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ANNUAL REPORT 2023

ABN 27 009 138 738

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Peter Lester - Non-Executive Chairman
Mike Rosenstreich - Managing Director
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Stock exchange listing

Australian Securities Exchange (ASX code: HLX)

Dear Shareholders,

My letter to you presenting the latest Helix Resources annual report for the 2023 financial year follows a year where your Company has made considerable progress toward unlocking more copper discoveries in the Cobar region of NSW. Equity markets have been almost universally difficult for investors and small explorers alike this year. However, your Company retains a significant cash position and continues its copper search with enthusiasm.

I am pleased to provide this report for a number of reasons. Firstly, it outlines the extent of the exceptional geological work which has been undertaken by the team.

Helix is "all in on copper exploration" and as part of this strategy, the Company has considerably improved its landholding to just shy of 3,000km². With this large tenure located within the exceptionally fertile Cobar region for copper exploration, a variety of mapping, surveying and drilling techniques have been used to define highly prospective early-stage exploration targets. We are all watching closely as drilling commences at the Black Range area and the recently upgraded Bijoux prospect, both located along the Rochford trend.

This greenfields exploration work has occurred in tandem with the Company building copper tonnage at the Canbelego joint venture (70%-Helix / 30% Aeris Resources). The project is prospective for Cobar-style copper deposits, such as those found at the nearby CSA copper mine. During FY23, the JV delivered a JORC Resource upgrade which included a considerable 77% increase in contained copper. Further encouraging targets, particularly at the Western Lodes positions, continue to add further potential to this emerging deposit.

I mentioned earlier I was excited to deliver this report for a number of reasons and another, perhaps more personal reason, is that this will be my last annual report delivered on behalf of the Company. I have spent roughly five years as Chairman, including time as Executive Chair, and I can certainly say I am so pleased to be departing Helix at a time when the Company is building a position of significant prospect strength and anticipation towards new copper discoveries.

Helix has a strong asset backing and these assets are being developed by an equally strong team. At the Board-level I would like to congratulate my fellow directors Mike Rosenstreich and Dr Kylie Prendergast who will continue to oversee the operations of the business. In particular, I would like to wish Dr Prendergast all the very best throughout the transition process into an Executive Director role and taking responsibility for the management of the Company, leveraging her deep exploration knowledge attained from more than 25 years' experience in the international mining and resource sector.



Pleasingly, we are making progress attracting talent to fill a vacant non-executive director role with strong interest from a number of candidates, all of whom possess considerable financial and capital markets experience.

With all of these activities underway, most importantly drill rigs turning, there is plenty of excitement about the future of Helix. We have the right team, are in the right commodity, in one of the most prospective regions in the country and with an enviable ground position.

I will certainly be keeping a close eye on the Company's progress and I would encourage all holders and prospective investors to follow suit.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Peter Lester'. The signature is fluid and stylized, with a long horizontal stroke at the end.

Peter Lester
Chairman

1. OPERATIONS REPORT

During the 12-month period, Helix Resources Limited (“Helix” or “the Company”) continued to define further copper mineralisation and develop exciting regional targets at its copper projects located along the Rochford and Collierina trends within the Cobar region of NSW. In the same area, Helix also holds several promising high-grade lateritic nickel-cobalt (Ni-Co) prospects, through its wholly owned subsidiary company Ionick Metals Ltd which was established during the period. Ionick is aiming to unlock hidden value for a suite of Ni-Co-Platinum group metals (PGM) prospects centred around the Homeville Ni-Co Mineral Resource. Gold mineralisation has also been discovered on the Helix tenements and these targets will be assessed in line with the regional copper focused activities. Helix also holds royalty interests over two advanced iron ore projects located in Australia.

2. OVERVIEW

Helix is implementing an exploration strategy focused solely on the ‘Greater Cobar’ region with several advanced copper, gold, and nickel-cobalt projects across its large ~2900km² land position, located along regional-scale mineralised trends. The Cobar region is host to significant metal endowment of approximately 4.3 million tonnes (Mt) copper, 5 million ounces (Moz) gold and 110 Moz of silver. The ‘lead’ project for Helix is the Canbelego Main Lode Copper Deposit (refer **Figure 1 – Location Plan**).

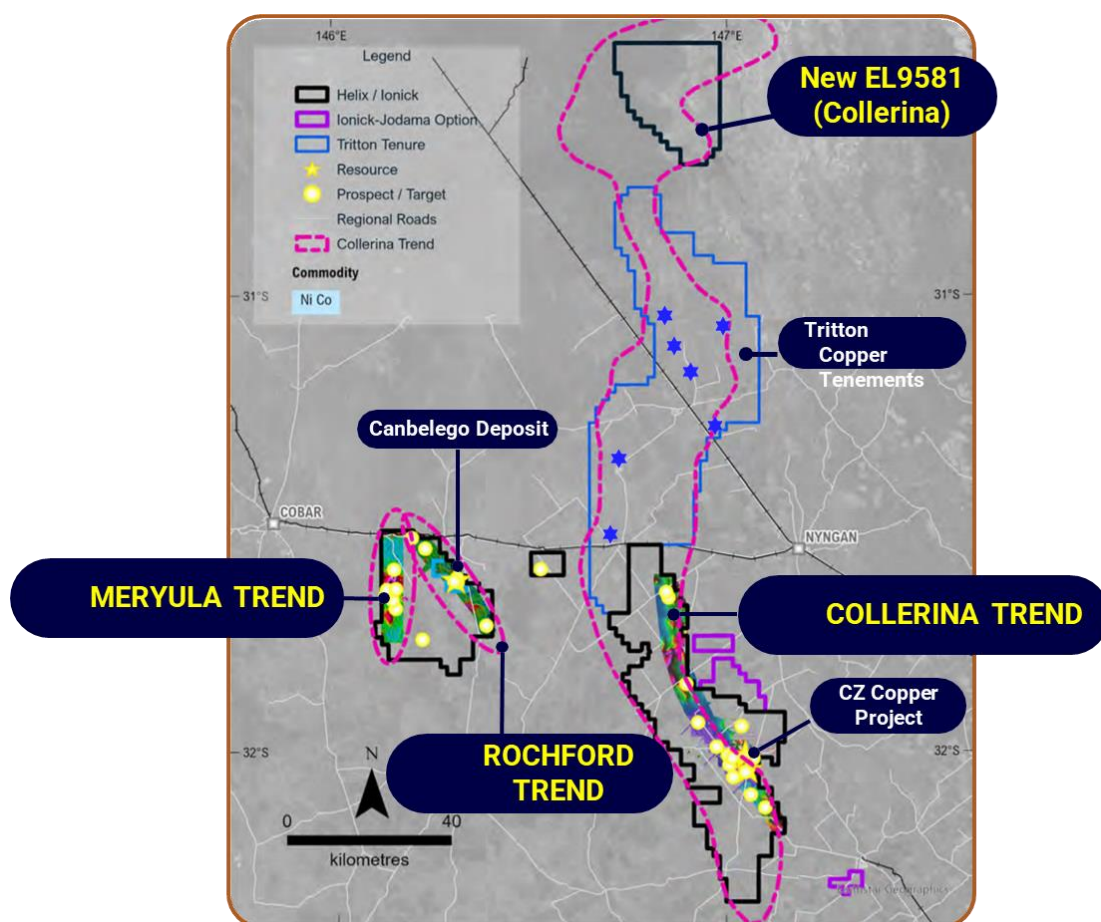


Figure 1: Helix Resources location plan covering the Collierina, Rochford and Meryula Copper Trends

3. DISCOVERY – GREATER COBAR REGION

The Company’s objective, as depicted in **Figure 2 – Helix Target Profile**, is to discover significant copper deposits through improving tonnage at its advanced projects and by building up its portfolio of early-stage targets and prospects towards Mineral Resources to support mining studies.

Whilst the focus is primarily copper discoveries, the tenements are prospective for other metals. This includes the Homeville lateritic nickel-cobalt deposit located 4km to the north of the CZ Project and several advanced Ni-Co prospects in close-proximity.

As well, there are ‘stand-alone’ gold prospects at Muriel Tank and the Restdown area between the Meryula and Rochford Trends.

The defined mineralised trends are considered important for regional scale control on copper mineralisation and Helix is developing exploration models and strategies focused on new discoveries.

Work during the year has progressed to better characterisation of the Rochford and Collierina Trends which are considered prospective for “Cobar” and “Tritton” style deposits respectively – both regarded as large-scale, high-grade copper discovery targets.

The following sections (3.1 Rochford Copper Trend and 3.2 Collierina Copper Trend) discuss exploration work undertaken on these trends in the past financial year.

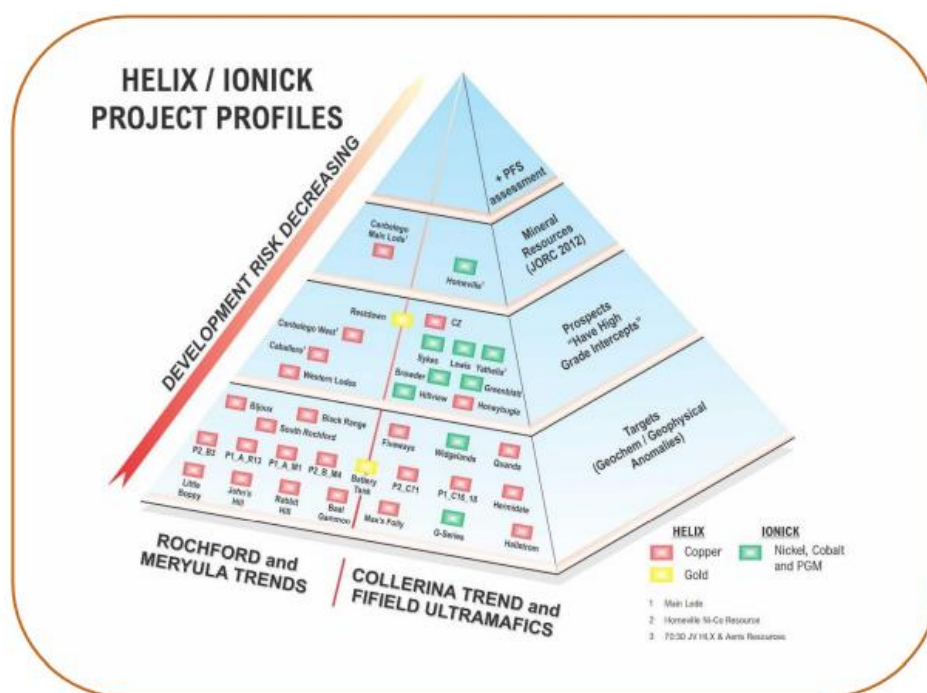


Figure 2: Helix Target Profile

3.1 Rochford Copper Trend

The Rochford Copper Trend is a large-scale mineralised trend with a strike length of approximately 30km (refer Figure 1). The region contains several historic high-grade copper deposits and includes the current Canbelego Main Lode Copper Deposit, part of the Canbelego Joint Venture (JV) project – a 70% Helix Resources / 30% Aeria Resources Ltd (ASX: AIS) JV with Helix being the JV manager.

The Rochford Trend is considered prospective for high-grade ‘Cobar’ style copper deposits. These, typically have modest surface ‘footprints’ but extend vertically for 100’s to 1,000’s of metres often with parallel lode positions. At the Canbelego Main Lode, the Company has now confirmed the vertical continuity of the mineralisation and identified several parallel lode positions – the Western Lodes, with potential to be Main Lode ‘look-a-likes’.

Canbelego Main Lode – Expansive Diamond Drilling Campaign

Late last year, Helix completed a bold, expansive diamond drilling program via two diamond holes CANDD015 and CANDD016 which tested the continuity of high-grade copper mineralisation 200 metres (m) down plunge from known drill intercepts, as well as identified new downhole electromagnetic (DHEM) ‘conductive’ anomalies.¹

CANDD015 intersected two mineralised shear zones interpreted to coincide with the Western Lode and Main lode positions².

Additionally, a DHEM survey was completed on CANDD015 from 80m to 648m downhole identifying new, large-scale, conductive targets in an area not previously intersected by any drilling within the interpreted host shears to the Canbelego copper mineralisation.

In December 2022³, Helix announced the completion of hole CANDD016 which intersected two mineralised zones in addition to the discovery of further large scale, conductive targets from DHEM surveying.

¹ Refer to ASX announcements dated 30 November 2022, 13 and 19 December 2022

² Refer to ASX announcement dated 30 November 2022

³ Refer to ASX announcement dated 8 December 2022

The intersected shear zones are interpreted to coincide with the Western Lode and Main lode positions, consistent with the previously reported observations from CANDD015.

In February 2023, the Company successfully intersected its most conductive DHEM anomaly through a wedged-off daughter hole CANDD016C after several misses in the challenging ground conditions for directional drilling.

Assay results for CANDD016C were received which demonstrated the high-grade nature of the copper shoot⁴. Highlights included:

- 3.1m at 2.19% copper (Cu) (from 373m); and,
- 5m at 3.59% Cu (from 603m).

This was the deepest copper intercept to date at Canbelego and was 320m vertically below the base of the 2010 Inferred Mineral Resource.



Figure 3: Semi massive chalcopyrite mineralisation in drill core from CANDD016C

The Company conducted follow-up drilling via hole CANDD019A, successfully intersecting copper sulphide mineralisation approximately 150m 'up-plunge' from CANDD016C at the predicted position of the conductive targets.

In addition, CANDD020 tested the discrete high-grade copper shoot extension between the hole 19A and 16C intercepts⁵.

In summary, the Main Lode was intersected as predicted in both holes (refer **Figure 4 – Schematic Long Section**) with the following results:

- 12m at 0.58% Cu from 493m, including 2m at 1.68% Cu from 497m (CANDD019A)
- 8m at 1.23% Cu from 508m, including 3m at 2.35% Cu from 509m (CANDD019A).
- 5m at 0.39% Cu from 579m, including 1m at 1.23% Cu from 581m (CANDD020).
- 6m at 1.86% Cu from 586m (CANDD020).

⁴ Refer to ASX announcement dated 28 March 2023

⁵ Refer to ASX announcement dated 5 June 2023

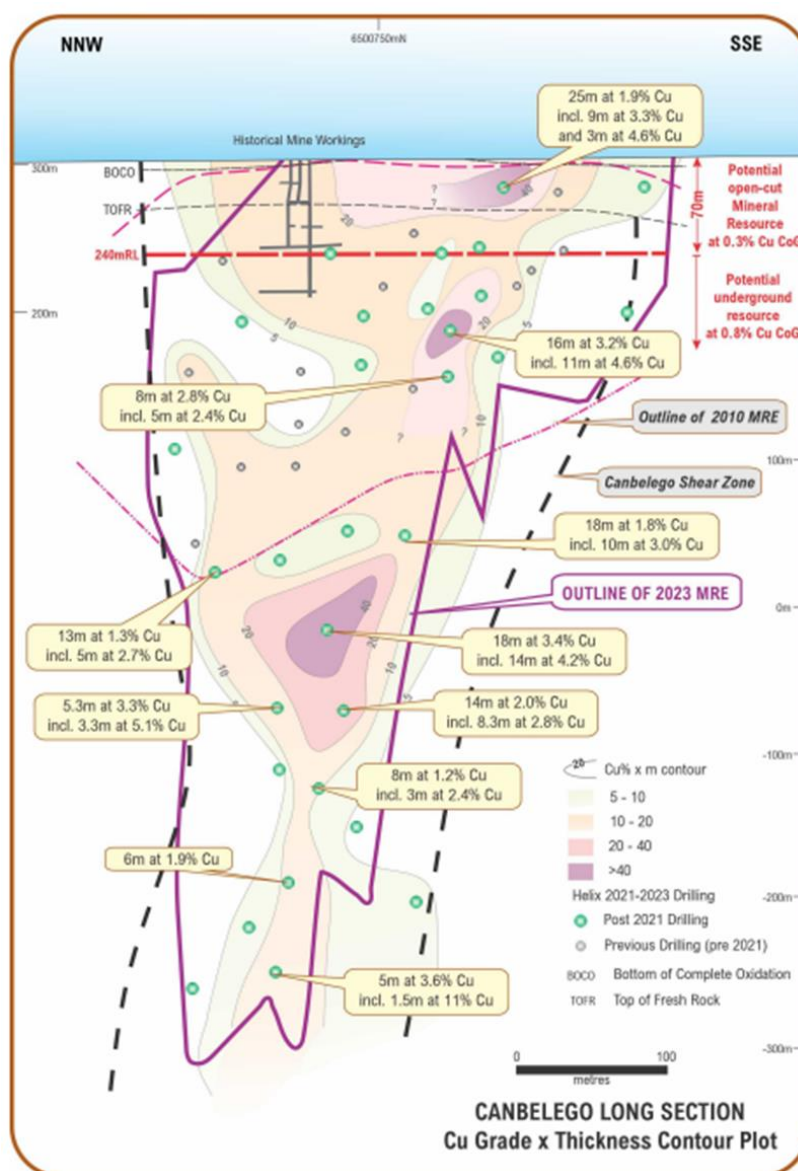


Figure 4: Schematic Long Section Canbelego Main Lode

Canbelego Main Lode – Upper Zone

During the March 2023 quarter, Helix completed a series of reverse-circulation (RC) drill holes to test shallow high-grade copper mineralisation with the potential to be included within the updated Mineral Resource Estimate.

The program consisted of 906m comprising seven drill holes and was focussed on infilling targets developed from results in late 2022, such as hole CBLRC057 which intersected 16m at 3.21% Cu from 117m downhole (including 11m at 4.58% Cu).

In January 2023, the Company reported significant copper mineralisation was observed in five of the drill holes with visual logs indicating weak, medium, and strong copper mineralisation extending 60m up dip from CBLRC057 over downhole widths of 12m to 51m⁶.

These visual results were confirmed by the receipt of high-grade copper assays in March 2023⁷. Results included:

- 5m at 5.35% Cu from 18m and 2m at 6.42% Cu from 31m within 25m at 1.87% Cu from 13m (CBLRC064)
- 6m at 4.72% Cu from 103m within 10m at 3.02% Cu from 100m (CBLRC062)
- 4m at 3.27% Cu from 70m within 10m at 1.58% Cu from 68m (CBLRC063)

⁶ Refer to ASX announcement dated 31 January 2023

⁷ Refer to ASX announcement dated 2 March 2023

- 3m at 2.45% Cu from 78m within 23m at 0.75% Cu from 62m (CBLRC058)
- 9m at 1.3% Cu from 108m within 16m at 0.9% Cu from 108m (CBLRC059)

The assays demonstrate near-surface oxide and sulphide copper mineralisation within the Main Lode that extends south along strike from the historic workings, with true widths ranging from 15m to 20m at a 0.1% Cu cut-off.

The Main Lode oxide copper mineralisation transitions to sulphide-copper mineralisation between 50m and 70m below surface, with similar mineralised drill widths in both the oxide and sulphide zones.

The exciting RC results were further supported by the Company's diamond drilling activity at CANDD017, which was designed to target an area down-dip of hole CBLRC057 and further map out the high-grade copper zone identified by RC drilling.

The hole intersected a 21.7m zone of medium to strong intensity chalcopyrite (copper sulphide) mineralisation from 155.7m, including 1.3m of semi-massive chalcopyrite⁸. Assay results have confirmed these copper-mineral observations, with highlights including⁹:

- 11m at 0.66% Cu from 155m, including 4m at 1.44% Cu from 158m
- 8m at 2.83% Cu from 169m, including 5m at 4.23% Cu from 172m.

These new results have extended the shallow copper zone at least another 40m to over 150m vertical depth and remains open at depth as well as to the north, toward the workings. (refer to **Figure 5 – Canbelego Cross Section**).

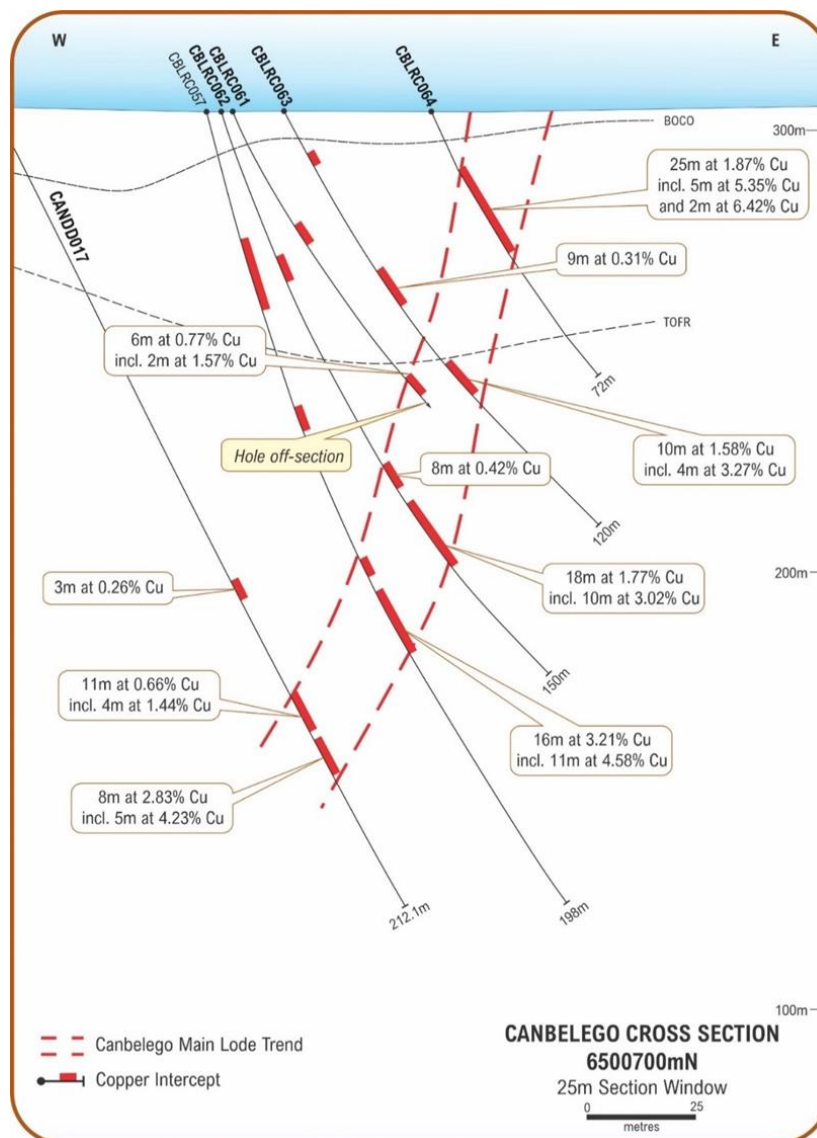


Figure 5: Canbelego Main Lode Cross Section 6,500,700mN

⁸ Refer to ASX announcement dated 2 March 2023

⁹ Refer to ASX announcement dated 28 March 2023

The Western Lodes

The Western Lodes (refer **Figure 6 – Canbelego Location Plan**) are a series of parallel, mineralised lenses located ~300m west of the Main Lode. They were identified in 2022 and were intersected regularly by exploratory RC holes and diamond holes testing depth extensions of the Main Lode.

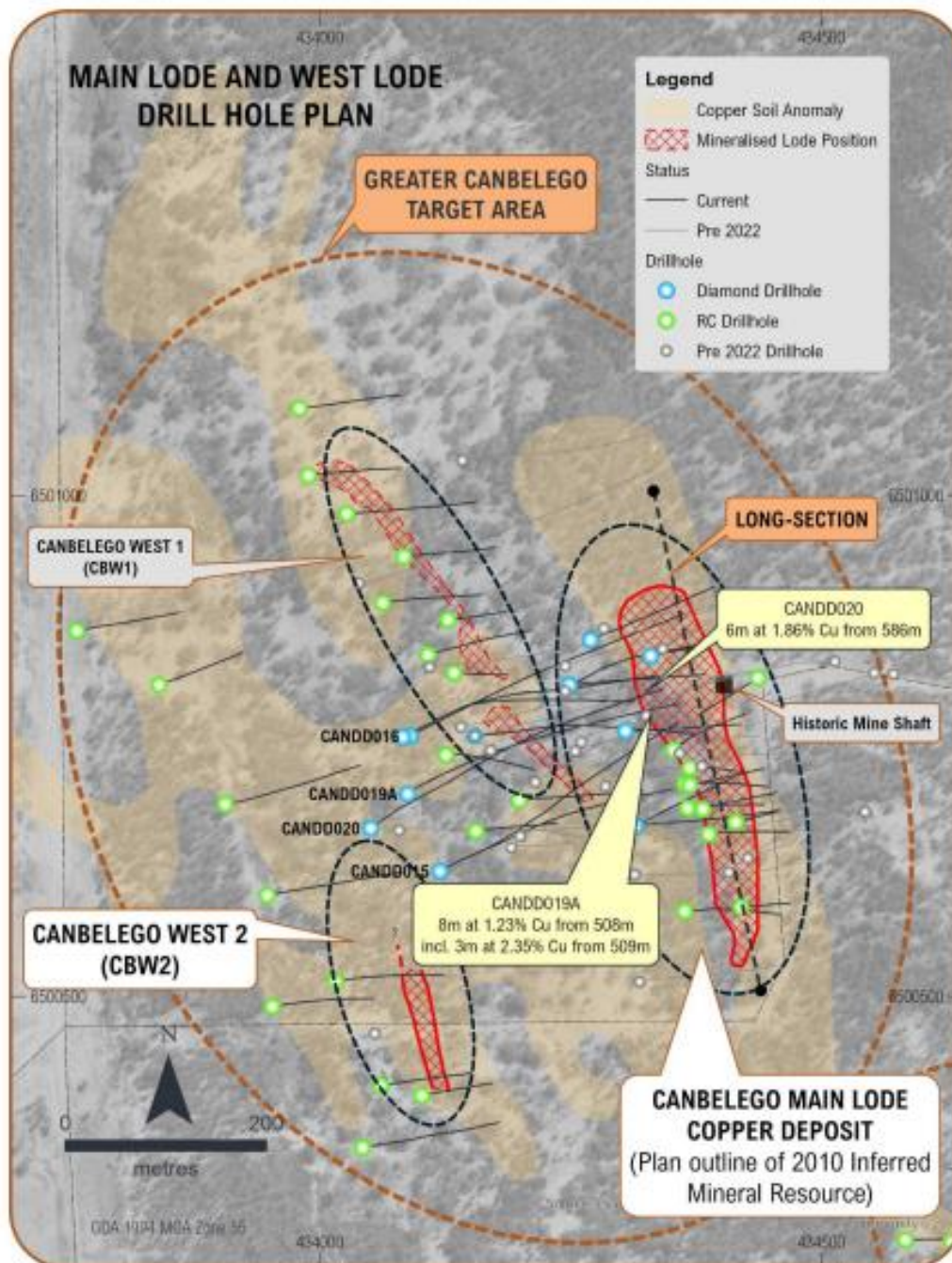


Figure 6: Canbelego Location Plan

Drill holes CANDD015, 015A, 016, 016A and 019A which targeted the Main Lode position were collared in the west, drilling to the east. These holes intersected copper mineralisation at various Western Lode positions at down hole depths ranging from 300m to 400m.

For example, a highlight is hole CANDD016C encountered 8m at 1.25% Cu from 330m, including 4m at 1.83% Cu from 330m at the West Lode position.

A systematic review of the Western Lode structures, for example as Main Lode 'look-a-likes' is being undertaken.

Caballero

The Caballero prospect is located 2.5km south of the Greater Canbelego Area along the Rochford Trend and is also on the Canbelego JV tenement. Helix resumed drilling here in July 2022 to follow-up on a significant copper-in-soil anomaly and highly anomalous intercepts in two of four scout RC holes from 2013. This drill campaign was completed in mid-September as part of a larger drill program covering the Greater Canbelego area and Caballero prospect with a total of 27 RC holes for 4,275 metres drilled.

Helix received assays for 15 holes in October¹⁰ with notable results including hole CBLRC040 which intersected multiple intervals of copper mineralisation including an upper 10m (drilled width) oxide zone of copper carbonates (malachite and azurite) from 79m plus three lower zones of sulphide mineralisation.

The sulphide intervals consist of 2% to 5% blebby and semi-massive chalcopyrite. The mineralised intervals in hole CBLRC040 returned the following assays:

- 12m at 0.45% Cu from 78m, including 4m at 0.84% Cu from 80m
- 6m at 0.38% Cu from 114m, including 2m at 0.55% Cu from 114m
- 11m at 0.75% Cu from 141m, including 3m @ 1.83% Cu from 147m
- 8m at 0.31% Cu from 153m

There was poor sample recovery between 80m and 84m and it is likely that mineralised material has been lost from this interval, which may impact the reported copper grade.

This hole was followed-up at depth with diamond hole CANDD014, which was drilled to 417.5m. CANDD014 intersected weak chalcopyrite mineralisation (trace to 1%) in multiple zones below 240m downhole. This extensive zone of alteration and sulphide mineralisation appears significantly faulted and is open along strike and at depth.

Further assays were received in November 2022¹¹, with RC holes CBLRC047 to CBLRC051 drilled at the northern end of the Caballero prospect.

CBLRC050 intersected 4m at 0.52% Cu from 114m, including 1m at 1.15% Cu from 116m. This position is approximately 550m along strike from the CBLRC040 intercept, referred to above. There is a ~600m interval between the anomalous intercepts in CBLRC040 and CBLRC050 which remains open and has not been tested by any drilling. A geological review is in progress ahead of further drilling to identify high-grade copper zones within an extensive, anomalous copper zone.

Early-Stage Copper Targets & Target Generation

Regional geochemical sampling recommenced in late 2022 along the Rochford Trend with a total 379 soil auger holes completed for 696m and 379 samples submitted for multi element geochemical analysis.

Earlier in May 2023, the Company announced a suite of additional highly encouraging copper and potential copper-gold targets identified from the multi-element geochemical sampling and supported by geophysical and other data types. (**Figure 7 – Rochford Trend Copper geochemical anomalies**).

¹⁰ Refer to ASX announcement dated 4 October 2022

¹¹ Refer to ASX announcement dated 15 November 2022

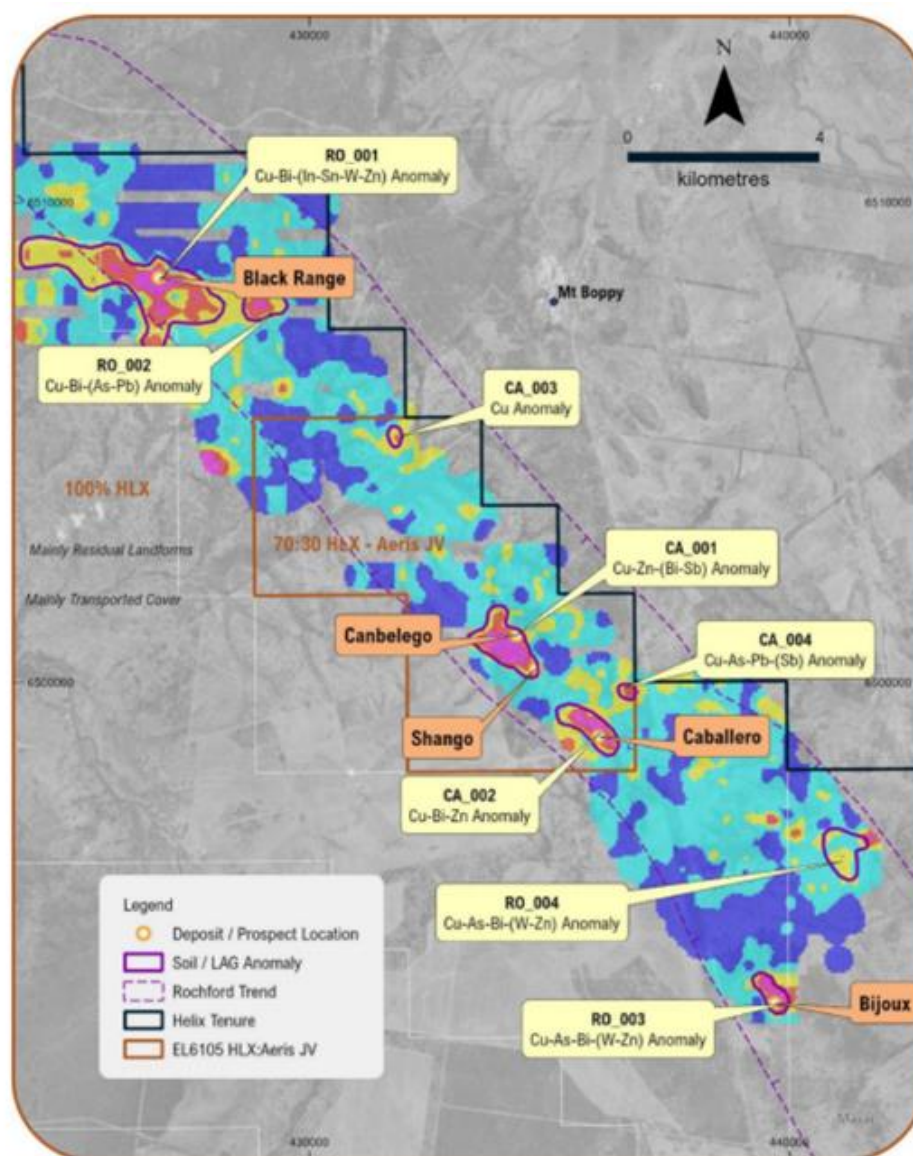


Figure 7: Rochford Trend Copper Geochemical anomalies

- **Black Range Copper (-gold) Target (100% Helix)**

Most notably, the Black Range prospect contains anomalous Cu-Bi-In-Sn-W in lag samples extending over an area of 6km by 1.7km, trending east-northeast. Historical underground copper/gold workings occur in this area which was highlighted by nearby 'conductive' anomalies by the 2021 aerial electromagnetic surveys¹². Recent geological mapping and rock chip sampling also identified outcropping copper mineralisation with anomalous copper assays up to 2.6% Cu.

- **South Rochford Regional Copper Targets (100% Helix)**

Emerging targets were delineated in the southern Rochford Trend, where new anomalies are being identified through the largely transported cover sequence.

These include discrete Cu-Bi-Zn anomalies, such as in the Hermitage area within the broad, north-west trending litho-structural belt associated with the Canbelego, Caballero, and Bijoux prospects.

These early-stage anomalies will be further refined with extensional and infill auger and lag sampling, which is currently in progress.

¹² Refer to ASX announcement dated 23 March 2021

3.2 Collierina Copper Trend

The Collierina Copper Trend is a large-scale mineralised trend which is interpreted to extend south of Aeris Resources Ltd.'s Tritton Copper Operations (TCO) for approximately 150 strike-km on Helix's 'Eastern Group' tenements.

CZ Copper Project

The trend hosts several historic copper deposits and occurrences and includes the CZ Copper Project, discovered by Helix in late 2016, as well as several early-stage copper prospects.

An updated geological interpretation and exploration model was completed during the period for the CZ Project. The updated geological model underpins planning for further drilling to test for extensions and repetitions of the high-grade copper-sulphide shoots which characterise the CZ mineralisation. Please refer to **4.3 CZ Mineral Resource** for further information.

Early-Stage Copper Targets & Target Generation

The Collierina Copper Trend is considered by Helix to be significantly under explored and highly prospective. This was supported with the first results from the regional airborne electromagnetic (EM) survey (VTEM™) undertaken in early 2021 which generated numerous conductive anomalies over both existing historical prospects and identified new targets.

Significant progress on new target generation is being achieved in the northern and southern sections of the Company's Collierina tenements.

The commencement of a geophysical surveying was announced during the June 2023 quarter.¹³ A ground-based 'fixed-loop' EM (FLEM) geophysical survey was designed to follow-up the 2021 high priority VTEM targets.

EM surveys are a proven discovery tool in the Cobar area. Most recently, Aeris' Constellation deposit was discovered by airborne EM. It was followed up by ground geophysics and subsequently drilling to outline the current 'open' Mineral Resource estimate (MRE) of 6.7 million tonnes at 1.9% Cu and 0.6 g/t gold (Au)¹⁴. The Constellation deposit lies 60km to the north along interpreted extensions of the Collierina Copper Trend from Helix's tenements.

The immediate focus for the FLEM surveys has been the Quanda-Hermidale and Fiveways targets (Refer **Figure 7**).

Helix is awaiting the geophysical survey results and subject to positive outcomes, intends to undertake initial drill testing of these new targets.

3.3 New Exploration Licence Application – Yangunyah

In May 2023, Helix reported it had applied for a new 585km² Exploration Licence (EL), Yangunyah, prospective for copper discoveries located north of the large-scale copper mines at Aeris Resources' TCO (refer **Figure 8 - Simplified Geological Location Plan**).¹⁵

Helix has utilised reprocessed geophysical data and its own regional scale geological mapping to identify geological features related to mineralisation. These are generally hard to discern because of the thick monotonous rock sequences with little 'geophysical contrast' and scarcity of outcrop to map structures or lithologies. Therefore, there has been little effective exploration in the past.

This new work has added vital insight to the interpretation of the regional geology, including an improved understanding of the sequences and structures associated with mineralisation throughout the known copper bearing trend. The Company has identified specific 'signatures' within the prospective host sequence to the copper deposits currently being mined at the TCO which are considered to extend south to Helix's Collierina project and north into the Yangunyah EL application.

¹³ Refer to ASX announcement dated 16 May 2023

¹⁴ Refer Aeris Resources ASX Report 18 April 2023

¹⁵ Refer to SX announcement dated 31 May 2023

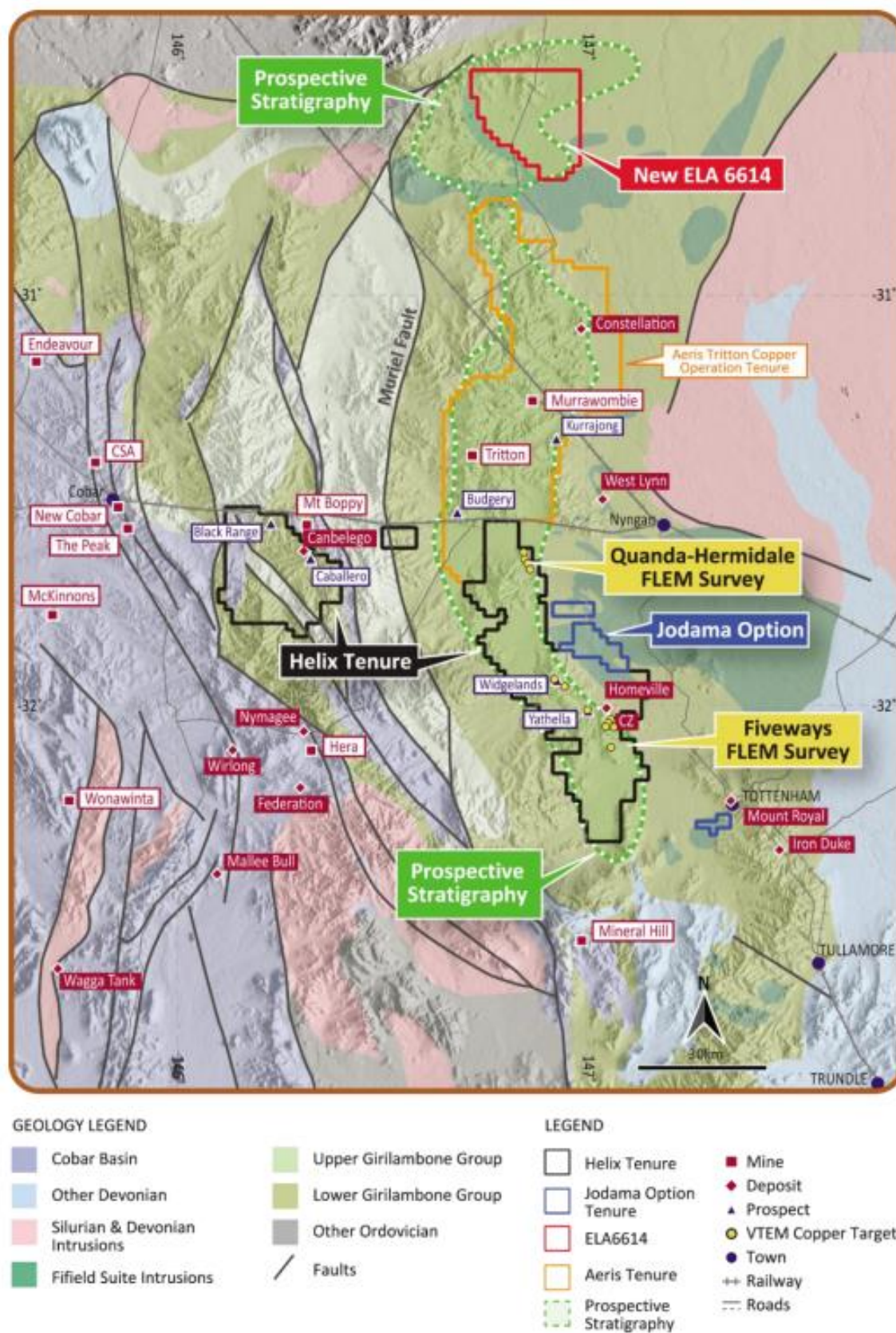


Figure 8: Simplified Geological Location Plan

4. MINERAL RESOURCE ESTIMATES

4.1 Canbelego Main Lode - Mineral Resource Estimate (MRE) Upgrade

In June 2023, Helix announced a significant upgrade to the Canbelego Main Lode MRE, representing the first update of the Canbelego resource since the 2010 estimate.¹⁶

The 2023 MRE has delivered a 77% increase in contained copper metal (+13.8kt) compared to the 2010 MRE, reflecting a 22% increase in tonnage (+0.33Mt) and 45% increase in Cu grade (0.54% Cu).

An outline of the MRE is presented in **Table 1 – 2023 Canbelego Main Lode MRE**, below.

Helix restarted work at Canbelego in early 2021, the first exploration work undertaken at the project since 2013. The Company completed 68 drill holes at the Main Lode and surrounding prospects for a total of 16,666m of drilling. The Main Lode drilling was targeted to intersect depth extensions of the copper shoots and to better define copper grades and mineralised widths at shallow levels broadly above the base of the 2010 MRE, as shown in **Figure 2 – Schematic Long Section**.

The 2023 MRE has been reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 (JORC Code). The 2010 MRE was reported in accordance with the JORC 2004 code.

Table 1: 2023 Canbelego Main Lode MRE

MRE Category	Tonnes	Grade (Cu%)	Cu-Metal (t)
<i>Total opencut MRE, ≥240mRL; 0.3 Cu% cut-off grade & underground MRE, <240mRL; 0.8 Cu% cut-off grade</i>			
Indicated	340,600	1.65	5,620
Inferred	1,493,700	1.75	26,140
Total: Opencut & Underground	1,830,000	1.74	31,842
<i>Comprising:</i>			
MRE Category	Tonnes	Grade (Cu%)	Cu-Metal (t)
<i>Potential opencut MRE, ≥240mRL; 0.3 Cu% cut-off grade</i>			
Indicated	99,700	1.28	1,276
Inferred	282,300	1.21	3,416
Total: potential opencut MRE	377,000	1.23	4,637
<i>Potential underground MRE, <240mRL; 0.8 Cu% cut-off grade</i>			
Indicated	240,900	1.81	4,360
Inferred	1,211,400	1.88	22,774
Total: potential underground MRE	1,453,000	1.87	27,171
* Numbers may not sum due to rounding			
* Numbers are rounded to reflect that they are estimates			
* A top-cut grade of Cu 12% was applied to the MRE			
* Stated MRE complies with Reasonable prospects of eventual economic extraction			

The Company is now reviewing the modelling work and assessing the growth potential of the MRE. A clear, proximal growth opportunity is the Western Lodes which occur parallel to the Main Lode structure. High-grade, albeit generally narrow copper intercepts have been recorded by drillholes passing through the Western Lodes aimed at deeper portions of the Main Lode. A systematic review of the Western Lode structures, for example as Main-Lode 'look-a-likes' will be undertaken.

4.2 Homeville Nickel-Cobalt Mineral Resource

Helix acquired the Homeville deposit in late 2021 as part of a tenement acquisition and rationalisation of overlapping joint venture and royalty rights from Alpha HPA Ltd¹⁷. Alpha HPA has pivoted its interest to production of high purity alumina from commercial feedstocks rather than its own upstream 'mined' sources such as Homeville.

¹⁶ Refer to ASX announcement dated 14 June 2023

¹⁷ Refer ASX Report 1 September 2021 lodged by Helix Resources Ltd.

A MRE was completed in 2018 by Optiro Pty Ltd at a 0.7% Ni cut-off and classified and reported in accordance with the guidelines of the JORC Code (2012). The estimate was released in September 2018¹⁸ and the summary information is presented in **Table 2 – Homeville Mineral Resource Estimate**. This deposit is 100% owned by Ionick and is subject to a 1% NSR held by Alpha HPA.

The deposit represents an oxidised nickel laterite developed over an ultramafic serpentinite protolith. The rough dimensions are a length of 2,000m, width of 300m and a depth varying from natural surface to 60m.

Metallurgical testwork undertaken in 2015 to 2017¹⁹ examined atmospheric counter-current acid leaching, achieving >90% nickel and cobalt recoveries to produce nickel cathode and a cobalt-carbonate.

Table 2: Homeville Nickel-Cobalt Mineral Resources

2018 MRE (JORC 2012)	Category	Cut-off grade (Ni%)	Tonnes (Mt)	Ni %	Co %	Fe %	Al %
	Indicated	0.7	2.2	0.98	0.04	19	2.8
	Inferred	0.7	15.7	0.88	0.06	23	3.7
	Total		17.9	0.89	0.06	22	3.6

4.3 CZ Mineral Resource

A geological review of the validity of the CZ geological model was undertaken in June 2023 which underpinned the 2019 MRE for the CZ Copper Project.²⁰ There were significant concerns with the model given that over 50% of the historical drill holes had not been geologically logged. The ensuing interpretation and targeting work raised material uncertainty relating to the validity of the model and various technical assumptions at the project. Based on these recently completed geological reviews, the Company has elected not to quote a MRE for the CZ project pending further work.

4.4 Restdown Mineral Resource

In June 2023, Helix announced a review of the geological model underpinning the Restdown Gold MRE indicated material uncertainty of various technical assumptions¹⁵. Based on this work the Company elected to cease quoting a MRE for the Restdown Gold Project pending further work.

5. BUSINESS DEVELOPMENT

Helix is actively assessing and generating opportunities to support its copper business strategy to add to its copper inventory by regional consolidation and acquisitions in addition to its planned growth through exploration success. It is seeking farm-in JV opportunities as well as new JV partners for certain tenements.

5.1 Copper

The Company is always interested to assess opportunities to acquire or joint venture into copper projects within its 'Greater-Cobar' operating sphere. During the 30 June 2023 quarter several new projects were presented and are under review. No commercial terms or arrangements have been agreed and there is no certainty that any of the opportunities will meet Helix's criteria or that any transactions will be completed.

5.2 Nickel-Cobalt Assets

Ionick Metals Ltd - a wholly owned subsidiary company, was established during the year.²¹ Ionick executed an Option Agreement with Jodama Pty Ltd (Jodama) over three Exploration Licences prospective for laterite hosted nickel-cobalt-platinum group metals (PGM) mineralisation located in the 'Greater Cobar' region of NSW.

The Option Agreement is the initial phase of a broader strategy of unlocking hidden value for a suite of nickel-cobalt-PGM prospects centred around Ionick's Homeville Nickel-Cobalt Deposit. The Homeville Deposit features a 18Mt at 0.9% Ni & 0.06% Co Mineral Resource Estimate which is predominantly classified as Inferred.

¹⁸ Refer ASX Report 28 September 2018 lodged by Alpha HPA Ltd.

¹⁹ Refer ASX Report 5 October 2017 and 29 November 2017 from Alpha HPA, formerly Collerina Cobalt Ltd and report from 14 July 2015 from Alpha HPA (formerly Auger Resources Ltd).

²⁰ Refer to ASX announcement dated 14 June 2023

²¹ Refer to ASX announcement dated 28 February 2023

Homeville is one of the higher-grade laterite nickel-cobalt deposits in Australia on a nickel-equivalent basis as presented in Table 3.

Project	Owner	Location	Ni (Eq) Grade (%)	Tonnes (Mt)	Ni Grade (%)	Co Grade (%)	Contained Metal (Kt) Nickel	Cobalt
NSW Projects								
Homeville	ASX:HLX	NSW	1.01%	18	0.89%	0.06%	160	10
West Lynn	ASX:ALY	NSW	0.94%	21	0.84%	0.05%	179	11
NiCo-Young	ASX:JRV	NSW	0.73%	93	0.63%	0.05%	589	46
Sunrise	ASX:SRL	NSW	0.72%	177	0.53%	0.09%	935	168
WA Projects								
NiWest	ASX:AXN	WA	1.16%	85	1.03%	0.06%	878	55
Central Musgraves	ASX:NC1	WA	1.05%	216	0.91%	0.07%	1,953	154
Kalgoorlie Nickel Project	ASX:ARL	WA	0.80%	831	0.71%	0.05%	5,879	384
Quicksilver	ASX:G88	WA	0.73%	26	0.64%	0.04%	169	11
Others' in Australia								
Barnes Hill	NQM Plc	TAS	0.93%	7	0.81%	0.06%	54	4
Sconi	ASX:AUZ	QLD	0.76%	116	0.64%	0.06%	736	71

Table 3: Comparison with Australian emerging Ni-Co projects (At Ni price of US\$20k/t and Co price of US\$39k/t with no metallurgical recovery factors applied)

Adding potential 'critical-mass' to the Homeville Deposit, Helix possesses numerous advanced, and early-stage high-grade laterite Ni-Co prospects located at close proximity to the Homeville deposit.

This includes the three Jodama tenements, which add the highly prospective 'G-series' magnetic targets at the Honeybugle intrusive area and the Hillview project, with anomalous nickel, cobalt and PGM drill intercepts, to the south (refer to **Figure 9 - Regional Location Plan – Nickel-Cobalt Projects**).

To maintain its focus predominantly on copper, Helix is compiling a business plan incorporating a development strategy for Ionick. It is anticipated to utilise this plan to solicit independent funding for Ionick, with the intention to include an initial public offer (IPO) or a strategic investor.

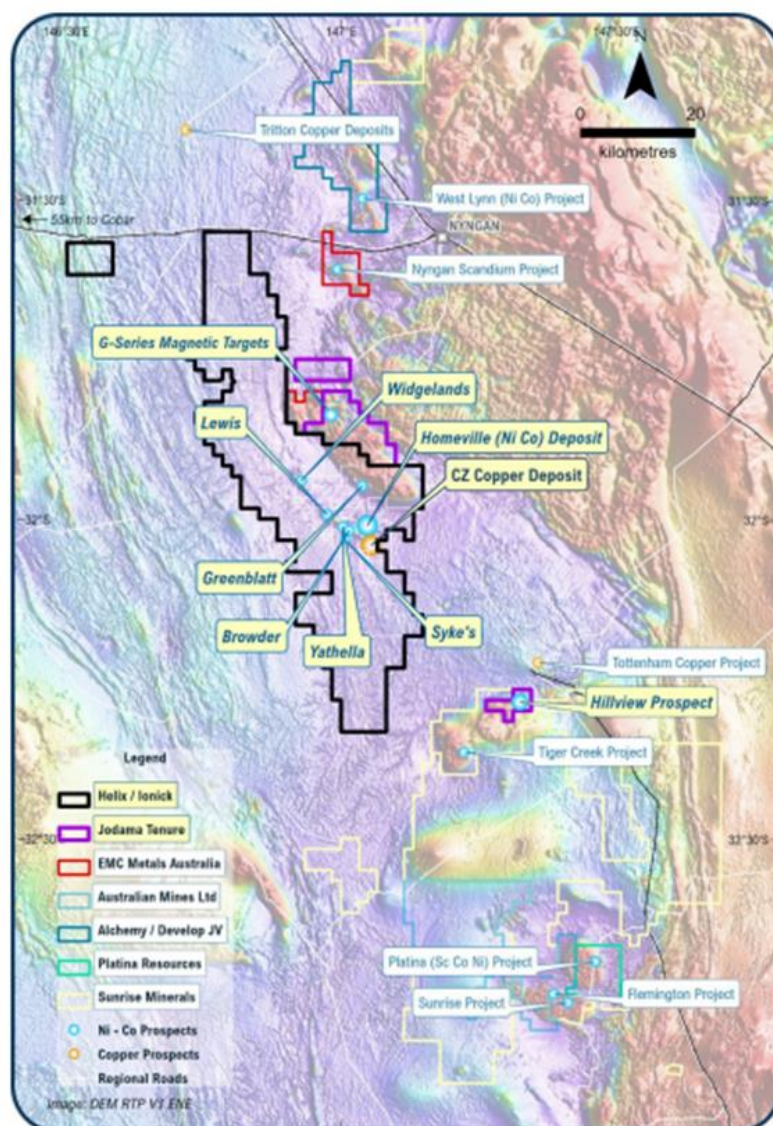


Figure 9: Regional Location Plan – Nickel-Cobalt Projects

5.3 Chile Divestment

During the year the projects in Chile were relinquished. The Company has retained a conditional 1% net smelter return (NSR) royalty over the original project areas if they are acquired by specific parties previously associated with the Company's operations in Chile.

5.4 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% Free-on-Board (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 latter 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/>.

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 2023.

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 year unless otherwise stated:

Peter Lester (Non-Executive Chairman)
Mike Rosenstreich (Managing Director)
Kylie Prendergast (Non-Executive Director)

Information on Directors

Name:	Peter Lester
Title:	Non-Executive Chairman
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:	Aurora Energy Metals Ltd – appointed 14 Dec 2021 and Gateway Mining Ltd - appointed 18 July 2022
Former directorships (last 3 years):	Kingrose Mining Limited (resigned 19 November 2020) and White Rock Minerals Limited (resigned 13 June 2022)
Interests in shares:	3,355,342
Interests in options:	2,400,000

Name:	Michael 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. Recently he led the successful settlement of an international dispute resulting in a US\$32 million settlement and a significant dividend payout to Tantalum International shareholders.
Other current directorships:	Tantalum International Ltd (since May 2014)
Former directorships (last 3 years):	Hexagon Energy Materials Ltd (resigned December 2020) and Indiana Resources Limited (ASX: IDA) (resigned October 2022).
Interests in shares:	4,958,333
Interests in options:	Nil

Name:	Kylie Prendergast
Title:	Non-Executive Director
Qualifications:	BSc Hon (Economic Geology), PhD (Geology), Grad Cert (Applied Finance)
Experience and expertise:	Dr Kylie Prendergast is a geologist and technical leader with over 25 years of experience within the international mining and resource sector. She has worked across a range of different operating jurisdictions, including significant in-country assignments and expatriate roles, and was involved in business development, project technical and economic evaluation, and commercial management including direct interaction with a range of stakeholders in global resource capital markets. Dr Prendergast is a partner at Petram Capital and has also held senior leadership roles at Felix Gold, Mawarid Mining, Batu Mining, Gold Fields, and worked in technical geology positions at BHP Billiton, Ivanhoe Mines and North Limited.
Other current directorships:	Terra Uranium Limited (ASX: T92) - appointed May 2022
Former directorships (last 3 years):	Felix Gold Ltd (resigned Mar 2022)
Interests in shares:	Nil
Interests in options:	2,400,000

Company secretary

Mr Benjamin Donovan

Mr Donovan is an experienced Company Secretary and a member of the Governance Institute of Australia, providing Helix with corporate advisory and consultancy services. Mr Donovan is the principal of Argus Corporate Partners Pty Ltd and provides corporate advisory, IPO and consultancy services to a number of companies. Mr Donovan is currently a company secretary and director 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 2023, and the number of meetings attended by each director were:

	Full Board¹	
	Attended	Held ²
P Lester	9	9
M Rosenstreich	9	9
K Prendergast	9	9

¹ The Nomination and Remuneration Committee and Audit and Risk Committee have been dissolved and all related matters subsequently handled by the full Board.

² Held represents the number of meetings held during the time the Director held office.

Principal activities

The principal activity of the Group constituted by Helix Resources Limited and the entities it controlled during the year consist of exploration activities directed toward the discovery of copper, gold and nickel-cobalt deposits in the Cobar region of central NSW. During the year, the Company divested its assets in Chile, enabling it to focus on its core business activities. There has been no other significant change in the nature of the principal activities during the year.

Financial Results

The net consolidated loss after income tax for the year ended 30 June 2023 was \$7,912,172 (30 June 2022: \$2,155,999) and reported net cash outflows from operating activities of \$1,072,276 (30 June 2022: \$1,482,225). As at 30 June 2023, the Group had a net asset position of \$19,826,976 (30 June 2022: \$27,558,582).

Dividends

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

Review of operations

The Group's activities are contained in regular releases to the ASX, summarised in a separate section of this Annual Report and available on the Company's website at www.helixresources.com.au.

The Company's strategy is to focus on making new copper discoveries on its tenements in the 'Greater Cobar' region of central NSW, Australia. Utilising the Company's deep geological expertise and corporate skills, Helix creates and looks to extract intrinsic value for the benefit of its shareholders.

Mineral Asset Project Highlights

Refer to the Operations Report on page 4.

Corporate

Major corporate events during the year included:

- On 31 October 2022, the Company sold its 100% subsidiary Helix Resources Chile Limitada in return for a conditional 1% Net Smelter Return (NSR) royalty over the original project areas if they are acquired by specific parties previously associated with the Company's operations in Chile.
- On 18 November 2022, the Company's 100% subsidiary Ionick Metals Pty Ltd was converted to a public company – Ionick Metals Limited. Ionick is planned to be utilised as a holding company for the Company's nickel-cobalt exploration assets.
- On 19 December 2022, 13,200,000 Performance Rights were issued to employees of the Company under the Company's Employee Incentive Scheme with an expiry date of 19 December 2027.
- On 24 November 2022, 2,400,000 unlisted options were issued to the Company's Non-Executive Director under the Company's Employee Incentive Scheme. The options were issued in three tranches (1/3 at \$0.036, 1/3 at \$0.063 and 1/3 at \$0.081) and expire on 20 December 2025 as approved by shareholders on 24 November 2022. All the options vested on the grant date. The Black Scholes option pricing model was used to value the options.
- On 28 February 2023, the Company announced its 100% owned subsidiary Ionick Metals Ltd has executed an Option Agreement with Jodama Pty Ltd to acquire three exploration licences in the 'Greater Cobar' region of NSW (EL8248, EL8747 and EL9435 - together the 'Jodama tenements'). The Option Agreement forms part of the broader strategy of a proposed initial public offering ('IPO') of Ionick Metals shares on the ASX, subject to market conditions and regulatory approval.
- On 9 April 2023, 6,541,667 Performance Rights issued to the Managing Director expired.

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 year.

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.

Risk overview

The Group's activities have inherent risk and the Board is unable to provide certainty of the expected results of these activities. The material business risks that the Group faces that could influence the Group's future prospects and how these are managed, are outlined below.

Availability of technical skills and key service providers

Execution of the planned work program is dependent on the Group employing sufficient geologists and field technicians as well as securing appropriate contractors to undertake drilling, geophysical surveys, assaying and other related support activities to enable exploration activities to progress. In mid-2021 the Group established an exploration base in Orange, New South Wales and all of its key exploration personnel are based there and retained on a fulltime salary basis with appropriate equity incentives.

Additional requirements for capital

The capital requirements of the Group depend on a number of factors. The capital requirements of the Group mainly include the outflows for exploration activities and administrative overheads. As the Group is not currently generating any revenue from its activities, it will require additional financing in the future. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Group is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations.

Exploration and development success

The Group's tenements are at various stages of exploration and development, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration and development of the tenements, or any other licenses that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

Environmental risk

The operations and proposed activities of the Group are subject to laws and regulations concerning the environment. As with most exploration projects, the Group's activities may have an impact on the environment, particularly if advanced exploration proceeds. It is the Group's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Native title and heritage matters

The Group's tenements may include areas over which legitimate common law native title or indigenous rights of persons in Australia exist. If native title or indigenous rights do exist, the ability of the Group to gain access may be adversely affected. The Group will closely monitor the potential effect of native title or indigenous claims involving its tenements.

Tenure and access

Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for production tenements will be approved.

The Group's tenements are subject to the applicable mining acts and regulations in Australia. The renewal of the term of a granted tenement is also at the discretion of the relevant government authority.

Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the mineral tenements and mining properties comprising the Group's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Group.

A number of the mineral tenements and mining properties comprising the Group's projects overlap land which is owned by private landowners. In order for the Group to access that land and undertake its proposed activities on that land, including any exploration and/or development of a mine the Group will need to negotiate access and compensation arrangements with the underlying private landholders.

Subsequent Events

- On 13 September 2023, the Company announced a two-stage transition plan for board and management changes. The phased transition will ensure strategic continuity focusing on the Company's key stakeholder relationships, its regional and advanced copper prospects, while also enhancing the early-stage exploration credentials of the Board.
Phase one of the plan will be effective from 1 November 2023 as follows:
 - Mr Peter Lester (Non-Executive Chairman) will retire from the Board;
 - Mr Mike Rosenstreich (Managing Director) will transition to Executive Chairman; and
 - Ms Kylie Prendergast (Non-Executive Director) plans to transition to Executive Technical Director.Phase two of the transition plan is expected to be effective from May 2024 as follows:
 - Mr Mike Rosenstreich to transition from Executive Chairman to Non-Executive Chairman; and
 - Ms Kylie Prendergast plans to transition from Executive Technical Director to Managing Director.
- On 3 August 2023, 6,000,000 Performance Rights to employees expired due to the conditions not being, or became incapable of being, satisfied.

No matter or circumstance, other than those mentioned above, have arisen since 30 June 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Corporate Governance

In recognising the need for high standards of corporate behaviour and accountability, the Directors of the Company support the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations. The Company's policies are consistent with the ASX Principles, and comparable to ASX listed entities of similar size and nature. The Company's detailed corporate governance policy statement can be found on the Company's web site at www.helixresources.com.au.

Share Options

As at the date of this report, there were 73,500,000 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.

Remuneration report (audited)

This remuneration report sets out the remuneration information for Directors and other KMP of the Company for the year ended 30 June 2023. 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

Non-Executive Directors

Mr P Lester

Dr K Prendergast

Remuneration Governance

On 12 May 2022, the Board dissolved the remuneration committee and all remuneration decisions are made by the full Board.

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 and 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 whose members 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 and 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; and
- To have flexibility in the mix of remuneration, including offering a balance of conservative long term incentive 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 the following components:

- Fixed remuneration, inclusive of superannuation and allowances; and
- Performance-linked compensation, including long term incentives through participation in the Company's shareholder approved equity incentive plan.

These 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 10.5% effective 1 July 2022 for the financial year. 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.

Performance-linked compensation

Performance-linked compensation can consist of both short-term and longer-term remuneration. Performance-linked remuneration is not based on specific financial indicators such as earnings or dividends as the Group is at the exploration and development stage. Vesting of long term incentives is based on the share price performance of the Group, which is considered an appropriate measure of the outcome of overall performance. There is no separate profit-share plan.

Long Term Incentives

Long-term incentives (LTI) can comprise share options and/or Performance Rights, which are granted from time to time to encourage sustained performance in the realisation of strategic outcomes and growth in shareholder value. Options and rights are granted for no consideration and do not carry voting rights or dividend entitlements.

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. 13,200,000 Performance Rights were issued to employees during the year and 2,400,000 options were issued to a Non-Executive Director as set out below (2022: 1,000,000 Performance Rights issued to the Managing Director and 7,200,000 options issued to Directors).

Vesting conditions of performance options under the Company's Employee Incentive Scheme are set out below:

- A third vesting on the achievement of 20-day volume weighted average price (VWAP) of \$0.021;
- A third vesting on the achievement of 20-day VWAP of \$0.036;
- A third vesting on the achievement of 20-day VWAP of \$0.046;
- All Performance Rights and options vest immediately if either the Company's JORC 2012 Mineral Resource at any one project exceeds 0.2 million tonnes of contained copper or copper metal equivalent for polymetallic projects from a Mineral Resource with a minimum cut-off grade of no less than 0.3% Cu, or the Company's JORC 2012 Mineral Resource at any one project exceeds 1 million ounces of contained gold or gold metal equivalent for gold/silver projects from a Mineral Resource with a minimum cut-off grade of no less than 0.3g/t Au; and
- Two-year expiry period.

2023	Number of Options/ Rights issued during the year	Grant Date	Fair value	Exercise price	Expiry date	Number of Options / Rights held at end of the year
K Prendergast	800,000	24/11/2022	0.00303	0.0810	20/12/2025	800,000
K Prendergast	800,000	24/11/2022	0.00324	0.0630	20/12/2025	800,000
K Prendergast	800,000	24/11/2022	0.00371	0.0360	20/12/2025	800,000

All options issued to Directors and KMP are issued for nil consideration. All options issued carry no dividend or voting rights. When exercised, each option is converted into one ordinary share pari passu with existing ordinary shares.

Non-Executive Remuneration

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

Non-Executive Director fees are also determined within an aggregate fee pool which is subject to approval by shareholders. The aggregate fee pool is currently set at \$500,000 per annum which was last approved at the Annual General Meeting in November 2020. 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	Annual and Long Service		Post Employment	Equity			
2023	Salary & Fees \$	Leave Provision \$	Bonus payable \$	Superannuat ion \$	Options ¹ \$	Performance Rights ² \$	Total \$	Performance Related %
P Lester	58,824	-	-	6,176	-	-	65,000	-
K Prendergast	45,249	-	-	4,751	7,980	-	57,980	-
M Rosenstreich ³	237,739	6,109	17,500	24,698	-	(55,702)	230,344	-
	<u>341,812</u>	<u>6,109</u>	<u>17,500</u>	<u>35,625</u>	<u>7,980</u>	<u>(55,702)</u>	<u>353,324</u>	

¹The fair value of options granted to Non-Executive Directors during the year is calculated at the date of grant using the Black Scholes option pricing model.

²The value disclosed in the above table represents the Performance Rights which expired during the year due to the vesting conditions

not being, or became incapable of being, satisfied. The value is an adjustment of the amounts previously reported in the financial statements for the year ended 30 June 2022 and 30 June 2021 (\$31,616 and \$22,937 respectively).

³ As announced by the Company in June 2023, Mr Rosenstreich will receive a short-term cash bonus of \$17,500 on 1 July 2023 relating to services performed from January 2023 to 30 June 2023.

	Primary benefits			Post Employment	Equity			
	Salary & Fees	Annual and Long Service Leave Provision	Non-Monetary Benefits	Superannuation	Options ⁴	Performance Rights ⁵	Total	Performance Related %
2022	\$	\$	\$	\$	\$	\$	\$	%
P Lester	59,091	-	-	5,909	23,412	-	88,412	-
J Macdonald ¹	39,428	-	-	3,943	23,412	-	66,783	-
T Kennedy ²	32,609	-	-	3,261	23,412	-	59,282	-
K Prendergast ³	6,198	-	-	620	-	-	6,818	-
M Rosenstreich	212,500	(5,243)	-	21,250	-	31,616	260,123	12.50%
	<u>349,826</u>	<u>(5,243)</u>	<u>-</u>	<u>34,983</u>	<u>70,236</u>	<u>31,616</u>	<u>481,418</u>	

¹Mr J Macdonald ceased to be a director 12 May 2022

²Mr T Kennedy ceased to be a director 18 March 2022

³Dr K Prendergast was appointed on 12 May 2022

⁴The fair value of options granted to Non-Executive Directors during the year is calculated at the date of grant using the Black Scholes option pricing model.

⁵The 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.

No other short-term cash bonuses were paid or accrued for during the year ended 30 June 2023 (30 June 2022: 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	2019	2020	2021	2022	2023
Other income	63,995	144,636	201,339	70,766	331,450
Net (loss)	(720,037)	(480,596)	(1,169,550)	(2,155,999)	(7,912,172)
Share price at year end	\$0.014	\$0.014	\$0.025	\$0.007	\$0.005
Loss per share (cents)	(0.17)	(0.10)	(0.13)	(0.15)	(0.34)
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 participate 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	65,000	Not specified	Not specified	Not specified
M Rosenstreich	285,000 ²	Not specified	3 months	3 months
K Prendergast	50,000	Not specified	Not specified	Not specified

¹Inclusive of Superannuation guarantee contributions.

²\$250,000 per annum full time until 31 December 2022 (\$200,000 on 80% part time basis), \$285,000 per annum full time effective 1 January 2023.

Unlisted Incentive Securities held by Directors and Key Management Personnel

The number of securities 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.

Key Management Personnel	Balance as at 1 July 2022	Securities Granted during year as remuneration	Securities Exercised during year	Securities Expired during year	Balance as at 30 June 2023	Securities vested & exercisable at end of year
<i>Options:</i>						
P Lester	2,400,000	-	-	-	2,400,000	2,400,000
K Prendergast	-	2,400,000	-	-	2,400,000	2,400,000
<i>Performance Rights:</i>						
M Rosenstreich	6,541,667	-	-	(6,541,667) ¹	-	-

¹6,541,667 Performance Rights expired on 9 April 2023.

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.

Key Management Personnel	Balance as at 1 July 2022	Purchased	Disposed	Other Movements	Balance as at 30 June 2023
P Lester	3,355,342	-	-	-	3,355,342
M Rosenstreich	4,958,333	-	-	-	4,958,333
K Prendergast	-	-	-	-	-

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 the Company 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.

Related Party Loans

There were no loans made to key management personnel during the year (2022: nil).

Use of Remuneration Consultants

During the year ended 30 June 2023, 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 87.16% of votes determined via a poll at the Company's 2022 Annual General Meeting on the resolution dealing with the Remuneration Report for the financial year ended 30 June 2022 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. The Directors are not aware of any breaches during the period covered by this report.

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 financial 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

A handwritten signature in black ink, appearing to read 'M. Rosenstreich', is written over a light pink rectangular background.

Michael Rosenstreich
22 September 2023

For personal use only



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DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF HELIX RESOURCES LIMITED

As lead auditor of Helix Resources Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Helix Resources Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'Dean Just', is written over a light grey grid background.

Dean Just

Director

BDO Audit (WA) Pty Ltd

Perth,

22 September 2023

The consolidated financial statements and notes, as set out on pages 31 to 60 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 report as at 30 June 2023 and of the performance for the year ended on that date of the Group; 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



Michael Rosenstreich
Managing Director
22 September 2023

		Consolidated	
	Note	2023	2022
		\$	\$
Revenue			
Other income	2	331,450	70,766
Expenses			
Employment costs		(99,363)	(110,445)
Directors fees		(298,894)	(340,905)
Share based payments	15	(180,566)	(334,870)
Depreciation and amortisation expense		(13,593)	(117,283)
Impairment of exploration and evaluation expenditure	10	(6,724,812)	(406,275)
Audit fees		(49,048)	(47,484)
Compliance costs		(53,331)	(60,760)
Professional fees		(285,467)	(202,238)
Corporate marketing costs		(240,143)	(163,467)
Share registry fees		(14,762)	(19,820)
Office costs		(42,410)	(46,090)
Travel expenses		(70,401)	(7,913)
Insurance		(79,076)	(71,128)
Other expenses	3	(61,041)	(121,171)
Foreign exchange loss		(937)	(496)
Loss before income tax expense from continuing operations		(7,882,394)	(1,979,579)
Income tax expense	4	-	-
Loss after income tax expense from continuing operations		(7,882,394)	(1,979,579)
Loss after income tax expense from discontinued operations		(29,778)	(176,420)
Loss after income tax expense for the year		(7,912,172)	(2,155,999)
Other comprehensive loss for the year, net of tax		-	-
Total comprehensive loss for the year		(7,912,172)	(2,155,999)
Total comprehensive loss for the year is attributable to:			
Continuing operations		(7,882,394)	(1,979,579)
Discontinued operations		(29,778)	(176,420)
		(7,912,172)	(2,155,999)
		Cents	Cents
Loss per share for loss from continuing operations			
Basic loss per share	5	(0.34)	(0.14)
Diluted loss per share	5	(0.34)	(0.14)
Loss per share for loss from discontinued operations			
Basic loss per share	5	-	(0.01)
Diluted loss per share	5	-	(0.01)
Loss per share for loss			
Basic loss per share	5	(0.34)	(0.15)
Diluted loss per share	5	(0.34)	(0.15)

	Note	Consolidated 2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents	6	5,872,543	11,963,874
Trade and other receivables	7	467,748	415,420
		6,340,291	12,379,294
Assets of disposal groups classified as held for sale		-	8,479
Total current assets		6,340,291	12,387,773
Non-current assets			
Plant and equipment	8	66,003	74,622
Right-of-use assets	9	431,829	534,495
Exploration and evaluation	10	13,483,585	15,030,581
Security deposits	11	439,875	463,692
Total non-current assets		14,421,292	16,103,390
Total assets		20,761,583	28,491,163
Liabilities			
Current liabilities			
Trade and other payables	12	416,028	347,586
Lease liabilities	13	121,294	104,097
Provisions		60,347	31,728
		597,669	483,411
Liabilities directly associated with assets classified as held for sale		-	4,269
Total current liabilities		597,669	487,680
Non-current liabilities			
Lease liabilities	13	336,938	444,901
Total non-current liabilities		336,938	444,901
Total liabilities		934,607	932,581
Net assets		19,826,976	27,558,582
Equity			
Share capital	14	87,916,060	87,916,060
Reserves	15	855,040	730,176
Accumulated losses	16	(68,944,124)	(61,087,654)
Total equity		19,826,976	27,558,582

The above statement of financial position should be read in conjunction with the accompanying notes

Consolidated	Issued capital \$	Reserves \$	Accumulated Losses \$	Total equity \$
Balance at 1 July 2021	75,822,165	550,360	(59,069,360)	17,303,165
Loss after income tax expense for the year	-	-	(2,155,999)	(2,155,999)
Other comprehensive loss for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(2,155,999)	(2,155,999)
<i>Transactions with owners in their capacity as owners:</i>				
Issue of shares	12,536,000	-	-	12,536,000
Share issue costs	(799,605)	-	-	(799,605)
Options issued	-	335,021	-	335,021
Transfer of options exercised	17,500	(17,500)	-	-
Options expired	-	(137,705)	137,705	-
Acquisition of EL8703 and EL8768	340,000	-	-	340,000
Balance at 30 June 2022	87,916,060	730,176	(61,087,654)	27,558,582
Consolidated	Issued capital \$	Reserves \$	Accumulated Losses \$	Total equity \$
Balance at 1 July 2022	87,916,060	730,176	(61,087,654)	27,558,582
Loss after income tax expense for the year	-	-	(7,912,172)	(7,912,172)
Other comprehensive loss for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(7,912,172)	(7,912,172)
<i>Transactions with owners in their capacity as owners:</i>				
Options issued	-	180,566	-	180,566
Options expired	-	(55,702)	55,702	-
Balance at 30 June 2023	87,916,060	855,040	(68,944,124)	19,826,976

The above statement of changes in equity should be read in conjunction with the accompanying notes

	Note	Consolidated	
		2023	2022
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees		(1,250,961)	(1,210,164)
Interest received		167,085	4,360
Interest paid on right-of-use asset		(1,327)	(18,563)
Other income (insurance recovery)		38,495	-
Net operating cash flows from discontinuing operations		(25,568)	(257,858)
Net cash used in operating activities	6	(1,072,276)	(1,482,225)
Cash flows from investing activities			
Payments for property, plant and equipment	8	(5,528)	(68,003)
Payments for security deposits		(103,947)	(158,190)
Payments for capitalised exploration & evaluation expenditure		(6,492,068)	(3,957,028)
Advances for JV exploration expenditure		1,465,719	589,325
Proceeds from disposal of property, plant and equipment		-	5,738
Proceeds from release of security deposits		127,764	-
Net cash used in investing activities		(5,008,060)	(3,588,158)
Cash flows from financing activities			
Proceeds from issue of shares	14	-	12,536,000
Proceeds from exercise of options		-	150
Share issue costs		-	(805,215)
Payment of lease principal		(10,058)	(86,086)
Net cash (used in)/from financing activities		(10,058)	11,644,849
Net (decrease)/increase in cash and cash equivalents		(6,090,394)	6,574,466
Cash and cash equivalents at the beginning of the financial year		11,963,874	5,389,903
Effects of exchange rate changes on cash and cash equivalents		(937)	(495)
Cash and cash equivalents at the end of the financial year	6	<u>5,872,543</u>	<u>11,963,874</u>

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

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. A summary of the Group's significant accounting policies is set out below.

Historical cost convention

The financial statements have been prepared on an accrual basis under the historical cost convention unless otherwise stated.

a) Principles of Consolidation

The Group financial statements consolidate those of the Company and all of its subsidiaries as of 30 June 2023. 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.

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:

- 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.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

f) Leases

For any new contracts entered into, 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.

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).

Note 1. Summary of accounting policies (continued)

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).

The Group has no financial instruments classified as fair value through profit or loss (FVPL) or fair value through other comprehensive income instruments. The Group's financial instruments all fall into the category of financial assets measured at amortised cost and are accounted for as set out below.

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.

Impairment of financial assets

AASB 9's impairment requirements use more forward-looking information to recognise 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.

Note 1. Summary of accounting policies (continued)

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).

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.

Note 1. Summary of accounting policies (continued)

Share-based payments

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

The fair value of unlisted incentive securities granted is recognised as a share-based payment 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 securities.

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 securities, 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 securities. Performance Rights are valued by independent experts using a barrier up-and-in trinomial option pricing model with a Parisian barrier adjustment.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

The fair value of the securities 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 securities 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 share-based payment expense recognised each period takes into account the most recent estimate.

Upon the exercise of the securities, the balance of the share-based payments reserve relating to those securities is transferred to share capital. The market value of shares issued to employees for no cash consideration under the Share Plans is recognised as a share-based payment 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 23.

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.

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) 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 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.

o) 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. Refer to note 20.

Note 1. Summary of accounting policies (continued)

p) 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.

q) 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.

r) 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. Once expenditure is capitalised, exploration and evaluation assets are tested for impairment on a bi-annual basis when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. When facts and circumstances suggest that the carrying amount exceeds the recoverable amount, an entity shall measure, present and disclose any resulting impairment loss.

One or more of the following facts and circumstances indicate that an entity should test exploration and evaluation assets for impairment (the list is not exhaustive):

- the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full, from successful development or by sale.

In any such case, or similar cases, the entity shall perform an impairment test in accordance with AASB 136. Any impairment loss is recognised as an expense in accordance with AASB 136.

Refer to note 10 for further details on exploration and evaluation expenditure.

Note 1. Summary of accounting policies (continued)

Fair Value of Unlisted Incentive Securities 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. The fair value of Performance Rights are determined based on Independent Expert Reports. Refer to note 15 for details of options and rights on issue.

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 9 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 9 for details on interest on lease liabilities.

s) 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 total comprehensive loss after income tax for the year ended 30 June 2023 of \$7,912,172, it had a net asset position of \$19,826,976 and a cash balance of \$5,872,543 as at 30 June 2023. 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. Other income

	Consolidated	
	2023	2022
	\$	\$
Net gain on disposal of property, plant and equipment	-	10,409
Rental income	2,260	21,953
Interest income	167,085	4,360
Insurance recovery	38,495	20,105
Other income ¹	123,610	13,939
Other income	<u>331,450</u>	<u>70,766</u>

¹ FY2023 income includes Canbelego joint venture management fee income. FY2022 income includes Canbelego joint venture management fee income and reimbursement of legal fees relating to the restructure of the Olary Royalty.

Note 3. Other expenses

	Consolidated	
	2023	2022
	\$	\$
Interest expense and bank fees	11,601	10,818
Interest costs - leases	-	17,019
Subscriptions and memberships	25,952	20,153
AGM costs	20,257	9,546
Other	3,123	16,164
Loss on asset disposal	108	2,491
Recruitment costs	-	44,980
	<u>61,041</u>	<u>121,171</u>

Note 4. Income tax

	Consolidated	
	2023	(Note 2)
	\$	\$
The components of tax expense comprise:		
Current income tax	-	-
Deferred tax	-	-
	<u>-</u>	<u>-</u>

Note 4. 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 2023 and 30 June 2022 is as follows:

	Consolidated	
	2023	(Note 2)
	\$	\$
Loss before income tax expense from continuing operations	(7,882,394)	(1,979,579)
Loss before income tax expense from discontinued operations	(29,778)	(176,420)
	<u>(7,912,172)</u>	<u>(2,155,999)</u>
Tax at the statutory tax rate of 25%	(1,978,043)	(539,000)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
- taxable / non-deductible items	51,872	128,270
- income tax benefit not brought to account	1,926,261	410,730
	<u>1,978,133</u>	<u>(10,000)</u>
Income tax benefit	-	-

Recognised deferred tax at 25% (2022: 25%) (Note 1):

Deferred tax liabilities

Trade and other receivables	(32,993)	(18,913)
Plant and equipment	(14,015)	(15,342)
Exploration and evaluation assets	(2,729,882)	(3,757,645)
Right of use assets	(107,957)	-

Deferred tax assets

Carry forward revenue losses	2,884,847	3,791,900
	<u>-</u>	<u>-</u>

Unrecognised deferred tax assets at 25% (2022:25%) (Note 1):

Carry forward revenue losses	13,630,029	14,950,488
Carry forward capital losses	228,307	2,482,553
Business related costs	232,395	334,761
Lease liabilities	114,558	3,626
Trade and other payables	-	7,250
Provisions	25,929	7,932
Other	4,525	-
	<u>14,235,743</u>	<u>17,786,610</u>

The tax benefits of the above Deferred Tax Assets will only be obtained if:

- the company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- the company continues to comply with the conditions for deductibility imposed by law; and
- no changes in income tax legislation adversely affect the company in utilising the benefits.

Note 1 - Deferred tax assets and liabilities are required to be measured at the corporate tax rate which is expected to apply in the future income year when the asset is realised or the liability is settled. The Directors have determined that the deferred tax balances be measured at the tax rates stated.

Note 2 – The 2022 comparatives have been restated to be consistent with the current year note format. The tax position has not changed.

Note 5. Earnings per share

	Consolidated	
	2023	2022
	\$	\$
<i>Loss per share for loss from continuing operations</i>		
Loss after income tax	<u>(7,882,394)</u>	<u>(1,979,579)</u>
	Cents	Cents
Basic loss per share	(0.34)	(0.14)
Diluted loss per share	(0.34)	(0.14)
	\$	\$
<i>Loss per share for loss from discontinued operations</i>		
Loss after income tax	<u>(29,778)</u>	<u>(176,420)</u>
	Cents	Cents
Basic loss per share	-	(0.01)
Diluted loss per share	-	(0.01)
<i>Loss per share for loss</i>		
Loss after income tax	<u>(7,912,172)</u>	<u>(2,155,999)</u>
	Cents	Cents
Basic loss per share	(0.34)	(0.15)
Diluted loss per share	(0.34)	(0.15)
	Number	Number
<i>Weighted average number of ordinary shares</i>		
Weighted average number of ordinary shares used in calculating basic loss per share	<u>2,323,145,843</u>	<u>1,452,315,172</u>
Weighted average number of ordinary shares used in calculating diluted loss per share	<u>2,323,145,843</u>	<u>1,452,315,172</u>

At 30 June 2023, there were no listed options and 79,500,000 unlisted options on issue (30 June 2022: no listed options, 70,441,667 unlisted options) which represents 79,500,000 potential ordinary shares (30 June 2022: 70,441,667) which were considered non-dilutive as they would decrease the loss per share.

Note 6. 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 includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. 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	
	2023	2022
	\$	\$
Cash at bank	1,872,543	11,963,874
Term deposit	4,000,000	-
	<u>5,872,543</u>	<u>11,963,874</u>

Cash at bank and term deposit bears floating interest rates between 0.00% and 4.58% (2022: between 0.00% and 0.29%).

	Consolidated	
	2023	2022
	\$	\$
b) Reconciliation of Loss after Income Tax to Cash Flows Provided by Operating Activities		
Loss after income tax expense for the year	(7,912,172)	(2,155,999)
Non-cash flows in loss		
Depreciation and amortisation expense	11,710	117,283
Foreign exchange loss/(gain)	937	496
Share-based payments	180,566	334,870
Revenue from JV	(123,610)	(1,939)
Profit on sale of fixed assets	-	(10,409)
Employment costs capitalised	-	30,969
Loss on sale of fixed assets	108	2,491
Impairment expense	6,724,811	406,275
Tenement costs expensed	937	-
Decrease/(increase) in trade and other payables	3,561	(220,704)
Decrease/(increase) in provisions	28,619	-
Decrease/(increase) in trade and other receivables	12,257	14,442
Net cash used in operating activities	<u>(1,072,276)</u>	<u>(1,482,225)</u>

c) Funding from Exploration Partners

Included in the statement of cash flows is \$1,465,719 (30 June 2022: \$589,325), being proceeds from the Canbelego Joint Venture.

Note 7. Trade and other receivables

	Consolidated	
	2023	2022
	\$	\$
Trade debtors	234,235	222,057
Prepayments	131,971	74,319
Other receivables	101,542	119,044
	<u>467,748</u>	<u>415,420</u>

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

Trade debtors includes \$213K joint venture contributions and a joint venture management fee receivable as at 30 June 2023 (2022: \$191K).

Note 8. Plant and equipment

	Consolidated	
	2023	2022
	\$	\$
Plant and equipment - at cost	110,580	111,783
Less: Accumulated depreciation	(54,320)	(49,553)
	<u>56,260</u>	<u>62,230</u>
Motor vehicles - at cost	13,532	100,232
Less: Accumulated depreciation	(3,789)	(87,840)
	<u>9,743</u>	<u>12,392</u>
	<u>66,003</u>	<u>74,622</u>

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 2021	6,498	22,663	29,161
Additions	68,003	-	68,003
Disposals	(85,846)	(60,822)	(146,668)
Depreciation write off on disposal	84,562	54,286	138,848
Depreciation expense	(10,987)	(3,735)	(14,722)
Balance at 30 June 2022	62,230	12,392	74,622
Additions	9,782	17,729	27,511
Disposals	(10,986)	(104,429)	(115,415)
Depreciation write off on disposal	10,877	88,994	99,871
Depreciation expense	(15,644)	(4,942)	(20,586)
Balance at 30 June 2023	<u>56,259</u>	<u>9,744</u>	<u>66,003</u>

Note 9. Right-of-use assets

	Consolidated	
	2023	2022
	\$	\$
Right of use asset	619,465	617,763
Less: Accumulated depreciation	(187,636)	(83,268)
	<u>431,829</u>	<u>534,495</u>

Reconciliations

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

Consolidated	\$
Balance at 1 July 2021	19,294
Additions	617,762
Depreciation expense	(102,561)
Balance at 30 June 2022	534,495
Additions ¹	67,075
Depreciation expense	(124,797)
Write off of assets ²	(44,944)
Balance at 30 June 2023	<u>431,829</u>

¹On 1 September 2022, the Company entered into a 2 year vehicle lease agreement in relation to its exploration operations in Orange, NSW. The valuation of the vehicle lease is based on the present value of the lease payments, using an incremental borrowing rate of 6.29%. Additionally, on 8 March 2023, the Company entered into a 3 year vehicle lease agreement for an additional vehicle to support its exploration activities. The valuation of this vehicle lease is based on the present value of the lease payments, using an incremental borrowing rate of 7.29%.

²On 1 March 2023, the Company terminated the sub-leasing agreement for the office premises in Subiaco, WA, whereby the Company sub-leased office space from Carnaby Resources Limited. The termination agreement constituted a \$5,000 payout figure payable by the Company to terminate the lease. The carrying amount of the leased asset was \$44,944 and has subsequently been written off.

Note 10. Exploration and Evaluation Assets

	Consolidated	
	2023	2022
	\$	\$
Assets in the exploration and evaluation phase (at cost):		
Balance at 1 July	15,030,581	11,916,031
Expenditure incurred during the year	6,511,287	3,668,483
JV Partner contributions	(1,363,471)	(487,658)
Impairment losses ¹	(6,724,812)	(406,275)
Additions through asset acquisitions	-	340,000
Additions through option agreement ²	30,000	-
Total	<u>13,483,585</u>	<u>15,030,581</u>

Note 10. Exploration and Evaluation Assets (continued)

¹A total of \$6.72M impairment loss has been recognised in the current year in relation to the CZ Copper and Restdown Project areas of interest.

As per the announcement on 14 June 2023, the Company completed a major geological review of the CZ Copper Project during the year and has elected to no longer quote the 2019 Mineral Resource Estimate ('MRE') for the CZ Project pending further technical work. The review, based on a large amount of new geological data has led to a significantly revised geological model to that which underpinned the MRE with a clear resultant major reduction in the volumes of mineralised material. The CZ Project is an advanced copper project with significant high-grade copper intercepts both at depth and in newly delineated shallow oxide zones but the updated geological model downgrades the 2019 MRE and limits potential in the near vicinity. However, the Company intends to leverage from its improved understanding of the CZ geology to undertake further target generating and drill testing work in the broader Exploration Licence which hosts the CZ project.

As a result of the geological review of the CZ Copper Projects performed during the year, management reviewed the exploration expenditure capitalised on the Collierina area of interest and determined that exploration expenditure incurred related to the delineation of the 2019 MRE and subsequent follow-up drilling should be impaired as the results of the review led to the conclusion it was not deemed to have a future economic benefit. The remaining capitalised exploration expenditure for the Collierina area of interest relates to more regional exploration work around the CZ Copper project and is deemed to have future economic benefit on the basis the Company still intends to do further work to make additional discoveries on the Exploration Licences, around CZ.

As per the announcement on 14 June 2023, the Company reviewed the geological model underpinning the MRE for the Restdown Gold Project during the year and has elected to no longer quote a MRE for the Restdown Gold Project. The review concluded that there was insufficient confidence in the geological model underpinning the MRE. A major regional work program is being undertaken in the broader Restdown area principally targeting copper mineralisation but also recognising opportunities for gold and other mineral deposits. This work program includes regional scale multi-element geochemical auger sampling useful for detecting anomalies prospective for copper, gold or other types of mineralisation. The Restdown Gold Project will be incorporated into this work program.

As a result of the geological review of the Restdown Gold Project performed during the year, management reviewed the exploration capitalised for the Restdown Gold area of interest and determined that exploration expenditure related predominantly to the MRE should be impaired as the results of the review led to the conclusion it was not deemed to have a future economic benefit. The remaining exploration expenditure relating to the Restdown Gold area of interest relates to the more recent regional work program and is deemed to have future economic benefit on the basis the Company still intends to do further work on the Exploration Licence to find new deposits and potentially on the Restdown gold mineralisation.

²On 28 February 2023 the Company announced its 100% owned subsidiary Ionick Metals Ltd ('Ionick') has executed an Option Agreement with Jodama Pty Ltd ('Jodama') to acquire three exploration license's in the 'Greater Cobar' region of NSW (EL8248, EL8747 and EL9435 - together the 'Jodama tenements'). The Option Agreement forms part of the broader strategy of a proposed initial public offering ('IPO') of Ionick shares on the ASX in the second half of 2023, subject to market conditions and regulatory approval.

The terms of the Option Agreement are predicated on an IPO funding solution for Ionick and include an initial Option Fee over a 12-month period to February 2024, comprising of an upfront \$30K cash payment and a further \$60K of exploration expenditure on the Jodama tenements. The Option Agreement also includes an Option Extension of a further 12 months to February 2025 comprising of a \$40K cash payment and further \$120K of exploration expenditure on the Jodama tenements.

Should Ionick IPO on the ASX, then IPO Vendor Shares of \$300K will be awarded to Jodama at \$0.20 per share and 4.5 million performance options issued with two tranche milestones. The first milestone being 1.5 million Ionick shares if a Mineral Resource estimate of greater than 10Mt is defined and the second milestone being 3.0 million Ionick shares if a positive Financial Investment Decision is achieved which includes resources from the Jodama tenements in the underlying feasibility study.

Note 10. Exploration and Evaluation Assets (continued)

The Directors' assessment of carrying amount was after consideration of prevailing market conditions, previous expenditure and work 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, an impairment expense was recognised in the profit and loss of \$6,724,812 (2022: \$406,275) against the carrying value of its exploration and evaluation expenditure.

Note 11. Security deposits

	Consolidated	
	2023	2022
	\$	\$
Security deposits	439,875	463,692

Security deposits relates to deposits held to secure exploration tenement holdings, credit card facilities and NSW office lease.

Note 12. Trade and other payables

	Consolidated	
	2023	2022
	\$	\$
Trade payables	324,889	257,653
Other payables	91,139	89,933
	416,028	347,586

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

Note 13. Lease liabilities

Future minimum lease payments as at 30 June are as follows:

	Consolidated	
	2023	2022
	\$	\$
Lease liabilities		
Lease payments less than 1 year	138,264	123,482
Lease payments 2-5 years	357,720	462,754
Lease payments 5+ years	-	16,916
Total	495,984	603,152
Lease liability		
Current	121,294	104,097
Non-current	336,938	444,901
Total	458,232	548,998

Note 13. Lease liabilities (continued)

Amounts recognised in profit or loss

Interest on lease liabilities	-	17,019
Depreciation expense on right-of-use asset	10,896	102,561

Total	10,896	119,580
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Movement in Lease Liabilities

Balance at 1 July	548,998	20,517
Write off	(46,828)	-
Lease additions ¹	67,075	617,762
Lease repayment	(111,013)	(89,281)

Total	458,232	548,998
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¹During the year the Company has entered into two new vehicle leases. Refer to note 9 for further details.

Note 14. Share capital

	2023 Shares	Consolidated 2022 Shares	2023 \$	2022 \$
Ordinary shares - fully paid	2,323,145,843	2,323,145,843	87,916,060	87,916,060

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.

	2023 No. Shares	2023 \$	2022 No. Shares	2022 \$
Fully Paid Ordinary Shares				
Balance at 1 July	2,323,145,843	87,916,060	1,257,020,917	75,822,165
Exercise of performance options	-	-	1,458,333	17,500
Issue of shares for Alpha HPA acquisition agreement	-	-	20,000,000	340,000
Issue of Tranche 1 Placement Shares @ \$0.012	-	-	319,619,810	3,835,438
Share Purchase Plan @ \$0.012	-	-	127,999,926	1,536,000
Issue of Tranche 2 Placement shares @ \$0.012	-	-	597,046,857	7,164,562
Share Issue Costs	-	-	-	(799,605)
Total	2,323,145,843	87,916,060	2,323,145,843	87,916,060

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 15. Reserves

Unlisted Options	2023 No.	2023 \$	2022 No.	2022 \$
Balance at 1 July	70,441,667	730,176	37,000,000	550,360
Performance options issued to directors ¹	2,400,000	7,980	7,200,000	70,236
Performance Rights issued to employees ²	13,200,000	172,586	23,700,000	123,729
Expiry of options ³	(6,541,667)	(55,702)	(12,000,000)	(137,705)
Performance Rights issued to Managing Director	-	-	-	30,328
Performance Rights issued to Managing Director	-	-	1,000,000	2,436
Exercise of performance options	-	-	(1,458,333)	(17,500)
Options issued to Lead Manager	-	-	15,000,000	108,292
Balance at 30 June	79,500,000	855,040	70,441,667	730,176

¹On 24 November 2022, 2,400,000 unlisted options were issued to the Company's Non-Executive Director under the Company's Employee Incentive Scheme, issued in three tranches (1/3 exercisable at \$0.036, 1/3 exercisable at \$0.063 and 1/3 exercisable at \$0.081) and with an expiry of 20 December 2025. All the options vested on the grant date. The Black Scholes option pricing model was used to value the options and inputs used are as stated in the table below. The Options were approved at the Company's AGM on 24 November 2022.

²On 19 December 2022, 13,200,000 Performance Rights were issued to employees of the Company under the Company's Employee Incentive Scheme with milestones dependent upon Helix's 20-day VWAP per share.

³On 9 April 2023, 6,541,667 unlisted options to the Managing Director expired due to the conditions not being, or became incapable of being, satisfied.

Note 15. Reserves (continued)

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

Option valuations	Number of Options/Rights	Grant Date	Expiry Date	Exercise Price	Share Price	Volatility	Risk free Rate
Options issued to Lead Manager	8,000,000	24/02/2021	24/02/2024	\$0.020	\$0.013	122.69%	0.13%
Options issued to Lead Manager	10,000,000	26/05/2021	26/05/2024	\$0.054	\$0.043	140.38%	0.10%
Performance Rights issued to employees	6,000,000	03/08/2021	03/08/2026	\$0.000	\$0.014	120.00%	0.27%
Performance Rights issued to employees	17,700,000	02/11/2021	02/11/2023	\$0.000	\$0.017	150.00%	0.62%
Options issued to non-executive directors	2,400,000	23/11/2021	06/12/2024	\$0.036	\$0.015	150.00%	0.01%
Options issued to non-executive directors	2,400,000	23/11/2021	06/12/2024	\$0.063	\$0.015	150.00%	0.01%
Options issued to non-executive directors	2,400,000	23/11/2021	06/12/2024	\$0.081	\$0.015	150.00%	0.01%
Options issued to Lead Manager	15,000,000	19/05/2022	19/05/2025	\$0.018	\$0.010	144.19%	0.03%
Performance Rights issued to employees ¹	4,400,000	19/12/2022	19/12/2027	\$0.000	\$0.021	182.00%	3.24%
Performance Rights issued to employees ¹	4,400,000	19/12/2022	19/12/2027	\$0.000	\$0.036	182.00%	3.24%
Performance Rights issued to employees ¹	4,400,000	19/12/2022	19/12/2027	\$0.000	\$0.046	182.00%	3.24%
Options issued to Non-Executive Director ²	800,000	24/11/2022	20/12/2025	\$0.036	\$0.007	151.00%	3.24%
Options issued to Non-Executive Director ²	800,000	24/11/2022	20/12/2025	\$0.063	\$0.007	151.00%	3.24%
Options issued to Non-Executive Director ²	800,000	24/11/2022	20/12/2025	\$0.081	\$0.007	151.00%	3.24%

¹Performance Rights issued during the year and prior year were issued under the Company's Employee Incentive Scheme and are subject to the satisfaction of vesting conditions as set out below. The performance incentives have both market and non-market based vesting conditions as set out below. The valuation as at 30 June 2023 reflects the market based conditions as these have been considered, by management, as more likely to be achieved than the non-market vesting conditions, however it is noted that a positive relationship exists between the market vesting conditions and the non-market conditions, therefore this assessment was done purely to determine the fair value of the incentives for the period ended 30 June 2023. The fair value of the performance incentives has been recognised over the vesting period commencing from the grant date to the expiry date.

Note 15. Reserves (continued)

Vesting conditions of Performance Rights under the Company's Employee Incentive Scheme are as follows:

- A third vesting on the achievement of 20-day VWAP of \$0.036 per share;
- A third vesting on the achievement of 20-day VWAP of \$0.063 per share;
- A third vesting on the achievement of 20-day VWAP of \$0.081 per share;
- All Performance Rights and options vest immediately if either the Company's JORC 2012 Mineral Resource at any one project exceeds 0.2 million tonnes of contained copper or copper metal equivalent for polymetallic projects from a Mineral Resource with a minimum cut-off grade of no less than 0.3% Cu, or the Company's JORC 2012 Mineral Resource at any one project exceeds 1 million ounces of contained gold or gold metal equivalent for gold/silver projects from a Mineral Resource with a minimum cut-off grade of no less than 0.3g/t Au; and
- Two-year expiry period.

² Options issued to Non-Executive Directors during the period vested immediately.

The weighted average remaining contractual life for the incentive options outstanding as at 30 June 2023 was 1.79 years (2022: 2.32 years). The range of exercise prices for the incentive options outstanding as at the end of the year was \$0.018 to \$0.081 per option (2022: \$0.02 to \$0.081). Weighted average exercise price as at 30 June 2023 is 3.63 cents per option (2022: 3.48 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 16. Accumulated losses

	Consolidated	
	2023	2022
	\$	\$
Accumulated losses at the beginning of the financial year	(61,087,654)	(59,069,360)
Loss after income tax expense for the year	(7,912,172)	(2,155,999)
Unlisted options expired (refer to note 15)	55,702	137,705
Accumulated losses at the end of the financial year	<u>(68,944,124)</u>	<u>(61,087,654)</u>

Note 17. Commitments

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	
	2023	2022
	\$	\$
Less than 1 year	1,628,750	1,377,917
1 - 5 years	2,213,750	1,982,083
More than 5 years	66,667	-
	<u>3,909,167</u>	<u>3,360,000</u>

Note 18. Key Management Personnel Remuneration

	Consolidated	
	2023	2022
	\$	\$
Short term employee benefits		
Salaries and fees	341,812	349,826
Long term employee benefits		
Annual and long service leave entitlements	6,109	(5,243)
Superannuation	35,625	34,983
Total long term employee benefits	41,734	29,740
Equity		
Options and Performance Rights issued	7,980	101,852
Options and Performance Rights expired	(55,702)	-
Total equity based remuneration	(47,721)	101,852
Total	335,824	481,418

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. 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 formerly Chile. Decisions were formerly made mainly on geographical basis. However, with the disposal of the Company's assets in Chile, the Company's focus going forward will be on the exploration of copper, nickel and cobalt commodities in Australia.

Note 20. Operating segments (continued)

	Australia		Chile*		Total	
	2023	2022	2023	2022	2023	2022
Current Assets						
Cash	5,872,543	11,963,874	-	-	5,872,543	11,963,874
Trade and other receivables	467,748	415,420	-	-	467,748	415,420
Assets included in disposal group classified as held for sale	-	-	-	8,479	-	8,479
Non-Current Assets						
Exploration and evaluation asset	13,483,585	15,030,581	-	-	13,483,585	15,030,581
Financial assets	439,875	463,692	-	-	439,875	463,692
Plant and equipment	66,003	74,622	-	-	66,004	74,622
Right-of-use asset	431,829	534,495	-	-	431,829	534,495
Total Assets	20,761,583	28,482,684	-	8,479	20,761,584	28,491,163
Current Liabilities						
Trade and other payables	416,028	347,586	-	-	416,030	347,586
Provisions	60,347	31,728	-	-	60,348	31,728
Lease liabilities	121,294	104,097	-	-	121,294	104,097
Liabilities included in disposal group classified as held for sale	-	-	-	4,269	-	4,269
Non-Current Liabilities						
Lease liabilities	336,938	444,901	-	-	336,938	444,901
Total Liabilities	934,607	928,312	-	4,269	934,610	932,581
Revenue	331,450	70,766	-	-	331,449	70,766
Depreciation and amortisation	(13,593)	(117,283)	-	-	(13,593)	(117,283)
Loss from continuing operations	(7,882,394)	(1,979,579)	-	-	(7,882,397)	(1,979,579)
Loss from discontinuing operations	-	-	(29,778)	(176,420)	(297,789)	176,420

* The Group sold its interests in the Helix Chile Projects during the year.

Note 21. Contingent liabilities

There are no contingent liabilities as at 30 June 2023 (2022:nil).

Note 22. Events after the reporting period

- On 13 September 2023, the Company announced a two-stage transition plan for board and management changes. The phased transition will ensure strategic continuity focusing on the Company's key stakeholder relationships, its regional and advanced copper prospects, while also enhancing the early-stage exploration credentials of the Board.
Phase one of the plan will be effective from 1 November 2023 as follows:
 - Mr Peter Lester (Non-Executive Chairman) will retire from the Board;
 - Mr Mike Rosenstreich (Managing Director) will transition to Executive Chairman; and
 - Ms Kylie Prendergast (Non-Executive Director) plans to transition to Executive Technical Director.
 Phase two of the transition plan is expected to be effective from May 2024 as follows:
 - Mr Mike Rosenstreich to transition from Executive Chairman to Non-Executive Chairman; and
 - Ms Kylie Prendergast plans to transition from Executive Technical Director to Managing Director.
- On 3 August 2023, 6,000,000 Performance Rights to employees expired due to the conditions not being, or became incapable of being, satisfied.

No matter or circumstance, other than those mentioned above, have arisen since 30 June 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 23. 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% (2022: 70%)	Copper	Aeris Resources Limited

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 the capitalised exploration expenditure of the joint operations is as follows:

	Canbelego Joint Operation 70%	
	2023 \$	2022 \$
<i>Summarised statement of financial position</i>		
Exploration and evaluation assets	2,901,184	1,676,682
Additions	3,293,777	1,224,502
Total assets	6,194,961	2,901,184
Net assets	6,194,961	2,901,184

Note 24. 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 2023, 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 \$58,626 (2022: \$118,561) and an increase (decrease) in equity by \$58,626 (2022: \$118,561).

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

Note 24. Financial instruments (continued)

	Average Interest Rate %	Fixed Interest Rate \$	Floating Interest Rate Maturity		Non-Interest Bearing \$	Total \$
			Less than 1 year \$	More than 1 year \$		
2023						
Financial Assets						
Cash and cash equivalents	1.85%	-	5,862,622	-	9,920	5,872,542
Trade and other receivables	-	-	-	-	467,748	467,748
Security deposits	0.76%	-	439,875	-	-	439,875
		-	6,302,497	-	477,668	6,780,165
Financial liabilities						
Trade payables	-	-	-	-	416,030	416,030
Lease liabilities	5.52%	458,232	-	-	-	458,232
		458,232	-	-	416,030	874,262

	Average Interest Rate %	Fixed Interest Rate \$	Floating Interest Rate Maturity		Non-Interest Bearing \$	Total \$
			Less than 1 year \$	More than 1 year \$		
2022						
Financial Assets						
Cash and cash equivalents	0.04%	-	11,856,055	-	107,819	11,963,874
Trade and other receivables	-	-	-	-	415,420	415,420
Security deposits	0.25%	-	463,692	-	-	463,692
		-	12,319,747	-	523,239	12,842,986
Financial Liabilities						
Trade payables	-	-	-	-	347,586	347,586
Lease liabilities	6.11%	548,998	-	-	-	548,998
		548,998	-	-	347,586	896,584

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 mainly to currency fluctuation to the United States Dollar. Due to the very modest USD expenditures the Group has not formalised a foreign currency risk management policy, however it monitors its foreign currency expenditure subject to exchange rate movements.

The Group has no material exposure to foreign exchange risk.

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 a joint venture partner.

Note 24. Financial instruments (continued)

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, short-dated payment terms 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, is generally the carrying amount, net of any provisions for doubtful debts.

Note 25. Remuneration of Auditors

	Consolidated	
	2023	2022
	\$	\$
During the financial year the following fees were paid or payable for services provided by BDO Audit (WA) Pty Ltd:		
Auditing and reviewing the financial reports	49,048	45,874
Total	49,048	45,874

The auditor of Helix Resources Limited for the year ended 30 June 2023 is BDO Audit (WA) Pty Ltd (30 June 2022: BDO Audit (WA) Pty Ltd). No non-audit advisory services were provided by the auditors in the current year.

Note 26. Parent Company Information

	2023	2022
	\$	\$
Assets		
Current assets	5,966,414	12,091,101
Non-current assets	22,119,941	16,777,664
Total assets	28,086,355	28,868,765
Liabilities		
Current liabilities	218,608	202,163
Non-current liabilities	-	41,597
Total Liabilities	218,608	243,760
Equity		
Share capital	87,916,060	87,576,060
Reserves	855,040	730,176
Accumulated losses	(60,903,353)	(59,681,230)
Total Equity	27,867,747	28,625,006

Financial Performance

Loss for the year	(1,275,244)	(1,477,196)
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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 2023 (30 June 2022: none).

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2023 (30 June 2022: none).

Note 26. Parent Company Information (continued)

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2023.

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 27. Subsidiaries

Name	Country of Incorporation	Principal Activity	Percentage Held 2023	Percentage Held 2022
Oxley Exploration Pty Ltd	Australia	Mineral Exploration	100%	100%
Leichhardt Resources (QLD) Pty Ltd	Australia	Mineral Exploration	100%	100%
Helix Resources (Overseas) Pty Ltd	Australia	Mineral Exploration	100%	100%
McClatchie Mining Pty Ltd	Australia	Australia	100%	100%
Ionick Metals Ltd (previously Helix Copper (NSW) Pty Ltd)	Australia	Mineral Exploration	100%	100%
Helix Resources Chile Limitada ¹	Chile	Mineral Exploration	-	100%

¹ On 31 October 2022, the Company sold its 100% subsidiary Helix Resources Chile Limitada in return for a conditional 1% Net Smelter Return (NSR) royalty over the original project areas if they are acquired by specific parties previously associated with the Company's operations in Chile.



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INDEPENDENT AUDITOR'S REPORT

To the members of Helix Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Helix Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, 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 report, 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:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and
- (ii) 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 *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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.



Carrying Value of Exploration and Evaluation Assets

Key audit matter	How the matter was addressed in our audit
The carrying value of the capitalised exploration and evaluation asset as at 30 June 2023 is disclosed in Note 1(r) and Note 10 of the financial report. As the carrying value of the exploration and evaluation asset represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount. Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>. In particular: • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; and • Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment. As a result, this is considered a key audit matter.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Verifying, on a sample basis, exploration and evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; • Considering whether there are any other facts or circumstances existing to suggest impairment testing was required; • Assessing judgement made by the group in impairment of exploration costs in line with group accounting policy and knowledge of the groups exploration activities; and • Assessing the adequacy of the related disclosures in Note 1(r) and Note 10 to the financial report.



Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the directors for the Financial Report

The directors of the 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 has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.



Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 22 to 28 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Helix Resources Limited, for the year ended 30 June 2023, 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.

BDO Audit (WA) Pty Ltd

BDO


Dean Just

Director

Perth,

22 September 2023

The shareholder information set out below was applicable as at 8 September 2023.

A. Distribution of Equity Securities

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

Holding	Ordinary shares No. of holders	Unlisted Options									Unlisted Performance Options
		\$0.018	\$0.054	\$0.02	\$0.063	\$0.036	\$0.081	\$0.036	\$0.063	\$0.081	
		Exp. 19.05.25	Exp. 26.05.24	Exp. 24.02.24	Exp. 06.12.24	Exp. 06.12.24	Exp. 06.12.24	20.12.25	20.12.25	20.12.25	
1 - 1,000	120	-	-	-	-	-	-	-	-	-	-
1,001 - 5,000	140	-	-	-	-	-	-	-	-	-	-
5,001 - 10,000	202	-	-	-	-	-	-	-	-	-	-
10,001 - 100,000	1,371	-	2	-	-	-	-	-	-	-	-
100,001 - 250,000	559	-	-	8	-	-	-	-	-	-	-
250,001 and over	1,064	1	7	2	3	3	3	1	1	1	9
Total	3,456	1	9	10	3	3	3	1	1	1	9
Holding less than a marketable parcel	1,674	-	-	-	-	-	-	-	-	-	-
		Minimum Parcel Size			Holders			Units			
Minimum \$500.00 parcel at \$0.005 per unit		100,000			1,674			51,648,769			

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
TECHNICAL CERAMIC MARKETING SERVICES PTY LTD	52,000,000	2.24
YANDAL INVESTMENTS PTY LTD	51,437,609	2.21
MR BULENT BESIM	44,000,000	1.89
AG INVESTMENT SERVICES PTY LTD	40,000,000	1.72
ASHANTI INVESTMENT FUND PTY LTD (ASHANTI INVESTMENT FUND A/C)	33,333,333	1.43
MR COLIN OSWALD STUART MINGAY + MRS UNA ALICE MINGAY	32,500,000	1.40
CITICORP NOMINEES PTY LIMITED	30,747,791	1.32
BLAMNCO TRADING PTY LTD	30,000,000	1.29
BRAZIL FARMING PTY LTD	30,000,000	1.29
JOMALCO PTY LTD	25,000,000	1.08
SCINTILLA STRATEGIC INVESTMENTS LIMITED	25,000,000	1.08
IRUKA PTY LTD (BURTON FAM FOUNDATION A/C)	21,678,781	0.93
MR PETER FIDANTSIS + MRS POPI FIDANTSIS (FIDANTSIS SUPERANNUATION A/C)	21,661,741	0.93
JAINDI INVESTMENTS PTY LTD	20,833,333	0.90
SILVER CROWN TECHNOLOGY LIMITED	20,833,333	0.90
ALPHA HPA LIMITED	20,000,000	0.86
TROCA ENTERPRISES PTY LTD (COULSON SUPER A/C)	20,000,000	0.86
WYTHENSHAW PTY LTD	20,000,000	0.86
MS OLIVIA KIDON	18,014,250	0.78
JETOSEA PTY LTD	17,457,305	0.75
Total: Top 20 holders of Ordinary Fully Paid Shares	574,497,476	24.72
Total issued capital	2,323,145,843	100.00%

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 I Unlisted Options	Exercisable at 2.0 cents, expiring on or before 23/02/24	8,000,000
Class J Unlisted Options	Exercisable at 5.4 cents, expiring on or before 26/05/24	10,000,000
Unlisted Performance Options	Performance Options, various milestones, expiring on or before 02/11/23	17,700,000
Unlisted Options issued to Non-Executive Directors	Exercisable at 3.6 cents, expiring on or before 06/12/24	2,400,000
Unlisted Options issued to Non-Executive Directors	Exercisable at 6.3 cents, expiring on or before 06/12/24	2,400,000
Unlisted Options issued to Non-Executive Directors	Exercisable at 8.1 cents, expiring on or before 06/12/24	2,400,000
Class K Unlisted Options	Exercisable at 1.8 cents, expiring on or before 19/05/25	15,000,000
Unlisted Options issued to Non-Executive Directors	Exercisable at 8.1 cents, expiring on or before 20/12/25	800,000
Unlisted Options issued to Non-Executive Directors	Exercisable at 6.3 cents, expiring on or before 20/12/25	800,000
Unlisted Options issued to Non-Executive Directors	Exercisable at 3.6 cents, expiring on or before 20/12/25	800,000
Unlisted Performance Options	Performance Options, various milestones, expiring on or before 19/12/27	13,200,000
		<u>73,500,000</u>

E. Substantial holders

There are no substantial shareholders in the Company relating to fully paid ordinary shares.

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

Name	Class	Number held	% held
ASHANTI CAPITAL PTY LTD	Class K unlisted options - \$0.018 expiring 19/05/25	15,000,000	21.29%

F. Directors' Interest in Share Capital

Director	Fully Paid Ordinary Shares	Unlisted Options
P Lester	3,355,342	2,400,000
M Rosenstreich	4,958,333	-
K Prendergast	-	2,400,000
	<u>8,313,675</u>	<u>4,800,000</u>

G. On-Market Share Buy-Back

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

H. Restricted securities

20,000,000 ordinary shares which were issued to Alpha HPA Limited, in relation to the acquisition agreement announced on 2 September 2021 and approved by the Company's shareholders on 23 November 2021. These securities are restricted from sale as detailed in the table below.

Class	Escrow expiry date	Number of shares
Ordinary fully paid	11 November 2022	5,000,000
Ordinary fully paid	11 February 2023	5,000,000
Ordinary fully paid	11 May 2023	5,000,000
Ordinary fully paid	11 August 2023	5,000,000
		<u>20,000,000</u>

Resource Statement

The Company's current resources are contained in this report and the Company confirms that there is no new information or data that materially affects the mineral resource estimate announced in September 2018 (Homeville) and in June 2023 (Canbelego), and that all assumptions underpinning the estimate continue to apply and have not materially changed.

Helix has the following granted tenement interests in Australia.

Tenement	Name	Mineral	Ownership
EL6105	Canbelego	Base metals/gold	70% Helix, 30% Aeris
EL6140	Restdown	Base metals/gold	100% Helix
EL6501	South Restdown	Base metals/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
EL8703	Amaroo	Base metals/gold/nickel & cobalt	100% Helix
EL8710	Honey Bugle	Base metals/gold	100% Helix
EL8845	Darbarlara	Base metals/gold	100% Helix
EL8948	Bijoux	Base metals/gold	100% Helix
EL8768	Collerina	Copper/gold/nickel & cobalt	100% Helix
EL9026	Mundarlo	Base metals	80% Helix, 20% Private Partner
EL9345	Warrah	Base metals/gold	100% Helix
EL9385	Whitbarrow	Base metals/gold	100% Helix
EL9386	Oriel	Base metals/gold	100% Helix
EL9387	Pangee	Base metals/gold	100% Helix
EL9581	Yangunya	Base metals/gold	100% Helix*

* Granted on 14 July 2023



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