



INVESTIGATOR RESOURCES LIMITED
ACN 115 338 979

Notice of Annual General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Wednesday, 20 November 2019

Time of Meeting:
11.30am (AEDT)

Place of Meeting
Grant Thornton
Level 22
Collins Square, Tower 5
727 Collins Street
Melbourne VIC 3008

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor without delay

INVESTIGATOR RESOURCES LIMITED
ACN 115 338 979
Registered Office: 18 King Street Norwood, Adelaide, SA 5067

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of shareholders of Investigator Resources Limited (the "Company") will be held at the offices of Grant Thornton, Level 22, Collins Square, Tower 5 727 Collins Street Melbourne VIC 3008, at 11.30am (AEDT) on Wednesday, 20 November 2019.

AGENDA

The Explanatory Statement and proxy form which accompany and form part of this Notice, include defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the proxy form in their entirety.

ORDINARY BUSINESS

Receipt and Consideration of Accounts & Reports

To receive and consider the financial report of the Company and the related reports of the Directors (including the Remuneration Report) and auditors for the year ended 30 June 2019.

Note: Except for as set out in Resolution 1, there is no requirement for shareholders to approve these reports. Accordingly, no resolution will be put to shareholders on this item of business.

Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That for the purpose of section 250R(2) of the Corporations Act 2001 and for all other purposes, the Remuneration Report (included in the Directors' report) for the financial year ended 30 June 2019 be adopted."

Resolution 2: Re-election of Dr David Ransom as a Director of the Company

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That Dr David Ransom, who retires in accordance with clause 110 of the Company's constitution and Listing Rule 14.4, and being eligible and offering himself for re-election, be re-elected as a Director of the Company."

Resolution 3: Ratification of Prior Issue of Shares and Options under the Placement

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That for the purpose of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the issue of 91,666,666 fully paid ordinary shares in the Company at an issue price of \$0.024 (2.4 cents) per share and 30,555,600 attaching listed options exercisable at \$0.035 (3.5 cents) per option, expiring on 31 December 2020 under a placement to institutional and sophisticated investors on the terms and conditions described in the Explanatory Statement".

Resolution 4: Ratification of Prior Issue of Options under the Placement

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That for the purpose of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the issue of 6,597,222 listed options to the Lead Manager (or nominees) as part consideration for services rendered in relation to the Placement announced 2 September 2019 exercisable at \$0.035 (3.5 cents) per option, expiring on 31 December 2020 on the terms and conditions described in the Explanatory Statement".

Resolution 5(a) and 5(b): Approval to Grant Options to Directors (or their nominees)

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

Resolution 5(a)

“That pursuant to and in accordance with the ASX Listing Rule 10.11 and all other purposes, approval be given to grant 2,000,000 Options (being a right to acquire up to 2,000,000 fully paid ordinary shares in the Company subject to satisfaction of relevant option conditions) for no consideration to Mr Kevin Wilson (or his nominee), as described in the Explanatory Statement.”

Resolution 5(b)

“That pursuant to and in accordance with the ASX Listing Rule 10.11 and all other purposes, approval be given to grant 10,000,000 Options (being a right to acquire up to 10,000,000 fully paid ordinary shares in the Company subject to satisfaction of relevant option conditions) for no consideration to Mr Andrew McIlwain (or his nominee), as described in the Explanatory Statement.”

Resolution 6: Approval to Grant Performance Rights to or for the benefit of the Managing Director, Mr Andrew McIlwain (or his Nominee)

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That for the purposes of Listing Rule 10.11 and for all other purposes, approval be given to grant up to 15,000,000 Performance Rights in the Company to Mr Andrew McIlwain, or his nominee, on the terms and conditions set out in the Explanatory Statement.”

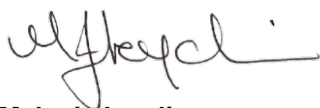
SPECIAL BUSINESS

Resolution 7: Approval of 10% Additional Placement Capacity

To consider and, if thought fit, pass the following Resolution as a special resolution:

“That, for the purpose of ASX Listing Rule 7.1A and for all other purposes, approval is given for the additional capacity to issue Equity Securities totalling up to 10% of the capital (at the time of issue), calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”

By the order of the Board



Melanie Leydin
Company Secretary

Dated: 14 October 2019

Notes

1. **Record Date:** The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7pm on the date 48 hours before the date of the Annual General Meeting. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.
2. **Proxies**
 - a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
 - b. Each shareholder has a right to appoint one or two proxies.
 - c. A proxy need not be a shareholder of the Company.
 - d. If a shareholder is a company, it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
 - e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
 - f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
 - g. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority.
 - h. To be effective, proxy forms must be received by the Company's share registry (Computershare Investor Services Pty Limited) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 11.30am (AEDT) on Monday, 18 November 2019. Any proxy received after that time will not be valid for the scheduled meeting.

3. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

4. Voting Exclusion Statement:

Resolution 1

The Company will disregard any votes cast on this resolution (in any capacity) by or on behalf of a member of the Key Management Personnel (being those persons described as such in the Remuneration Report) or a closely related party of such a member unless the vote cast as proxy for a person entitled to vote:

- (a) in accordance with a direction on the proxy form; or
- (b) by the Chairman of the meeting as proxy for a person entitled to vote and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit.

Accordingly, if you intend to appoint a member of Key Management Personnel other than the Chairman as your proxy, please ensure that you direct them how to vote. The Chairman will vote undirected proxies in favour of Resolution 1.

Resolution 2

There are no voting exclusions on this Resolution.

Resolution 3

The Company will disregard any votes cast in favour on this Resolution by any person who participated in the issue of shares and options and any associates of those persons.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 4

The Company will disregard any votes cast in favour on this Resolution by any person who participated in the issue of options and any associates of those persons.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolutions 5 (a) and 5(b)

The Company will in accordance with Listing Rule 14.11 disregard any votes cast in favour of Resolution 5(a) and 5(b) by Mr Kevin Wilson and Mr Andrew McIlwain (or their nominees) and any of their associates. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

As Resolution 5(a) and 5(b) may be considered to relate to the remuneration of a member of the KMP for the Company, the Company will disregard all votes cast on Resolution 5(a) and (b) by a member of the KMP or a Closely Related Party of a KMP, who has been appointed as a proxy unless:

- (a) the proxy is appointed by writing that specifies how the proxy is to vote on that Resolution; or
- (b) if the proxy is the Chair and the appointment of the Chair as a proxy does not specify the way the proxy is to vote on that Resolution but it expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a KMP for the Company or if the Company is party of a consolidated entity, for the entity.

Resolution 6

The Company will in accordance with Listing Rule 14.11 disregard any votes cast in favour of Resolution 6 by Mr Andrew McIlwain (or his nominee) and any of his associates. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

As Resolution 6 may be considered to relate to the remuneration of a member of the KMP for the Company, the Company will disregard all votes cast on Resolution 6 by a member of the KMP or a Closely Related Party of a KMP, who has been appointed as a proxy unless:

- (c) the proxy is appointed by writing that specifies how the proxy is to vote on that Resolution; or
- (d) if the proxy is the Chair and the appointment of the Chair as a proxy does not specify the way the proxy is to vote on that Resolution but it expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a KMP for the Company or if the Company is party of a consolidated entity, for the entity.

Resolution 7

The Company will disregard any votes cast in favour of this Special Resolution by a person who may participate in the proposed issue and any person who might obtain a material benefit, (except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed), and the associates of any such persons.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

5. Enquiries

Shareholders are invited to contact the Company Secretary, Melanie Leydin on (03) 9692 7222 if they have any queries in respect of the matters set out in these documents.

EXPLANATORY STATEMENT

Receipt and Consideration of Accounts & Reports

A copy of the Annual Report for the financial year ended 30 June 2019 (which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report and the auditor's report) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution cost associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at (03) 9692 7222, and you may request that this occurs on a standing basis for future years. Alternatively you may access the Annual Report at the Company's website: www.investres.com.au or via the Companies announcement platform on ASX. Except as set out in Resolution 1, no resolution is required on these reports.

Resolution 1: Adoption of Remuneration Report

Background

Section 250R(2) of the Corporations Act requires that a resolution to adopt the remuneration report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Company's 2019 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act 2001, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the remuneration report at the Annual General Meeting.

It is noted that at the Company's last Annual General Meeting, the votes cast against the remuneration report represented less than twenty-five (25%) per cent of the total votes cast and accordingly, a spill resolution will not under any circumstances be required for the Annual General Meeting.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

Board Recommendation

The Board encourages all eligible Shareholders to cast their votes in favour of Resolution 1 (Remuneration Report). The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 1.

Voting Exclusions

The Company will disregard any votes cast on this resolution (in any capacity) by or on behalf of a member of the Key Management Personnel (being those persons described as such in the Remuneration Report) or a closely related party of such a member unless the vote cast as proxy for a person entitled to vote in accordance with a direction on the proxy form.

Any undirected proxies held by Directors or other Key Management Personnel or their closely related parties for the purposes of Resolution 1 (excluding the Chairman) will not be voted on Resolution 1. Accordingly, if you intend to appoint a member of Key Management Personnel as your proxy, please ensure that you direct them how to vote. The Chairman will vote undirected proxies in favour of Resolution 1.

Resolution 2: Re-election of Dr David Ransom as a Director of the Company

The Constitution of the Company requires that at every Annual General Meeting, one third of Directors (excluding the Managing Director) shall retire from office and provides that such Directors are eligible for re-election at the meeting. Dr David Ransom being eligible, offers himself for re-election.

Dr David Ransom was appointed as a Non-Executive Director of the Company on 23 January 2017.

Dr Ransom has over 45 years of experience within the mining industry in Australia and abroad. Dr Ransom is a graduate of the University of Sydney (BSc Geology) (Hons) and Australian National University (PhD 1968 Structural Geology). His earlier experience included roles as a project geologist with the Aberfoyle Group in Australia and Cominco Ltd in Canada. Dr Ransom also worked as a specialist consultant for 20-years with a clientele including majors such as CRA, BHP, Newmont and numerous companies in the microcap sector, specialising in structural geology.

More recently over the past 17-years, Dr Ransom was employed by Acorn Capital Ltd being an early investor with the role of resource analyst/portfolio manager focusing on the microcap materials and energy sectors. He is well known and highly regarded in the fund management industry. He retired from Acorn Capital Ltd in September 2016 but remains as a consultant. Dr Ransom has extensive board experience gained over the past 25 years in small mining and exploration companies.

Board Recommendation

The Board (with Dr David Ransom abstaining), recommends that shareholders vote in favour of the re-election of Dr David Ransom. The Chairman of the meeting intends to vote undirected proxies in favour of Dr Ransom's re-election.

Voting Exclusions

There are no voting exclusions on this resolution.

Resolution 3: Ratification of prior issue of shares and options under the Placement

The Company is seeking Shareholder approval to ratify and confirm the allotment and issue on 5 September 2019 of 91,666,666 fully paid ordinary shares at an issue price of \$0.024 (2.4 cents) and per share and 30,555,600 attaching listed options exercisable at \$0.035 (3.5 cents) per option, expiring on 31 December 2020 under the terms of the Placement as part of the Company's capital raising announced on 2 September 2019.

ASX Listing Rule 7.4 provides that a company may reinstate its capacity to issue up to 15% of the ordinary securities on issue in a 12 month period if shareholders ratify the previous issue of securities and the issue did not breach Listing Rule 7.1.

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total numbers of Placement Shares and Options that were issued are 91,666,666 Shares and 30,555,600 listed options;
- (b) the Shares were issued at a price of \$0.024 (2.4 cents) each;
- (c) the Shares allotted and issued rank equally with the existing Shares on issue;
- (d) the Options are immediately exercisable, have an exercise price of \$0.035 (3.5 cents) per option, entitle the holder to receive one share on exercise of option and expire on 31 December 2020;
- (e) the full terms of the Options are detailed in Appendix B of this Explanatory Statement.
- (f) the Shares and Options were allotted and issued to sophisticated and institutional investors who subscribed under the placement who were identified by PAC Partners Pty Ltd who acted as Lead Manager under the Placement; and
- (g) the funds raised from the issue of the Placement Shares and Options will be directed toward assessment of new project opportunities and Paris Silver Project review.

Board Recommendation

The Board unanimously recommends that the Shareholders vote in favour of Resolution 3.

Voting Exclusions

The Company will disregard any votes cast in favour on Resolution 3 by any person who participated in the issue and any associate of those persons.

However, the Company need not disregard a vote if it is cast:

- by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- by the Chairman of the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 4: Ratification of prior issue of options under the Placement

The Company is seeking Shareholder approval to ratify and confirm the allotment and issue on 5 September 2019 of 6,597,222 listed options exercisable at \$0.035 (3.5 cents) per option, expiring on 31 December 2020 to the Lead Manager (or nominees) as part consideration for services rendered in relation to the Placement announced 2 September 2019. The full terms of the Options are set out at Annexure B.

Under ASX Listing Rule 7.4 provides that a company may reinstate its capacity to issue up to 15% of the ordinary securities on issue in a 12 month period if shareholders ratify the previous issue of securities and the issue did not breach Listing Rule 7.1.

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total number of listed Options that were issued are 6,597,222 Options;
- (b) the Options are immediately exercisable, have an exercise price of \$0.035 (3.5 cents) per option, entitle the holder to receive one share on exercise of option and expire on 31 December 2020;
- (c) the recipients of the listed Options is PAC Partners Pty Ltd who acted as Lead Manager to the Placement;
- (d) the Options were issued for nil cash consideration and, accordingly, there will be no funds raised from their issue. Any funds raised upon exercise of the Options will be directed toward assessment of new project opportunities and Paris Silver Project review.
- (e) the full terms of the Options are detailed in Appendix B of this Explanatory Statement.

Board Recommendation

The Board unanimously recommends that the Shareholders vote in favour of Resolution 4.

Voting Exclusions

The Company will disregard any votes cast in favour on Resolution 4 by any person who participated in the issue and any associate of those persons.

However, the Company need not disregard a vote if it is cast:

- by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- by the Chairman of the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolutions 5(a) and 5(b): Approval to Grant Options to Directors (or their nominees)

Background

Resolution 5(a) and 5(b) of this Notice provides for up to 12,000,000 Options to be granted to Directors of the Company (being Mr Kevin Wilson and Mr Andrew McIlwain) on the terms described below, and attached in Annexure C of this Notice, and in accordance with the Company's Employee Option Plan ('EOP'), approved on 30 November 2017.

The Options will align the Directors' interests with the interests of Shareholders. The grant of the Options (and the subsequent issue of Shares if the options are exercised) to each of the Directors has been proposed as a performance incentive for the future and to align the Directors' interests with that of the long-term interest of the Company.

The exercise price of the Options is priced at \$0.035 (3.5 cents) per option and the options will expire 3 years from the date of shareholder approval.

Terms of Options

Resolution 5(a) of this Notice provides for a total of 2,000,000 Options to be granted to Mr Kevin Wilson, on the following basis:

- 2,000,000 options vest immediately

The exercise price of these options is \$0.035 (3.5 cents) per option and will expire 3 years from the date of shareholder approval, being 20 November 2022.

Resolution 5(b) of this Notice provides for a total of 10,000,000 Options to be granted to Mr Andrew McIlwain in his capacity as Managing Director, on the following basis:

10,000,000 options vesting on the satisfaction of a project acquisition deemed by the Board to be material to the Company.

The exercise price of these options is \$0.035 (3.5 cents) per option and will expire 3 years from the date of shareholder approval, being 20 November 2022.

The full terms of the Options are set out in Appendix C of this Explanatory Statement.

The number of Options proposed to be granted to each of the Directors are as follows:

Proposed resolution	Option recipient/related party	Number of options	Exercise price	Vesting date	Expiry date
5(a)	Kevin Wilson	2,000,000	\$0.035 (3.5 cents)	Vest immediately	20 Nov 22
5(b)	Andrew McIlwain	10,000,000	\$0.035 (3.5 cents)	Vesting on the satisfaction of a project acquisition deemed by the Board to be material to the Company.	20 Nov 22

ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities (including Options) to a related party of the Company.

If Resolution 5(a) and 5(b) is passed, Options will be granted to Mr Kevin Wilson and Mr Andrew McIlwain, who are related parties of the Company. Accordingly, approval for the grant of these Options is required pursuant to ASX Listing Rule 10.11.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to grant the Options to Mr Kevin Wilson and Mr Andrew McIlwain as approval is being obtained under ASX Listing Rule 10.11. Accordingly, Shareholders should note that the grant of options and subsequent conversion into fully paid ordinary shares to the Directors will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

ASX Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under ASX Listing Rule 10.11. For the purposes of ASX Listing Rule 10.13, the following information is provided in relation to Resolutions 5(a) and 5(b):

- the related parties are Mr Kevin Wilson and Mr Andrew McIlwain, and they are related parties by virtue of being Directors of the Company;
- the maximum number of Options to be granted by the Company is 12,000,000 Options;
- the Options will be granted not later than one month after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated that the grant will occur on one date;

- (d) The Options will be unquoted;
- (e) the Options will be granted for nil consideration, accordingly no funds will be raised from the grant of the Options. However, cash will be payable at the time when the Options are exercised with the proceeds being raised from these conversions being utilised to fund its projects and working capital requirements;
- (f) the Options will be granted on and subject to the terms described above and in Annexure C.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless either:

- the giving of the financial benefit falls within one of the exceptions to the provisions; or
- prior Shareholder approval is obtained to the giving of the financial benefit.

A “related party” for the purposes of the Corporations Act is defined widely and includes a director of the public company.

A “financial benefit” for the purposes of the Corporations Act also has a very wide meaning. It includes the public company paying money or issuing securities to a related party.

Mr Kevin Wilson and Mr Andrew McIlwain are related parties of the Company due to the fact that they are Directors of the Company. The issue of Options to each of the Directors constitutes a “financial benefit” as described in the Corporations Act. Accordingly, the proposed issue of Options pursuant to Resolutions 5(a) and 5(b) will constitute the provision of a financial benefit to a related party of the Company.

It is the view of Directors that the proposed issue of Options pursuant to Resolutions 5(a) and 5(b) fall within the exception under section 211 of the Corporations Act (reasonable remuneration) given the circumstances of the Company and the position held by the Directors. Accordingly, the Directors are not seeking shareholder approval under section 208 of the Corporations Act, although shareholder approval must be obtained pursuant to ASX Listing Rule 10.11.

Option Terms

Annexure C of this notice of meeting sets out the terms and conditions of the proposed options to be issued in Resolutions 5(a) and 5(b).

Board Recommendation

The Board (with each Director abstaining on their own Resolution) recommend that Shareholders vote in favour of Resolutions 5(a) and 5(b).

Other than the information specified in this Explanatory Memorandum, the Directors are not aware of any other information that would be reasonably required by the Shareholders in order to decide whether it is in the best interests of the Company to pass Resolutions 5(a) and 5(b).

The Chairman of the meeting will vote undirected proxies in favour of Resolutions 5(a) and 5(b).

Voting Exclusions

The Company will disregard any votes cast in favour on Resolutions 5(a) and 5(b) by any person who is to receive the options and any associate of that person.

However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolutions 6: Approval to Grant Performance Rights to the Managing Director, Mr Andrew McIlwain (or his Nominee)

Background

The Company is seeking Shareholder approval for the grant of 15,000,000 Performance Rights (Rights) to the Managing Director of the Company, Mr Andrew McIlwain (or his nominee) (being a right to acquire up to 15,000,000 fully paid ordinary shares in the Company subject to satisfaction of relevant vesting conditions) on the terms as described below.

Mr McIlwain's Employment Agreement with the Company, the material terms of which were disclosed in the ASX announcement of 14 October 2019, contains a provision for his remuneration to include a long term incentive component of 15,000,000 Performance Rights, subject to shareholder approval. The Board has concluded that the remuneration package for Mr McIlwain is reasonable and appropriate having regard to the circumstances of the Company and his respective duties and responsibilities as Managing Director.

The Company's approach to remuneration is to ensure that remuneration received by Key Management Personnel, including its Directors, is closely linked to the Company's performance and the returns generated for shareholders.

The Directors are of the view that an appropriate remuneration structure for the Directors at this point of the Company's development is a combination of base cash remuneration and an equity-based performance-linked compensation component which will generate the desired outcome in aligning their performance with shareholder interests.

Performance Rights – Terms

The Rights will vest upon the achievement of defined performance and service period targets, with the performance targets being the achievement of market prices for the Company's shares.

Following vesting, each Right will convert, upon application by the holder, to one fully paid ordinary Share in the Company.

The Company will apply for quotation of the awarded Shares on the ASX.

There will be no consideration payable by a Director upon the issue of the Rights and no amount payable upon conversion of vested Rights to Shares.

The Rights will vest and be issued in tranches, with each tranche having a combination of specific performance, target market price and service period, summarised as follows:

Tranche vesting conditions	Tranche 1 2020	Tranche 2 2021	Tranche 3 2022
Continuous service for the period (Service Vesting Condition)	1,666,666	1,666,666	1,666,666
Workplan delivered to Budget (Performance Vesting Condition)	1,666,667	1,666,667	1,666,667
Target market share price for 2020: 3.5c, 2021: 4.5c and 2022: 5.5c* (Share Price Vesting Condition)	1,666,667	1,666,667	1,666,667
Total	5,000,000	5,000,000	5,000,000

* Market share price at date of preparation of these comments (3 October 2019) is \$0.02 (2.0 cents).

The Share Price Vesting Condition will be satisfied for a tranche if the Company's closing ASX share price over a 30 day VWAP equalled or exceeded the target market share price for that tranche during the relevant period.

The Service Vesting Condition will be satisfied for a tranche if the Holder is continually employed by the Company, or continually serves as a Director of the Company, or both, from the date that the Rights are granted to the Holder to the Service Condition Date specified for that tranche.

The Performance Vesting Condition will be satisfied for each tranche on the workplan being delivered to an approved budget and at the Board's discretion.

Rights will expire 30 days following the vesting conditions being:

Tranche 1 will expire at 5.00pm on 31 January 2021;
Tranche 2 will expire at 5.00pm on 31 January 2020; and
Tranche 3 will expire at 5.00pm on 31 January 2023.

Rights which have met all vesting conditions can be converted to Shares any time prior to that expiry time. All rights which have not vested, or which have vested but have not been converted to Shares by that expiry time, will expire.

Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of a public company unless either:

- the giving of the financial benefit falls within one of the exceptions to the provisions; or
- prior shareholder approval is obtained to the giving of the financial benefit.

A “related party” for the purposes of the Corporations Act is defined widely and includes a director of a public company.

A “financial benefit” for the purposes of the Corporations Act also has a very wide meaning. It includes a public company paying money or issuing securities to a related party.

Mr Andrew McIlwain is a related party of the Company due to the fact that he is a Director of the Company. The issue of Rights to him constitutes a “financial benefit” as described in the Corporations Act. Accordingly, the proposed issue of Rights pursuant to Resolutions 6 will constitute the provision of a financial benefit to a related party of the Company.

The Board has formed the view that the proposed issue of Rights to Mr Andrew McIlwain (or his nominee) does not require Shareholder approval under section 208 of the Corporations Act as the issue constitutes “reasonable remuneration”, given the circumstances of the Company and circumstances of Mr McIlwain (including the responsibilities involved in his respective office and employment arrangements) in accordance with section 211 of the Corporations Act. In reaching this view, the Board considers the proposed issues of Rights to Mr McIlwain is aligned with Shareholder interests. Accordingly, the Board is not seeking Shareholder approval under section 208 of the Corporations Act, although Shareholder approval must be obtained pursuant to ASX Listing Rule 10.11.

A summary of the additional terms of this Rights issue are set out in Appendix D of this Explanatory Statement.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires approval of shareholders before securities can be issued to a related party under an employee incentive scheme. If approval is given under ASX Listing Rule 10.11 approval is not required under ASX Listing Rule 7.1. Accordingly, shareholders should note that the issue of securities to Mr Andrew McIlwain will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

The following information is given under ASX Listing Rule 10.13 on the Rights that are proposed to be issued to Mr Andrew McIlwain:

- (a) the maximum number of Rights to be issued in total is 15,000,000;
- (b) the Rights will be issued for nil consideration;
- (c) the Rights will be issued to Mr Andrew McIlwain, in his capacity as Managing Director of the Company;
- (d) The Rights will be issued no later than one month after the date of the Meeting;
- (e) a voting exclusion statement is included in the Notice.

Board Recommendation

The Board (with Mr Andrew McIlwain abstaining), recommends that Shareholders vote in favour of Resolution 6. The Chairman will vote undirected proxies in favour of Resolution 6.

Voting Exclusions

Refer to Note 4 for voting exclusions.

Resolution 7: Approval of 10% Additional Placement Capacity

Background

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of their issued share capital through placements over a 12-month period after the Annual General Meeting ("**10% Placement Facility**"). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is seeking shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Facility. The effect of Resolution 7 will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

If Shareholders approve Resolution 7, the number of Equity Securities permitted to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below).

Resolution 7 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote at this Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12-month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

(A x D)–E

- A** is the number of shares on issue 12 months before the date of issue or agreement to issue:
- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
 - (B) plus the number of partly paid shares that became fully paid in the 12 months;
 - (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
 - (D) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2

Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 trading days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
(10% Placement Period)

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 trading days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 7 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. Shareholders may be exposed to economic risk and voting dilution, including the following:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the market price of Shares as at 3 October 2019 (**Current Share Price**) and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for

example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Issue Price		
		\$0.010 50% decrease in Current Share Price	\$0.020 Current Share Price	\$0.040 100% increase in Current Share Price
Current Variable A 831,638,698 Shares	10% Voting Dilution	83,163,870 Shares	83,163,870 Shares	83,163,870 Shares
	Funds raised	\$831,639	\$1,663,277	\$3,326,555
50% increase in current Variable A 1,247,458,047 Shares	10% Voting Dilution	124,745,805 Shares	124,745,805 Shares	124,745,805 Shares
	Funds raised	\$1,247,458	\$2,494,916	\$4,989,832
100% increase in current Variable A 1,663,277,396 Shares	10% Voting Dilution	166,327,740 Shares	166,327,740 Shares	166,327,740 Shares
	Funds raised	\$1,663,277	\$3,326,555	\$6,653,110

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - No Options (including any Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
 - The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
 - The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - The Current Share Price is **\$0.020** (2.0 cents), being the closing price of the Shares on ASX on 3 October 2019.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 5 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- non-cash consideration for the acquisition of the new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued expenditure on the Company's current business and/or general working capital.

- (e) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities under listing rule 7.1A.
- (f) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
 - (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
 - (ii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new businesses, assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new businesses, assets or investments.

- (g) A voting exclusion statement is included in the Notice. At the date of this Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holders to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in this Notice.

Additional Disclosure under Listing Rule 7.3A.6

Information under Listing Rule 7.3A.6(a), the Company advises as follows:

Equity securities on issue at commencement of the 12-month period	906,547,258
Equity securities issued in the prior 12-month period	130,183,124
Percentage previous issues represent of total number of equity securities on issue at commencement of 12-month period	14.36%

* For full details of the issues of equity securities made by the Company since the date of the last Annual General Meeting, see Appendix A. Included in this Appendix is a summary of the amount of funds raised as a result of the capital raisings during the previous 12 month period.

Board Recommendation

The Board believes that Resolution 7 is in the best interests of the Company and unanimously recommends that shareholders vote in favour of this Resolution.

Voting Exclusions

The Company will disregard any votes cast in favour on Resolution 7 by any person who is expected to participate in the proposed issue or any person who will obtain a material benefit as a result of the proposed issue, except a benefit solely in the capacity of a holder of ordinary shares, and any associate of such person.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

“\$” means Australian Dollars;

10% Placement Facility has the meaning as defined in the Explanatory Statement for Resolution 7;

10% Placement Period has the meaning as defined in the Explanatory Statement for Resolution 7;

Annual Report means the Directors’ Report, the Financial Report, and Auditor’s Report, in respect to the year ended 30 June 2019;

ASX means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

ASX Settlement Operating Rules means the rules of ASX Settlement Pty Ltd which apply while the Company is an issuer of CHESS approved securities;

Auditor’s Report means the auditor’s report on the Financial Report;

AEDT means Australian Eastern Daylight Standard Time.

Board means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

Chairman means the person appointed to chair the Meeting of the Company convened by the Notice;

CHESS has the meaning in Section 2 of the ASX Settlement Operating Rules;

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means Investigator Resources Limited ACN 115 338 979;

Constitution means the constitution of the Company as at the date of the Meeting;

Convertible Security means a security of the Company which is convertible into shares;

Corporations Act means the Corporations Act 2001 (Cth);

Director means a Director of the Company;

Directors Report means the annual directors’ report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

Equity Security has the same meaning as in the Listing Rules;

Explanatory Statement means the explanatory statement which forms part of this Notice;

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

Listing Rules means the Listing Rules of the ASX;

Meeting has the meaning given in the introductory paragraph of the Notice;

Notice means this Notice of Meeting including the Explanatory Statement;

Proxy Form means the proxy form attached to the Notice;

Remuneration Report means the remuneration report which forms part of the Directors’ Report of the Company for the financial year ended 30 June 2019 and which is set out in the 2019 Annual Report.

Resolution means a resolution referred to in the Notice;

Section means a section of the Explanatory Statement;

Share means a fully paid ordinary share in the capital of the Company;

Shareholder means shareholder of the Company;

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules; and

VWAP means volume weighted average Price.

Appendix A

Resolution 7 - Approval of 10% Placement Facility

CASH ISSUES

Date	Number of Securities	Security Type	Terms	Description	Party or Basis	Price	Discount	Total Consideration	Use of Consideration
5 Sep 2019	91,666,666	FPO	Note 1	Share issue	Institutional and sophisticated investors under placed by PAC Partners Pty Ltd	\$0.024	NA	2,200,000	Toward assessment of new project opportunities and Paris Silver Project review
Total								\$2,200,000	

NON-CASH ISSUES

Date	Number of Securities	Security Type	Terms	Description	Party or Basis	Price	Discount	Total Consideration	Use of Consideration
28 Feb 2019	1,363,636	LO	Note 2	Option issue	Eligible shareholder who is a non-related party	N/A	N/A	N/A	
5 Sep 2019	30,555,600	LO	Note 2	Option issue	Issue of Options to eligible institutional and sophisticated investors	N/A	N/A	N/A	
5 Sep 2019	6,597,222	LO	Note 2	Option issue	Issued to the Lead Manager (or nominees)	N/A	N/A	N/A	

Glossary

FPO Fully Paid Ordinary Shares
LO Listed Options

Notes:

Note 1 The Company raised \$2,200,000 under a Placement and the funds are yet to be spent. The funds will be used primarily towards the assessment of new project opportunities, the Paris Silver Project review and working capital.

Note 2 Listed Options exercisable at \$0.035 (3.5 cents) each, expiring 31 December 2020

APPENDIX B

TERMS AND CONDITIONS OF LISTED OPTIONS

The terms and conditions of the options to be ratified pursuant to Resolution 3 and Resolution 4 are as follows:

- a) **(Entitlement)** Each Option entitles the holder to subscribe for one fully paid ordinary Share.
- b) **(Exercise Price and Expiry Date)** The Options will be exercisable at \$0.035 each at any time up to 5:00pm (Adelaide time) on 31 December 2020 (**Expiry Date**). Any Option not exercised by the Expiry Date will automatically expire.
- c) **(Exercise)** To exercise Options, the Option holder must give the Company:
 - 1. a written exercise notice (in the form approved by the Board from time to time) specifying the number of Options being exercised and Shares to be issued; and
 - 2. payment of the exercise price for the Shares, the subject of the exercise notice, by way of bank cheque or by other means of payment approved by the Company.

The Option holder may only exercise Options in multiples of 5,000 Options unless the Option holder exercise all Options held by the Option holder. Options will be deemed to have been exercised on the date the exercise notice is lodged with the Directors.
- d) **(Timing of issue of Shares upon exercise)** Within 10 days after receiving a valid application for the exercise of Options and payment by the Option holder of the exercise price, the Company must issue the Option holder with the number of Shares pursuant to the application.
- e) **(Ranking of Shares)** Subject to the Constitution, all Shares issued on the exercise of the Options will rank pari passu with the then issued ordinary shares at the date of issue.
- f) **(Transferability)**: The Options are listed on the ASX.
- g) **(Quotation of Shares on exercise)**: The Company will apply to ASX for official quotation of the Shares issued on exercise of the Options.
- h) **(Participation Rights)** The Option holder does not have any right to participate in new issues of securities in the Company made to Shareholders generally. The Company will, where required pursuant to the Listing Rules, provide the Option holder with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the Options, in accordance with the requirements of the Listing Rules.
- i) **(Reorganisation)** If there is a reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company, then the rights of the Option holder (including the number of Options to which the Option holder is entitled to and the exercise price) is changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- j) **(Amendments)** The number and exercise price of the Options remains the same regardless if the Company makes a bonus issue of Shares or other Securities to Shareholders.
- k) **(Adjustments)** Any calculations or adjustments which are required to be made will be made by the Board and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option holder.
- l) **(Governing Law)** These terms and rights and obligations of the Option holder are governed by the laws of South Australia. The Option holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of South Australia.

APPENDIX C
TERMS AND CONDITIONS OF EMPLOYEE OPTION PLAN

The terms and conditions of the options for approval pursuant to Resolution 5(a) and 5(b) are as follows:

A summary of the terms of the Options is as follows:

- a) Each Option will be exercisable at \$0.035 per Option (Exercise Price);
- b) The Options will be exercisable on or before 20 November 2022 by delivering a duly completed form of notice of exercise together with a cheque for the Exercise Price to the Company at any time prior to the expiry date;
- c) Each option shall be issued for free.
- d) The Options will not be listed on the ASX.
- e) The Options will expire (Expiry Date) on the earlier of:
 - i. 20 November 2022, the date being three (3) years from the grant date, unless earlier exercised;
 - ii. the Business Day after the expiration of three (3) months, or any longer period which the Board may determine, after ceasing to be an executive director, contractor or employee of the Company or an associated body corporate of the Company; or
 - iii. the date on which the Company terminates with cause any non-executive Director agreement.
- f) The Options will not be transferable in whole or in part and may not be exercised by any other person (except, in the case of the Option holder's death, by his or her legal personal representative);
- g) The Options may be exercised at any time wholly or in part by delivering a duly completed form of notice of exercise together with a cheque for the Exercise Price per Option to the Company at any time on or after the date of issue of the Options and on or before the Expiry Date;
- h) The number of Options that may be exercised at one time must be not less than 20,000;
- i) Upon the valid exercise of the Options and payment of the Exercise Price, the Company will issue fully paid ordinary shares ranking *pari passu* with the then issued ordinary shares;
- j) The Option holder does not participate in any dividends unless the Options are exercised and the resultant shares of the Company are issued prior to the record date to determine entitlements to the dividend;
- k) The Option holder does not have any right to participate in new issues of securities in the Company made to Shareholders generally. The Company will, where required pursuant to the Listing Rules, provide the Option holder with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the Options, in accordance with the requirements of the Listing Rules;
- l) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
 - i. The number of Options, the Exercise Price of the Options, or both will be reconstructed (as appropriate) in a manner consistent with the Listing Rules as applicable at the time of reconstruction, but with the intention that such reconstruction will not result in any benefits being conferred on the holders of the Options which are not conferred on shareholders; and

- ii. Subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of shareholders approving a reconstruction of capital, in all other respects the terms for the exercise of the Options will remain unchanged.
- m) If there is a pro rata issue (except a bonus issue), the Exercise Price of an Option may be reduced according to the following formula:
- $$O^n = \frac{O - E [P - (S + D)]}{N + 1}$$
- Where:
- O^n = the new exercise price of the Option;
- O = the old exercise price of the Option;
- E = the number of underlying securities into which one Option is exercisable;
- P = the average market price per security (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex right date or the ex entitlements date;
- S = the subscription price for a security under the pro rata issue;
- D = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue);
- N = the number of securities with rights or entitlements that must be held to receive a right to one new security.
- n) If there is a bonus issue to the holders of shares in the Company, the number of shares over which the Option is exercisable may be increased by the number of shares which the Option holder would have received if the Option had been exercised before the record date for the bonus issue; and
- o) The terms of the Options shall only be changed if holders (whose votes are not to be disregarded) of ordinary shares in the Company approve of such a change. However, the terms of the Options shall not be changed to reduce the Exercise Price, increase the number of Options or change any for the exercise of the Options.

APPENDIX D
TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

The terms and conditions of the options for approval pursuant to Resolution 6 are as follows:

a) Entitlement

- i. Each Right entitles the Holder to be issued one ordinary Share in the capital of the Company, upon the satisfaction of the Vesting Conditions.
- ii. Shares issued on the exercise of Rights will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by the ASX.

b) Exercise of Rights

- i. The Rights are exercisable at any time after they have vested in accordance with the Vesting Conditions.
- ii. The final date and time for exercise of the Rights is 5.00 pm on 31 January 2021 (Tranche 1), 31 January 2022 (Tranche 2) and 31 January 2023 (Tranche 3). If such date falls on a day that is not a Business Day, the final date will be the next Business Day.
- iii. The Rights have a nil Exercise Price.
- iv. Each Right is exercisable by the Holder signing and delivering a notice of exercise of Right to the Company's share registry.
- v. All unvested Rights will lapse on the earliest of the following times:
 - (a) receipt by the Company of notice from the Holder that the Holder has elected to surrender the Rights;
 - (b) expiry of the final date and time for exercise of the Rights as set out in paragraph iv;
 - (c) unless otherwise determined by the Board, the termination of the Holder's engagement with the Company in circumstances which the Board considers to involve fraud, dishonesty or other serious misconduct which would constitute sufficient cause for an employer to dismiss an employee without notice; or
 - (d) unless otherwise determined by the Board, the expiration of 30 days after termination of the Holder's engagement with the Company for any other reason other than those detailed in paragraph vii (c).
- vi. All vested Rights which have not been exercised will lapse on the earliest of the following times:
 - (a) receipt by the Company of notice from the Holder that the Holder has elected to surrender the Rights;
 - (b) expiry of the final date and time for exercise of the Rights as set out in paragraph iv.;
 - (c) unless otherwise determined by the Board, the termination of the Holder's engagement with the Company in circumstances which the Board considers to involve fraud, dishonesty or other serious misconduct which would constitute sufficient cause for an employer to dismiss an employee without notice; or
 - (d) unless otherwise determined by the Board, the expiration of six calendar months after termination of the Holder's engagement with the Company for any other reason other than those detailed in paragraph vi. (c).
- vii. In the event of liquidation of the Company, all unexercised Rights will lapse.

c) Quotation

- i. The Company will not apply to the ASX for official quotation of the Rights.
- ii. If the Shares of the Company are quoted on the ASX, the Company will apply to the ASX for, and will use its best endeavours to obtain, quotation of all Shares issued on the exercise of any Rights within 10 business days (as defined in the Listing Rules) of issue. The Company gives no assurance that such quotation will be granted.

d) Participation in Securities Issues

The holder is not entitled to participate in new issues of securities without exercising the Rights.

e) Transfers not permitted

The Rights are not transferable.

f) Notices

Notices may be given by the Company to the Holder in the manner prescribed by the Constitution of the Company for the giving of notices to Shareholders and the relevant provisions of the Constitution of the Company will apply with all necessary modification to notices to be given to the Holder.

g) Vesting Conditions

The Rights shall be issued in three tranches with each tranche having:

- i. A target market share price vesting condition (Share Price Vesting Condition);
- ii. A continuous service condition (Service Vesting Condition); and
- iii. An operating workplan budget (Performance Vesting Condition).

The Share Price Vesting Condition will be satisfied for a tranche if the Company's closing ASX share price 30 day VWAP equalled or exceeded the target market share price for that tranche during the relevant period.

The Service Vesting Condition will be satisfied for a tranche if the Holder is continually employed by the Company, or continually serves as a Director of the Company, or both, from the date that the Rights are granted to the Holder to the Service Condition Date specified for that tranche.

The Performance Vesting Condition will be satisfied for each tranche on the workplan being delivered to an approved budget and at the Board's discretion.

The Target Market Share Price and Service Condition Date for each tranche are specified in the following table:

Tranche	Target Market Share Price (\$A)	Performance Condition	Service Condition Date
Tranche 1	0.035	2020 Budget & Workplan	31 December 2020
Tranche 2	0.045	2021 Budget & Workplan	31 December 2021
Tranche 3	0.055	2022 Budget & Workplan	31 December 2022

For the avoidance of doubt, where, for a particular tranche:

- (a) the Share Price Vesting Condition has been satisfied at any time; and
- (b) the Service Vesting Condition has been satisfied at any time

the Rights in that tranche will vest, notwithstanding that the Price Vesting Condition and Service Vesting Condition may not have been satisfied simultaneously.



Need assistance?



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YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11.30am (AEDT) on Monday 18 November 2019**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

ATTENDING THE MEETING

If you are attending in person, please bring this form with you to assist registration.

Corporate Representative

If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Appointment of Corporate Representative" prior to admission. A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

Online:

Use your computer or smartphone to appoint your proxy and vote at www.investorvote.com.au or scan your personalised QR code below using your smartphone.

Your secure access information is

Control Number: 183257

SRN/HIN:

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark ☒ to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Investigator Resources Limited hereby appoint

☐ the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Investigator Resources Limited to be held at the offices of Grant Thornton, Level 22, Collins Square, Tower 5, 727 Collins Street Melbourne VIC 3008, at 11.30am (AEDT) on Wednesday, 20 November 2019 and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Items 1, 5a, 5b & 6** except where I/we have indicated a different voting intention in step 2) even though **Items 1, 5a, 5b & 6** connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Items 1, 5a, 5b & 6** by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

Ordinary Business		For	Against	Abstain
1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Re-election of Mr David Ransom as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Ratification of Prior Issue of Shares and Options under the Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	Ratification of Prior Issue of Options under the Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5(a)	Approval to Grant 2,000,000 Options to Mr Kevin Wilson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5(b)	Approval to Grant 10,000,000 Options to Mr Andrew Mcllwain	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	Approval to Grant Performance Rights to or for the benefit of the Managing Director, Mr Andrew Mcllwain	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special Business				
7	Approval of 10% Additional Placement Capacity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

/ /

Date

Update your communication details (Optional)

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically