2022 Annual Report

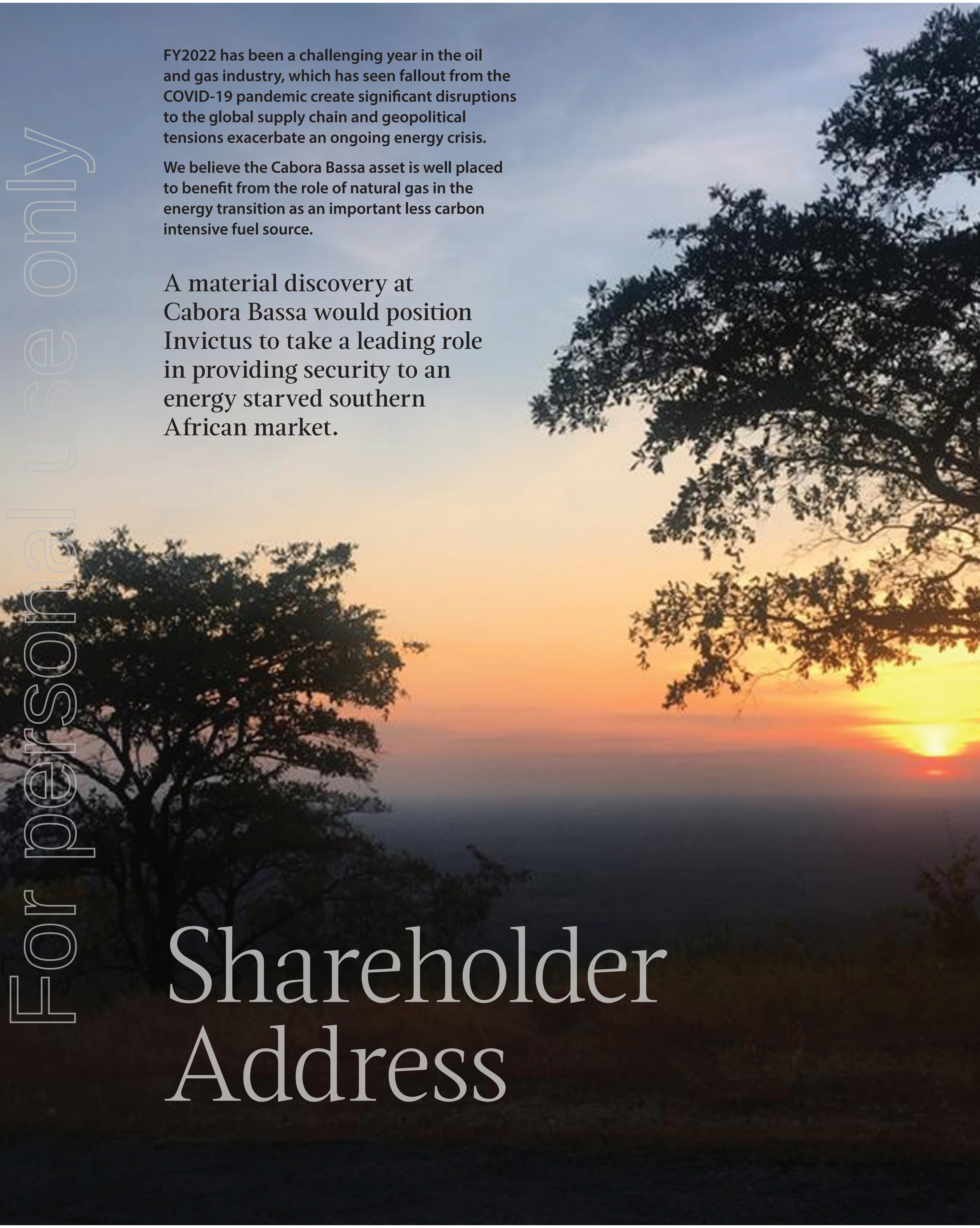
FOR THE YEAR ENDED 30 JUNE 2022

INVICTUS
ENERGY LIMITED

Invictus Energy Limited
ABN 21 150 956 773

Corporate Directory

DIRECTORS	***Dr Stuart Lake***	Non-Executive Chairman
	Mr Joseph Mutizwa	Deputy Chairman & Non-Executive Director
	Mr Scott Macmillan	Managing Director
	Mr Gabriel Chiappini	Non-Executive Director
COMPANY SECRETARY	***Mr Gabriel Chiappini***	
REGISTERED OFFICE	Level 1, 10 Outram Street West Perth WA 6005 Tel: +618 6102 5055 Fax: +618 6323 3378	
SHARE REGISTER	***Link Market Services Limited*** Ground Floor Level 4, Central Park 152 St Georges Terrace Perth WA 6000	
STOCK EXCHANGE LISTING	***Australian Securities Exchange*** (ASX: IVZ)	
AUDITOR	***BDO*** Level 9, Mia Yellagonga Tower 2 5 Spring Street Perth WA 6000	
SOLICITORS	***Steinepreis Paganin*** Level 4, The Read Buildings 16 Milligan Street Perth WA 6001	
WEBSITE	**www.invictusenergy.com**	



FY2022 has been a challenging year in the oil and gas industry, which has seen fallout from the COVID-19 pandemic create significant disruptions to the global supply chain and geopolitical tensions exacerbate an ongoing energy crisis.

We believe the Cabora Bassa asset is well placed to benefit from the role of natural gas in the energy transition as an important less carbon intensive fuel source.

A material discovery at Cabora Bassa would position Invictus to take a leading role in providing security to an energy starved southern African market.

Shareholder Address

The Cabora Bassa asset

Invictus Energy made significant progress at the Cabora Bassa project in northern Zimbabwe and is on the cusp of drilling one of the largest conventional oil and gas prospects in the world this year.

The Mukuyu prospect will target an estimated 20 trillion cubic feet (Tcf) and 845 million barrels of conventional gas condensate across seven stacked targets.

A fresh seismic data acquisition campaign kicked off in September 2021, with its completion in November 2021 marking the end of the first seismic shoot in Zimbabwe for 30 years.

Polaris were awarded the CB21 Seismic Survey contract due to their extensive experience in the region, combined with a reputation for delivering high quality results safely and at a competitive cost.

The CB21 Seismic Survey utilised five vibroseis trucks, combined with a new generation STRYDE nodal system — the world's smallest and lightest autonomous wireless node recording system — to minimise the environmental impact.

The HSE performance throughout the program was exceptional, exceeding 142,000 hours without a Lost Time Injury (LTI) or recordable incident and is a testament to the Polaris and Invictus teams.

The CB21 Seismic Survey generated nearly 200 direct jobs during the campaign for the local Muzarabani and Mbire communities, as well as the procurement of goods and services from local suppliers in keeping with the Company's strong local content policy.

The Company also implemented a student and lecturer attachment program in collaboration with local universities to develop and transfer skills to the oil and gas industry.

The CB21 Seismic Survey acquired 840 line-kms of high quality 2D data, uncovering a substantial new shallow target in the Post Dande (Horizon 200) of the Mukuyu prospect, as well as identifying new basin margin plays.

Combined with reprocessed data from the 1990 legacy Mobil dataset, the CB21 Seismic Survey clearly delineated the Mukuyu prospect as a large, robust, four-way dip anticline, confirming prospectivity, with extensive seismic anomalies identified at multiple levels and additional opportunities along the basin margin.

The exceptional results delivered through the planning and execution of the CB21 Seismic Survey has enabled us to mature the project from an early-stage frontier opportunity, identified on legacy data, to a material exploration portfolio of scale and breadth with multiple drill ready prospects and substantial follow-up potential.

Independent consultancy ERCE incorporated the results of the CB21 Seismic Survey and reprocessed 1990 Mobil data set when delivering an updated independent resource report in July 2022.

ERCE estimates the gross mean recoverable conventional potential of the Mukuyu prospect at a combined 20 Tcf and 845 million barrels of conventional gas condensate, or about 4.3 billion barrels of oil equivalent (boe), on a gross mean unrisked basis.

This marks a 2.7-fold increase on the 2019 independent assessment by Getech Group plc for Mukuyu, with additional prospective resource estimates to follow for the Basin Margin area.

The combination of both basin centre plays, such as Mukuyu, and Basin Margin plays, such as Baobab, gave Invictus impetus to lay the groundwork for the potentially basin opening two-well drilling campaign to commence in the second half of the 2022 calendar year.

In December 2021, Invictus struck a memorandum of understanding with Exalo Drilling to secure the Exalo Rig 202 for the upcoming campaign, with a binding contract signed in March 2022.

Rig mobilisation commenced in June 2022 and, following minor maintenance, the rig will be ready to spud the Mukuyu-1 well.

The necessary casing, wellheads and ancillary long lead items for the upcoming drilling campaign were all secured in January 2022 and US oilfield services giant Baker Hughes was awarded the well services contract in February 2022, with the binding contract executed in May.

Another significant milestone has been the expansion of Invictus' exploration footprint in the Cabora Bassa Basin.

An initial heads of agreement was signed in March 2022 and ratified in August 2022 with the Sovereign Wealth Fund of Zimbabwe for the exploration rights to Exclusive Prospecting Orders 1848 and 1849.

This gives Invictus a basin master position, covering a combined acreage holding of about 360,000 hectares and encompasses the entire conventional oil and gas play fairway in the Cabora Bassa Basin.

The acreage expansion includes the newly identified Basin Margin play, which we intend to test with the second well of the current drilling campaign, Baobab-1.

The new Basin Margin targets display similar structural characteristics to the prolific East Africa Rift "String of Pearls" play, which resulted in material discoveries in the Lokichar Basin in Kenya and Albertine Graben in Uganda.

The new data and supporting interpretation encouraged three parties to submit non-binding farm-in offers but, after extensive engagement and consideration, the Company elected to sole fund the initial stages of the high impact drilling campaign.

The sole funding path was chosen following the significant upgrade in the prospectivity of the project as the result of the new seismic data and securing the expanded acreage position.

This allows Invictus to maintain material ownership of the expanded acreage encompassing the new Basin Margin play, plus additional prospects and leads, providing shareholders with the largest exposure to drilling success.

The Company remains open to strategic partnering opportunities in the future that could add value for shareholders as it continues to progress development of the Cabora Bassa project.

Growth and energy security

Reported discoveries in similar aged basins in nearby Namibia and South Africa have again highlighted the possible potential in these Karoo aged plays.

Invictus Energy continues to actively screen the market for value accretive assets that offer a chance to broaden its risk profile and reduce the effect of external influences by introducing cash flow from production or low risk, near term development opportunities. In particular, Invictus Energy aims to leverage its sub-Saharan knowledge, relationships and competitive advantage.

Energy security has become a key topic within the current geopolitical backdrop. The Cabora Bassa project, if successful, is expected to provide a reliable domestic supply, which would bolster Zimbabwe's self-sufficiency and drive further development of its energy related infrastructure.

The expansion of the acreage to include the more liquid prone basin margin opportunities at Baobab, in addition to the basin centre gas play at Mukuyu, provides significant upside potential.

This is further complemented by the addition of Invictus' carbon offset project that has scope to offset emissions as Cabora Bassa operations scale up and in the event of multiple discoveries.

Climate initiatives

Invictus' approach to sustainability is driven by its purpose to build a better future by responsible oil and gas development.

Invictus has been proactive on this front and evaluated several options to mitigate our carbon emissions and ensure sustainability is placed at the forefront of our operations.

This led the Company to enter a 30-year contract with the Forestry Commission of Zimbabwe (FCZ) following an international tender for the development of the Ngamo-Gwayi-Sikumi (NGS) REDD+ project.

The projects cover a combined 301,565 hectares of indigenous forests and are classified under the Reducing Emissions from Deforestation and forest Degradation (REDD+) framework.

The agreement, which is renewable for a further 30 years, will see Invictus and FCZ develop the NGS REDD+ project to protect indigenous forests by implementing programs to mitigate deforestation activities.

The resulting benefits of these programs are quantified in the form of emission reductions, which then generate carbon credits.

The NGS REDD+ project will enable Invictus to fully offset all Scope 1 and 2 emissions generated across the entire lifecycle of the Cabora Bassa project, in the event of a discovery.

This means the Cabora Bassa project has the potential to be one of the world's first cradle to grave carbon neutral oil and gas developments, with emissions to be fully offset from exploration to decommissioning on a Scope 1 and 2 basis.

The status as a full lifecycle carbon neutral project will also enhance the ability to finance the development of any discovery and broaden the range of potential financing options and lenders.

The NGS REDD+ project has the potential to generate more than 30 million carbon credits over its initial 30-year life, based on comparable REDD+ projects operating in the region. One carbon credit is equivalent to saving one tonne of CO_2 equivalent emissions.

The carbon credits generated by the NGS REDD+ project will be certified through Verra's internationally recognised Verified Carbon Standard program and sold on the Voluntary Carbon Market.

With the potential for the NGS REDD+ project to generate more credits than required to offset the lifecycle emissions of the Cabora Bassa project, this presents a potential additional revenue stream for the Company.

Profits generated by the NGS REDD+ project will be shared between Invictus, FCZ and the local community to fund further protection of forests through investment in positive social, economic and environmental projects.

Capital discipline

The Company applies capital discipline across all aspects of its business, ensuring all expenditure and costs are managed responsibly.

This capital discipline is even more important amid rising global inflationary pressures and supply chain issues.

We have carefully managed costs and expenditure over the past year by using our in-house team to maintain a firm hand on costs whilst expediting quality work and delivery.

Prudent management helped Invictus secure long lead items and relevant contractors during the market downturn created by the COVID-19 pandemic and well in advance of the drilling campaign.

This prudent management has somewhat insulated the Company from current market turmoil and inflationary pressures.

Further bolstering the Company's financial position is the $20 million (plus an additional $25 million subsequent to the decision to sole fund the drilling campaign) raised through private placements to sophisticated and institutional investors, along with a further $3.7 million raised through the conversion of options during the financial year.

The capital raises have been supported by a range of existing shareholders and new investors, placing the Company in a strong position to self-fund the drilling of the Mukuyu-1 and Baobab-1 wells.

A discovery at Mukuyu-1 or Baobab-1, could be transformational for not only Invictus and its shareholders, but Zimbabwe and the wider southern Africa energy market.

In July, Invictus also received Depository Trust Company (DTC) approval to allow real time electronic clearing and settlement in the United States for its OTCQB quoted ordinary shares through the Depository Trust & Clearing Corporation.

The approval for DTC eligibility simplifies the process of trading for North America-based investors and enhances the liquidity of the Company's shares on the OTCQB by broadening the pool of brokerage firms that will allow their clients to trade the stock.

Corporate Social Responsibility

Invictus takes its corporate social responsibility (CSR) in the areas it operates seriously and is committed to operating in a safe, ethical and responsible manner.

The Company has significantly expanded its CSR program in the Muzarabani and Mbire Districts, in line with the progression of the exploration campaign.

Through its CSR program, Invictus has provided extra water storage tanks at clinics and converted manual hand well pumps with solar pumps, improving water access.

In July 2022, Invictus was recognised for the impact of its CSR program, being awarded the Responsible Investment & Social Impact Award 2022 for Mashonaland Central Province by the CSR Network Zimbabwe.

Under the guidance of recently appointed Country Manger Barry Meikle, Invictus will continue to grow and enhance its CSR program as part of its shared prosperity approach, which strives to ensure all our stakeholders benefit from finding, developing and producing natural resources.

Outlook

Access to energy is a universal need, a core pillar of the global economy, and something which benefits the pan African population.

Our project is aligned with helping host economies achieve growth, while also meeting their carbon offset targets.

Invictus's business plan is indicative of our commitment to being a significant and successful part of helping meet the dual challenge of the energy transition in not only lowering emissions, but also ensuring energy security, and we are proud of our positioning within this dynamic and critical sector.

We remain ambitious with our plans to expand and build on our achievements to date, drilling two basin opening wells, building a carbon offset business and continuing to evaluate new ventures that fit within our strategy.

We would also like to thank all our stakeholders, shareholders and partners for their continued support as we strive towards delivering transformational value in what will be an exciting period ahead for the Company as we drill.

Dr Stuart Lake
NON-EXECUTIVE CHAIRMAN

Scott Macmillan
MANAGING DIRECTOR

Directors' Report

Your Directors' present their report together with the financial statements on Invictus Energy Limited (the 'Company') and the entities it controlled (the "consolidated entity") for the year ended 30 June 2022.

Review of Operations

During the year the Company undertook the following activities:

- Seismic data processing Contract awarded to Earth Signal
- Drilling long lead items tender completed
- Corporate Social Responsibility Program Expanded
- Cabora Bassa 2021 seismic survey completed with 840 line km 2D data acquired
- Drilling rig secured for Muzarabani-1 well
- Capital raising completed for mobilisation of drill rig and long leads for 2nd well
- SG 4571 acreage increased seven-fold
- Well services contract awarded
- Funding completed for mobilisation of drilling rig and long lead items
- New Country Manager appointed
- Mukuyu updated independent prospective resource of 20 trillion cubic feet (Tcf) + 845 million barrels (4.3 billion boe) of conventional gas-condensate
- Substantial new shallow target identified in Mukuyu Prospect demonstrating strong AVO conformance to structure
- Funding completed to support drilling campaign
- Exalo Rig 202 commenced mobilisation to Mukuyu-1 wellsite

1. Directors and Company Secretary

The Directors and the company secretary of the Company at any time during or since the end of the financial year are as follows.

Directors

Dr Stuart Lake – ***Non-Executive Chairman*** *(Appointed 1 August 2019)*

Dr Lake has over 37 years of global experience in the Petroleum industry and significant expertise, having operated assets in 20 countries worldwide, including in over ten African countries. He brings a combination of in-depth technical knowledge and a world class track record as an oil and gas finder, having led many teams in maintaining a 90% exploration success rate (from over 300 wells in 11 countries including deep-water and new plays) throughout his career. Dr Lake has held a wide variety of roles in international Oil and Gas companies including:

- Current NED Vedra Hydrogen capturing carbon-negative hydrogen at scale from residual oil while storing 3rd party CO_2. The process delays decommissioning liabilities, changes the fields to hydrogen and extends the asset life.
- Current NED Capterio providing flare gas solutions for energy companies to capture flared gas, create value and reduce pollution. Our public toll www.flareintel.com shows that is flaring what and where.
- Current CEO for Durrant Petroleum working onshore conventional Exploration assets outside Africa and helping clients operate responsibility leveraging ESG credentials.
- Former CEO of AGM Petroleum, the operator of the offshore South Deep-water Tano Block in Ghana, he brought in Petrica Energy as the new main shareholder and acquired over 2000km^2 3D seismic, leading to a recently reported new oil discovery from the Exploration drill campaign. Then as Senior Advisor to Aker Energy and TRG Energy, that acquired Hess Ghana assets, in which Dr Lake and his team at Hess Corporation had made 7 consecutive deep-water discoveries. Dr Lake stepped down in April 2020.
- He was also the former CEO of African Petroleum Corporation Ltd, where he successfully concluded a number of farm outs and commercial deals for their West African portfolio in a challenging market and successfully listed the company on the Oslo Bors in Norway, transferring the company from the NSX.
- Vice President of Exploration in the Hess Corporation, leading highly successful Exploration campaigns, including Ghana, Libya and 30 onshore discoveries in Russia over 4 years. Prior to that Dr Lake was a Director at Apache Corporation.
- Vice President Russia in the Shell International and former Deputy VP Deep-water Shell. Dr Lake was in Shell for 19 years in five countries fulfilling a number of roles.

Former directorships held in the last 3 years: AGM Petroleum, and Castle Petroleum.

1. Directors and Company Secretary (CONTINUED)

Mr Joe Mutizwa – ***Non-executive Director and Deputy Chairman*** *(Appointed 19 May 2021)*

Mr Mutizwa is the current chairman of Mangwana Capital, a major shareholder of the Company and is a director of the Company's100% owned local subsidiary Invictus Energy Resources Zimbabwe Pty Ltd. Joe served for ten years as Chief Executive of Delta Corporation, one of Zimbabwe`s largest listed companies before taking early retirement in 2012.He currently sits on the Presidential Advisory Council (PAC), a body appointed by Zimbabwe's President, His Excellency CDE E.D Mnangagwa, and is comprised of experts and leaders drawn from diverse sectors to advise and assist the President in formulating key economic policies and strategies in the country. Joe served on the board of the Reserve Bank of Zimbabwe (2015-2019) and currently chairs the boards of the of Star Africa Corporation Zimbabwe (ZSE:SACL), a local sugar refiner; as well as the board of the Infrastructure Development Bank of Zimbabwe (IDBZ).Joe has a BSc degree (with first class honours) from The London School of Economics; an MBA from the University of Zimbabwe and an MSc from HEC – Paris and Oxford University.

Mr Mutizwa has not held any other directorships in the past 3 years.

Mr Scott Macmillan – ***Managing Director*** *(Appointed 21 June 2018)*

Mr Macmillan is a Reservoir Engineer and founder of Invictus Energy Resources Pty Ltd. He has a Bachelor of Chemical Engineering and an MSc in Petroleum Engineering from Curtin University. He is a member of the Society of Petroleum Engineers (SPE) and has over 13 years experience in exploration, field development planning, reserves and resources assessment, reservoir simulation, commercial valuations and business development. He also has extensive business experience in Zimbabwe.

Mr Macmillan has not held any other directorships in the past 3 years.

Mr Gabriel Chiappini – ***Non-executive Director*** *(Appointed 6 August 2015)*

Mr Chiappini is a Chartered Accountant with over 20 years of experience as a finance and governance professional and is an experienced ASX director and has been active in the capital markets for 17 years. He has assisted in raising AUD$450m and has provided investment and divestment guidance to a number of companies and has been involved with a number ASX IPO's and transactions in the last 12 years. He is a current member of the Australian Institute of Company Directors and Institute of Chartered Accountants (Australia).

Mr Chiappini is currently a Director of Black Rock Mining (ASX:BKT) and Black Dragon Gold Corp (ASX:BDG)

Former directorships held in the last 3 years: FBR Ltd (ASX:FBR), and Gefen International AI (ASX:GFN)

Mr Barnaby Egerton-Warburton – ***Non-executive Director*** *(Appointed 29 July 2016, Resigned 25 October 2021)*

Mr Egerton-Warburton holds a Bachelor of Economics Degree and is a graduate of the Australian Institute of Company Directors and a member of the American Association of Petroleum Geologists. He has over 20 years of trading, investment banking, international investment and market experience. He has held positions with global investment banks in Hong Kong, New York and Sydney including JP Morgan, Banque Nationale de Paris and Prudential Securities.

Mr Egerton-Warburton is an experienced company Director and is currently also the Managing Director of Eneabba Gas Limited (ASX:ENB), Non-Executive Director of iSignthis Limited (ASX:ISX), Non-Executive Chairman of Hawkstone Mining Limited (ASX:HWK) and Non-Executive Chairman of Pantera Minerals Ltd (ASX:PFE).

Former directorships held in the last 3 years: Global Geoscience (ASX: GSC).

Company Secretary

Mr Gabriel Chiappini – refer to director details for information on Mr Chiappini.

1.1 Directors' Meetings

The number of Directors' meetings and number of meetings attended by each of the Directors of the Company during the financial year were:

DIRECTOR	BOARD OF DIRECTORS MEETINGS	
	ELIGIBLE TO ATTEND	ATTENDED
Stuart Lake	9	9
Joe Mutizwa	9	9
Scott Macmillan	9	9
Gabriel Chiappini	9	9
Barnaby Egerton-Warburton[1]	2	2

1 *Mr Egerton-Warburton resigned 25 October 2021*

During the reporting period, the Directors also met or communicated as a collective group at least bi-weekly on numerous occasions to discuss and consider governance and operational strategies and resolutions.

1.2 Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Invictus Energy Limited support and have adhered to the principles of sound corporate governance. The board recognises the recommendations of the Australian Securities Exchange Corporate Governance Council and considers that the Company is in compliance with those guidelines which are of importance to the commercial operation of a junior listed resource company. The Company's Corporate Governance Statement has been approved by the Board and can be located on the Company's website at www.invictusenergy.com.

2. REMUNERATION REPORT (Audited)

This Remuneration Report outlines the remuneration arrangements which were in place during the year and remain in place as at the date of this report, for the Directors and key management personnel of the Company. The 2021 remuneration report received positive shareholder support at the Annual General Meeting with a vote, by way of a poll, of 86.02% in favour.

(a) Key management personnel

Directors of the Company who had authority and responsibility during the financial year for planning, directing and controlling the activities of the Group, directly or indirectly, as well as other senior executives are the key management personnel disclosed in this report

NAME	POSITION
Stuart Lake	Non-Executive Chairman
Joe Mutizwa	Non-Executive Director and Deputy Chairman
Scott Macmillan	Managing Director
Barnaby Egerton-Warburton[1]	Non-Executive Director
Gabriel Chiappini	Non-Executive Director & Company Secretary

1 Mr Egerton-Warburton resigned 25 October 2021

(b) Non-executive Director remuneration policy

Fees and payments to non-executive Directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive Directors' fees and payments are reviewed annually by the board.

The base remuneration of Non-Executive Directors is set at A$60,000 per annum.

Non-executive Directors' fees are determined within an aggregate Directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at A$300,000 per annum and was approved by shareholders at the general meeting on 12 October 2011.

(c) Executive remuneration policy and framework

In determining executive remuneration, the board aims to ensure that remuneration practices are:

- competitive and reasonable, enabling the Company to attract and retain key talent;
- aligned to the Company's strategic and business objectives and the creation of shareholder value;
- transparent; and
- acceptable to shareholders.

The executive remuneration framework has two components:

- base pay and benefits, including superannuation; and
- long-term incentives through the issue of options and performance shares.

Base pay and benefits

Base pay is structured as a total employment cost package which may be delivered as a combination of cash and prescribed non-financial benefits at the board's discretion.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Base pay for executives is reviewed annually to ensure the executive's pay is competitive with the market.

There are no guaranteed base pay increases included in executives' contracts. There are no short- term cash bonuses included in the figures contained in the Remuneration Report.

Superannuation

Retirement benefits are limited to superannuation contributions as required under the Australian superannuation guarantee legislation.

Long-term incentives

Long-term incentives are provided to Directors and executives as incentives to deliver long-term shareholder returns. Some of the issued options and performance shares are granted only if certain performance conditions are met and the Directors and executives are still employed by the Company at the end of the vesting period.

Share trading policy

The Company has a share trading policy in place. The Board of Directors ratified and approved the share trading policy previously adopted without change, on 15 September 2019.

2. REMUNERATION REPORT (Audited) (CONTINUED)

(d) Link of remuneration to Company performance and shareholders' wealth

The remuneration policy has been tailored to increase goal congruence between shareholders and Directors and executives. Currently, this is facilitated through the issue of options and performance shares to Directors and executives to encourage the alignment of personal and shareholder interests. There are currently various financial and other targets set for the performance related remuneration, and therefore, remuneration is linked to Company performance or shareholder wealth.

In considering the Group's performance and benefits for shareholder wealth, the Board have regard to the following indices in respect of the current financial year and the previous four (4) financial years:

ITEM	2022	2021	2020	2019
EPS loss – continuing operations (cents)	**($0.58)**	($0.25)	($0.41)	($0.28)
Net loss – continuing operations ('000)	**($3,786,181)**	($1,255,646)	($1,773,456)	($1,022,049)
Share price	**$0.175**	$0.170	$0.026	$0.046

Use of remuneration consultants

The Company did not use the services of remuneration consultants for designing the remuneration policies for Directors or key management personnel.

(e) Service agreements

The Company has service contracts in place with the following four board members during the year. Details of the service agreements are listed below.

Dr Stuart Lake – Non-Executive Chairman

- Commencement date: 1 August 2019
- Director fee: GBP 50,000 per annum
- The agreement is not subject to any termination notice period

Dr Joe Mutizwa – Non-Executive Director and Deputy Chairman

- Commencement date: 19 May 2021
- Director fee: $60,000 per annum
- The agreement is not subject to any termination notice period

Mr Scott Macmillan – Managing Director

- Commencement date: 15 June 2018
- Base salary: 1 July 2021 to 30 September 2021 was $250,000 per annum plus statutory superannuation guarantee contribution
- Base salary: 1 October 2021 to 30 June 2022 was $350,000 per annum plus statutory superannuation guarantee contribution
- No fixed term
- The agreement is subject to a three months' notice period by either party
- The Company may, from time to time, offer the Managing Director the right to participate in an employee incentive plan and may be granted performance shares or other incentives on terms and performance criteria to be determined by the Board in its absolute discretion

Mr Barnaby Egerton Warburton

- Commencement date: 28 July 2017
- Resignation date: 25 October 2021
- Director fee: $54,795 per annum plus statutory superannuation guarantee contribution
- No fixed term
- The agreement is not subject to any termination notice period

Mr Gabriel Chiappini – Non-executive Director & Company Secretary

- Commencement date: 6 August 2015
- The combined Non-Executive Director & Company Secretary fee is $60,000 per annum.
- The agreement is not subject to any termination notice period

No other key management personnel have service contracts in place with the consolidated entity.

2. REMUNERATION REPORT (Audited) (CONTINUED)

(f) Details of remuneration

The following tables set out remuneration paid to key management personnel of the Company during the current year:

2022	SHORT TERM		POST EMPLOYMENT	EQUITY SETTLED				PROPORTION OF REMUNERATION	
	CASH SALARY AND FEES $	OTHER $	SUPER-ANNUATION $	SHARES $	PERFORMANCE SHARES $	OPTIONS $	TOTAL $	FIXED %	PERFORMANCE LINKED %
Stuart Lake	**184,756**	**-**	**-**	**-**	**-**	**303,872**	**488,628**	**100%**	**-**
Joe Mutizwa	**-**	**-**	**-**	**-**	**-**	**303,872**	**303,872**	**100%**	**-**
Scott Macmillan	**325,000**	**-**	**30,875**	**-**	**-**	**303,871**	**659,746**	**100%**	**-**
Barnaby Egerton-Warburton[1]	**17,381**	**-**	**1,651**	**-**	**-**	**303,871**	**322,903**	**100%**	**-**
Gabriel Chiappini	**75,000**	**-**	**-**	**-**	**-**	**303,871**	**378,871**	**100%**	**-**
Total	**602,137**	**-**	**32,526**	**-**	**-**	**1,519,357**	**2,154,020**	**100%**	**-**

Note 1: Mr Egerton-Warburton resigned 25 October 2021

No short-term cash bonuses included as paid or accrued for during the year ended 30 June 2022.

The following tables set out remuneration paid to key management personnel of the Company during the previous year:

2021	SHORT TERM		POST EMPLOYMENT	EQUITY SETTLED				PROPORTION OF REMUNERATION	
	CASH SALARY AND FEES $	OTHER[1] $	SUPER-ANNUATION $	SHARES $	PERFORMANCE SHARES $	OPTIONS $	TOTAL $	FIXED %	PERFORMANCE LINKED %
Stuart Lake	67,712	-	-	18,514	-	11,254	97,480	100%	-
Joe Mutizwa [2]	6,904	-	-	-	-	-	6,904	100%	-
Scott Macmillan	250,000	5,703	25,234	-	-	-	280,937	100%	-
Barnaby Egerton-Warburton	41,096	-	5,206	11,278	-	-	57,580	100%	-
Eric de Mori [3]	22,368	-	2,215	-	-	-	24,583	100%	-
Gabriel Chiappini	45,000	-	-	12,350	-	-	57,350	100%	-
Total	433,080	5,703	32,655	42,142	-	11,254	524,834	100%	-

Note 1: Annual leave expense
Note 2: Mr Mutizwa was appointed 19 May 2021
Note 3: Eric de Mori resigned 27 November 2020

No short-term cash bonuses included as paid or accrued for during the year ended 30 June 2021.

(g) Amounts owing to KMP

	30 JUNE 2022 $	30 JUNE 2021 $
Stuart Lake	**54,145**	-
Joe Mutizwa	**-**	-
Scott Macmillan	**-**	-
Barnaby Egerton-Warburton[1]	**-**	-
Gabriel Chiappini	**-**	-
Total	**54,145**	-

1 *Mr Egerton-Warburton resigned 25 October 2021*

There are no loans to Key Management Personnel (2021: nil).

2. REMUNERATION REPORT (Audited) (CONTINUED)

(h) Share-based compensation

Options

On 26 July 2021, 15,000,000 unlisted options were issued to the Directors, with an exercise price of $0.02355 and an expiry date of 23 July 2024. The options were awarded as part of the remuneration for the services provided by the Directors to the Company and were approved by shareholders at a general meeting on 8 July 2021. The options were valued using the Black-Scholes European Pricing Model, with the following inputs used:

- Grant date: 8 July 2021
- Expiry date: 23 July 2024
- Risk free rate: 0.16%
- Stock volatility: 103.61%
- Share price at grant date: $0.1750
- Exercise price: $0.2355

Refer to Note 19 for further details.

No options for employee share- based payments were issued during the previous year.

Performance rights

During the June 2022 financial year, no performance rights were issued.

During the June 2021 financial year, the following performance rights were issued:

	CLASS A	CLASS B	TOTAL
Scott Macmillan	3,400,000	3,400,000	6,800,000
Stuart Lake	2,500,000	2,500,000	5,000,000

The performance rights were subject to the following conditions:

PERFORMANCE RIGHTS	PROJECT MILESTONE	SHARE PRICE MILESTONE
Class A	(a) The Company announcing the execution of the Non-Binding Farm-in Agreement on or before 31 December 2020; and (b) the Binding Farm-in Agreement, having been executed, becomes unconditional on or before 30 June 2021.	The Company achieving a VWAP of at least $0.045 over any twenty consecutive trading day period before 31 December 2020.
Class B	The Company achieving the grant of the Extension Application on or before 31 December 2020.	The Company achieving a VWAP of at least $0.045 over any twenty consecutive trading day period before 31 December 2020.

As the milestones for class A and B were not achieved within the specified time frame, the underlying performance rights lapsed and were cancelled. As such, no performance right expense was recognised in the statement of financial performance during the 2021 financial year.

Performance shares

No performance shares for employee share- based payments were issued during the current year (2021: $nil).

Ordinary shares

During the 2022 financial year no shares were issued to KMP's in lieu of cash for services rendered.

During the 2021 financial year 3,242,650 shares were issued to KMP's at a price of $0.0482 per share in lieu of cash for services rendered.

2. REMUNERATION REPORT (Audited) (CONTINUED)

(i) Equity instruments held by key management personnel

(i) Option holdings

The following table show options held by key management personnel during the financial year.

2022	BALANCE AT START OF THE YEAR	GRANTED	EXERCISED/ LAPSED	OTHER	BALANCE AT THE END OF THE YEAR	VESTED DURING THE YEAR	VESTED AND EXERCISABLE	UNVESTED
Stuart Lake	**9,000,000**	**3,000,000**	-	-	**12,000,000**	**3,000,000**	**12,000,000**	-
Joe Mutizwa	-	**3,000,000**	-	-	**3,000,000**	**3,000,000**	**3,000,000**	-
Scott Macmillan	-	**3,000,000**	-	-	**3,000,000**	**3,000,000**	**3,000,000**	-
Barnaby Egerton-Warburton[1]	-	**3,000,000**		**(3,000,000)**	-	**3,000,000**	-	-
Gabriel Chiappini	-	**3,000,000**	-	-	**3,000,000**	**3,000,000**	**3,000,000**	-
TOTAL	**9,000,000**	**15,000,000**	-	**(3,000,000)**	**21,000,000**	**15,000,000**	**21,000,000**	-

1 Barnaby Egerton-Warburton resigned on 25 October 2021, on which date he held 3,000,000 options. The options have subsequently been cancelled.

(ii) Performance share holdings

The following table shows performance shares held by key management personnel during the financial year.

2022	BALANCE AT START OF THE YEAR	GRANTED	EXERCISED/ LAPSED	BALANCE AT THE END OF THE YEAR
Scott Macmillan	**38,970,317**	-	**(38,970,317)**	-

No other director held performance shares during the current or prior year.

(iii) Share holdings

The following table shows ordinary shares held by key management personnel during the current year.

2022	BALANCE AT START OF THE YEAR	RECEIVED ON EXERCISE OF OPTIONS DURING THE YEAR	RECEIVED ON VESTING OF PERFORMANCE SHARES DURING THE YEAR	ISSUED IN LIEU OF CASH PAYMENTS DURING THE YEAR	OTHER CHANGES	BALANCE AT THE END OF THE YEAR
Directors						
Stuart Lake	**2,259,732**	-	-	-	-	**2,259,732**
Joe Mutizwa	-	-	-	-	-	-
Scott Macmillan	**73,271,547**	-	-	-	-	**73,271,547**
Barnaby Egerton-Warburton[1]	**14,784,329**	-	-	-	**(14,784,329)**	-
Gabriel Chiappini	**8,862,662**	-	-	-	-	**8,862,662**

1 Barnaby Egerton-Warburton resigned on 25 October 2021, on which date he held 14,784,329 shares in the Company.

2. REMUNERATION REPORT (Audited) (CONTINUED)

(j) Other transactions with key management personnel

During the year the Company paid $75,000 to Laurus Corporate Services Pty Ltd, an entity related to Mr Gabriel Chiappini, for the provision of non-executive director and company secretarial services, on normal commercial terms and conditions and at market rates (2021: $57,350).

On 15 February 2019 the Company entered into an arrangement with Laurus Corporate Services Pty Ltd, an entity related to which Mr Gabriel Chiappini, whereby Laurus Corporate Services Pty Ltd rents one office and one car bay at a cost of $1,950 plus GST from the Company per calendar month. The arrangement is for no fixed term and can be cancelled by either party by providing one months notice. On 1 October 2021, the amount was reduced to $1,225 plus GST.

On 1 May 2022 the Company entered into an agreement with Black Dragon Gold Ltd, and entity related to Mr Gabriel Chiappini, whereby Black Dragon Gold Ltd rents one office and one car bay at a cost of $1,225 plus GST from the Company per calendar month. The arrangement is for no fixed term and can be cancelled by either party by providing one months notice.

On 15 February 2019 the Company entered into an arrangement with Eneabba Gas Ltd, an entity related to Mr Gabriel Chiappini (resigned 28 April 2021) and Mr Barnaby Egerton-Warburton, for the provision of one office and one car bay at a cost of $1,950 plus GST per calendar month. The arrangement was for no fixed term and can be cancelled by either party by providing one months notice. This arrangement ceased on 3 December 2021.

During the prior financial year the Company entered into an arrangement with Pantera Minerals Ltd, an entity related to Mr Barnaby Egerton-Warburton, for the provision of 3 offices and one car bay at a cost of $7,150 plus GST per calendar month. The arrangement was for no fixed term and can be cancelled by either party by providing one months notice. This ceased to be a related party transaction when Mr Barnaby Egerton-Warburton resigned as a Non-Executive Director of the Company on 25 October 2021.

During the prior financial year the Company entered into an arrangement with BXW Pty Ltd, an entity related to Mr Barnaby Egerton-Warburton, for the provision of one car bay at a cost of $450 plus GST per calendar month. The arrangement was for no fixed term and can be cancelled by either party by providing one months notice.

This ceased to be a related party transaction when Mr Barnaby Egerton-Warburton resigned as a Non-Executive Director of the Company on 25 October 2021.

All transactions were made on normal commercial terms and conditions and at market rates. There were no other transactions with related parties during the current year.

End of Audited Remuneration Report.

3. Principal Activities

The principal activities of the consolidated entity carried out during the financial year consisted of the exploration and appraisal of the Cabora Bassa Project.

4. Results and Dividends

The consolidated entity's loss after tax from continuing operations attributable to members of the consolidated entity for the financial year ending 30 June 2022 was $3,786,181 (2021: $1,255,646 loss).

No dividends have been paid or declared by the Company during the year ended 30 June 2022 (2021: nil).

5. Loss per Share

The basic loss per share for the consolidated entity for the year was $0.58 per share (2021: $0.25 loss per share).

6. Significant Changes in the State of Affairs

There have not been any significant changes in the State of Affairs of the Company. Invictus Energy remains focused on advancing its 80% owned Cabora Bassa Project in Zimbabwe.

7. Events Subsequent to Reporting Date

At the Company's general shareholder meeting on 22 July 2022, shareholders approved the issue of the following unlisted performance rights to Directors of the Company;

CLASS	NUMBER	ISSUE DATE	EXPIRY DATE	VESTING CONDITION
A	15,500,000	9-Aug-22	31-Dec-24	a) The drilling of an exploration or appraisal well in the Cabora Bassa Project that results in the maiden booking of Contingent Resources or Reserves (as those terms are defined in the Guidelines for Application of the Petroleum Resources Management System (2011 Edition) on or before 31 December 2024; and b) The Company achieving a 20-day volume weighted average price of at least $0.50 on or before 31 December 2024.
B	15,500,000	9-Aug-22	31-Dec-26	a) An independent estimate of Contingent Resources or Reserves (as those defined in the Guidelines for Application of the Petroleum Resources Management System (2011 Edition) of greater than or equal to two hundred million barrels or oil equivalent (200 mmboe) on a 100% gross project basis; and b) The Company achieving a 20-day volume weighted average price of at least $0.75 on or before 31 December 2026.

On 31 August 2022, the Company announced a private placement to raise $25m (before costs) at $0.23 per share following the Company's decision to sole fund the initial drilling campaign in Zimbabwe's Cabora Bassa Basin.

On 19 September 2022, the Company was notified of the publishing of General Notice 2010 of 2022 in the official Zimbabwe Government Gazette of the assignment of the exploration rights of the Sovereign Wealth Fund of Zimbabwe ('SWFZ') for Exclusive Prospecting Orders (EPOs) 1848 and 1849 for a period of three years to 15 September 2025. The rights are assigned to the Company's 80% owned subsidiary Geo Associates (Private) limited under section 92(2) of the Mines and Minerals Act [Chapter 21:05] following the recommendation of the Mining Affairs Board.

On 24 September 2022, drilling at the Mukuyu-1 exploration well in SG 4571 commenced from the installed conductor at 67 metres to a planned depth of ~650 metres in the 17 ½ inch intermediate hole section. Please refer to the Company's ASX announcement on 26 September 2022 for further details.

Other than the above, no matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations, results or state of affairs of the Group in future financial years.

8. Likely Developments and Expected Results of Operations

The Company intends to develop its Cabora Bassa Basin Gas Condensate project in Zimbabwe by attracting a senior farm-in partner. Following securing of funding the Company intends to drill 2 wells at its Cabora Bassa project including Mukuyu-1 and Baobab-1.

9. Environmental Regulations

The company is not subject to the reporting requirements of either the Energy Efficiency Opportunities Act 2006 or the National Greenhouse and Energy Reporting Act 2007. When operations commence in Zimbabwe, the Company will be subject to meeting the environmental laws and regulations.

10. Directors' and Executives' Interests

As at the date of this report, the interests of the Directors and executives in the shares, options and performance shares of the Company were:

	SHARES	PERFORMANCE RIGHTS	OPTIONS
Stuart Lake	5,859,732	7,000,000	3,000,000
Joe Mutizwa	1,428,570	7,000,000	3,714,285
Scott Macmillan	73,271,547	10,000,000	3,000,000
Gabriel Chiappini	8,862,662	7,000,000	3,000,000
Total	89,422,511	31,000,000	12,714,285

11. Equity Instruments on Issue

Ordinary shares

As at the date of this report, there were 874,936,756 listed ordinary shares on issue.

Unlisted options

As at the date of this report, the following unlisted options over ordinary shares on issue is as follows:

EXPIRY	EXERCISE	NUMBER
26-Jul-2023	$0.35	37,516,341
30-Mar-2024	$0.17	28,518,456
23-Jul-2024	$0.2355	12,000,000
31-Jan-2025	$0.14	31,168,692

Performance rights

As at the date of this report, there the following unlisted performance rights over ordinary shares on issue is as follows:

CLASS	NUMBER	ISSUE DATE	EXPIRY DATE	VESTING CONDITION
A	15,500,000	9-Aug-22	31-Dec-24	a) The drilling of an exploration or appraisal well in the Cobora Bassa Project that results in the maiden booking of Contingent Resources or Reserves (as those terms are defined in the Guidelines for Application of the Petroleum Resources Management System (2011 Edition) on or before 31 December 2024; and b) The Company achieving a 20-day volume weighted average price of at least $0.50 on or before 31 December 2024.
B	15,500,000	9-Aug-22	31-Dec-26	a) An independent estimate of Contingent Resources or Reserves (as those defined in the Guidelines for Application of the Petroleum Resources Management System (2011 Edition) of greater than or equal to two hundred million barrels or oil equivalent (200 mmboe) on a 100% gross project basis; and b) The Company achieving a 20-day volume weighted average price of at least $0.75 on or before 31 December 2026.

12. Indemnification and Insurance of Officers and Auditors

Indemnification

An indemnity agreement has been entered into with each of the Directors, chief financial officer and company secretary of the Company named earlier in this report. Under the agreement, the Company has agreed to indemnify those officers against any claim or for any expenses or costs which may arise as a result of work performed in their respective capacities to the extent permitted by law. There is no monetary limit to the extent of this indemnity.

Insurance

During the financial year the Company has taken out an insurance policy in respect of Directors' and officers' liability and legal expenses for directors and officers.

13. Corporate Structure

Invictus Energy Limited is a Company limited by shares that is incorporated and domiciled in Australia. The Company is listed on the Australian Securities Exchange under the code "IVZ".

14. Audit and Non-Audit Services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and the experience with the Company and/or the Group are important.

Details of the amounts paid or payable to the auditor, BDO Audit (WA) Pty Ltd ("BDO"), are set out below.

During the current year, the following fees were paid or payable for audit and non-audit services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	30-JUN-22 A$	30-JUN-21 A$
Services provided by the Auditor – BDO Audit (WA) Pty Ltd		
Audit and review of financial statements	**47,904**	44,544
Total services provided by the Auditor	**47,904**	44,544

15. Auditor's Independence Declaration

The lead auditor's Independence Declaration is set out on page 17 and forms part of the Directors' report for the financial year ended 30 June 2022.

This report is signed in accordance with a resolution of the board of Directors and is signed on behalf of the Directors by:

Scott Macmillan
MANAGING DIRECTOR

30 September 2022

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Australia

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF INVICTUS ENERGY LIMITED

As lead auditor of Invictus Energy Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Invictus Energy Limited and the entities it controlled during the period.

Jarrad Prue

Director

BDO Audit (WA) Pty Ltd

Perth

30 September 2022

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	NOTES	2022 A$	2021 A$
Continuing operations			
Interest revenue		**1,413**	927
Other revenue	6	**199,934**	536,700
Corporate costs	6	**(364,373)**	(324,502)
Professional fees	6	**(614,950)**	(469,283)
Directors' and executives' fees		**(2,221,448)**	(544,851)
Finance costs		**(54,163)**	(14,492)
Other	6	**(1,000,075)**	(207,220)
Depreciation		**(264,004)**	(136,140)
Loss on settlement of shares		**-**	(74,608)
Foreign currency gain/(loss)		**531,485**	(22,177)
Loss from continuing operations before income tax		**(3,786,181)**	(1,255,646)
Income tax expense	8	**-**	-
Loss from continuing operations after income tax		**(3,786,181)**	(1,255,646)
Gain/(loss) for the period attributable to:			
Members of the parent entity		**(3,643,865)**	(1,218,646)
Non-controlling interest		**(142,316)**	(37,000)
Gain/(loss) for the year		**(3,786,181)**	(1,255,646)
Other comprehensive income/(loss):			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation – members of parent entity		**561,076**	(462,785)
Foreign currency translation – non-controlling interest		**140,221**	(114,910)
Total other comprehensive gain/(loss) for the year		**701,297**	(577,695)
Total comprehensive gain/(loss) for the year attributable to:			
Members of the parent entity		**(3,082,789)**	(1,681,431)
Non-controlling interest	15	**(2,095)**	(151,910)
		(3,084,884)	(1,833,341)
Basic and diluted loss per share (cents)	9	**(0.58)**	(0.25)

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

	NOTES	2022 A$	2021 A$
Assets			
Current assets			
Cash and cash equivalents	10	**13,718,461**	9,135,271
Trade and other receivables		**245,195**	48,224
Other current assets		**75,850**	52,014
Total current assets		**14,039,506**	9,235,509
Non-current assets			
Exploration and evaluation expenditure	11	**28,228,960**	8,821,190
Property, plant and equipment		**284,344**	168,814
Right of use asset		**457,724**	64,489
Other financial assets		**120,771**	96,143
Total non-current assets		**29,091,799**	9,150,636
Total assets		**43,131,305**	18,386,145
Liabilities			
Current liabilities			
Trade and other payables	12	**4,051,782**	291,556
Provisions		**73,524**	40,873
Lease liability		**127,034**	95,189
Total current liabilities		**4,252,340**	427,618
Non-current liabilities			
Lease liability		**365,062**	-
Total non-current liabilities		**365,062**	-
Total liabilities		**4,617,402**	427,618
Net assets		**38,513,903**	17,958,527
Equity			
Share capital	13	**58,926,088**	38,354,367
Reserves	14	**3,144,107**	492,458
Accumulated loss		**(24,592,086)**	(21,926,187)
Total equity attributable to owners of Invictus Energy Limited		**37,478,109**	16,920,638
Non-controlling interest	15	**1,035,794**	1,037,889
Total equity		**38,513,903**	17,958,527

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

	SHARE CAPITAL A$	FOREIGN CURRENCY TRANSLATION RESERVE A$	SHARE-BASED PAYMENT RESERVE A$	TOTAL RESERVES A$	ACCUMULATED LOSS A$	TOTAL ATTRIBUTABLE TO EQUITY HOLDERS OF THE GROUP/COMPANY A$	NON-CONTROLLING INTEREST A$	**TOTAL EQUITY** A$
Balance at 30 June 2020	**27,911,659**	**281,148**	**662,841**	**943,989**	**(20,707,541)**	**8,148,107**	**1,189,799**	**9,337,906**
Loss for the year	-	-	-	-	(1,218,646)	(1,218,646)	(37,000)	(1,255,646)
Foreign currency translation	-	(462,785)	-	(462,785)	-	(462,785)	(114,910)	(577,695)
Total comprehensive loss for the year	**-**	**(462,785)**	**-**	**(462,785)**	**(1,218,646)**	**(1,681,431)**	**(151,910)**	**(1,833,341)**
Issue of shares – capital raising	8,224,676	-	-	-	-	8,224,676	-	8,224,676
Capital raising costs	(538,696)	-	-	-	-	(538,696)	-	(538,696)
Shares issued in lieu of services provided	582,120	-	-	-	-	582,120	-	582,120
Shares issued - exercise of options	2,100,000	-	-	-	-	2,100,000	-	2,100,000
Loss on settlement	74,608	-	-	-	-	74,608	-	74,608
Share-based payments (note 19)	-	-	11,254	11,254	-	11,254	-	11,254
Total distributions to owners of Company recognised directly in equity	10,442,708	-	11,254	11,254	-	10,453,962	-	10,453,962
Balance at 30 June 2021	**38,354,367**	**(181,637)**	**674,095**	**492,458**	**(21,926,187)**	**16,920,638**	**1,037,889**	**17,958,527**
Loss for the year	**-**	**-**	**-**	**-**	**(3,643,865)**	**(3,643,865)**	**(142,316)**	**(3,786,181)**
Foreign currency translation	**-**	**561,076**	**-**	**561,076**	**-**	**561,076**	**140,221**	**701,297**
Total comprehensive loss for the year	**-**	**561,076**	**-**	**561,076**	**(3,643,865)**	**(3,082,789)**	**(2,095)**	**(3,084,884)**
Issue of shares – capital raising	**19,349,497**	**-**	**-**	**-**	**-**	**19,349,497**	**-**	**19,349,497**
Capital raising costs (note 13 and 19)	**(2,567,702)**	**-**	**1,549,182**	**1,549,182**	**-**	**(1,018,520)**	**-**	**(1,018,520)**
Shares issued in lieu of services provided (note 19)	**200,000**	**-**	**-**	**-**	**-**	**200,000**	**-**	**200,000**
Shares issued - exercise of options	**3,589,926**	**-**	**-**	**-**	**-**	**3,589,926**	**-**	**3,589,926**
Share-based payments (note 19)	**-**	**-**	**1,519,357**	**1,519,357**	**-**	**1,519,357**	**-**	**1,519,357**
Options expired/lapsed (note 14)	**-**	**-**	**(977,966)**	**(977,966)**	**977,966**	**-**	**-**	**-**
Total distributions to owners of Company recognised directly in equity	**20,571,721**	**-**	**2,090,573**	**2,090,573**	**977,966**	**23,640,260**	**-**	**23,640,260**
Balance at 30 June 2022	**58,926,088**	**379,439**	**2,764,668**	**3,144,107**	**(24,592,086)**	**37,478,109**	**1,035,794**	**38,513,903**

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

	NOTES	2022 A$	2021 A$
Cash flows from operating activities			
Interest received		**1,413**	927
Lease surrender income		**-**	325,000
ATO Cashflow boosts		**-**	111,891
Payments to suppliers and employees		**(1,617,174)**	(1,205,494)
Net cash used in operating activities	16	**(1,615,761)**	(767,676)
Cash flows from investing activities			
Exploration and evaluation payments	11	**(13,790,676)**	(1,344,905)
Payments for property, plant & equipment		**(396,786)**	-
Return of restricted cash		**96,143**	-
Increase in restricted cash		**(120,771)**	-
Net cash used in investing activities		**(14,212,090)**	(1,344,905)
Cash flows from financing activities			
Proceeds from issue of shares	13	**19,349,497**	8,224,676
Share issuance costs	13	**(2,567,702)**	(538,695)
Exercise of options	13	**3,589,926**	2,100,000
Net cash from financing activities		**20,371,721**	9,785,980
Total cash movement for the year		**4,543,870**	7,673,399
Cash at the beginning of the year		**9,135,271**	1,497,014
Effect of exchange rate changes on cash and cash equivalents		**39,320**	(35,142)
Total cash at the end of the year	10	**13,718,461**	9,135,271

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

1. Summary of Accounting Policies

A. Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. Invictus Energy Limited is a for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with IFRS

The consolidated financial statements of the Invictus Energy Limited (formerly Interpose Holdings Limited) Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB).

Where necessary, comparatives have been reclassified and repositioned for consistency with the current year disclosures.

The Group has not elected to early adopt any new Standards or Interpretations.

All new and amended accounting standards mandatory as at 1 July 2021 have not had an impact on the financials. Refer to note 2 for further details.

(ii) Going concern

These financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

(iii) Basis of consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

B. Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The functional currency of Invictus Energy Limited (formerly Interpose Holdings Limited) is Australian dollars ("A$").

The consolidated financial statements are presented in Australian dollars, which is the Company's presentation currency.

(ii) Transactions and balances

Transactions in foreign currencies are translated to the functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Australian dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of comprehensive income.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to A$ at foreign exchange rates ruling at the dates the fair value was determined.

(iii) Financial statements of foreign operations

The revenues and expenses of foreign operations, excluding foreign operations in hyperinflationary economies, are translated to Australian dollars at rates approximating to the foreign exchange rates ruling at the dates of the transactions.

Foreign exchange differences arising on translation are recognised directly in the foreign currency translation reserve ("FCTR"), as a separate component of equity. When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to profit or loss, as part of the gain or loss on sale where applicable.

C. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured.

Net financial income

Net financial income comprises interest payable on borrowings calculated using the effective interest method, interest receivable on funds invested, dividend income and foreign exchange gains and losses.

Interest income is recognised in the profit and loss as it accrues, using the effective interest method.

Management fees are recognised in the profit and loss as the right to a fee accrues, in accordance with contractual rights.

1. Summary of Accounting Policies (CONTINUED)

D. Impairment of assets

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income.

The recoverable amount is the greater of the asset's net selling price and its value in use. In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and it is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised. The reversal is recognised in the income statement.

E. Financial instruments

(i) Non-derivative financial instruments

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs, except as described below. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Purchases and sales of financial assets are accounted for at trade date, i.e. the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

(ii) Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Details on how the fair value of financial instruments is determined are disclosed in note 3.

(iii) Impairment

The Group assesses at each reporting date whether there is objective evidence that a financial asset or Group of financial assets is impaired.

F. Goods and Services Tax / Value Added Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax ("GST") or Value Added Tax ("VAT"), except where the amount of GST/VAT incurred is not recoverable from the taxation authority. In these circumstances, the GST/VAT is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST/VAT included. The net amount of GST/VAT recoverable from, or payable to, the relevant tax authority is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST/VAT components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the relevant tax authority are classified as operating cash flows.

G. Dividends

Dividends are recognised as a liability in the period in which they are declared.

H. Employee benefits

(i) Short-term employee benefits

Wages, salaries, bonuses and other salary related expenses are recognised as expenses in the year in which the associated services are rendered by employees of the Company. Short-term accumulating compensated absences such as paid annual leave are recognised when services rendered by employees,

that increase their entitlement to future compensated absences, occur. Short-term accumulating compensated absences such as sick leave are recognised when absences occur.

(ii) Defined contribution plans

Employee benefits include statutory social insurance payments to the State Social Insurance Scheme. Contributions to this defined contribution plan are recognised as an expense as incurred.

1. Summary of Accounting Policies (CONTINUED)

H. Employee benefits (CONTINUED)

(iii) Share-based payments

The Company provides benefits to employees (including Directors) of the Company in the form of share-based payment transactions, whereby employees render services in exchange for shares or options over shares ("equity-settled transactions").

The fair value of options is recognised as an expense with a corresponding increase in equity (share-based payments reserve). The fair value is measured at grant date and recognised over the period during which the holder become unconditionally entitled to the options. Fair value is determined using an appropriate valuation method. In determining fair value, no account is taken of any performance conditions other than those related to the share price of Invictus Energy Limited ("market conditions"). The cumulative expense recognised between grant date and vesting date is adjusted to reflect the Directors best estimate of the number of options that will ultimately vest because of internal conditions of the options, such as the employees having to remain with the Company until the vesting date, or such that employees are required to meet internal performance targets.

(iv) Leases

Leases are recognised as a right-of-use and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Consolidated Statement of Financial Performance over the lease period as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is amortised over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities from a lease are initially measured on a present value basis. The lease liability includes the present value of the fixed payments (with a 3.25% set increase each year), and variable payments for outgoings (reconciled and adjusted for actual cost each year). The lease payments are discounted using the Group's incremental borrowing rate of 10.0%.

The right-of-use asset is measured at cost comprising of the initial measurement of the lease liability.

2. New and Amended Standards not yet adopted by the Group

The Directors have also reviewed all Standards and Interpretations on issue not yet adopted for the year ended 30 June 2022. As a result of this review, the directors have determined that there is no material impact of the Standards and Interpretation on issue not yet adopted on the Group and, therefore, no change is necessary to the Group's accounting policies.

3. Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed.

Risk management is carried out by the management under policies approved by the board of Directors. Group management identifies, evaluates and hedges financial risks by holding cash in interest earning deposits.

The Group holds the following financial instruments:

	2022 A$	2021 A$
Financial assets		
Cash and cash equivalents	**13,718,461**	9,135,271
Trade and other receivables	**245,195**	48,224
Total financial assets	**13,963,656**	9,183,495
Financial liabilities		
Trade and other payables	**(4,051,782)**	(291,556)
Lease liability – current	**(127,034)**	(95,189)
Lease liability – non current	**(365,062)**	-
Total financial liabilities	**(4,543,878)**	(386,745)
Net financial instruments	**9,419,778**	8,796,750

3. Financial Risk Management (CONTINUED)

(a) Market risk

Foreign currency risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency and net investments in foreign operations. The consolidated entity has the Australian dollar (A$) as its functional currency, which is also the currency for the Group's transactions. Some exposure to foreign exchange risk exists in respect to its Cabora Bassa project which has transactions denominated in US Dollars and Zim Dollars. The risk is measured using sensitivity analysis and cash flow forecasting.

The Group's exposure to foreign currency risk at the reporting date, expressed in Australian Dollars, was:

	2022 A$	2021 A$
Cash and cash equivalents	**9,060,363**	430,642
Trade and other payables	**(3,654,587)**	(702)
Total exposure to foreign currency risk	**(5,405,776)**	429,940

Group sensitivity to movements in foreign exchange rates is shown in the summarised sensitivity analysis table below:

30-JUN-22	CARRYING AMOUNT	FOREIGN EXCHANGE RISK			
		-10%		10%	
	A$	PROFIT A$	EQUITY A$	PROFIT A$	EQUITY A$
Financial assets					
Cash and cash equivalents	**9,060,363**	**(906,036)**	**906,036**	**906,036**	**(906,036)**
Trade and other payables	**(3,654,587)**	**365,459**	**(365,459)**	**(365,459)**	**365,459**
Net exposure to foreign currency risk	**(5,405,776)**	**(540,577)**	**540,577**	**540,577**	**(540,577)**

30-JUN-21	CARRYING AMOUNT	FOREIGN EXCHANGE RISK			
		-10%		10%	
	A$	PROFIT A$	EQUITY A$	PROFIT A$	EQUITY A$
Financial assets					
Cash and cash equivalents	430,642	(43,064)	43,064	43,064	(43,064)
Trade and other payables	(702)	70	(70)	(70)	70
Net exposure to foreign currency risk	429,940	(42,994)	42,994	42,994	(42,994)

Foreign exchange volatility was chosen to reflect expected short-term fluctuations in the US Dollar.

(b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities, the ability to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the management aims at maintaining flexibility in funding by keeping committed credit lines available with a variety of counterparties. Surplus funds are only invested in instruments that are tradeable in highly liquid markets.

The tables below analyse the Group's financial liabilities into relevant maturity groupings. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

30-JUN-22	LESS THEN 6 MONTHS	TOTAL CONTRACTUAL CASH FLOWS	CARRYING AMOUNT OF LIABILITIES
Trade and other payables	**4,051,782**	**4,051,782**	**4,051,782**
Total exposure to liquidity risk	**4,051,782**	**4,051,782**	**4,051,782**

30-JUN-21	LESS THEN 6 MONTHS	TOTAL CONTRACTUAL CASH FLOWS	CARRYING AMOUNT OF LIABILITIES
Trade and other payables	291,556	291,556	291,556
Total exposure to liquidity risk	291,556	291,556	291,556

3. Financial Risk Management (CONTINUED)

(b) Liquidity risk (CONTINUED)

Interest rate risk

The Group's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and liabilities is set out below:

	WEIGHTED AVERAGE INTEREST RATE	30-JUN-22	WEIGHTED AVERAGE INTEREST RATE	30-JUN-21
Floating interest rate:				
Cash available at call	**0.00%**	**10,892,007**	0.00%	2,321,316
Fixed interest rate:				
Deposits at call	**0.05%**	**2,826,453**	0.05%	6,813,955
Total exposure to interest rate risk		**13,718,461**		9,135,271

The Group's sensitivity to movement in interest rates is not significant to the group.

(c) Credit risk

The carrying amount of cash and cash equivalents and trade and other receivables (excluding prepayments) represent the Group's maximum exposure to credit risk in relation to financial assets.

Cash and short-term liquid investments are placed with reputable banks, so no significant credit risk is expected. None of the financial assets are either past due or impaired.

(d) Fair value measurements

The carrying values less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

4. Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and judgements may differ from the related actual results and may have a significant effect on the carrying amount of assets and liabilities within the next financial year and on the amounts recognised in the financial statements. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Impairment of deferred exploration and evaluation expenditure

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at balance date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. The Board and Management have assessed the carrying value of the Exploration and Evaluation Expenditure to be impaired. Refer to the accounting policy stated in note 11 for movements in the exploration and evaluation expenditure balance.

(b) Share based payment transactions

The group measures the cost of equity-settled transactions with Directors, employees and consultants by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using appropriate valuation techniques.

(c) Tax in foreign jurisdictions

The consolidated entity operates in overseas jurisdictions and accordingly is required to comply with the taxation requirements of those relevant countries. This results in the consolidated entity making estimates in relation to taxes including but not limited to income tax, goods and services tax, withholding tax and employee income tax. The consolidated entity estimates its tax liabilities based on the consolidated entity's understanding of the tax law. Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact profit or loss in the period in which they are settled.

5. Segment Information

AASB 8 Operating Segments requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker.

(a) Description of segments

The Company's Board of Directors, who are collectively the "Chief Operating Decision Maker", receives financial information for one reportable segment being "Exploration".

(b) Segment information

FOR THE YEAR ENDED 30 JUNE 2022	EXPLORATION A$	UNALLOCATED A$	CONSOLIDATED A$
Total segment revenue	310	201,037	201,347
Profit (loss) before income tax	(712,305)	(3,073,876)	(3,786,181)
Segment Assets			
Cash and cash equivalents	151,860	13,566,601	13,718,461
Trade and other receivables	-	245,195	245,195
Other current assets	-	75,850	75,850
Exploration and evaluation expenditure	28,228,960	-	28,228,960
Other financial assets	-	120,771	120,771
Property, plant and equipment	27,072	257,272	284,344
Right of use - asset	-	457,724	457,724
Total Segment Assets	28,407,892	14,723,413	43,131,305
Segment Liabilities			
Trade and other payables	3,654,587	397,195	4,051,782
Provisions	-	73,524	73,524
Right of use – current liability	-	127,034	127,034
Right of use – non-current liability	-	365,062	365,062
Total Segment Liabilities	3,654,587	962,815	4,617,402

FOR THE YEAR ENDED 30 JUNE 2021	EXPLORATION A$	UNALLOCATED A$	CONSOLIDATED A$
Total segment revenue	354	537,237	537,591
Profit (loss) before income tax	(187,063)	(1,068,583)	(1,255,646)
Segment Assets			
Cash and cash equivalents	34,185	9,101,086	9,135,271
Trade and other receivables	-	48,224	48,224
Other current assets	-	52,014	52,014
Exploration and evaluation expenditure	8,821,190	-	8,821,190
Other financial assets	-	96,143	96,143
Property, plant and equipment	42,317	126,497	168,814
Right of use - asset	-	64,489	64,489
Total Segment Assets	8,897,692	9,488,453	18,386,145
Segment Liabilities			
Trade and other payables	-	291,556	291,556
Provisions	-	40,873	40,873
Right of use – current liability	-	95,189	95,189
Right of use – non-current liability	-	-	-
Total Segment Liabilities	-	427,618	427,618

6. Other Revenue, Corporate Costs and Professional Fees

	2022 A$	2021 A$
Other revenue		
Rental income	**199,934**	111,700
Lease surrender fee [1]	**-**	325,000
ATO cash flow boost	**-**	100,000

1 *Relates to a cash payment to Invictus Energy for the early surrender of their Head Office lease at 24 Outram Street, West Perth.*

	2022 A$	2021 A$
Corporate costs		
D&O Insurance	**64,631**	40,359
Rent	**27,655**	125,826
ASX Fees	**127,710**	82,432
ASIC Fees	**8,509**	6,016
Share registry fees	**37,582**	31,688
Other	**98,286**	38,181
Total corporate costs	**364,373**	324,502
Professional fees		
Audit fees	**47,904**	44,544
Company Secretarial	**27,500**	18,750
Accounting fees	**105,725**	65,000
Legal fees	**104,183**	11,562
Corporate advisory	**-**	10,000
Staff recruitment costs	**-**	15,193
Investor relations	**123,638**	80,365
Corporate tax advice	**6,000**	5,610
Share-based payments expense – Consultants - shares issued in lieu of services	**200,000**	218,259
Total professional fees	**614,950**	469,283
Other		
Corporate costs for the foreign subsidiaries	**780,272**	182,482
Other	**219,763**	24,738
Total other expenses	**1,000,075**	207,220

7. Auditor Remuneration

	2022 A$	2021 A$
Services provided by the Auditor – BDO Audit (WA) Pty Ltd		
Audit and review of financial statements	**47,904**	44,544
Tax compliance services	**-**	-
Total services provided by the Auditor	**47,904**	44,544

8. Taxation

The income tax expense for the period presented comprises current and deferred tax. Income tax is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised, or to the extent that the Group has deferred tax liabilities with the same taxation authority.

The Group is subject to income taxes in Australia and jurisdictions where it has foreign operations. Significant judgement is required in determining the provision for income taxes across the Group. There are certain transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The group estimates its tax liabilities based on the Group's understanding of the tax law. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

	2022 A$	2021 A$
INCOME TAX EXPENSE		
The components of tax expense comprise:		
Current income tax charge (benefit)	**-**	-
Adjustments in respect of previous current income tax	**-**	-
Total income tax expense from continuing operation	**-**	-
A reconciliation of income tax expense (benefit) applicable to accounting profit before income tax at the statutory income tax rate to income tax expense at the Company's effective income tax rate for the years ended 30 June 2022 and 30 June 2021 is as follows:		
Accounting profit (loss) before income tax	**(3,786,181)**	(1,255,646)
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2021: 30%) adjusted for:	**(1,135,854)**	(376,694)
Non-deductible expenses	**243,147**	67,901
NANE related expenditure	**8,070**	4,262
NANE related income	**-**	(30,000)
Temporary differences and losses not recognised	**368,830**	202,300
Share based payments expense	**515,807**	132,231
Income tax expense/(benefit)	**-**	-
The applicable weighted average effective tax rates are as follows:	**0%**	0%
Unrecognised deferred tax assets/(liabilities)		
Deferred tax assets/(liabilities) have not been recognised in respect of the following items:		
Prepayments	**(665)**	(1,858)
Right of use asset	**(137,317)**	(19,347)
Trade and other payables	**30,307**	20,362
Right of use liability	**147,629**	28,557
Australian tax losses	**3,254,395**	2,766,961
Capital loss	**57,956**	57,956
Capital raising costs	**341,410**	5,088
	3,693,715	2,857,719
Offset against deferred tax liabilities recognised	**-**	-
Deferred tax assets not brought to account	**3,693,715**	2,857,719

8. Taxation (CONTINUED)

The tax losses do not expire under current legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilise the benefits. The tax benefits of the above deferred tax assets will only be obtained if:

a. The consolidated entity derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
b. The consolidated entity continues to comply with the conditions for deductibility imposed by law; and
c. No changes in income tax legislation adversely affect the consolidated entity from utilising the benefits.

9. Gain/(Loss) per Share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for the bonus elements in ordinary shares issued during the year.

The calculation of basic gain per share at the reporting date was based on the loss attributable to ordinary shareholders of $3,643,865 (2021: loss of $1,218,646) and a weighted average number of ordinary shares outstanding during the current financial year of 629,692,632 (2021: 491,861,703) shares calculated as follows:

	2022 A$	2021 A$
Loss for the year	**(3,643,865)**	(1,218,646)
Weighted average number of ordinary shares (basic and diluted)	**629,692,632**	491,861,703
Basic and diluted loss per share (cents)	**(0.58)**	(0.25)

Diluted gain/(loss) per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Potential ordinary shares are not considered dilutive, thus diluted gain/(loss) per share is the same as basic gain/(loss) per share.

10. Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances, short-term bills and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the consolidated entity's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

	2022 A$	2021 A$
Cash and cash equivalents consist of:		
Cash on hand	**11,354,587**	9,135,271
Term deposits	**2,363,874**	-
Total cash and cash equivalents	**13,718,461**	9,135,271

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11. Exploration and Evaluation Expenditure

Exploration and evaluation costs are allocated separately to specific areas of interest. Each area of interest is limited to a size related to a known and probable Mineral Resource capable of supporting a mining operation. Such costs comprise net direct costs and an appropriate portion of related overhead expenditure directly related to activities in the area of interest.

Exploration and evaluation costs incurred in the normal course of operations are capitalised.

Exploration and evaluation costs are capitalised where they are the result of an acquisition from a third party. These capitalised costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

When a decision to proceed to development is made the exploration and evaluation costs capitalised to that area are transferred to mine development within property, plant and equipment. All costs subsequently incurred to develop a mine prior to the start of mining operations within the area of interest are capitalised. These costs include expenditure to develop new ore bodies within the area of interest, to define further mineralisation in existing areas of interest, to expand the capacity of a mine and to maintain production.

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Company decides to exploit the related lease itself, or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact future recoverability include the level of reserves and resources, future technological changes, cost of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

As at 30 June 2022, the carrying value of the capitalised exploration and evaluation properties of the consolidated entity was $28,228,960 (2021: $8,821,190); the carrying amounts of individual projects are as per the reconciliation of movement in exploration and evaluation property below.

Reconciliation of movement in exploration and evaluation expenditure

CABORA BASSA PROJECT	2022 A$	2021 A$
Project carrying value at 1 July	**8,821,190**	8,021,198
Cost incurred during the year	**18,855,709**	1,344,904
Effect of translation to presentation currency	**552,061**	(544,912)
Project carrying value at 30 June	**28,228,960**	8,821,190

The total recoverability of the carrying amounts of exploration and evaluation assets is dependent on the successful development and commercial exploitation or sale of the respective areas of interest.

12. Trade and Other Payables

Trade and other payables are non-interest bearing liabilities stated at cost and settled within 30 days.

	2022 A$	2021 A$
Trade creditors	**2,259,037**	192,556
Accrued expenses	**1,792,738**	99,000
Total trade and other payables	**4,051,775**	291,556

Note 1: As at 30 June 2022 the Directors of the Company are owed $60,000 in deferred salaries and fees (June 2021: $nil)

Trade and other payables are non-interest bearing liabilities stated at cost and settled within 30 days. Information about the Group's exposure to foreign currency risk is provided in note 3.

13. Share Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

If the entity reacquires its own equity instruments, for example as a result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

The Group's capital is comprised of ordinary shares and options over ordinary shares of the Company.

	2022 A$	2021 A$
Shares on issue	**64,884,371**	41,744,948
Issuance cost	**(5,958,283)**	(3,390,581)
Total share capital	**58,926,088**	38,354,367

Reconciliation of movement in issued capital

	NUMBER OF SHARES	A$
Balance as at 1 July 2020	449,194,206	27,911,659
Issue of shares – placement	15,968,329	224,676
Issue of shares – placement	72,727,273	8,000,000
Issue of shares – consultants	7,538,182	400,000
Issue of shares – directors and employees	4,649,397	182,120
Issue of shares – exercise of options	35,000,000	2,100,000
Loss on settlement	-	74,608
Share issuance costs	-	(538,696)
Balance as at 30 June 2021	585,077,387	38,354,367
Issue of shares – placement	**136,747,370**	**19,349,497**
Issue of shares – consultants	**2,000,000**	**200,000**
Issue of shares – exercise of options	**22,908,191**	**3,589,926**
Share issuance costs	**-**	**(2,567,702)**
Balance as at 30 June 2022	**746,732,948**	**58,926,088**

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in the proportion to the number and amount paid on the shares held.

At 30 June 2022, the Company had 96,333,444 unlisted options over ordinary shares on issue (2021: 46,272,727).

13. Share Capital (CONTINUED)

Reconciliation of movement in unlisted options over ordinary shares

	NUMBER	ISSUE DATE	EXPIRY DATE	EXERCISE PRICE (CENTS)
Total unlisted options as at 30 June 2020	44,000,000			
Placement options	36,363,636	29-Mar-21	30-Mar-24	17
Broker options	909,091	29-Mar-21	30-Mar-24	17
Exercise of options	(35,000,000)	various	various	6
Total unlisted options as at 30 June 2021	46,272,727			
Director options	**15,000,000**	**26-Jul-21**	**23-Jul-2024**	**23.55**
Broker options	**9,090,909**	**8-Jul-21**	**30-Mar-24**	**17**
Placement options[1]	**17,499,994**	**13-Jan-22**	**31-Jan-25**	**14**
Cancellation of Director options	**(3,000,000)**	**26-Jul-21**	**23-Jul-24**	**23.55**
Placement options[1]	**19,999,734**	**24-Jan-22**	**31-Jan-25**	**14**
Broker options	**4,375,000**	**25-Jan-22**	**31-Jan-25**	**14**
Placement options[1]	**2,500,000**	**1-Mar-22**	**31-Jan-25**	**14**
Broker options	**7,503,271**	**23-May-22**	**11-Jul-23**	**35**
Exercise of options	**(10,150,269)**	**various**	**31-Jan-25**	**14**
Exercise of options	**(12,757,922)**	**various**	**30-Mar-24**	**17**
Total unlisted options as at 30 June 2022	**96,333,444**			

1. *During the current year, there were a total of 39,999,728 unlisted options ('free attaching placement options') issued to participants in capital raises during the year, on 1:2 basis (1 option for every 2 shares). The options have an exercise price of $0.14 and an expiry date of 31 January 2025. No amounts is recognised in respect of these free attaching placement options for the current year.*

Options over ordinary shares carry no voting or dividend rights.

Performance shares over ordinary shares

The fair value of a performance shares is measured using the share price at the date the vesting condition is met.

On 20 December 2021, 44,179,281 Class C performance shares expired. The vesting condition for the performance shares was dependant on the drilling of an exploration well upon the Cabora Bassa Project that results in the maiden booking of Contingent Resources or Reserves (as those terms are defined in the Guidelines for Application of the Petroleum Resources Management System (2011 Edition).

At 30 June 2022, the Company had no performance shares over ordinary shares on issue (2021: 44,179,281).

Reconciliation of movement in performance shares over ordinary shares

	NUMBER	ISSUE DATE	EXPIRY DATE
Total as at 1 July 2020	44,179,281	22-Jun-18	20-Dec-21
Total as at 30 June 2021	44,179,281	22-Jun-18	20-Dec-21
Expiry of performance shares	**(44,179,281)**	**22-Jun-18**	**20-Dec-21**
Total as at 30 June 2022	**-**	**-**	**-**

Performance rights over ordinary shares

The fair value of a performance rights is measured using the share price at the date the vesting condition is met.

As at 30 June 2022, the Company has no performance rights over ordinary shares on issue (2021: nil).

Capital risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

14. Reserves

Share-based payments reserve

The share-based payments reserve represents the value of options issued under the compensation arrangement that the consolidated entity is required to include in the consolidated financial statements. No gain or loss is recognised in the profit or loss on the purchase, sale, issue or cancellation of the consolidated entity's own equity instruments.

Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations where their functional currency is different to the presentation currency of the reporting entity.

	2022 A$	2021 A$
Share-based payments reserve	**2,764,668**	674,095
Foreign currency translation reserve	**379,439**	(181,637)
Total reserves	**3,144,107**	492,458
Reconciliation of movement in reserves		
Share-based payments reserve		
Balance as at 1 July	**674,095**	662,841
Options issued – Director remuneration (note 19)	**1,519,357**	11,254
Options issued – Broker fees (note 19)	**1,549,182**	-
Options expired/lapsed	**(977,966)**	-
Balance as at 30 June	**2,764,668**	674,095
Foreign currency translation reserve		
Balance as at 1 July	**(181,637)**	281,148
Effect of translation of foreign currency operation to Group presentation currency	**561,076**	(462,785)
Balance as at 30 June	**379,439**	(181,637)
Total reserves balance as at 30 June	**3,144,107**	492,458

15. Interests in Other Entities

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Invictus Energy Limited ("the Company" or "the parent entity") as at 30 June 2022 and the results of all subsidiaries for the year then ended. Invictus Energy Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases. Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition method of accounting is used to account for business combinations by the Group. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognized directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the statement of comprehensive income, statement of financial position and statement of changes in equity.

15. Interests in Other Entities (CONTINUED)

(a) Subsidiaries

The consolidated entity's principal subsidiaries at 30 June 2022 and 30 June 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the consolidated entity, and the proportion of ownership interests held equals the voting rights held by the consolidated entity. The country of incorporation or registration is also their principal place of business. Principal activity of all subsidiaries is gas exploration and development.

	PLACE OF BUSINESS/ COUNTRY OF INCORPORATION	OWNERSHIP INTEREST HELD BY			
		THE CONSOLIDATED ENTITY		NON-CONTROLLING INTERESTS	
		2022	2021	2022	2021
HIS Texas LLC	USA	**100%**	100%	**100%**	-
Invictus Energy Resources Pty Limited	Australia	**100%**	100%	**100%**	-
Invictus Energy Mauritius Limited	Mauritius	**100%**	100%	**100%**	-
Invictus Energy Resources Zimbabwe (Pvt) Ltd	Zimbabwe	**100%**	100%	**100%**	-
Geo Associates (Pvt) Ltd	Zimbabwe	**80%**	80%	**20%**	20%

(b) Non-controlling interests

The following table sets out the summarised financial information for each subsidiary that has non-controlling interests. Amounts disclosed are before intercompany eliminations.

	GEO ASSOCIATES (PVT) LTD	
	2022 A$	2021 A$
Summarised statement of financial position		
Current assets	**151,824**	34,151
Current liabilities	**-**	-
Current net liabilities/assets	**151,824**	34,151
Non-current assets [1]	**7,005,774**	6,088,649
Non-current liabilities	**(7,795,831)**	(6,750,560)
Non-current net assets	**(790,057)**	(661,911)
Net liabilities/ assets	**(638,233)**	(627,760)
Accumulated NCI	**1,035,794**	1,037,889

1. Represents capitalised exploration costs. Refer to note 11 for further details.

	2022 A$	2021 A$
Statement of Profit or Loss and Other Comprehensive Income		
Revenue	**310**	329
Loss for the period	**711,578**	185,000
Other comprehensive loss	**-**	-
Total comprehensive loss	**711,578**	221,222
Loss allocated to NCI	**(142,316)**	(37,000)
FCTR allocated to NCI	**140,221**	(114,910)
Summarised cash flows		
Cash flows from/ (used in) operating activities	**-**	-
Cash flows from/ (used in) investing activities	**-**	-
Cash flows from/ (used in) financing activities	**-**	-
Net increase/(decrease) in cash and cash equivalents	**-**	-

(c) Transactions with non-controlling interests

There were no transactions with the non-controlling interests during the current year.

16. Reconciliation of Loss After Income Tax to Net Cash Outflow Used

	NOTES	2022 A$	2021 A$
Loss after tax		**(3,786,181)**	(1,255,646)
Add/(less) non-cash items:			
Share- based payments expense – Director options	19	**1,519,357**	593,374
Depreciation		**264,004**	136,140
Loss on settlement of fees		**-**	74,608
Share-based payments expense – Consultants - shares issued in lieu of services	19	**200,000**	-
Changes in working capital:			
Decrease/(increase) in trade and other receivables		**(196,971)**	(16,438)
Decrease/(increase) in other assets		**(23,836)**	(34,531)
Increase/(decrease) in trade and other payables		**375,214**	(259,480)
Increase in provisions		**32,651**	(5,703)
Net cash outflow from operating activities		**(1,615,760)**	(767,676)
Non- cash investing and financing activities:			
Share-based payments expense – Brokers options		**1,549,182**	-
		1,549,182	-

17. Parent Entity

	2022 A$	2021 A$
Current assets	**13,635,619**	9,049,130
Non-current assets	**765,169**	287,128
Total assets	**14,400,788**	9,336,258
Current liabilities	**580,875**	335,483
Non-current liabilities	**365,062**	-
Total liabilities	**945,937**	335,483
Net assets	**13,454,851**	9,000,775
Contributed equity	**58,926,088**	38,354,367
Share-based payment reserve	**2,764,668**	974,995
Foreign currency translation reserve	**-**	-
Accumulated losses	**(48,235,905)**	(30,328,587)
Total equity	**13,454,851**	9,000,775
Loss for the year	**17,907,318**	2,737,232
Total comprehensive loss for the year	**17,907,318**	2,737,232

Commitments

Refer to note 21: Capital and Other Commitments.

Contingencies

There were no contingent assets or liabilities of the parent as at 30 June 2022 related to exploration and evaluation expenditure (30 June 2021: $ nil).

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

There are no deeds of cross guarantee in place by the parent entity.

18. Related Party Transactions

(a) Parent entities

The ultimate parent entity within the Group is Invictus Energy Limited incorporated in Australia.

(b) Subsidiaries

Interests in subsidiaries are set out in note 15(a).

(c) Other related party transactions

During the year the Company paid $70,000 to Laurus Corporate Services Pty Ltd, an entity related to Mr Gabriel Chiappini, for the provision of non-executive director and company secretarial services, on normal commercial terms and conditions and at market rates (2021: $57,350).

On 15 February 2019 the Company entered into an arrangement with Laurus Corporate Services Pty Ltd, an entity related to which Mr Gabriel Chiappini, whereby Laurus Corporate Services Pty Ltd rents one office and one car bay at a cost of $1,950 plus GST from the Company per calendar month. The arrangement is for no fixed term and can be cancelled by either party by providing one months notice. On 1 October 2021, the amount was reduced to $1,225 plus GST.

On 1 May 2022 the Company entered into an agreement with Black Dragon Gold Ltd, and entity related to Mr Gabriel Chiappini, whereby Black Dragon Gold Ltd rents one office and one car bay at a cost of $1,225 plus GST from the Company per calendar month. The arrangement is for no fixed term and can be cancelled by either party by providing one months notice.

On 15 February 2019 the Company entered into an arrangement with Eneabba Gas Ltd, an entity related to Mr Gabriel Chiappini (resigned 28 April 2021) and Mr Barnaby Egerton-Warburton, for the provision of one office and one car bay at a cost of $1,950 plus GST per calendar month. The arrangement was for no fixed term and can be cancelled by either party by providing one months notice. This arrangement ceased on 3 December 2021.

During the prior financial year the Company entered into an arrangement with Pantera Minerals Ltd, an entity related to Mr Barnaby Egerton-Warburton, for the provision of 3 offices and one car bay at a cost of $7,150 plus GST per calendar month. The arrangement was for no fixed term and can be cancelled by either party by providing one months notice. This ceased to be a related party transaction when Mr Barnaby Egerton-Warburton resigned as a Non-Executive Director of the Company on 25 October 2021.

During the prior financial year the Company entered into an arrangement with BXW Pty Ltd, an entity related to Mr Barnaby Egerton-Warburton, for the provision of one car bay at a cost of $450 plus GST per calendar month. The arrangement was for no fixed term and can be cancelled by either party by providing one months notice.

There were no other transactions with related parties during the current year. This ceased to be a related party transaction when Mr Barnaby Egerton-Warburton resigned as a Non-Executive Director of the Company on 25 October 2021.

All transactions were made on normal commercial terms and conditions and at market rates

There were no other transactions with related parties during the current year.

(d) Key management personnel

The following persons were Directors and key management personnel of Invictus Energy Limited during the financial year:

(i)	Non-Executive Chairman	Dr Stuart Lake
(ii)	Managing Director	Mr Scott Macmillan
(iii)	Non-executive Directors	Mr Barnaby Egerton-Warburton (resigned on 25 October 2021) Mr G Chiappini Mr Eric de Mori
(iii)	Non-executive Director and Company Secretary	Mr G Chiappini

There were no other persons, other than the Directors as detailed above, that were identified as key management personnel of the Company during the current year.

(e) Key management personnel compensation

The key management personnel compensation was as follows:

	2022 A$	2021 A$
Short-term employee benefits	**602,137**	438,783
Post-employment benefits	**32,526**	32,655
Share-based payment	**1,519,357**	53,396
Total key management personnel compensation	**2,154,020**	524,834

19. Share Based Payments

(a) Employee options over ordinary shares

Decisions to grant options are made by the Board and are based on aligning the long-term interests of key management personnel, employees, consultants and strategic external parties with those of the Company's shareholders.

The exercise price of options is based on the weighted average price at which the Company's shares are traded on the Australian Securities Exchange (ASX) on or about the date of grant.

Each option is convertible into one ordinary share.

The fair value of an option is measured using an appropriate valuation method. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

Share options granted

2022

On 26 July 2021, 15,000,000 unlisted options, valued at $1,519,357, were issued to the Directors. The options have an exercise price of $0.2355 and an expiry date of 23 July 2024. The options were awarded as part of the remuneration for the services provided by the Directors to the Company and were approved by shareholders at a general meeting on 8 July 2021. The options were valued using the Black-Scholes European Pricing Model, with the following inputs used:

- Grant date: 8 July 2021
- Expiry date: 23 July 2024
- Risk free rate: 0.16%
- Stock volatility: 103.61%
- Share price at grant date: $0.1750
- Exercise price: $0.2355

$1,519,357 has been recognised as Director Fees, within the Consolidated Statement of Profit or Loss and Other Comprehensive Income for the current period.

The following options were issued to the Company's broker in relation to capital raisings completed during the year;

- 9,090,909 share options, with an exercise price of $0.17 and an expiry date of 30 March 2024
- 4,375,000 share options, with an exercise price of $0.14 and an expiry date of 31 January 2025
- 7,503,271 share options, with an exercise price of $0.35 and an expiry date of 11 July 2023.

The options were valued using the Black-Scholes European Pricing Model, with the following inputs used:

No. of options	9,090,909	4,375,000	7,503,271
Grant date	8 July 2021	10 December 2021	22 July 2022
Expiry date	30 March 2024	31 January 2025	11 July 2023
Risk free rate	0.16%	0.98%	3.13%
Stock volatility	103.61%	93.89%	83.45%
Share price on grant date	$0.175	$0.125	$0.205
Exercise price	$0.17	$0.14	$0.35
Total fair value	$976,767	$316,146	$256,269

$1,549,182 has been recognised within Capital raising costs within the Consolidated Statement of Financial Position for the current year.

2021

No share options were granted to employees or consultants for services rendered during the financial year.

19. Share Based Payments (CONTINUED)

(a) Employee options over ordinary shares (CONTINUED)

Reconciliation of movement in share options

	2022		2021	
	AVERAGE EXERCISE PRICE PER OPTION	**NUMBER OF OPTIONS**	AVERAGE EXERCISE PRICE PER OPTION	NUMBER OF OPTIONS
As at 1 July	**$0.15**	**46,272,727**	$0.07	44,000,000
Granted during the year	**$0.17**	**75,968,9081**	$0.17	37,272,727
Exercised during the year	**$0.16**	**(22,908,191)**	$0.06	(35,000,000)
Lapsed during the year	**$0.2355**	**(3,000,000)**	-	-
As at 30 June	**$0.17**	**96,333,444**	$0.15	46,272,727
Vested and exercisable at 30 June	**$0.17**	**96,333,444**	$0.15	46,272,727

1. *During the current year, there were a total of 39,999,728 unlisted options ('free attaching placement options') issued to participants in capital raises during the year, on 1:2 basis (1 option for every 2 shares). The options have an exercise price of $0.14 and an expiry date of 31 January 2025. No amounts is recognised in respect of these free attaching placement options for the current year.*

Share options outstanding at the end of the year

GRANT DATE	EXPIRY DATE	EXERCISE PRICE (CENTS)	NUMBER OF OPTIONS 2022	NUMBER OF OPTIONS 2021
31.7.2019	31.7.2022	6	**3,000,000**	3,000,000
31.7.2019	31.7.2022	9	**3,000,000**	3,000,000
31.7.2019	31.7.2022	12	**3,000,000**	3,000,000
8.7.2021	23.07.2024	23.55	**12,000,000**	-
various	30.3.2024	17	**33,605,714**	36,363,636
various	31.1.2025	14	**34,224,459**	-
22.7.2022	11.7.2023	35	**7,503,271**	-
			96,333,444	45,363,636

Weighted average remaining contractual life of options outstanding at 30 June 2022 is 1.88 years (30 June 2021: 2.42).

(b) Performance shares over ordinary shares

Decisions to grant performance shares are made by the Board and are based on aligning the long-term interests of key management personnel, employees, consultants and strategic external parties with those of the Company's shareholders.

Each performance shares converts into one ordinary share for a nil exercise price upon the completion of certain vesting conditions.

The fair value of a performance share is measured using the share price at the date the vesting condition is met.

Performance shares granted

2022

No performance shares were granted to employees or consultants for services rendered during the financial year.

2021

No performance shares were granted to employees or consultants for services rendered during the financial year.

Reconciliation of movement in performance shares

CLASS C	2022 NUMBER	2021 NUMBER
As at 1 July	**44,179,281**	44,179,281
Granted during the year	**-**	-
Exercised during the year	**-**	-
Expired during the year	**(44,179,281)**	-
As at 30 June	**-**	44,179,281

19. Share Based Payments (CONTINUED)

(c) Performance rights over ordinary shares

Decisions to grant performance rights are made by the Board and are based on aligning the long-term interests of key management personnel, employees, consultants and strategic external parties with those of the Company's shareholders.

Each performance right converts into one ordinary share for a nil exercise price upon certain milestones being met.

The fair value of a performance right is measured using the share price at the date the vesting condition is met.

Performance rights granted

<u>2022</u>

There were no performance rights were granted during the financial year.

<u>2021</u>

The following performance rights were granted and expired during the prior financial year:

NO.	CLASS	EXPIRY DATE	PROJECT MILESTONE	SHARE PRICE MILESTONE
5,900,000	A	31-Dec 2020	(a) The Company announcing the execution of the Non-Binding Farm-in Agreement on or before 31 December 2020; and (b) the Binding Farm-in Agreement, having been executed, becomes unconditional on or before 30 June 2021.	The Company achieving a VWAP of at least $0.045 over any twenty consecutive trading day period before 31 December 2020.
5,900,000	B	31-Dec 2020	The Company achieving the grant of the Extension Application on or before 31 December 2020.	The Company achieving a VWAP of at least $0.045 over any twenty consecutive trading day period before 31 December 2020.

As the milestones for class A and B were not achieved within the specified time frame, the underlying performance rights lapsed and were cancelled. As such, no performance right expense was recognised in the statement of financial performance during the prior financial year.

Reconciliation of movement in performance rights

CLASS A	2022 NUMBER	2021 NUMBER
As at 1 July	-	-
Granted during the year	-	5,900,000
Exercised during the year	-	-
Expired during the year	-	(5,900,000)
As at 30 June	-	-

CLASS B	2022 NUMBER	2021 NUMBER
As at 1 July	-	-
Granted during the year	-	5,900,000
Exercised during the year	-	-
Expired during the year	-	(5,900,000)
As at 30 June	-	-

Performance rights outstanding at the end of the year

There were no performance rights outstanding as at 30 June 2022 (2021: nil).

19. Share Based Payments (CONTINUED)

(d) Shares issued during the current year

2022

No shares were granted to employees for services rendered during the June 2022 financial year.

2,000,000 shares were issued to investor relation consultants of the Company for services performed. The fair value of the shares recognised is by direct reference to the fair value of services received. This was determined by the corresponding invoice which totalled $200,000 (excl GST). This amount has been included recognised within Capital raising costs within the Consolidated Statement of Financial Position for the current year.

2021

No shares were granted to employees or consultants for services rendered during the June 2021 financial year.

(e) Expenses arising from share-based payment transactions

	2022 A$	2021 A$
Director options	**1,519,357**	11,254
Share based payments expense – Director and employee shares issued	**-**	182,120
Share based payments expense – Consultants - shares issued	**200,000**	400,000
Total share based payments expense recognised in income statement within Directors' and executives' fees	**1,719,357**	593,374
Capital issuance costs:		
Broker options	**1,549,182**	-
Total share based payments	**3,268,539**	593,374

20. Events Occurring after Reporting Date

At the Company's general shareholder meeting on 22 July 2022, shareholders approved the issue of the following unlisted performance rights to Directors of the Company;

CLASS	NUMBER	ISSUE DATE	EXPIRY DATE	VESTING CONDITION
A	15,500,000	9-Aug-22	31-Dec-24	a) The drilling of an exploration or appraisal well in the Cabora Bassa Project that results in the maiden booking of Contingent Resources or Reserves (as those terms are defined in the Guidelines for Application of the Petroleum Resources Management System (2011 Edition) on or before 31 December 2024; and b) The Company achieving a 20-day volume weighted average price of at least $0.50 on or before 31 December 2024.
B	15,500,000	9-Aug-22	31-Dec-26	a) An independent estimate of Contingent Resources or Reserves (as those defined in the Guidelines for Application of the Petroleum Resources Management System (2011 Edition) of greater than or equal to two hundred million barrels or oil equivalent (200 mmboe) on a 100% gross project basis; and b) The Company achieving a 20-day volume weighted average price of at least $0.75 on or before 31 December 2026.

On 31 August 2022, the Company announced a private placement to raise $25m at $0.23 per share following the Company's decision to sole fund the initial drilling campaign in Zimbabwe's Cabora Bassa Basin.

On 19 September 2022, the Company was notified of the publishing of General Notice 2010 of 2022 in the official Zimbabwe Government Gazette of the assignment of the exploration rights of the Sovereign Wealth Fund of Zimbabwe ('SWFZ') for Exclusive Prospecting Orders (EPOs) 1848 and 1849 for a period of three years to 15 September 2025. The rights are assigned to the Company's 80% owned subsidiary Geo Associates (Private) limited under section 92(2) of the Mines and Minerals Act [Chapter 21:05] following the recommendation of the Mining Affairs Board.

On 24 September 2022, drilling at the Mukuyu-1 exploration well in SG 4571 commenced from the installed conductor at 67 metres to a planned depth of ~650 metres in the 17 ½ inch intermediate hole section. Please refer to the Company's ASX announcement on 26 September 2022 for further details.

Other than the above, no matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations, results or state of affairs of the Group in future financial years.

21. Capital and Other Commitments

Renewal application

Geo Associates (Pvt) Ltd is the holder of Special Grant 4571 (SG4571) and is required to pay a renewal fee of US$20,000 during the 30 June 2022 financial year.

Exploration and evaluation commitments

Exploration and evaluation expenditure contractually committed to as at 30 June 2022 is as follows:

	30-JUN-22 A$	30-JUN-21 A$
Not later than 1 year	**7,179,122**	-
Later than 1 year but not later than 2 years	**-**	-
Later than 2 years but not later than 5 years	**-**	-
	7,179,122	-

22. Contigencies

There were no contingent liabilities as at 30 June 2022 (30 June 201: nil).

In the Directors' opinion:

a) the accompanying financial statements set out on pages 18 to 42 and the Remuneration Report in the Directors' Report are in accordance with the *Corporations Act 2001*, including:

   i. giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance, as represented by the results of its operations, changes in equity and cash flows, for the year ended on that date; and

   ii. complying with Australian Accounting Standards, Corporations Regulations 2001 and other mandatory professional reporting requirements;

b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

c) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

This declaration is made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the year ended 30 June 2022.

This declaration is made in accordance with a resolution of the Board of Directors.

Scott Macmillan
MANAGING DIRECTOR

30 September 2022

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INDEPENDENT AUDITOR'S REPORT

To the members of Invictus Energy Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Invictus Energy Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

BDO

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Carrying value of exploration and evaluation expenditure

Key audit matter	*How the matter was addressed in our audit*
At 30 June 2022 the carrying value of exploration and evaluation assets was disclosed in Note 11 of the financial report. As the carrying value of these exploration and evaluation assets represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount. Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 *Exploration for and Evaluation of Mineral Resources*. In particular: • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; and • Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Holding discussions with management as to the status of ongoing exploration programmes in the respective areas of interest; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether any facts or circumstances existed to suggest impairment testing was required; and • Verifying, on a sample basis, exploration and evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6. We also assessed the adequacy of the related disclosures in Note 11 to the financial statements.

Other information

The directors are responsible for the other information. The other information comprises the information in the Director's report for the year ended 30 June 2022, but does not include the financial report and the auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Annual report, which is expected to be made available to us after that date.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and will request that it is corrected. If it is not corrected, we will seek to have the matter appropriately brought to the attention of users for whom our report is prepared.

Responsibilities of the directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 8 to 13 of the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Invictus Energy Limited, for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd

BDO

J Prue

Jarrad Prue

Director

Perth

30 September 2022

Top 20 Shareholders as at 21 September 2022

RANK	ENTITY	# SHARES	%IC
1	BAYETHE INVESTMENTS PTY LTD	71,375,133	8.21
2	CITICORP NOMINEES PTY LIMITED	40,004,629	4.60
3	BNP PARIBAS NOMINEES PTY LTD	26,686,679	3.07
4	BNP PARIBAS NOMS PTY LTD	20,917,590	2.41
5	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	16,890,032	1.94
6	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	12,595,665	1.45
7	JAERICA PTY LTD	12,412,818	1.43
8	MANGWANA OPPORTUNITIES (PRIVATE) LIMITED	10,823,045	1.25
9	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	9,688,141	1.11
10	MS CHUNYAN NIU	7,869,565	0.91
11	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,759,860	0.89
12	MANGWANA OPPORTUNITIES (PRIVATE) LIMITED	6,850,000	0.79
13	MR DONATO IACOVANTUONO	6,224,941	0.72
14	MR ANDREW GRAHAM PALLESON & MRS HUI PALLESON	5,776,000	0.66
15	DR SEOW FOONG LOH	5,245,780	0.60
16	WHISTLER STREET PTY LTD	5,000,000	0.58
17	MR GABRIEL CHIAPPINI & MRS ROSA CHIAPPINI	4,815,508	0.55
18	HENDRIE SUPER FUND PTY LTD	4,700,000	0.54
19	MR MAXWELL KENNETH HUDGHTON	4,653,888	0.54
20	MR BIN LIU	4,564,158	0.53
	Top 20 Total	284,853,432	32.78

Substantial Shareholders at 23 September 2022

No substantial holders as at 23 September 2022.

Range of shares at 23 September 2022

RANGE	TOTAL HOLDERS	SHARES	% OF SHARE CAPITAL
100,001 and Over	1,050	741,100,259	85.28
10,001 to 100,000	2,995	116,130,827	13.36
5,001 to 10,000	1,027	8,132,563	0.94
1,001 to 5,000	1,017	3,613,629	0.42
1 to 1,000	73	14,012	0.00
Total	6,162	868,991,290	100.00

Tenement Schedule

TENEMENT REFERENCE AND LOCATION	NATURE OF INTEREST	INTEREST AT BEGINNING OF PERIOD	INTEREST AT END OF PERIOD
Gallatin Gas Project, Cherokee County, Texas USA	Working Interest	7.5%	7.5%
Cabora Bassa Gas Condensate Project, Zimbabwe	via 80% equity ownership interest in Geo Associates (Pvt) Ltd	80%	80%

INVICTUS

ENERGY LIMITED

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