

**INVESTIGATOR
RESOURCES
LIMITED**



Investigator Resources Limited

ABN 90 115 338 979

Annual Report - 30 June 2022

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Investigator Resources Limited

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Investigator Resources Limited
Corporate directory
30 June 2022

Directors	Richard Hillis - Non-Executive Chair (appointed effective 1 January 2022) Andrew McIlwain - Managing Director Andrew Shearer - Non-Executive Director Kevin Wilson - Non-Executive Chair (resigned effective 1 January 2022)
Joint Company Secretaries	Ms Melanie Leydin (resigned effective 31 October 2021) Ms Anita Addorisio
Registered office	47 King Street, Norwood SA 5067
Principal place of business	47 King Street Norwood SA 5067
Share register	Computershare Limited Level 5, 115 Grenfell Street Adelaide SA 5000
Auditor	Grant Thornton Audit Pty Ltd Level 3, 170 Frome Street Adelaide SA 5000
Solicitors	Baker & McKenzie L19, CBW, 181 William Street Melbourne VIC 3000
Stock exchange listing	Investigator Resources Limited shares are listed on the Australian Securities Exchange (ASX code: IVR)
Website	www.investres.com.au

Investigator Resources Limited
Chair and Managing Director's Letter
30 June 2022

Dear Shareholder,

We have continued to advance the exciting Paris Silver Project during the year, perhaps most notably with the release of its Pre-Feasibility Study (PFS). We have also commenced a major program of exploration of prospects proximal to Paris, and across the Uno Morgans tenement package, some 80km to the east, with very gratifying results. These exciting prospects had seen little activity due to our focus on Paris in recent years, despite having the very important potential to add mine life to the Paris Silver Project.

The 100%-owned Paris Silver Project, located in South Australia's Eyre Peninsula, was a greenfields discovery made by Investigator. An updated JORC (2012) compliant mineral resource estimate of 53.1Moz of silver and 98kt of lead was announced in June 2021, after a significant infill drilling program. The improved level of confidence in the resource underpinned the PFS (released in November 2022), which indicated modest capital expenditure for robust project returns, with revenues assumed only from the recovery of the silver component of the resource (ignoring the lead component).

Sensitivity analysis undertaken on the forecast financial performance of the Paris Silver Project emphasised the exposure to commodity prices, and we see this reflected in Investigator's share price which is very closely correlated to the silver price.

During the year we also commenced the tasks required to complete the Paris Silver Project Definitive Feasibility Study (DFS). These include geotechnical drilling; further resource drilling to lift a component of the resource into measured status; metallurgical test work to further enhance silver recovery (and inform a viable processing route to recover Paris' substantial lead content); confirmation of an adequate water source for processing; refinement of capital and operating costs; and advancing negotiations with the Traditional Owners of the land around Paris. As we progress toward a development decision on Paris, we need to establish a production-related Native Title Mining Agreement (NTMA). Investigator have an established, strong relationship with Gawler Ranges Aboriginal Corporation (GRAC) underpinned by an existing NTMA that enables the Company to undertake exploration and related activities. We anticipate that, subject to funding, the DFS will be finalised in the second half of 2023.

Investigator's resources have, for a number of years, focussed on advancing Paris. Consequently, our prospects proximal to Paris, and in the Uno Morgans tenement package, had seen little activity. A key priority during the year was to define and test prospects proximal to Paris with the aim of providing additional resources with the potential to support an extended mine life.

Previous results from the Ares, Paris East and Helen East prospects provided sufficient encouragement to embark on a follow-up round of drilling that was completed in early 2022. Gratifyingly, this drilling program delivered the highest grade silver intersection outside the Paris footprint with 8m @ 1,262g/t silver at the Apollo prospect just 4 km northwest of Paris. Further drilling is planned for late 2022.

Further afield, following last year's intensive soil sampling program and heritage clearance work, we completed the first round of drilling across the Uno Range and Morgans tenements (approximately 80km east of Paris) in nearly a decade. The team delivered a program where an impressive 24 of 28 holes drilled intersected mineralisation. Silver intersections included 12m @ 240g/t (including 6m @ 383g/t) at Twelve Mile. There were also extensive zinc intersections such as 123m @ 0.48% (including 24m @ 1.52%) at Uno North. We are again planning to undertake follow-up drilling based on these exciting results before the end of 2022. These prospects provide further opportunities to add resources in support of an operation at Paris.

The South Australian Department for Energy and Mining ranked Investigator as having the 4th largest FY2020/21 exploration expenditure within the State, a significant achievement and evidence of our mantra to maximise the use of shareholder's funds on in-ground expenditure. Having drilled 26,893m in 273 holes, Investigator was ranked higher than a number of our major peers and only behind BHP, FMG and an emerging producer.

Exploration activities in FY2021/22 maintained this in-ground exploration philosophy with 19,644m drilled in 149 holes. The reinvigoration and reactivation of exploration within a number of tenements that have had little exploration in recent years saw over 90% of this activity outside the Paris project. This work has shown early success, with a number of significant silver intercepts such as those described above and reported on in detail during the year.

DGO Gold (whose takeover by Gold Road Resources was completed in July 2022) completed their Stage 1 earn-in obligations over Investigator's Stuart Shelf tenements during the year and have continued to pursue their sedimentary-hosted copper and Iron Oxide Copper Gold (IOGC) exploration models. A drilling program planned for H2 2022 will see them approach their Stage 2 expenditure commitment of \$2M and earn the right to form a 51:49 Joint Venture agreement.

Investigator Resources Limited
Chair and Managing Director's Letter
30 June 2022

In October 2021, Investigator announced that it had entered into an earn-in/joint venture agreement with Osmond Resources (ASX:OSM, Osmond), whereby Osmond committed to spend \$2.75M, over 6 years, to earn up to an 80% interest in our Fowler Domain tenements, which are prospective for copper and nickel sulphides. Given our focus on Paris, and prospects that can add resources in support of an operation at Paris, the Board considered it prudent to farm-out these early stage tenements, in return for 1.1 million Osmond shares and a free carry on ongoing exploration costs during the earn-in period, retaining a minimum 20% residual interest.


We are now less restricted by the challenges of COVID and have enjoyed the opportunity to keep markets and shareholders informed of our progress, in particular by presenting at a number of investor and industry forums. As one of the only pure silver plays in the Australian market, it is essential that we maintain open and timely communication. In addition, we provide a regular newsletter emailed to those who have registered on the "Subscribe to News" function on our website. We also encourage shareholders to take the time to read more about the detail of our work at Paris, and other projects, on the refreshed Investigator website.

The year saw the resignation of Kevin Wilson, who served as a director of your company from September 2017, latterly as Chair, and the appointment of Richard Hillis as Chair on 1 January. We look forward to a return to a face-to face AGM this year and meeting shareholders at that event in Adelaide on Wednesday 30th November.

As reported in the June 2022 Quarterly, Investigator held \$6.2M cash on hand at the end of FY2021/22. The Board recognises the challenging current prevailing market conditions and monitor operating expenditures on a regular basis.

In closing, it is pleasing to be able to report that throughout what has been a particularly active year our team of geologists, field crew and contractors, who work to deliver shareholder value, have done so whilst maintaining a focus on risk assessments, on-the-job safety and minimising environmental impact. We take this opportunity to recognise their efforts and congratulate them on delivery of another year of successful exploration.

We thank you sincerely for your continued interest and support of Investigator and look forward to enjoying future success with you.


Richard Hillis
Chair


Andrew McIlwain
Managing Director & CEO

Paris Silver Project

The Company's 100% owned Paris Silver Project is located approximately 70km north of the rural township of Kimba on South Australia's Eyre Peninsula. Access to the project site is predominantly via highways and sealed roads and is approximately 7 hours by road from Adelaide, as can be seen below



Locality map showing Paris Silver Project – approximately 535km by road, NW of Adelaide.

Investigator Resources Limited
Review of operations
30 June 2022

One of the highest grade undeveloped primary silver projects in Australia, the Paris Silver Project hosts a JORC 2012 Mineral Resource Estimate of 18.8Mt @ 88g/t silver and 0.52% lead for 53.1Mozs silver and 97.6kt lead at a cut-off of 30g/t silver¹. The Paris resource is a shallow, high-grade silver deposit amenable to simple open pit mining.

Category	Mt	Ag ppm	Pb %	Ag Mozs	Pb Kt
Indicated	12.7	95	0.60	38.8	76.1
Inferred	6.1	72	0.35	14.2	21.4
Total	18.8	88	0.52	53.1	97.6

Paris Silver Project Mineral Resource Estimates

Note:

- Based on 30g/t silver cut-off grade.
- Values may not sum due to rounding.
- Density: Indicated - 2.25t/m³, Inferred - 2.39t/m³ and Average - 2.30t/m³
- The Company confirms that it is not aware of any new information or data that materially affects the Paris Silver Project Mineral Resource, since its release in June 2021.

Following the finalisation of the Mineral Resource Estimate in June of 2021, the Company undertook remaining tasks to complete the Paris Silver Project's Pre-Feasibility Study (PFS) that was announced to the market in November 2021. The improved level of confidence in key operating parameters and cost assumptions supported the comprehensive economic analysis and defined a project with robust economic metrics.

Paris Silver Project Pre-Feasibility Study

The Pre-Feasibility Study highlighted the low-risk nature of the high-grade, near surface, open pit project with the Base Case Scenario (Whole of Ore Leach) assuming a simple processing circuit with robust silver recoveries.

The Project described in the PFS is forecast to deliver strong Pre-Tax Economics including:

- Pre-Tax NPV8 of A\$202M to A\$245M
- IRR of 47.9% to 54.1%
- Payback period of ~2.3 to 2.8 years²
- Pre-Tax Life of Mine Net Operating Cash Flow of A\$487M to A\$602M (A\$86M to A\$97Mpa)
- Project life of 5 to 7 years

The PFS mine optimisations were run on two silver price scenarios:

- at A\$34.30/oz with a Production Target mining 8.6Mt of ore (~83% Indicated and 17% Inferred Resource) at an average grade of 128 g/t Ag, producing 26.7Moz; and
- at A\$38.00/oz with a Production Target mining 10.9Mt of ore at an average grade of 109 g/t Ag, producing 29Moz.

¹ - As announced to the ASX on 28 June 2021

² - Economic analysis is based on two silver price scenarios of \$34.30/oz (representing the average price over the previous 12-months), and A\$38/oz (approximately 10% higher).

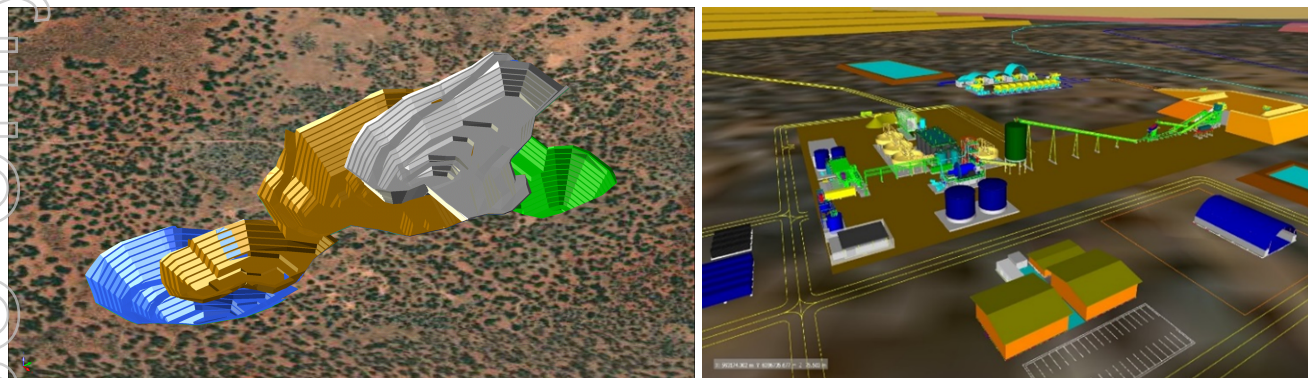
Other pertinent project parameters and deliverables are detailed in the following table:

Item	Unit	Whole Ore Option	
		Base Case	
Economic Assumptions			
Silver Price	A\$/oz	34.30	38.00
	US\$/oz	24.70	27.35
Exchange Rate	A\$:US\$	0.72	0.72
Physicals			
Life of Mine (LOM)	Years	5	7
Mined Ore	Kt	8,575	10,909
Strip Ratio	Waste:Ore	9.2	6.5
Processed tonnes	Kt	8,575	10,909
Processed Silver Grade	g/t	128	109
Silver Recovery	%	75.7	75.2
Silver Dore produced	Moz	26.7	29
Cash Flow			
Gross Revenue	A\$M	969	1,183
Royalties	A\$M	19	28
Doré Transport & refining	A\$M	7	8
Net Revenue	A\$M	943	1,147
On Site Operating Costs ³	A\$M	456	545
Net Operating Cash Flow	A\$M	487	602
Upfront Capital Cost⁴	A\$M	131.1	
- Mining Pre-production	A\$M	5.2	
- Process plant	A\$M	43.2	
- Infrastructure	A\$M	46.8	
- Indirect costs	A\$M	20.4	
- Contingency	A\$M	15.5	
Sustaining Capital Costs	A\$M	21.2	29.2
Net Project Cash Flow (Pre-Tax)	A\$M	335	442
Value Metrics			
Pre-Tax NPV₈	A\$M	202	245
Pre-Tax IRR	%	54.1	47.9
Pre-Tax Payback period	Years	2.3	2.8
Post-Tax NPV ₈	A\$M	135	158
Post-Tax IRR	%	40.1	36

3 - C1 operating cost, excluding SA royalty.

4 - Upfront Capital Costs, exclusive of sustaining capital and closure costs.

The scenario described in the PFS assumes that revenue is only derived from the recovery and sale of silver. Whilst the associated lead contained in the mined resource has assumed to have passed through the process plant, no lead concentrate was assumed to be recovered. There remains a substantial opportunity to capture value from lead recovery and concentrate sale, and this is a key element of the work being undertaken in the Definitive Feasibility Study (DFS).



Images showing conceptual Paris open pit, process plant and infrastructure

Next steps to complete the Paris Silver Project Definitive Feasibility Study

The detailed PFS allowed Investigator to commence work towards the completion of the DFS. The DFS will further assess internal project options, reduce risk and ultimately better define the Project. The results of the DFS will enable the Board to consider a development investment decision.

The tasks involved in progressing the DFS include:

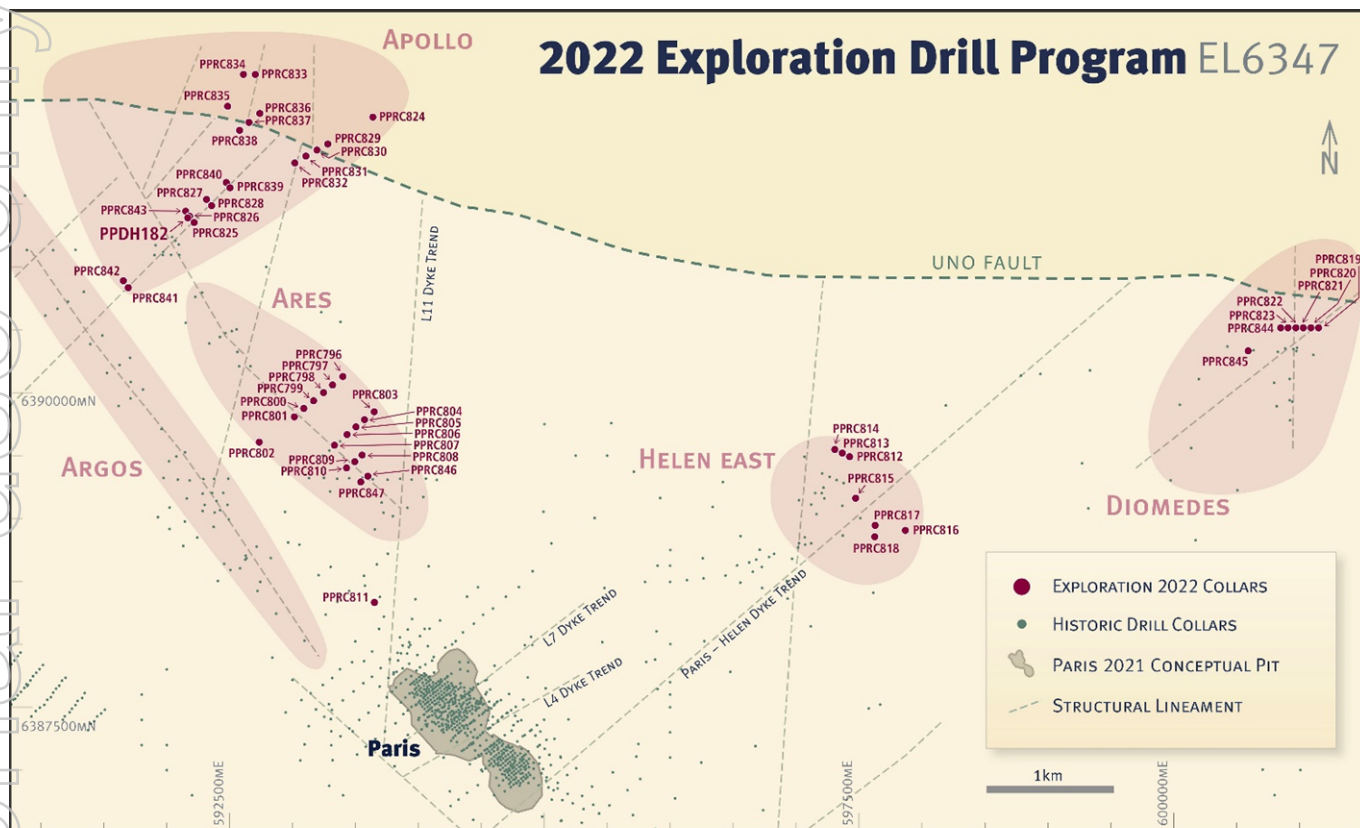
- further resource drilling and infill drilling;
- additional geotechnical and hydrogeological investigations;
- detailed pit design and scheduling options;
- further detailed metallurgical test work, alternative process options for viable lead recovery;
- confirmation of process water source and site water management;
- Native Title negotiations and land access agreements; and
- environmental baseline and management studies.

Engagement with local and broader communities, as well as with the associated regulatory bodies also forms a vital element of the DFS. Investigator recognises that best practice environmental management and strong support from the community are critical for the project. Particular attention will be given to water, waste and emissions management, and to employment opportunities for local people.

At the time of writing, diamond drilling at Paris has been completed to enable finalisation of geotechnical investigations, metallurgical samples have been collected and submitted commencing further metallurgical testwork and discussions continue with the Gawler Ranges Aboriginal Corporation, the Traditional Owners of the land on which Paris sits. It is anticipated that subject to funding the DFS will be completed and presented in the second half of 2023.

Regional Exploration on Peterlumbo tenement

Previous exploration and recent reviews encompassing a mineral systems approach has identified a number of exploration of prospects proximal to Paris. These prospects have a real potential to add mine life to the Paris Silver Project and in early 2022 a comprehensive Reverse Circulation (RC) drill program of 7,634m in 54 holes was completed across 5 targets as shown below.



Plan showing location of the regional 2022 drilling proximal to the Paris Silver Deposit.

Significantly, the highest silver intersection from outside the Paris Resource was reported at the Apollo Prospect⁵ where drilling along the primary interpreted structure intersected high-grade vein hosted intermediate sulphidation mineralisation in hole PPRC826, with a reported intersection of 8m @ 1,262g/t silver from 149m, including 3m @ 3,167g/t silver from 150m (which included 1m @ 6,530g/t silver from 152m).

With a diamond drill rig undertaking geotechnical investigation work at Paris, the opportunity was taken to twin Hole PPRC826 providing core enabling a better understanding of the geology and mineralising structural controls, with the objective of assisting in future drill targeting. At the time of writing assays from this hole are pending, however valuable structural data has been incorporated into models and interpretations within this prospect area.

Importantly, petrographic analysis of samples taken from RC chips confirmed that the silver mineralogy at Apollo is identical to that seen at Paris and with this drilling returning the highest grade intersection outside of Paris resource, further drilling at Apollo is planned to be undertaken late 2022.

During the year, Investigator was successful in being granted the Yardea tenement (EL6725 – 278km²), abutting and is immediately to the northwest of the Peterlumbo tenement (EL6347).

Other Tenements – South Australia

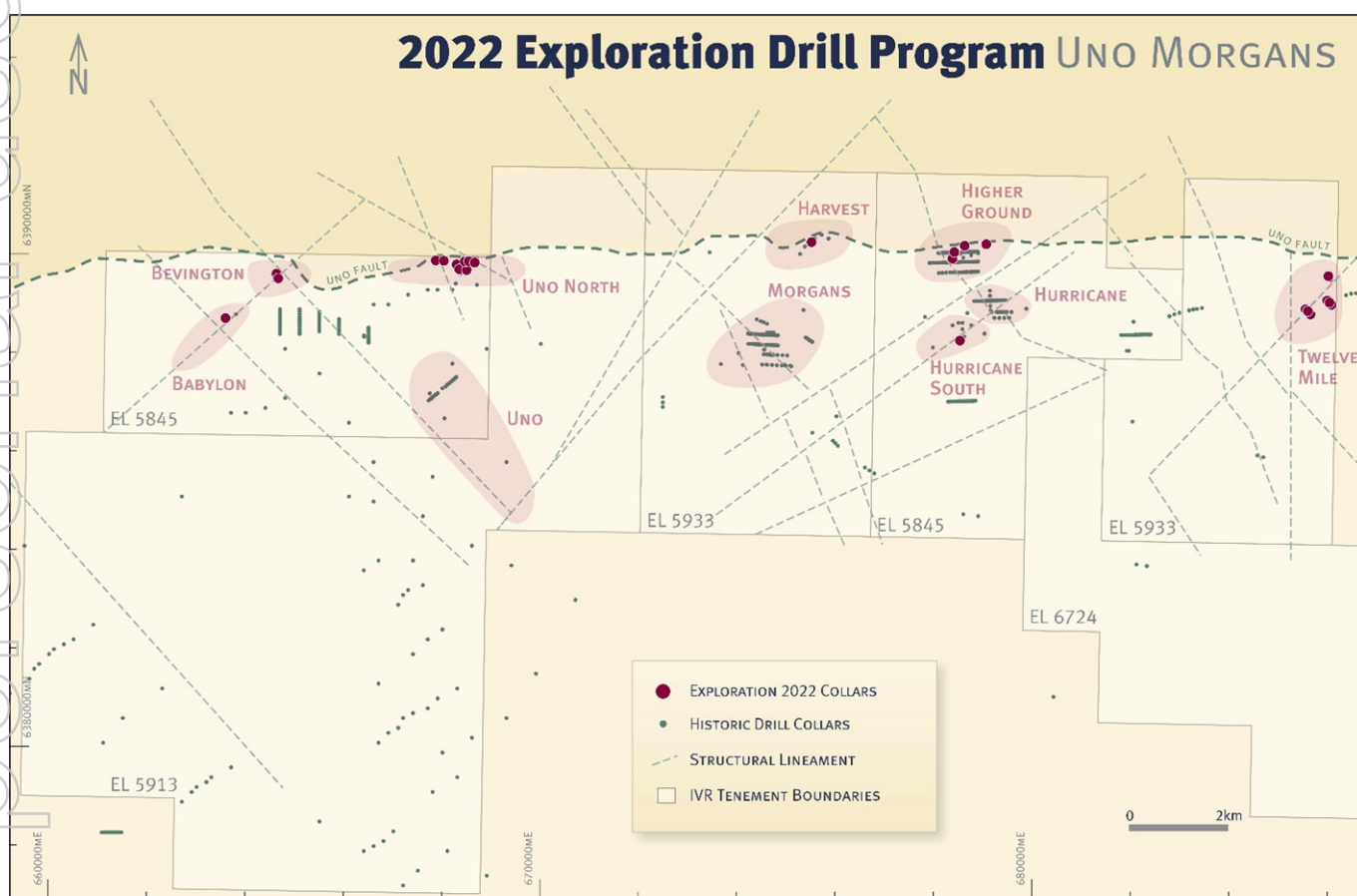
East Eyre

The Uno Range and Morgans tenements, located approximately 80km to the east of, and in a similar geological setting to Paris, saw renewed focus after a pause in activity for a number of years, with field exploration work including mapping and a comprehensive program of soil sampling completed in the prior year.

With heritage clearances approved, a drill program targeting prospects generated from surface geochemical anomalies identified through soil sampling, regional geological and structural modelling and geophysical interpretation.

In early 2022, the first round of drilling across the Uno Range and Morgans tenements in nearly a decade was completed with an impressive strike rate where 24 of the 28 holes drilled intersected mineralisation. Silver intersections included 12m @ 240g/t (including 6m @ 383g/t) at Twelve Mile. There were also extensive zinc intersections such as 123m @ 0.48% (including 24m @ 1.52%) at Uno North.

The prospects and drill locations across the Uno Range and Morgans tenements are shown below.



Plan showing location of the 2022 regional drilling across the Uno Morgans project area

With the success of this early program of drilling, follow-up drilling based on these exciting results are planned to commence before the end of 2022. These prospects provide further opportunities to add resources in support of an operation at Paris.

Progress towards the agreement of a Native Title Mining Agreement to allow advanced exploration activities on EL5913, in addition to a number of tenements within the Gawler Ranges Aboriginal Corporation determination area occurred during the year, with finalisation anticipated in the near future.

During the year, Investigator was successful in being granted the Corunna tenement (EL6724 – 121km²), immediately to the southeast of the Uno tenement and the Nonning South tenement (EL6753 – 14km²) to the north. Early stage investigative work is in progress over these new areas in advance of Native Title agreements and field activities. The acquisition of these tenements logically complements our successful exploration in the nearby Uno Range and Morgans tenements and further builds our ground position in this area of demonstrated prospectivity that is core to Investigator's strategy.

Stuart Shelf

Investigator, through its 100% owned subsidiary Gawler Resources Ltd, entered into a 3 Stage earn-in/joint venture Heads of Agreement (HOA) with DGO Gold (now a subsidiary of Gold Road Resources, ASX:GOR), whereby DGO Gold committed to spend \$6.35M to earn up to an 80% interest in our Stuart Shelf tenements.

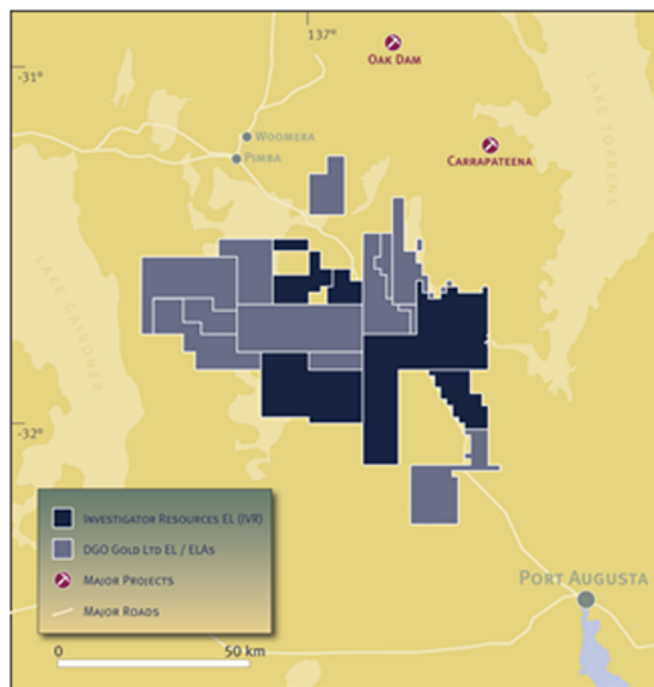
DGO Gold have developed a model of prospective sedimentary-hosted copper opportunities in the Stuart Shelf and Investigator's tenements form an integral part of their land holding in the area. Additional targets with Iron Oxide Copper Gold potential have been identified within the tenement package.

As of the 24th June, 2022 Gold Road Resources (ASX:GOR) had notified its intention to proceed towards compulsory acquisition of DGO Gold, with acquisition completed on 1st July, 2022. Gold Road have confirmed intentions to continue with the Stuart Shelf earn-in.

Investigator's, and the combined package of tenements, are shown below.



IVR's Stuart Shelf tenements - including recent applications.



IVR's and DGO's combined Stuart Shelf tenements subject to the HOA

At 30 June 2022, DGO Gold had spent approximately \$1.5M on approved work on Investigator's tenements. A further approximately \$500,000 is required to be spent by May 2024 to earn the right to form a 51:40 joint venture agreement. Gold Road have indicated that it is their intention to undertake work to this value and enter into the joint venture.

Outside of the DGO Gold joint venture, Investigator applied for, and was successful in being granted the Uneroo tenement (EL6754 – 492km²) which borders Investigator's Whittata (Maslins) tenement (EL6642). Two additional tenement applications, Lake MacFarlane (ELA2022/00043 - 982km²) and Wartarka (ELA2022/00044 - 557km²) have been submitted. Both areas are contiguous with Investigator's Uneroo and Yudnapinna (EL6641) tenements in the Stuart Shelf area and are considered prospective for copper, gold and base metals.

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Curnamona

Early-stage exploration activities, limited to non-ground disturbing work, such as field mapping and soil sampling was undertaken early in the 2022. With encouraging results in a number of prospect areas, further activities including drone supported aerial geophysics and follow up field work are planned for late 2022.

Continued engagement with the Wilyakali Native Title Group – the Traditional Owners of the tenement areas - has progressed where draft terms of a formal Native Title Mining Agreement (NTMA) have been agreed, and focus remains on progressing the NTMA towards final agreement and registration to allow advanced exploration activities such as drilling to occur.

Investigator seek to develop a mutually beneficial working relationship to ensure that all parties' interests are protected.

Fowler Domain

During the year, Investigator was formally granted two tenements, totalling an area of 1,878km², in the Fowler Domain within the Western Gawler area in South Australia. Drilling in the broader Fowler Domain by others (Western Areas - ASX:WSA – 23 June 2020) had identified significant nickel and copper sulphide mineralisation immediately adjacent to these tenements. Investigator believe that in addition to the nickel and copper potential, there is additional potential for gold mineralisation.

In October 2021 Investigator announced that, through its 100% owned subsidiary Kimba Minerals Pty Ltd, it had entered into a HOA with Osmond Resources Ltd (ASX:OSM, Osmond) whereby Osmond have committed to spend \$2.75M in 3 stages over a 6 year period to earn the right to form a 80:20 joint venture.

In further consideration, Osmond issued Investigator with 1.1M OSM shares, escrowed until April 2023.

Osmond have informed the Company that they are preparing to undertake regional geophysical exploration across the tenements.

Other

Renewal applications for tenements that have expired during the year were all been submitted within the required timeframes. A significant delay within the Department for Energy and Mining in processing and responding has occurred. The company is confident that these renewals will be granted in accordance with the submitted renewal applications.

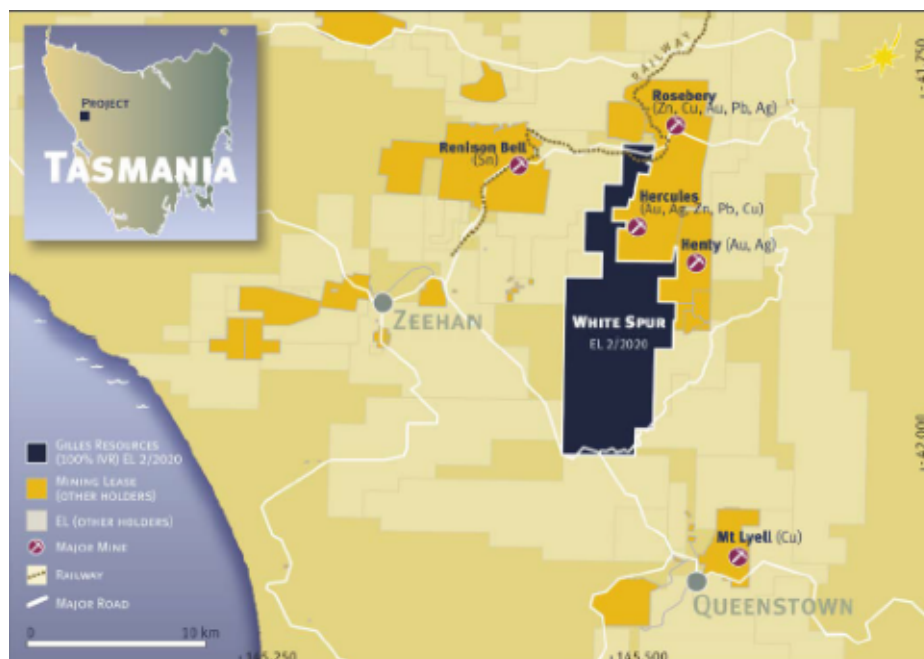
Tasmania – White Spur – EL2/2020

Investigator holds the White Spur exploration licence (EL2/2020) in the highly mineral endowed Mount Read Volcanic belt of North-West Tasmania as shown below.

Identified through a “machine learning” or “neural analysis” exercise in targeting mineralisation similar to that at the significant Rosebery Mine (which has operated continuously from 1936, producing zinc, copper, lead and gold) and Henty Mine (produced approximately 1.3Moz since its commissioning in 1996), the 84km² White Spur tenement lies immediately to the south of the Rosebery and historic Hercules zinc mines and west of, and adjacent to the Henty Mine.

No significant exploration has been undertaken on the tenement since 2013 when the presence of thallium, a known vector to massive sulphide mineralisation, was reported.

An initial field visit was undertaken during the year. Geotechnical investigations have been conducted by MMG's Renison operations under an access agreement.



Investigator's "White Spur" exploration licence is located on the West Coast of Tasmania, south of MMG's Rosebery Mine and west of Catalyst Metals' Henty Mine.

Risks

Investigator's operating and financial results and performance are subject to various risks and uncertainties, some of which are beyond Investigator's reasonable control. Set out below are matters which the Group has assessed as having the potential to have a material impact on its operating and/or financial results and performance:

- (i) **Fluctuations in external economic drivers including macroeconomics and metal prices:** The consolidated entity's primary focus is the advancement of its Paris Silver Project. Fluctuations in the silver price can result from various aspects beyond Investigator's control, including macroeconomic and geopolitical. Sustained lower silver prices would adversely impact the viability of the Project.
- (ii) **Capital and Liquidity:** The consolidated entity will incur expenditures over the next several years in connection with its exploration objectives and development of new projects and relies on its ability to raise capital as its primary source of funding. The company is exposed to the risk that unfavorable macroeconomic and market conditions would preclude it from raising sufficient capital.
- (iii) **Failure to discover mineral resources and convert to ore reserves:** Exploration activities are speculative in nature and often require substantial expenditure on exploration surveys, drilling and sampling as a basis on which to establish the presence, extent and estimated grade (metal content) of mineralised material. Even if significant mineralisation is discovered, it may take additional time and further financial investment to determine whether a mineral resource has attributes that are adequate enough to support the technical and economic viability of mining projects and enable a financial investment and development decision to be made. During that time the economic viability of the project may change due to fluctuations in factors that affect both revenue and costs, including metal prices, foreign exchange rates, the required return on capital, regulatory requirements, tax regimes and future cost of development and mining operations.
- (iv) **Renewal of tenements:** The consolidated entity has been granted tenements by the South Australian Department for Energy and Mining ('the Department') on the terms and conditions set out in the related lease agreements. At the expiry of the lease term, the decision of renewal application to assign tenements to the consolidated entity remains with the Department. A non-renewal of a tenement would adversely affect the operational results and fulfilment of the aspirations of the consolidated entity.
- (v) **Failure to attract and retain key employees:** The consolidated entity is heavily dependent for its continued operational success on its ability to attract and retain high caliber personnel to fill roles including Directors, Managing Director, Exploration Manager and geologists. A loss of key personnel or a failure to attract appropriately skilled and experienced personnel could affect its operations and performance.

Corporate

People

In late 2021, the Company announced the resignation of Mr Kevin Wilson as Non-Executive Chair, having served as a director since September 2017, and the appointment of Dr Richard Hillis as Non-Executive Chair from 1 January 2022.

This appointment sees Dr Hillis bring important South Australian relationships to the Company at a time when the Paris Silver Project is moving towards development status, and the change in Chair reflects the execution of an orderly succession plan enacted by the Board.

Dr Hillis is a highly regarded geoscientist having graduated from Imperial College (London) in 1985 with a BSc (Hons) in Geology and a PhD from the University of Edinburgh in 1989 whose career spans appointments at the University of Adelaide where he was Mawson Professor of Geology, State of South Australia Chair of Petroleum Geology, Head of the Australian School of Petroleum, and more recently Pro Vice-Chancellor (Research Performance).

A founding director for the IPO of ASX listed Petrathern, Dr Hillis was also a founding director of KCL Resources that ultimately backdoor listed on the ASX via Highfield Resources. From 2010 to 2018 Richard was CEO of the Deep Exploration Technologies Cooperative Research Centre (DET CRC) which developed transformative technologies for mineral exploration. Richard was awarded South Australian Scientist of the Year in 2018.

Dr Hillis is currently a non-executive director of AuScope - Australia's provider of research infrastructure to the Earth and Geospatial Science community, and of HILT CRC (Heavy Industry Low carbon Transition Cooperative Research Centre).

Business development

Investigator have continued to review opportunities for the acquisition of prospects with the potential to generate significant accretive value. Whilst the Company's principal focus remains the advancement of the Paris Silver Project and continued regional exploration, the aim of creating some diversification in Investigator's portfolio continues. Focus has been maintained on domestic opportunities, conscious that the tightening equity market may present some possibilities.

Impairment

As per AASB 6 – Exploration and Evaluation of Mineral Resources, Management have undertaken an impairment review and assessed the carrying value of the Company's exploration and evaluation assets. Management have taken a pragmatic and conservative approach in determining whether it is likely that future economic benefits will be derived from the exploration and evaluation assets. A review of the consolidated entity's exploration licenses was undertaken as at 30 June 2022. Due to management's assessment that exploration costs incurred on all exploration tenements/assets with the exception of the Paris Silver Project (on the Peterlumbo Tenement) may not be recoverable, the related exploration and evaluation assets have been written off as a part of the impairment charge of \$2.9 million.

In a review of the carrying value of the assets of the Company, the Directors have concluded that historical exploration expenditure on tenements that have not yet yielded a JORC compliant resource is to be written off.

Following their review of the accounts for the 2022 Financial Year, the Directors resolved to impair approximately \$2.9 million of the total Exploration and Evaluation value carried forward as at 30 June 2022.

The remaining balance of approximately \$23.1 million of Exploration and Evaluation is entirely attributable to the Company's 100% owned Paris Silver Project.

The Directors consider that this approach is both a prudent and conservative approach to managing the Company's balance sheet.

Cash

The Company had \$6.2 million cash at bank as at 30 June 2022.

JMEI credits

Post the financial year, the Company received notification from the Australian Taxation Office (ATO) of its successful application to participate in the Junior Minerals Exploration Incentive (JMEI) to a total of \$260,000.

The JMEI scheme enables eligible exploration companies to create refundable tax credits to distribute to eligible shareholders by forgoing a portion of their carried forward tax losses that have arisen from allow-able expenditure

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on "greenfield" exploration and applies to Shareholders who acquire new shares through a share placement undertaken by the Company. Australian resident shareholders that are issued with JMEI credits will generally be entitled to refundable tax offsets (for individual shareholders or superannuation funds) or franking credits (for companies).

Other

Subsequent to the end of the financial year on 30 July 2022, no matter or circumstance has arisen 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.

Subsequent to the end of the financial year on 30 July 2022, the South Australian Department for Energy and Mining have confirmed renewal of the Peterlumbo (EL6347), Plumbago (EL6192), Morgans (EL5933), Treloars (EL6345) and Olary (EL6253) tenements.

Competent Person Statement

The information in this Annual Report that relates to exploration results is based on information compiled by Mr. Jason Murray who is a full-time employee of the company. Mr. Murray is a member of the Australasian Institute of Mining and Metallurgy. Mr. Murray has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Murray consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Forward Looking Statements

This Financial Report includes certain forward-looking statements that have been based on current expectations about future acts, events and circumstances. These forward-looking statements are, however, subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements.

These factors include, among other things, commercial and other risks associated with the meeting of objectives and other investment considerations, as well as other matters not yet known to the Company or not currently considered material by the Company.

Corporate disclosure and reporting

The status of Investigator's tenements at 30 June 2022 are detailed in the table below.

Tenement Number	Tenement Name	Registered Holder	Notes
Project: Peterlumbo (IVR 100%)			
EL6347	Peterlumbo	Sunthe	Renewal Applied For
Project: Uno/Morgans (IVR 100%)			
EL5845	Uno Range	GRL	Renewal Applied For
EL5933	Morgans	GRL	Renewal Applied For
EL6724	Corunna	GRL	Current
EL6753	Nonning South	GRL	Current
EL6725	Yardea	GRL	Current
EL5913	Harris Bluff	GRL	Renewal Applied For
Project: Tasmania (IVR 100%)			
E2/2020	White Spur	GIL	Current
Project: Stuart Shelf (IVR 100%)			
EL6643	Yalymboo-Oakden Hills	GRL	Current
EL6642	Whittata (Maslins)	GRL	Current
EL6641	Yudnapinna	GRL	Current
EL6640	Birthday	GRL	Current
EL6402	Kootaberra	GRL	Current
EL6754	Uneroo	GRL	Current
Project: Curnamona (IVR 100%)			
EL5938	Wiawera	GRL	Renewal Applied For
EL6192	Plumbago	GRL	Current
EL6345	Treloars	GRL	Renewal Applied For
EL6253	Olary/Bulloo Creek	GRL	Renewal Applied For
Project: Adelaide Geosyncline (IVR 100%)			
EL5999	Cartarpo	GRL	Current
EL6226	Screechowl Creek	GRL	Renewal Applied For
Project: Northern Craton (IVR 100%)			
EL6187	Algebuckina	GRL	Renewal Applied For
Project: Fowler Domian (IVR 100%)			
EL6603	Yellabinna	KML	Current
EL6604	Chundaria	KML	Current
** Applications **			
ELA2022/00043	Lake MacFarlane	GRL	
ELA2022/00044	Wartarka	GRL	

Notes:

Sunthe - Sunthe Minerals Pty Ltd, a wholly owned subsidiary of Investigator Resources Ltd
GRL - Gawler Resources Pty Ltd, a wholly owned subsidiary of Investigator Resources Ltd
GIL - Gillies Resources Pty Ltd, a wholly owned subsidiary of Investigator Resources Ltd
KML - Kimba Minerals Pty Ltd, a wholly owned subsidiary of Investigator Resources Ltd

Investigator Resources Limited

Directors' report

30 June 2022

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Investigator Resources Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2022.

Directors

The following persons were Directors of Investigator Resources Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Richard Hillis - Non-Executive Chair (appointed effective 1 January 2022)

Andrew McIlwain - Managing Director

Andrew Shearer - Non-Executive Director

Kevin Wilson - Non-Executive Chair (resigned effective 1 January 2022)

Principal activities

The principal activity of the Company during the year was mineral exploration.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$4,133,905 (30 June 2021: \$1,979,310).

The net result for the year includes an impairment charge of \$ 2,9670,065 associated with exploration and evaluation assets.

During the year, the Company incurred \$4,872,931 expenditure on exploration activities across the Company's tenements, compared with \$4,935,647 for the prior year.

At 30 June 2022, the Company had a cash position of \$6,221,599 (2021: \$11,586,925).

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2022 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.

Likely developments and expected results of operations

During the next financial year, the Company will pursue the strategy set out in the Review of Operations above.

The Company continues to advance the Paris Silver Project and it is anticipated that the Pre-feasibility Study be completed and announced in September 2021.

The Coronavirus/COVID-19 global pandemic presents strategic, operational and commercial uncertainties for the Company. There are increased uncertainties around the duration, scale and impact of the Coronavirus/COVID-19 outbreak. The Company is taking various measures to mitigate the impact on its operations including employees, partners and customers. The Board and management team continue to assess the potential impacts on the business, however given the continued uncertainties the future financial impact, if any, cannot be determined.

Environmental regulation

The Company's operations are subject to significant environmental regulation under Commonwealth, State and Territory legislation in relation to the discharge of hazardous waste and minerals arising from exploration activities conducted by the Company in any of its tenements. At the date of this report there have been no known breaches of any environmental obligation.

**Investigator Resources Limited
Directors' report
30 June 2022**

Information on Directors

Name: Richard Hillis (Appointed 1 January 2022)
Title: Non-Executive Chair
Qualifications: BSc (Hons) Geology, PhD University of Edinburgh
Experience and expertise: Dr Hillis is a highly regarded geoscientist having graduated from Imperial College (London) in 1985 with a BSc (Hons) in Geology and a PhD from the University of Edinburgh in 1989.

Richard's career spans appointments at the University of Adelaide where he was Mawson Professor of Geology, Statement of South Australia Chair of Petroleum Geology, Head of the Australian School of Petroleum, and more recently Pro Vice-Chancellor (Research Performance).

A founding director for the IPO of ASX listed Petrathern, Richard was also a founding director of KCL Resources that ultimately backdoor listed on the ASX via Highfield Resources which now has a market capitalisation of ~\$275M. From 2010 to 2018 Richard was CEO of the Deep Exploration Technologies Cooperative Research Centre (DET CRC) which developed transformative technologies for mineral exploration. Richard was awarded South Australian Scientist of the Year in 2018.

Other current directorships: None
Former directorships (last 3 years): None
Interests in shares: Nil
Interests in options: 2,000,000 (unlisted)

Name: Andrew McIlwain
Title: Managing Director
Qualifications: BE (Mining) Melb, MAusIMM, MAICD
Experience and expertise: Andrew has over 30 years' experience in the mining industry. He is a qualified mining engineer and has held operational, technical, senior management and executive roles within Mount Isa Mines Limited, Central Norseman Gold Corp, WMC Resources, Lafayette Mining and Unity Mining. More recently, he has been an independent consultant for a number of Australian resource companies focusing on corporate transactions and has acted as an independent Non-Executive Director of numerous resource companies including Kidman Resources and Tusker Gold.

Andrew brings operational and corporate experience in a variety of fields including establishment of operational sustainability, project development and both equity and conventional debt financing. Andrew was previously the Chief Operating Officer of Laguna Gold and is Non-Executive Chair of Emmerson Resources Ltd (ASX: ERM).

Other current directorships: Emmerson Resources Ltd (ASX: ERM).
Former directorships (last 3 years): None
Interests in shares: 10,467,050
Interests in options: 10,000,000 (unlisted), 5,000,000 (Performance Rights)

Investigator Resources Limited
Directors' report
30 June 2022

Name: Andrew Shearer
Title: Non-Executive Director
Qualifications: BSc and MBA
Experience and expertise: Andrew holds a BSc (Hons) degree from Adelaide University and an MBA from the University of South Australia and has been involved in the mining and finance industries for more than 25 years. Most recently, Andrew held the position of Senior Resource Analyst with PAC Partners Pty Ltd and previously with Phillip Capital, and Austock. Establishing his career in the industry, Andrew held technical and senior management roles with Mount Isa Mines Limited, Glengarry Resources Limited and the South Australian Government. As an analyst, Andrew covered small to mid-cap resource stocks across a broad suite of commodities and brings a breadth of experience in equity research, investor relations, valuations, supply and demand analysis and capital markets.

Other current directorships: Executive director for Osmond Resources Ltd (ASX: OSM), Resolution Minerals (ASX:RML).

Former directorships (last 3 years): Okapi Resources Limited (ASX:OKR), Andromeda Metals (ASX:ADN)

Interests in shares: Nil
Interests in options: 2,000,000 (unlisted)

Name: Kevin Wilson (Retired 1 January 2022)
Title: Non-Executive Chair
Qualifications: BSc (Hons), ARSM, MBA
Experience and expertise: Kevin has over 30 years' knowledge and experience in the minerals and finance industries. Previously Kevin was the Managing Director of Rey Resources Limited (ASX: REY), an Australian energy exploration company, from 2008 to 2016 and Leviathan Resources Limited, a Victorian gold mining company, from its initial public offering in 2005 through to its sale in 2006.

He has prior experience as a geologist with the Anglo American Group in Africa and North America and as a stockbroking analyst and investment banker with CS First Boston and Merrill Lynch in Australia and USA. Mr Wilson currently serves as Non-Executive Chair of Navarre Minerals Limited (ASX: NML) and Non-Executive Director of Los Cerros Limited (Previously Metminco Limited) (ASX: MNC).

Other current directorships: Navarre Minerals Limited and Los Cerros Limited.

Former directorships (last 3 years): None

Interests in shares: Nil
Interests in options: 2,000,000 (unlisted)

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Investigator Resources Limited
Directors' report
30 June 2022

Company Secretaries
Ms Melanie Leydin

Ms Melanie Leydin resigned as Company Secretary on 31 October 2021 and continues in her capacity as Chief Financial Officer. Ms Leydin graduated from Swinburne University in 1997, became a Chartered Accountant in 1999 and since February 2000 has been the principal of chartered accounting firm. Upon the merger of Leydin Freyer with Vistra in November 2021, Ms Leydin is the country head of Vistra Australia. Ms Leydin has over 25 years' experience in the accounting profession and has extensive experience in relation to public company responsibilities, including ASX and ASIC compliance, control and implementation of corporate governance, statutory financial reporting, reorganisation of Companies and shareholder relations and is a director and company secretary for a number of entities listed on the Australian Securities Exchange.

Anita Addorisio

Ms Addorisio is an experienced finance professional with over 20 years' senior finance experience and more than 7 years ASX listed company secretary experience across several industry sectors including resources. She has extensive experience in relation to public company responsibilities, including ASX and ASIC compliance. Anita is a Fellow of CPA and the Governance Institute, and holds a Masters in Accounting.

Meetings of Directors

The number of meetings of the company's Board of Directors (the Board) held during the year ended 30 June 2022, and the number of meetings attended by each Director were:

	Full Board	
	Attended	Held*
R. Hillis	4	4
A. McIlwain	9	9
A. Shearer	9	9
K. J. Wilson	5	5

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

Due to its size and activities the Company does not have separate Board committees.

Remuneration report (audited)

The remuneration report details the Key Management Personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key Management Personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all Directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to Key Management Personnel

Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors (the Board) ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive Director and executive Director remuneration is separate.

Non-Executive Directors remuneration

Fees and payments to Non-Executive directors reflect the demands and responsibilities of their role. Non-Executive directors' fees and payments are reviewed periodically by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The Chair's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The Chair is not present at any discussions relating to the determination of his own remuneration.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The last determination was at the Annual General Meeting held on 18 November 2013, where the shareholders approved a maximum annual aggregate remuneration of \$500,000.

Investigator Resources Limited

Directors' report

30 June 2022

Fees payable to the Chair during FY22 were \$70,000 per annum (including superannuation). Fees paid to the other Non-Executive Directors were \$40,000 per annum. Following external benchmarking in FY22, the fees increased to \$75,000 per annum for the Chair (including superannuation) with effect 1 July 2022 and \$50,000 per annum to other Non-Executive Directors with effect 1 January 2022.

Managing Director

The base salary of \$350,000 per annum plus statutory superannuation and annual short-term incentives of up to 30% of Annual Salary structured with the quantum to be assessed in accordance with KPI's to be agreed by the Board and the Managing Director. Long term incentives of 15 million Performance Rights in 3 tranches to vest against service, performance and share price conditions over 3 years.

Following external benchmarking in FY22, the Managing Director's base salary increased from \$275,000 to \$350,000 with effect from 1 April 2022 to align executive salaries with comparable roles in the market.

Executive remuneration

The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive.

The short-term incentives (STI) are payable to Executives based upon the attainment of agreed corporate and individual milestones and are reviewed and approved by the Board of Directors. During the year, \$84,563 STI was paid to Mr Andrew McIlwain and \$27,255 was awarded to Mr Jason Murray on achievement of annual short-term incentive KPI's.

The long-term incentives (LTI) include long service leave and share-based payments. Executives are issued with equity instruments as LTIs in a manner that aligns this element of remuneration with the creation of shareholder wealth. LTI grants are made to Executives who are able to influence the generation of shareholder wealth and thus have a direct impact on the creation of shareholder wealth. During the year, no equity instruments were issued to the Executives as LTI.

Consolidated entity performance and link to remuneration

The Company is a minerals exploration entity and as such there is no direct relationship between the remuneration policy and the Company's financial performance.

Share prices at the end of the current financial year and the previous four financial years were:

	2022	2021	2020	2019	2018
Share price (cents per share)	3.7	8.1	1.7	1.1	1.1

Share prices are subject to market sentiment and the international metal prices which may move independently of the performance of the Key Management Personnel

Investigator Resources Limited
Directors' report
30 June 2022

Use of remuneration consultants

Remuneration consultants are engaged from time to time to provide independent information and guidance on remuneration for Directors and the Executive Team. The independent consultants facilitate discussion, conduct external benchmarking, and provide commentary on a number of remuneration issues and structures. Any advice provided by independent consultants is used as a guide and is not a substitute for the considerations and procedures of the Board.

During FY22, recognising the tightening labour market and challenges to secure and retain key personnel, the Directors engaged an independent Remuneration Consultant to conduct an external benchmarking exercise reviewing both Director fees and Key Management Personnel remuneration packages. In conjunction with this remuneration benchmarking, the Consultant provided insight to the broader market and trends for consideration by the Board. As a consequence of this review, Director Fees and the Managing Director's remuneration arrangements were reviewed.

Voting and comments made at the company's 24 November 2021 Annual General Meeting (AGM)

At the 24 November 2021 AGM, 97.33% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2021. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration

Details of the remuneration of KMP of the consolidated entity are set out in the following tables.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Remuneration consisting of options	
	Cash salary and fees	Cash bonus	Termination payment	Super-annuation	Long service leave	Equity-Settled ¹	Total	%
30 June 2022	\$	\$	\$	\$	\$	\$	\$	%
<i>Non-Executive Directors:</i>								
R. Hillis*	31,818	-	-	3,182	-	70,540	105,540	67%
A. Shearer	40,909	-	-	4,091	-	-	45,000	-
K. Wilson**	29,545	-	-	2,955	-	-	32,500	-
<i>Executive Directors:</i>								
A. McIlwain***	293,750	84,563	-	29,375	-	68,508	476,196	14%
<i>Other Key Management Personnel:</i>								
J. Murray****	230,000	27,255	-	23,000	8,669	-	288,924	-
	<u>626,022</u>	<u>111,818</u>	<u>-</u>	<u>62,603</u>	<u>8,669</u>	<u>139,048</u>	<u>948,160</u>	

* R. Hillis was appointed as Non-Executive Chair on 1 January 2022.

** K. Wilson resigned as Non-Executive Chair on 1 January 2022.

*** Cash bonus paid to A McIlwain on achievement of annual short-term incentive KPI's.

**** The bonus of \$27,255 to J Murray was payable as at 30 June 2022 on achievement of annual short-term incentive KPI's.

¹Equity-settled share-based payments in the table above represents the valuation of the options and/or performance rights granted to the relevant KMP, as required by Accounting Standard AASB 2- Share-based Payment to be accounted as the cost to the company. The amount disclosed for equity-settled share-based payments represents the accounting valuation recognised as cost to the company during the year as disclosed in Note 35 and does not represent cash remuneration to the KMP.

Investigator Resources Limited
Directors' report
30 June 2022

30 June 2021	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Remuneration consisting of options	
	Cash salary and fees \$	Cash bonus \$	Termination payment \$	Super-annuation \$	Long service leave \$	Equity-Settled ¹ \$	Total \$	%
<i>Non-Executive Directors:</i>								
D. Ransom*	1,588	-	-	151	-	-	1,739	-
K. Wilson	58,371	-	-	5,545	-	-	63,916	-
A. Shearer**	35,338	-	-	3,357	-	69,140	107,835	64%
<i>Executive Directors:</i>								
A. McIlwain***	270,417	34,375	-	25,690	-	122,037	452,519	27%
<i>Other Key Management Personnel:</i>								
J. Murray****	254,086	-	-	24,138	13,547	-	291,771	-
	<u>619,800</u>	<u>34,375</u>	<u>-</u>	<u>58,881</u>	<u>13,547</u>	<u>191,177</u>	<u>917,780</u>	

* D. Ransom resigned as Non-Executive Director on 14 July 2020.

** A. Shearer was appointed as Non-Executive Director on 14 July 2020.

*** Cash bonus paid to A McIlwain on achievement of annual short-term incentive KPI's.

**** J. Murray was identified as KMP on his appointment as the Exploration Manager effective 1 August 2020.

¹Equity-settled share-based payments in the table above represents the valuation of the options and/or performance rights granted to the relevant KMP, as required by Accounting Standard AASB 2- Share-based Payment to be accounted as the cost to the company. The amount disclosed for equity-settled share-based payments represents the accounting valuation recognised as cost to the company during the year as disclosed in Note 35 and does not represent cash remuneration to the KMP.

Service agreements

Remuneration and other terms of employment for Key Management Personnel are formalised in service agreements. Details of these agreements are as follows:

Name: Richard Hillis
Title: Non-Executive Chair
Agreement commenced: 1 January 2022
Term of agreement: Annual Non-Executive Chair fees of \$70,000 per annum inclusive of superannuation contribution.

Name: Andrew Shearer
Title: Non-Executive Director
Agreement commenced: 14 July 2020
Term of agreement: Annual Non-Executive director's fees of \$40,000 per annum inclusive of superannuation until December 2021 and effective from 1 January 2022, annual director's fees of \$50,000 per annum inclusive of superannuation.

Investigator Resources Limited
Directors' report
30 June 2022

Name: Andrew McIlwain
Title: Managing Director
Agreement commenced: 1 October 2019
Term of agreement: Base salary of \$275,000 per annum till March 2022 and effective from 1 April 2022, base salary of \$350,000 per annum plus statutory superannuation and annual short-term incentives of up to 30% of Annual Salary structured with the quantum to be assessed in accordance with KPI's to be agreed by the Board and the Managing Director. Long term incentives of 15 million Performance Rights in 3 tranches to vest against service, performance and share price conditions over 3 years.
Notice period: Notice period of 3 months (both parties)

Name: Jason Murray
Title: Exploration Manager
Agreement commenced: 1 August 2020
Term of agreement: Base salary of \$230,000 per annum plus statutory superannuation and annual short-term incentives of up to 15% of annual salary upon the successful achievement of KPI's to be approved by the Managing Director and Board.
Notice period: Notice period of 1 Month (both parties).

KMP have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares

On 31 January 2022, 4,367,050 Fully Paid Ordinary Shares were issued to Mr Andrew McIlwain upon vesting of Performance Rights under the terms and conditions as approved by shareholders at the Annual General Meeting held 20 November 2019.

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of Directors and other Key Management Personnel in this financial year or future reporting years are as follows:

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
A. McIlwain*	10,000,000	20/11/2019	-	20/11/2022	\$0.035	\$0.008
J. Murray	6,000,000	20/11/2019	20/11/2019	20/11/2022	\$0.035	\$0.007
A. Shearer	2,000,000	13/08/2020	13/08/2020	20/11/2022	\$0.035	\$0.035
R. Hillis**	2,000,000	01/01/2022	01/01/2022	31/12/2024	\$0.097	\$0.035

* Options granted to Mr McIlwain vest on the satisfaction of a project acquisition deemed by the Board to be material to the Company.

** Unlisted options issued to Mr R. Hillis on 1 January 2022 as part of his appointment as Non-Executive Director.

All options were granted over unissued fully paid ordinary shares in the company. Employee Option Plan is part of the Company's reward strategy, which seeks to reward performance in support of the achievement of business objectives and share in the growth in value of the Company. The company issued the above options to the KMP on the following basis:

- (i) 10,000,000 options as approved by the shareholders on 28 November 2019 were issued to Mr McIlwain to be vested on satisfaction of a project acquisition deemed by the Board to be material to the Company.
- (ii) 6,000,000 options were issued to Mr Murray as part of company's remuneration policy to retain high calibre executives and towards his performance in aligning with shareholders' interest. These options vested immediately at the date of grant.
- (iii) Mr Shearer and Dr Hillis were each issued 2,000,000 options on their appointment as Non-Executive Director as part of company's remuneration policy to attract and retain high calibre directors and executives.

Options granted carry no dividend or voting rights.

Investigator Resources Limited
Directors' report
30 June 2022

The number of options over ordinary shares granted to and vested by Directors and other KMP as part of compensation during the year ended 30 June 2022 are set out below:

Name	Number of options granted during the year 30 June 2022	Number of options granted during the year 30 June 2021	Number of options vested during the year 30 June 2022	Number of options vested during the year 30 June 2021
A. Shearer	-	2,000,000	-	2,000,000
R. Hillis	2,000,000	-	2,000,000	-

Performance rights

In December 2019, the Company issued 15,000,000 performance rights to Andrew McIlwain (Managing Director) vesting upon meeting performance conditions. The fair value of the performance rights, the vesting conditions of which meet the definition of a market condition, was determined using the Hoadley Barrier1 trinomial option valuation model. The fair value of the performance rights the vesting conditions of which do not meet the definition of a market condition, was determined using Hoadley ESO2 valuation model. During the year ended 30 June 2021, 5,000,000 performance rights vested upon meeting performance conditions. The company issued 5,000,000 shares on the exercise of these performance rights at nil exercise price.

During the year ended 31 June 2022, 4,367,050 performance rights vested upon meeting performance rights, the company issued 4,367,050 shares on the exercise of these performance rights at nil exercise price. 632,950 performance rights expired and were not converted to Fully Paid Ordinary Shares. As at 30 June 2022, 5,000,000 performance rights remained unvested (30 June 2021: 10,000,000), the performance conditions of which are as below:

Performance Rights	Expiry Date	Vesting Conditions
1,666,666	31 January 2023	Service vesting condition: vest upon continuous service for the period to 31 December 2022.
1,666,666	31 January 2023	Performance vesting condition: vest upon workplan being delivered to budget for 31 December 2022.
1,666,666	31 January 2023	Share price vesting condition: vest upon target share price of \$0.0550 (based on 30-day VWAP).

Additional disclosures relating to Key Management Personnel

Shareholding

The number of shares in the company held during the financial year by each Director and other members of Key Management Personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Other/ Disposal	Balance at the end of the year
Ordinary shares					
A. McIlwain*	6,100,000	-	4,367,050	-	10,467,050
J. Murray	312,500	-	-	-	312,500
	<u>6,412,500</u>	<u>-</u>	<u>4,367,050</u>	<u>-</u>	<u>10,779,550</u>

* 4,367,050 shares were issued upon vesting of 4,367,050 performance rights during the year.

Investigator Resources Limited
Directors' report
30 June 2022

Option holding

The number of options over ordinary shares in the company held during the financial year by each Director and other members of Key Management Personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Other	Balance at the end of the year
<i>Options over ordinary shares</i>					
A. McIlwain	10,000,000	-	-	-	10,000,000
K. Wilson*	2,000,000	-	-	(2,000,000)	-
A. Shearer	2,000,000	-	-	-	2,000,000
J. Murray	6,000,000	-	-	-	6,000,000
R. Hillis**	-	2,000,000	-	-	2,000,000
	<u>20,000,000</u>	<u>2,000,000</u>	<u>-</u>	<u>(2,000,000)</u>	<u>20,000,000</u>

* K. Wilson resigned as Non-Executive Chair effective 1 January 2022. The balance presented under Other represents the number of options held by K. Wilson at the time of resignation.

** Unlisted options issued to Dr R. Hillis on 1 January 2022 as part of his appointment as Non-Executive Director and Chair.

Transactions with related parties

The following transactions occurred with the related parties:

Other income:	30 June 2022	30 June 2021
	\$	\$
Shares issued by Osmond Resources Ltd*	<u>231,500</u>	<u>-</u>

*On 18 October 2021, the Company entered into a two stage Earn-In exploration program with Osmond whereby Osmond issued 200,000 shares to the Company upon signing the Term Sheet for the Earn-In and Joint Venture Agreement (Agreement) for exploration of certain tenements held by the consolidated entity. A further 900,000 Osmond shares were issued to the Company upon the successful listing of Osmond on the ASX. under the terms of the Agreement.

Mr Andrew Shearer, Non-Executive Director of Investigator Resources Limited is also Executive Director and Chief Executive Officer of Osmond Resources Limited. Refer to Note 31 for further details on the Earn-In and Joint Venture Agreement with Osmond.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

This concludes the remuneration report, which has been audited.

Investigator Resources Limited
Directors' report
30 June 2022

Shares under option

Unissued ordinary shares of Investigator Resources Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
20 November 2019*	20 November 2022	\$0.035	22,000,000
13 August 2020	20 November 2022	\$0.035	2,000,000
1 January 2022**	31 December 2024	\$0.097	2,000,000
			<u>26,000,000</u>

* Unlisted options

** Unlisted options issued to Dr R. Hillis on 1 January 2022 as part of his appointment as Non-Executive Chair.

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

Shares issued on the exercise of options

There were no ordinary shares of Investigator Resources Limited issued on the exercise of options during the year ended 30 June 2022 and up to the date of this report.

Indemnity and insurance of officers

The company has indemnified the Directors and executives of the company for costs incurred, in their capacity as a Director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the Directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in Note 26 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in Note 26 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

**Investigator Resources Limited
Directors' report
30 June 2022**

Auditor's independence declaration

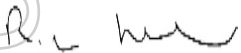
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

Auditor

Grant Thornton Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

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



Richard Hillis
Chair

9 September 2022

For personal use only

Grant Thornton Audit Pty Ltd
Grant Thornton House
Level 3
170 Frome Street
Adelaide SA 5000
GPO Box 1270
Adelaide SA 5001
T +61 8 8372 6666

Auditor's Independence Declaration

To the Directors of Investigator Resources Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Investigator Resources Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



I S Kemp
Partner – Audit & Assurance

Adelaide, 9 September 2022

www.grantthornton.com.au
ACN-130 913 594

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Investigator Resources Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2022

		Consolidated	
	Note	30 June 2022 \$	30 June 2021 \$
Other income	5	234,279	70,000
Interest income		41,208	48,791
Expenses			
Employee benefit expenses	6	(608,352)	(529,902)
Administrative expenses	7	(830,975)	(647,899)
Exploration and evaluation expenses written off		<u>(2,970,065)</u>	<u>(920,300)</u>
Loss before income tax expense		(4,133,905)	(1,979,310)
Income tax expense	8	-	-
Loss after income tax expense for the year attributable to the owners of Investigator Resources Limited		(4,133,905)	(1,979,310)
Other comprehensive loss			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Gain on the revaluation of financial assets at fair value through other comprehensive income, (net of tax-nil)		<u>(44,500)</u>	-
Other comprehensive loss for the year, net of tax		<u>(44,500)</u>	-
Total comprehensive loss for the year attributable to the owners of Investigator Resources Limited		<u><u>(4,178,405)</u></u>	<u><u>(1,979,310)</u></u>
		Cents	Cents
Basic loss per share	34	(0.31)	(0.17)
Diluted earnings per loss	34	(0.31)	(0.17)

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

Investigator Resources Limited
Statement of financial position
As at 30 June 2022

		Consolidated	
	Note	30 June 2022 \$	30 June 2021 \$
Assets			
Current assets			
Cash and cash equivalents	9	6,221,599	11,586,925
Trade and other receivables	10	100,881	30,519
Inventories	11	27,387	26,424
Prepayments		11,420	111,016
Total current assets		<u>6,361,287</u>	<u>11,754,884</u>
Non-current assets			
Financial asset at fair value through other comprehensive income	12	187,000	-
Property, plant and equipment		15,136	7,960
Right-of-use assets	13	139,847	116,299
Exploration and evaluation	14	23,117,112	21,214,246
Other assets	15	116,760	116,760
Total non-current assets		<u>23,575,855</u>	<u>21,455,265</u>
Total assets		<u>29,937,142</u>	<u>33,210,149</u>
Liabilities			
Current liabilities			
Trade and other payables	16	999,340	600,697
Lease liabilities	17	61,146	31,061
Provisions	18	372,296	236,070
Total current liabilities		<u>1,432,782</u>	<u>867,828</u>
Non-current liabilities			
Lease liabilities	19	80,786	83,391
Provisions		12,000	-
Total non-current liabilities		<u>92,786</u>	<u>83,391</u>
Total liabilities		<u>1,525,568</u>	<u>951,219</u>
Net assets		<u>28,411,574</u>	<u>32,258,930</u>
Equity			
Issued capital	20	70,736,800	70,350,184
Reserves	21	312,382	421,737
Accumulated losses		<u>(42,637,608)</u>	<u>(38,512,991)</u>
Total equity		<u>28,411,574</u>	<u>32,258,930</u>

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

Investigator Resources Limited
Statement of changes in equity
For the year ended 30 June 2022

Consolidated	Issued capital \$	Share option Reserves \$	Financial asset Reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2020	55,348,547	403,642	-	(36,561,323)	19,190,866
Loss after income tax expense for the year	-	-	-	(1,979,310)	(1,979,310)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(1,979,310)	(1,979,310)
Shares issued	15,264,782	-	-	-	15,264,782
Share issue cost	(679,623)	-	-	-	(679,623)
Options issued to Fundraising Manager	-	271,040	-	-	271,040
Options issued to Key Management Personnel and employees	-	95,781	-	-	95,781
Share based expense related to performance rights	-	95,394	-	-	95,394
Lapse of options	-	(27,642)	-	27,642	-
Exercise of options	416,478	(416,478)	-	-	-
Balance at 30 June 2021	<u>70,350,184</u>	<u>421,737</u>	<u>-</u>	<u>(38,512,991)</u>	<u>32,258,930</u>

Consolidated	Issued capital \$	Share option Reserves \$	Financial asset Reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2021	70,350,184	421,737	-	(38,512,991)	32,258,930
Loss after income tax expense for the year	-	-	-	(4,133,905)	(4,133,905)
Other comprehensive loss for the year, net of tax	-	-	(44,500)	-	(44,500)
Total comprehensive loss for the year	-	-	(44,500)	(4,133,905)	(4,178,405)
Shares issued	192,000	-	-	-	192,000
Options issued to Key Management Personnel and employees	-	97,182	-	-	97,182
Share based expense related to performance rights	-	41,867	-	-	41,867
Exercise of options	130,520	(130,520)	-	-	-
Exercise of performance rights	64,096	(64,096)	-	-	-
Lapse of performance rights	-	(9,288)	-	9,288	-
Balance at 30 June 2022	<u>70,736,800</u>	<u>356,882</u>	<u>(44,500)</u>	<u>(42,637,608)</u>	<u>28,411,574</u>

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

Investigator Resources Limited
Statement of cash flows
For the year ended 30 June 2022

	Note	Consolidated	
		30 June 2022 \$	30 June 2021 \$
Cash flows from operating activities			
Payments to suppliers and employees		(1,099,291)	(944,892)
Interest received		38,019	46,519
COVID-19 support		-	50,000
Other income		2,779	22,000
Net cash used in operating activities	33	<u>(1,058,493)</u>	<u>(826,373)</u>
Cash flows from investing activities			
Exploration expenditure		(4,249,178)	(4,839,490)
Payments for property, plant and equipment		(12,200)	(10,943)
Payments for security deposits		-	(92,558)
Payment of JV contribution received in advance		(237,455)	-
Net cash used in investing activities		<u>(4,498,833)</u>	<u>(4,942,991)</u>
Cash flows from financing activities			
Proceeds from issue of shares	20	192,000	8,000,000
Proceeds from exercising options		-	7,264,782
Share issue transaction costs		-	(408,583)
Net cash from financing activities		<u>192,000</u>	<u>14,856,199</u>
Net increase/(decrease) in cash and cash equivalents		(5,365,326)	9,086,835
Cash and cash equivalents at the beginning of the financial year		<u>11,586,925</u>	<u>2,500,090</u>
Cash and cash equivalents at the end of the financial year	9	<u><u>6,221,599</u></u>	<u><u>11,586,925</u></u>

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

Investigator Resources Limited
Notes to the financial statements
30 June 2022

Note 1. General information

The financial statements cover Investigator Resources Limited as a consolidated entity consisting of Investigator Resources Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Investigator Resources Limited's functional and presentation currency.

Investigator Resources Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

47 King Street, Norwood SA 5067

Principal place of business

47 King Street, Norwood SA 5067

A description of the nature of the consolidated entity's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 9 September 2022. The Directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out either in the respective notes or below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity 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.

Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

Going Concern

These financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business. This includes the realisation of capitalised exploration expenditure of \$23,117,112 (30 June 2021: \$21,214,246).

The consolidated group has incurred a net loss after tax for the year ended 30 June 2022 of \$4,133,905 (30 June 2021: \$1,979,310) and operations were funded by a net cash outflow, from operating and investing activities of \$5,557,326 (30 June 2021: net cash outflow of \$5,769,364). At 30 June 2022, the consolidated group had net current assets of \$4,928,505 (June 2021: net current assets of \$10,887,056).

Note 2. Significant accounting policies (continued)

The consolidated group's ability to continue as a going concern is contingent on raising additional capital and/or the successful exploration and subsequent exploitation of its areas of interest through sale or development. Should the consolidated entity not achieve the matters set out above, there would then be significant uncertainty over the ability of the consolidated entity to continue as a going concern, and, therefore, it may have to realise its assets and extinguish its liabilities, other than in the ordinary course of business and at amounts different from those stated in the 2022 annual financial report.

The 2022 annual financial report does not include any adjustments that may be necessary if the consolidated group is unable to continue as a going concern.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in Note 29.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Investigator Resources Limited (company or parent entity) as at 30 June 2022 and the results of all subsidiaries for the year then ended. Investigator Resources Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Note 2. Significant accounting policies (continued)

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled, and it is probable that the temporary difference will not reverse in the foreseeable future.

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.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

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

Deferred tax assets and liabilities are always classified as non-current.

Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The consolidated entity has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications.

Impairment of non-financial assets

Non-financial assets 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.

Note 2. Significant accounting policies (continued)

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Farm-out arrangements

A farm-out arrangement involves the consolidated entity agreeing to provide a working interest in its tenements to a third party (the farmee), provided that the farmee incurs certain expenditures on those tenements to earn that interest. The consolidated entity uses the carrying amount of the tenements before the farm-out as the carrying amount for the portion of the interest retained. The consolidated entity credits any cash consideration received against the carrying amount, with any excess included as a gain in profit or loss. The consolidated entity does not record exploration expenditures on the tenements made by the farmee.

Goods and Services Tax (GST) and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Income tax

The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Exploration and evaluation costs

Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Note 4. Operating segments

Identification of reportable operating segments

The Board has considered the requirements of AASB 8 Operating Segments and the internal reports that are reviewed by the Board in allocating resources and has concluded at this time that there are no separately identifiable segments.

Note 5. Other income

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
COVID-19 support-government cashflow boost	-	50,000
Other income	234,279	20,000
	<u>234,279</u>	<u>70,000</u>

Other income of \$234,279 for the year ended 30 June 2022 includes \$231,500 of shares issued by Osmond Resources Limited as part of binding Term Sheet entered with the consolidated entity during the year. Refer to note 12 for details.

Note 6. Employee benefit expenses

	Consolidated	
	30 June 2022	30 June 2021
Benefits provided to employees	1,297,424	1,017,358
Share based employee expenses	139,048	191,177
	<u>1,436,472</u>	<u>1,208,535</u>
Less charged to exploration and evaluation expenses	<u>(828,120)</u>	<u>(678,633)</u>
	<u>608,352</u>	<u>529,902</u>

Investigator Resources Limited
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Note 7. Administrative expenses

	Consolidated	
	30 June	30 June
	2022	2021
	\$	\$
Audit fees	51,525	36,725
Other professional services paid to related entities of the auditor	10,300	10,210
Accounting and company secretarial fees	123,011	121,500
Depreciation	11,966	18,295
Director's fees	111,363	107,804
Insurance and legal	135,382	78,637
Minimum lease rental payment	1,569	17,709
Shareholders communications	111,494	139,509
Office expenses	242,036	105,112
Other expenses	32,329	12,398
	<u>830,975</u>	<u>647,899</u>

Note 8. Income tax expense

	Consolidated	
	30 June	30 June
	2022	2021
	\$	\$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(4,133,905)	(1,979,310)
Tax at the statutory tax rate of 25% (2021: 26%)	(1,033,476)	(514,621)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Adjustment for non-deductible expenses	20,215	62,944
Effects due to distribution of JMEI credits	(1,013,261)	(451,677)
Deductible capital raising costs	256,462	-
Allowable exploration and evaluation expenditure	(62,786)	(65,122)
Prior period exploration and evaluation expenses written off	(1,228,177)	(1,296,158)
Net non-allowable expenses	742,516	239,278
Effects due to change in company tax rate	95,200	8,999
Application of AASB 16 Lease standard	543,392	787,814
Tax effect of temporary differences not brought to account	983	(179)
	<u>665,671</u>	<u>777,045</u>
Income tax expense	<u>-</u>	<u>-</u>

	Consolidated	
	30 June	30 June
	2022	2021
	\$	\$
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	(63,638,343)	(58,613,529)
Potential tax benefit @ 25% (2021: 26%)	<u>(15,909,586)</u>	<u>(15,239,518)</u>

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

Investigator Resources Limited
Notes to the financial statements
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Note 9. Current assets - cash and cash equivalents

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
Cash at bank	2,221,599	4,586,925
Cash on deposit	4,000,000	7,000,000
	<u>6,221,599</u>	<u>11,586,925</u>

At balance date, the Company has a business credit card facility with a limit of \$50,000. Credit card transactions are reconciled monthly and credit card balances payable are included in trade and other payables.

Accounting policy for cash and cash equivalents

Cash and cash equivalents include 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.

Note 10. Current assets - trade and other receivables

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
GST receivable	95,420	28,249
Other receivables	5,461	2,270
	<u>100,881</u>	<u>30,519</u>

Accounting policy for trade and other receivables

Trade, GST and other receivables are recognised initially at fair value and subsequently measured at amortised cost using effective interest method less any allowance for expected credit losses. These are generally due for settlement within 30 days.

Note 11. Current assets - inventories

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
Diesel fuel	<u>27,387</u>	<u>26,424</u>

Accounting policy for inventories

Inventories is stated at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Investigator Resources Limited
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Note 12. Non-current assets - Financial asset at fair value through other comprehensive income

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
Ordinary shares in Osmond Resources Ltd	<u>187,000</u>	<u>-</u>
<i>Reconciliation</i>		
Reconciliation of the carrying amounts at the beginning and end of the current and previous financial year are set out below:		
Opening fair value	-	-
Additions	231,500	-
Revaluation decrements	<u>(44,500)</u>	<u>-</u>
Closing fair value	<u>187,000</u>	<u>-</u>

On 18 October 2021, Kimba Minerals Pty Ltd, a wholly owned subsidiary of the Company entered into a binding Terms Sheet with Osmond Resources Ltd exploration on Fowler Domain tenements held by Kimba Minerals Pty Ltd. Upon signing the Term Sheet, the Company were issued 200,000 shares (at a deemed issue price of \$0.1 per share). On 13 April 2022, further 900,000 (at a deemed IPO price of \$0.2 per share) shares were issued to the Company upon listing of Osmond Resources Limited. These investment in shares is classified as level 1 in fair value measurement hierarchy as Osmond Resources Limited is listed on Australian Securities Exchange (ASX: OSM). As at 30 June 2022, the investment in shares is fair value based on the quoted market price of \$0.17 per share at \$187k. As the time of initial recognition, the company has made an irrevocable election for these investments to present subsequent changes in fair value in other comprehensive income.

Note 13. Non-current assets - right-of-use assets

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
Office premises - right-of-use	<u>139,847</u>	<u>116,299</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	Office premises right-of-use \$	Total \$
Balance at 1 July 2020	113,137	113,137
Additions	104,143	104,143
Depreciation expense	<u>(100,981)</u>	<u>(100,981)</u>
Balance at 30 June 2021	116,299	116,299
Additions	86,290	86,290
Depreciation expense	<u>(62,742)</u>	<u>(62,742)</u>
Balance at 30 June 2022	<u>139,847</u>	<u>139,847</u>

Investigator Resources Limited
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Note 13. Non-current assets - right-of-use assets (continued)

Accounting policy for right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Note 14. Non-current assets - exploration and evaluation

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
Exploration and evaluation Asset - at carrying value	<u>23,117,112</u>	<u>21,214,246</u>
	\$	\$
Opening balance - at carrying value	21,214,246	17,198,899
Capitalised exploration expenditure	4,872,931	4,935,647
Impairment	<u>(2,970,065)</u>	<u>(920,300)</u>
	<u>23,117,112</u>	<u>21,214,246</u>

A review of the consolidated entity's exploration licenses was undertaken as at 30 June 2022 and management's assessment was that exploration costs incurred on all exploration tenements/assets with the exception of the Silver Paris Project, Paris PFS and Paris DFS will be impaired due to not being recoverable from development or sale. The related exploration and evaluation assets have been written off which resulted in an impairment charge of \$2,970,065.

Accounting policy for exploration and evaluation assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale, or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Note 15. Non-current assets - other assets

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
Security deposits	<u>116,760</u>	<u>116,760</u>

Security deposits are held towards tenement applications and rental bond.

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Note 16. Current liabilities - trade and other payables

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
Trade payables	951,282	567,148
Sundry payables	48,058	33,549
	<u>999,340</u>	<u>600,697</u>

Refer to Note 23 for further information on financial instruments.

Accounting policy for trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at face value as they are less than 12-months maturity. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 17. Current liabilities - lease liabilities

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
Lease liability	61,146	31,061

Refer to note 23 for further information on financial instruments.

Note 18. Current liabilities - provisions

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
Annual leave	208,669	129,636
Long service leave	163,627	106,434
	<u>372,296</u>	<u>236,070</u>

Accounting policy for employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Investigator Resources Limited
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Note 19. Non-current liabilities - lease liabilities

	Consolidated	
	30 June	30 June
	2022	2021
	\$	\$
Lease liability	<u>80,786</u>	<u>83,391</u>

Refer to Note 23 for further information on financial instruments.

Accounting policy for lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Note 20. Equity - issued capital

	Consolidated			
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>1,332,313,657</u>	<u>1,323,946,607</u>	<u>70,736,800</u>	<u>70,350,184</u>

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Note 20. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares		\$
Balance	1 July 2020	845,657,612		55,348,547
Exercise of listed options	04 August 2020	191,791	\$0.035	6,713
Placement shares issued to professional and sophisticated investors	07 August 2020	183,333,333	\$0.030	5,500,000
Exercise of listed options	07 August 2020	1,500,000	\$0.035	52,500
Exercise of listed options	24 August 2020	38,358	\$0.035	1,343
Exercise of listed options	11 September 2020	38,358	\$0.035	1,343
Exercise of listed options	17 September 2020	244,038	\$0.035	8,541
Placement shares issued to professional and sophisticated investors	29 September 2020	83,333,334	\$0.030	2,500,000
Exercise of listed options	08 October 2020	27,778	\$0.035	972
Exercise of listed options	14 October 2020	14,400,000	\$0.035	504,000
Exercise of listed options	27 October 2020	219,569	\$0.035	7,685
Exercise of listed options	03 November 2020	2,857,143	\$0.035	100,000
Exercise of unlisted options	11 November 2020	3,000,000	\$0.036	167,760
Exercise of listed options	13 November 2020	1,143,849	\$0.035	40,035
Exercise of listed options	19 November 2020	3,293,861	\$0.035	115,285
Exercise of listed options	24 November 2020	3,912,348	\$0.035	136,932
Exercise of listed options	1 December 2020	9,290,962	\$0.035	325,184
Exercise of listed options	8 December 2020	22,016,181	\$0.035	770,566
Exercise of listed options	15 December 2020	30,151,490	\$0.035	1,055,302
Exercise of listed options	22 December 2020	38,535,216	\$0.035	1,348,733
Exercise of listed options	30 December 2020	54,911,124	\$0.035	2,123,847
Exercise of unlisted options	05 January 2021	17,754,367	\$0.035	621,402
Vesting of performance rights	31 January 2021	5,000,000	\$0.000	74,000
Exercise of unlisted options	2 February 2021	95,895	\$0.035	3,356
Exercise of unlisted options	4 February 2021	3,000,000	\$0.045	215,760
Share issue costs		-	\$0.000	(679,622)
Balance	30 June 2021	1,323,946,607		70,350,184
Exercise of unlisted options	3 December 2021	4,000,000	\$0.050	322,520
Vesting of performance rights	31 January 2022	4,367,050	\$0.000	64,096
Balance	30 June 2022	<u>1,332,313,657</u>		<u>70,736,800</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

Investigator Resources Limited
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Note 20. Equity - issued capital (continued)

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when the Directors consider that, from a capital management perspective, funding is required to support the Investigator's exploration and development strategies, or when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity has regularly informed the market that it will pursue additional investments that are value accretive.

The capital risk management policy remains unchanged from the 2021 Annual Report.

Accounting policy for issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 21. Equity - reserves

	Consolidated	
	30 June	30 June
	2022	2021
	\$	\$
Financial asset reserve	(44,500)	-
Share options reserve	356,882	421,737
	<u>312,382</u>	<u>421,737</u>

Financial assets reserve

The reserve is used to recognise increments and decrements in the fair value of financial assets at fair value through other comprehensive income.

Share options reserve

The share options reserve records items recognised as expenses on valuation of options. Refer to Note 35 for share-based payments made during the year ended 30 June 2022 and 30 June 2021.

Note 22. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 23. Financial instruments

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and ageing analysis for credit risk.

Risk management is carried out by senior finance executives (Finance) under policies approved by the Board of Directors (the Board). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

The consolidated entity's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable, accounts payable and loans to related parties.

Note 23. Financial instruments (continued)

Market risk

Foreign currency risk

The consolidated entity is not exposed to foreign currency risk through foreign exchange rate fluctuations.

Price risk

The consolidated entity is not exposed to any significant price risk.

Interest rate risk

The consolidated entity's main interest rate risk arises interest income it can potentially earn on surplus cash deposits. The Company has no interest-bearing borrowings from long-term borrowings and hence not exposed to any interest rate risk from related variable rates.

The consolidated entity has cash and cash equivalents totalling \$6,221,599 (2021: \$11,586,925). An official increase/decrease in interest rates of 0.1% (2021: 0.1%) basis points would have an adverse/favourable effect on profit before tax of \$6,222 (2021: \$11,587) per annum.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements

The credit risk for cash and cash equivalents is considered negligible as the consolidated entity invests its surplus funds with reputable Australian banks with high quality external credit ratings. The consolidated entity does not have any other material credit risk exposure to any single material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the consolidated entity.

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 30 June 2022	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade and other payables	-	972,085	-	-	-	972,085
<i>Interest-bearing</i>						
Lease liability	7.50%	70,400	60,775	23,925	-	155,100
Total non-derivatives		1,042,485	60,775	23,925	-	1,127,185

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Note 23. Financial instruments (continued)

Consolidated - 30 June 2021	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	567,148	-	-	-	567,148
<i>Interest-bearing</i>						
Lease liability	7.50%	61,810	38,500	28,875	-	129,185
Total non-derivatives		628,958	38,500	28,875	-	696,333

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 24. Fair value measurement

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Consolidated - 30 June 2022	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
Investment in Osmond Resources shares	187,500	-	-	187,500
Total assets	187,500	-	-	187,500

There were no transfers between levels during the financial year.

Accounting policy for fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

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Note 24. Fair value measurement (continued)

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Note 25. Key Management Personnel disclosures

Directors

The following persons were Directors of Investigator Resources Limited during the financial year:

K. Wilson - Non-Executive Chair (resigned effective 1 January 2022)
A. McIlwain - Managing Director
A. Shearer - Non-Executive Director
R. Hills - Non-Executive Chair (appointed effective 1 January 2022)

Other Key Management Personnel

The following person also had the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity, directly or indirectly, during the financial year:

J. Murray - Exploration Manager

Compensation

The aggregate compensation made to Directors and other members of Key Management Personnel of the consolidated entity is set out below:

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
Short-term employee benefits	737,840	654,175
Post-employment benefits	62,603	58,881
Long-term benefits	8,669	13,547
Share-based payments	139,048	191,177
	<u>948,160</u>	<u>917,780</u>

Note 26. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by, the auditor of the company:

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
<i>Audit services -</i> Audit or review of the financial statements	<u>51,525</u>	<u>36,725</u>
<i>Other services -</i> Tax compliance and advisory services	<u>10,300</u>	<u>10,210</u>
	<u>61,825</u>	<u>46,935</u>

Note 27. Commitments

The consolidated entity has certain obligations to perform exploration work and expend minimum amounts of money on such works on mineral exploration tenements.

These obligations will vary from time to time, subject to statutory approval. The terms of current and future joint ventures, the grant or relinquishment of licences and changes to licence areas at renewal or expiry, will alter the expenditure commitments of the consolidated entity. To keep tenements in good standing, work programs should meet certain minimum expenditure requirements. If the minimum expenditure requirements are not met, the Company has the option to negotiate new terms or relinquish the tenements. The Company also has the ability to meet expenditure requirements by joint venture or farm-in agreements.

Total expenditure commitments at balance date in respect of minimum expenditure requirements not provided for in the financial statements are approximately:

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
<i>Exploration Expenditure Commitments</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Not later than one year	229,614	1,069,723
Later than one year but not later than two years	1,340,603	446,554
	<u>1,570,217</u>	<u>1,516,277</u>

Note 28. Related party transactions

Parent entity

Investigator Resources Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in Note 30.

Farm-out Arrangements

Interests in Farm-out Arrangements are set out in Note 31

Key Management Personnel

Disclosures relating to Key Management Personnel are set out in Note 25 and the remuneration report included in the Directors' report.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

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Note 29. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	30 June 2022	30 June 2021
	\$	\$
Loss after income tax	(4,133,905)	(1,979,310)
Other comprehensive loss	(44,500)	-
Total comprehensive loss	(4,178,405)	(1,979,310)

Statement of financial position

	Parent	
	30 June 2022	30 June 2021
	\$	\$
Total current assets	6,361,287	11,754,884
Total assets	29,937,142	33,210,149
Total current liabilities	1,432,782	867,828
Total liabilities	1,525,568	951,219
Equity		
Issued capital	70,736,800	70,350,184
Financial asset reserve	(44,500)	-
Share options reserve	356,882	421,737
Accumulated losses	(42,637,608)	(38,512,991)
Total equity	28,411,574	32,258,930

Commitments for the parent entity are the same as those for the consolidated entity.

The parent entity has not entered into a deed of cross guarantee nor are there any contingent liabilities at year end.

Note 30. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 2:

Name	Principal place of business / Country of incorporation	Ownership interest	
		30 June 2022 %	30 June 2021 %
Sunthe Uranium Pty Ltd	Australia	100.00%	100.00%
Gilles Resources Pty Ltd	Australia	100.00%	100.00%
Silver Eyre Pty Ltd	Australia	100.00%	100.00%
Kimba Minerals Pty Ltd	Australia	100.00%	100.00%
Goyder Resources Pty Ltd	Australia	100.00%	100.00%
Gawler Resources Pty Ltd	Australia	100.00%	100.00%
Fram Resources Pty Ltd	Australia	100.00%	-

Note 30. Interests in subsidiaries (continued)

Fram Resources Pty Ltd was incorporated on 2 December 2021 as a separate entity to hold exploration licences if required.

Note 31. Interests in Farm-out Arrangements

(i) Osmond Resources Ltd

On 18 October 2021, Kimba Minerals Pty Ltd, a wholly-owned subsidiary of Investigator Resources Limited entered into a binding Terms Sheet with unlisted Osmond Resources Ltd for exploration on Fowler Domain tenements held by Kimba Minerals Pty Ltd. Under this agreement, Osmond will fund up to \$2.75 million in a two-stage Earn-In exploration program to explore Investigator's Fowler Domain tenement package over 6 years. Acknowledging the pre-listing status of Osmond, there were several considerations and conditions precedent, including the listing of Osmond on ASX by 29 March 2022. Osmond listed on the ASX 22 March 2022.

Under the Stage 1 Program, Osmond may earn a 51% Joint Venture interest in the Fowler Domain tenements subject to its spending of \$750,000 on exploration expenditure over 3 years. Osmond can further elect to proceed with the Stage-2 Earn-In by spending up to an additional \$2 million of exploration expenditure over a further 3 years for a further 29% interest in the Fowler Domain tenements.

Post satisfactory completion of Stage 2, and with Osmond Fowler Domain having earned an 80% Joint Venture interest, Investigator's 20% interest will be free carried through to completion of a Pre-Feasibility Study. Once completed, Investigator may elect to either fund further exploration and development costs on a pro-rata basis, or dilute. If Investigator's Joint Venture dilutes to 5%, the interest will convert to a 1% net smelter return royalty.

At the date of this report Osmond Resources is yet to commence fieldwork on the Fowler Domain project and holds a 0% interest under the terms of the agreement.

(ii) DGO Gold Ltd

At the date of this report, the Company is under a Heads of Agreement with Yandan Gold Mines, a wholly-owned subsidiary of DGO Gold Ltd for exploration on tenements EL6643, EL6642, EL6641, EL6640 and EL6402 held by Gawler Resources Pty Ltd. DGO Gold Ltd was acquired by Gold Road Resources Ltd (ASX:GOR) in July 2022.

On 18 September 2020, Gawler Resources Pty Ltd, a wholly owned subsidiary of Investigator Resources Limited entered into a Heads of Agreement with Yandan Gold Mines Pty Ltd (Yandan), a wholly owned subsidiary of DGO Gold Ltd for exploration on tenements EL6643, EL6642, EL6641, EL6640 and EL6402 (Tenements) held by Gawler Resources Pty Ltd. Under this agreement, Yandan have satisfactorily completed the expenditure of the minimum \$350,000 on exploration activities under Stage 1 Commitment.

Following the satisfactory completion of the Stage 1 Commitment, Yandan indicated its intention to progress to a 51% joint venture by funding a further \$2 million under the Stage 2 Commitment within 24 months of the completion of Stage 1 Commitment. As of 30 June 2022, Yandan has completed Stage 1 Commitment and as funded approximately \$1.5 million out of the \$2 million funding under Stage 2 Commitment. The funding under stage 2 is still in progress.

Upon meeting the Stage 2 Commitment, Yandan will be entitled to a 51% interest in the Tenements upon which a Joint Venture agreement will be executed.

Upon commencement of Joint Venture, Yandan can elect to earn-in a further 29% interest in the Tenements through completing the Stage 3 Commitment, under which Yandan must spend a further \$4 million on exploration on or before the second anniversary of the Joint Venture Commencement Date. Upon meeting the Stage 3 Commitment, an additional 29% interest in the tenements will be transferred to Yandan for a total Joint Venture interest of 80%.

Note 32. Events after the reporting period

No matter or circumstance has arisen since 30 June 2022 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.

Investigator Resources Limited
Notes to the financial statements
30 June 2022

Note 33. Cash flow information

Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
Loss after income tax expense for the year	(4,133,905)	(1,979,310)
Adjustments for:		
Depreciation and amortisation	5,023	3,651
Other income- value of shares issued by Osmond Ltd	(231,500)	-
Employee options expense	139,048	191,177
Exploration expenditure written off	2,970,065	920,300
AASB 16 adjustment	379	52
Change in operating assets and liabilities:		
(Increase)/Decrease in trade and other receivables	(3,189)	(2,272)
(Increase)/Decrease in other assets	29,797	(66,290)
(Decrease)/Increase in Provisions - current	148,226	35,321
(Decrease)/Increase in creditors and accruals	17,563	70,998
Net cash used in operating activities	<u>(1,058,493)</u>	<u>(826,373)</u>

Note 34. Earnings per share

	Consolidated	
	30 June 2022	30 June 2021
	\$	\$
Loss after income tax attributable to the owners of Investigator Resources Limited	<u>(4,133,905)</u>	<u>(1,979,310)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>1,328,055,625</u>	<u>1,186,699,315</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>1,328,055,625</u>	<u>1,186,699,315</u>
	Cents	Cents
Basic loss per share	(0.31)	(0.17)
Diluted earnings per loss	(0.31)	(0.17)

Accounting policy for earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Investigator Resources Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Investigator Resources Limited
Notes to the financial statements
30 June 2022

Note 35. Share-based payments

Share based payments expense during the period is \$139,048 (30 June 2021: \$191,177) which relates to performance rights and options issued to KMP and other employees of the Company.

Unlisted Options

On 1 January 2022, 2,000,000 unlisted fully vested options (exercisable at \$0.097, expiring 31 December 2024) were issued to Dr Richard Hillis, Non-Executive Chair, as part of his sign-on package.

The fair value of the options was determined as of \$70,540 using the Black Scholes option pricing model using the following inputs:

Weighted average share price at date of grant (\$)	0.070
Weighted average exercise price (\$)	0.097
Weighted average volatility %	91%
Weighted average risk-free rate %	0.54%
Days to expiry	915
Fair value of option \$	70,540

On 3 December 2021, the Company issued 4,000,000 fully paid ordinary shares to Canaccord Genuity on exercise of 4,000,000 unlisted options exercisable at \$0.048.

Details of unlisted share options on issue to Key Management Personnel (KMP) and other employees and weighted average exercise prices were as follows:

	KMP	KMP	Employees/ Others	Employees/ Others
	No. of Options	Weighted average exercise price	No. of Options	Weighted average exercise price
Outstanding at 30 June 2020	12,000,000	0.035	10,000,000	0.035
Granted / Issued	2,000,000	0.035	-	-
Reclassification*	6,000,000	0.035	(6,000,000)	0.035
Outstanding at 30 June 2021	20,000,000	0.035	4,000,000	0.035
Granted / Issued	2,000,000	0.097	-	-
Reclassification**	(2,000,000)	0.035	2,000,000	0.035
Outstanding at 30 June 2022	20,000,000	0.041	6,000,000	0.035

* Change in classification of options due to J. Murray was identified as KMP on his appointment as the Exploration Manager effective 1 August 2020.

** Change in classification of options due to K. Wilson resigned as Non-Executive Chair effective 1 January 2022 and cease to be a KMP.

Performance rights

In December 2019, the Company issued 15,000,000 performance rights to Andrew McIlwain (Managing Director) vesting upon meeting performance conditions. The fair value of the performance rights, the vesting conditions of which meet the definition of a market condition, was determined using the Hoadley Barrier1 trinomial option valuation model. The fair value of the performance rights the vesting conditions of which do not meet the definition of a market condition, was determined using Hoadley ESO2 valuation model. During the year ended 30 June 2021, 5,000,000 performance rights vested upon meeting performance conditions. The company issued 5,000,000 shares on the exercise of these performance rights at nil exercise price.

During the year ended 31 June 2022, 4,367,050 performance rights vested upon meeting performance rights, the company issued 4,367,050 shares on the exercise of these performance rights at nil exercise price. 632,950 performance rights expired and were not converted to Fully Paid Ordinary Shares.

Note 35. Share-based payments (continued)

As at 30 June 2022, 5,000,000 performance rights remained unvested (30 June 2021: 10,000,000), the performance conditions of which are as below:

Performance Rights	Expiry Date	Vesting Conditions
1,666,666	31 January 2023	Service vesting condition: vest upon continuous service for the period to 31 December 2022.
1,666,666	31 January 2023	Performance vesting condition: vest upon workplan being delivered to budget for 31 December 2022.
1,666,666	31 January 2023	Share price vesting condition: vest upon target share price of \$0.0550 (based on 30-day VWAP).

Accounting policy for share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

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.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited. If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Investigator Resources Limited
Directors' declaration
30 June 2022

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in Note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

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

On behalf of the Directors



Richard Hillis
Chair

9 September 2022

Independent Auditor's Report

To the Members of Investigator Resources Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Investigator Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

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

- a giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

Key audit matter	How our audit addressed the key audit matter
Exploration and evaluation assets – Note 14	
<p>At 30 June 2022, the carrying value of exploration and evaluation assets was \$23,117,112.</p> <p>In accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>, the Group is required to assess at each reporting date if there are any triggers for impairment that may suggest the carrying value is in excess of the recoverable value.</p> <p>The process undertaken by management to assess whether there are any impairment triggers in each area of interest involves an element of management judgement.</p> <p>This area is a key audit matter due to the significant judgement involved in determining the existence of impairment triggers.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> • Reviewing management’s area of interest considerations against AASB 6; • Conducting a detailed review of management’s assessment of trigger events prepared in accordance with AASB 6, including; <ul style="list-style-type: none"> – Tracing projects to exploration licenses and statutory registers to determine whether a right of tenure existed; – Enquiring management regarding their intentions to carry out exploration and evaluation activity in the relevant exploration area, including reviewing management’s budgeted expenditure; – Understanding whether any data exists to suggest that the carrying value of these exploration and evaluation assets are unlikely to be recovered through development or sale; • Assessing the accuracy of any impairment recorded for the year as it pertained to exploration interests; • Evaluating the competence, capabilities and objectivity of management’s experts in the evaluation of potential impairment triggers; and • Reviewing the appropriateness of the related financial statement disclosures.

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

The Directors are responsible for the other information. The other information comprises the information included in the Group’s annual report for the year ended 30 June 2022, but does not include the financial report and our auditor’s report thereon.

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

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

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

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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 Company's/Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company/Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/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 the Directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Investigator Resources Limited, for the year ended 30 June 2022 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.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

I S Kemp
Partner – Audit & Assurance

Adelaide, 9 September 2022

Investigator Resources Limited
Shareholder information
30 June 2022

The shareholder information set out below was applicable as at 26 August 2022.

DISTRIBUTION OF EQUITABLE SECURITIES

Analysis of number of equitable security holders by size of holding for holders of ordinary shares:

Range	Total holders	Units	% Units
1 - 1,000	242	22,021	0.00
1,001 - 5,000	353	1,219,116	0.09
5,001 - 10,000	681	5,556,277	0.42
10,001 - 100,000	2,798	117,950,778	8.85
100,001 Over	1,479	1,207,565,465	90.64
Total	5,553	1,332,313,657	100.00
Holdings less than Marketable parcel	1,394		

EQUITY SECURITY HOLDERS

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

Twenty Largest Shareholders

	Name	No. of shares	% Units
1	CITICORP NOMINEES PTY LIMITED	206,454,285	15.50
2	HSBC CUSTODY NOMINEES	19,662,544	1.48
3	SHIPSTERS INVESTMENTS PTY LTD <HEINRICH FAMILY A/C>	15,000,000	1.13
4	MR PETER DANIEL WILLSON	14,710,177	1.10
5	MRS LESLEY LORD	12,950,000	0.97
6	GREGMAL PROPERTY GROUP PTY LTD	12,710,633	0.95
7	RADELL PTY LTD <THE MACKAY FAMILY A/C>	12,449,951	0.93
8	MR ANDREW JOHN IGO	11,500,000	0.86
9	MAPT PTY LIMITED <MAPT FAMILY A/C>	10,726,125	0.81
10	MACFAC PTY LTD <MCILWAIN FAMILY S/FUND A/C>	10,467,050	0.79
11	CLANROBBO GROUP PTY LTD <ROBERTSON FAMILY S/F A/C>	10,125,000	0.76
12	JRMA GROUP PTY LTD <RICHARDS FAMILY A/C>	9,954,327	0.75
13	BERKELEY DOWNS INVESTMENTS PTY LTD <SUPER FUND ACCOUNT>	9,000,000	0.68
14	WILLOW GLENN PTY LIMITED	8,906,069	0.67
15	MR DIMITRI EMIL LAJOVIC	8,893,625	0.67
16	MR SHANE PETER MATTERSON + MRS SHARYN ALISON MATTERSON <SHANE MATTERSON S/F A/C>	8,840,955	0.66
17	BNP PARIBAS NOMS PTY LTD <DRP>	8,636,476	0.65
18	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	8,532,633	0.64
19	MR NICHOLAS PLAYFORD FORGAN	7,970,151	0.60
20	MR BRIAN JOHN ANDERSON	7,000,000	0.53
	Total Top 20 Shareholders	414,490,001	31.11

The shareholder information set out below was applicable as at 26 August 2022.

Substantial Shareholders

Details of substantial shareholders are set out below:

	Name	No. of shares	% Units
1	MERIAN GLOBAL INVESTORS (UK) LIMITED	194,185,810	14.95%

VOTING RIGHTS

The voting rights attached to ordinary shares are set out below:

At meeting of members or classes of members:

- (a) each member entitled to vote may vote in person or by proxy, attorney or respective;
- (b) on a show of hands, every person present who is a member or a proxy, attorney or representative of a member has one vote; and
- (c) on a poll, every person present who is a member or a proxy, attorney or representative of a member has:
 - (i) for each fully paid share held by person, or in respect of which he/she is appointed a proxy, attorney or representative, one vote for the share;
 - (ii) for each partly paid share, only the fraction of one vote which the amount paid (not credited) on the share bears to the total amounts paid and payable on the share (excluding amounts credited).

Subject to any rights or restrictions attached to any shares or class of shares

ANNUAL GENERAL MEETING AND DIRECTOR NOMINATIONS CLOSING DATE

Investigator Resources Limited advises that its Annual General Meeting will be held on Wednesday, 30 November 2022. The details relating to the meeting will be advised in the Notice of Meeting to be sent to all Shareholders and released to ASX immediately upon despatch.

The Closing date for receipt of nomination for the position of Director is Wednesday, 19 October 2022. Any nominations must be received in writing no later than 5.00pm (Melbourne time) on Wednesday, 19 October 2022 at the Company's Registered Office.

The Company notes that the deadline for nominations for the position of Director is separate to voting on Director elections. Details of the Director's to be elected will be provided in the Company's Notice of Annual General Meeting in due course.