

ASX/Media Release



**Investigator
Resources Limited**

29 May 2012

INVESTIGATOR RESOURCES LIMITED – LETTERS TO SHAREHOLDERS

Investigator Resources Limited (ASX: IVR) advises that the following documents relating to the Company's 1 for 6 non renounceable rights issue at 18 cents per share were mailed to shareholders on Tuesday 29 May 2012:

- Letter to Shareholders advising details of the Offer
- Letter to Foreign Shareholders advising that shareholders with addresses outside of Australia and New Zealand are unable to participate in the Offer.

A copy of each of the documents is attached.

For further information contact

For further information contact:

Mr John Anderson
Managing Director
Investigator Resources Limited
Phone: 07 3870 0357

Date: 28th May 2012

Notice to Shareholders

Investigator announces a \$15 million Placement and Entitlement Offer

Investigator Resources Limited (ASX: IVR) is pleased to announce a placement and rights issue to raise up to \$15 million in new equity to:

- continue resource estimation drilling and advance metallurgical and environmental studies at its Paris silver project, and
- undertake further exploration drilling on its Peterlumbo satellite, Eyre and Yorke Peninsula regional targets.

Following the completion of the equity raising, and in addition to existing funds of approximately \$6 million, Investigator will have a substantial cash balance to allow it to advance its drilling programmes for the 2012 and 2013 calendar years.

A private placement to institutional and sophisticated investors of 35.3 million shares at 18 cents per share to raise approximately \$6.4 million has been completed. The placement was priced at a 20% discount to the Company's last closing price on 23 May. Existing shareholders will have the opportunity to subscribe for shares at the same price through the Entitlement Offer.

Major shareholder, CITIC Australia, participated in the placement and has committed to subscribe for its full entitlement to the extent that it will increase its holding to a maximum of 19.99%. The Directors of Investigator have also committed to subscribe for their full entitlements.

The Placement and Entitlement Offer are jointly managed by Ord Minnett Limited and Octa Phillip Securities Limited.

Entitlement Offer

The Company is making a non-renounceable pro rata offer of new shares at an issue price of 18 cents per share on the basis of 1 new share for every 6 ordinary shares held. Under this offer, a maximum of 48.0 million new shares could be issued to raise up to \$8.6 million. In the event that there is a Shortfall in acceptances shareholders may subscribe for additional New Shares.

Investors who participated in the Institutional Placement will have their shares allotted during the "Ex" entitlement period, however Placement shares will be issued "cum" entitlement for the purposes of the Entitlement Offer and will be entitled to participate in the Entitlement Offer. However the Board has elected that, those rights not taken up in relation to the Placement shares will not be available for subscription by shareholders or investors participating in the Shortfall Bookbuild.

The Entitlement Offer, will open on Tuesday, 12 June 2012 and close at 5.00pm (AEST) on Friday, 29 June 2012.

The Entitlement Offer is non-renounceable. Entitlements cannot be traded on ASX nor otherwise transferred. Eligible shareholders may apply for new IVR shares in excess of the Entitlement subject to availability and scale-back at the sole discretion of the Company. The Entitlement Offer is not being extended to any shareholder whose registered address is outside Australia or New Zealand. Shareholders will receive an offer booklet including a personalised Entitlement and Acceptance Form in relation to the Entitlement Offer which will provide further details of how to participate. The New Shares to be issued will rank equally in all respects with existing ordinary shares.

Key dates for the equity raising are set out below.

<i>Announce Offer to ASX</i>	<i>Monday 28 May 2012</i>
<i>Notice sent to security holders re Offer</i>	<i>Tuesday 29 May 2012</i>
<i>Shares quoted on an ex basis</i>	<i>Wednesday 30 May 2012</i>
<i>Record Date for the Offer</i>	<i>7pm (EST) Tuesday 5 June 2012</i>
<i>Offer Booklet Despatch Date</i>	<i>Friday 8 June 2012</i>
<i>Opening Date of Offer</i>	<i>Tuesday 12 June 2012</i>
<i>Closing Date of Offer</i>	<i>Friday 29 June 2012</i>
<i>Shares quoted on a deferred settlement basis</i>	<i>Monday 2 July 2012</i>
<i>Advise ASX of any Shortfall</i>	<i>Wednesday 4 July 2012</i>
<i>Deferred settlement ends</i>	<i>Monday 9 July 2012</i>
<i>Allotment of New Shares</i>	
<i>Expected date for commencement of trading of New Shares on ASX on a normal basis</i>	<i>Tuesday 10 July 2012</i>

These dates are indicative only and subject to change. The Company reserves the right, subject to the Corporations Act 2001 (Cth) and the ASX Listing Rules, to change any date including to extend the Closing Date of the Offer, to close the Offer early, to accept late acceptances either generally or in particular cases, or to withdraw or reduce the size of the Offer without notice.

For and on behalf of the Board
Garry Gill
Company Secretary

Date: 28th May 2012

Notice to Foreign Shareholders

Investigator announces a \$15 million Placement and Entitlement Offer

Investigator Resources Limited (ASX: IVR) is pleased to announce a placement and rights issue to raise up to \$15 million in new equity to:

- continue resource estimation drilling and advance metallurgical and environmental studies at its Paris silver project, and
- undertake further exploration drilling on its Peterlumbo satellite, Eyre and Yorke Peninsula regional targets.

Following the completion of the equity raising, and in addition to existing funds of approximately \$6 million, Investigator will have a substantial cash balance to allow it to advance its drilling programmes for the 2012 and 2013 calendar years.

A private placement to institutional and sophisticated investors of 35.3 million shares at 18 cents per share to raise approximately \$6.4 million has been completed. The placement was priced at a 20% discount to the Company's last closing price on 23 May. Existing shareholders will have the opportunity to subscribe for shares at the same price through the Entitlement Offer.

Major shareholder, CITIC Australia, participated in the placement and has committed to subscribe for its full entitlement to the extent that it will increase its holding to a maximum of 19.99%. The Directors of Investigator and Acorn Capital have also committed to subscribe for their full entitlements.

The Placement and Entitlement Offer are jointly managed by Ord Minnett Limited and Octa Phillip Securities.

Entitlement Offer

The Company is making a non-renounceable pro rata offer of new shares at an issue price of 18 cents per share on the basis of 1 new share for every 6 ordinary shares held. Under this offer, a maximum of 48 million new shares could be issued to raise up to \$8.6 million. In the event that there is a Shortfall in acceptances shareholders may subscribe for additional New Shares.

The Entitlement Offer, will open on Tuesday, 12 June 2012 and close at 5.00pm (AEST) on Friday, 29 June 2012.

Foreign Shareholders

In accordance with ASX Listing Rules, IVR has considered the number of shareholders with registered addresses outside Australia and New Zealand, the number and value of the shares held by those shareholders and the number of New Shares those shareholders would be offered pursuant to the Rights Issue. Taking this into consideration, as well as the costs of complying with the legal requirements and the requirements of the regulatory authorities relating to the shareholders with registered addresses outside of Australia and New Zealand, IVR has formed the view that it is unreasonable to extend the

Rights Issue to shareholders with registered addresses outside of Australia and New Zealand and that the offer pursuant to the Rights Issue will only be extended to IVR Shareholders as at the Record Date with registered addresses in Australia or New Zealand.

Accordingly, as a shareholder with a registered address outside of Australia or New Zealand, the offer pursuant to the Rights Issue will not be extended to you and you will not be entitled to participate in the Rights Issue.

Key dates for the equity raising are set out below.

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<i>Notice sent to security holders re Offer</i>	<i>Tuesday 29 May 2012</i>
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Please contact Mr Garry Gill on +61 7 3870 - 0357 if you have any queries regarding the Rights Issue or your eligibility to participate in the Rights Issue.

For and on behalf of the Board
Garry Gill
Company Secretary