tax expense for the year attributable to the owners of Helix Resources Limited	13	(1,169,550)	(480,596)
Other comprehensive loss for the year, net of tax		-	-
Total comprehensive loss for the year attributable to the owners of Helix Resources Limited		(1,169,550)	(480,596)

**In accordance with AASB 5 Non-Current Assets Held For Sale and Discontinued Operations, the comparatives have been restated for discontinued operations that have arisen during the year. Refer to Note 16.*

The above statement of cash flows should be read in conjunction with the accompanying notes

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Cents	Cents
Earnings per share for loss from continuing operations attributable to the owners of Helix Resources Limited			
Basic earnings per share	24	(0.09)	(0.11)
Diluted earnings per share	24	(0.09)	(0.11)
Earnings per share for profit/(loss) from discontinued operations attributable to the owners of Helix Resources Limited			
Basic earnings per share	24	(0.04)	0.01
Diluted earnings per share	24	(0.04)	0.01
Earnings per share for loss attributable to the owners of Helix Resources Limited			
Basic earnings per share	24	(0.13)	(0.10)
Diluted earnings per share	24	(0.13)	(0.10)

The above statement of cash flows should be read in conjunction with the accompanying notes

STATEMENT OF FINANCIAL POSITION

	Note	Consolidated 2021 $	Consolidated 2020 $
Assets			
Current assets			
Cash and cash equivalents	2a	5,389,903	155,356
Trade and other receivables	3	466,348	113,101
Other Assets	5	-	237,565
		5,856,251	506,022
Assets of disposal groups classified as held for sale	16	21,226	-
Total current assets		5,877,477	506,022
Non-current assets			
Plant and equipment	6	29,161	33,114
Right-of-use assets	7	19,294	65,598
Exploration and evaluation	4	11,916,031	10,059,074
Other assets	5	305,502	244,902
Total non-current assets		12,269,988	10,402,688
Total assets		18,147,465	10,908,710
Liabilities			
Current liabilities			
Trade and other payables	8	652,267	830,642
Lease liabilities	10	20,517	46,624
Provisions	9	73,061	106,493
		745,845	983,759
Liabilities directly associated with assets classified as held for sale	16	98,455	-
Total current liabilities		844,300	983,759
Non-current liabilities			
Lease liabilities	10	-	20,517
Total non-current liabilities		-	20,517
Total liabilities		844,300	1,004,276
Net assets		17,303,165	9,904,434
Equity			
Share capital	11	75,822,165	67,676,147
Reserves	12	550,360	186,595
Accumulated losses	13	(59,069,360)	(57,958,308)
Total equity		17,303,165	9,904,434

The above statement of cash flows should be read in conjunction with the accompanying notes

STATEMENT OF CHANGES IN EQUITY

Consolidated	Issued capital $	Reserves $	Accumulated Losses $	Total equity $
Balance at 1 July 2019	66,517,020	190,979	(57,531,815)	9,176,184
Loss after income tax expense for the year	-	-	(480,596)	(480,596)
Other comprehensive loss for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(480,596)	(480,596)
Transactions with owners in their capacity as owners:				
Issue of shares	1,297,127	-	-	1,297,127
Share issue costs	(138,000)	-	-	(138,000)
Options vested	-	49,719	-	49,719
Options expired	-	(54,103)	54,103	-
Balance at 30 June 2020	67,676,147	186,595	(57,958,308)	9,904,434

Consolidated	Issued capital $	Reserves $	Accumulated Losses $	Total equity $
Balance at 1 July 2020	67,676,147	186,595	(57,958,308)	9,904,434
Loss after income tax expense for the year	-	-	(1,169,550)	(1,169,550)
Other comprehensive loss for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(1,169,550)	(1,169,550)
Transactions with owners in their capacity as owners:				
Issue of shares	9,111,773	-	-	9,111,773
Share issue costs	(1,031,623)	-	-	(1,031,623)
Options vested	-	488,131	-	488,131
Transfer of options exercised	65,868	(65,868)	-	-
Options expired	-	(58,498)	58,498	-
Balance at 30 June 2021	75,822,165	550,360	(59,069,360)	17,303,165

The above statement of cash flows should be read in conjunction with the accompanying notes

STATEMENT OF CASH FLOWS

	Note	Consolidated 2021 $	Consolidated 2020* $
Cash flows from operating activities			
Receipts from customers		-	-
Payments to suppliers and employees		(786,974)	(109,291)
		(786,974)	(109,291)
Interest Received		5,556	1,553
Interest paid on right-of-use asset		(6,547)	(6,025)
Net cash from discontinuing operations		(316,161)	(547,957)
Net cash used in operating activities	2b	(1,104,126)	(661,720)
Cash flows from investing activities			
Payments for property, plant and equipment	6	(4,000)	-
Payments for capitalised exploration & evaluation expenditure	4	-	(701,918)
Payments for security deposits		(75,000)	(10,000)
Payments for JV capitalised exploration & evaluation expenditure		(2,105,911)	-
Advances for explorations expenditure		50,000	-
Net cash used in investing activities		(2,134,911)	(711,918)
Cash flows from financing activities			
Proceeds from issue of shares	11	8,886,773	1,306,927
Proceeds from exercise of options		225,000	-
Share issue costs		(597,050)	(97,542)
Payment of lease principal		(46,624)	(46,782)
Net cash from financing activities		8,468,099	1,162,603
Net increase/(decrease) in cash and cash equivalents		5,229,062	(211,035)
Cash and cash equivalents at the beginning of the financial year		155,356	366,391
Effects of exchange rate changes on cash and cash equivalents		5,485	-
Cash and cash equivalents at the end of the financial year	2	5,389,903	155,356

**In accordance with AASB 5 Non-Current Assets Held For Sale and Discontinued Operations, the comparatives have been restated for discontinued operations that have arisen during the year. Refer to Note 16.*

The above statement of cash flows should be read in conjunction with the accompanying notes

NOTES TO THE FINANCIAL STATEMENTS

Note 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 (“Helix” or “the Company”) 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 plant and equipment. 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 Company and all of its subsidiaries as of 30 June 2021. The Company 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. Balances 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.

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.

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.

Note 1. Summary of accounting policies (continued)

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 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. Ultimate recoupment of these costs is dependent on the successful development and commercial exploitation, or alternatively, sale, of the respective areas of interest.

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.
Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

f) Leases
The Group adopted AASB 16 on 1 July 2019. For any new contracts entered into on or after 1 July 2019, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group.
- The Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- The Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Note 1. Summary of accounting policies (continued)

Measurement and recognition of leases as a lessee
At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term. On the statement of financial position, right-of-use assets have been included in property, plant and equipment (except those meeting the definition of investment property) and lease liabilities have been included in trade and other payables.

g) Financial Instruments
Recognition, initial measurement and derecognition
Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets
Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:
• Amortised cost
• Fair value through profit or loss (FVPL)
• Equity instruments at fair value through other comprehensive income (FVOCI)
• Debt instruments at fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses. Classifications are determined by both:
• The entities business model for managing the financial asset
• The contractual cash flow characteristics of the financial assets

Note 1. Summary of accounting policies (continued)

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

• They are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows

• The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as security deposits that were previously classified as held-to-maturity under AASB 139.

There are no FVPL and FVOCI instruments for the Group.

Impairment of financial assets

AASB 9's impairment requirements use more forward-looking information to recognize expected credit losses – the 'expected credit losses (ECL) model'. Instruments within the scope of the requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument. In applying this forward-looking approach, a distinction is made between:

• Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and

• Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date. '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables

The Group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

Classification and measurement of financial liabilities

The Group's financial liabilities include trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

h) 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).

Note 1. Summary of accounting policies (continued)

i) 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. Performance options are valued by independent experts using a barrier up-and-in trinomial option pricing model with a Parisian barrier adjustment.

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.

j) 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 25 .

Note 1. Summary of accounting policies (continued)

k) Revenue
Income 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 income is recognised when it is received or when the right to receive payment is established.

l) 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.

m) 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.

n) 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.

o) Foreign Currency Translation
Functional and Presentation Currency
The consolidated financial statements are presented in Australian dollars (AUD), which is the Company's functional and presentation currency.

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

Note 1. Summary of accounting policies (continued)

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.

p) 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.

q) Non-current assets or disposal groups classified as held for sale
Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

r) New or amended Accounting Standards adopted by the Group
The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

s) 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. Refer to Note 4 for further details on exploration and evaluation expenditure.

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. Refer to Note 12 for details of options on issue.

Note 1. Summary of accounting policies (continued)

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances. Refer to Note 10 for details on lease liabilities.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment. Refer to Note 10 for details on interest on lease liabilities.

t) 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 Directors are satisfied the Company is a going concern, whilst it incurred a loss after income tax for the year ended 30 June 2021 of $1,169,550, it had a net asset position of $17,303,165 and a cash balance of $5,389,903 as at 30 June 2021. The Company has the ability to reduce forecast expenditure if required and it is anticipated that additional capital can be raised in the future if required.

Note 2. Cash and cash equivalents

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	
	2021	**2020**
	$	**$**
Current assets		
Cash at bank	5,389,903	155,276
Cash on hand	-	80
	5,389,903	155,356

Cash on hand is non-interest bearing. Cash at bank bears floating interest rates between 0.00% and 0.25% (2020: between 0.00% and 0.25%).

Note 2. Cash and cash equivalents (continued)

b) Reconciliation of Loss after Income Tax to Cash Flows Provided by Operating Activities

	Consolidated	
	2021	**2020**
	$	**$**
Loss after income tax expense for the year	(1,169,550)	(480,596)
Non-cash flows in loss		
Depreciation	54,257	58,486
Gain on foreign exchange transactions	(765)	-
Share based payments	32,544	49,719
Revenue from JV	(69,922)	-
Changes in net assets and liabilities		
(Increase)/ decrease in trade and other receivables	189,740	(271,309)
(Increase)/ decrease in trade and other payables	(106,998)	9,313
(Increase)/ decrease in provisions	(33,432)	(27,333)
Net cash used in operating activities	**(1,104,126)**	**(661,720)**

c) Non-Cash Financing Activities

During the year ended 30 June 2021, $9,607 options vested and $22,937 performance rights vested (30 June 2020: $49,719).

d) Funding from Exploration Partners

Included in the statement of cash flows is $50,000 (30 June 2020: $1,231,113) proceeds from joint venture partners. The current year's contribution of $50,000 relates to the Canbelego Joint Venture (30 June 2020: relates to Chilean projects).

Note 3. Trade and other receivables

	Consolidated	
	2021	**2020**
	$	**$**
Current assets		
Other receivables	396,951	62,099
Prepayments	69,397	51,002
	466,348	113,101

No current or past due receivables were impaired at the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS

Note 4. Exploration and Evaluation

	Consolidated	
	$	$
Assets in the exploration and evaluation phase (at cost):		
Balance at 1 July	10,059,074	9,272,553
Expenditure incurred during the year	2,099,284	786,521
JV Partner contributions	(242,327)	-
Impairment losses	-	-
Total	**11,916,031**	**10,059,074**

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 (2020: $nil) against the carrying value of its exploration and evaluation expenditure.

Note 5. Other Assets

	Consolidated	
	2021	2020
	$	$
Current assets		
Other current assets	-	237,565
Non-current assets		
Security Deposits	305,502	244,902
	305,502	482,467

Other current assets in the prior year represents advances to JOGMEC to fund Chilean exploration expenditure on the Samuel Project. No funds were transferred in the current period.
Security deposits relates to deposits held to secure exploration tenement holdings.

Note 6. Plant and Equipment

	Consolidated 2021 $	Consolidated 2020 $
Non-current assets		
Plant and equipment - at cost	129,626	125,627
Less: Accumulated depreciation	(123,128)	(121,755)
	6,498	3,872
Motor vehicles - at cost	161,054	161,054
Less: Accumulated depreciation	(138,391)	(131,812)
	22,663	29,242
	29,161	33,114

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	**Plant & Equipment $**	**Motor Vehicles $**	**Total $**
Balance at 1 July 2019	5,543	37,732	43,275
Depreciation expense	(1,671)	(8,490)	(10,161)
Balance at 30 June 2020	3,872	29,242	33,114
Additions	4,000	-	4,000
Depreciation expense	(1,374)	(6,579)	(7,953)
Balance at 30 June 2021	6,498	22,663	29,161

Note 7. Right-of-use assets

	Consolidated 2021 $	Consolidated 2020 $
Non-current assets		
Right of use asset	92,609	92,609
Less: Accumulated depreciation	(73,315)	(27,011)
	19,294	65,598

NOTES TO THE FINANCIAL STATEMENTS

Note 7. Right-of-use assets (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Consolidated Right-of-use Asset $
Balance at 1 July 2019	-
Additions	123,621
Revaluation[1]	(9,698)
Depreciation expense	(48,325)
Balance at 30 June 2020	65,598
Depreciation expense	(46,304)
Balance at 30 June 2021	19,294

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

Note 8. Trade and other payables

	Consolidated 2021 $	Consolidated 2020 $
Current liabilities		
Trade payables	533,264	423,384
Other payables	119,003	407,258
	652,267	830,642

All amounts are current and are expected to be settled within 12 months.

Note 9. Provisions

	Consolidated 2021 $	Consolidated 2020 $
Current liabilities		
Annual leave provision	42,046	66,593
Long service leave provision	31,015	39,900
	73,061	106,493

NOTES TO THE FINANCIAL STATEMENTS

Note 10. Lease liabilities

Future minimum lease payments at 30 June are as follows:

	Consolidated	
	2021	2020
	$	$
Lease liabilities		
Lease payments less than 1 year	20,517	46,624
Lease payments 2-5 years	-	20,517
Lease payments 5+ years	-	-
Total	**20,517**	**67,141**

	Consolidated	
	2021	2020
	$	$
Lease liability		
Current	20,517	46,624
Non-current	-	20,517
Total	**20,517**	**67,141**

	Consolidated	
	2021	2020
	$	$
Amounts recognised in profit or loss		
Interest on lease liabilities	2,745	5,107
Depreciation expense on right-of-use asset	46,304	48,325
Total	**49,049**	**53,432**

	Consolidated	
	2021	2020
	$	$
Movement in Lease Liabilities		
Balance at 1 July	67,141	-
Recognition on adoption of AASB 16	-	123,947
Lease modification	-	(10,024)
Lease repayment	(46,624)	(46,782)
Total	**20,517**	**67,141**

Note 11. Share Capital

	Consolidated			
	2021 Shares	2020 Shares	2021 $	2020 $
Ordinary shares – fully paid	1,257,020,917	529,413,361	75,822,165	67,676,147

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.

	2021 No. Shares	2021 $	2020 No. Shares	2020 $
Fully Paid Ordinary Shares				
Balance at 1 July	529,413,361	67,676,147	424,466,692	66,517,020
Share Issue @ $0.16[(i)]	-	-	62,500,000	1,000,000
Share Issue @ $0.007[(ii)]	-	-	42,446,669	297,127
Share Issue @ $0.007[(iii)]	264,706,567	1,852,946	-	-
Share Issue @ $0.01[(iv)]	179,918,314	1,799,183	-	-
Share Issue @ $0.01[(v)]	120,081,686	1,200,817	-	-
Conversion of options[(vi)]	11,000,000	165,000	-	-
Share Issue @ $0.027[(vii)]	149,400,989	4,033,827	-	-
Conversion of options[(viii)]	2,500,000	60,000	-	-
Transfer exercise of options (Class H & G)	-	65,868	-	-
Share Issue Costs	-	(1,031,623)	-	(138,000)
Total	**1,257,020,917**	**75,822,165**	**529,413,361**	**67,676,147**

(i) On 28 November 2019, 62,500,000 fully paid ordinary shares were issued to institutional and sophisticated investors at an issue price of $0.016 per share.
(ii) On 5 June 2020, 42,446,669 fully paid ordinary shares were issued to institutional and sophisticated investors at an issue price of $0.007 per share.
(iii) On 10 July 2020, 264,706,567 fully paid ordinary shares were issued to institutional and sophisticated investors at an issue price of $0.007 per share.
(iv) On 24 February 2021, 179,918,314 fully paid ordinary shares were issued to institutional and sophisticated investors at an issue price of $0.01 per share.
(v) On 13 April 2021, 120,081,686 fully paid ordinary shares were issued to institutional and sophisticated investors at an issue price of $0.01 per share.
(vi) On 18 May 2021 11,000,000 options (Class H) converted to fully paid ordinary shares at an exercise price of $0.015
(vii) On 26 May 2021, 149,400,989 fully paid ordinary shares were issued to institutional and sophisticated investors at an issue price of $0.027 per share.
(viii) On 29 June 2021, 2,500,000 options (Class G) converted to fully paid ordinary shares at an exercise price of $0.024.

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.

Note 12. Reserves

	2021 No.	2021 $	2020 No.	2020 $
Unlisted Options				
Balance at 1 July	15,000,000	186,595	17,000,000	190,979
Options expired(i)	-	-	(2,000,000)	(54,103)
Options issued to Lead Manager(ii)	2,500,000	10,433	-	-
Options issued to consultants(iii)	11,000,000	55,435	-	-
Options issued in prior period vesting during the current period	-	9,607	-	49,719
Options issued to Lead Manager(iv)	8,000,000	67,271	-	-
Expiry of options(v)	(3,000,000)	(58,498)	-	-
Performance rights issued to Managing Director(vi)	7,000,000	22,937	-	-
Exercise of options(vii)	(11,000,000)	(55,435)	-	-
Options issued to Lead Manager(viii)	10,000,000	322,448	-	-
Exercise of options(ix)	(2,500,000)	(10,433)	-	-
Balance at 30 June	**37,000,000**	**550,360**	**15,000,000**	**186,595**

(i) On 2 May 2020, 2,000,000 unlisted options (Class C) expired

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

(iii) On 5 November 2020, 11,000,000 unlisted options were issued to the consultants for the successful Placement in July 2020. The options are exercisable at $0.015 each which an expiry date of 31 December 2022. All the options vested on the grant date. The Black Sholes option pricing model was used to value these options and inputs used are as stated in the table below.

(iv) On 24 February 2021, 8,000,000 unlisted options were issued to the Lead Manager (JP Equity) upon shareholder approval for the successful Placement in February 2021. The options are exercisable at $0.02 each which an expiry date of 23 February 2024. All the options vested on the grant date. The Black Sholes option pricing model was used to value these options and inputs used are as stated in the table below.

(v) On 6 April 2021, 3,000,000 unlisted options (Class D) expired.

(vi) On 14 April, 7,000,000 performance rights were issued to the Managing Director.

(vii) On 18 May 2021, 11,000,000 unlisted options issued to consultants were exercised and converted to fully paid ordinary share capital.

(viii) On 26 May 2021, 10,000,000 unlisted options were issued to the Lead Manager (JP Equity) upon shareholder approval for the successful Placement in May 2021. The options are exercisable at $0.054 each with an expiry date of 26 May 2024. All the options vested on the grant date. The Black Sholes option pricing model was used to value these options and inputs used are as stated in the table below.

(ix) On 29 June 2021, 2,500,000 unlisted options issued to the Lead Manager from the November 2019 Placement were exercised and converted to fully paid ordinary share capital.

NOTES TO THE FINANCIAL STATEMENTS

Note 12. Reserves (continued)

The following table illustrates the options on issue at the end of the financial year.

Option valuations	Number of Options	Grant Date	Expiry Date	Exercise Price	Share Price	Volatility	Risk free Rate
Options issued to Directors and employees	12,000,000	30/11/2018	30/11/2021	$0.065	$0.031	84.00%	1.93%
Options issued to Lead Manager	8,000,000	24/02/2021	23/02/2024	$0.020	$0.013	122.69%	0.13%
Performance rights issued to Managing Director	7,000,000	07/04/2021	07/04/2026	$0.000	$0.014	120.00%	0.08%
Options issued to Lead Manager	10,000,000	26/05/2020	26/05/2024	$0.054	$0.043	140.38%	0.10%

The weighted average remaining contractual life for the share-based payment options outstanding as at 30 June 2021 was 2.40 years (2020: 1.29 years). The range of exercise prices for share-based payment options outstanding as at the end of the year was $0.02 to $0.065 (2020: $0.0607 to $0.065). Weighted average exercise price as at 30 June 2021 is 4.00 cents (2020: 6.41 cents).

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 if the options had vested. Otherwise, the value is reversed to profit or loss.

Note 13. Accumulated losses

	Consolidated 2021 $	Consolidated 2020 $
Accumulated losses at the beginning of the financial year	(57,958,308)	(57,531,815)
Loss after income tax expense for the year	(1,169,550)	(480,596)
Unlisted options expired	58,498	54,103
Accumulated losses at the end of the financial year	(59,069,360)	(57,958,308)

Note 14. Other income

	Consolidated 2021 $	Consolidated 2020 $
Government grants	81,500	-
Joint venture management fee income	69,922	117,321
Interest income	4,249	3,321
Rental income	45,669	23,279
Other income	201,340	143,921

NOTES TO THE FINANCIAL STATEMENTS

Note 15. Other expenses

	Consolidated	
	2021	2020
	$	$
Interest expense and bank fees	9,341	9,100
Interest costs – leases	2,745	5,107
Insurance	53,668	43,185
Listing costs	48,765	38,824
Office costs	19,214	13,195
Other	27,727	12,013
	161,460	121,424

Note 16. Discontinued operations

Description
Divestment of Helix Chile Project

In March 2021, management committed to a plan to divest its interest in the Chile copper projects. This decision was taken in line with the Group's strategy to focus on its core Australian projects in the Cobar region of NSW. Accordingly all assets and liabilities associated with the projects in Chile are presented as a disposal group held for sale. Revenue and expenses relating to the divestment of the interest in these projects have been reclassified from profit or loss from the Group's continuing operations and are shown as a single line item in the statement of profit or loss. 2021 exploration expenses outlined below relate largely to money owed from the 2019 field activities which previous management was unaware of.

The operating results of the discontinued operation were as follows:

	Consolidated	
	2021	2020
	$	$
Financial performance information		
Other income	48	715
Exploration expenditure [1]	(224,017)	(2,055)
Corporate and administration expenses	(10,610)	(2,813)
Impairment expense [2]	(114,446)	-
Net foreign exchange gain	13,583	31,393
	(335,442)	27,240

[1] Exploration expenditure has been expensed for the Chile copper projects in line with the Company's accounting policy.
[2] The impairment expense was disclosed in Company's half-year 31 December 2021 financial report and relates to the write-down of receivable balances of the Helix Chile Project.

Note 16. Discontinued operations (continued)

Carrying amounts of assets and liabilities held for sale:

	Consolidated	
	2021	2020
	$	$
Cash and cash equivalents	8,133	-
Other current assets	13,093	-
Total assets	21,226	-
Trade and other payables	98,455	-
Total liabilities	98,455	-
Net liabilities	(77,229)	-

Accounting policy for discontinued operations
A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is an investment acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

Note 17. Commitments

Lease Commitments
At 30 June 2021, it is anticipated that lease commitments for the next twelve months will be $20,517 (30 June 2020 $3,536) for short-term leases.

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. Expenditure commitments are based on tenement rentals . No other minimum work expenditure commitments exist over any of the Company’s tenements.

	Consolidated	
	2021	2020
	$	$
Less than 1 year	29,045	21,599
1 – 5 years	61,400	21,331
More than 5 years	-	-
	90,445	**42,930**

Note 18. Key Management Personnel Remuneration

	Consolidated	
	2021	2020
	$	$
Short term employee benefits		
Salaries and fees	399,216	289,420
Long term employee benefits	-	-
Annual and long service leave entitlements	(59,876)	(7,893)
Superannuation	37,925	27,495
Total long term employee benefits	**(21,951)**	**19,602**
Equity	-	-
Options and performance rights	22,937	39,164
Shares	-	-
Total equity based remuneration	**22,937**	**39,164**
Total	**400,202**	**348,186**

Note 19. 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 in the Group is Helix Resources Limited.

Note 20. Income tax

	Consolidated	
	2021	2020
	$	$
Major components of income tax expense for the years ended 30 June 2021 and 30 June 2020 are:		
Statement of profit or loss	-	-
Current income	-	-
Current income tax expense (benefit)	(781,888)	-
Current income tax charge not recognised	781,888	-
Deferred income tax	-	-
Relating to origination and reversal of temporary differences	3,061,414	(2,714,843)
Deferred tax expense (benefit) not recognised	(3,061,414)	2,714,843
Income tax expense (benefit) reported in statement of profit or loss	-	-

Note 20. Income tax (continued)

A reconciliation of income tax expense (benefit) applicable to accounting profit before income tax at the statutory income tax rate to income tax expense at the Company's effective income tax rate for the years ended 30 June 2021 and 30 June 2020 is as follows:

	Consolidated	
	2021	2020
	$	$
Loss before income tax expense from continuing operations	(834,108)	(507,836)
Profit/(loss) before income tax expense from discontinued operations	(335,442)	27,240
	(1,169,550)	(480,596)
Tax at the statutory tax rate of 26% (2020: 27.5%)	(304,083)	(132,164)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
- taxable / non-deductible items	105,803	(1,252)
- non-taxable / deductible items	(13,000)	(251,797)
- income tax benefit not brought to account	211,280	385,213
Income tax expense	-	-

	Consolidated	
	2021	2020
Unrecognised deferred tax assets	-	-
Trade and other receivables	(18,390)	-
Plant and equipment	(971)	-
Exploration and evaluation assets	(3,098,168)	(2,455,613)
Un-realised foreign exchange losses (gains)	(199)	-
Right of Use Assets	318	-
Trade and other payables	8,060	-
Provisions	18,988	-
Business related costs – P&L	248,236	-
Revenue Losses	14,169,568	16,948,962
Capital Losses	2,581,854	2,477,362
	13,909,296	16,970,711

The tax losses do not expire under current legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilise the benefits.

	Consolidated	
	2021	2020
	$	$
Total Loss Carried Forward	54,498,337	61,632,589

NOTES TO THE FINANCIAL STATEMENTS

Note 21. Operating segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (Chief Operating decision makers) in assessing performance and determining the allocation of resources. The Group is managed on the basis it is a mineral exploration company operating predominately in the geographical regions of Australia, mainly in New South Wales, and Chile. Decisions are made on a geographical basis.

	Australia		Chile*		Total	
	2021	2020	2021	2020	2021	2020
Current Assets						
Cash	5,389,903	81,245	-	74,111	5,389,903	155,356
Trade and other receivables	466,348	113,101	-	237,565	466,348	350,666
Assets included in disposal group classified as held for sale	-	-	21,226	-	21,226	-
Non-Current Assets						
Exploration and evaluation asset	11,916,031	10,059,074	-	-	11,916,031	10,059,074
Financial assets	305,502	232,284	-	12,618	305,502	244,902
Plant and equipment	29,161	33,114	-	-	29,161	33,114
Right-of-use Asset	19,294	65,598	-	-	19,294	65,598
Total Assets	18,126,239	10,584,416	21,226	324,294	18,147,465	10,908,710
Current Liabilities						
Trade and other payables	652,267	522,036	-	308,606	652,267	830,642
Provisions	73,061	106,493	-	-	73,061	106,493
Lease liabilities	20,517	46,624	-	-	20,517	46,624
Liabilities included in disposal group classified as held for sale	-	-	98,455	-	98,455	-
Non-Current Liabilities						
Lease liabilities	-	20,517	-	-	-	20,517
Total Liabilities	745,845	695,670	98,455	308,606	844,300	1,004,276
Revenue	201,340	143,921	-	-	201,340	143,921
Depreciation	(54,257)	(58,486)	-	-	(54,257)	(58,486)
Loss from continuing operations	(834,108)	(507,836)	-	-	(834,108)	(507,836)
Loss from discontinuing operations	-	-	(335,442)	27,240	(335,442)	27,240

*The Group's operations in Chile have been disclosed as discontinued operations as at 30 June 2021. Refer to Note 16.

Note 22. Contingent liabilities

There are no contingent liabilities as at 30 June 2021 (2020:nil).

NOTES TO THE FINANCIAL STATEMENTS

Note 23. Events after the reporting period

- On 2 August 2021, 1,458,333 fully paid ordinary shares were issued on exercise of Tranche A of the performance options issued to the Company's Managing Director.
- On 4 August 2021, the Company announced it had issued 6,000,000 performance options to employees of the Company.
- On 2 September 20201, the Company announced it had entered into a binding offer letter with Alpha HPA Ltd ('Alpha HPA') to acquire a new tenement (EL8703) prospective for copper/base metals adjacent to its Collerina tenements. As part of the transaction, Helix will extinguish all 'deemed' joint venture rights over tenement EL8768 as well as reduce the Helix royalty by 0.5% NSR, whereby Alpha HPA will retain a 1.0% NSR Royalty on all metals from the former joint venture and newly acquired tenements. The transaction will involve Helix issuing 20 million shares to Alpha HPA (subject to shareholder approval), with the shares subject to voluntary escrow of between 9 to 18 months.

No matters or circumstances, other than those mentioned above, have arisen since 30 June 2021 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 the future financial years.

Note 24. Earnings per share

	Consolidated	
	2021	**2020**
	$	**$**
Earnings per share for loss		
Loss after income tax attributable to the owners of Helix Resources Limited	(1,169,550)	(480,596)
	Cents	**Cents**
Basic earnings per share	(0.13)	(0.10)
Diluted earnings per share	(0.13)	(0.10)
	Number	**Number**
Weighted average number of ordinary shares		
Weighted average number of ordinary shares used in calculating basic earnings per share	900,938,328	464,189,067
Weighted average number of ordinary shares used in calculating diluted earnings per share	900,938,328	464,189,067

At 30 June 2021, there were no listed options and 37,000,000 unlisted options on issue (30 June 2020: no listed options, 15,00,000 unlisted options) which represents 37,000,000 potential ordinary shares (30 June 2020: 15,000,000) which were considered non-dilutive as they would decrease the loss per share.

Note 25. Interests in Joint Operations

The parent entity has an interest in the following unincorporated joint operations as of the end of the reporting period:

Joint Operations Project	Percentage Interest	Principal Exploration Activities	JV Partner
Canbelego	70% (2020: 70%)	Copper	Aeris Resources
Restdown	90% (2020: 90%)*	Gold	Glencore

**Helix's equity in the Restdown project has exceeded 90% and the joint venture parties are in the process of documenting the termination of the joint venture upon which the Company will move to 100% and Glencore (Isokind) will retain a 1% NSR.*

Note 25. Interests in Joint Operations (continued)

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. Capitalised exploration expenditure is the only asset of the joint operations. The Group's interest in capitalised exploration expenditure joint operations is as follows:

	Restdown Joint Operation 2021* $	2020* $	Canbelego Joint Operation 70% 2021 $	2020 $
Summarised statement of financial position				
Exploration and evaluation assets	2,803,012	2,723,541	1,152,243	1,147,209
Additions	278,642	79,471	524,439	5,034
Total assets	3,081,654	2,803,012	1,676,682	1,152,243
Net assets	3,081,654	2,803,012	1,676,682	1,152,243

*The Company's interest in the Restdown project transitioned from 90% to 100% in FY21 and joint venture partner Glencore moved to 1% NSR royalty.

Note 26. 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 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 2021, the effect on loss and equity as a result of 100 basis points (decrease of 100 basis points) in the interest rate, with all other variables remaining constant would be an increase (decrease) in loss by $52,942 (2020: $2,018) and an increase (decrease) in equity by $52,942 (2020: $2,018).

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

2021	Average Interest Rate %	Fixed Interest Rate $	Floating Interest Rate Maturity Less than 1 year $	Floating Interest Rate Maturity More than 1 Year $	Non-interest Bearing $	Total $
Financial Assets						
Cash and cash equivalents	0.09%	-	5,294,226	-	95,677	5,389,903
Trade and other receivables	-	-	-	-	466,348	466,348
Financial assets	0.65%	-	305,502	-	-	305,502
		-	5,599,728	-	562,025	6,161,753
Financial Liabilities						
Trade payables	-	-	-	-	652,267	652,267
Lease liabilities	6.11%	20,517	-	-	-	20,517
		20,517	-	-	652,267	672,784

Note 26. Financial instruments (continued)

2020	Average Interest Rate %	Fixed Interest Rate $	Floating Interest Rate Maturity: Less than 1 year $	Floating Interest Rate Maturity: More than 1 Year $	Non-interest Bearing $	Total $
Financial Assets						
Cash and cash equivalents	0.40%	-	82,249	-	73,107	155,356
Trade and other receivables	-	-	-	-	113,101	113,101
Financial assets	1.25%	-	244,902	-	-	244,902
		-	327,151	-	186,208	513,359
Financial liabilities						
Trade payables	-	-	-	-	423,384	423,384
Lease liabilities	6.11%	46,624	-	20,517	-	67,141
		46,624	-	20,517	423,384	490,525

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 were as follows:

	2021 CLP	2020 CLP
Cash and cash equivalents	3,887,275	73,027
Trade and other payables	(6,748,105)	(308,606)
	(2,860,830)	(235,579)

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.

NOTES TO THE FINANCIAL STATEMENTS

Note 27. Remuneration of Auditors

	Consolidated	
	2021	2020
	$	$
Auditing and reviewing the financial reports	28,919	26,865
Non-audit advisory services	-	-
Total	**28,919**	**26,865**

The auditor of Helix Resources Limited for the year ended 30 June 2021 is HLB Mann Judd (30 June 2020: HLB Mann Judd).

Note 28. Parent Company Information

	2021	2020
	$	$
Assets		
Current assets	5,592,642	192,986
Non-current assets	12,919,901	10,407,118
Total assets	18,512,543	10,600,104

	2021	2020
	$	$
Liabilities		
Current liabilities	745,845	675,153
Non-current liabilities	-	20,517
Total Liabilities	**745,845**	**695,670**

	2021	2020
	$	$
Equity		
Share capital	75,822,165	67,676,147
Reserves	550,360	186,595
Accumulated losses	(58,605,827)	(57,958,308)
Total Equity	**17,766,698**	**9,904,434**

	2021	2020
	$	$
Financial Performance		
Loss for the year	(859,309)	(480,596)

NOTES TO THE FINANCIAL STATEMENTS

Note 28. Parent Company Information (continued)

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2021.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2021.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2021.

Accounting policy for parent entity
The accounting policies of the parent entity, which have been applied in determining the financial information show above, are the same as those applied in the consolidated financial statements (see Note 1).

Note 29. Subsidiaries

Name	Country of Incorporation	Principal Activity	Percentage Held 2021	Percentage Held 2020
Oxley Exploration Pty Ltd	Australia	Mineral Exploration	100.00%	100.00%
Leichhardt Resources (QLD) Pty Ltd	Australia	Mineral Exploration	100.00%	100.00%
Helix Resources (Overseas) Pty Ltd	Australia	Mineral Exploration	100.00%	100.00%
McClatchie Mining Pty Ltd	Australia	Mineral Exploration	100.00%	100.00%
Helix Resources Chile Limitada	Chile	Mineral Exploration	100.00%	100.00%

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 Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the 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 2021 and of its financial performance for the year then ended; 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.

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.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Exploration and evaluation Refer to note 4	
In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*, the Group capitalises all exploration and evaluation expenditure, including acquisition costs and subsequently applies the cost model after recognition. Our audit focused on the Group's assessment of the carrying amount of the capitalised exploration and evaluation asset, as this is one of the most significant assets of the Group. We planned our work to address the audit risk that the capitalised expenditure may no longer meet the recognition criteria of the standard. In addition, we considered it necessary to assess whether facts and circumstances existed which suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount.	Our procedures included but were not limited to the following: • We obtained an understanding of the key processes associated with management's review of the carrying values of each area of interest; • We considered management's assessment of potential indicators of impairment; • We obtained evidence that the Group has current rights to tenure of its areas of interest; • We examined the exploration budget for the year ending 30 June 2022 and discussed with management the nature of planned ongoing activities; • We enquired with management, reviewed ASX announcements and reviewed minutes of Directors' meetings to ensure that the Group had not resolved to discontinue exploration and evaluation at any of its areas of interest; and • We examined the disclosures made in the financial report.

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 financial report for the year ended 30 June 2021 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 accordingly 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 Company 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 ability of the Group 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 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Helix Resources Limited for the year ended 30 June 2021 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company 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.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
30 September 2021

Norman Glad

N G Neill
Partner

SHAREHOLDER INFORMATION

The shareholder information set out below was applicable as at 30 September 2021.

A. Distribution of Equity Securities

Analysis of number of equitable security holders by size of holding:

Holding	Ordinary shares No. of holders	(5.4c)	Unlisted Options (2c)	(6.5c)	Unlisted Performance Options
1 to 1,000	122	-	-	-	-
1,001 to 5,000	147	-	-	-	-
5,001 to 10,000	210	-	-	-	-
10,001 to 100,000	1,651	2.00	2.00	-	-
100,001 and over	1,342	7.00	8.00	9	2.00
Total	3,472	9.00	10.00	9	2.00
Holding less than a marketable parcel	1,189	-	-	-	-

	Minimum Parcel Size	Holders	Units
Minimum $500.00 parcel at $0.016 per unit	31,250	1,189	16,492,565

B. Percentage Held by 20 Largest Shareholders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
YANDAL INVESTMENTS PTY LTD	51,437,609	4.09
BNP PARIBAS NOMS PTY LTD <DRP>	33,580,701	2.67
CITICORP NOMINEES PTY LIMITED	31,926,901	2.54
MR ROBERT PATRICK HEARNE	24,837,379	1.97
MR BULENT BESIM	22,499,999	1.79
MS OLIVIA KIDON	18,805,742	1.49
KEITH SIMPSON PTY LTD <SIMPSON SUPER FUND A/C>	16,889,937	1.34
GOTHA STREET CAPITAL PTY LTD <BLUE SKY NO 2 A/C>	15,061,505	1.20
MR CHRIS CARR + MRS BETSY CARR	15,000,000	1.19
DARRELL JAMES HOLDINGS PTY LTD	15,000,000	1.19
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	11,729,081	0.93
MISS SONG GAO	11,000,000	0.87
CREEKWOOD NOMINEES PTY LTD <CHALLENGER A/C>	10,875,000	0.86
BRAZIL FARMING PTY LTD	10,000,000	0.79
GEE VEE PTY LTD <GJ WHEELER FAMILY A/C>	9,530,041	0.76
WYTHENSHAWE PTY LTD	8,000,000	0.64
MR STANLEY ALLAN MACDONALD	7,998,750	0.64
GEE VEE PTY LTD <WHEELER SUPERANNUATION A/C>	7,938,230	0.63
MRS MELANIE JANE CHESSELL	7,755,556	0.62
AQUILA RESOURCES LTD	7,681,293	0.61
Total: Top 20 holders of Ordinary Fully Paid Shares	337,547,724	26.82
Total issued capital	1,258,479,250	100.00

SHAREHOLDER INFORMATION

C. Voting Rights

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

D. Unquoted Equity Securities

The Company has the following classes of options on issue as of the date of this report, as detailed below. Options do not carry the rights to vote.

Class	Terms	No. of Options
Class F Unlisted Options	Exercisable at 6.5 cents, expiring on or before 30 November 2021	12,000,000
Class I Unlisted Options	Exercisable at 2.0 cents, expiring on or before 23 February 2024	8,000,000
Class J Unlisted Options	Exercisable at 5.4 cents, expiring on or before 26 May 2024	10,000,000
HLXAI Performance Options	Performance Options, various milestones, expiring on or before 07 April 2026	5,541,667
HLXAI Performance Options	Performance Options, various milestones, expiring on or before 03 August 2026	6,000,000
		41,541,667

E. Substantial holders

There are no substantial shareholders in the company.

Substantial holders in unquoted equity securities greater than 20% are as follows:

Name	Class	Number held	% held
MR JASON MACDONALD	Class D unlisted options - $0.065 expiring 30/11/21	3,000,000	25.00%
MS KAREN LAMB	Class D unlisted options - $0.065 expiring 30/11/21	3,000,000	25.00%
PNS (HOLDINGS) PTY LTD <PNS SUPERANNUATION FUND A/C>	Class D unlisted options - $0.065 expiring 30/11/21	3,000,000	25.00%
JP EQUITY HOLDINGS PTY LTD	Class I unlisted options - $0.020 expiring 23/02/24	2,400,000	30.00%
JP EQUITY HOLDINGS PTY LTD	Class J unlisted options - $0.054 expiring 26/05/24	3,000,000	30.00%
MR JASON PAUL SKINNER <JASON SKINNER FAMILY A/C>	Class J unlisted options - $0.054 expiring 26/05/24	2,200,000	22.00%
MR GORDON BARNES	HLXAI performance rights	6,000,000	52.00%
MR MICHAEL BENJAMIN ROSENSTREICH & MRS WENDY JANE ROSENSTREICH <THE ODYSSEY A/C>	HLXAI performance rights	5,541,667	48.00%

F. Directors' Interest in Share Capital

Director	Fully Paid Ordinary Shares	Unlisted Options
P Lester	2,105,342	3,000,000
J Macdonald	15,635,514	3,000,000
T Kennedy	450,000	-
M Rosenstreich	2,458,333	5,541,667
	20,649,189	11,541,667

G. On-Market Share Buy-Back

The Company does not have a current on-market share buy-back.

TENEMENT SCHEDULE

Tenement	Name	Mineral	Ownership
EL6105	Canbelego	Base metals/gold	70% Helix, 30% Aeris
EL6140	Restdown	Gold	100% Helix*
EL6501	South Restdown	Gold	100% Helix*
EL6739	Muriel Tank	Gold	100% Helix*
EL7438	Quanda	Base metals/gold	100% Helix
EL7439	Fiveways	Base metals/gold	100% Helix
EL7482	Little Boppy	Base metals/gold	100% Helix
EL8433	Boundary	Base metals/gold	100% Helix
EL8608	Yanda Creek	Base metals/gold	100% Helix
EL8633	Rochford	Base metals/gold	100% Helix
EL8710	Honey Bugle	Base metals/gold	100% Helix
EL8845	Darbarlara	Base metals/gold	100% Helix
EL8948	Bijoux	Base metals/gold	100% Helix
EL6336/EL8768	Collerina	Copper/gold/nickel & cobalt	100% Helix
EL8096/EL9026	Mundarlo	Base metals	80% Helix, 20% Private Partner

** Under conversion from 90% Helix, 10% Glencore entity to 100% Helix, 1% NSR Glencore entity*

Helix owns the following licences in Chile, through its 100% owned overseas subsidiary Helix Resources Chile Limitada as set out below:

Type	Ownership	Name	Project	Ha	National Number
Exploration Licence	100%	Joshua 2-C	Joshua	300	042034127-k
Exploration Licence	100%	Joshua 4-C	Joshua	300	042034105-9
Exploration Licence	100%	Joshua 10-C	Joshua	300	042034113-K
Exploration Licence	100%	Joshua 16-C	Joshua	300	042034115-6
Exploration Licence	100%	Joshua 3-C	Joshua	300	042034150-4
Exploration Licence	100%	Joshua 5-C	Joshua	300	042034151-2
Exploration Licence	100%	Joshua 11-C	Joshua	300	042034153-9
Exploration Licence	100%	Joshua 17-C	Joshua	300	042034154-7
Exploration Licence	100%	Joshua 6-C	Joshua	300	042034152-0
Exploration Licence	100%	Joshua 13-C	Joshua	300	042034233-0
Exploration Licence	100%	Joshua 15-C	Joshua	300	042034235-7
Exploration Licence	100%	Joshua 12-C	Joshua	300	042034231-4
Exploration Licence	100%	Joshua 14-C	Joshua	300	042034234-9
Exploration Licence	100%	Joshua 1 al 150	Joshua	300	042031160-5
Exploration Licence	100%	Joshua 7 1 al 47	Joshua	300	042031271-7
Exploration Licence	100%	Joshua 1, 1 AL 60	Joshua	300	042031282-2
Exploration Licence	100%	Joshua 8, 1 AL 60	Joshua	300	042031272-5
Exploration Licence	100%	Joshua 9, 1 AL 54	Joshua	300	042031273-3
Exploration-Application*	100%	Joshua 2	Joshua	300	042034454-6

TENEMENT SCHEDULE

Type	Ownership	Name	Project	Ha	National Number
Exploration-Application*	100%	Joshua 3	Joshua	300	042034421-K
Exploration-Application*	100%	Joshua 4	Joshua	300	042034427-9
Exploration-Application*	100%	Joshua 5	Joshua	300	042034455-4
Exploration-Application*	100%	Joshua 6	Joshua	300	042034426-0
Exploration-Application*	100%	Joshua 10	Joshua	300	042034422-8
Exploration-Application*	100%	Joshua 11	Joshua	300	042034456-2
Exploration-Application*	100%	Joshua 16	Joshua	300	042034428-7
Exploration-Application*	100%	Joshua 17	Joshua	300	042034457-0

** Exploration Applications to cover existing, maturing Exploration Licence areas*

Type	Ownership	Name	Project	Ha	National Number
Exploration Licence	100%	Bogarin 31-C	Samuel	300	042013101-1
Exploration Licence	100%	Bogarin 39-C	Samuel	200	042013104-6
Exploration Licence	100%	Bogarin 41-C	Samuel	200	042034236-5
Exploration Licence	100%	Bogarin 42-C	Samuel	200	042034237-3
Exploration Licence	100%	Bogarin 27-C	Samuel	300	042013096-1
Exploration Licence	100%	Bogarin 28-C	Samuel	300	042013099-6
Exploration Licence	100%	Bogarin 30-C	Samuel	300	042013097-K
Exploration Licence	100%	Bogarin 26-C	Samuel	300	042013098-8
Exploration Licence	100%	Bogarin 29-C	Samuel	300	042013100-3
Exploration Licence	100%	Bogarin 37-C	Samuel	300	042013102-K
Exploration Licence	100%	Bogarin 38-C	Samuel	200	042013103-8
Exploration Licence	100%	Bogarin 40-C	Samuel	200	042013105-4
Exploration Licence	100%	Bogarin 43-C	Samuel	300	042034232-2
Exploration Licence	100%	Bogarin 42, 1 al 150	Samuel	150	042031310-1
Exploration Licence	100%	Bogarin 41, 1 al 90	Samuel	90	042031309-8
Exploration Licence	100%	Bogarin 40, 1 al 12	Samuel	12	042031308-K
Exploration Licence	100%	Bogarin 49, 1 al 36	Samuel	36	042031312-8
Exploration Licence	100%	Bogarin 50, 1 al 184	Samuel	184	042031313-6
Exploration Licence	100%	Bogarin 51, 1 al 100	Samuel	100	042031314-4

Type	Ownership	Name	Project	Ha	National Number
Exploration Licence	100%	Blanco y Negro 1 al 20	Blanco y Negro	100	042011444-3
Exploration Licence	100%	La Caña 1 al 20 (11/20)	Blanco y Negro	70	042011526-1