

**INVESTIGATOR
RESOURCES
LIMITED**



Investigator Resources Limited

ABN 90 115 338 979

Annual Report - 30 June 2021

Investigator Resources Limited

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30 June 2021

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Investigator Resources Limited
Corporate Directory
30 June 2021

Directors	Kevin Wilson - Non-Executive Chairman Andrew McIlwain - Managing Director Andrew Shearer - Non-Executive Director (appointed on 14 July 2020) David Ransom - Non-Executive Director (resigned on 14 July 2020)
Joint Company Secretaries	Ms Melanie Leydin 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
Chairman and Managing Director's Letter
30 June 2021

Dear Shareholder,

Despite of the worldwide challenges that have resulted from the COVID pandemic, the past year has been one of heightened activity for our Company, with a particular focus on advancing the Paris Silver Project.

The Paris Silver Project, located in South Australia, was discovered by, and is 100%-owned by Investigator and with a JORC (2012) compliant Mineral Resource estimate of 53.1Mozs of silver, provides significant exposure to silver commodity prices.

The improved precious metals commodity price environment and in particular, the July 2020 positive move in the silver price, underpinned the raising of \$8 million of new equity capital, providing funding to undertake the infill drilling at the Paris deposit and recommence exploration proximal to the Paris Silver Project.

The substantial appreciation in the Company's share price following the July capital raising and early infill drill results from the Paris drilling resulted in the vast majority of the listed options being exercised by holders prior to the end of December 2020, raising a further \$7.02 million of new equity capital.

These funds have been diligently applied principally to the advancement of the Paris Silver Project Pre-Feasibility Study.

A substantial infill drill program was completed at Paris in late 2020 with the objective of improving the grade confidence of the known resource. In addition, regional prospects that had previously not been pursued due to a lack of funding and with the potential to provide additional resources to support the viability of the Paris Silver Project were drilled. It was pleasing that this major program of work was completed without significant incident or injury.

On 28 June 2021 a revised Paris Mineral Resource estimate was announced to the market. Significantly, as a result of the 2020 infill drill program, a substantial proportion of the resource estimate was lifted to Indicated Resource confidence.

The updated Mineral Resource estimate of 18.8Mt @ 88g/t silver and 0.52% lead for 53.1Mozs silver (30g/t silver cut-off) forms the basis for the mine planning, scheduling and optimisation studies that are close to being completed.

Final compilation of the Pre-Feasibility Study will provide insight into the key operating parameters of the project and cost assumptions that will form the basis of pursuing comprehensive project economic analysis, allowing us to make decisions around future project development and possible financing alternatives.

Around Paris, we also received encouraging results from a number of the regional exploration targets, and a follow up drill program was commenced post year end.

Elsewhere, in September 2020, we announced that Investigator had entered into an earn-in/joint venture agreement with DGO Gold, whereby DGO Gold committed to spend \$6.35M to earn up to an 80% interest in our Stuart Shelf tenements in their search for sedimentary hosted copper. DGO completed an initial 44-hole program, reporting encouraging results and have committed to follow up drilling in late 2021.

Preliminary exploration work has been completed across the Uno and Morgans tenements to the east of Paris, with results from a comprehensive soil sampling program awaited. Previous drilling by Investigator had identified opportunity for gold, silver and base metal mineralisation and this opportunity will be explored in the coming year.

We see keeping markets and shareholders informed of our progress as an essential part of our business and as a board we are keenly focussed on ensuring that we maintain open and timely communication. This is through a number of forums, including a regular newsletter sent 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 Investigator website.

We welcome the new shareholders who have joined us during the year, and we thank all shareholders sincerely for your continued interest and support of Investigator and look forward to enjoying future success with you.



Kevin Wilson
Chairman



Andrew McIlwain
Managing Director

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 in Figure 1, below.



Figure 1: Locality map showing Paris Silver Project – approximately 535km by road, NW of Adelaide

The Paris Silver Project is one of the highest grade undeveloped primary silver projects in Australia. With a JORC 2012 Mineral Resource Estimate that was announced to the ASX on 28 June 2021 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 silver. 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

Table 1: 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.

During the first half of FY2021, the Directors formed a view as to the potential value deliverable from successful development of the Paris Silver Project and the Company raised \$8 million, through a capital raising led by Canaccord Genuity (Australia) Ltd, primarily to finance the activities necessary to complete the Paris Silver Project's Pre-Feasibility Study ("PFS").

At PFS stage, an improved level of confidence in key operating parameters and cost assumptions enables a more comprehensive project economic analysis, leading to improved development and finance decisions.

Drill program to upgrade Paris Resource

The key objective of the infill drill program undertaken at Paris during the year was to convert additional Inferred Resources to the higher confidence level of Indicated Resources. Approximately 45% or 4.34Mt, of the 2017 Mineral Resource estimate total of 9.3Mt was classified as Indicated and the remaining 55% as Inferred.

A program of 223 holes was completed in the first half of FY2021, targeting the lower confidence Inferred Resource areas of the Paris mineralisation.

The updated Mineral Resource Estimate that was announced to the ASX in the second half of FY2021, reported a substantial conversion of Inferred to Indicated resource, for a total of 12.7Mt. The importance of this conversion is that only Indicated material can be carried forward for reporting as ore reserves.

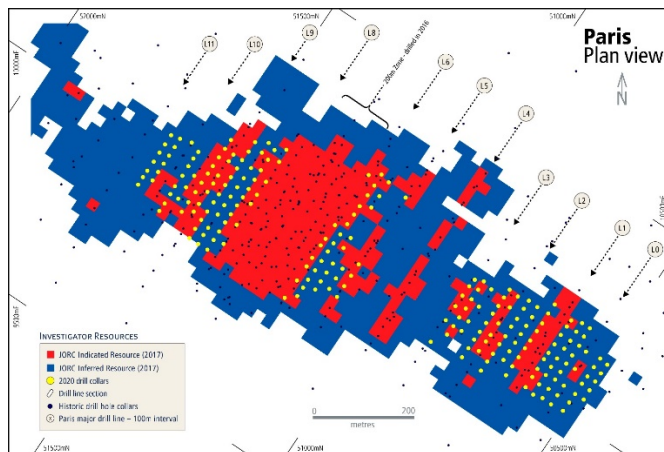


Figure 2: Shows the location of the 223 holes (yellow dots) that were drilled in the 2020 infill program, predominantly within the Inferred Resource areas (shown in blue) of the 2017 Mineral Resource estimate

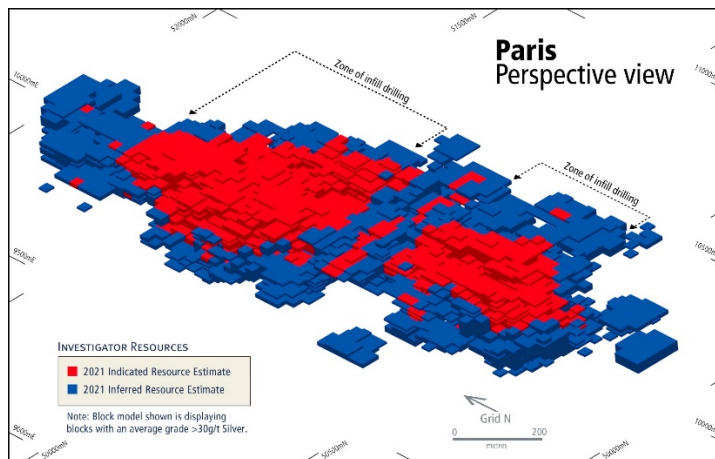


Figure 3: Distribution of Indicated (red) and Inferred (blue) resource categories shown obliquely looking North across the 2021 Paris Silver Project Mineral Resource estimate

Ore processing and plant design review

As part of the Paris Silver Project Pre-Feasibility Study, Investigator completed two additional metallurgical testwork programs focussed on material from the Breccia Transitional ("BT") domain of the Paris Silver Project's Mineral Resource. This testwork was designed to complement and build on the metallurgical results achieved during the 2018 Scoping Study phase, with the objective of delivering an improved recovery process for the breccia transitional domain which comprises a significant proportion of the resource. Encouragingly, this work identified conventional processing options that enabled an up to 7% improvement in recovery. This work underpinned the design criteria for the preferred processing route options.

These results were reported to the ASX on 7 June 2021 with results from this comprehensive testwork program are shown in Table 2 below, noting silver recovery of 72% has been achieved from the fresh BT domain material.

Composite	2021 Silver recovery @ grind P80 of 75µm	
	Direct Cyanide leach only	Gravity, deslime, flotation and leach
BT1	62%	67%
BT1A	66%	72%

Table 2: Comparison of silver recovery by gravity separation, desliming, flotation and cyanide leaching compared to direct whole ore cyanidation for BT domain composite samples.

From the preferred proposed processing route, two plant configurations have been advanced and a selection will be made based on budget equipment supply and installation costs, for both the process plant and infrastructure, and forecast operating parameters that will be compiled in the first half of FY2122.

Paris Silver Project Infrastructure reviews

With the relatively remote location of the Paris Silver Project, most infrastructure to support the construction and operational phases of the project will need to be developed and or installed. As a newly designed and proposed facility, the nature of the Paris site provides a number of opportunities in that the flat topography, combined with abundant sunshine and minimal rainfall lends itself to ease of access, renewable energy generation and innovative waste management.

A number of these opportunities include:

- Development of the 11km access road from the nearest highway will be undertaken in conjunction with both the plant site excavation and mine pre-strip activities. This can deliver efficiencies with respect to contractor equipment utilisation and material movements.
- Installation of hybrid power generation, where ambient sunlight can generate sufficient power for daylight crushing with crushed ore stocks drawn down during lower solar activity.
- Development of “dry stacked tailings” disposal which maximises water recovery and recycling and minimises the tailings facility footprint and rehabilitation.
- Low lying, flat topography enables plant and infrastructure layout to be designed for optimum fit and configuration and simplifies drainage and catchment.

Next steps to complete Pre-feasibility Study

There are a number of elements that are running in parallel towards the completion of the Paris PFS. These include:

- equipment costs estimates sourced from budget quotations from suppliers;
- estimation of installation and commissioning costs for process plant and equipment;
- capital costs for construction of all associated infrastructure such as roads, camp, water supply and the like;
- preparation of preliminary mine designs to enable budget pricing to be developed by contract operators;
- finalisation of mining and processing operating costs;
- development of the Paris Silver Project financial evaluation model; and finally
- development of the activities and cost associated with advancing the Paris Silver Project to completion of a Definitive Feasibility Study (“DFS”). The DFS would be sufficient to enable the Board to make a final Financial Investment Decision to undertake the approvals, construction and commissioning of the Paris Silver Project.

At the date of this report, the work to complete the PFS is well advanced with the study anticipated to be delivered in October.

Other Tenements – South Australia **Stuart Shelf**

In September 2020, Investigator announced that through its 100% owned subsidiary Gawler Resources Ltd it had entered into a 3 Stage earn-in/joint venture heads of agreement (“HOA”) with DGO Gold Ltd (“DGO”, ASX:DGO), whereby DGO committed to spend \$6.35 million to earn up to an 80% interest in our Stuart Shelf tenements. These tenements comprise a substantial tract of exploration ground covering the extensions to DGO’s interpreted copper model.

Investigator's, and the combined package of tenements are shown in Figures 4 and 5, below.



Figure 4: IVR's Stuart Shelf tenements, SA

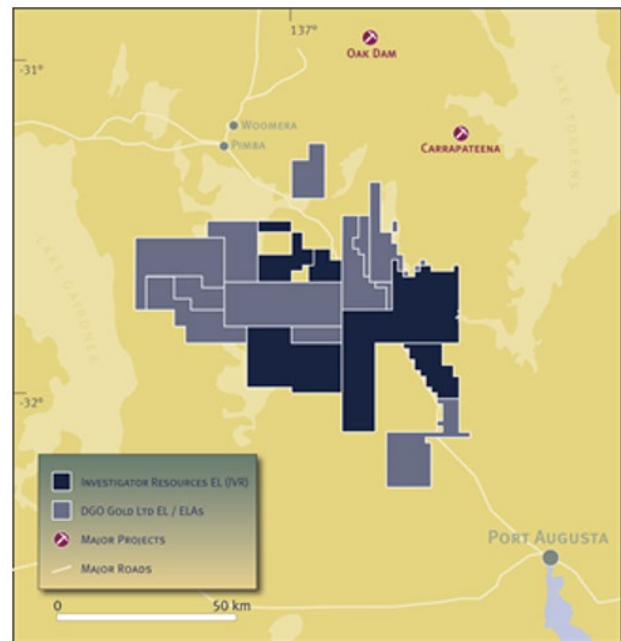


Figure 5: IVR's and DGO's Stuart Shelf tenements

The key elements in the HOA include an initial Stage 1 Option Period which requires a minimum expenditure of \$350,000 before withdrawal or payment of the balance of the \$350,000 commitment in cash to be completed before 18 September 2021. If DGO do not commit to progress to Stage 2 or withdraw, no project interest is earned.

Stage 2 Program, requiring further expenditure of \$2 million (excluding Stage 1 expenditure) within a further 2-year period to earn a right to a 51% interest in the Joint Venture.

Stage 3 Program, having formed a Joint Venture (DGO 51%, IVR 49%) and with expenditure of a further \$4 million over a further 2-year period, DGO to earn an additional 29% Joint Venture interest to a total of 80%.

In any future work programs post completion of Stage 3, with DGO having earned an 80% Joint Venture interest, Investigator may elect to either fund further exploration and development costs on a pro-rata basis or dilute to a 15% Joint Venture interest until a positive decision to mine is made. If diluted to 15%, Investigator's share of the further work programs and development costs will be treated as a loan from DGO to be repaid from future production cashflows

In the final quarter of FY2021 DGO announced that it had completed an initial 44-hole program in their search for Zambian style, sedimentary hosted copper, reporting encouraging results and have committed to follow up drilling in the first half of FY2122

Prior to year-end, DGO informed Investigator that it had considered that it had satisfied the earn-in conditions of Stage 1 and notified that it intended to progress to Stage 2 earn-in, committing to a further \$2 million of expenditure. Following a review, Investigator confirmed that the claimed expenditure by DGO satisfied their obligations of the Stage 1 conditions.

These Stuart Shelf tenements had previously been the subject of an earn-in/joint venture agreement with OZ Minerals (ASX:OZL) focussed on the Maslins Iron Oxide Copper Gold Project on Investigator's tenement EL5705. Reported as an event subsequent to the end of FY2020, in early FY2021, OZ Minerals formally notified the Company they did not intend to proceed to Stage 2 of the earn-in agreement and withdraw from the Maslins Project. OZ Minerals did not earn any interest in the tenement which remains 100% owned by Investigator.

Curnamona

With both travel and community contact effectively curtailed due to restrictions associated with the COVID-19 pandemic, no formal engagement with the Wilyakali people – the Traditional Owners of the Wiawera, Olary and Treloars tenement areas – has been undertaken. Investigator are looking to develop a mutually beneficial working relationship to ensure that all parties' interests are protected.

Early-stage exploration activities, limited to non-ground disturbing work, such as field mapping and soil sampling is planned to be undertaken in the first half of FY2022. Further activities such as reconnaissance drilling and the like will be subject to establishing a formal Native Title Mining Agreement ("NTMA") with Traditional Owners groups and access agreement with remote pastoralists.

East Eyre

Field exploration across the Uno and Morgans tenements, which are located east of, and in a similar geological setting to Paris, was undertaken in early 2021. This work included prospectivity review, field mapping and a comprehensive orientation program of soil sampling. An ultra-fine soil analysis method has been adopted for this work given advances in laboratory methods, and testwork on these tenements have supported this methodology, with amplification of anomalous elements identified. Results from this work is being compiled and interpreted with a view to undertaking regional drilling prior to the end of 2021, subject to Heritage clearances.

Our ability to access to the Harris Bluff tenement for field work is currently restricted as no access agreement is in place. Discussion with the Gawler Ranges Aboriginal Corporation has commenced with a view to seeking a NTMA in conjunction with Heritage clearances of planned drill sites on the adjacent Uno and Morgans tenements.

Fowler Domain

Investigator was successful in the competing applications submitted for two tenement areas in the Fowler Domain within the Western Gawler area in South Australia, with the grant of a total area of 1,878km² across these two tenements. Drilling in the Fowler Domain by others (Western Areas - ASX:WSA – 23 June 2020) 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 within the tenements. A number of options are being considered with respect to the most appropriate path for Investigator to advance this valuable tenement package.

Other

Applications for tenement areas that have become available adjacent to both the Peterlumbo tenement (that hosts the Paris Silver Project), and the Uno/Morgans/Harris Bluff tenement package have been submitted.

These applications are noted in the Disclosure and Reporting notes within this Annual Report, however, as yet Investigator has not been notified of the outcome of these applications. The applications were submitted on the basis that the tenements are prospective for Paris style silver-lead mineralisation.

Renewal applications for tenements that have expired during the year have 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 granted exploration licence (EL2/2020) in the highly mineral endowed Mount Read Volcanic belt of North-West Tasmania as shown in Figure 6, 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 gold 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 effort has been undertaken on the area since 2013 when the presence of thallium, a known vector to massive sulphide mineralisation, was reported.

An initial program has been prepared and field work will be undertaken subject to COVID-19 travel restrictions and site access.

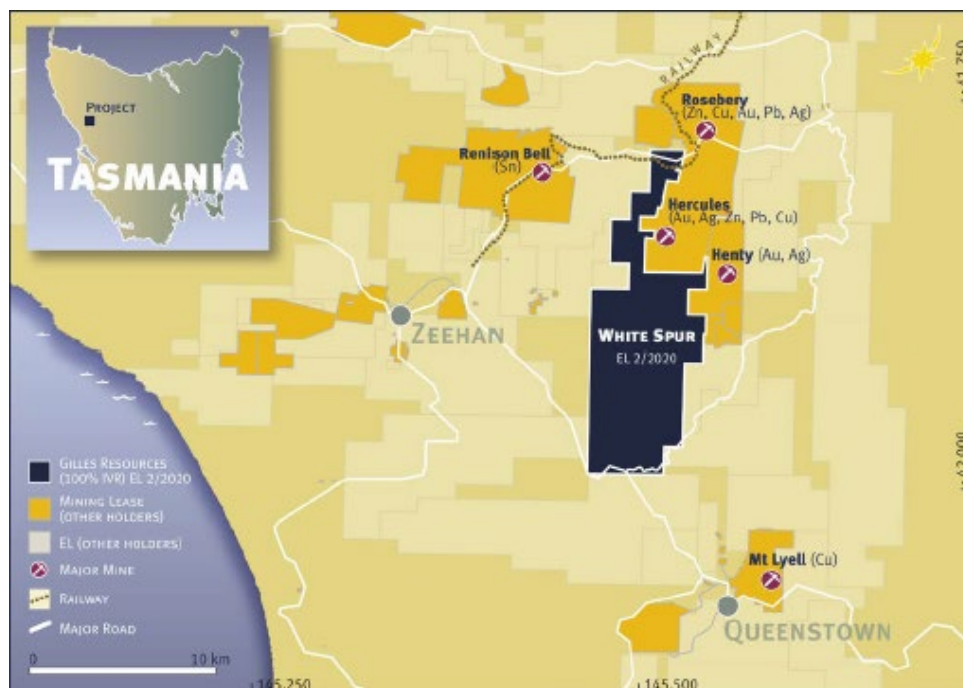


Figure 6: Investigator's "White Spur" exploration licence application (subsequently granted). The EL is held via Gillies Resources – a 100% owned IVR subsidiary and is located on the West Coast of Tasmania, south of MMG's Rosebery Mine and west of Diversified Minerals' Henty Mine.

Corporate People

In July 2020, the Company announced the appointment of Mr Andrew Shearer, as a Non-Executive Director to the Board of Investigator and the resignation of Dr David Ransom from the Board.

Financings

In July 2020 the Company raised \$8 million of new equity capital through a two-tranche placement of approximately 266.7 million fully paid ordinary shares in the Company at an issue price of \$0.03. The issue price of \$0.03 per share represented a 7.3% premium to the 30-day Volume Weighted Average Price ("VWAP") of 2.8c and no discount to the 15-day VWAP of 3c prior to announcement of the Placement.

There was strong demand for the placement that was led by Canaccord Genuity (Australia) Ltd and was well supported by existing shareholders, including a \$4 million commitment from the Company's major shareholder. The second tranche of the placement was approved at a General Meeting of shareholders held in September 2020.

The purpose of the placement was primarily to provide funding to undertake the infill drilling at the Paris Silver Project, recommence exploration proximal to the Paris Silver Project and advance technical studies to the completion on a PFS.

The IVROA Listed Options, that were issued to shareholders who participated in the October 2017 equity placement and associated share purchase plan, had an expiry date of 31 December 2020 and an exercise price of \$0.035. As the expiry date drew closer and with a substantial appreciation in the Company's share price following the July capital raising, the vast majority of option holders exercised their options prior to the end of December 2020, raising a further \$7.02 million of new equity capital.

A component of the fee structure for acting as Lead Manager for the placement, Canaccord Genuity (Australia) Ltd were allocated 3 series of options, with varying exercise prices and expiry dates. As at 30 June 2021, Canaccord Genuity (Australia) Ltd had exercised two tranches of these options (for a total of 6 million options) have been exercised, raising a further \$243,000.

During FY2021, a total of \$15,261,000 was raised.

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 2021. Due to management's assessment that exploration costs incurred on all exploration tenements/assets with the exception of the Paris Silver Project (Peterlumbo Tenement) may not be recoverable, the related exploration and evaluation assets have been written off as a part of the impairment charge of \$920,300.

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 2021 Financial Year, the Directors resolved to impair approximately \$920,300 of the total Exploration and Evaluation value carried forward as at 30 June 2021.

The remaining balance of approximately \$21 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 \$11.6 million cash at bank as at 30 June 2021.

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 \$500,000.

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 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).

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 as at the date of this report are detailed in the table below.

Tenement Number	Tenement Name	Registered Holder (1)	Notes
Project: Peterlumbo (IVR 100%)			
6347	Peterlumbo	Sunthe	Current
Project: Eat Eyre (IVR 100%)			
5845	Uno Range	GRL	Current
5933	Morgans	GRL	Renewal Applied For
5913	Harris Bluff	GRL	Renewal Applied For
Project: Tasmania (IVR 100%)			
E2/2020	White Spur	GIL	Current
Project: Stuart Shelf (IVR 100%) (2)			
5704	Yalymboo-Oakden Hills	GRL	Renewal Applied For
5705	Whittata (Maslins)	GRL	Renewal Applied For
5706	Yudnapinna	GRL	Renewal Applied For
5738	Birthday	GRL	Renewal Applied For
6402	Kootaberra	GRL	Current
Project: Curnamona (IVR 100%)			
5938	Wiawera	GRL	Renewal Applied For
6192	Plumbago	GRL	Current
6345	Treloars	GRL	Current
6253	Olary/Bulloo Creek	GRL	Current
Project: Adelaide Geosyncline (IVR 100%)			
5999	Cartarpo	GRL	Current
6226	Screechowl Creek	GRL	Current
Project: Northern Craton (IVR 100%)			
6187	Algebuckina	GRL	Current
Project: Fowler Domain (IVR 100%)			
6603	Yellabinna	GRL	Current
6604	Chundaria	GRL	Current
** Applications **			
ELA 2021/106	Uneroo	GRL	Application
ELA 2021/105	Nonning South	GRL	Application
ELA 2021/70	Corunna	GRL	Application
ELA 2021/71	Yardea	GRL	Application

(1) Sunthe - Sunthe Uranium Pty Ltd; GRL – Gawler Resources Pty Ltd; and GIL – Gillies Resources Pty Ltd are wholly owned subsidiaries of Investigator Resources Ltd (IVR).

(2) DGO Gold Ltd have the right to earn up to an 80% interest in these tenements.

Mineral Resources reporting

Following the extensive infill drill campaign conducted over the Paris Silver Project in FY2021, the reported estimated Mineral Resource increased primarily due to a reduction in the cut-off grade to 30g/t Ag from the previous Mineral Resource estimate in 2017 where a 50g/t Ag cut-off was used.

Notably, there was a substantial uplift in the proportion in the updated estimated Mineral Resource to the Indicated Category.

The information in this section is drawn from the following ASX releases:

- Updated Resource for Paris Silver Project – 28 June 2021; and
- Significant Upgrade for Paris Silver Resource – 19 April 2017.

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

Table 3: 2021 Paris Silver Project Mineral Resource estimate (30g/t silver cut-off grade).

2017	50g/t Ag cut-off				
Category	Mt	Ag ppm	Pb %	Ag Mozs	Pb Kt
Indicated	4.34	163	0.60	22.7	26.1
Inferred	4.99	119	0.57	19.0	28.5
Total	9.33	139	0.58	41.8	54.6

Table 4: 2017 Paris Silver Project Mineral Resource estimate at 50g/t silver cut-off grade.

Competent persons statement

The information in this Annual Report that relates to exploration results is based on, and fairly represents, information and supporting documentation 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.

The data in this Annual Report that relates to Mineral Resource estimates for the Paris Silver deposit is based on information evaluated by Mr Simon Tear who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr Tear has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity in which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code"). As a whole, the Mineral Resource Statement in this Annual Report has been approved by Mr. Tear, a Director of H&S Consultants Pty Ltd, who consents to the inclusion in this Annual Report in the form and context in which it appears.

Governance arrangements

Investigator has an established Mineral Resources estimation process, which ensures consistency, rigour and discipline in the preparation and reporting of Mineral Resources in accordance with industry best practice. The update to Mineral Resources estimates compiled during FY2021 were completed in accordance with the Company's guiding principles, delegated authorities and estimate requirements. These included reporting in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012 Edition), suitably qualified and experienced Competent Persons and Board approval of the Mineral Resources estimates prior to release to the market.

Investigator Resources Limited
Directors' Report
30 June 2021

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 2021.

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:

Kevin Wilson - Non-Executive Chairman
Andrew McIlwain - Managing Director
Andrew Shearer - Non-Executive Director (appointed on 14 July 2020)
David Ransom - Non-Executive Director (resigned on 14 July 2020)

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 \$1,979,310 (30 June 2020: \$14,014,569).

The net result for the year includes an impairment charge of \$920,300 associated with exploration and evaluation assets.

During the year, the Company incurred \$4,935,647 expenditure on exploration activities across the Company's tenements, compared with \$659,050 for the prior year.

At 30 June 2021, the Company had a cash position of \$11,586,925 (2020: \$2,500,090).

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 2021 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 October 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.

Information on Directors

Name: Kevin Wilson
Title: Non-Executive Chairman
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 Chairman 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
Special responsibilities: None.
Interests in shares: Nil
Interests in options: 2,000,000 (unlisted)

Name: Andrew McIlwain
Title: Managing Director
Qualifications: BE (Mining) Melb, MAICD
Experience and expertise: Andrew has over 35 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 several Australian resource companies focusing on corporate transactions and has acted as an independent Non-Executive Director of numerous resource companies including Kidman Resources and Chairman of 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 is also the Non-Executive Chairman of Emmerson Resources Ltd (ASX: ERM).

Other current directorships: Emmerson Resources Ltd (ASX: ERM).
Former directorships (last 3 years): None
Interests in shares: 6,100,000
Interests in options: 10,000,000 (unlisted), 10,000,000 (Performance Rights)

Investigator Resources Limited
Directors' Report
30 June 2021

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.
Establishing his career in the resources industry as a geologist and geophysicist, in technical and senior management roles with the South Australian Government, Mount Isa Mines Limited, and Glengarry Resources Limited. Andrew then moved to the corporate and finance sectors in Resource Analyst roles with PAC Partners Pty Ltd, Phillip Capital, Austock and Taylor Collison. Where he covered small to mid-cap resource stocks across a broad suite of commodities.
Andrew provides Investigator experience in the financial services industry combined with his technical experience and understanding of capital markets.
Other current directorships: Non-Executive Director for Andromeda Metals (ASX:ADN), Resolution Minerals (ASX:RML).
Former directorships (last 3 years): Okapi Resources Limited (ASX:OKR)
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.

Company secretaries
Ms Melanie Leydin

Melanie Leydin holds a Bachelor of Business majoring in Accounting and Corporate Law. She is a member of the Institute of Chartered Accountants, Fellow of the Governance Institute of Australia and is a Registered Company Auditor. She graduated from Swinburne University in 1997, became a Chartered Accountant in 1999 and since February 2000 has been the principal of Leydin Freyer. The practice provides outsourced company secretarial and accounting services to public and private companies across a host of industries including but not limited to the Resources, technology, bioscience, biotechnology and health sectors.

Melanie has over 25 years' experience in the accounting profession and over 15 years as a Company Secretary. She 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.

Anita Addorisio

Ms Addorisio is an experienced finance professional with over 20 years' senior finance experience and 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 2021, and the number of meetings attended by each Director were:

	Full Board	
	Attended	Held*
A. Shearer	10	10
K. Wilson	10	10
A. McIlwain	10	10

* 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 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:

- having economic profit as a core component of plan design
- 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 Chairman's fees are determined independently to the fees of other Non-Executive directors based on comparative roles in the external market. The Chairman is not present at any discussions relating to the determination of his own remuneration.

Investigator Resources Limited
Directors' Report
30 June 2021

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.

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.

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.

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:

	2021	2020	2019	2018	2017
Share price (cents per share)	8.1	1.7	1.1	1.1	3.0

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

Use of remuneration consultants

During the financial year ended 30 June 2021, the consolidated entity has not engaged any remuneration consultants.

Voting and comments made at the Company's 20 November 2020 Annual General Meeting ('AGM')

At the 20 November 2020 AGM, 98.40% 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 key management personnel of the consolidated entity are set out in the following tables.

Investigator Resources Limited
Directors' Report
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	Total	%
30 June 2021	\$	\$	\$	\$	\$	\$	\$	%
<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	0%
	619,800	34,375	-	58,881	13,547	191,177	917,780	

* 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 KPIs.

**** J Murray classified as key management personnel on his appointment as the Exploration Manager on 1 August 2020. Mr Murray's cash salary includes accrued annual leave entitlements paid out during the year.

In order to minimise cash expenditure as part of COVID-19 related measures, key management personnel had a reduction in salaries and fees of 20% for a period of 3 months from May to July 2020.

	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	Total	%
30 June 2020	\$	\$	\$	\$	\$	\$	\$	%
<i>Non-Executive Directors:</i>								
D. Ransom	57,192	-	-	5,433	-	-	62,625	
K. Wilson	57,915	-	-	5,502	-	14,000	77,417	18%
<i>Executive Directors:</i>								
A. McIlwain*	204,087	-	-	19,388	-	90,043	313,518	29%
<i>Other Key Management personnel:</i>								
A. McIlwain	42,500	-	-	-	-	-	42,500	
	361,694	-	-	30,323	-	104,043	496,060	

* A. McIlwain was appointed as Managing Director effective from 1 October 2019.

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: Kevin Wilson
 Title: Non-Executive Chairman
 Agreement commenced: 18 September 2017
 Term of agreement: Annual Non-Executive Chairman fees of \$65,000 per annum inclusive of superannuation contribution.

Name: Andrew Shearer
 Title: Non-Executive Director (appointed on 14 July 2020)
 Agreement commenced: 14 July 2020
 Term of agreement: Annual Non-Executive director's fees of \$40,000 per annum inclusive of superannuation.

Name: Andrew McIlwain
 Title: Managing Director
 Agreement commenced: 1 October 2019
 Term of agreement: Base salary of \$275,000 per annum plus statutory superannuation and annual short-term incentives of up to 50% 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: 3 months

Name: Jason Murray
 Title: Exploration Manager
 Agreement commenced: 1 August 2020
 Term of agreement: Base salary of \$230,000 per annum plus statutory superannuation.

Notice period: 1 month

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares

Details of shares issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2021 are set out below:

Name	Date	Shares	Issue price
A. McIlwain*	29/01/2021	5,000,000	\$0.000

* This relates to shares issued from the vesting of 5,000,000 performance rights that were due to expire on 31 January 2021.

Investigator Resources Limited
Directors' Report
30 June 2021

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
K. Wilson	2,000,000	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

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

** Options were granted to Mr J. Murray during 30 June 2020 financial year as an employee, prior to being classified as Key Management Personnel during the year ended 30 June 2021.

Options granted carry no dividend or voting rights.

The number of options over ordinary shares granted to and vested by Directors and other key management personnel as part of compensation during the year ended 30 June 2021 are set out below:

Name	Number of options granted during the year 30 June 2021	Number of options granted during the year 30 June 2020	Number of options vested during the year 30 June 2021	Number of options vested during the year 30 June 2020
A. McIlwain	-	10,000,000	-	-
K. Wilson	-	2,000,000	-	2,000,000
A. Shearer	2,000,000	-	2,000,000	-

Performance rights

During the 2019 financial year, the Company issued 15,000,000 performance rights to Andrew McIlwain (Managing Director) vesting upon meeting performance conditions.

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.

As at 30 June 2021, 10,000,000 performance rights remained unvested (30 June 2020: 15,000,000).

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
<i>Ordinary shares</i>					
D. Ransom*	1,125,375	-	-	(1,125,375)	-
A. McIlwain**	1,100,000	-	5,000,000	-	6,100,000
J. Murray ***	-	-	-	312,500	312,500
	2,225,375	-	5,000,000	(812,875)	6,412,500

* D. Ransom resigned as Non-Executive Director effective 14 July 2020. The balance presented under Other represents the number of shares held by D. Ransom at the time of resignation.

** 5,000,000 shares were acquired upon vesting of 5,000,000 performance rights during the year.

*** 312,500 shares in Other represents shares held by J. Murray at the time of his appointment as Exploration Manager effective from 1 August 2020.

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	Expired/ forfeited/ other	Balance at the end of the year
<i>Options over ordinary shares</i>					
D. Ransom*	575,375	-	-	(575,375)	-
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
	12,575,375	2,000,000	-	5,424,625	20,000,000

* D. Ransom resigned as Non-Executive Director effective 14 July 2020. The balance presented under Other represents the number of options held by D. Ransom at the time of resignation.

** Unlisted options issued to Mr A. Shearer on 13 August 2020 on his appointment as Non-Executive Director.

*** 6 million options in Other represents options issued to J. Murray in the previous year as an employee prior to his appointment as Exploration Manager effective from 1 August 2020.

Investigator Resources Limited
Directors' Report
30 June 2021

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	30 June	30 June
	2021	2020
	\$	\$
Payment for other expenses:		
Consulting fees paid to Andrew McIlwain & Associates Pty Ltd*	-	42,500

* Mr A. McIlwain is a director of Andrew McIlwain & Associates Pty Ltd (AM&A). In the previous financial year, AM&A and Mr McIlwain had been engaged to provide corporate advisory services to the Company. The services provided were based on normal commercial terms and conditions. The consultancy arrangement ceased in October 2019 upon Andrew McIlwain's appointment as Managing Director of the Company.

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.

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.

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
29 September 2020***	31 December 2022	\$0.048	4,000,000
			28,000,000

* Unlisted options

** Unlisted options issued to Mr A. Shearer on 13 August 2020 as part of his appointment as Non-Executive Director.

*** Options issued to Canaccord Genuity (Australia) Limited in consideration for services provided as the Lead Manager to the placement.

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 unlisted options

The following ordinary shares of Investigator Resources Limited were issued during the year ended 30 June 2021 and up to the date of this report on the exercise of options held by Canaccord Genuity (Australia) Limited:

Date options granted	Exercise price	Number of shares issued
29 September 2020*	\$0.036	3,000,000
29 September 2020**	\$0.045	3,000,000
		6,000,000

* On 11 November 2020, the Company issued 3,000,000 fully paid ordinary shares to Canaccord Genuity on exercise of 3,000,000 options exercisable at \$0.036.

** On 4 February 2021 the Company issued 3,000,000 fully paid ordinary shares to Canaccord Genuity on exercise of 3,000,000 options exercisable at \$0.045.

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 Officers 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 27 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 27 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.

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



Kevin Wilson
Chairman

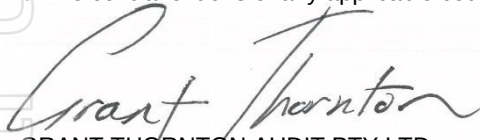
13 September 2021

Auditor's Independence Declaration

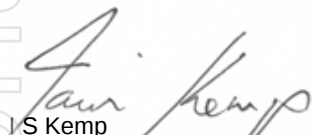
To the Directors of Investigator Resources Limited

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 2021, 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



J S Kemp
Partner – Audit & Assurance

Adelaide, 13 September 2021

Grant Thornton Audit Pty Ltd 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 2021

		Consolidated	
	Note	30 June 2021 \$	30 June 2020 \$
Revenue	5	-	79,277
Other income	6	70,000	50,000
Interest income		48,791	42,728
Expenses			
Employee benefit expenses	7	(529,902)	(390,967)
Administrative expenses	8	(647,899)	(634,820)
Exploration and evaluation expenses written off		(920,300)	(13,160,787)
Loss before income tax expense		(1,979,310)	(14,014,569)
Income tax expense	9	-	-
Loss after income tax expense for the year attributable to the owners of Investigator Resources Limited		(1,979,310)	(14,014,569)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year attributable to the owners of Investigator Resources Limited		<u>(1,979,310)</u>	<u>(14,014,569)</u>
		Cents	Cents
Basic loss per share	35	(0.17)	(1.70)
Diluted earnings per loss	35	(0.17)	(1.70)

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 2021

		Consolidated	
	Note	30 June 2021 \$	30 June 2020 \$
Assets			
Current assets			
Cash and cash equivalents	10	11,586,925	2,500,090
Trade and other receivables	11	30,519	8,770
Inventories	12	26,424	1,577
Other assets	13	111,016	42,726
Total current assets		<u>11,754,884</u>	<u>2,553,163</u>
Non-current assets			
Property, plant and equipment		7,960	668
Right-of-use assets	14	116,299	113,137
Exploration and evaluation	15	21,214,246	17,198,899
Other assets	16	116,760	24,202
Total non-current assets		<u>21,455,265</u>	<u>17,336,906</u>
Total assets		<u>33,210,149</u>	<u>19,890,069</u>
Liabilities			
Current liabilities			
Trade and other payables	17	600,697	147,667
Lease liabilities	18	31,061	89,219
Provisions	19	236,070	200,749
Joint operation contribution received in advance	20	-	238,810
Total current liabilities		<u>867,828</u>	<u>676,445</u>
Non-current liabilities			
Lease liabilities	21	83,391	22,758
Total non-current liabilities		<u>83,391</u>	<u>22,758</u>
Total liabilities		<u>951,219</u>	<u>699,203</u>
Net assets		<u>32,258,930</u>	<u>19,190,866</u>
Equity			
Issued capital	22	70,350,184	55,348,547
Reserves	23	421,737	403,642
Accumulated losses		<u>(38,512,991)</u>	<u>(36,561,323)</u>
Total equity		<u>32,258,930</u>	<u>19,190,866</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 2021

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2019	53,070,322	243,519	(22,620,048)	30,693,793
Loss after income tax expense for the year	-	-	(14,014,569)	(14,014,569)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(14,014,569)	(14,014,569)
Shares issued	2,536,662	-	-	2,536,662
Share issue cost	(258,437)	-	-	(258,437)
Options issued to Fundraising Manager	-	59,375	-	59,375
Options issued to KMP and employees	-	100,277	-	100,277
Performance rights granted	-	73,765	-	73,765
Lapse of Options	-	(73,294)	73,294	-
Balance at 30 June 2020	<u>55,348,547</u>	<u>403,642</u>	<u>(36,561,323)</u>	<u>19,190,866</u>
Consolidated	Issued capital \$	Reserves \$	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 KMP 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>(38,512,991)</u>	<u>32,258,930</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 2021

		Consolidated	
	Note	30 June 2021 \$	30 June 2020 \$
Cash flows from operating activities			
Payments to suppliers and employees		(944,892)	(835,692)
Interest received		46,519	53,248
Management fee		-	79,277
COVID-19 incentives		50,000	50,000
Other income		22,000	-
		<u> </u>	<u> </u>
Net cash used in operating activities	34	<u>(826,373)</u>	<u>(653,167)</u>
Cash flows from investing activities			
Exploration expenditure		(4,839,490)	(1,798,633)
Payments for property, plant and equipment		(10,943)	-
Payments for security deposits		(92,558)	-
Joint Venture contribution received		-	1,409,309
		<u> </u>	<u> </u>
Net cash used in investing activities		<u>(4,942,991)</u>	<u>(389,324)</u>
Cash flows from financing activities			
Proceeds from issue of shares	22	8,000,000	2,536,662
Proceeds from exercising options		7,264,782	-
Share issue transaction costs		(408,583)	(199,062)
		<u> </u>	<u> </u>
Net cash from financing activities		<u>14,856,199</u>	<u>2,337,600</u>
Net increase in cash and cash equivalents		9,086,835	1,295,109
Cash and cash equivalents at the beginning of the financial year		<u>2,500,090</u>	<u>1,204,981</u>
Cash and cash equivalents at the end of the financial year	10	<u><u>11,586,925</u></u>	<u><u>2,500,090</u></u>

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

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 13 September 2021. 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 \$21,214,246 (30 June 2020: \$17,198,899).

The consolidated group has incurred a net loss after tax for the year ended 30 June 2021 of \$1,979,310 (30 June 2020: \$14,014,569) and operations were funded by a net cash outflow, from operating and investing activities of \$5,769,364 (30 June 2020: net cash outflow of \$1,042,491). As at 30 June 2021, the consolidated group had net current assets of \$10,887,056 (June 2020: net current assets of \$1,876,718).

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. The Company undertook a placement of ordinary shares to professional and sophisticated investors raising \$8 million (excluding costs) under two tranches, primarily to focus on the development of the Paris Silver Project. The Company also raised \$7.02 million on the exercise of listed and unlisted options.

Based on the above, management do not believe there is a material uncertainty in relation to going concern.

The 2021 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 30.

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 2021 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.

Functional and presentation currency

The financial statements are presented in Australian dollars, which is Investigator Resources Limited's functional and presentation currency.

Restoration Costs

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the exploration and mining permits. Such costs are determined using estimates of future costs, current legal requirements and technology on a discounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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.

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.

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.

Note 2. Significant accounting policies (continued)

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.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

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.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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.

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

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.

Lease term

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

Incremental borrowing rate

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

Note 4. Operating segments

Identification of reportable operating segments

The consolidated entity has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The consolidated entity operates in a single operating segment: that of the mineral exploration industry in Australia.

Note 5. Revenue

	Consolidated	
	30 June 2021	30 June 2020
	\$	\$
Management fee from joint operations	-	79,277

Accounting policy for revenue recognition

The consolidated entity recognises revenue as follows:

Rendering of services

Revenue from a contract to provide management services is recognised over time as the services are rendered based on either fixed price or an hourly rate.

Note 5. Revenue (continued)

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

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

Note 6. Other income

	Consolidated	Consolidated
	30 June	30 June
	2021	2020
	\$	\$
COVID-19 incentive- government cashflow boost	50,000	50,000
Access establishment fee on exploration license	20,000	-
	<u>70,000</u>	<u>50,000</u>
Other income	<u>70,000</u>	<u>50,000</u>

Note 7. Employee benefit expenses

	Consolidated	Consolidated
	30 June	30 June
	2021	2020
	\$	\$
Benefits provided to employees	1,017,358	737,223
Charged to exploration and evaluation expenses	(678,633)	(520,299)
Share based employee expense	191,177	174,043
	<u>529,902</u>	<u>390,967</u>
	<u>529,902</u>	<u>390,967</u>

Note 8. Administrative expenses

	Consolidated	Consolidated
	30 June	30 June
	2021	2020
	\$	\$
Audit fees	36,725	37,461
Other professional services paid to related entities of the auditor	10,210	7,300
Company secretarial fees	60,000	48,000
Depreciation	18,295	15,822
Directors' fees	107,804	153,475
Insurance and legal	78,637	50,862
Minimum lease rental payment	17,709	2,270
Shareholders' communications	139,509	95,668
Office expenses	313,655	225,607
Other expenses	23,632	141,821
Expenditure allocated to exploration and evaluation projects	(158,277)	(143,466)
	<u>647,899</u>	<u>634,820</u>
	<u>647,899</u>	<u>634,820</u>

Note 9. Income tax expense

	Consolidated 30 June 2021 \$	30 June 2020 \$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(1,979,310)	(14,014,569)
Tax at the statutory tax rate of 26% (2020: 27.5%)	(514,621)	(3,854,006)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Adjustment for non-deductible expenses	62,944	48,018
	(451,677)	(3,805,988)
Deductible capital raising costs	(65,122)	(46,699)
Allowable exploration and evaluation expenditure	(1,296,158)	(181,239)
Prior period exploration and evaluation expenses written off	239,278	3,619,216
Net non-allowable expenses	8,999	(5,840)
Effects due to change in company tax rate	787,814	-
Application of AASB 16 Lease standard	(179)	(1,002)
Tax effect of temporary differences not brought to account	777,045	421,552
Income tax expense	-	-

	Consolidated 30 June 2021 \$	30 June 2020 \$
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	(58,613,529)	(52,520,939)
Potential tax benefit @ 26% (2020: 27.5%)	(15,239,518)	(14,443,258)

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.

Note 10. Current assets - cash and cash equivalents

	Consolidated 30 June 2021 \$	30 June 2020 \$
Cash at bank	4,586,925	2,500,090
Cash on deposit	7,000,000	-
	11,586,925	2,500,090

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 includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 11. Current assets - trade and other receivables

	Consolidated	
	30 June 2021	30 June 2020
	\$	\$
Other receivables	30,519	8,770

Accounting policy for trade and other receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 12. Current assets - inventories

	Consolidated	
	30 June 2021	30 June 2020
	\$	\$
Diesel fuel	26,424	1,577

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.

Note 13. Current assets - other assets

	Consolidated	
	30 June 2021	30 June 2020
	\$	\$
Insurance prepayments	111,016	42,726

Note 14. Non-current assets - right-of-use assets

	Consolidated	
	30 June 2021	30 June 2020
	\$	\$
Office premises - right-of-use	116,299	113,137

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.

Note 14. Non-current assets - right-of-use assets (continued)

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 15. Non-current assets - exploration and evaluation

	Consolidated	
	30 June 2021	30 June 2020
	\$	\$
Exploration and evaluation Asset - at carrying value	<u>21,214,246</u>	<u>17,198,899</u>
	\$	\$
Opening balance - at carrying value	17,198,899	29,700,636
Capitalised exploration expenditure	4,935,647	659,050
Impairment	(920,300)	(13,160,787)
	<u>21,214,246</u>	<u>17,198,899</u>

A review of the consolidated entity's exploration licenses was undertaken as at 30 June 2021 and management's assessment was that exploration costs incurred on all exploration tenements/assets with the exception of the Paris Silver Project (Peterlumbo Tenement) 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 \$920,300.

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 16. Non-current assets - other assets

	Consolidated	
	30 June 2021	30 June 2020
	\$	\$
Security deposits	<u>116,760</u>	<u>24,202</u>

Security deposits are held towards tenement applications and rental bond.

Note 17. Current liabilities - trade and other payables

	Consolidated 30 June 2021 \$	30 June 2020 \$
Trade payables	567,148	126,718
Sundry payables	33,549	20,949
	<u>600,697</u>	<u>147,667</u>

Refer to Note 25 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 amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 18. Current liabilities - lease liabilities

	Consolidated 30 June 2021 \$	30 June 2020 \$
Lease liability	31,061	89,219

Refer to note 25 for further information on financial instruments.

Note 19. Current liabilities - provisions

	Consolidated 30 June 2021 \$	30 June 2020 \$
Annual leave	129,636	116,256
Long service leave	106,434	84,493
	<u>236,070</u>	<u>200,749</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.

Note 20. Current liabilities - Joint operation contribution received in advance

	Consolidated	
	30 June 2021	30 June 2020
	\$	\$
Joint operation contribution received in advance	-	238,810

Refer to Note 32 for the details on the interests in joint operations and Farm-in Arrangements.

Note 21. Non-current liabilities - lease liabilities

	Consolidated	
	30 June 2021	30 June 2020
	\$	\$
Lease liability	83,391	22,758

Refer to Note 25 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 22. Equity - issued capital

	Consolidated			
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	Shares	Shares	\$	\$
Ordinary shares - fully paid	1,323,946,607	845,657,612	70,350,184	55,348,547

Note 22. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares		\$
Balance	1 July 2019	739,972,032		53,070,322
Placement of shares	5 September 2019	91,666,666	\$0.024	2,200,000
Share Purchase Plan (SPP) shares issued	14 October 2019	14,000,025	\$0.024	336,000
Exercise of listed options	20 November 2019	5,000	\$0.035	175
Exercise of listed options	8 January 2020	13,889	\$0.035	487
Share issue costs		-	-	(258,437)
Balance	30 June 2020	845,657,612		55,348,547
Exercise of listed options	04 August 2020	191,791	\$0.035	6,713
Share Purchase Plan (SPP) 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
Share Purchase Plan (SPP) 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
Exercise 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		-	-	(679,622)
Balance	30 June 2021	<u>1,323,946,607</u>		<u>70,350,184</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.

Note 22. Equity - issued capital (continued)

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.

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 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 capital risk management policy remains unchanged from the 2020 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 23. Equity - reserves

	Consolidated	
	30 June	30 June
	2021	2020
	\$	\$
Share options reserve	<u>421,737</u>	<u>403,642</u>

Share options reserve

The share options reserve records items recognised as expenses or issue costs on valuation of options. Refer to Note 36 for share based payments made during the year ended 30 June 2021 and 30 June 2020.

Note 24. Equity - dividends

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

Note 25. 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.

Market risk

Foreign currency risk

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

Note 25. Financial instruments (continued)

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 \$11,586,925 (2020: \$2,500,090). An official increase/decrease in interest rates of 0.1% (2020: 0.1%) basis points would have an adverse/favourable effect on profit before tax of \$11,587 (2020: \$2,500) 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.

Fair value of financial instruments

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

Note 26. Key management personnel disclosures

Directors

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

- K. Wilson - Chairman
- A. McIlwain - Managing Director
- A. Shearer - Non-Executive Director (appointed on 14 July 2020)
- D. Ransom - Non-Executive Director (resigned on 14 July 2020)

Other key management personnel

The following persons were key management personnel (KMP) during the financial year:

- J. Murray - Exploration Manager (appointed as KMP on 1 August 2020)

Note 26. Key management personnel disclosures (continued)

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 2021 \$	30 June 2020 \$
Short-term employee benefits	654,175	361,694
Post-employment benefits	58,881	30,323
Long-term benefits	13,547	-
Share-based payments	191,177	104,043
	<u>917,780</u>	<u>496,060</u>

Note 27. 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 2021 \$	30 June 2020 \$
<i>Audit services -</i>		
Audit or review of the financial statements	<u>36,725</u>	<u>37,461</u>
<i>Other services -</i>		
Tax compliance and advisory services	<u>10,210</u>	<u>7,300</u>
	<u>46,935</u>	<u>44,761</u>

Note 28. 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:

Note 28. Commitments (continued)

	Consolidated	
	30 June	30 June
	2021	2020
	\$	\$
<i>Exploration Expenditure Commitments</i>		
Committed at the reporting date but not recognised as liabilities, payable		
Later than one year	1,069,723	1,409,315
Later than one year but not later than two years	446,554	1,430,685
Total commitment	<u>1,516,277</u>	<u>2,840,000</u>

Note 29. Related party transactions

Parent entity

Investigator Resources Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in Note 31.

Joint operations

Interests in joint operations are set out in Note 32.

Key management personnel

Disclosures relating to key management personnel are set out in Note 26 and the remuneration report included in the Directors' report

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	30 June	30 June
	2021	2020
	\$	\$
Payment for other expenses:		
Consulting fees paid to Andrew McIlwain & Associates Pty Ltd*	-	42,500

* Mr A. McIlwain is a director of Andrew McIlwain & Associates Pty Ltd (AM&A). In the previous financial year, AM&A and Mr McIlwain had been engaged to provide corporate advisory services to the Company. The services provided were based on normal commercial terms and conditions. The consultancy arrangement ceased in October 2019 upon Andrew McIlwain's appointment as Managing Director of the Company.

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.

Terms and conditions

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

Note 30. 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 2021	30 June 2020
	\$	\$
Loss after income tax	(1,979,310)	(14,014,569)
Total comprehensive loss	(1,979,310)	(14,014,569)

Statement of financial position

	Parent	
	30 June 2021	30 June 2020
	\$	\$
Total current assets	11,754,884	2,553,163
Total assets	33,210,149	19,890,069
Total current liabilities	867,828	676,445
Total liabilities	951,219	699,203
Equity		
Issued capital	70,350,184	55,348,547
Share options reserve	421,737	403,642
Accumulated losses	(38,512,991)	(36,561,323)
Total equity	32,258,930	19,190,866

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 31. 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 2021	30 June 2020
		%	%
Sunthe Uranium Pty Ltd	Australia	100%	100%
Gilles Resources Pty Ltd	Australia	100%	100%
Silver Eyre Pty Ltd	Australia	100%	100%
Kimba Minerals Pty Ltd	Australia	100%	100%
Goyder Resources Pty Ltd	Australia	100%	100%
Gawler Resources Pty Ltd	Australia	100%	100%

Note 32. Interests in joint operations and Farm-in Arrangements

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 (ASX:DGO) for exploration on tenements EL5704, EL5705, EL5706, EL5738 and EL6402 ("Tenements") held by Gawler Resources Pty Ltd. Under this agreement, Yandan shall complete expenditure of a minimum \$350,000 on exploration activities under Stage 1 Commitment on or before the first anniversary of the effective date of the Heads of Agreement. Subject to certain conditions, should Yandan fail to complete the Stage 1 Commitment by the due date, it is obligated to pay the shortfall amount of the Stage 1 Commitment to Gawler in cash.

Upon completion of the Stage 1 Commitment, Yandan has an option to elect to progress to a 51% joint venture by funding \$2 million for Stage 2 Commitment to be met within 24 months of the completion of Stage 1 Commitment. 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 JV Commencement Date. Upon meeting Stage 3 Commitment, an additional 29% interest in the tenements will be transferred to Yandan for a total Joint Venture interest of 80%.

The Company informed the market in the June 2020 Quarterly report that OZ Minerals had notified the Company that they did not intend to progress to Stage 2 of the Earn-In of the Maslins Project Heads of Agreement in relation to the Company's tenement EL5705 in the Stuart Shelf. Subsequent to FY2021 year end, the Company has returned \$237,455 to OZ Minerals representing the balance of unused funds received in advance by the Company.

At the date of this report, the Company has no other interest in joint operations or farm-in arrangements.

Note 33. Events after the reporting period

No matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 34. Cash flow information

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

	Consolidated	
	30 June	30 June
	2021	2020
	\$	\$
Loss after income tax expense for the year	(1,979,310)	(14,014,569)
Adjustments for:		
Depreciation and amortisation	3,651	2,051
Employee options expense	191,177	174,043
Exploration expenditure written off	920,300	13,160,787
AASB 16 adjustment	52	3,414
Change in operating assets and liabilities:		
(Increase)/Decrease in trade and other receivables	(2,272)	10,521
(Increase)/Decrease in other assets	(66,290)	(6,557)
(Decrease)/Increase in Provisions - current	35,321	24,212
(Decrease)/Increase in creditors and accruals	70,998	(7,069)
Net cash used in operating activities	<u>(826,373)</u>	<u>(653,167)</u>

Note 35. Earnings per share

	Consolidated	
	30 June 2021 \$	30 June 2020 \$
Loss after income tax attributable to the owners of Investigator Resources Limited	<u>(1,979,310)</u>	<u>(14,014,569)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>1,186,699,315</u>	<u>824,756,102</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>1,186,699,315</u>	<u>824,756,102</u>
	Cents	Cents
Basic loss per share	(0.17)	(1.70)
Diluted earnings per loss	(0.17)	(1.70)

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.

Note 36. Share-based payments

Share based payments expense during the period is \$191,177 (30 June 2020: \$174,043) which relates to performance rights and options issued to KMP and other employees of the Company.

Unlisted Options

On 13 August 2020, 2,000,000 unlisted fully vested options (exercisable at \$0.035, expiring on 20 November 2022) were issued to Mr Andrew Shearer, Non-Executive Director, as part of his sign-on package.

The fair value of the options was determined as of \$69,140 using the Black Scholes option pricing model using the following inputs:

Weighted average share price at date of grant (\$)	0.050
Weighted average exercise price (\$)	0.035
Weighted average volatility %	116
Weighted average risk free rate %	0.26
Days to expiry	829
Fair value of option \$	69,140

On 29 September 2020, 10,000,000 unlisted fully vested options were issued to Canaccord Genuity (Australia) Limited in consideration for services provided as the Lead Manager to the placement as below:

- 3,000,000 unlisted fully vested options (exercisable at \$0.036, expiring on 31 December 2020)
- 3,000,000 unlisted fully vested options (exercisable at \$0.045, expiring on 31 December 2021)
- 4,000,000 unlisted fully vested options (exercisable at \$0.048, expiring on 31 December 2022)

Note 36. Share-based payments (continued)

The fair value of the options was determined at \$271,040 using the Black Scholes option pricing model using the following inputs:

	Options expiring on 31 December 2020	Options expiring on 31 December 2021	Options expiring on 31 December 2022
Weighted average share price at date of grant (\$)	0.052	0.052	0.052
Weighted average exercise price (\$)	0.036	0.045	0.048
Weighted average volatility %	115	115	115
Weighted average risk-free rate %	0.18	0.11	0.16
Days to expiry	93	458	823
Fair value of options \$	59,760	80,760	130,520

On 11 November 2020, the Company issued 3,000,000 fully paid ordinary share to Canaccord Genuity on exercise of 3,000,000 unlisted options exercisable at \$0.036.

On 4 February 2021 the Company issued 3,000,000 fully paid ordinary shares to Canaccord Genuity on exercise of 3,000,000 unlisted options exercisable at \$0.045.

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

	KMP No. of Options	KMP Weighted average exercise price	Employees No. of Options	Employees Weighted average exercise price
Outstanding at 1 July 2019	5,915,000	0.041	-	-
Granted / Issued	12,000,000	0.035	10,000,000	0.035
Lapsed	(5,915,000)	0.041	-	-
Outstanding at 30 June 2020	12,000,000	0.035	10,000,000	0.035
Granted / Issued	2,000,000	0.035	-	-
Outstanding at 30 June 2021	14,000,000	0.035	10,000,000	0.035

Listed Options

During the year ended 30 June 2021, a total of 200,526,433 of the Company's listed options were exercised prior to their expiry on 31 December 2020. The remaining 3,298,045 listed options lapsed on 31 December 2020.

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 is 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.

Note 36. Share-based payments (continued)

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 2021

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 2021 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



Kevin Wilson
Chairman

13 September 2021

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 2021, 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 2021 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

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

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 15	
At 30 June 2021, the carrying value of exploration and evaluation assets was \$21,214,246. 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 which may suggest the carrying value is in excess of the recoverable value. The process undertaken by management to assess whether there are any impairment triggers in each area of interest involves an element of management judgement. This area is a key audit matter due to the significant judgement involved in determining the existence of impairment triggers.	Our procedures included, amongst others: • Reviewed management's area of interest considerations against AASB 6; • Assess the accuracy of any impairment recorded for the year as it pertained to exploration interests; • Conducted a detailed review of management's assessment of trigger events prepared in accordance with AASB 6 including; – Traced projects to exploration licenses and statutory register to determine whether a right of tenure existed; – Enquired of management regarding their intentions to carry out exploration and evaluation activity in the relevant exploration area, including review of management's budgeted expenditure; – Understood 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; • Assessed the accuracy of impairment recorded for the year as it pertained to exploration interests; • Evaluated the competence, capabilities and objectivity of management's experts in the evaluation of potential impairment triggers; and • Reviewed 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 2021, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of the Directors' for the financial report

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

In preparing the financial report, the Directors are responsible for assessing the 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

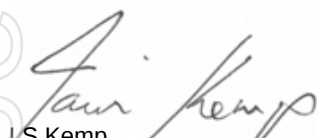
Opinion on the remuneration report

We have audited the Remuneration Report included in pages 16 to 22 of the Directors' report for the year ended 30 June 2021.

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

Responsibilities

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


GRANT THORNTON AUDIT PTY LTD
Chartered Accountants
I S Kemp
Partner – Audit & Assurance

Adelaide, 13 September 2021

Investigator Resources Limited
Shareholder Information
30 June 2021

The shareholder information set out below was applicable as at 31 August 2021.

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	237	19,378	0.00
1,001 - 5,000	390	1,369,653	0.10
5,001 - 10,000	691	5,634,896	0.43
10,001 - 100,000	2,806	118,409,984	8.93
100,001 Over	1,497	1,198,554,365	90.54
Total	5,621	1,323,946,607	100.00
Holdings less than Marketable parcel	880		

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	207,448,316	15.67
2	HSBC CUSTODY NOMINEES	18,516,641	1.40
3	SHIPSTERS INVESTMENTS PTY LTD <HEINRICH FAMILY A/C>	15,000,000	1.13
4	MR PETER DANIEL WILLSON	14,710,177	1.11
5	MRS LESLEY LORD	13,400,000	1.01
6	GREGMAL NOMINEES PTY LIMITED <GREGMAL CAPITAL A/C>	12,710,633	0.96
7	EQUITAS NOMINEES PTY LIMITED <PB-600853 A/C>	12,449,951	0.94
8	JRMA GROUP PTY LTD <RICHARDS FAMILY A/C>	10,954,327	0.83
9	MAPT PTY LIMITED <MAPT FAMILY A/C>	10,726,125	0.81
10	ROBERTSON ARCHITECTURAL SERVICES PTY LTD <ROBERTSON FAMILY S/F A/C>	10,125,000	0.76
11	MR SHANE PETER MATTERSON + MRS SHARYN ALISON MATTERSON <SHANE MATTERSON S/F A/C>	9,984,848	0.75
12	WILLOW GLENN PTY LIMITED	8,906,069	0.67
13	MR DIMITRI EMIL LAJOVIC	8,893,625	0.67
14	MR BRIAN JOHN ANDERSON	8,800,000	0.66
15	BERKELEY DOWNS INVESTMENTS PTY LTD <SUPER FUND ACCOUNT>	8,600,000	0.65
16	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	8,520,158	0.64
17	MR NICHOLAS PLAYFORD FORGAN	7,970,151	0.60
18	MACFAC PTY LTD <MCILWAIN FAMILY S/FUND A/C>	6,100,000	0.46
19	MR PETER NEIL HENDERSON	6,000,000	0.45
20	O'SHEA & BROWN PTY LTD	6,000,000	0.45
Total Top 20 Shareholders		405,916,021	30.66

The shareholder information set out below was applicable as at 27 August 2021.

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 representative;
- (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, 24 November 2021. 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, 13 October 2021. Any nominations must be received in writing no later than 5.00pm (Melbourne time) on Wednesday, 13 October 2021 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.