



Helios Energy Ltd

Helios Energy Limited

Interim Financial Report

31 December 2024

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CORPORATE DIRECTORY

Directors

Mark Lochtenberg
Non-Executive Director

John D Kenny
Non-Executive Director

Henko Vos
Non-Executive Director

John Charles Cathcart
Non-Executive Director

Philipp Kin
Managing Director

Company Secretary

Henko Vos

Registered Office

Australian Office

Suite 6, 295 Rokeby Road
Subiaco WA 6008 Australia
PO Box 1485 West Perth
WA 6872 Australia
T: +61 1300 291 195

USA Office

3 Riverway, 17th Floor
Suite 1750, Houston
Texas USA 77056
T: +1 713 333 3613
F: +1 713 583 0965

Share Register

Computershare Investor Services Pty Ltd
Level 17, 221 St George's Terrace
Perth WA 6000 Australia
Investor enquiries: 1300 557 010
T: +61 8 9323 2000
F: +61 8 9323 2033

Auditor

BDO Audit Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000 Australia
T: +61 8 6382 4600
F: +61 8 6382 4601

Lawyers

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000 Australia
T: +61 8 9321 4000
F: +61 8 9321 4333

Eaton Hall
Unit 20, 210 Queen Victoria St
North Fremantle WA 6159
Australia
T: +61 8 6382 0075

Securities Exchange

Australian Securities Exchange (**ASX**)
ASX Code: HE8

Website

www.heliosenergyLtd.com

These interim financial statements do not include all the notes of the type normally included in the annual financial statements. Accordingly, these interim financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2024 and any public announcements made by the Company during the period from 1 July 2024 to the date of this report in accordance with the continuous disclosure requirements of the *Corporations Act 2001 (Cth)*.

DIRECTORS' REPORT

Your directors present their report on the consolidated entity consisting of Helios Energy Ltd and the entities it controlled at the end of, or during, the half year period ended 31 December 2024 (**Helios Energy** or the **Company** or the **Group**).

DIRECTORS

The following persons were directors of Helios Energy during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mark Lochtenberg
John Kenny
Henko Vos – appointed on 8 August 2024
Philipp Kin – appointed on 15 November 2024
John Charles Cathcart – appointed on 5 February 2025

COMPANY SECRETARY

Henko Vos

PRINCIPAL ACTIVITIES AND REVIEW OF OPERATIONS

The Company is an oil and gas exploration company whose principal activity is the Presidio Oil and Gas Project which is located in Presidio County in the State of Texas in the USA.

Presidio Oil Project - 70% Working Interest (WI) in 4 Wells and 10,091.6 Gross Acres

Helios has a 70%WI in a total of 7,877.8 gross acres and a 70%WI in the 4 wells drilled by Helios in the Presidio Oil and Gas Project, namely, Presidio 52#1, Presidio 141#2, Quinn Creek 141#1 and Quinn Mesa 113#1.

Commercialization of the Presidio Oil & Gas Project

Helios' primary focus with the Presidio Oil & Gas Project is on phased-in gas commercialization along with oil production sales. The Presidio Oil & Gas Project is comprised of a large wet gas resource and from the gas isotope analysis, it shows the wetness ratios are between 24-30% which corresponds to oil associated gas in the genetic gas classification.

Several technologies are being reviewed for a potential pilot project, including utilizing the gas for electricity generation for field use and for local commercial gas sales after stripping out the liquids (NGLs) for sale. Other options being evaluated include connecting the field to the Trans Pecos Gas pipeline located approximately 50 miles to the east, and the feasibility of utilizing modular small scale LNG plants in the field.

Commercialization options being assessed by Helios for the Presidio Oil and Gas Project also include bringing in a farmin joint venture partner to participate in the Presidio Oil and Gas Project.

Leases Acquired or Disposed of During the Half Year Ending on 31 December 2024

During the half year ending on 31 December 2024, no additional oil and gas leases were acquired, and a total of 340 acres of leases were allowed to expire during the second half of the year. All 7,877 gross acres the subject of the Presidio Oil and Gas Project are located in the south-west portion of Presidio County, Texas and are the subject of oil and gas lease agreements entered into with private oil and gas mineral rights owners.

Presidio Oil & Gas Project – Infrastructure

Access to the 4 wells that constitute the Presidio Oil & Gas Project (Presidio 52#1, Presidio 141#2, Quinn Creek 141#1 and Quinn Mesa 113#1) is provided by a 25 mile unsealed, formed road constructed by Helios that branches off the sealed US-90 highway which carries heavy truck and passenger vehicle traffic. The El Paso Oil Refinery located in El Paso, Texas has a processing capacity of 135,000 barrels of oil per day and is located 170 miles from the Presidio Oil & Gas Project. Crude oil is sold there by truck delivery.

The Presidio Oil & Gas Project is located 250 miles (or 5 hours by truck) from Midland, Texas which is the epicenter of the Permian Basin oil industry. All rigs, supplies and services required for the Presidio Oil & Gas Project are sourced from Permian Region. Oil production in the Permian Region in December 2023 reached approximately 5,974,000 bopd.

Production Facilities Installed

Permanent production facilities have been installed at the well site location of the Presidio 141#2 well consisting of a 3-phase separator, two 500 barrel oil tanks, two 500 barrel water tanks, and a flare stack. The Quinn Creek 141#1 well has also been piped into and connected to flow to the shared field production facilities located at the Presidio 141#2 location.

Flowback Testing - Presidio 52#1 Well

Flowback testing of the Presidio 52#1 well occurred during the 2023-2024. A workover programme was subsequently planned for Presidio 52#1 well to improve oil and wet gas production. Production from the lowest two production zones became impaired and a cleanup of the well was required. These two zones are the most productive zones in the Presidio 52#1 well. The reduction of production from these 2 zones resulted in wet gas production reducing to 500MCF per day. The well is considered shut in with intermitted flow and continues to unload frack water, with modest amount of oil and gas.

Background to the Presidio 52#1 Well

The Presidio 52#1 well was successfully drilled to a total depth (TD) of 8,806 feet. During drilling, the Presidio 52#1 well encountered the lower bench of the Ojinaga Formation (primary target) and the Eagle Ford Shale Formation (secondary target) as well as two older (deeper) Cretaceous units, being the Buda and Georgetown Formations (both secondary targets).

The lower bench of the Ojinaga Formation was encountered at the depth of 6,632 feet and is 793 feet thick. Helios has successfully tested or produced oil and or gas from all 4 wells it has drilled which have penetrated the Ojinaga Formation.

The oil analysis shows that the oil in the Ojinaga Formation is sourced from the Eagle Ford Shale Formation. The Eagle Ford Shale was encountered at a depth of 7,425 feet and is 836 feet thick with the deepest 235 feet also referred to as the Boquillas Formation (which is equivalent to the lower Eagle Ford Formation in Karnes County, Texas, USA).

A vertical fracture stimulation job undertaken in the Presidio 52#1 well comprising 4 stages situated within the 1,623 foot oil and gas bearing column commencing from the lower bench of the Ojinaga Formation and ending at the deepest part of the Eagle Ford Shale.

Very good to excellent oil and gas shows in the Presidio 52#1 Well

Very good to excellent oil and gas shows were observed throughout the drilling of the entire lower bench of the Ojinaga Formation and throughout the drilling of the entire Eagle Ford Formation (which includes the 235 feet of the Boquillas Formation). The distance between the commencement of the lower bench of the Ojinaga Formation at 6,632 feet and the cessation of casing at 8,255 feet is 1,623 feet. That is a 1,623 foot oil and gas bearing column.

The 1,623 feet interval was fracked across 4 stages per a frack design created by John Ely and his team from Ely and Associates. The four frack intervals have been co-mingled as a vertical completion for production purposes. Gas measurements were consistently high throughout the drilling through the entire lower bench of the Ojinaga Formation and throughout the drilling of the entire Eagle Ford Formation. From the gas isotope analysis, it shows the wetness ratios are between 24-30% which corresponds to oil associated gas in the genetic gas classification.

Quinn Creek 141#1 Well During the Half Ending 31 December 2024

Quinn Creek 141#1 is now shut in with production tubing run in the well. Various artificial lift applications are being investigated to optimize sustainable production. The well continues to build up pressure while being shut in and is being flowed intermittently.

Presidio 141#2 Testing During the Half Ending 31 December 2024

Presidio 141#2 is currently shut in as various artificial lift applications are being investigated to optimize sustainable production. The well continues to build up pressure while being shut in and is being produced intermittently.

Corporate

Helios has \$151,039 debt and cash at bank at the end of the half year period on 31 December 2024 was \$195,089.

OPERATING RESULT

The loss from operations for the half year ended 31 December 2024 after providing for income tax was \$1,366,078 (2023: \$2,874,450). The total comprehensive income for the half year ended 31 December 2024 after providing for income tax was \$1,416,463 (2023: loss \$4,256,027).

Additional information on the operations and financial position of the Group and its business strategies and prospects is set out in this directors' report and the interim financial report.

AFTER REPORTING DATE EVENTS

On 6 February 2025, the Company announced the appointment of John Cathcart as Non-Executive Director of the Company.

On 10 February 2025, the Company announced the issue of Convertible Notes that raised \$691,325 to support ongoing oil and gas exploration of the Presidio Project in Texas, USA, repayment of current director and staff loans, and general business activities.

On 18 February 2025, the Company announced the appointment of Edward May as Helios' Chief Financial Officer.

On 13 March 2025, the Group announced a Placement of \$1 million and a fully underwritten non-renounceable rights issue of \$2.6 million. It is anticipated that 142,857,142 shares under the Placement will be issued on 24 March 2025. The rights issue, underwritten by Gleneagle Securities (Aust) Pty Ltd and sub-underwritten by a number of Directors, is scheduled to open on 21 March 2025 and is currently set to close on 9 April 2025.

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* (Cth) is set out on page 6 of this interim report.

Signed in accordance with a resolution of the board of directors.

Philipp Kin

Philipp Kin
Managing Director

14 March 2025

DECLARATION OF INDEPENDENCE BY MELISSA REID TO THE DIRECTORS OF HELIOS ENERGY LIMITED

As lead auditor for the review of Helios Energy Limited for the half-year ended 31 December 2024, 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 review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Helios Energy Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'M Reid', is written over a light grey circular watermark that contains the text 'For personal use only'.

Melissa Reid
Director

BDO Audit Pty Ltd
Perth
14 March 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	31 December 2024 \$	31 December 2023 \$
Revenue from operations		18,278	77,912
Other income		4,782	49,098
Foreign exchange gain/(loss)		99	(8,568)
Fair value loss on investment		(92,950)	-
Administration costs		(447,321)	(1,035,718)
Finance cost		(15,666)	(11,222)
Operating costs		(55,864)	(103,637)
Impairment of assets		-	(758,728)
Personnel Cost		(325,296)	(803,577)
Corporate compliance costs		(75,595)	(68,598)
Corporate management fees		(93,000)	(53,000)
Depreciation and amortisation expense		(66,461)	(140,303)
Audit fees		(23,619)	(18,109)
Share based payments		(193,465)	-
Loss before income tax		(1,366,078)	(2,874,450)
Income Tax expense		-	-
Loss after income tax		(1,366,078)	(2,874,450)
Other Comprehensive Income			
<i>Items that will be reclassified to profit or loss</i>			
Exchange difference on translation		2,782,541	(1,381,577)
Total comprehensive income / (loss) attributable to the members of Helios Energy Ltd		1,416,463	(4,256,027)
		Cents	Cents
Loss per share for loss from continuing operations attributable to the ordinary equity holders of the Company:			
Basic loss per share		(0.05)	(0.11)
Diluted loss per share		(0.05)	(0.11)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	31 December 2024 \$	30 June 2024 \$
ASSETS			
Current assets			
Cash and cash equivalents		195,089	463,841
Trade and other receivables		326,094	285,821
Other assets		150,757	245,009
Total current assets		671,940	994,671
Non-current assets			
Exploration and evaluation expenditure	3	48,535,909	45,382,920
Right-of-use asset		283,091	331,588
Investments		185,900	278,850
Total non-current assets		49,004,900	45,993,358
Total assets		49,676,840	46,988,029
LIABILITIES			
Current liabilities			
Trade and other payables		2,362,850	1,338,951
Lease liability		134,427	138,009
Short term borrowings		-	47,531
Total current liabilities		2,497,277	1,524,491
Non-current liabilities			
Borrowings	4	151,039	-
Lease liability		242,842	287,784
Total non-current liabilities		393,881	287,784
Total liabilities		2,891,158	1,812,275
NET ASSETS		46,785,682	45,175,754
EQUITY			
Contributed equity		98,117,145	98,117,145
Reserves	5	6,359,578	3,383,572
Accumulated losses		(57,691,041)	(56,324,963)
TOTAL EQUITY		46,785,682	45,175,754

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Contributed equity \$	Options reserve \$	Foreign currency translation reserve \$	Accumulated losses \$	Total \$
Balance as at 1 July 2024	98,117,145	1,128,149	2,255,423	(56,324,963)	45,175,754
Loss for the period	-	-	-	(1,366,078)	(1,366,078)
Exchange differences on translation of foreign operations	-	-	2,782,541	-	2,782,541
Total comprehensive income / (loss) for the period	-	-	2,782,541	(1,366,078)	1,416,463
Transactions with owners in their capacity as owners:					
Options issued	-	193,465	-	-	193,465
Balance at 31 December 2024	98,117,145	1,321,614	5,037,964	(57,691,041)	46,785,682

	Contributed equity \$	Options reserve \$	Foreign currency translation reserve \$	Accumulated losses \$	Total \$
Balance as at 1 July 2023	98,117,145	1,128,149	2,252,034	(51,366,966)	50,130,362
Loss for the period	-	-	-	(2,874,450)	(2,874,450)
Exchange differences on translation of foreign operations	-	-	(1,381,577)	-	(1,381,577)
Total comprehensive loss for the period	-	-	(1,381,577)	(2,874,450)	(4,256,027)
Transactions with owners in their capacity as owners:					
Contribution of equity	-	-	-	-	-
Balance at 31 December 2023	98,117,145	1,128,149	870,457	(54,241,416)	45,874,335

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

CONSOLIDATED STATEMENT OF CASH FLOWS

	31 December 2024 \$	31 December 2023 \$
Cash flow from operating activities		
Receipts from customers	14,284	185,491
Payments to suppliers and employees	(315,652)	(2,476,714)
Interest received	235	21,728
Interest paid	(14,627)	(11,222)
Net cash outflow from operations	(315,760)	(2,280,717)
Cash flows from investing activities		
Payments for exploration and evaluation	(11,357)	(799,530)
Net cash outflow from investing activities	(11,357)	(799,530)
Cash flows from financing activities		
Proceeds from borrowings	150,000	-
Repayment of borrowings	(47,531)	-
Lease repayments	(54,550)	(158,690)
Net cash inflow / (outflow) from financing activities	47,919	(158,690)
Net decrease in cash and cash equivalents	(279,198)	(3,238,937)
Cash and cash equivalents at the beginning of the period	463,841	5,351,168
Effect of exchange rate changes on cash and cash equivalents	10,446	(19,011)
Cash and cash equivalents at the end of the period	195,089	2,093,220

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

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. Summary of Material Accounting Policies

This general purpose interim financial report includes the financial statements and notes of Helios Energy Ltd (the "Company"), a public limited entity, and its controlled entities (the "Group") for the half-year ended 31 December 2024.

(a) Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose interim financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

(b) New or amended Accounting Standards and Interpretations adopted

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.

(c) Going concern

The financial report has been prepared on the basis that the Group is a going concern, which contemplates the continuity of normal business activity, the realisation of assets and the settlement of liabilities in the normal course of business.

For the half year ended 31 December 2024 the Group recorded a net loss of \$1,366,078 (2023: \$2,874,450), a net cash outflow from operating activities of \$315,760 (2023: \$2,280,717) and a working capital deficit of \$1,825,337 (2023: \$529,820). At 28 February 2025, the Group had a net working capital deficit of \$574,480.

The ability of the Group to continue as a going concern is principally dependent upon the ability of the Group to continue to secure funds by raising capital from equity markets and managing cash flows in line with available funds. These conditions indicate a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors believe it is appropriate to prepare the financial report on a going concern basis for the following reasons:

- the Group has a net asset position of \$46,785,682 as at period end and a cash balance of \$195,089 as at period end. At 28 February 2025 the Group has a cash balance of \$329,036.
- the Group raised \$691,325 in February 2025 from the issue of convertible notes (refer to Note 8 for further details).
- the Group announced a Placement of \$1 million and a fully underwritten non-renounceable rights issue of \$2.6 million (before costs) on 13 March 2025. Refer to Note 8 for further details.
- the Group has the option, if necessary, to defer certain expenditure or abandon certain projects and reduce costs in order to minimise its funding requirements.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

1. Summary of Material Accounting Policies (continued)

(c) Going concern (continued)

- the Group has the ability to raise further funds through capital raising as it has successfully demonstrated in the past and it is currently progressing with arrangements to conduct a capital raising within the next quarter.
- the Group is in discussions with creditors with regards to repayment plans, timing and terms.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

2. Segment Information

Identification of reportable operating segments

The Group is organised into two operating segments, being oil and gas exploration in the USA and helium in China. This is based on the internal reports that are being reviewed by the Board of Directors who are identified as the chief Operating Decision Makers (CODM) in assessing performance and in determining the allocation of resources.

The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

Operating segment information:

31 December 2024	USA	China	Unallocated	Total
	\$	\$	\$	\$
Profit and loss				
Revenue	18,278	-	-	18,278
Other	4,547	-	-	4,547
Interest Income	-	-	235	235
Other Income	4,547	-	235	4,782
Loss for the period	(689,571)	130	(676,637)	(1,366,078)
Financial Position				
Total Assets	47,476,685	153,136	2,047,019	49,676,840
Total Liabilities	(2,329,134)	(14,882)	(547,142)	(2,891,158)

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

2. Segment Information (continued)

31 December 2023	USA	China	Unallocated	Total
	\$	\$	\$	\$
Profit and loss				
Revenue	77,912	-	-	77,912
Other	27,370	-	-	27,370
Interest Income	-	-	21,728	21,728
Other Income	27,370	-	21,728	49,098
Impairment of assets	-	(758,728)	-	(758,728)
Loss for the period	(1,592,684)	(945,699)	(336,067)	(2,874,450)
Financial Position				
Total Assets	42,951,855	380,957	3,536,298	46,869,110
Total Liabilities	(748,874)	(132,482)	(113,419)	(994,775)

3. Exploration and Evaluation Expenditure

	31 December 2024 \$	30 June 2024 \$
<i>Exploration and evaluation phase</i>		
Opening balance	45,382,920	44,175,951
Exploration costs	281,694	1,873,115
Foreign exchange difference on translation	2,871,295	29,222
Exploration expenditure written off	-	(695,368)
Closing balance	48,535,909	45,382,920

Exploration costs are only carried forward to the extent that they are expected to be recouped through the successful development or sale 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.

The Company has assessed each area interest for impairment in accordance with AASB 6 Exploration for and Evaluation of Minerals Resources. Based on the Company's assessment, nil was recognised in the income statement (30 June 2024: \$695,368), as exploration written off, in relation to expired leases during the period.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

4. Borrowings

	31 December 2024	30 June 2024
	\$	\$
Related party loan	70,485	-
Other loan	80,554	-
	151,039	-

Movement on borrowings:

	31 December 2024	30 June 2024
	\$	\$
Opening balance	-	-
Borrowings	150,000	-
Interest incurred	1,039	-
Closing balance	151,039	-

On 11 December 2024, the Group announced that it had entered into loan funding agreements with its directors and employees (\$100,000) and a third party (\$50,000) to raise \$150,000. The key terms of the loan funding agreements are set out below:

- The effective date of the loan funding facilities is 11 December 2024.
- Funding will be used towards the Company's working capital requirements.
- The loan funding are unsecured loans.
- The loan funding is repayable in cash in full at the expiry date.
- Interest accrues at the rate of 12%, is capitalised and paid as a bullet at the expiry of the term.
- The expiry date is set for one year from the effective date, being set at 11 December 2025.

5. Reserves

	31 December 2024	30 June 2024
	\$	\$
Share Based payment reserve	1,321,614	1,128,149
Foreign currency reserve	5,037,964	2,255,423
	6,359,578	3,383,572

Movement on share based payment reserve

2025 Date	Details	Number of options	Amount \$
1/07/2024	Opening balance	15,000,000	1,128,149
15/11/2024	Options granted	-	193,465
31/12/2024	Balance	15,000,000	1,321,614

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

5. Reserves (continued)

2024 Date	Details	Number of options	Amount \$
1/07/2023	Opening balance	15,000,000	1,128,149
30/06/2024	Balance	15,000,000	1,128,149

On 15 November 2024, the Group announced the appointment of Mr. Philipp Kin as Managing Director of the Group. As an incentive, Mr Kin was granted 57,000,000 options in the Company, expiring 3 years from the date of obtaining shareholder approval.

The key terms and conditions of these options are:

Type	Number of options	Grant date	Issue date	Expiry date	Vesting date	Exercise price	Fair value at grant date
Unlisted	18,000,000	15/11/2024	(a)	(a)	(b)	\$0.02	\$0.255
Unlisted	19,000,000	15/11/2024	(a)	(a)	(b)	\$0.03	\$0.255
Unlisted	20,000,000	15/11/2024	(a)	(a)	(b)	\$0.04	\$0.255

(a) All options are pending issue as they are subject to shareholder approval. The options will expire 3 years after the approval date.

(b) These options will vest at the rate of 25% immediately, 25% following 6 months continuous service, 25% following 12 months continuous service and 25% following 18 months continuous service.

6. Related party

During the half-year ended 31 December 2024, the Group secured loan funding from directors raising \$70,000. Refer note 4 for further detail.

The Company granted 57,000,000 options as an incentive to the Mr Philipp Kin, the Group's Managing Director. Refer note 5 for further detail.

All other arrangements with related parties continue to be in place in line with those disclosed in the 2024 Annual Report.

7. Commitments

As part of the acquisition of the Presidio Oil Project there are contingent royalty payments as mentioned below:

Presidio Oil Project

Helios will earn an NRI of 52.50% of 8/8ths (being 70% of a NRI of 75%) in all additional oil and gas leases or drilling of oil wells acquired by the joint venture. The mineral rights owners and vendors in aggregate will retain a gross revenue royalty, on industry standard terms, equal to 25% of the oil and gas produced or won from the Presidio Leases and any Further Leases and Oil Wells acquired by the joint venture within a 50 kilometre radius of the Presidio Leases.

8. Contingent liabilities

There are no contingent liabilities as at 31 December 2024 and 30 June 2024.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

9. After Reporting Date Events

On 6 February 2025, the Company announced the appointment of John Cathcart as Non-Executive Director of the Company.

On 10 February 2025, the Company announced the issue of Convertible Notes that raised \$691,325 to support ongoing oil and gas exploration of the Presidio Project in Texas, USA, repayment of current director and staff loans, and general business activities.

On 18 February 2025, the Company announced the appointment of Edward May as Helios' Chief Financial Officer.

On 13 March 2025, the Group announced a Placement of \$1 million and a fully underwritten non-renounceable rights issue of \$2.6 million. It is anticipated that 142,857,142 shares under the Placement will be issued on 24 March 2025. The rights issue, underwritten by Gleneagle Securities (Aust) Pty Ltd and sub-underwritten by a number of Directors, is scheduled to open on 21 March 2025 and is currently set to close on 9 April 2025.

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

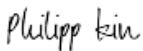
DIRECTORS' DECLARATION

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- In the opinion of the directors, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, subject to the matters in Note 1 (c). The directors have modified their solvency statement to reflect the uncertainty, and this is appropriate.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink that reads "Philipp Kin".

Philipp Kin
Managing Director

14 March 2025

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Helios Energy Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Helios Energy Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, 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 half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- i. Giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the half-year ended on that date; and
- ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual 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 the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 1(c) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'Mel Reid', is written over the printed name.

Melissa Reid

Director

Perth, 14 March 2025