

**INVESTIGATOR  
RESOURCES  
LIMITED**



# **Investigator Resources Limited**

**ABN 90 115 338 979**

**Half Year Financial Report - 31 December 2020**

# Investigator Resources Limited

## Contents

31 December 2020

Corporate directory	2
Directors' report	3
Auditor's independence declaration	7
Statement of profit or loss and other comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12
Directors' declaration	19
Independent auditor's review report to the members of Investigator Resources Limited	20

**Investigator Resources Limited**  
**Corporate directory**  
**31 December 2020**

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

Principal place of business

18 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](http://www.investres.com.au)

**Investigator Resources Limited**  
**Directors' report**  
**31 December 2020**

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 half-year ended 31 December 2020 (the 'financial half-year' or the 'interim reporting period').

**Directors**

The following persons were Directors of Investigator Resources Limited during the whole of the financial half-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)

**Dividends**

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

**Review of operations**

The loss for the consolidated entity after providing for income tax amounted to \$546,433 (31 December 2019: \$708,678).

The net result for the financial half-year includes a receipt of COVID-19 incentives of \$50,000 with no impairment charge associated with exploration and evaluation assets (31 December 2019: \$106,698).

During the period, the Company incurred \$3,169,056 expenditure on exploration activities across the Company's tenements, compared with \$659,050 for the prior corresponding period. The increase in exploration activity spend is as a result of work undertaken on the Paris Silver Project during the period as detailed in the project summary within this report.

At 31 December 2020, the Company held \$13,594,650 in cash and cash equivalents.

*The main activities during the half year included:*

• **Paris Silver Project (Peterlumbo Tenement)**

The Company's 100% owned Paris Silver Project is located on South Australia's Eyre Peninsula, 70km northwest of the town of Kimba. As was reported to the ASX on 19 April 2017, the Paris Silver Project ("Project") contains a JORC (2012) Mineral Resource estimate of 42 million ounces of Silver and 55 thousand tonnes of lead.

Following a capital raising in August 2020, the Company commenced the tasks required to complete a full Pre-Feasibility Study ("PFS") on the Project.

A comprehensive infill drill program comprising over 20,000m of reverse circulation and diamond drilling was completed during the period. Results derived from this program to date support the objective of improving the geological confidence of the mineralisation and grade. Past programs, where an improvement in resource confidence has occurred, has also resulted in an improvement of overall resource grade, and this is anticipated to be reflected in the revised resource estimate due to be delivered in April 2021.

Metallurgical testwork is continuing with the objective of defining an optimum processing solution and flowsheet design.

The revised resource estimate, mine plan and schedules and associated metallurgical recoveries will form the basis for the Project's economic assessment that will be delivered with the completed PFS by mid-year 2021.

- **Uno, Morgans & Harris Bluff tenements**

The Company holds a suite of approximately 250km<sup>2</sup> of contiguous tenements approximately 100km to the east of the Peterlumbo tenement. Highly prospective for base metals and silver, these tenements are adjacent to the Menninnie Dam silver/lead project held by Terramin.

During the period, desktop studies were completed defining an initial field work program that will commence in March 2021.

- **Stuart Shelf tenements**

During the period, the Company announced that it had executed a Heads of Agreement with DGO Gold Pty Ltd (ASX:DGO, "DGO"), whereby DGO could spend up to \$6.36M in a three-stage program over 5 years, to earn up to an 80% interest in Investigator's Stuart Shelf tenements.

Drilling on IVR's 100% owned Whittata tenement, which commenced in February 2021, is the first of the planned exploration work to be undertaken by DGO under this Heads of Agreement in their pursuit of Zambian Copper Belt (ZCB) style sediment hosted copper targets on the Stuart Shelf.

DGO is committed to a minimum expenditure of \$360,000 by September 2021.

- **Cartarpo Cobalt-Copper Project**

The Company's 100% owned, Cartarpo tenement is located 175km north of Adelaide. Granted to the Company in 2017, the tenement holding remains valid until August 2022.

Previous soil sampling, as reported in the March 2019 Quarterly Report, identified anomalous copper and gold values. A follow up program is planned to be undertaken by mid year.

- **Curnamona Project**

The Company's Curnamona Project comprises the 100% owned Wiawera, Plumbago, Treloars and Olary tenements (Els 5938, 6192, 6345 and 6253 respectively).

Investigator continues to seek to engage with the Wilyakali people – the Traditional Owners of the Wiawera tenement area, with the objective of achieving a mutually beneficial working relationship to ensure that all parties' interests are protected and to enable substantive exploration activities to be undertaken.

- **White Spur - Tasmania**

During the period, the Company was granted exploration licence (EL2/2020) in the highly mineral endowed Mount Read Volcanic belt of North West Tasmania.

The White Spur tenement was identified through a "machine learning" or "neural analysis" targeting exercise as having similar characteristics to the Rosebery mine which has operated continuously from 1936, producing zinc, copper, lead and gold.

The 84km<sup>2</sup> tenement lies immediately to the south of the Rosebery and historical Hercules zinc mines and west of, and adjacent to, the Henty Gold Mine that has produced approximately 1.3M oz since its commissioning in 1996.

An initial program of field mapping is planned, and is anticipated to commence subject to COVID-19 travel restrictions and resource allocation, prior to the end of the June 2021 Quarter.

- **Fowler Domain – South Australia**

Applications for two tenement areas within the Fowler Domain within the Western Gawler area in South Australia were granted during the period.

Interest in this region was piqued from recent drilling by others (Western Areas - ASX:WSA – 23 June 2020) where significant nickel and copper sulphide mineralisation had been identified. The successful application areas are immediately adjacent to and south-east of the area of discovery.

Investigator's tenements cover in excess of 1,800km<sup>2</sup>, and a program of work is being finalised. Before this initial planned work can be undertaken on the ground, access notifications and agreements with pastoralists and Traditional Owners will need to be secured.

- **Business development**

The Company continues to review opportunities for access to and or acquisition of projects within the domestic precious metals sector, with a target profile of late-stage exploration through pre-development to production. The Investigator team has continued to actively review and assess acquisition opportunities.

Market conditions are such that identifying potential acquisitions with compelling accretive value prospects is challenging. We remain committed to a disciplined process and evaluation in this pursuit.

## **Corporate**

### **People**

On 14 July 2020, Dr David Ransom resigned as Non-Executive Director and Mr Andrew Shearer was appointed as Non-Executive Director.

### **Placement**

On 30 July 2020, the Company announced that it had received firm commitments to raise \$8 million through a share placement, with funds raised to be directed to the advancement of the Company's owned Paris Silver Project, regional exploration and working capital.

The share issue was undertaken in a two-tranche placement of approximately 266.7 million fully paid ordinary shares in the Company at an issue price of \$0.03 per share, raising \$8 million (before costs). The second tranche was approved by shareholders at an Extraordinary General Meeting held in September 2020.

### **JMEI credits**

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

The JMEI scheme enables eligible exploration companies to create refundable tax credits to distribute to eligible shareholders by forgoing a portion of their carried forward tax losses that have arisen from allow-able expenditure on "greenfield" exploration and applies to shareholders who acquire new shares through a share placement undertaken by the Company during the financial year. 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).

### **Expiry of listed options (ASX: IVROA)**

The Company had 203,824,478 listed options with an exercise price of \$0.035 each with expiry date of 31 December 2020. As announced on 5 January 2001, 200,526,433 options were exercised raising \$7 million with the remaining 3,298,045 options lapsing unexercised on 31 December 2020.

### **Competent persons statement**

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

### **Forward looking statements**

This Interim 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, prevailing commodity prices, as well as other matters not yet known to the Company or not currently considered material by the Company.

### **Significant changes in the state of affairs**

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

**Investigator Resources Limited**  
**Directors' report**  
**31 December 2020**

**Matters subsequent to the end of the financial half-year**

On 5 January 2021, the Company issued 17,754,367 shares to option holders who exercised listed options, exercisable at \$0.035 each.

On 29 January 2021, the Company issued 5,000,000 fully paid ordinary shares to the Managing Director following the conversion of Performance Rights on achievement of the vesting conditions.

On 2 February 2021, the Company issued 95,895 shares to option holders who exercised listed options, exercisable at \$0.035 each.

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

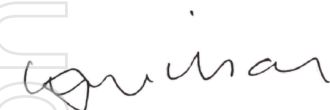
No other matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect, the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

**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.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors



Kevin Wilson  
Chairman

11 March 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 review of Investigator Resources Limited for the half year ended 31 December 2020, 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 review; and
- b no contraventions of any applicable code of professional conduct in relation to the review



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



I S Kemp  
Partner – Audit & Assurance

Adelaide, 11 March 2021



**Investigator Resources Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2020**

		<b>Consolidated</b>	
	<b>Note</b>	<b>31 December 2020</b>	<b>31 December 2019</b>
		<b>\$</b>	<b>\$</b>
<b>Revenue</b>			
Management fee- Joint operation		-	9,605
Interest and other income	3	76,073	20,029
<b>Expenses</b>			
Employee benefit expenses	4	(134,993)	(135,905)
Administrative expenses	5	(344,077)	(395,154)
Exploration and evaluation expenditure impaired		-	(106,698)
Share based payment expense	11	(143,436)	(100,555)
<b>Loss before income tax expense</b>		<b>(546,433)</b>	<b>(708,678)</b>
Income tax expense		-	-
<b>Loss after income tax expense for the half-year attributable to the owners of Investigator Resources Limited</b>		<b>(546,433)</b>	<b>(708,678)</b>
Other comprehensive income for the half-year, net of tax		-	-
<b>Total comprehensive loss for the half-year attributable to the owners of Investigator Resources Limited</b>		<b>(546,433)</b>	<b>(708,678)</b>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	17	(0.05)	(0.09)
Diluted earnings per share	17	(0.05)	(0.09)

*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 31 December 2020**

		<b>Consolidated</b>	
		<b>31 December</b>	
	<b>Note</b>	<b>2020</b>	<b>30 June 2020</b>
		<b>\$</b>	<b>\$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		13,594,650	2,500,090
Trade and other receivables	6	164,373	8,770
Inventories		16,243	1,577
Other assets		31,842	42,726
<b>Total current assets</b>		<u>13,807,108</u>	<u>2,553,163</u>
<b>Non-current assets</b>			
Property, plant and equipment		9,823	668
Right-of-use assets		64,054	113,137
Exploration and evaluation assets	7	20,367,955	17,198,899
Other assets		75,902	24,202
<b>Total non-current assets</b>		<u>20,517,734</u>	<u>17,336,906</u>
<b>Total assets</b>		<u>34,324,842</u>	<u>19,890,069</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	8	882,469	147,667
Lease liabilities		39,228	89,219
Provisions	9	251,943	200,749
Joint operation contribution received in advance		238,810	238,810
<b>Total current liabilities</b>		<u>1,412,450</u>	<u>676,445</u>
<b>Non-current liabilities</b>			
Lease liabilities		22,758	22,758
<b>Total non-current liabilities</b>		<u>22,758</u>	<u>22,758</u>
<b>Total liabilities</b>		<u>1,435,208</u>	<u>699,203</u>
<b>Net assets</b>		<u>32,889,634</u>	<u>19,190,866</u>
<b>Equity</b>			
Issued capital	10	69,440,990	55,348,547
Reserves	11	528,758	403,642
Accumulated losses		<u>(37,080,114)</u>	<u>(36,561,323)</u>
<b>Total equity</b>		<u>32,889,634</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 half-year ended 31 December 2020**

<b>Consolidated</b>	<b>Issued Capital \$</b>	<b>Share based payments Reserve \$</b>	<b>Accumulated Losses \$</b>	<b>Total equity \$</b>
Balance at 1 July 2019	53,070,322	243,519	(22,620,048)	30,693,793
Loss after income tax expense for the half-year	-	-	(708,678)	(708,678)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(708,678)	(708,678)
Shares issued	2,536,174	-	-	2,536,174
Share issue cost	(258,436)	-	-	(258,436)
Options issued to Fundraising Manager	-	59,375	-	59,375
Options issued to Key Management Personnel	-	86,993	-	86,993
Performance rights issued	-	13,562	-	13,562
Balance at 31 December 2019	<u>55,348,060</u>	<u>403,449</u>	<u>(23,328,726)</u>	<u>32,422,783</u>

<b>Consolidated</b>	<b>Issued Capital \$</b>	<b>Share based payments Reserve \$</b>	<b>Accumulated Losses \$</b>	<b>Total equity \$</b>
Balance at 1 July 2020	55,348,547	403,642	(36,561,323)	19,190,866
Loss after income tax expense for the half-year	-	-	(546,433)	(546,433)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(546,433)	(546,433)
Shares issued	14,505,023	-	-	14,505,023
Share issue cost	(674,298)	-	-	(674,298)
Options issued to Fundraising Manager	-	271,040	-	271,040
Options issued to Key Management Personnel	-	82,571	-	82,571
Share based expense related performance rights	-	60,865	-	60,865
Expiry of options	-	(27,642)	27,642	-
Exercise of options	261,718	(261,718)	-	-
Balance at 31 December 2020	<u>69,440,990</u>	<u>528,758</u>	<u>(37,080,114)</u>	<u>32,889,634</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 half-year ended 31 December 2020**

	<b>Consolidated</b>	
	<b>31 December 2020</b>	<b>31 December 2019</b>
<b>Note</b>	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Interest received	21,198	15,149
Management fee	-	9,605
Payments to suppliers and employees	(418,191)	(402,829)
COVID 19 stimulus received	50,000	-
	<u>(346,993)</u>	<u>(378,075)</u>
Net cash used in operating activities		
<b>Cash flows from investing activities</b>		
Payments for Exploration and evaluation expenditure	(2,730,945)	(491,298)
JV contribution received	-	1,478,981
Payments for property, plant and equipment	(10,944)	-
Payments for security deposits	(16,700)	-
	<u>(2,758,589)</u>	<u>987,683</u>
Net cash from/(used in) investing activities		
<b>Cash flows from financing activities</b>		
Issue of shares	10 8,000,000	2,536,662
Cost of raising capital	(403,258)	(199,062)
Exercise of Options	6,603,400	-
	<u>14,200,142</u>	<u>2,337,600</u>
Net cash from financing activities		
Net increase in cash and cash equivalents	11,094,560	2,947,208
Cash and cash equivalents at the beginning of the financial half-year	2,500,090	1,204,981
Cash and cash equivalents at the end of the financial half-year	<u>13,594,650</u>	<u>4,152,189</u>

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

**Investigator Resources Limited**  
**Notes to the financial statements**  
**31 December 2020**

**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 financial half-year ended 31 December 2020. 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 is:

18 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 11 March 2021.

**Note 2. Significant accounting policies**

These general purpose financial statements for the financial half-year reporting period ended 31 December 2020 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

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

**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 \$20,367,955 (30 June 2020: \$17,198,899).

The consolidated group has incurred a net loss after tax for the half-year ended 31 December 2020 of \$546,433 (31 December 2019: \$708,676) and has a net cash outflow, from operating and investing activities of \$3,105,582 (31 December 2019: net cash inflow of \$609,608). During the period, the consolidated group has raised capital of \$14,200,142 from the issue of shares (31 December 2019: \$2,337,600). At 31 December 2020, the consolidated group had net current assets of \$12,394,658 (30 June 2020: \$1,876,718).

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 \$6.6million 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

**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.

**New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the period ended 31 December 2020.

**Note 3. Interest and other income**

	<b>Consolidated</b>	<b>Consolidated</b>
	<b>31 December 2020</b>	<b>31 December 2019</b>
	<b>\$</b>	<b>\$</b>
Government grant <sup>(i)</sup>	50,000	-
Interest income	26,073	20,029
Interest and other income	<u>76,073</u>	<u>20,029</u>

(i) The consolidated entity qualified for the Government's COVID-19 Cash Boost during the period.

**Note 4. Employee benefit expenses**

	<b>Consolidated</b>	<b>Consolidated</b>
	<b>31 December 2020</b>	<b>31 December 2019</b>
	<b>\$</b>	<b>\$</b>
Benefits provided to employees	462,711	340,201
Capitalised to exploration and evaluation projects	(327,718)	(204,296)
	<u>134,993</u>	<u>135,905</u>

**Note 5. Administrative expenses**

	<b>Consolidated</b>	<b>Consolidated</b>
	<b>31 December 2020</b>	<b>31 December 2019</b>
	<b>\$</b>	<b>\$</b>
Audit fees	21,935	16,748
Company secretarial fees	28,000	24,000
Depreciation - Right-to-use asset	7,040	6,870
Depreciation - property, plant and equipment	1,788	1,136
Directors fees	55,304	76,653
Insurance and legal	47,475	29,046
Consulting fee expense	-	82,500
Shareholder communications and Company promotion	137,520	95,510
Other expenses	49,929	70,383
Administration expenses capitalised to exploration	(4,914)	(7,692)
	<u>344,077</u>	<u>395,154</u>

**Note 6. Current assets - trade and other receivables**

	<b>Consolidated</b>	
	<b>31 December</b>	<b>30 June 2020</b>
	<b>2020</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Accrued income	4,874	-
GST receivable	159,499	8,770
	<u>164,373</u>	<u>8,770</u>

**Note 7. Non-current assets - exploration and evaluation assets**

	<b>Consolidated</b>	
	<b>31 December</b>	<b>30 June 2020</b>
	<b>2020</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Exploration and evaluation - at cost	<u>20,367,955</u>	<u>17,198,899</u>

Movement in exploration and evaluation asset:

	<b>Consolidated</b>	
	<b>31 December</b>	<b>30 June 2020</b>
	<b>2020</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Opening balance - at cost	17,198,899	29,700,636
Capitalised exploration expenditure	3,169,056	659,050
Impairment	-	(13,160,787)
Carrying amount at the end of the period	<u>20,367,955</u>	<u>17,198,899</u>

**Note 8. Current liabilities - trade and other payables**

	<b>Consolidated</b>	
	<b>31 December</b>	<b>30 June 2020</b>
	<b>2020</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Trade payables	689,570	126,718
Other payables	192,899	20,949
	<u>882,469</u>	<u>147,667</u>

Other payables include \$98,377 received upon the exercise of listed options by the option holders for which the shares were issued subsequent to 31 December 2020.

**Note 9. Current liabilities - provisions**

	Consolidated	
	31 December 2020	30 June 2020
	\$	\$
Annual leave	154,736	116,256
Long service leave	97,207	84,493
	<u>251,943</u>	<u>200,749</u>

**Note 10. Equity - issued capital**

	Consolidated			
	31 December 2020	30 June 2020	31 December 2020	30 June 2020
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>1,298,096,345</u>	<u>845,657,612</u>	<u>69,440,990</u>	<u>55,348,547</u>

**Movements in ordinary share capital**

Details	Date	Shares	Issue price	\$
Balance	30 June 2020	845,657,612		55,348,547
Exercise of listed options	04 August 2020	191,791	\$0.04	6,713
Share Purchase Plan (SPP) shares issued to professional and sophisticated investors	07 August 2020	183,333,333	\$0.03	5,500,000
Exercise of listed options	07 August 2020	1,500,000	\$0.04	52,500
Exercise of listed options	24 August 2020	38,358	\$0.04	1,343
Exercise of listed options	11 September 2020	38,358	\$0.04	1,343
Exercise of listed options	17 September 2020	244,038	\$0.04	8,541
Share Purchase Plan (SPP) shares issued to professional and sophisticated investors	29 September 2020	83,333,334	\$0.03	2,500,000
Exercise of listed options	08 October 2020	27,778	\$0.04	972
Exercise of listed options	14 October 2020	14,400,000	\$0.04	504,000
Exercise of listed options	27 October 2020	219,569	\$0.04	7,685
Exercise of listed options	03 November 2020	2,857,143	\$0.04	100,000
Exercise of unlisted options	11 November 2020	3,000,000	\$0.04	167,760
Exercise of listed options	13 November 2020	1,143,849	\$0.04	40,035
Exercise of listed options	19 November 2020	3,293,861	\$0.04	115,285
Exercise of listed options	24 November 2020	3,912,348	\$0.04	136,932
Exercise of listed options	1 December 2020	9,290,962	\$0.04	325,184
Exercise of listed options	8 December 2020	22,016,181	\$0.04	770,566
Exercise of listed options	15 December 2020	30,151,490	\$0.04	1,055,302
Exercise of listed options	22 December 2020	38,535,216	\$0.04	1,348,733
Exercise of listed options	30 December 2020	54,911,124	\$0.04	2,123,847
Share issue costs- cash				(403,258)
Share issue costs -non-cash		-		(271,040)
Balance	31 December 2020	<u>1,298,096,345</u>		<u>69,440,990</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.



**Note 11. Equity - reserves**

	<b>Consolidated</b>	
	<b>31 December</b>	<b>30 June 2020</b>
	<b>2020</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Share based payments reserve	<u>528,758</u>	<u>403,642</u>

Share based payments expense during the period is \$143,436 (31 December 2019: \$100,555) 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 options \$	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)

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.

After the reporting period ended, on 2 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.

**Note 11. Equity - reserves (continued)**

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

	<b>KMP No. of Options</b>	<b>KMP Weighted average exercise price \$</b>	<b>Employees No. of Options</b>	<b>Employees Weighted average exercise price \$</b>
Outstanding at 31 December 2019	<b>17,915,000</b>	<b>0.037</b>	<b>10,000,000</b>	0.035
Granted / Issued	-	-	-	-
Lapsed	(5,915,000)	0.037	-	-
Exercised	-	-	-	-
Outstanding at 30 June 2020	12,000,000	0.035	10,000,000	0.035
Granted / Issued	2,000,000	0.035	-	-
Lapsed	-	-	-	-
Exercised	-	-	-	-
<b>Outstanding at 31 December 2020</b>	<b>14,000,000</b>	<b>0.035</b>	<b>10,000,000</b>	<b>0.035</b>

**Listed Options**

During the half-year ended 31 December 2020, 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.

**Note 12. Equity - dividends**

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

**Note 13. 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 EL 6402 ("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%.

We informed the market in the June 2020 Quarterly report that OZ Minerals had notified IVR that they did not intend to progress to Stage 2 of the Earn-In. We are still to finally reconcile expenditures (this will be done when rehabilitation work is completed later in the quarter) with an expectation that some funds (~\$200k) will be returned to OZ Minerals.

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

**Note 14. Expenditure Commitments and Contingent Liabilities**

Other than as disclosed in this report, there were no significant changes to the commitments and contingencies disclosed in the most recent annual financial report.

**Note 15. Segment Information**

The Company 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 Company is managed primarily on a geographic basis, that is, the location of the respective areas of interest (tenements) in Australia. Operating segments are determined on the basis of financial information reported to the Board which is at the Company level.

In the opinion of the Board of Directors, the Company has one reportable segment, being exploration for silver, gold and associated minerals in Australia. Accordingly, all significant operating decisions are based upon analysis of the Company as a single segment. The financial results from this segment are equivalent to the financial statements of the Consolidated Entity as a whole. The basis for determining segments has not changed from the last annual financial statements.

**Note 16. Events after the reporting period**

On 5 January 2021, the Company issued 17,754,367 shares to option holders who exercised listed options exercisable at \$0.035 each.

On 29 January 2021, the Company issued 5,000,000 fully paid ordinary shares to the Managing Director following the conversion of Performance Rights on achievement of the vesting conditions.

On 2 February 2021, the Company issued 95,895 shares to option holders who exercised their listed options exercisable at \$0.035 each.

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

No other matter or circumstance has arisen since 31 December 2020 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 17. Earnings per share**

	<b>Consolidated</b>	
	<b>31 December 2020</b>	<b>31 December 2019</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax attributable to the owners of Investigator Resources Limited	<u>(546,433)</u>	<u>(708,678)</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>1,053,602,448</u>	<u>804,770,285</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>1,053,602,448</u>	<u>804,770,285</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	(0.05)	(0.09)
Diluted earnings per share	(0.05)	(0.09)

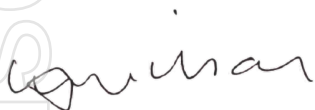
**Investigator Resources Limited**  
**Directors' declaration**  
**31 December 2020**

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the financial half-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.

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

On behalf of the Directors



---

Kevin Wilson  
Chairman

11 March 2021

# Independent Auditor's Review Report

## To the Members of Investigator Resources Limited

### Report on the review of the half-year-financial report

#### Conclusion

We have reviewed the accompanying half-year financial report of Investigator Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2020, and 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 half year ended on that date, a description of accounting policies, other selected explanatory notes, and the directors' declaration.

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

- a giving a true and fair view of the Investigator Resources Limited's financial position as at 31 December 2020 and of its performance for the half year ended on that date; and
- b complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### Basis for Conclusion

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

#### Directors' responsibility for the half-year financial report

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

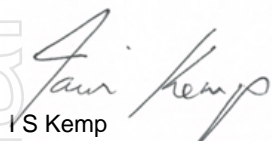
### Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



I S Kemp  
Partner – Audit & Assurance

Adelaide, 11 March 2021