



QUARTERLY ACTIVITIES REPORT

Ending 30 September 2019



KEY POINTS:

Operational

- Heads of Agreement signed with OZ Minerals to fund up to \$10 million in a three Stage exploration program at the Maslins IOCG Project
- Geophysical field program commenced at Maslins under OZ Minerals' HOA – surveys completed post quarter-end
- Diamond drilling scheduled to commence at Maslins in January 2020
- Geological review and assessment of future options for Paris Silver Project
- Ongoing assessment of projects for potential involvement

Corporate

- \$2.2 million placement and \$0.36 million SPP completed with funds to be directed toward business development, Paris geological review and for working capital
- David Ransom will step down as Chairman at the AGM with existing non-executive director Kevin Wilson to assume the role of Chairman
- Andrew McIlwain appointed as Managing Director on 14 October
- Cash balance of \$2.9 million at 30 September 2019

Investigator Managing Director Andrew McIlwain said:

“Announced in the June 2019 Quarterly Report, the signing of the HOA with OZ Minerals to fund a \$10 million exploration program at Maslins validated the high potential of the Project and adds significant value to the Maslins Project for Investigator’s shareholders.

“A geophysical acquisition program was completed shortly after the end of the quarter, and we are excited to continue working with OZ Minerals towards first drilling in January 2020.

“Support from new and existing shareholders, who contributed \$2.56 million in new capital, is testament to the confidence of shareholders in the Company’s future. I look forward to delivering on their expectations.”

Operations Review

Binding Heads of Agreement with OZ Minerals to explore Maslins

The Maslins iron oxide copper gold (“IOCG”) project is 100%-owned by Investigator and located in the Olympic Dam belt of the Stuart Shelf in the Gawler Craton, South Australia.

As announced on 15 July 2019, Investigator signed a binding HOA with OZ Minerals Limited (ASX: OZL or “OZ Minerals”) whereby OZ Minerals will fund up to a \$10 million three-stage program to explore the Maslins Project.

The HOA with OZ Minerals will allow Investigator to realise the intrinsic value of the Maslins project.

Under the terms of the HOA, OZ Minerals committed to undertake further geophysical surveys, including acquisition of infill gravity and Magneto-Telluric (“MT”) data, to better define target locations in the Maslins Project prior to drilling. These surveys were commenced during the September 2019 Quarter and as announced to the ASX on 3 October 2019, were successfully completed post-quarter end.

The acquired geophysical data have been validated and are currently being interpreted.

First drilling is scheduled for January 2020 with a program expected to comprise an initial three holes to an average depth of 1,000m. Drill tenders have been received and a contract will be awarded for the program in November 2019.

The key elements of the HOA are:

Stage 1 Program or Option Period

- Infill MT and gravity surveys – completed during the Quarter;
- Diamond drilling – scheduled to commence in early 2020;
- Investigator to manage the Stage 1 exploration work program;
- Expenditure commitment of \$1.4 million before OZ Minerals may withdraw;
- Upon early withdrawal, OZ Minerals is obliged to pay the balance of the \$1.4 million commitment in cash; and
- On completion of Stage 1 expenditure, and before 12 July 2020, OZ Minerals will commit to progress to Stage 2 or withdraw with no project interest earned.

Stage 2 Program

- Further expenditure to a total of \$4 million (including Stage 1 expenditure) within a two-year period to earn OZ Minerals a right to a 51% interest in a Joint Venture.

Stage 3 Program

- A Joint Venture (OZL 51%, IVR 49%) is formed; and
- For a further expenditure of \$6 million over a two-year period, OZ Minerals may earn an additional 19% Joint Venture interest for a total of 70%.

Further work programs

- Post completion of Stage 3, and with a 70% Joint Venture interest earned by OZ Minerals, Investigator may elect to either fund further exploration and development costs on a *pro-rata* basis or dilute to a 20% Joint Venture interest until a positive decision to mine is made; and
- If diluted to 20%, Investigator's share of the further work programs and development cost will be treated as a loan from OZ Minerals to be repaid from future production revenues.

Paris Silver Project

The Paris Silver Project, the highest grade undeveloped non-by-product silver project in Australia with a JORC 2012 resource estimate of 9.3 Mt @ 139g/t Ag and 0.6% Pb for 42 Moz contained silver and 55 kt contained lead¹. The Paris resource is a shallow deposit of high-grade silver amenable to simple open pit mining should a decision be made to progress development.

As previously advised, Investigator has engaged a leading consultant to undertake a review of the structural geology interpretation of the Paris deposit. The objective of this review is to identify potential to define additional mineralisation or improve grade and hence augment the viability of the deposit. This study commenced post Quarter-end and will be completed in November.

Other Tenements

The cash conservation focus has deferred further work on the Cartarpo Copper-Cobalt Project.

Investigator continues 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 exploration activities to commence.

As a continuing part of the Company's strategy tenements are critically evaluated and, as necessary, tenements that have been identified as non-core will either be relinquished or not renewed upon expiry. The Googs Lake tenement, due for renewal in November 2019 will be relinquished.

(1) First reported in ASX announcement of 19 April 2017. The Company confirms that it is not aware of new information or data that materially affects the information included in the market announcement, and that material assumptions and technical parameters underpinning the estimate continue to apply.

Business Development

Investigator continues to review opportunities, predominantly focussed on domestic gold targets from early stage exploration through to production. Whilst it had been anticipated that news on this front would be delivered earlier, a prudent approach is being maintained to deliver an acquisition that will drive short to medium term value accretion for the Company and its stakeholders.

Investigator will update the market when and if any project assessment becomes material to the company.

Corporate

Board changes

David Ransom has served as the Chairman of Investigator since his appointment to the board in January 2017. On 21 October 2019 it was announced that David had been appointed a Non-Executive Director of West African gold producer Perseus Mining Limited (ASX: PRU). In consideration of the demands on his time to accommodate both boards and in consultation with the other Investigator directors, David requested that he step down as the Chairman of Investigator with effect from the Company's Annual General Meeting ("AGM") on 20 November 2019. Contingent upon re-election at the Investigator AGM, David will continue to serve as a Non-Executive Director.

Kevin Wilson, who was appointed to the Investigator board as a non-executive director in September 2017, has agreed to assume the role of Chairman, effective from the Company's AGM on 20 November 2019.

On 14 October 2019 it was announced that Andrew McIlwain was appointed to the position of Managing Director.

Capital Raising and Placement completed

In September 2019, Investigator completed a placement to institutional and sophisticated investors through the issue of 91.67 million fully paid ordinary shares in the Company at an issue price of \$0.024 raising \$2.2 million (before costs).

The placement included a 1 for 3 attached option, exercisable at \$0.035 by 31 December 2020. The 37.15 million options issued have the same exercise price and date as the previous series issued under the prospectus in November 2017 and are listed on ASX and trade as IVROA.

PAC Partners Pty Ltd acted as Lead Manager to the Placement.

Funds raised will be used for:

- Ongoing assessment and securing of value-adding base metals and gold opportunities currently under due diligence by the Company;
- Geological review and assessment of future options for the Paris Silver Project; and
- Working capital.

Share Purchase Plan

Following the successful \$2.2 million placement in September, and in recognition of the support from long-standing shareholders, Investigator announced the opportunity for Eligible Shareholders to participate in a Share Purchase Plan ("SPP") on equivalent terms to the placement.

The SPP was finalised on the 15 October raising a total of \$336,000 with 14 million fully paid ordinary shares and 4.67 million options issued.

Research & Development (R&D) Tax Incentive program

As was noted in the June 2019 Quarter Report, Investigator was advised by AusIndustry that it was undertaking an examination of the registration for the 2018 R&D tax concession.

Following the submission of clarifying documentation, Investigator has been formally advised by AusIndustry that their review has been finalised with no penalty.

JMEI Tax Credits

Investigator was allotted ~\$0.687 million of Junior Minerals Exploration Incentive (JMEI) tax credits available to distribute to eligible investors to use as tax credits to 2020 tax returns.

The JMEI scheme enables eligible exploration companies to create refundable tax credits to distribute to eligible shareholders by forgoing a portion of their carried forward tax losses that have arisen from allowable expenditure on "greenfield" exploration.

For further information about the JMEI refer to the ATO website at:

<https://www.ato.gov.au/Business/Junior-Minerals-Exploration-Incentive/>

Cash

The company had A\$2.9 million cash at bank as at 30 September 2019.

About the Maslins Project

The Maslins Project is part of Investigator's 100% owned Stuart Shelf group of tenements, granted in early 2016 (Figure 1). The tenements were applied for on the basis of interpreted AusLAMP MT survey data, which showed a major conductive corridor passing through Prominent Hill, Olympic Dam, Carrapateena and the Maslins Project area. Compilation and interpretation of publicly available gravity and magnetic data defined the Maslins Project as a valid IOCG target. The BHP Oak Dam rediscovery lies about 85 km along this trend to the north of the Maslins target (ASX announcement BHP 27 November 2018). BHP's subsequent drilling results announced to the ASX on 17 October 2019 reaffirm the prospectivity of the region.

Importantly, Maslins is approximately 50 kms to the south of OZ Minerals' Carrapateena Project where construction is underway, with first concentrate production scheduled for November 2019.

Maslins is a large untested gravity/magnetic/MT anomaly interpreted as having a shallower depth to basement (estimated at about 600m) than Oak Dam and Punt Hill (both drill defined at approximately 800m depth). The modelled gravity data has revealed a residual gravity anomaly nearly 30 km long, 14 km of which is within Investigator's tenement EL 5705. The MT conductivity flare at Maslins is interpreted as intersecting the Maslins gravity anomaly below this residual gravity ridge (IVR ASX release 6 March 2019) (Figure 2).

The targeted anomaly at the southern end of the modelled residual gravity shell is 6k m in length and comprises a residual gravity ridge with several individual gravity highs (Figure 3).

Additional gravity and MT surveys, as part of OZ Minerals' Earn-In commitment and complementing the previously completed detailed surveys, have been completed and the final design of the proposed diamond drill program is in progress, with drilling to commence in January 2020.

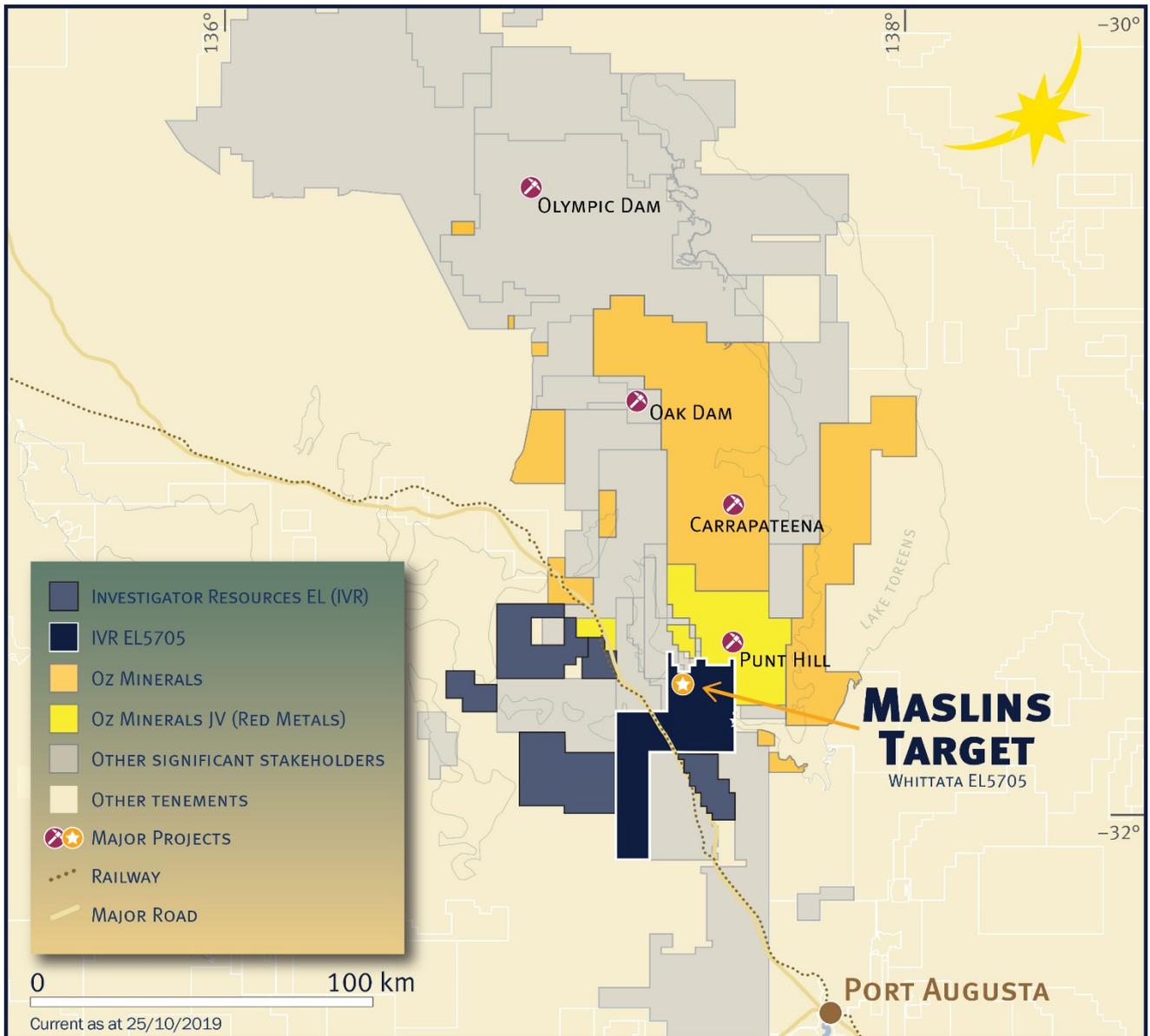


Figure 1: Investigator's tenements and OZ Minerals' interests in Stuart Shelf, SA.

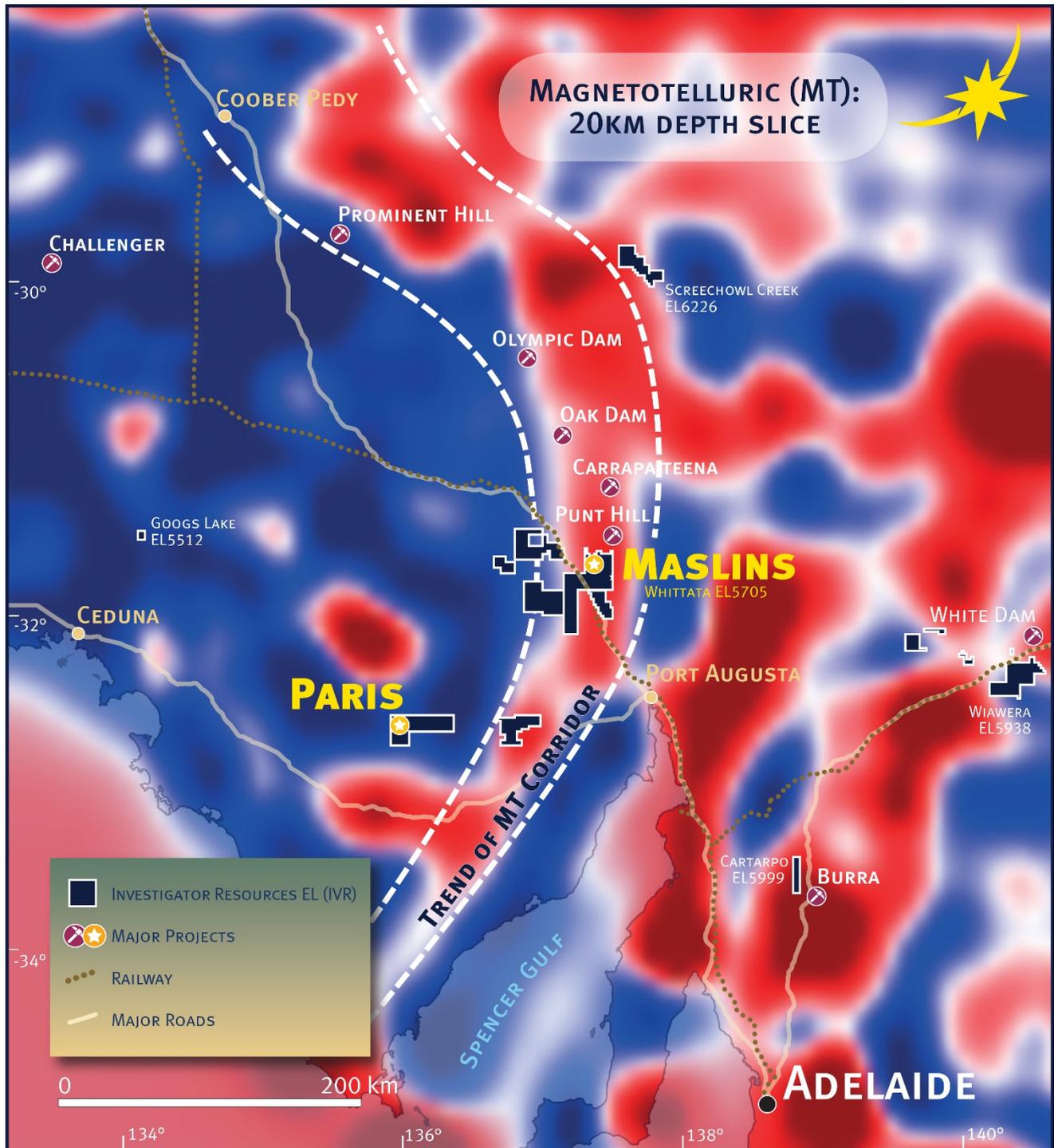


Figure 2: Geoscience Australia's AusLAMP MT 20 km depth slice smoothed image showing the Olympic Domain MT corridor and location of major IOCG deposits and Investigator's tenement holdings.

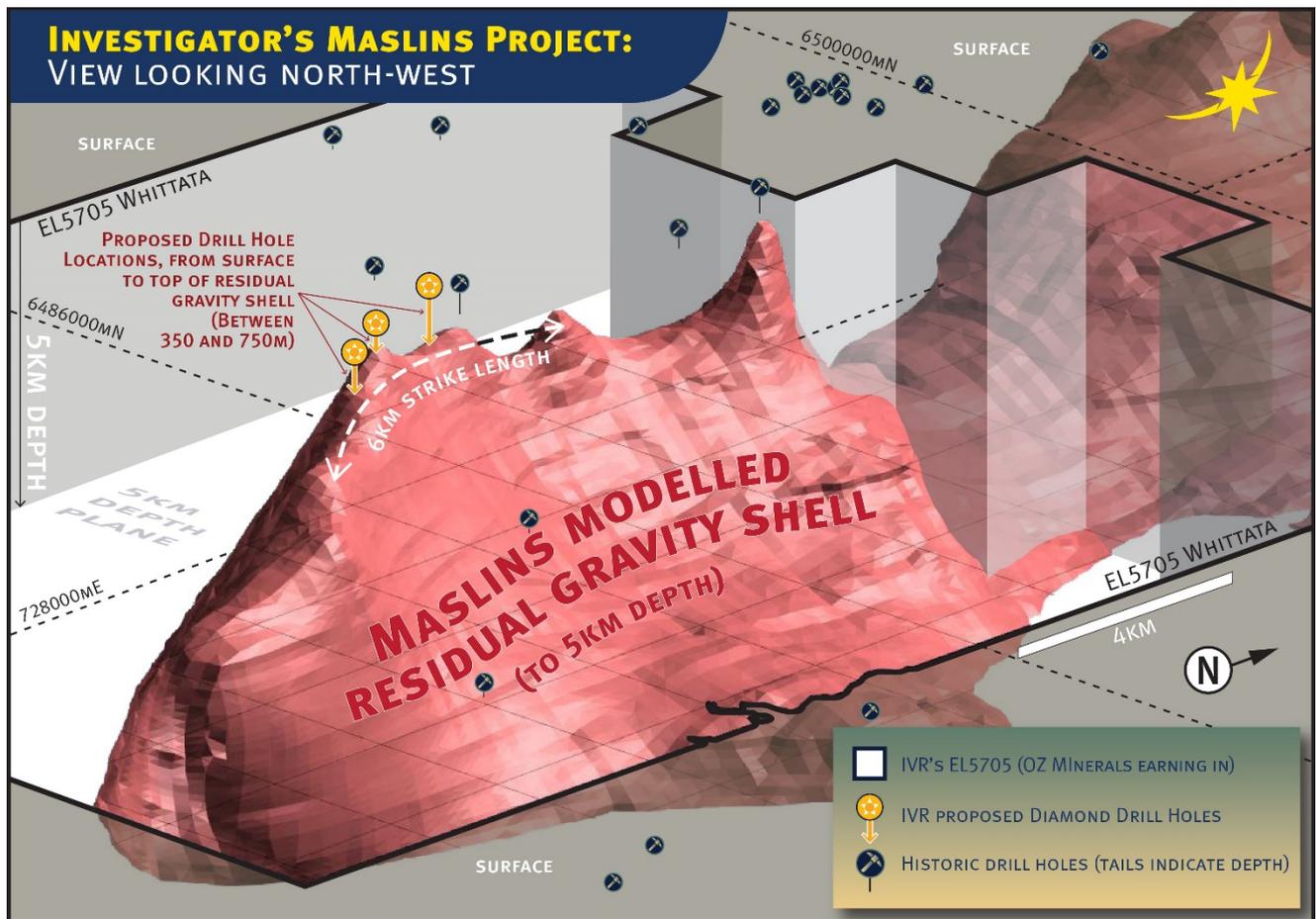


Figure 3: View of the modelled Maslins 3D Gravity shell (to 5 km depth), with target area and tene-ment boundary shown.

Table 1: Summary of Investigator Resources Limited tenements and changes during the September 2019 Quarter:

Tenement Number	Tenement Name	Registered Holder	Note
Project: Peterlumbo (IVR 100%)			
6347	Peterlumbo	Sunthe	Current
Project: Uno/Morgans (IVR 100%)			
5845	Uno Range	GRL	Current
5933	Morgans	GRL	Current
5913	Harris Bluff	GRL	Current
Project: West Eyre Peninsula (IVR 100%)			
5512	Googs Lake	IVR	Current
Project: Maslins (IVR 100%)			
5704	Yalymboo-Oakden Hills	GRL	Current
5705	Whittata	GRL	Current
5706	Yudnapinna	GRL	Current
5738	Birthday	GRL	Current
6402	Kootaberra	GRL	Granted during the quarter
Project: Curnamona (IVR 100%)			
5938	Wiawera	GRL	Current
6192	Plumbago	GRL	Current
6345	Treloars	GRL	Current
6253	Olary/Bulloo Creek	GRL	Current
Project: Adelaide Geosyncline (IVR 100%)			
5999	Cartarpo	GRL	Current
6226	Screechowl Creek	GRL	Current
Project: Northern Craton (IVR 100%)			
6187	Algebuckina	GRL	Current

Notes: IVR - Investigator Resources Ltd.

IVR 100% - Investigator Resources Ltd and its wholly owned subsidiaries.

Sunthe - Sunthe Uranium Pty Ltd, a wholly owned subsidiary of Investigator Resources Ltd.

GRL - Gawler Resources Pty Ltd, a wholly owned subsidiary of Investigator Resources Ltd.

All tenements are in South Australia

ABOUT INVESTIGATOR RESOURCES

Investigator Resources Limited (ASX code: IVR) is a metals explorer with a focus on the opportunities for silver-lead, copper-gold and other metal discoveries.

The Company is well positioned in the Olympic Domain belt with the Maslins IOCG Project, supported by a farm-in agreement with OZ Minerals Limited with drilling to commence in early 2020.

The Company's significant silver asset is the Paris Silver Project. Paris' Mineral Resource Estimate is 9.3 Mt @ 139 g/t silver and 0.6% lead, comprising 42 Moz of contained silver and 55 kt of contained lead, at a 50 g/t silver cut-off. The resource has been categorised with an Indicated Resource estimate of 4.3 Mt @ 163 g/t silver and 0.6% lead for 23 Moz contained silver and 26 kt contained lead, and an Inferred Resource of 5.0 Mt @ 119 g/t silver and 0.6% lead for 19 Moz contained silver and 29 kt contained lead.

An important means of staying abreast of the Company's announcements is to be on Investigator's mail out list. Registration can be completed through the weblink address:

<http://www.investres.com.au/subscribe/subscribe.asp>

CAPITAL STRUCTURE

As at 30 September 2019:

- Shares on issue 831,638,698
- Listed Options 199,176,684
- Unlisted Options 5,915,000.

The top 20 shareholders at 30 September 2019 held 28.72% of the shares on issue.

Total shareholders: 3,378.

SUBSTANTIAL SHAREHOLDERS

As at 30 September 2019:

- CITICORP Nominees Pty Limited – 5.97%
- CITIC Australia Pty Ltd – 5.39%.

ASX listing code: IVR

DIRECTORS AND MANAGEMENT

Dr David Ransom (Non-Exec. Chairman)

Mr Andrew McIlwain (Managing Director & CEO)

Mr Kevin Wilson (Non-Exec. Director)

Ms Melanie Leydin (CFO and Joint Company Secretary)

Ms Anita Addorisio (Joint Company Secretary).

COMPETENT PERSON COMPLIANCE STATEMENT

The information in this announcement relating 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 Australian Institute of Geoscientists. Mr. Murray has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Murray consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

The information in this announcement that relates to Mineral Resources Estimates at the Paris Silver Project is extracted from the report entitled "Significant 26% upgrade for Paris Silver Resource to 42Moz contained silver" dated 19 April 2017 and is available to view on the Company website www.investres.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

FOR FURTHER INFORMATION:

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ABN 90 115 338 979

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

INVESTIGATOR RESOURCES LIMITED

ABN

90 115 338 979

Quarter ended ("current quarter")

September 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(187)	(187)
(b) development	-	-
(c) production	-	-
(d) staff costs	(36)	(36)
(e) administration and corporate costs	(281)	(281)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	7	7
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (Maslins' JV cost recovery)	169	169
1.9 Net cash from / (used in) operating activities	(328)	(328)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	2,200	2,200
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(139)	(139)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	2,061	2,061

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,205	1,205
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(328)	(328)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,061	2,061
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,938	2,938

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	2,068	35
5.2 Call deposits	870	1,170
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,938	1,205

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

81

-

Transactions during the current quarter include director fees, director consulting fees, director salaries and superannuation.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

-

-

N/A

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

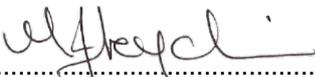
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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	200
9.2 Development	-
9.3 Production	-
9.4 Staff costs	70
9.5 Administration and corporate costs	120
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	390

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Nil			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	EL6402 South Australia	Exploration licence granted	0%	100%

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 
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Company Secretary

Date: 28 October 2019

Print name: Melanie Leydin

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.