

**INVESTIGATOR
RESOURCES
LIMITED**



Investigator Resources Limited

ABN 90 115 338 979

Half Year Financial Report - 31 December 2021

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Investigator Resources Limited

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31 December 2021

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Investigator Resources Limited
Corporate directory
31 December 2021

Directors	Kevin Wilson – Non-Executive Chairman (resigned effective 1 January 2022) Andrew McIlwain – Managing Director Andrew Shearer – Non-Executive Director Richard Hillis – Non-Executive Chairman (appointed effective 1 January 2022)
Company Secretary	Ms Anita Addorisio
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	Website: www.investres.com.au

Investigator Resources Limited
Directors' report
31 December 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 half-year ended 31 December 2021 (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 (resigned effective 1 January 2022)
Andrew McIlwain – Managing Director
Andrew Shearer – Non-Executive Director
Richard Hillis – Non-Executive Chairman (appointed effective 1 January 2022)

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 \$615,312 (31 December 2020: \$546,433).

The net result for the financial half-year includes receipt of interest and other income of \$42,071 (31 December 2020: \$76,073).

During the period, the Company incurred \$1,790,877 expenditure on exploration activities across the Company's tenements, compared with \$3,169,056 for the prior corresponding period. The decrease 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 2021, the Company had a cash position of \$9,162,469.

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 28 June 2021, the Paris Silver Project contains a JORC (2012) Mineral Resource estimate of 53.1 million ounces of Silver and 97.6 thousand tonnes of lead at a 30 g/t silver cut-off.

Following the successful capital raising in August 2020, the Company commenced the tasks required to complete a full Pre-Feasibility Study ("PFS") on the Paris Project. The results of the PFS were reported to the ASX on 30 November 2021. The PFS identified strong Pre-Tax Economics resulting from the whole of ore leach processing route of the high grade, near-surface resource, recovered from a simple open-pit mine plan.

A 52-hole exploration program, focussed on prospects proximal to the Paris Silver deposits, was undertaken in the period with a total of 6,770 metres of RC drilling completed (ASX 27 October 2021). Results from a number of prospects confirmed silver mineralisation was present and a follow-up program of drilling is planned to be undertaken during the second half reporting period.

Planning of the requirements necessary to complete a Definitive Feasibility Study on the Paris Silver Project is nearing finalisation and the decision to progress will be made by the Board of Directors when presented.

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

The Company holds a suite of contiguous tenements approximately 100km to the east of the Peterlumbo tenement, that covers an area of approximately 250km². Highly prospective for base metals and silver, these tenements are adjacent to the Menninnie Dam silver/lead project held by Terramin (ASX: TZN).

During the period, approximately 1,300 soil samples were collected across the northern "Uno Fault" portion of the tenement group, in addition to prospect and regional scale mapping. The company engaged a contractor to reprocess, reinterpret and model a historic Geoscience Australia seismic survey line that transects the tenements.

All of the above information was utilised to prepare drill targets on the Uno Range and Morgans tenements.

A Native Title heritage clearance survey was completed over portions of the Uno Range and Morgans tenements in preparation for drill testing. Drilling commenced in late December 2021, however was suspended over the Christmas period and has recently resumed.

Negotiation towards establishing a Native Title Mining Agreement over the Harris Bluff tenement with the Registered Native Title Determinants has commenced.

- **Stuart Shelf tenements**

The company entered into 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 (ASX: 21 September 2020).

DGO under this Heads of Agreement are in pursuit of Zambian Copper Belt (ZCB) style sediment-hosted copper and Iron Oxide Copper Gold (IOCG) targets on the Stuart Shelf.

DGO achieved its initial minimum expenditure commitment of \$360,000 by September 2021 and has now committed to spending a further \$2 million within 2 years to earn a right to a 51% interest in the Joint Venture.

DGO announced on 1 October 2021 the commencement of a second round of drilling on Investigator's tenements, with results of this program released by DGO to the ASX on 17th December 2021 confirming low-grade copper and cobalt mineralisation covering approximately 15km of strike extent within their target transition zone basin target.

- **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.

The results of the over 300 soil samples collected were reported in the March 2019 Quarterly Report. Anomalous copper and gold warrant follow-up sampling that will be undertaken when resources are available.

Investigator are considering a number of alternatives to advance exploration efforts on this Cartarpo tenement.

- **Curnamona Project**

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

The notice of entry was lodged with all stakeholders in the area and a subsequent program of soil sampling of approximately 1,600 samples and initial regional mapping was undertaken in the period. With an increase in industry-wide demand, the turnaround time for assay results has extended and assay results from this soil sampling program are still awaited.

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**

The Company was granted exploration licence (EL2/2020) in the highly mineral endowed Mount Read Volcanic belt of North West Tasmania on 24 September 2020.

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 84km² tenement lies immediately to the south of the Rosebery and historic 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 access and logistical assessment including mapping was undertaken within the period. A program of work has been identified to progress the assessment of historic data, leading to the design of a drill program as the next stage work on the project.

- **Fowler Domain – South Australia**

Two tenement areas, covering approximately 1900km² within the Fowler Domain within the Western Gawler area in South Australia were granted on 11 June 2021.

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

On 18 October 2021, the Company announced to the ASX the completion of an Earn-In/Joint Venture agreement with an unlisted entity, Osmond Resources, covering the two tenements. Osmond Resources issued 200,000 shares to the Company, with a further 900,000 shares to be issued on listing on the ASX. The Earn-In/Joint Venture agreement requires Osmond Resources to spend \$2.75 million over 6 years to earn 80% of the project.

Business Development

The Company continues to review opportunities for access to and or acquisition of projects within the domestic precious metals area, 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

Effective 1 January 2022, Mr Kevin Wilson resigned as Non-executive Chairman and Dr Richard Hillis was appointed as the Non-Executive Director and Chairman of the Company.

Company Structure

On 8 October 2021, the Company changed the name of its wholly-owned subsidiary Sunthe Uranium Pty Ltd, from "Sunthe Uranium Pty Ltd" to "Sunthe Minerals Pty Ltd".

On 2 December 2021, the Company registered Fram Resources Pty Ltd, a wholly-owned subsidiary entity.

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.

Matters subsequent to the end of the financial half-year

On 1 January 2022, Mr Kevin Wilson resigned as Non-executive Chairman and Dr Richard Hillis was appointed as the Non-Executive Director and Chairman.

On 1 January 2022, Dr Hillis was issued 2,000,000 unlisted options as part of his sign-on package, exercisable at \$0.097 with an expiry of 31 December 2024.

On 31 January 2022, 4,367,050 fully paid ordinary shares were issued to Managing Director Mr Andrew McIlwain following conversion of Performance Rights on achievement of vesting conditions, the term of which was approved at the Company's 2019 Annual General Meeting.

No other matter or circumstance has arisen since 31 December 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.

**Investigator Resources Limited
Directors' report
31 December 2021**

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



Richard Hillis
Chairman

10 March 2022

Auditor's Independence Declaration

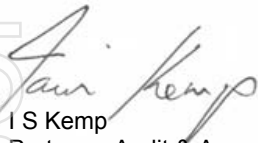
To the Directors of Investigator Resources Limited

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 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 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, 10 March 2022

Investigator Resources Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2021

		Consolidated	
	Note	31 December 2021	31 December 2020
		\$	\$
Revenue			
Interest and other income	3	42,071	76,073
Expenses			
Employee benefit expenses	4	(201,387)	(134,993)
Administrative expenses	5	(412,783)	(344,077)
Share based payment expense	11	<u>(43,213)</u>	<u>(143,436)</u>
Loss before income tax expense		(615,312)	(546,433)
Income tax expense		<u>-</u>	<u>-</u>
Loss after income tax expense for the half-year attributable to the owners of Investigator Resources Limited		(615,312)	(546,433)
Other comprehensive income for the half-year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive loss for the half-year attributable to the owners of Investigator Resources Limited		<u>(615,312)</u>	<u>(546,433)</u>
		Cents	Cents
Basic earnings per share	17	(0.05)	(0.05)
Diluted earnings per share	17	(0.05)	(0.05)

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 2021

		Consolidated	
	Note	31 December 2021 \$	30 June 2021 \$
Assets			
Current assets			
Cash and cash equivalents		9,162,469	11,586,925
Trade and other receivables	6	30,805	30,519
Inventories		54,657	26,424
Other assets		81,098	111,016
Total current assets		<u>9,329,029</u>	<u>11,754,884</u>
Non-current assets			
Financial asset		20,000	-
Property, plant and equipment		6,075	7,960
Right-of-use assets		85,057	116,299
Exploration and evaluation assets	7	23,005,123	21,214,246
Other assets		116,760	116,760
Total non-current assets		<u>23,233,015</u>	<u>21,455,265</u>
Total assets		<u>32,562,044</u>	<u>33,210,149</u>
Liabilities			
Current liabilities			
Trade and other payables	8	328,056	600,697
Lease liabilities		40,096	31,061
Provisions	9	268,908	236,070
Total current liabilities		<u>637,060</u>	<u>867,828</u>
Non-current liabilities			
Lease liabilities		46,153	83,391
Total non-current liabilities		<u>46,153</u>	<u>83,391</u>
Total liabilities		<u>683,213</u>	<u>951,219</u>
Net assets		<u>31,878,831</u>	<u>32,258,930</u>
Equity			
Issued capital	10	70,672,704	70,350,184
Reserves	11	334,430	421,737
Accumulated losses		<u>(39,128,303)</u>	<u>(38,512,991)</u>
Total equity		<u>31,878,831</u>	<u>32,258,930</u>

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

Investigator Resources Limited
Statement of changes in equity
For the half-year ended 31 December 2021

Consolidated	Issued Capital \$	Share based payments Reserve \$	Accumulated Losses \$	Total equity \$
Balance at 1 July 2020	55,348,547	403,642	(36,561,323)	19,190,866
Loss after income tax expense for the 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>

Consolidated	Issued Capital \$	Share based payments Reserve \$	Accumulated Losses \$	Total equity \$
Balance at 1 July 2021	70,350,184	421,737	(38,512,991)	32,258,930
Loss after income tax expense for the half-year	-	-	(615,312)	(615,312)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(615,312)	(615,312)
Shares issued	192,000	-	-	192,000
Options issued to Key Management Personnel	-	43,213	-	43,213
Exercise of options	130,520	(130,520)	-	-
Balance at 31 December 2021	<u>70,672,704</u>	<u>334,430</u>	<u>(39,128,303)</u>	<u>31,878,831</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 2021

	Consolidated	
	31 December 2021	31 December 2020
Note	\$	\$
Cash flows from operating activities		
Interest received	20,119	21,198
Payments to suppliers and employees	(578,851)	(418,191)
COVID 19 incentive	-	50,000
	<u>(558,732)</u>	<u>(346,993)</u>
Net cash used in operating activities		
Cash flows from investing activities		
Payments for Exploration and evaluation expenditure	(1,820,279)	(2,730,945)
Payments for property, plant and equipment	-	(10,944)
Payments for security deposits	-	(16,700)
Payment of JV contribution received in advance	(237,445)	-
	<u>(2,057,724)</u>	<u>(2,758,589)</u>
Net cash used in investing activities		
Cash flows from financing activities		
Proceeds from issue of shares	10 -	8,000,000
Cost of raising capital	-	(403,258)
Exercise of Options	192,000	6,603,400
	<u>192,000</u>	<u>14,200,142</u>
Net cash from financing activities		
Net increase/(decrease) in cash and cash equivalents	(2,424,456)	11,094,560
Cash and cash equivalents at the beginning of the financial half-year	11,586,925	2,500,090
	<u>9,162,469</u>	<u>13,594,650</u>
Cash and cash equivalents at the end of the financial half-year		

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 2021

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 2021. 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:

47 King Street
Norwood South Australia 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 10 March 2022.

Note 2. Significant accounting policies

These general purpose financial statements for the financial half-year reporting period ended 31 December 2021 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 2021 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.

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 realization of capitalized exploration expenditure of \$23,005,123 (30 June 2021: \$21,214,246).

The consolidated group has incurred a net loss after tax for the half-year ended 31 December 2021 of \$615,312 (31 December 2020: \$546,433) and has a net cash outflow, from operating and investing activities of \$2,616,456 (31 December 2020: net cash outflow of \$3,105,582). At 31 December 2021, the consolidated group had net current assets of \$8,691,969 (30 June 2021: \$10,887,056).

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.

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 2021.

Investigator Resources Limited
Notes to the financial statements
31 December 2021

Note 3. Interest and other income

	Consolidated	
	31 December 2021	31 December 2020
	\$	\$
COVID-19 incentive	-	50,000
Interest income	19,292	26,073
Other income	22,779	-
	<u>42,071</u>	<u>76,073</u>

Other income includes \$20,000 investment income from shares issued by Osmond Resources Ltd on entering the Term Sheet on Earn-In and Joint Venture Agreement for exploration on certain tenements held by the consolidated entity.

Note 4. Employee benefit expenses

	Consolidated	
	31 December 2021	31 December 2020
	\$	\$
Benefits provided to employees	561,828	462,711
Capitalised to exploration and evaluation projects	(360,441)	(327,718)
	<u>201,387</u>	<u>134,993</u>

Note 5. Administrative expenses

	Consolidated	
	31 December 2021	31 December 2020
	\$	\$
Audit fees	22,975	21,935
Company secretarial fees	28,500	28,000
Depreciation - Right-to-use asset	3,472	7,040
Depreciation - property, plant and equipment	1,884	1,788
Directors fees	52,500	55,304
Insurance and legal	75,081	47,475
Shareholder communications and company promotion	122,102	137,520
Office expenses	53,619	44,320
Other expenses	55,738	5,609
Administration expenses capitalised to exploration	(3,088)	(4,914)
	<u>412,783</u>	<u>344,077</u>

Note 6. Current assets - trade and other receivables

	Consolidated	
	31 December 2021	30 June 2021
	\$	\$
Accrued income	1,446	-
GST receivable	29,359	30,519
	<u>30,805</u>	<u>30,519</u>

Investigator Resources Limited
Notes to the financial statements
31 December 2021

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

	Consolidated	
	31 December 2021	30 June 2021
	\$	\$
Exploration and evaluation - at cost	<u>23,005,123</u>	<u>21,214,246</u>

Movement in exploration and evaluation asset:

	Consolidated	
	31 December 2021	30 June 2021
	\$	\$
Opening balance - at cost	21,214,246	17,198,899
Capitalised exploration expenditure	1,790,877	4,935,647
Impairment	-	(920,300)
Carrying amount at the end of the period	<u>23,005,123</u>	<u>21,214,246</u>

Note 8. Current liabilities - trade and other payables

	Consolidated	
	31 December 2021	30 June 2021
	\$	\$
Trade payables and accruals	290,194	567,148
GST payable	-	33,549
Other payables (super & PAYG)	37,862	-
	<u>328,056</u>	<u>600,697</u>

Note 9. Current liabilities - provisions

	Consolidated	
	31 December 2021	30 June 2021
	\$	\$
Annual leave	156,635	129,636
Long service leave	112,273	106,434
	<u>268,908</u>	<u>236,070</u>

Note 10. Equity - issued capital

	Consolidated			
	31 December 2021	30 June 2021	31 December 2021	30 June 2021
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>1,327,946,607</u>	<u>1,323,946,607</u>	<u>70,672,704</u>	<u>70,350,184</u>

Investigator Resources Limited
Notes to the financial statements
31 December 2021

Note 10. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	30 June 2021	1,323,946,607		70,350,184
Exercise of unlisted options	3 December 2021	<u>4,000,000</u>	\$0.05	<u>322,520</u>
Balance	31 December 2021	<u>1,327,946,607</u>		<u>70,672,704</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

	Consolidated	
	31 December 2021	30 June 2021
	\$	\$
Share based payments reserve	<u>334,430</u>	<u>421,737</u>

Share based payments expense during the period is \$43,213 (31 December 2020: \$143,436) which relates to performance rights and options issued to KMP of the Company.

Movements in each class of reserve during the current half financial year are set out below:

	\$
Balance at 1 July 2021	421,737
Transfer unlisted option expense to share capital upon exercise	(130,520)
Share based payment expense	<u>43,213</u>
Balance at 31 December 2021	<u>334,430</u>

Unlisted Options

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

After the reporting period ended, on 1 January 2022, the Company issued 2,000,000 unlisted options to Dr Richard Hillis as part of his sign-on package, exercisable at \$0.097 with an expiry of 31 December 2024.

After the reporting period ended, on 31 January 2022 the Company issued 4,367,050 fully paid ordinary shares to Managing Director following conversion of Performance Rights on achievement of vesting conditions.

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

Note 11. Equity - reserves (continued)

	KMP	KMP	Employees	Employees
	No. of Options	Weighted average exercise price \$	No. of Options	Weighted average exercise price \$
Outstanding at 31 December 2020	14,000,000	0.035	10,000,000	0.035
Granted / Issued		-		-
Lapsed		-		-
Exercised		-		-
Outstanding at 30 June 2021	14,000,000	0.035	10,000,000	0.035
Granted / Issued		-		-
Lapsed		-		-
Exercised		-		-
Outstanding at 31 December 2021	14,000,000	0.035	10,000,000	0.035

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

(i) Osmond Resources Ltd

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

Under the Stage 1 Program, Osmond Resources may earn a 51% interest in the Fowler Domain tenements subject to its spending of \$750,000 on exploration expenditure during 3 years of the Stage 1 program. Osmond Resources can further elect to proceed with the Stage-2 Earn-in for a further 29% interest in the Fowler Domain tenements. The compliance with the Stage 2 program is subject to an additional \$2 million of exploration expenditure to be spent over 3 years from the completion of the Stage 1 program.

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

(ii) DGO Gold Ltd

At the date of this report, the Company is under a Heads of Agreement with Yandan Gold Mines, a wholly-owned subsidiary of DGO Gold Ltd for exploration on tenements EL5704, EL5705, EL5706, EL5738 and EL6402 held by Gawler Resources Pty Ltd.

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.

Investigator Resources Limited
Notes to the financial statements
31 December 2021

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, copper, 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 1 January 2022, Mr Kevin Wilson resigned as Non-executive Chairman and Dr Richard Hillis was appointed as the Non-Executive Director and Chairman.

On 1 January 2022, Dr Hillis was issued 2,000,000 unlisted options as part of his sign-on package, exercisable at \$0.097 with an expiry of 31 December 2024.

On 31 January 2022, 4,367,050 fully paid ordinary shares were issued to Managing Director Mr Andrew McIlwain following conversion of Performance Rights on achievement of vesting conditions, the term of which was approved at the Company's 2019 Annual General Meeting.

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

	Consolidated	Consolidated
	31 December	31 December
	2021	2020
	\$	\$
Loss after income tax attributable to the owners of Investigator Resources Limited	<u>(615,312)</u>	<u>(546,433)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>1,323,946,607</u>	<u>1,053,602,448</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>1,323,946,607</u>	<u>1,053,602,448</u>
	Cents	Cents
Basic earnings per share	(0.05)	(0.05)
Diluted earnings per share	(0.05)	(0.05)

Investigator Resources Limited
Directors' declaration
31 December 2021

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 2021 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



Richard Hillis
Chairman

10 March 2022

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 2021, 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 Group's financial position as at 31 December 2021 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 2021 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*.

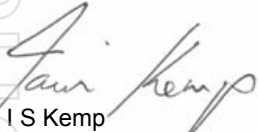
A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards 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.

Report on other legal and regulatory requirements

Form and content of this section of the auditor's review report will vary depending on the nature of the auditor's other reporting responsibilities.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



I S Kemp
Partner – Audit & Assurance

Adelaide, 10 March 2022