2013 ANNUAL REPORT

REGIS RESOURCES LTD

ABN 28 009 174 761

REGIS RESOURCES LTD

AND ITS CONTROLLED ENTITIES

REPORT TO SHAREHOLDERS FOR THE YEAR ENDED 30 JUNE 2013

Chairman's Report

Dear Shareholder,

I am pleased to report that 2013 was a good year for Regis as the Company became a multi-operation gold producer.

The year was one of significant production growth for Regis resulting in a net profit after tax of $146 million. This record profit allowed the Board to declare a maiden fully franked dividend of 15 cents per share to be paid to shareholders in October 2013.

Moolart Well again delivered strong operational performance producing 105,753 ounces of gold at a pre-royalty cash cost of $563 per ounce. The results from Moolart Well again underline the quality of the project and the commendable efforts of the Regis staff and management who make it happen.

The commencement of operations at Garden Well in the September 2012 quarter was a significant milestone in the history of the Company. Regis announced practical completion of the 4 million tonne per annum Garden Well processing plant on time and materially in line with budget. This is a great credit to the Garden Well construction team. Although there have been a number of challenges at Garden Well since we commenced operations, the project produced 163,260 ounces of gold for the year at a very competitive pre-royalty cash cost of $562 per ounce.

Since commissioning at Garden Well, our construction team have moved on to the Rosemont Gold Project where Stage 1 is nearing completion. The project will move in to operations in the December 2013 quarter. The Stage 1 project is a crushing and grinding circuit at Rosemont with an ore slurry product pumped to the Garden Well processing facility producing around 80,000 ounces of gold per annum. Upon completion of Stage 1, Regis will commence development of Stage 2 of the project being the extension to processing facilities at Garden Well. Development of Stage 2 of the project will increase long term annual production rates at Rosemont to around 100,000 ounces.

The acquisition of the McPhillamys Gold Project in New South Wales late in 2012 further strengthens Regis' production growth pipeline. Since acquiring the project the Company has completed in excess of 26,000 metres of infill drilling to fully define the McPhillamys resource and allow the estimation of a maiden reserve. With its 2.5 million ounce gold resource, the McPhillamys project represents an excellent medium term development opportunity for Regis and continues the growth of our Australian project portfolio.

I believe 2014 will be an exciting year for Regis as we continue to grow the Company's production base whilst consolidating performance at existing projects. The Company is well placed with its quality projects and people to meet the challenges that an uncertain gold price environment may present. We will continue to strive to create shareholder value as we grow the business.

Finally I would like to thank all Regis employees for their hard work and achievements over the last 12 months and look forward to another successful year in 2014.

Nick Giorgetta
Chairman

Highlights

CORPORATE

- » Regis Resources Ltd (Regis) achieved a record net profit after tax of $145.7 million for the year to 30 June 2013.
- » Total gold production for the year was 269,013 ounces at a cash cost (prior to royalties) of $562/oz.
- » Cashflow from operations for the year was $246.9 million.
- » Cash and gold bullion holdings at 30 June 2013 were $80.9 million.
- » Gold sales of 253,090 ounces at average sales price of A$1,599 per ounce.
- » Acquired the McPhillamys Gold Project in New South Wales.
- » Repaid the Company's $30 million project finance debt in November 2012.
- » Maiden dividend of 15 cents per share declared in relation to the 2013 financial results.

MOOLART WELL OPERATIONS

- » Total gold production of 105,753 ounces for the year at pre-royalty cash cost of A$563 per ounce.
- » The Moolart Well gold processing plant treated over 2.54 million tonnes of ore during the year, 27% above the design throughput rate of 2.0 million tonnes per annum.

GARDEN WELL OPERATIONS

- » Project completed on time and in line with budget for $113 million, funded wholly from operating cash flow.
- » Commissioning of the project commenced in August 2012 with first gold poured in September 2012.
- » Total gold production from commissioning until 30 June 2013 of 163,260 ounces at a pre-royalty cash cost of $562 per ounce.

ROSEMONT DEVELOPMENT

- » Construction of the Rosemont Gold Project commenced during the year with $26.7 million spent to the end of the financial year.
- » First gold production forecast for the December 2013 quarter.
- » Pre-production mining commenced on the project in January 2013 with 3.6 million BCM moved to the end of the year.
- » The Company announced Rosemont Stage 2 development in July 2013 to increase the production capacity of the project to around 100,000 ounces per annum.

RESERVES AND RESOURCES

- Release of updated JORC compliant Resource at Rosemont for a current estimate of 33.2 Mt at 1.62 g/t Au for 1.73 million ounces of gold.
- Release of updated JORC compliant Reserve at Rosemont of 12.0 Mt at 1.72 g/t Au for 664,000 ounces of gold.
- Updated JORC compliant Resource at Garden Well for a current estimate of 86.5 Mt at 1.08 g/t Au for 3.00 million ounces of gold.
- Updated JORC compliant Reserve at Garden Well of 41.7 Mt at 1.27 g/t Au for 1.7 million ounces of gold.
- Acquisition of the McPhillamys Gold Project added 57.4 Mt at 1.36 g/t Au for 2.5 million ounces of gold to the Company's JORC compliant resources
- Total Regis gold resources, reported in accordance with JORC code, now stand at 10.0 million ounces (281.3MT at 1.10g/t Au for 9.962 million ounces).
- Total Regis gold reserves, reported in accordance with JORC code, now stand at 2.9 million ounces (65.7MT at 1.39g/t Au for 2.924 million ounces).

EXPLORATION

- In excess of 129,000 metres of aircore, RC and diamond drilling was completed during the year on various exploration projects in the Duketon project area.
- Initial drill programme to infill the current Resource completed at the McPhillamys Gold Project in New South Wales with 26,163 metres drilled during the year.

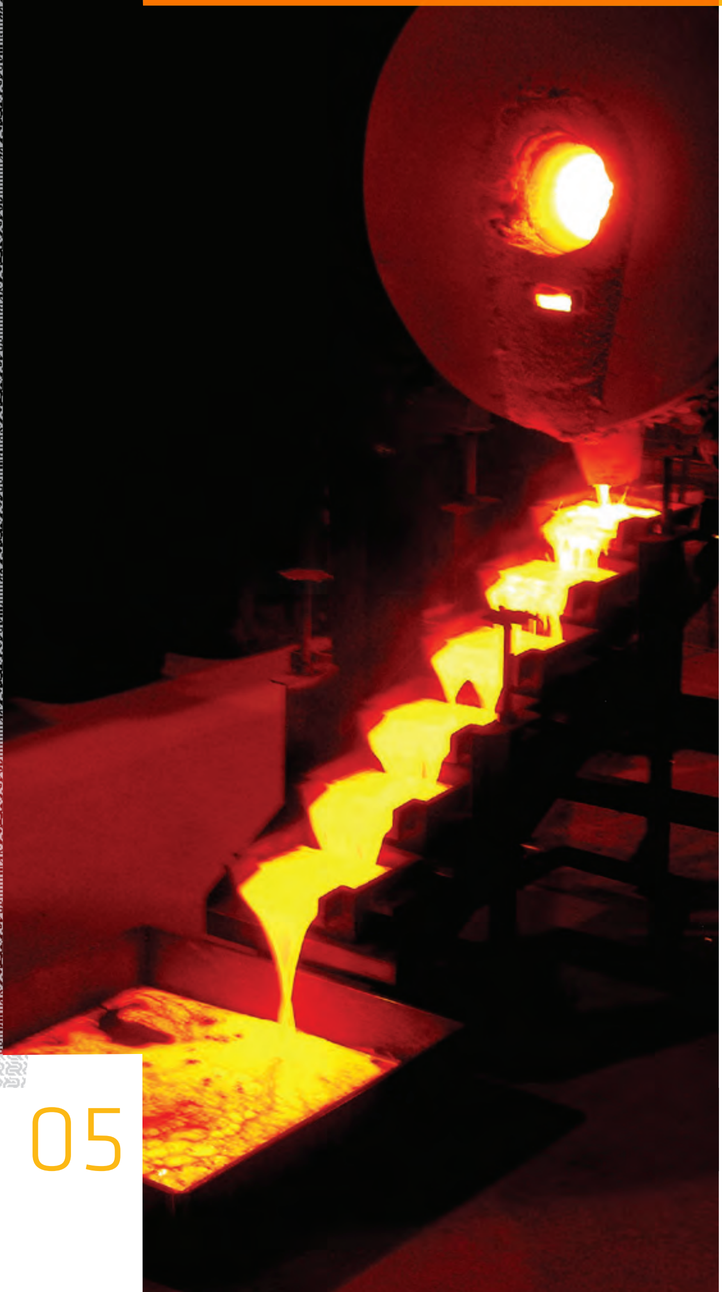
OUTLOOK

- Moolart Well gold production for the 2014 financial year has been forecast at between 95,000 – 105,000 ounces at a pre-royalty cash cost of between $560 - $610 per ounce.
- Garden Well gold production for the 2014 financial year has been forecast at between 190,000 – 210,000 ounces at a pre-royalty cash cost of between $680 - $730 per ounce.
- First gold pour at the Rosemont Gold Project expected in October 2013 and forecast production for 2014 in the order of 43,000 – 48,000 ounces of gold.
- Release of updated JORC compliant Mineral Resource and maiden Ore Reserve at McPhillamys expected in the December 2013 quarter.

MOOLART WELL
GOLD MINE

Corporate

REGIS ACHIEVED A RECORD NET PROFIT AFTER TAX OF $145.7 MILLION FOR THE YEAR AS A RESULT OF THE COMMENCEMENT OF OPERATIONS AT THE GARDEN WELL GOLD MINE.



The Company sold a total of 253,090 ounces of gold during the year at an average price of A$1,599 per ounce. The gold was delivered into a mix of spot prices and forward hedging contracts.

At the end of the financial year the Company had a total hedging position of 122,591 ounces, being 116,751 ounces of flat forward contracts with a delivery price of A$1,426 per ounce and 5,840 ounces of spot deferred contracts with a price of A$1,475 per ounce.

With the commencement of operations at Garden Well during the year, the Company's operating cashflow from the two mine sites increased from $102.3 million in 2012 to $246.9 million in 2013. The cashflow generated from Garden Well allowed the Company to repay its $30 million debt facility in November 2012 as well as fund the development of the Rosemont Gold Project.

As at 30 June 2013 Regis had $80.9 million in cash and bullion holdings up from $9.7 million in the previous year. The board of Regis declared a 15 cent per share dividend subsequent to the end of the financial year.

Moolart Well Operations

The Moolart Well Gold Mine is located within the Duketon Gold Project approximately 350 kilometres north, north-east of Kalgoorlie in Western Australia. The Company completed development of the Moolart Well Gold Mine during the September 2010 quarter for a final capital cost of $67 million. Since commissioning in July 2010, the processing plant has consistently run at 25% above nameplate throughput design and has produced over 292,000 ounces of gold. The project has a remaining life, based on current reserves, of 5 years with annual gold production expected to average around 100,000 ounces per annum.

Total operating results for the year to 30 June 2013 are as follows:

	2013	2012
Ore mined (t)	2,503,283	2,557,001
Ore milled (t)	2,534,292	2,541,158
Head grade (g/t)	1.41	1.39
Recovery (%)	92	93
Gold production (oz's)	105,753	105,413
Cash cost per ounce (A$/oz) – pre royalties	A$563	A$512
Cash cost per ounce (A$/oz) – incl royalties	A$630	A$585

Moolart Well completed another consistent year of operations producing 105,753 ounces of gold at a pre-royalty cash cost of $563 per ounce. During the year mining commenced in the Stirling oxide pit as well as continuing in the laterite and Lancaster oxide pits. At the end of the financial year approximately 2.4 million tonnes of laterite ore at 1.163g/t had been exposed ready for mining.

Gold production for the 2014 financial year at Moolart Well has been forecast at between 95,000 – 105,000 ounces at a pre-royalty cash cost of between $560 - $610 per ounce.

Garden Well Operations

The wholly owned Garden Well gold deposit is located approximately 35 kilometres south of the Company's Moolart Well operation.

The Company completed development of the Garden Well Gold Mine on time during the September 2012 quarter for a final capital cost of $113 million which was materially in line with budget.

Total operating results for the year to 30 June 2013 are as follows:

	2013 (10 MONTHS)
Ore mined (t)	3,644,193
Ore milled (t)	3,839,125
Head grade (g/t)	1.47
Recovery (%)	90
Gold production (oz's)	163,260
Cash cost per ounce (A$/oz) – pre royalties	$562
Cash cost per ounce (A$/oz) – incl royalties	$626

As reported during the year operations at Garden Well were adversely affected by a number of issues since commissioning which in turn contributed to lower than forecast production. Initially throughput was impacted by material handling issues associated with the oxide ore in the upper zones of the pit. The clayey nature and high moisture content of this material caused blockages in the crusher and mill feed chutes. Modifications to the crushing circuit resolved this issue with annualised throughput from 1 January 2013 being 23% above the 4 million tonne per annum nameplate design capacity at 4.9 million tonnes per annum.

Milled grade was impacted during the year by the ongoing issue of mining reconciliation to the geological reserve, particularly in the oxide zone of the pit. An updated Resource and Reserve estimate was completed in July 2013 which took into account the mining reconciliation to that time.

Gold production for the 2014 financial year at Garden Well has been forecast at between 190,000 – 210,000 ounces at a pre-royalty cash cost of between $680 - $730 per ounce.

Rosemont Development

The Rosemont Gold Project is 100% owned by Regis and is located less than 10 kilometres north west of the Garden Well Gold Project. The Rosemont gold deposit was discovered in the 1980s and was partially mined as a shallow oxide open pit by Aurora Gold Limited in the early 1990s. Reported production was 222kt at 2.65g/t for 18,600 ounces of gold.

The Board of Regis made the decision in 2012 to develop the Rosemont deposit as a hybrid project with the crushing and grinding circuit to be built at the Rosemont pit and the ore product pumped to the CIL circuit at Garden Well at the rate of approximately 1.5mtpa for leaching and gold production.

The decision to develop the project on this basis was made when the JORC reserve at Rosemont stood at 487,000 ounces. Further drilling along strike to the north of that reserve in 2012 led to the increase of the Rosemont reserve to 664,000 ounces in January 2013. Drilling is planned to the south of the current reserve later in 2013 which is expected to see a further increase in the mining inventory.

Subsequent to the end of the financial year the Board reviewed the current strategy with a view to determining the best approach to maximise the return from the project. It was determined that the optimal approach is to build the balance of a full processing plant for the Rosemont project (Rosemont Stage 2) to maximise the plant throughput capacity.

The Rosemont Stage 2 development is planned to commence immediately after the completion of the current development (Stage 1) in September 2013 and should be completed in the June 2014 quarter. The Rosemont plant will be operated in the Stage 1 configuration between September 2013 and then. The expected cost of the development of Rosemont Stage 2 is in the order of $20 million.

The key benefit of building Rosemont Stage 2 is that it will allow an increase in the throughput of the combined Garden Well and Rosemont projects from the current anticipated capacity of 6.5 million tonnes per annum (Garden Well 5mtpa and Rosemont 1.5mtpa) to around 7.5 – 8 million tonnes per annum (Garden Well 5.5 – 5.8mtpa and Rosemont 2.0 – 2.2mtpa). This should result in long term production rates at Garden Well of over 200,000 ounces per annum and Rosemont production in the order of 100,000 ounces per annum.

Pre-production mining commenced in January 2013 at the Rosemont Gold Project. Total waste material moved to the end of June 2013 was 3.6 million bcm. It is expected that a total of 10.5 million bcm of overburden pre-strip will be mined over the life of the project.

By the end of the year a total of $40.7 million had been spent on Stage 1 of the project including $26.7 million on plant construction and a further $14.0 million on pre-production mining.

ROSEMONT
MILL UNDER
CONSTRUCTION

Reserves and Resources

ROSEMONT

In January 2013 Regis announced an updated resource (reported in accordance with the JORC code) for the Rosemont Gold Deposit of 1.73 million ounces of contained gold.

Regis completed 17,465 metres of infill RC drilling in 2012 with the aim of converting Inferred resources to Indicated category at the northern extremity of the Rosemont deposit. Regis then commissioned independent geological consultants EGRM Consulting Pty Ltd to conduct a re-estimation of its 2011 (1.08 million ounce) mineral resource estimate. This estimate was completed using the Multiple Indicator Kriging estimation technique on a block size of 20 m x 20 m x 5 m. Based on the Multiple Indicator Kriging, a selective mining estimate above a 0.5 g/t Au cut-off was generated to replicate a SMU size of 5m x 5m x 2.5m.

The updated resource is as follows:

CATEGORY	TONNES *(Millions)*	GOLD GRADE *(g/t)*	CONTAINED GOLD *(Ounces)*
Indicated	18.9	1.64	996,400
Inferred	14.3	1.60	737,100
	33.2	1.62	1,733,500

Notes: Rounded to two significant figures. Rounding errors may occur.

In the estimation study by EGRM Consulting Pty Ltd it was observed that the mineralized quartz dolerite continues south of the known resource from the previous study, although with sparse drilling coverage. This southern portion of the quartz dolerite was included in the current study and added significant Inferred resources.

Following the upgrade to the Resource, Regis announced an updated ore reserve (reported in accordance with JORC code) at Rosemont of 664,000 ounces of contained gold. The breakdown of the Reserve is as follows:

CATEGORY	TONNES *(Millions)*	GOLD GRADE *(g/t)*	CONTAINED GOLD *(Ounces)*
Proven	-	-	-
Probable	12.0	1.72	664,000
	12.0	1.72	664,000

Notes: 0.5 g/t Au lower cut off grade. Rounded to two significant figures. Rounding errors may occur.

This reserve has been estimated to a maximum depth of 235 metres below surface, with in excess of 80% of the contained gold within 150 metres of surface. The pit optimisation was completed using a A$1,200 per ounce gold price. The forecast cost of operations in the Reserve study was $33.63 per tonne milled and $640 per gold ounce produced. In addition to the operating costs above there is a capital mining cost of approximately $42 million to mine a 10.5 million bcm overburden pre-strip in the first 20 metres below surface.

PRE-PRODUCTION MINING AT ROSEMONT

GARDEN WELL

During the year, the Company completed an RC and diamond drilling programme designed to fully define the strike extent and down dip continuation of gold mineralisation at the southern end of the Garden Well Gold Deposit. Upon the completion of the drill programme the Company announced in July 2013 that the JORC compliant resource (inclusive of reserves) for the deposit had increased from 2.29 million ounces of contained gold (net of resource mined to May 2013) to 3.00 million ounces, being 86.5 million tonnes at 1.08g/t gold. On a like for like basis prior to deducting mined ounces, the resource had increased from 2.56 million ounces to 3.24 million ounces of gold.

This increase was the result of strong drilling results along strike to the south of the previous resource limit. The resource was estimated by independent geological consultants EGRM Consulting Pty Ltd using the estimation technique Multiple Indicator Kriging. The estimate is based on a block size of 20 m x 40 m x 5 m and a selective mining unit size of 5 m x 10 m x 2.5 m above a 0.5g/t Au lower cutoff grade.

The breakdown of the resource is as follows:

CATEGORY	TONNES	GOLD GRADE	CONTAINED GOLD
	(millions)	*(g/t)*	*(ounces)*
Indicated	76.1	1.09	2,657,000
Inferred	10.4	1.02	341,000
	86.5	1.08	2,998,000

Notes: Rounded to two significant figures. Rounding errors may occur.

The updated resource above was estimated to reflect the mining reconciliation achieved in mining operations to that time. This resulted in a 192,000 ounce (12%) reduction to the original (pre mining) 1.66 million ounce Indicated resource contained in the current pit design.

On the basis of the upgraded resource, Regis completed an updated ore reserve (reported in accordance with JORC code) at Garden Well. The updated Reserve for Garden Well increased from 1.39 million ounces of contained gold (net of reserve mined to May 2013) to 1.70 million ounces.

The breakdown of the reserve is as follows:

CATEGORY	TONNES	GOLD GRADE	CONTAINED GOLD
	(millions)	*(g/t)*	*(ounces)*
Proven	-	-	-
Probable	41.7	1.27	1,700,000
	41.7	1.27	1,700,000

Notes: 0.6 g/t Au lower SMU block cut off grade. Contained oz rounded to nearest thousand.

The forecast cost of operations in the Reserve Study was $26.50 per tonne milled and $684 per gold ounce produced. In addition to the operating costs above there is a remaining life of mine capital cost of approximately $48 million to mine a 10.8 million bcm overburden pre-strip in the first 25 metres below surface on the balance of yet to be mined stages in the current pit design and the expanded reserve along strike to the south.

Importantly, in the event of a lower than current gold price environment, an option is available to mine a smaller practical pit shell within this reserve pit (without compromising the ultimate reserve pit) for 909,000 ounces at a cash cost of $553 per ounce for approximately 4 years.

MCPHILLAMYS

The McPhillamys Gold Project is located approximately 35 kilometres south east of the town of Orange and 30 kilometres west of the town of Bathurst in the Central West region of New South Wales, Australia. The project is approximately 250 kilometres west of Sydney.

The project area consists of four granted exploration permits covering 477 square kilometres in two discrete locations approximately 25 kilometres apart.

The Company completed the acquisition of the McPhillamys Gold Project from Newmont Exploration Pty Ltd and Alkane Resources Limited in November 2012. The total consideration paid of $150 million was satisfied by the issue of Regis shares to Newmont and Alkane based on their respective joint venture interests. A total of 35.7 million shares were issued to the vendors based on an issue price of $4.20 per share, being the 45 trading day VWAP of Regis shares ending on the date of the letter of agreement.

The McPhillamys Gold Project has a quoted gold resource, at a 0.5g/t lower cut, as follows:

RESOURCE CATEGORY	TONNES *(millions)*	GOLD GRADE *(g/t)*	OUNCES *(000's}*
Indicated	41.3	1.27	1,685
Inferred	16.1	1.57	815
Total	57.4	1.36	2,500

NB Alkane has previously quoted the McPhillamys Resource using both 0.3g/t and 0.5g/t lower cut off grades and including mineralisation in an outer ore envelope. Regis has chosen to quote the resource at a 0.5g/t lower cut and excluding the outer ore envelope.

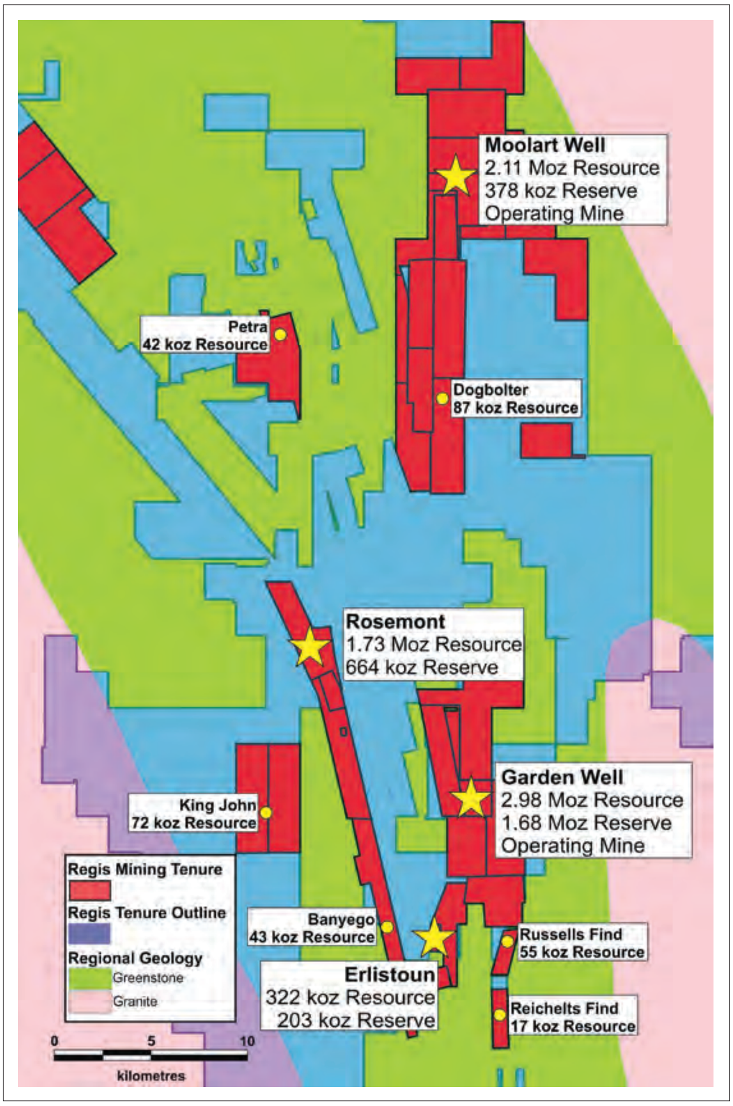
The quoted resource was drilled by previous project owners on a relatively broad space 100 metre x 100 metre pattern. Regis commenced a drilling programme in January 2013 to reduce the pattern to 50 metres x 50 metres. A total of 87 RC and diamond holes for 26,163 metres were drilled as part of the programme to update the current resource and allow the estimation of a maiden reserve. This drill programme was completed in June 2013 and will form the basis of an updated resource estimation planned to be completed in the December 2013 quarter.

Pre-feasibility work is continuing on the Project with base line environmental studies and metallurgical test work commencing.

SATELLITE GOLD DEPOSITS

In addition to the Moolart Well, Garden Well, Rosemont and Erlistoun projects which already have JORC compliant reserves, Regis' Duketon project area contains a further 6 known gold deposits with current JORC compliant resources.

All of these gold deposits are within 15 kilometres of either the Moolart Well or Garden Well gold processing plants. Work is expected to continue on these deposits with the strategy of converting the reported resource to reserve with a view to converting incremental ore to the mining inventory and extending the mine lives for the two processing facilities.



DUKETON PROJECT AREA

ROSEMONT
MINING
FLEET

Gold Exploration

OVERVIEW

Regis controls a significant tenement package, encompassing 237 granted exploration, prospecting and mining licences covering 1,277 square kilometres and 50 general purpose and miscellaneous licences covering 2,210 square kilometres at the Duketon Gold Project.

In addition Regis acquired the McPhillamys Gold Project in New South Wales during the year consisting of 4 exploration licences covering 477 square kilometres.

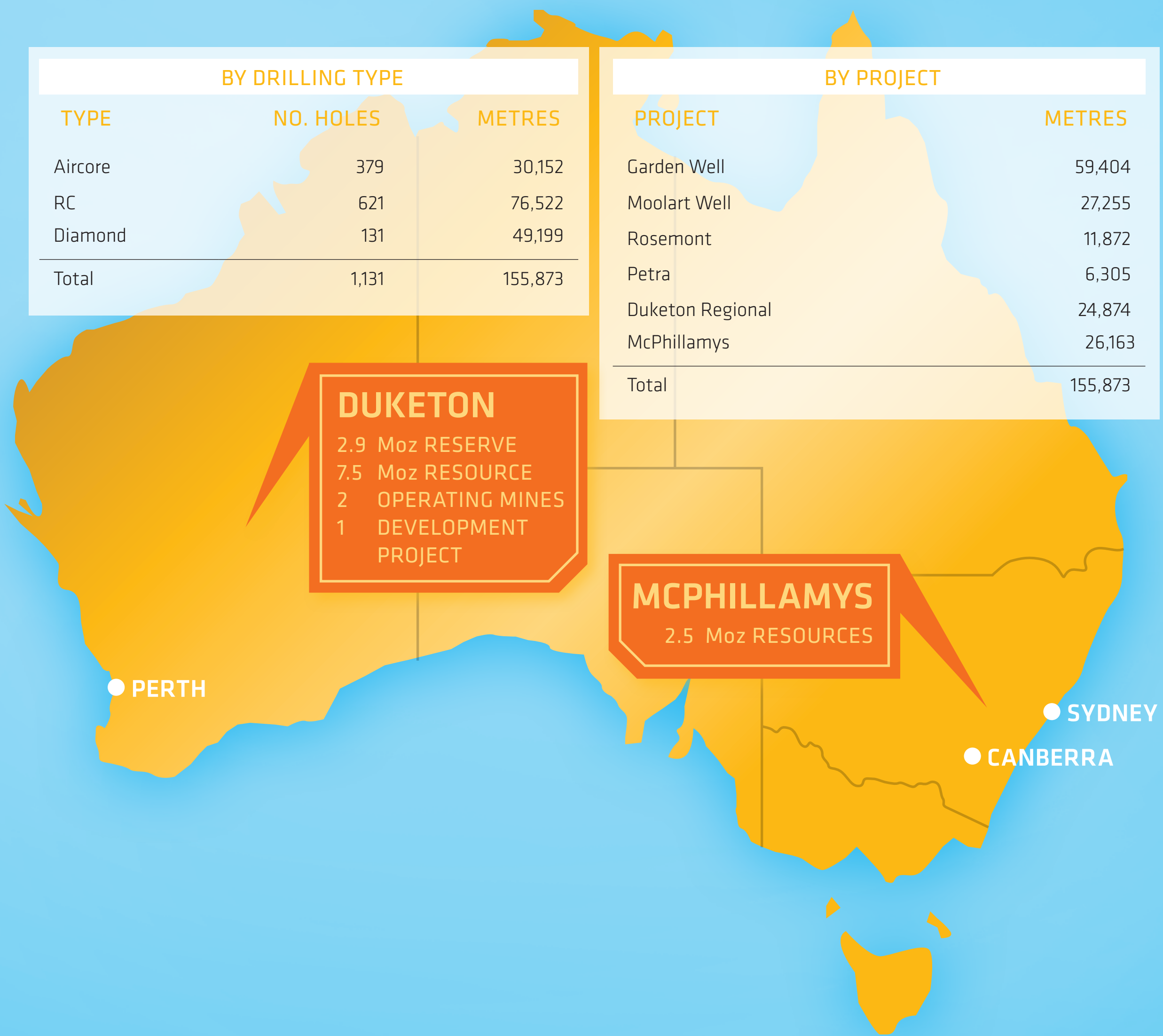
Significant exploration activities were undertaken on various prospects within the Duketon Gold Project and the McPhillamys Gold Project during the year. Exploration drilling during the year totalled 155,873 metres (including 16,812 metres of water exploration drilling), broken down as follows:

BY DRILLING TYPE

TYPE	NO. HOLES	METRES
Aircore	379	30,152
RC	621	76,522
Diamond	131	49,199
Total	1,131	155,873

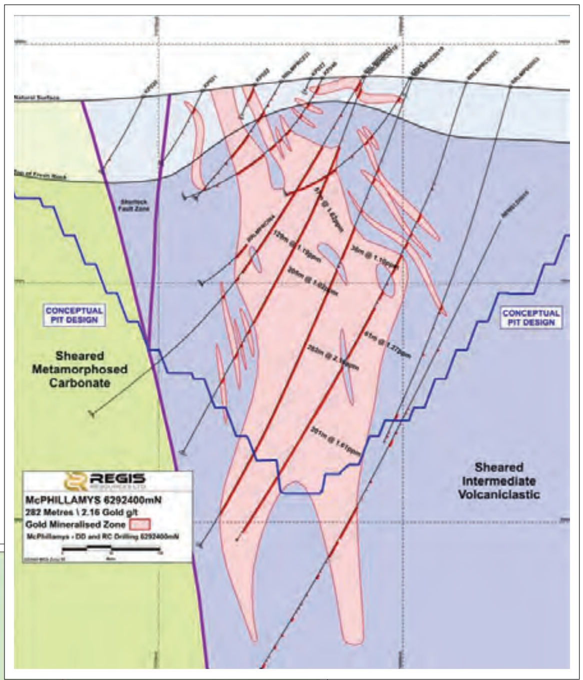
BY PROJECT

PROJECT	METRES
Garden Well	59,404
Moolart Well	27,255
Rosemont	11,872
Petra	6,305
Duketon Regional	24,874
McPhillamys	26,163
Total	155,873

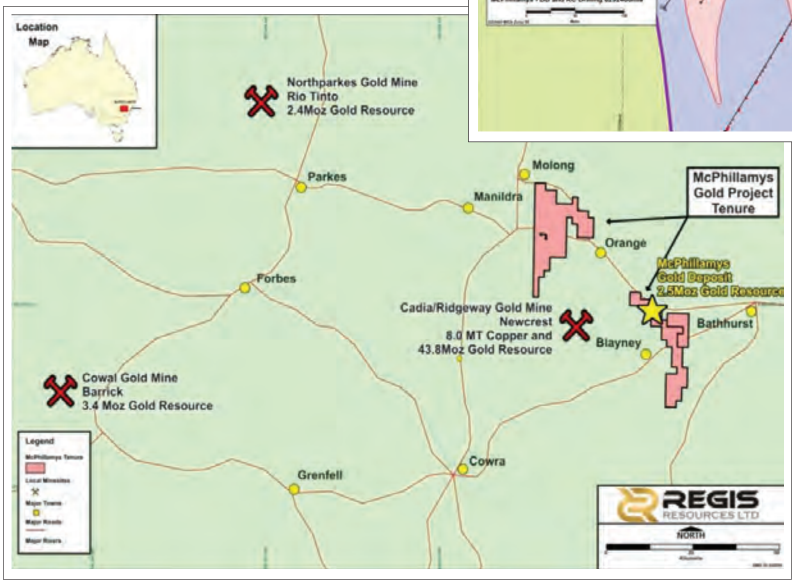


MCPHILLAMYS EXPLORATION

Resource definition drilling commenced at the McPhillamys Gold Project during the March 2013 quarter to infill the current resource drilling pattern. The current Resource estimate of 57.4 million tonnes at 1.36g/t for 2.5 million ounces of gold is based on 100 metre spaced traverses. The drilling programme was designed to reduce the drill spacing to a 50m x 50m grid to enable an updated resource and maiden reserve estimate to be completed. A total of 87 RC and diamond holes for approximately 26,163 metres were drilled as part of the programme.



SECTION 6292400mN



DUKETON EXPLORATION

Garden Well

The RC and diamond drilling programme to fully define the strike extent and down dip continuation of gold mineralisation at the southern end of the deposit was completed at Garden Well in the June 2013 quarter. A total of 59,404 metres of RC and diamond drilling was completed during the year which allowed the release of updated Resource and Reserve estimates in July 2013 as noted above.

Project to date RC drilling at Garden Well totals 369 holes for 82,308 metres on 40 metre spaced east-west traverses over a north-south strike distance of 2,360 metres from 6911000mN to 6913360mN.

The drilling to date indicates the most southern extent of significant gold mineralisation is at 6911280mN although grades have significantly weakened at this northing. Generally lower grades and thinner zones of gold mineralisation were encountered from 6911440mN to 6911280mN confirming the southern limit of gold mineralisation lies within this zone. No further drilling is planned in the immediate future.

Although gold mineralisation at Garden Well has been defined over a north-south strike length of 2,360m, the deposit has only been drilled to a vertical depth of 300m. Within the top 300m four high grade shoots have been defined by the plus 80 gram-metre gold contour. These shoots plunge moderately to the south and represent potential higher grade ore zones for deeper open cut mining and underground mining. The most southern shoot which is hosted by chert stratigraphy has the highest grade with the best intersection to date in the four high grade shoots. Further diamond drilling is required to fully define the dimensions and grade of these shoots.

Rosemont

During the year extensional resource drilling was conducted at the Rosemont Gold Deposit. Drilling to the north of the deposit early in the year allowed the Company to update the Resource and Reserve estimate at the deposit. A programme of RC resource drilling commenced south of the main Rosemont open pit in the June 2013 quarter to test the southern continuation of gold mineralisation. A further 20 holes is planned in the September 2013 quarter to complete this programme to the south as well as a programme of RC drilling at the northern end of the Rosemont open pit. A total of 11,872 metres of drilling was conducted on the deposit during the year.

Moolart Well

During the year Regis continued an ongoing drilling programme designed to test for extensions to and infill of the known mineralisation in and around the oxide gold resources associated with the Moolart Well Gold Project. The Moolart Well deposit has significant Inferred oxide resources north of the Stirling and Lancaster open pits. RC and Aircore infill drilling was conducted during the year on a 25 by 25 metre drill grid to convert inferred resources to indicated category to allow an update of the Moolart Well Reserve. A total of 27,255 metres were drilled in line with the Company's strategy of annually updating reserves at Moolart Well to replace the depletion of the previous year's mining activities with a view to maintaining a 5 year life at Moolart Well for as long as possible.

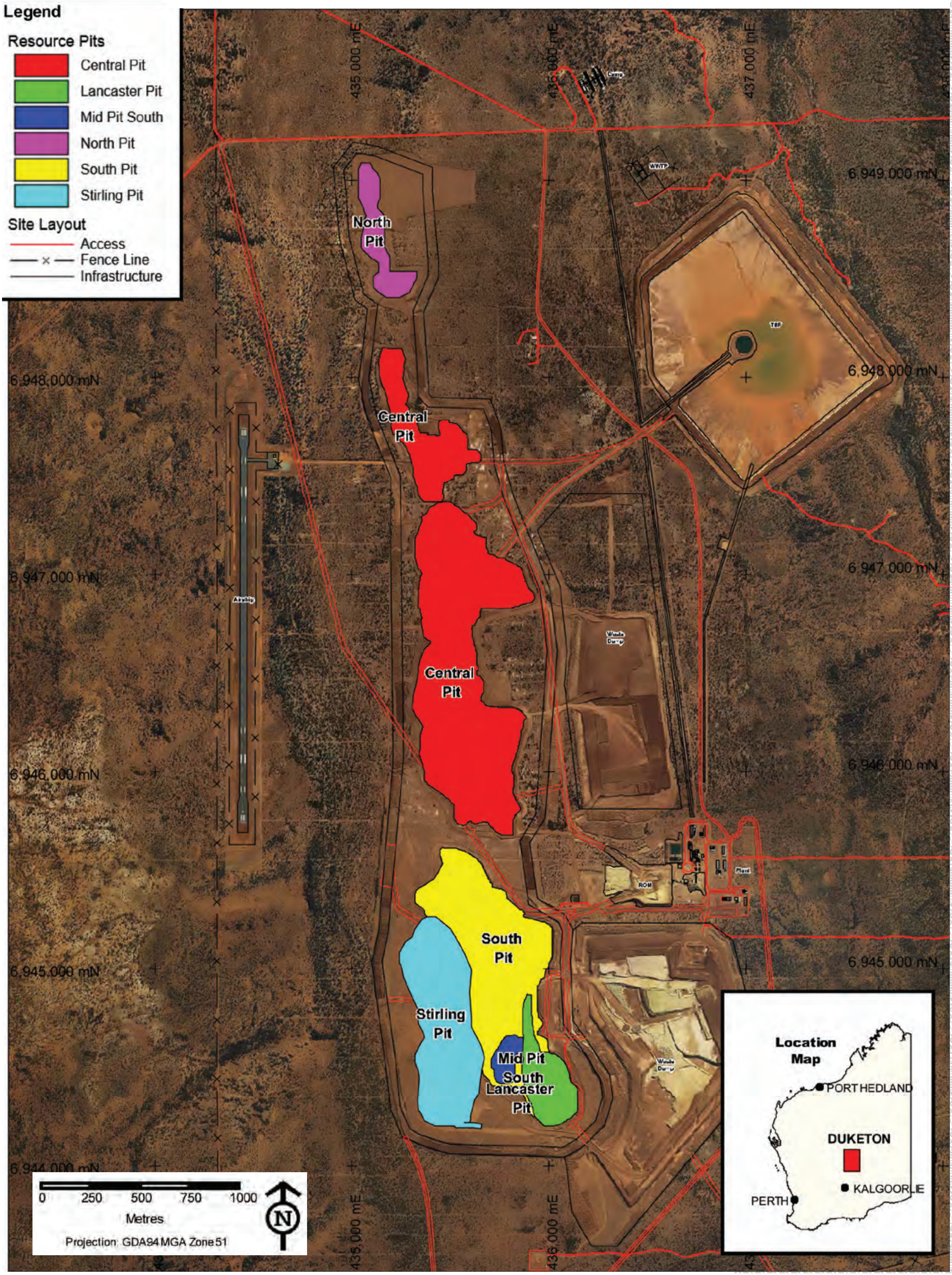
Petra

The Petra gold deposit is located 15 kilometres east-southeast of the Moolart Well gold plant and has an Inferred gold resource of 400,000 tonnes at 3.12g/t for 42,000 ounces. Previous Aircore drilling has defined a significant quartz lode containing gold mineralisation over a 600 metre strike length.

During the year four shallow diamond holes were drilled at Petra to twin existing aircore holes and to obtain samples for bulk densities, metallurgical test work and to conduct RQD studies for open pit optimization design. In addition a total of 4,519 metres of Aircore drilling and 1,222 metres of RC drilling was completed to the end of June 2013 with the strategy of adding to the mining inventory at Moolart Well.

Regional

A total of 24,874 metres of regional drilling was also conducted during the year. The regional drilling focussed on numerous gold targets identified under shallow paleochannel cover in the Gum Well to Hootanui corridor over a 20-30 kilometre strike north-west of Rosemont. These regional drilling programmes are ongoing.


Legend
Resource Pits
Central Pit
Lancaster Pit
Mid Pit South
North Pit
South Pit
Stirling Pit
Site Layout
Access
Fence Line
Infrastructure
435,000 mE
436,000 mE
437,000 mE
6,949,000 mN
6,948,000 mN
6,947,000 mN
6,946,000 mN
6,945,000 mN
6,944,000 mN
North Pit
Central Pit
Central Pit
South Pit
Stirling Pit
Mid Pit South
Lancaster Pit
0 250 500 750 1000
Metres
Projection: GDA94 MGA Zone 51
N
Location Map
PORT HEDLAND
DUKETON
KALGOORLIE
PERTH

Gold Reserves

PROJECT	PROVEN			PROBABLE			TOTAL			CUT-OFF GRADE G/T
	MILLION TONNES	GRADE G/T	GOLD KOZ	MILLION TONNES	GRADE G/T	GOLD KOZ	MILLION TONNES	GRADE G/T	GOLD KOZ	
GARDEN WELL										
In pit reserves	-	-	-	41.2	1.26	1,670	41.2	1.26	1,670	0.6
Stockpiles	0.4	0.82	9	-	-	-	0.4	0.82	9	0.6
Total Garden Well	**0.4**	**0.82**	**9**	**41.2**	**1.26**	**1,670**	**41.6**	**1.26**	**1,679**	
MOOLART WELL										
Laterite	4.4	1.26	180	0.7	0.98	22	5.1	1.22	202	0.5
Other Oxide/ Transitional (i)	0.2	2.04	13	0.1	1.56	2	0.3	1.96	15	0.5
Stirling Oxide/ Transitional	0.1	4.20	1	3.7	1.29	155	3.8	1.30	156	0.4
Stirling Fresh	-	-	-	0.1	1.17	2	0.1	1.17	2	0.4
Stockpiles	0.1	1.28	3	-	-	-	0.1	1.28	3	0.5
Total Moolart Well	**4.8**	**1.30**	**197**	**4.6**	**1.25**	**181**	**9.4**	**1.27**	**378**	
ROSEMONT	-	-	-	12.0	1.72	664	12.0	1.72	664	0.5
ERLISTOUN	1.3	2.34	95	1.4	2.37	108	2.7	2.36	203	0.7
Total Reserves	**6.5**	**1.48**	**301**	**59.2**	**1.38**	**2,623**	**65.7**	**1.39**	**2,924**	

(i) Other Oxide/Transitional comprises Lancaster, Mid Pit South and Mid Pit North.

Gold Resources

(INCLUSIVE OF RESERVES)

PROJECT	MEASURED MILLION TONNES	MEASURED GRADE G/T	MEASURED GOLD KOZ	INDICATED MILLION TONNES	INDICATED GRADE G/T	INDICATED GOLD KOZ	INFERRED MILLION TONNES	INFERRED GRADE G/T	INFERRED GOLD KOZ	TOTAL RESOURCES MILLION TONNES	TOTAL RESOURCES GRADE G/T	TOTAL RESOURCES GOLD KOZ	CUT-OFF GRADE G/T
GARDEN WELL													
In pit resources	-	-	-	75.6	1.08	2,632	10.4	1.02	341	86.0	1.08	2,973	0.5
Stockpiles	0.4	0.82	9	-	-	-	-	-	-	0.4	0.82	9	0.6
Total Garden Well	**0.4**	**0.82**	**9**	**75.6**	**1.08**	**2,632**	**10.4**	**1.02**	**341**	**86.4**	**1.07**	**2,982**	
MOOLART WELL													
Laterite	4.9	1.23	194	1.0	0.89	29	0.3	0.87	8	6.2	1.16	231	0.5
Oxide/ Transitional	0.4	1.42	20	17.6	0.96	546	22.2	0.66	472	40.2	0.80	1,038	0.4
Fresh	-	-	-	0.3	1.45	15	3.2	1.48	151	3.5	1.48	166	1.0
Low Grade	0.2	0.35	2	9.1	0.41	118	36.4	0.47	551	45.7	0.46	671	0.3
Stockpiles	0.1	1.28	3	-	-	-	-	-	-	0.1	1.28	3	0.5
Total Moolart Well	**5.6**	**1.22**	**219**	**28.0**	**0.79**	**708**	**62.1**	**0.59**	**1,182**	**95.7**	**0.69**	**2,109**	
ROSEMONT	-	-	-	18.9	1.64	996	14.3	1.60	737	33.2	1.62	1,733	0.5
ERLISTOUN	2.3	1.92	143	3.0	1.88	179	-	-	-	5.3	1.90	322	0.5
SATELLITE DEPOSITS													
Dogbolter	-	-	-	-	-	-	0.9	2.91	87	0.9	2.91	87	1.0
King John	-	-	-	-	-	-	0.7	3.19	72	0.7	3.19	72	1.0
Russells Find	-	-	-	-	-	-	0.4	3.86	55	0.4	3.86	55	1.0
Baneygo	-	-	-	-	-	-	0.8	1.67	43	0.8	1.67	43	0.5
Reichelts Find	-	-	-	0.1	3.69	17	-	-	-	0.1	3.69	17	1.0
Petra	-	-	-	-	-	-	0.4	3.12	42	0.4	3.12	42	2.0
Total Satellites	**-**	**-**	**-**	**0.1**	**3.69**	**17**	**3.2**	**2.83**	**299**	**3.3**	**2.87**	**316**	
Total Duketon	**8.3**	**1.40**	**371**	**125.6**	**1.12**	**4,532**	**90.0**	**0.88**	**2,559**	**223.9**	**1.04**	**7,462**	
McPhillamys	**-**	**-**	**-**	**41.3**	**1.27**	**1,685**	**16.1**	**1.57**	**815**	**57.4**	**1.36**	**2,500**	**0.5**
Total Regis	**8.3**	**1.40**	**371**	**166.9**	**1.16**	**6,217**	**106.1**	**0.99**	**3,374**	**281.3**	**1.10**	**9,962**	
Regis share												9,940	

Directors' Report

YOUR DIRECTORS SUBMIT THEIR REPORT
FOR THE YEAR ENDED 30 JUNE 2013

Directors

The directors of the Company in office since 1 July 2012 and up to the date of this report, unless otherwise stated, are:

Mr Nick Giorgetta, *(Independent Non-Executive Chairman)*

Mr Giorgetta joined the board of Regis Resources Limited in May 2009 as Non-Executive Chairman. Prior to this Mr Giorgetta was a founding director of Equigold NL. He is a metallurgist with over 40 years of experience in the mining industry. He began his professional career in various technical roles for a major mining company in Kalgoorlie. He later established his own metallurgical consultancy which designed and commissioned a number of gold treatment plants. From 1988 to 1994 he was Managing Director of Samantha Gold NL.

He retired as Managing Director of Equigold in November 2005 and assumed the role of Executive Chairman. He held this position until Equigold's merger with Lihir Gold Limited in June 2008.

During the past three years, Mr Giorgetta has not served as a director of any other ASX listed companies.

Mr Giorgetta is a fellow of the Australasian Institute of Mining and Metallurgy.

Mr Mark Clark, B.Bus CA *(Managing Director)*

Mr Clark has over 23 years of experience in corporate advisory and public company management. Prior to joining Regis Resources Limited, Mr Clark was the Managing Director of Equigold NL.

He joined Equigold in 1995 and originally held the roles of Chief Financial Officer and Company Secretary and was responsible for the financial, administration and legal functions of the company. He was closely involved in the development and operation of Equigold's projects in both Australia and Ivory Coast.

He was a director of Equigold from April 2003 and was Managing Director from December 2005 until Equigold's merger with Lihir Gold Limited in June 2008.

Prior to working at Equigold Mr Clark held a senior position at an international advisory firm, providing financial and corporate advice to clients in the mining industry.

During the past three years, Mr Clark has not served as a director of any other ASX listed companies.

Mr Clark is a member of the Institute of Chartered Accountants in Australia.

Mr Morgan Hart, *(Executive Director)*

Mr Hart is a geologist with over 23 years of experience in the gold mining industry. He joined Regis Resources Limited in May 2009 as the Company's Chief Operating Officer. Prior to joining Regis Mr Hart was an Executive Director with Equigold NL. He joined Equigold NL in 1994 and held senior management positions in exploration and mining operations, including General Manager at the Mt Rawdon Gold Mine from 2005 to 2007. He was appointed to the position of Chief Operating Officer of Equigold in March 2007 and was appointed a director of the company at the same time. His key responsibility during this period included overseeing the development and operational start up at the Bonikro Gold Mine in Ivory Coast.

During the past three years Mr Hart has not served as a director of any other ASX listed companies.

Mr Hart is a member of the Australasian Institute of Mining and Metallurgy.

Mr Ross Kestel, B.Bus, CA, AICD
(Independent Non-Executive Director)

Mr Kestel is a Chartered Accountant and was a director of a mid-tier accounting practice for over 25 years and has a strong corporate and finance background.

He has acted as a director and company secretary of a number of public companies involved in mineral exploration, mining, mine services, property development, manufacturing and technology industries.

Mr Kestel is currently a non-executive director of Beadell Resources Limited.

During the past three years he has also served as a non-executive director of the following ASX listed companies:

» Xstate Resources Limited (September 2006 to September 2013);
» Resource Star Limited (August 2006 to November 2012);
» Equator Resources Limited (June 2011 to December 2012);
» VDM Group Limited (August 2005 to March 2011);
» Jabiru Metals Limited (August 2003 to May 2011);
» Jatenergy Limited (September 2007 to May 2012); and
» Blackcrest Resources Limited (June 2006 to October 2010).

Mr Kestel is a member of the Australian Institute of Company Directors.

Mr Mark Okeby, LLM *(Independent Non-Executive Director)*

Mr Okeby has over 25 years' experience in the resources industry as a solicitor and as a director of listed companies. He was admitted to practice law in Western Australia in 1979 and holds a Master of Laws (LLM).

He was an executive director of gold producers Hill 50 Limited (1996-2003) and Abelle Limited (2003-2004) before both were taken over by Harmony Gold Ltd in 2002 and 2004 respectively, and was a director of Harmony Gold Australia Ltd until mid 2003. More recently he has been a non-executive director of Lynas Corporation Ltd (2004 -2005), an executive and non-executive director of Metals X Limited (2004-2009) and a non-executive director of Westgold Resources Limited (2007-2010).

During the past three years, Mr Okeby has not served as a director of any other ASX listed companies.

Company Secretary

Mr Kim Massey, B.Com, CA

Mr Massey is a Chartered Accountant with significant experience in financial management and corporate advisory services, particularly in the resources sector, as a corporate advisor and company secretary for a number of ASX and AIM listed companies.

Dividends

After the balance sheet date the following dividends were proposed by the directors:

	CENTS PER SHARE	TOTAL AMOUNT $000
Final dividends recommended:		
- Ordinary shares	15.00	74,427

The financial effect of these dividends has not been brought to account in the consolidated financial statements for the year ended 30 June 2013 and will be recognised in subsequent financial reports.

Nature of Operations and Principal Activities

The principal activities of entities within the consolidated entity during the year were:

- production of gold from the Moolart Well and Garden Well gold mines;
- construction of the Rosemont gold project; and
- exploration, evaluation and development of gold projects in the Eastern Goldfields of Western Australia.

The Group completed the acquisition of the McPhillamys Gold Project in November 2012. The project is located in the Bathurst region of New South Wales and Regis commenced exploration and evaluation activities on this project from in January 2013. There have been no other significant changes in the nature of operations and activities.

Operating and Financial Review

RESULT FOR THE YEAR

The Group's net profit for the year after tax was $145,727,093 (2012: $68,239,534). The increase in the result is due to three quarters of production at Garden Well Gold Mine as discussed in the Review of Operations below.

OPERATIONS – MOOLART WELL

Moolart Well Gold Mine operating results for the 12 months to 30 June 2013 are as follows:

		30 JUNE 2013 (12 MONTHS)	30 JUNE 2012 (12 MONTHS)
Ore mined	Tonnes	2,503,283	2,557,001
Ore milled	Tonnes	2,534,292	2,541,158
Head grade	g/t	1.41	1.39
Recovery	%	92	93
Gold production	Ounces	105,753	105,413
Cash cost per ounce – pre royalties(i)	A$/oz	$563	$512
Cash cost per ounce – incl. royalties(i)	A$/oz	$630	$585

(i) Cash cost per ounce is calculated as costs of production relating to gold sales (Note 7(a)), excluding gold in circuit inventory movements divided by gold ounces produced. The calculation is presented both including and excluding the cost of royalties (Note 7(a)). This measure is included to assist investors to better understand the performance of the business. Cash cost per ounce is a non-IFRS measure, and where included in this report, has not been subject to review by the Group's external auditors.

Moolart Well achieved record gold production for the year to 30 June 2013 producing 105,753 ounces of gold at a pre-royalty cash cost of $563 per ounce. Mill through-put exceeded the name-plate design of 2 million tonnes per annum during the year operating at a through-put rate 27% above name-plate capacity of approximately 2.53 million tonnes per annum. Cash costs before royalties were approximately 10% higher than the previous year due to higher diesel costs and reagent costs as well as mining in the Stirling pit which has slightly higher rates in the upper zone of the pit.

During the year, 1.2 million bcm of ore and 4.6 million bcm of waste were mined from the Moolart Well open pits for a total material movement of 5.8 million bcm. Of the total material mined, 2.7 million bcm was mined from laterite pits and 3.1 million bcm was mined from the Lancaster and Stirling oxide deposits. At the end of the financial year approximately 2.4 million tonnes of laterite ore at 1.163g/t had been exposed ready for mining.

OPERATIONS – GARDEN WELL

Construction of the Garden Well Gold Mine was completed in the September 2012 quarter for a total capital cost of $113 million which was materially in line with the budgeted cost of $109 million.

Operating results at the Garden Well Gold Mine for the 10 months of operations from the date of commissioning were as follows:

		30 JUNE 2013 (10 MONTHS)
Ore mined	Tonnes	3,644,193
Ore milled	Tonnes	3,839,125
Head grade	g/t	1.47
Recovery	%	90
Gold production	Ounces	163,260
Cash cost per ounce – pre royalties(i)	A$/oz	$562
Cash cost per ounce – incl. royalties(i)	A$/oz	$626

(i) Cash cost per ounce is calculated as costs of production relating to gold sales (Note 7(a)), excluding gold in circuit inventory movements divided by gold ounces produced. The calculation is presented both including and excluding the cost of royalties (Note 7(a)). This measure is included to assist investors to better understand the performance of the business. Cash cost per ounce is a non-IFRS measure, and where included in this report, has not been subject to review by the Group's external auditors.

As reported during the year operations at Garden Well were adversely affected by a number of issues since commissioning which in turn contributed to lower than forecast production. Initially throughput was impacted by material handling issues associated with the oxide ore in the upper zones of the pit. The clayey nature and high moisture content of this material caused blockages in the crusher and mill feed chutes. Modifications to the crushing circuit resolved this issue with annualised throughput from 1 January 2013 being 23% above the 4 million tonne per annum nameplate design capacity at 4.9 million tonnes per annum.

Milled grade was impacted during the year by the ongoing issue of mining reconciliation to the geological reserve, particularly in the oxide zone of the pit. An updated Resource and Reserve was estimated in July 2013 took into account the mining reconciliation to that time. In addition by the end of the financial year the oxide ore in the current reserve pit had largely been mined.

During the year, 2.15 million bcm of ore and 11.27 million bcm of waste were mined from the Garden Well open pit for a total material movement of 13.42 million bcm. Mining has commenced in all five stages of the open pit with ore mined in Stage 1, 2 and 3 of the open pit and pre strip material mined in both stage 4 and 5 of the open pit exposing the top of mineralisation in these stages.

DEVELOPMENT - ROSEMONT

The Rosemont Gold Project is located approximately 9 kilometres north-west of the Garden Well Gold Mine at Duketon. Construction of the crushing and grinding circuit at the Rosemont pit commenced during the year. Under this configuration the milled ore product will be pumped to the CIL circuit at Garden Well at the rate of approximately 1.5mtpa for leaching and gold production.

The decision to develop the project on this basis was made in early 2012 when the JORC reserve at Rosemont stood at 487,000 ounces. Further drilling along strike to the north of that reserve in 2012 led to the increase of the Rosemont reserve to 664,000 ounces in January 2013. Drilling is planned to the south of the current reserve later in 2013 which is expected to see a further increase in the mining inventory.

Accordingly the Company announced in July 2013 that the board had reviewed the current strategy with a view to determining the best approach to maximise the return from the project. It was determined that the optimal approach is to build the balance of a full processing plant for the Rosemont project (Rosemont Stage 2) to maximise the plant throughput capacity.

The Rosemont Stage 2 development is planned to commence immediately after the completion of the current development (Stage 1) in September 2013 and should be completed in the June 2014 quarter. The Rosemont plant will be operated in the Stage 1 configuration between September 2013 and then. The expected cost of the development of Rosemont Stage 2 is in the order of $20 million.

The key benefit of building Rosemont Stage 2 is that it will allow an increase in the throughput of the combined Garden Well and Rosemont projects from the current anticipated capacity of 6.5 million tonnes per annum (Garden Well 5mtpa and Rosemont 1.5mtpa) to around 7.5 – 8 million tonnes per annum (Garden Well 5.5 – 5.8mtpa and Rosemont 2.0 – 2.2mtpa). This should result in long term production rates at Garden Well of over 200,000 ounces per annum and Rosemont production in the order of 100,000 ounces per annum.

Pre-production mining commenced in January 2013 at the Rosemont Gold Project. Total waste material moved to the end of June 2013 was 3.6 million bcm. It is expected that a total of 10.5 million bcm of overburden pre-strip will be mined over the life of the project.

RESERVES AND RESOURCES - ROSEMONT

In January 2013 Regis announced an updated resource (reported in accordance with the JORC code) for the Rosemont Gold Deposit of 1.73 million ounces of contained gold.

Regis completed 17,465 metres of infill RC drilling in 2012 with the aim of converting Inferred resources to Indicated category at the northern extremity of the Rosemont deposit. Regis then commissioned independent geological consultants EGRM Consulting Pty Ltd to conduct a re-estimation of its 2011 (1.08 million ounce) mineral resource estimate. This estimate was completed using the Multiple Indicator Kriging estimation technique on a block size of 20 m x 20 m x 5 m. Based on the Multiple Indicator Kriging, a selective mining estimate above a 0.5 g/t Au cut-off was generated to replicate a SMU size of 5 m x 5 m x 2.5 m.

The updated resource is as follows:

CATEGORY	TONNES *(Millions)*	GOLD GRADE *(g/t)*	CONTAINED GOLD *(Ounces)*
Indicated	18.9	1.64	996,400
Inferred	14.3	1.60	737,100
	33.2	1.62	1,733,500

Notes: Rounded to two significant figures. Rounding errors may occur.

In the estimation study by EGRM Consulting Pty Ltd it was observed that the mineralized quartz dolerite continues south of the known resource from the previous study, although with sparse drilling coverage. This southern portion of the quartz dolerite was included in the current study and added significant Inferred resources.

Following the upgrade to the Resource, Regis announced an updated ore reserve (reported in accordance with JORC code) at Rosemont of 664,000 ounces of contained gold. The breakdown of the Reserve is as follows:

CATEGORY	TONNES *(Millions)*	GOLD GRADE *(g/t)*	CONTAINED GOLD *(Ounces)*
Proven	-	-	-
Probable	12.0	1.72	664,000
	12.0	1.72	664,000

Notes: 0.5 g/t Au lower cut off grade. Rounded to two significant figures. Rounding errors may occur.

The updated reserve has been estimated after completion of an open pit mining and Carbon in Leach extraction reserve study which included:

- Pit optimisation using wall angles based on geotechnical drill holes, independent geotechnical advice;
- 100% mining recovery and 10% mining dilution with a gold grade of 0.45 g/t;
- Bulk densities and metallurgical parameters from test work;
- Mining costs based on indicative contractor quotation;
- Milling and other operating costs based on current known operating costs adapted for ore type and metallurgy.

Key results of the reserve study include:

PHYSICAL		
Total pit volume	bcm	34,224,025
Stripping ratio – tonnes	w/o	5.53
Ore	tonnes	12,008,905
Gold grade	g/t	1.72
Contained gold	ounces	664,200
Milling recovery	%	95
Recovered gold	ounces	630,990
OPERATING COSTS & SURPLUS		
Mining cost	A$/tonne	$24.00
Milling & administration costs	A$/tonne	$9.63
Total operating cost per tonne (A$/tonne)[(i)]	A$/tonne	**$33.63**
Total operating cost per ounce [(i)]	A$/oz	**$640**

(i) Before royalties

In addition to the operating costs above there is a capital mining cost of approximately $42 million to mine a 10.5 million bcm overburden pre-strip in the first 20 metres below surface.

This reserve has been estimated to a maximum depth of 235 metres below surface, with in excess of 80% of the contained gold within 150 metres of surface. The pit optimisation was completed using a A$1,200 per ounce gold price.

RESERVES AND RESOURCES – GARDEN WELL

During the year, the Company completed an RC and diamond drilling programme designed to fully define the strike extent and down dip continuation of gold mineralisation at the southern end of the Garden Well Gold Deposit. Upon the completion of the drill programme the Company announced in July 2013 that the JORC compliant resource (inclusive of reserves) for the deposit had increased from 2.29 million ounces of contained gold (net of resource mined to May 2013) to 3.00 million ounces, being 86.5 million tonnes at 1.08g/t gold. On a like for like basis prior to deducting mined ounces, the resource had increased from 2.56 million ounces to 3.24 million ounces of gold.

This increase was the result of strong drilling results along strike to the south of the previous resource limit. The resource was estimated by independent geological consultants EGRM Consulting Pty Ltd using the estimation technique Multiple Indicator Kriging. The estimate is based on a block size of 20 m x 40 m x 5 m and a selective mining unit size of 5 m x 10 m x 2.5 m above a 0.5g/t Au lower cutoff grade.

The breakdown of the resource is as follows:

CATEGORY	TONNES *(Millions)*	GOLD GRADE *(g/t)*	CONTAINED GOLD *(Ounces)*
Indicated	76.1	1.09	2,657,000
Inferred	10.4	1.02	341,000
	86.5	1.08	2,998,000

Notes: Rounded to two significant figures. Rounding errors may occur.

The updated resource above was estimated to reflect the mining reconciliation achieved in mining operations to that time. This resulted in a 192,000 ounce (12%) reduction to the original (pre mining) 1.66 million ounce Indicated resource contained in the current pit design.

On the basis of the upgraded resource, Regis completed an updated ore reserve (reported in accordance with JORC code) at Garden Well. The updated Reserve for Garden Well increased from 1.39 million ounces of contained gold (net of reserve mined to May 2013) to 1.70 million ounces.

The breakdown of the reserve is as follows:

CATEGORY	TONNES *(Millions)*	GOLD GRADE *(g/t)*	CONTAINED GOLD *(Ounces)*
Proven	-	-	-
Probable	41.7	1.27	1,700,000
	41.7	1.27	1,700,000

Notes: 0.6 g/t Au lower SMU block cut off grade. Contained oz rounded to nearest thousand.

The updated reserve was estimated after completion of an open pit mining and Carbon in Leach extraction reserve study which included:

» pit optimisation using wall angles based on geotechnical drill holes, independent geotechnical advice and allowances for ramps;

» 100% mining recovery and 0% mining dilution as mining recovery and dilution factors have been addressed at the resource estimation stage;

» Bulk densities and metallurgical parameters from test work previously reported;

» Mining costs based on current contractor rates;

» Milling and other operating costs based on current known operating costs adapted for ore type and metallurgy.

Key results of the reserve study include:

PHYSICAL		
Total pit volume	bcm	83,544,000
Stripping ratio – tonnes	w/o	4.10
Ore	tonnes	41,683,000
Gold grade	g/t	1.27
Contained gold	ounces	1,699,700
Milling recovery	%	95
Recovered gold	ounces	1,614,723
OPERATING COSTS & SURPLUS		
Mining cost	A$/tonne	$16.48
Milling cost	A$/tonne	$9.19
Administration cost	A$/tonne	$0.83
Total operating cost per tonne (A$/tonne)[i]	**A$/tonne**	**$26.50**
Total operating cost per ounce [i]	**A$/oz**	**$684**

(i) Before royalties Note: reserve estimated using a gold price of A$1,000/oz

In addition to the operating costs above there is a remaining life of mine capital cost of approximately $48 million to mine a 10.8 million bcm overburden pre-strip in the first 25 metres below surface on the balance of yet to be mined stages in the current pit design and the expanded reserve along strike to the south.

Importantly, in the event of a lower than current gold price environment, an option is available to mine a smaller practical pit shell within this reserve pit (without compromising the ultimate reserve pit) for 909,000 ounces at a cash cost of $553 per ounce for approximately 4 years.

GOLD EXPLORATION

Significant exploration activities were undertaken on various prospects within the Duketon Gold Project and the recently acquired McPhillamys Gold Project during the year. Exploration drilling during the year totalled 155,873 metres (including 16,812 metres of water exploration drilling), broken down as follows:

BY DRILLING TYPE		
TYPE	NO. HOLES	METRES
Aircore	379	30,152
RC	621	76,522
Diamond	131	49,199
Total	1,131	155,873

BY PROJECT	
PROJECT	METRES
Garden Well	59,404
Moolart Well	27,255
McPhillamys	26,163
Regional	24,874
Rosemont	11,872
Petra	6,305
Total	155,873

MCPHILLAMYS GOLD PROJECT (NSW)

The Company completed the acquisition of the McPhillamys Gold Project from Newmont Exploration Pty Ltd and Alkane Resources Limited in November 2012. The total consideration paid of $150 million was satisfied by the issue of Regis shares to Newmont and Alkane based on their respective joint venture interests. A total of 35.7 million shares were issued to the vendors based on an issue price of $4.20 per share, being the 45 trading day VWAP of Regis shares ending on the date of the letter of agreement.

The project currently has a quoted Resource (reported in accordance with JORC) of 57.4 million tonnes at 1.36g/t for 2.5 million ounces of gold. Regis commenced a drilling programme in January 2013 to increase the density of drilling to allow the estimation of an updated Resource and maiden Reserve. A total of 87 RC and diamond holes for 26,163 metres were drilled as part of the programme to reduce the drill spacing to a 50 metre x 50 metre grid.

Pre-feasibility work is continuing on the Project with base line environmental studies and metallurgical test work commencing.

DUKETON GOLD PROJECT (WA)

The RC and diamond drilling programme to fully define the strike extent and down dip continuation of gold mineralisation at the southern end of the deposit was completed at Garden Well in the June 2013 quarter. A total of 59,404 metres of RC and diamond drilling was completed during the year which allowed the release of updated Resource and Reserve estimates in July 2013 as noted above.

During the year extensional resource drilling was conducted at the Rosemont Gold Deposit. Drilling to the north of the deposit early in the year allowed the Company to update the Resource and Reserve estimate at the deposit. RC resource drilling was conducted south of the main Rosemont open pit in the June quarter to test the southern continuation of gold mineralisation. A further 20 holes is planned in the September 2013 quarter to complete this programme to the south as well as a programme of RC drilling at the northern end of the Rosemont open pit.

Drilling during the half year was also carried out in the oxide zone of the Moolart Well open pit as part of an ongoing programme designed to test for extensions to and infill of the known mineralisation with a view to adding to the Reserves of the operation. The Moolart Well deposit has significant Inferred oxide resources north of the Stirling and Lancaster open pits. RC and aircore infill drilling was conducted during the year on a 25 by 25 metre drill grid to convert inferred resources to indicated category to allow an update of the Moolart Well Reserve.

A total of 24,874 metres of regional drilling was also conducted during the year. The regional drilling focussed on numerous gold targets identified under shallow paleochannel cover in the Gum Well to Hootanui corridor over a 20-30 kilometre strike north-west of Rosemont. These regional drilling programmes are ongoing.

Significant Changes in the State of Affairs

There have been no significant changes in the state of affairs other than those listed in the review of operations above.

Significant Events after the Balance Date

EXERCISE OF OPTIONS

Subsequent to year end, 1,880,449 ordinary shares have been issued as a result of the exercise of listed options for proceeds of $931,453, net of transaction costs and 212,571 ordinary shares have been issued upon the conversion of 287,500 employee options for proceeds of $347,000

Other than the matters discussed above, there has not arisen in the interval between the end of the financial year and the date of this Report any item, transaction or event of a material and unusual nature which, in the opinion of the directors of the Group, has significantly affected or is likely to significantly affect:

» the operations of the Group;

» the results of those operations; or

» the state of affairs of the Group

in future financial years.

Likely Developments and Expected Results

There are no likely developments of which the directors are aware which could be expected to significantly affect the results of the Group's operations in subsequent financial years not otherwise disclosed in the Principal Activities and Operating and Financial Review or the Significant Events after the Balance Date sections of the Directors' Report.

Environmental Regulation and Performance

The operations of the Group are subject to environmental regulation under the laws of the Commonwealth and the State of Western Australia and New South Wales. The Group holds various environmental licenses issued under these laws, to regulate its mining and exploration activities in Australia. These licenses include conditions and regulations in relation to specifying limits on discharges into the air, surface water and groundwater, rehabilitation of areas disturbed during the course of mining and exploration activities and the storage of hazardous substances.

All environmental performance obligations are monitored by the board of directors and subjected from time to time to Government agency audits and site inspections. There have been no material breaches of the Group's licenses and all mining and exploration activities have been undertaken in compliance with the relevant environmental regulations.

Share Options

UNISSUED SHARES

At the date of this report, the Company had the following unissued shares under listed and unlisted options.

MATURITY DATE	EXERCISE PRICE	NUMBER OUTSTANDING
LISTED OPTIONS		
31 January 2014	$0.5000	2,113,362
UNLISTED OPTIONS		
4 February 2014	$0.1348	90,000
30 June 2014	$0.4205	250,000
29 September 2014	$1.0000	1,373,646
29 April 2015	$2.2300	600,000
8 November 2015	$2.7500	575,000
8 November 2015	$3.0000	500,000
2 February 2016	$3.9300	250,000
30 June 2016	$4.0000	980,000
31 July 2017	$3.5000	1,910,000
Total		8,642,008

Option holders do not have any right, by virtue of the option, to participate in any share issue of the Company or any related body corporate.

Details of options granted to directors and other key management personnel during the year are set out in the remuneration report.

SHARES ISSUED AS A RESULT OF THE EXERCISE OF OPTIONS

During the financial year, 3,726,808 ordinary shares were issued in Regis Resources Limited on the exercise of listed options at a weighted average exercise price of $0.7471 and employees and executives exercised unlisted options to acquire 1,788,854 fully paid ordinary shares in Regis Resources Limited at a weighted average exercise price of $0.8896 per share.

Indemnification and Insurance of Directors and Officers

The Company has entered into an Indemnity Deed with each of the directors which will indemnify them against liabilities incurred to a third party (not being the Company or any related company) where the liability does not arise out of negligent conduct including a breach of good faith. The Indemnity Deed will continue to apply for a period of 10 years after a director ceases to hold office. The Company has entered into a Director's Access and Insurance Deed with each of the directors pursuant to which a director can request access to copies of documents provided to the director whilst serving the Company for a period of 10 years after the director ceases to hold office. There are certain restrictions on the directors' entitlement to access under the deed. In addition the Company will be obliged to use reasonable endeavours to obtain and maintain insurance for a former director similar to that which existed at the time the director ceased to hold office.

The Company has, during or since the end of the financial year, paid an insurance premium in respect of an insurance policy for the benefit of the directors, secretaries, executive officers and employees of the Company and any related bodies corporate as defined in the insurance policy. The insurance grants indemnity against liabilities permitted to be indemnified by the Company under Section 199B of the Corporations Act 2001. In accordance with commercial practice, the insurance policy prohibits disclosure of the terms of the policy including the nature of the liability insured against and the amount of the premium.

Directors' Meetings

The number of directors' meetings held (including meetings of Committees of the Board) and number of meetings attended by each of the directors of the Company during the financial year are:

	BOARD	AUDIT AND RISK MANAGEMENT COMMITTEE	REMUNERATION AND NOMINATION COMMITTEE
Number of meetings held:	9	3	2
Number of meetings attended:			
N Giorgetta	9	3	2
M Clark	9	1[(i)]	n/a
M Hart	9	1[(i)]	n/a
R Kestel	9	3	2
M Okeby	9	3	2

(i) Mr Clark and Mr Hart attended at the invitation of the Audit and Rick Management Committee

All directors were eligible to attend all meetings held.

COMMITTEE MEMBERSHIP

As at the date of this report, the Company had an Audit and Risk Management Committee and a Remuneration and Nomination Committee of the board of directors.

Members acting on the committees of the board during the year were:

AUDIT AND RISK MANAGEMENT COMMITTEE	REMUNERATION AND NOMINATION COMMITTEE
R Kestel (Chairman)	R Kestel (Chairman)
N Giorgetta	N Giorgetta
M Okeby	M Okeby

Interests in the Shares and Options of the Company

As at the date of this report, the interests of the directors in the shares and options of the Company were unchanged from the holdings as at 30 June 2013 as disclosed in Note 27.

Auditor Independence and Non-Audit Services

During the year, KPMG, the Company's auditor, also provided taxation advice over research and development credits.

KPMG received or are due to receive the following amounts for the provision of non-audit services:

	$
Tax advice	12,261

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act is attached to the Directors' Report.

Rounding off

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the Financial Statements and Directors' Report have been rounded to the nearest thousand dollars, unless otherwise stated.

Remuneration Report
(Audited)

This remuneration report for the year ended 30 June 2013 outlines the remuneration arrangements of the Company and the Group in accordance with the requirements of the Corporations Act 2001 (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report details the remuneration arrangements for key management personnel (KMP) who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company.

For the purposes of this report, the term "executive" includes the Managing Director, executive directors, senior executives, general managers and company secretaries of the Parent and the Group.

Key Management Personnel

Details of KMPs of the Company and Group are set out below:

DIRECTORS

N Giorgetta . *Chairman (non-executive)*

M Clark. . . . . *Managing Director*

M Hart . . . . . *Operations Director*

R Kestel . . . . *Director (non-executive)*

M Okeby. . . . *Director (non-executive)*

KEY MANAGEMENT PERSONNEL

J Balkau . . . . *General Manager – Exploration*

M Evans . . . . *Projects Manager*

T Hinkley . . . *General Manager – Moolart Well Gold Mine*

K Massey . . . *Chief Financial Officer and Company Secretary*

R Smith . . . . *General Manager – Garden Well Gold Mine (ceased 1 May 2013)*

B Wyatt . . . . *General Manager – Garden Well Gold Mine (appointed 1 May 2013)*

Principles of Remuneration

Remuneration levels for key management personnel of the Group are competitively set to attract and retain appropriately qualified and experienced key management personnel. The Remuneration and Nomination Committee's decisions on the appropriateness of remuneration packages are based on the competitive state of the employment market for different specific skill sets, independently sourced market surveys related to the resources sector and the need to incentivise personnel to meet the Group's strategic objectives.

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Group, including directors of the Group and other executives. Key management personnel comprise the directors and executives of the Company and Group.

The remuneration structures explained below are designed to attract suitably qualified candidates, reinforce the imperative to meet the strategic objectives, and achieve the broader outcome of creation of value for shareholders. The remuneration structures take into account:

» the capability and experience of the key management personnel;

» the ability of key management personnel to influence the Group's performance; and

» the mix of cash and option incentives within each key management personnel's remuneration package.

Remuneration packages include a mix of cash, short-term and longer-term performance based incentives. The executive directors hold significant personal shareholdings in the Company, which aligns their goals and objectives with those of the Company. As such, the Remuneration and Nomination Committee has decided that there is no requirement for further share-based incentives to be offered to the executive directors at this point in time.

The Group's financial performance over the past five years has been as follows:

IN THOUSANDS OF AUD	2013	2012	2011	2010	2009
Revenue	416,834	171,504	108,651	777	524
Net profit/(loss) after tax	145,727	68,239	36,281	(18,829)	(91,845)
Basic earnings/(loss) per share (cents)	30.49	15.51	8.54	(5.58)	(36.84)
Diluted earnings/(loss) per share (cents)	30.11	15.18	8.24	(5.58)	(36.84)
Net assets	539,625	237,934	140,278	81,784	35,969

Historical and current earnings are one of a number of criteria used by the Remuneration and Nomination Committee to assess the performance of directors and executives. Other criteria used in this assessment include gold production and operating costs, execution of development projects, exploration success, growth of business through acquisitions and effectiveness of communications with regulators, shareholders, investors and other stakeholders.

Fixed Remuneration

Fixed remuneration consists of base remuneration (including any fringe benefit tax charges related to employee benefits), as well as employer contributions to superannuation funds. The Company allows key management personnel to salary sacrifice superannuation for additional benefits (on a total cost basis).

Remuneration levels are reviewed annually by the Remuneration and Nomination Committee through a process that considers individual and overall performance of the Group. In addition, external consultants may provide analysis and advice to ensure the key management personnel's remuneration is competitive in the market place, as required. No external consultants were utilised during the current financial year.

Performance-Linked Remuneration

Performance linked remuneration includes both long-term and short term incentives and is designed to reward key management personnel for meeting or exceeding their objectives.

SHORT-TERM INCENTIVES

Each year the executive directors review the performance of the key management personnel and makes recommendations to the Remuneration and Nomination Committee in relation to the awarding of any short-term incentives.

In addition, the Remuneration and Nomination Committee assess the actual performance of the Group, the separate departments and the individuals' personal performance. A cash bonus may be recommended at the discretion of the Remuneration and Nomination Committee where Group and department objectives have been met or exceeded.

The Remuneration and Nomination Committee recommends the cash incentive to be paid to the executive directors for approval by the Board. No such bonuses have been recommended this year.

LONG-TERM INCENTIVES

Options are issued under the Regis Resources Limited 2008 Share Option Plan (the "Plan"). The objective of the Plan is to link the achievement of the Group's operational targets with the remuneration received by the key management personnel charged with meeting those targets. The total potential long term incentive available is set at a level so as to provide sufficient incentive to the KMP to achieve the operational targets such that the cost to the Group is reasonable in the circumstances.

The Plan provides for key management personnel and employees to receive a set amount of options over ordinary shares for no consideration. The ability to exercise the options is conditional upon the employee remaining with the Group throughout the vesting period. There are no other performance criteria that must be met.

Service Agreements

Mr Mark Clark, the Company's Managing Director, is employed under a fixed term contract, with the following significant terms:

» An initial term of 3 years from 4 May 2009, which was extended for a further 3 years effective from 4 May 2012;

» Fixed remuneration of $550,000 per annum (2012: $480,000) subject to annual review; and

» Opportunity to earn a performance based bonus determined by the Company.

Subsequent to the end of the financial year, the Board completed its annual review of the Managing Director's remuneration and decided to make no changes.

Mr Morgan Hart, the Company's Operations Director, is employed under a fixed term contract, with the following significant terms:

» An initial term of 3 years from 4 May 2009, which was extended for a further 3 years effective from 4 May 2012;

» Fixed remuneration of $535,000 per annum (2012: $465,000) subject to annual review; and

» Opportunity to earn a performance based bonus determined by the Company.

Subsequent to the end of the financial year, the Board completed its annual review of the Operations Director's remuneration and decided to make no changes.

The Managing Director's and Operations Director's termination provisions are as follows:

	NOTICE PERIOD	PAYMENT IN LIEU OF NOTICE	ENTITLEMENT TO OPTIONS ON TERMINATION
Employer initiated termination:			
- without reason	3 months plus 9 months' salary	12 months	1 month to exercise, extendable at Board discretion
- with reason	Not less than 3 months	Not less than 3 months	
- serious misconduct	0 – 1 month	0 – 1 month	
Employee initiated termination	3 months	Not specified	As above
Change of control	1 month plus 12 months' salary	Not specified	As above

The Group has entered into service contracts with each key management person. The service contract outlines the components of remuneration paid to each key management person but does not prescribe how remuneration levels are modified year to year. Remuneration levels are reviewed each year to take into account cost-of-living changes, any change in the scope of the role performed by the key management person and any changes required to meet the principles of the remuneration policy. The key management personnel are also entitled to receive, on termination of employment, statutory entitlements of accrued annual and long service leave, and any accrued superannuation contributions would be paid to their fund.

The Company has a Redeployment and Redundancy Policy that is applicable to all employees including executives. Under that policy, in the case of a genuine redundancy, executives would receive a payment of up to six months total remuneration package plus two weeks for each completed year of service, subject to a maximum total payment of twelve months total remuneration.

Non-Executive Directors

Total remuneration for all non-executive directors, last voted upon by shareholders at the 2011 AGM, is not to exceed $500,000 per annum. At the date of this report, total non-executive directors' base fees are $268,000 per annum. Non-executive directors' fees cover all main board activities and membership of board committees. Non-executive directors do not receive any benefits on retirement. From time to time, non-executive directors may provide consulting services to the Company and in these cases they are paid consulting fees in line with industry rates.

Subsequent to the end of the financial year, the Board completed its review of the non-executive directors' base fees and decided to make no changes.

Key Management Personnel Remuneration

TABLE 1: REMUNERATION FOR THE YEAR ENDED 30 JUNE 2013

2013	SHORT TERM SALARY & FEES	SHORT TERM CASH BONUS	SHORT TERM NON-MONETARY BENEFITS*	POST EMPLOYMENT SUPER-ANNUATION	LONG TERM LONG SERVICE LEAVE	SHARE-BASED PAYMENT OPTIONS	TOTAL	PERFORMANCE RELATED
	$	$	$	$	$	$	$	%
EXECUTIVE DIRECTORS								
M Clark	550,000	-	6,065	49,500	11,407	-	616,972	-
M Hart	535,000	-	5,033	48,150	11,116	-	599,299	-
NON-EXECUTIVE DIRECTORS								
N Giorgetta	110,000	-	-	9,900	-	-	119,900	-
R Kestel	85,000	-	-	7,650	-	-	92,650	-
M Okeby	73,000	-	-	6,570	-	-	79,570	-
OTHER KMP								
J Balkau	290,000	-	5,033	26,100	6,022	-	327,155	-
M Evans(iii)	300,000	-	295,774	27,000	5,824	-	628,598	45.96%
T Hinkley	283,750	-	-	25,538	3,074	-	312,362	-
K Massey	275,000	-	5,033	24,750	5,160	22,504	332,447	6.77%
R Smith(i)	241,667	-	-	21,750	426	219,288	483,131	45.39%
B Wyatt(ii)	48,333	-	-	4,350	92	70,117	122,892	57.06%
Total	**2,791,750**	**-**	**316,938**	**251,258**	**43,121**	**311,909**	**3,714,976**	

* *Non-monetary benefits are presented at actual cost plus any fringe benefits tax paid or payable by the Group.*

(i) *Mr Smith ceased his position as General Manager – Garden Well Gold Mine on 1 May 2013.*

(ii) *Mr Wyatt was appointed to the position of General Manager – Garden Well Gold Mine on 1 May 2013.*

(iii) *Mr Evans was awarded a non-cash bonus for the on-time and on-budget completion of the Garden Well Gold Mine.*

TABLE 2: REMUNERATION FOR THE YEAR ENDED 30 JUNE 2012

2012	SHORT TERM SALARY & FEES	SHORT TERM CASH BONUS	SHORT TERM NON-MONETARY BENEFITS	POST EMPLOYMENT SUPER-ANNUATION	LONG TERM LONG SERVICE LEAVE	SHARE-BASED PAYMENT OPTIONS	TOTAL	PERFORMANCE RELATED
	$	$	$	$	$	$	$	%
EXECUTIVE DIRECTORS								
M Clark	480,000	-	13,930	43,200	3,841	-	540,971	-
M Hart	465,000	-	12,382	41,850	3,761	-	522,993	-
NON-EXECUTIVE DIRECTORS								
N Giorgetta	101,000	-	5,485	9,090	-	-	115,575	-
R Kestel	66,000	-	5,485	5,940	-	-	77,425	-
M Okeby	66,000	-	5,485	5,940	-	-	77,425	-
OTHER KMP								
J Balkau	280,833	-	12,382	25,275	14,642	-	333,132	-
M Ertzen	252,083	-	12,382	22,688	2,061	75,633	364,847	20.73%
M Evans	281,667	-	5,485	25,350	2,251	113,450	428,203	26.49%
T Hinkley	249,583	-	5,485	22,463	722	75,634	353,887	21.37%
K Massey	252,083	-	12,382	22,688	1,991	89,642	378,786	23.66%
R Smith(i)	187,500	-	5,485	16,875	-	178,300	388,160	45.93%
Total	**2,681,749**	**-**	**96,368**	**241,359**	**29,269**	**532,659**	**3,581,404**	

(i) *Mr Smith commenced with the Company on 1 November 2011 in the role of General Manager – Garden Well Gold Mine.*

TABLE 3: COMPENSATION OPTIONS - GRANTED AND VESTED DURING THE YEAR

2013	GRANTED NO.	GRANTED GRANT DATE	TERMS & CONDITIONS FOR EACH GRANT: FAIR VALUE PER OPTION AT GRANT DATE	EXERCISE PRICE PER OPTION	EXPIRY DATE	FIRST EXERCISE DATE	LAST EXERCISE DATE	VESTED NO.	VESTED %
OTHER KMP									
K Massey	-	-	-	-	-	-	-	50,000	50%
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**50,000**	**50%**

TABLE 4: VALUE OF OPTIONS AWARDED, EXERCISED AND LAPSED DURING THE YEAR

	VALUE OF OPTIONS GRANTED DURING THE YEAR $	VALUE OF OPTIONS EXERCISED DURING THE YEAR $	VALUE OF OPTIONS LAPSED DURING THE YEAR $	REMUNERATION CONSISTING OF SHARE OPTIONS FOR THE YEAR %
OTHER KMP				
T Hinkley	-	747,900	-	-
K Massey	-	726,598	-	6.77%
R Smith[i]	-	-	-	45.39%
B Wyatt[ii]	-	-	-	57.06%
Total	**-**	**1,474,498**	**-**	

(i) Mr Smith ceased his position as General Manager – Garden Well Gold Mine on 1 May 2013.
(ii) Mr Wyatt was appointed to the position of General Manager – Garden Well Gold Mine on 1 May 2013.

There were no options granted to key management personnel during the year.

The value of options exercised during the year is calculated as the market price of shares of the Company as at close of trading on the date the options were exercised after deducting the price paid to exercise the option.

No options were forfeited during the current or prior year due to performance criteria not being achieved.

There have been no alterations to the terms and conditions of options awarded as remuneration since their award date.

TABLE 5: SHARES ISSUED ON EXERCISE OF OPTIONS (CONSOLIDATED)

2013	SHARES ISSUED NO.	PAID PER SHARE (NOTE 27) $	UNPAID PER SHARE $
OTHER KMP			
T Hinkley	200,000	$0.4205	-
K Massey	123,782	$0.4205	-
Total	**323,782**		

Signed in accordance with a resolution of the directors.

Mr Mark Clark
Managing Director

Perth, 16 September 2013

The information in this report that relates to exploration results, estimates of mineral resources and ore reserves in relation to the Duketon Gold Project and the McPhillamys Gold Project is based on and fairly represents information and supporting documentation that has been compiled by Mr Morgan Hart who is a member of the Australasian Institute of Mining and Metallurgy. Mr Hart has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Morgan Hart is a director and full time employee of Regis Resources Ltd and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Auditor's Independence Declaration

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Regis Resources Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2013 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Trevor Hart
Partner

Perth

16 September 2013

Corporate Governance Statement

The Board of Directors of Regis Resources Limited is responsible for establishing the corporate governance framework of the consolidated entity having regard to the ASX Corporate Governance Council published guidelines as well as its corporate governance principles and recommendations. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

Corporate Governance Disclosures

The Board and management are committed to corporate governance and, to the extent that they are applicable to the Company, have followed the "Principles of Good Corporate Governance and Best Practice Recommendations" issued by the Australian Securities Exchange ("ASX") Corporate Governance Council.

PRINCIPLE 1:
LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

The Board's role is to increase shareholder value within an appropriate framework which safeguards the rights and interests of the Company's shareholders. It assumes responsibility for overseeing the affairs of the Group by ensuring that they are carried out in a professional and ethical manner and that business risks are effectively managed. The Board meets formally on a regular basis to conduct appropriate business. The primary responsibilities of the Board include the following:

- Development of corporate objectives and strategy with management and approving plans, new investments, major capital and operating expenditures and major funding activities proposed by management;
- Monitoring actual performance against defined performance expectation and reviewing operating information to understand at all times the state of the health of the Company;
- Appointing, evaluating, rewarding and if necessary the removal of the Managing Director and senior management;
- Overseeing the management of business risks, safety and occupational health, environmental issues and community development;
- Satisfying itself that the financial statements of the Company fairly and accurately set out the financial position and financial performance of the Company for the period under review, including approval of the annual, half yearly and quarterly reports;
- Satisfying itself that there are appropriate reporting systems and controls in place to assure the Board that proper operational, financial, compliance, risk management and internal control processes are in place and functioning appropriately;
- Ensuring that appropriate audit arrangements are in place;
- Ensuring that Regis acts legally and responsibly on all matters; and
- Reporting to and advising shareholders.

A copy of the Board Charter is available on the Company's website.

Those who have the opportunity to materially influence the integrity, strategy and operation of the Company and its financial performance are considered to be senior executives.

The role of senior executives is to progress the strategic direction provided by the Board. The matters delegated to senior executives include the following:

- To develop and recommend internal control and accountability systems for the Company and if approved, ensure compliance with such systems;
- To prepare corporate strategy and performance objectives for approval by the Board;
- To prepare systems of risk management and internal compliance and controls, codes of conduct, legal compliance and any other regulatory compliance and if approved, ensure compliance with such systems;
- To monitor employees performance, recommend appropriate resources and review and approve remuneration;
- To prepare all financial reports, tax returns, budgets and any other appropriate financial reports, meet all statutory deadlines and monitor performance against budgets;

- Prepare recommendations on acquisitions and divestments of assets;
- To implement decisions of the Board on key standards of the Company covering such areas as ethical standards, reputation and culture of the Company and influence and provide guidance for employees on these areas; and
- To protect the assets of the Company.

A copy of the matters reserved for senior executives is available on the Company's website.

The Remuneration and Nomination Committee is responsible for reviewing the performance of senior executives. In addition, the Remuneration and Nomination Committee review the actual performances of the Group and assess the senior executive's appraisal of separate departments and individuals' personal performance. The Remuneration and Nomination Committee ratify remuneration recommendations by senior executives. A formal performance review was conducted in July 2013.

PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

Directors of Regis are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with or could reasonably be perceived to materially interfere with the exercise of their unfettered and independent judgment. Independent directors are non-executive directors who are not substantial shareholders of the Company and do not have any material contractual arrangements with the Company.

The following directors are considered to be independent:

NAME	POSITION
N Giorgetta	Independent Non-Executive Chairman
R Kestel	Independent Non-Executive Director
M Okeby	Independent Non-Executive Director

There are procedures in place, agreed by the Board, to enable the directors in furtherance of their duties to seek independent professional advice at the Company's expense.

The term in office held by each director is as follows:

NAME	TERM
N Giorgetta	No set term agreed, other than per the Company's constitution
M Clark	3 years
M Hart	3 years
R Kestel	No set term agreed, other than per the Company's constitution
M Okeby	No set term agreed, other than per the Company's constitution

Under the Company's Constitution, directors (other than the Managing Director) are required to retire every three years and may submit themselves for re-election. Directors appointed during the year must retire at the next Annual General Meeting of the Company and may submit themselves for re-election. The Board follows a process to select and appoint new directors as required taking into account candidates' breadth of experience, skills, integrity and willingness to devote time and effort to the Company.

REMUNERATION AND NOMINATION COMMITTEE

The Board is responsible for determining and reviewing compensation arrangements for the directors themselves, the Managing Director and the executive team. The Board has established a Remuneration and Nomination Committee comprising three (3) independent non-executive directors.

The members of the Remuneration and Nomination Committee at the date of this Report are:

- R Kestel (Chairman)
- N Giorgetta
- M Okeby

It is the Company's objective to provide maximum shareholder benefit from the retention of a high quality Board and executive team by remunerating directors and key executives fairly and appropriately with reference to relevant employment market conditions. To assist in achieving this objective, the Remuneration and Nomination Committee links the nature and amount of executive directors' and officers' remuneration to the Company's financial and operational performance. The expected outcomes of the remuneration structure are:

- Retention and motivation of key executives;
- Attraction of high quality management to the Company; and
- Performance incentives that allow executives to share in the success of the Company.

For full discussion of the Company's remuneration philosophy and framework and the remuneration received by directors and executives in the current period please refer to the Remuneration Report, which is contained within the Directors' Report.

The Chairman of the Board is responsible for the evaluation of the Board and, when deemed appropriate, Board committees and individual Directors. Performance evaluation of the Board is carried out by means of ongoing review by the Chairman with reference to the composition of the Board and its suitability to carry out the Company's objectives.

The Chair may carry out the review by various means including, but not limited to:

- Meeting with and interviewing each Board member;
- Consultation with the Remuneration and Nomination Committee;
- Circulation of internal review tools such as formal questionnaires and reports; and
- Outsourcing to independent specialist consultants.

A review of the Board's performance for the financial year ending 30 June 2013 was conducted by the Chairman in August 2013.

A copy of the Company's process for evaluating the performance of the Board, its committees and individual directors is on the Company's website.

There is no scheme to provide retirement benefits to non-executive directors.

A copy of the Remuneration and Nomination Committee Charter is available on the Company's website.

PRINCIPLE 3: PROMOTE ETHICAL AND RESPONSIBLE DECISION-MAKING

The Group operates under a Code of Conduct that sets out the ethical standards under which the Company operates when dealing with internal and external parties. This Code requires all directors, officers, employees and contractors of the Company to respect and comply with all laws and regulations and maintain a high standard of professionalism, ethics, and behaviour in the exercise of their duties. They are required to:

- not discriminate against any staff member or potential employee;
- carry out their duties in compliance with the law at all times;
- to use the Group's assets responsibly;
- to respect the confidentiality of the Group 's business dealings;
- take responsibility for their own actions and for the consequences surrounding their own actions;
- not seek, accept or provide gratuities to obtain or retain a business advantage that is not legitimately due; and
- not participate in party politics and must not make payments to political parties.

A copy of the Code of Conduct can be found at the Company's website.

The Company has established a Diversity Policy which commits Regis to workplace diversity and recognises the benefits arising from employee and Board diversity. Our policy is to recruit and manage on the basis of qualification and performance; regardless of gender, age, nationality, race, religious beliefs, cultural background or sexuality.

The Board is responsible for developing measurable objectives and strategies to meet the objectives of gender diversity. The Board reviews the progress of achieving these measurable objectives through monitoring, evaluation, and reporting mechanisms.

In accordance with the policy the Board has developed the following measurable objectives to achieve and report on gender diversity:

ACTION	PROGRESS
Promote and publish a Diversity Policy.	The Diversity Policy, adopted by the Board, is published on the Company's website.
Establish and maintain an effective gender diversity measurement and reporting framework.	Regis completes the Equal Opportunity for Women in the Workplace Agency (EOWA) Report annually and publishes the report on its website. Internal reporting procedures have been modified to ensure regular reporting of gender diversity within the organisation to the Board.
The provision of suitable working arrangements for employees undertaking maternity and paternity leave and the ongoing engagement with these employees during this period.	The Company implemented a paid parental leave policy which endeavours to financially cover a portion of an employee's leave period.
Ensure that when the Board next recruits for an independent non-executive Director, at least one woman must be included in the list of potential candidates.	The Board considers that it is currently of sufficient size and diversity of skills to not warrant any additional Directors. The Board will continue to monitor its size and skill requirements on an ongoing basis.

The breakdown of gender within the Company is as follows:

	WOMEN	MEN	TOTAL	FEMALE REPRESENTATION
Board of Directors	0	5	5	0%
Other Key Management Personnel	0	6	6	0%
Other Employees	64	173	237	27%
Total	64	184	248	26%

The Company also has a Securities Trading Policy, a copy of which is located on the Company's website. The key element of the policy is that directors and employees must not deal in any security of the Company whilst in possession of inside information. In addition Restricted Persons as defined by the policy are prohibited from buying or selling Company securities within:

» one week prior to the release of the Company's quarterly reports;

» two weeks prior to the release of the Company's half year financial results;

» two weeks prior to the release of the Company's full year financial results; and

» two weeks prior to the release of a disclosure document offering securities in the Company.

PRINCIPLE 4: SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

The Board has established an Audit and Risk Management Committee, which operates under a Charter approved by the Board. It is the Board's responsibility to ensure that an effective internal control framework exists within the Company. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations. The Board has delegated responsibility for establishing and maintaining a framework of internal control and ethical standards to the Audit and Risk Management Committee.

The Committee also provides the Board with additional assurance regarding the reliability of financial information for inclusion in the financial reports.

The Audit and Risk Management Committee comprises of the following three independent non-executive directors:

» R Kestel (Chairman)

» N Giorgetta

» M Okeby

A copy of the Audit and Risk Management Committee Charter is available on the Company's website.

The Company's policy is to appoint external auditors who clearly demonstrate independence. The performance of the external auditor is reviewed annually by the Audit and Risk Management Committee. KPMG, who are the current external auditors, have a policy of rotating the audit partner at least every 5 years. The current lead engagement partner was appointed during the 2010 financial year.

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

The Company has a continuous disclosure policy designed to meet its compliance obligations and to ensure that all matters, which may require announcement to the Australian Securities Exchange, are brought to the attention of directors immediately.

A copy of the continuous disclosure policy is available on the Company's website.

PRINCIPLE 6: RESPECT THE RIGHTS OF SHAREHOLDERS

The Board ensures that shareholders are kept informed of all major developments that affect their shareholding or the Company's state of affairs through quarterly, half-yearly, annual and ad hoc reports. All shareholders are encouraged to attend the Annual General Meeting to meet the Chairman and directors and to receive the most updated report on Group activities. The external auditor of the Company will be in attendance at the Annual General Meeting to answer shareholders' questions.

The Company maintains a website at http://www.regisresources.com to provide shareholders with up to date information on the Company's activities. Shareholders may also communicate with the Company through its e-mail address enquiries@regisresources.com.

A copy of the Company's Communication with Shareholders policy can be found on the Regis website.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

The Board recognises that the identification and management of risk, including calculated risk taking, is an essential part of creating long term shareholder value.

Management reports directly to the Board on the Company's key risks and is responsible, through the Managing Director, for designing, maintaining, implementing and reporting on the adequacy of the risk management and internal control systems.

The Audit and Risk Management Committee monitors the performance of the risk management and internal control systems and reports to the Board on the extent to which it believes the risks are being managed and the adequacy and comprehensiveness of risk reporting from management.

The Board must satisfy itself, on a regular basis, that risk management and internal control systems for the Company have been fully developed and implemented.

The Company has identified specific risk management areas being strategic, operational and compliance.

An internal officer is responsible for ensuring the Company complies with its regulatory obligations. Management also meets regularly to deal with specific areas of risk such as OH&S issues, environmental risk and tenement management.

The CEO and CFO also provide written assurance to the Board on an annual basis that, to the best of their knowledge and belief, the declaration provided by them in accordance with Section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in relation to financial reporting risks.

The assurances from the CEO and CFO can only be reasonable rather than absolute due to factors such as the need for judgement and possible weaknesses in control procedures.

Any material changes in the Company's circumstances are released to the ASX and included on the Company's website. A statement of the Company's existing risk management and internal controls is available on the Regis website.

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

As disclosed under Principle 2, the Company has a Remuneration and Nomination Committee. The details of the directors and executives remuneration policies are provided in the Directors' Report under the heading "Remuneration Report".

FINANCIAL STATEMENTS

Consolidated Statement of Profit or Loss and Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2013

	NOTE	CONSOLIDATED 2013 $'000	2012 $'000
Gold sales		416,117	170,355
Interest revenue		717	1,149
Revenue		416,834	171,504
Cost of goods sold	7(a)	(207,247)	(85,778)
Gross profit		209,587	85,726
Other income	6	3,737	1,658
Investor and corporate costs		(1,265)	(1,998)
Personnel costs		(3,869)	(2,906)
Share-based payment expense		(2,616)	(2,039)
Occupancy costs		(498)	(463)
Other corporate administrative expenses		(454)	(784)
Exploration and evaluation written off	18	(1,396)	(786)
Other expenses	7(b)	(375)	(268)
Finance costs	7(c)	(2,157)	(3,391)
Profit before tax		200,694	74,749
Income tax expense	8	(54,967)	(6,510)
Profit from continuing operations		145,727	68,239
OTHER COMPREHENSIVE INCOME			
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period		-	-
Profit attributable to members of the parent		145,727	68,239
Total comprehensive income attributable to members of the parent		145,727	68,239
Basic earnings per share attributable to ordinary equity holders of the parent (cents per share)	9	30.49	15.51
Diluted earnings per share attributable to ordinary equity holders of the parent (cents per share)	9	30.11	15.18

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

AS AT 30 JUNE 2013

	NOTE	CONSOLIDATED 2013 $'000	2012 $'000
CURRENT ASSETS			
Cash and cash equivalents	10	61,220	1,353
Gold bullion awaiting settlement	11	19,640	8,313
Receivables	12	4,359	2,686
Inventories	13	15,154	4,016
Financial assets held-to-maturity	14	154	10
Other current assets	15	1,323	387
Total current assets		101,850	16,765
NON-CURRENT ASSETS			
Deferred mining costs	16	12,192	10,555
Plant and equipment	17	166,186	55,487
Exploration and evaluation expenditure	18	204,644	29,293
Mine properties under development	19	62,301	167,919
Mine properties	20	119,416	38,461
Total non-current assets		564,739	301,715
Total assets		666,589	318,480
CURRENT LIABILITIES			
Trade and other payables	21	41,495	28,276
Interest-bearing liabilities	22	10	4,883
Provisions	23	295	684
Total current liabilities		41,800	33,843
NON-CURRENT LIABILITIES			
Interest-bearing liabilities	22	-	25,194
Deferred tax liabilities	8	61,477	6,510
Provisions	23	23,687	14,999
Total non-current liabilities		85,164	46,703
Total liabilities		126,964	80,546
Net assets		539,625	237,934
EQUITY			
Issued capital	24	428,358	275,010
Share option reserve	25(b)	14,032	11,416
Retained profits/(accumulated losses)	25(a)	97,235	(48,492)
Total equity		539,625	237,934

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

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2013

	CONSOLIDATED			
	ISSUED CAPITAL	RETAINED PROFITS/ (ACCUMULATED LOSSES)	SHARE OPTION RESERVE	TOTAL EQUITY
	$'000	$'000	$'000	$'000
At 1 July 2012	275,010	(48,492)	11,416	237,934
Profit for the period	-	145,727	-	145,727
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	145,727	-	145,727
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS:				
Share-based payments expense	-	-	2,616	2,616
Shares issued, net of transaction costs	153,348	-	-	153,348
At 30 June 2013	428,358	97,235	14,032	539,625
At 1 July 2011	247,632	(116,731)	9,377	140,278
Profit for the period	-	68,239	-	68,239
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	68,239	-	68,239
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS:				
Share-based payments expense	-	-	2,039	2,039
Shares issued, net of transaction costs	27,378	-	-	27,378
At 30 June 2012	275,010	(48,492)	11,416	237,934

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2013

	NOTE	CONSOLIDATED 2013 $'000	CONSOLIDATED 2012 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from gold sales		404,790	168,547
Payments to suppliers and employees		(164,805)	(71,719)
Option premium income		2,363	1,370
Interest received		560	1,228
Interest paid		(1,646)	(3,342)
Proceeds from rental income		16	-
R&D rebate received		-	141
Net cash from operating activities	10(b)	241,278	96,225
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of plant and equipment		(12,780)	(7,170)
Payments for exploration and evaluation (net of rent refunds)		(30,229)	(15,755)
Payments for exploration assets (net of cash)		(5,049)	-
Proceeds on disposal of held-to-maturity investments		(20)	1,165
Payments for mine properties under development		(81,318)	(114,512)
Payments for mine properties		(25,012)	(1,107)
Net cash used in investing activities		(154,408)	(137,379)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		3,413	15,424
Payment of transaction costs		(68)	(43)
Payment of finance lease liabilities		-	(264)
Repayment of borrowings		(30,348)	-
Net cash (used in)/from financing activities		(27,003)	15,117
Net increase/(decrease) in cash and cash equivalents		59,867	(26,037)
Cash and cash equivalents at 1 July		1,353	27,390
Cash and cash equivalents at 30 June	10(a)	61,220	1,353

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2013

1. CORPORATE INFORMATION

The financial report of Regis Resources Limited (the "Company") for the year ended 30 June 2013 was authorised for issue in accordance with a resolution of the directors on 16 September 2013.

Regis Resources Limited is a for-profit company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The consolidated financial statements of the Company as at and for the year ended 30 June 2013 comprise the Company and its subsidiaries (collectively referred to as the "Group").

The nature of operations and principal activities of the Group are described in the Directors' Report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF PREPARATION

The financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis.

The financial report is prepared in Australian dollars and all values are rounded to the nearest thousand dollars ($000s) unless otherwise stated.

(B) COMPLIANCE WITH IFRS

The consolidated financial statements comply with Australian Accounting Standards and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board.

(C) NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The following standards, amendments to standards and interpretations have been identified as those which may impact the entity in the period of initial application. They are available for early adoption at 30 June 2013, but have not been applied in preparing this financial report.

» AASB 10 Consolidated Financial Statements establishes a new control model that applies to all entities. It replaces parts of AASB 127 Consolidated and Separate Financial Statements dealing with the accounting for consolidated financial statements and UIG-112 Consolidation – Special Purpose Entities.

  The new control model broadens the situations when an entity is considered to be controlled by another entity and includes new guidance for applying the model to specific situations, including when acting as a manager may give control, the impact of potential voting rights and when holding less than a majority voting rights may give control.

  Consequential amendments were also made to other standards via AASB 2011-7. The amendments, which will become mandatory for Group's 30 June 2014 financial statements, are not expected to have any impact on the financial statements.

» AASB 11 Joint Arrangements replaces AASB 131 Interests in Joint Ventures and UIG-113 Jointly-controlled Entities – Non-monetary Contributions by Joint Ventures. AASB 11 uses the principle of control in AASB 10 to define joint control, and therefore the determination of whether joint control exists may change. In addition it removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, accounting for a joint arrangement is dependent on the nature of the rights and obligations arising from the arrangement. Joint operations that give the venturers a right to the underlying assets and obligations themselves are accounted for by recognising the share of those assets and obligations. Joint ventures that give the venturers a right to the net assets is accounted for using the equity method.

  Consequential amendments were also made to other standards via AASB 2011-7 and amendments to AASB 128. The amendments, which will become mandatory for Group's 30 June 2014 financial statements, are not expected to have any impact on the financial statements.

» AASB 12 Disclosure of Interests in Other Entities includes all disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structures entities. New disclosures have been introduced about the judgements made by management to determine whether control exists, and to require summarised information about joint arrangements, associates and structured entities and subsidiaries with non-controlling interests. The amendments, which will become mandatory for Group's 30 June 2014 financial statements, are not expected to have any impact on the financial statements.

- AASB 119 Employee Benefits includes a revised definition of short-term employee benefits. The distinction between short-term and other long-term employee benefits is now based on whether the benefits are expected to be settled wholly within 12 months after the reporting date. Consequential amendments were also made to other standards via AASB 2011-10. The amended standard, which will become mandatory for the Group's 30 June 2014 financial statements, is not expected to have a material impact on the financial statements.
- Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine applies to stripping costs incurred during the production phase of a surface mine. Production stripping costs are to be capitalised as part of an asset, if an entity can demonstrate that it is probable future economic benefits will be realised, the costs can be reliably measured and the entity can identify the component of an ore body for which access has been improved. This asset is to be called the "stripping activity asset".

  The stripping activity asset shall be depreciated or amortised on a systematic basis, over the expected useful life of the identified component of the ore body that becomes more accessible as a result of the stripping activity. The units of production method shall be applied unless another method is more appropriate. Interpretation 20 will become mandatory for the Group's 30 June 2014 financial statements. The Group has not yet determined the potential effect of the interpretation.
- AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle makes amendments resulting from the 2009-2011 Annual Improvements Cycle. The standard addresses a range of improvements, including the clarification of the comparative information requirements when an entity provides a third balance sheet (AASB 101 Presentation of Financial Statements). The amended standards, which will become mandatory for the Group's 30 June 2014 financial statements, relate to disclosures only and are not expected to have a material impact on the financial statements.
- Interpretation 21 Levies confirms that a liability to pay a levy is only recognised when the activity that triggers the payment occurs. Applying the going concern assumption does not create a constructive obligation. Interpretation 21 will become mandatory for the Group's 30 June 2015 financial statements. The Group has not yet determined the potential effect of the interpretation.

(D) BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of Regis Resources Limited and its subsidiaries as at and for the year ended 30 June each year.

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date control commences until the date control ceases.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intragroup transactions have been eliminated in full.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves recognising, at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired and the liabilities assumed are measured at their acquisition date fair values.

The difference between the above items and the fair value of the consideration (including the fair value of any pre-existing investment in the acquiree) is goodwill or discount on acquisition.

The Company has a 100% interest in all subsidiaries and therefore does not reflect any non-controlling interests.

In the Company's financial statements, investments in subsidiaries are carried at cost less any impairment charge.

(E) OPERATING SEGMENTS

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors.

Operating segments have been identified based on the information provided to the chief operating decision makers, being the executive management team.

Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements.

Information about other business activities and operating segments that are below the quantitative criteria are combined and disclosed in a separate category for "all other segments".

(F) FOREIGN CURRENCY TRANSLATION

Functional and presentation currency
Both the functional and presentation currency of Regis Resources Limited and its subsidiaries is Australian dollars.

Transactions and balances
Transactions in foreign currencies are translated to the functional currency at exchange rates at the dates of the transactions. The Group does not hold any monetary assets or liabilities denominated in foreign currencies as at the balance date. Foreign currency gains or losses have been recognised in the profit and loss.

(G) CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included within interest-bearing liabilities in current liabilities on the statement of financial position.

(H) BULLION AWAITING SETTLEMENT

Bullion awaiting settlement comprises gold that has been received by the refiner prior to period end but which has not yet been delivered into a sale contract. Bullion awaiting settlement is initially recognised at fair value less costs to sell.

(I) RECEIVABLES

Receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment.

(J) INVENTORIES

Gold bullion, gold in circuit and ore stockpiles are physically measured or estimated and valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs of selling the final product.

Cost is determined by the weighted average method and comprises direct purchase costs and an appropriate portion of fixed and variable overhead costs, including depreciation and amortisation, incurred in converting ore into gold bullion.

Consumable stores are valued at the lower of cost and net realisable value.

(K) INVESTMENTS AND OTHER FINANCIAL ASSETS

Investments and financial assets in the scope of AASB 139 Financial Instruments: Recognition and Measurement are categorised as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments or available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired or originated. Designation is re-evaluated at each reporting date, but there are restrictions on reclassifying to other categories.

When financial assets are initially recognised, they are measured at fair value, plus, in the case of assets not at fair value through profit or loss, directly attributable transaction costs.

Recognition and derecognition
All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the market place. Financial assets are derecognised when the right to receive cash flows from the financial asset has expired or when the entity transfers substantially all of the risks and rewards of the financial assets. If the entity neither retains nor transfers substantially all of the risks and rewards, it derecognises the asset if it has transferred control of the assets.

Subsequent measurement
HELD-TO-MATURITY INVESTMENTS

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold to maturity. Investments that are intended to be held for an undefined period are not included in this classification. Investments that are intended to be held-to-maturity such as bonds are subsequently measured at amortised cost. This cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount. This calculation includes all fees and points paid or received between the parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. For investments carried at amortised cost, gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

(L) DERIVATIVES

The Group uses derivative financial instruments such as gold call options to manage the risk associated with commodity price fluctuations.

Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently measured at fair value. The fair value of derivative financial instruments that are traded on an active market is determined using appropriate valuation techniques.

Changes in fair value are recognised in the statement of profit or loss and other comprehensive income, net of any transaction costs.

(M) PLANT AND EQUIPMENT

Items of plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Such costs include the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in profit or loss as incurred.

The cost of acquired assets also includes (i) the initial estimate at the time of installation and during the period of use, when relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and (ii) changes in the measurement of existing liabilities recognised for these costs resulting from changes in the timing or outflow of resources required to settle the obligation or from changes in the discount rate.

Where parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Depreciation
Depreciation of mine specific plant and equipment and buildings and infrastructure is charged to the statement of profit or loss and other comprehensive income on a unit-of-production basis over the economically recoverable reserves of the mine concerned, except in the case of assets whose useful life is shorter than the life of the mine, in which case the straight-line method is used. The unit of account is tonnes of ore milled.

Depreciation of non-mine specific plant and equipment is charged to the statement of profit or loss and other comprehensive income and exploration and evaluation assets on a straight-line basis over the estimated useful lives of each part of an item of plant and equipment in current and comparative periods as follows:

» Plant and equipment: . . . . 3 - 10 years

» Fixtures and fittings: . . . . 3 - 20 years

» Leasehold improvements: . . . . 10 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

Derecognition
An item of plant and equipment is derecognised upon disposal or when no further economic benefits are expected from its use or disposal.

(N) EXPLORATION AND EVALUATION ASSETS AND EXPENDITURE

Exploration and evaluation assets include the costs of acquiring licences, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditure is capitalised on an area of interest basis. Costs incurred before the Group has obtained the legal rights to explore an area are recognised in the statement of profit or loss and other comprehensive income.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

» the expenditures are expected to be recouped through successful development and exploitation of the area of interest; or

» activities in the area of interest have not at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit is not larger than the area of interest.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mine properties under development. No amortisation is charged during the exploration and evaluation phase.

Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

(O) DEFERRED MINING COSTS

Stripping costs incurred in the development of a mine before production commences are capitalised as part of the cost of constructing the mine and subsequently amortised over the life of the mine on a units-of-production basis.

Stripping costs incurred subsequently during the production stage of operations are deferred to the extent that the current period strip ratio (i.e. the ratio of waste to ore) exceeds the life of mine strip ratio. Such deferred costs are then charged to the statement of profit or loss and other comprehensive income to the extent that, in subsequent periods, the current period ratio falls short of the life of mine strip ratio. The calculated strip ratio and the remaining life of mine are reassessed by the directors annually. Changes are accounted for prospectively from the date of change.

(P) MINE PROPERTIES UNDER DEVELOPMENT

Mine properties under development represents the costs incurred in preparing mines for production and includes plant and equipment under construction, stripping and waste removal costs incurred before production commences. These costs are capitalised to the extent they are expected to be recouped through the successful exploitation of the related mining leases. Once production commences, these costs will be amortised using the units-of-production method based on the estimated economically recoverable reserves to which they relate or are written off if the mine property is abandoned.

Amortisation of mine properties development expenditure will commence at the point when production from the geological area of interest commences.

(Q) MINE PROPERTIES

Mine properties represents expenditure in respect of exploration, evaluation, feasibility and pre-production operating costs incurred by the Group previously accumulated and carried forward in mine properties under development in relation to areas of interest in which mining has now commenced. Mine properties are stated at cost, less accumulated amortisation and accumulated impairment losses.

Amortisation
Mine properties are amortised on a unit-of-production basis over the economically recoverable reserves of the mine concerned. The unit of account is tonnes of ore milled.

(R) LEASES

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the assets.

Group as a lessee
Operating lease payments are recognised as an expense in the statement of profit or loss and other comprehensive income on a straight-line basis over the lease term. Operating lease incentives are recognised as a liability when received and subsequently reduced by allocating lease payments between rental expense and reduction of the liability.

(S) IMPAIRMENT

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

The recoverable amount of other assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the 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.

Impairment losses, other than in respect of goodwill, are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

An impairment loss 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 had been recognised.

Receivables with a short duration are not discounted in assessing the recoverable amount. Impairment is recognised when objective evidence is available that a loss event has occurred.

(T) TRADE AND OTHER PAYABLES

Trade and other payables are carried at amortised cost and, due to their short-term nature, they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and generally paid within 30 days of recognition.

(U) INTEREST-BEARING LOANS AND BORROWINGS

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs
Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset. All other borrowing costs are expensed as part of finance costs in the period incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(V) PROVISIONS

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the provision can be reliably measured. Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Site rehabilitation
The Group records the present value of the estimated cost of legal and constructive obligations to restore operating locations in the period in which the obligation is incurred. The nature of rehabilitation activities includes dismantling and removing structures, rehabilitating mines, dismantling operating facilities, closure of plant and waste sites and restoration, reclamation and revegetation of affected areas. Typically the obligation arises when the assets are installed at the production location. The provision is the best estimate of the present value of the expenditure required to settle the rehabilitation obligation at the reporting date, based on current legal requirements and technology.

When the liability is initially recorded, the estimated cost is capitalised by increasing the carrying amount of the related mining assets. Over time, the liability is increased for the change in the present value based on the discount rates that reflect the current market assessments and the risks specific to the liability. This increase in the provision due to the passage of time is recognised as a finance cost in the statement of profit or loss and other comprehensive income. Additional disturbances or changes in rehabilitation costs will be recognised as additions or changes to the corresponding asset and rehabilitation provision when incurred.

For closed sites, changes to estimated costs are recognised immediately in the statement of profit or loss and other comprehensive income.

(W) EMPLOYEE BENEFITS

Wages, salaries and annual leave
Liabilities for wages, salaries, superannuation and annual leave are recognised as employee benefits in respect of employees' services up to the reporting date. They are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay when the liabilities are settled and include related on-costs, such as workers compensation insurance and payroll tax.

Long service leave
The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to the expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(X) SHARE-BASED PAYMENT TRANSACTIONS

Equity settled transactions
Share-based compensation benefits are provided to directors, officers and employees under the Regis Resources Limited Share Option Plans, which allows participants to acquire shares of the Company, and the Regis Resources Employee Share Plan, which allows for the issue of shares in the Company to eligible employees.

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black-Scholes option pricing model, further details of which are given in Note 26.

The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options (the vesting period), ending on the date on which the relevant employees become fully entitled to the award (the vesting date).

At each subsequent reporting date until vesting, the cumulative charge to the statement of profit or loss and other comprehensive income is the product of:

» The grant date fair value of the award;

» The current best estimate of the number of awards that will vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of non-market performance conditions being met; and

» The expired portion of the vesting period.

Until an award has vested, any amounts recorded are contingent and will be adjusted if more or fewer awards vest than were originally anticipated to do so. Any award subject to a market condition or non-vesting condition is considered to vest irrespective of whether or not that market or non-vesting is fulfilled, provided that all other conditions are satisfied.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(Y) CONTRIBUTED EQUITY

Ordinary shares are classified as equity. Transaction costs of an equity transaction being those directly attributable to the issue of shares or options are recognised as a deduction from equity, net of any related income tax effects.

(Z) REVENUE

Revenue is recognised and measured at fair value of the consideration received or receivable to the extent that it is probable that the economic benefit will flow to the entity and the revenue can be measured reliably. The following specific recognition criteria must also be met before revenue is recognised:

Gold sales
Revenue is recognised when there has been a transfer of risks and rewards from the Group to an external party, no further processing is required by the Group, quality and quantity of the goods has been determined with reasonable accuracy, the selling price is fixed or determinable, and collectability is probable. The point at which risk and rewards passes for the majority of the Group's commodity sales is upon dispatch of the gold bullion from the mine site. Adjustments are made for variations in commodity price, assay and weight between the time of dispatch and the time of final settlement.

Interest
Interest income is recognised as it accrues using the effective interest method.

(AA) INCOME AND OTHER TAXES

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax balances are determined using the balance sheet method, which provides for temporary differences based on the carrying amounts of assets and liabilities in the statement of financial position. Any current and deferred taxes attributable to amounts recognised in equity are also recognised directly in equity.

Deferred tax is not recognised for the following temporary differences:

» the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and

» differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

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 reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Tax consolidation
The Company and its wholly-owned Australian resident entities became part of a tax-consolidated group on 14 December 2006. As a consequence, all members of the tax-consolidation group are taxed as a single entity from that date. The head entity within the tax-consolidation group is Regis Resources Limited.

Current tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the separate taxpayer within group approach by reference to the carrying amounts of assets and liabilities in the separate financial statement of each entity and the tax values applying under tax consolidation.

Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries are assumed by the head entity in the tax-consolidated group and are recognised by the Company as amounts payable (receivable) to/(from) other entities in the tax-consolidated group in conjunction with any tax funding arrangement amounts (refer Note 8). Any difference between these amounts is recognised by the Company as an equity contribution or distribution.

The Company recognises deferred tax assets arising from unused tax losses of the tax-consolidated group to the extent that it is probable that future taxable profits of the tax-consolidated group will be available against which asset can be utilised.

Any subsequent period adjustment to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the head entity only.

Other taxes
Revenue, expenses and assets are recognised net of the amount of goods and services tax ("GST"), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST 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 included. The net amount of GST recoverable from, or payable to, the Australian Taxation Office ("ATO") 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 components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(AB) EARNINGS PER SHARE

The Group presents basic and diluted earnings per share ("EPS") data for ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise listed options and share options granted to employees.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

(A) SIGNIFICANT ACCOUNTING JUDGEMENTS

Determination of mineral resources and ore reserves
The determination of mineral resources and ore reserves impacts the accounting for asset carrying values. Regis Resources Limited estimates its mineral resources and ore reserves in accordance with the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 (the "JORC" Code). The information on mineral resources and ore reserves was prepared by or under the supervision of Competent Persons as defined in the JORC Code. The amounts presented are based on the mineral resources and ore reserves determined under the JORC Code.

There are numerous uncertainties inherent in estimating mineral resources and ore reserves, and assumptions that are valid at the time of estimation may change significantly when new information becomes available.

Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may ultimately result in reserves being restated.

Recovery of deferred tax assets
Judgement is required in determining whether deferred tax assets are recognised on the statement of financial position. Deferred tax assets, including those arising from unutilised tax losses, require management to assess the likelihood that the Group will generate taxable earnings in future periods, in order to utilise recognised deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in Australia.

To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the reporting date could be impacted. Additionally, future changes in tax laws in Australia could limit the ability of the Group to obtain tax deductions in future periods.

(B) SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

Impairment of exploration and evaluation assets
The future recoverability of capitalised exploration and evaluation expenditure is dependent upon a number of factors, including whether the Group 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 which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which the determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in an area of interest have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent it is determined in the future that this capitalised expenditure should be written off, profits and net assets will be reduced in the period in which the determination is made.

Rehabilitation obligations
The Group assesses site rehabilitation liabilities annually. The provision recognised is based on an assessment of the estimated cost of closure and reclamation of the areas using internal information concerning environmental issues in the exploration and previously mined areas, together with input from various environmental consultants, discounted to present value. Significant estimation is required in determining the provision for site rehabilitation as there are many factors that may affect the timing and ultimate cost to rehabilitate sites where mining and/or exploration activities have previously taken place. These factors include future development/exploration activity, changes in the cost of goods and services required for restoration activity and changes to the legal and regulatory framework. These factors may result in future actual expenditure differing from the amounts currently provided.

Share-based payments
The Group is required to use assumptions in respect of the fair value models used in determining share-based payments to employees in accordance with the requirements of AASB 2 Share–based payment. Further information regarding share-based payments and the assumptions used is set out in Note 26. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

Unit-of-production method of depreciation/amortisation
The Group uses the unit-of-production basis when depreciating/amortising life of mine specific assets which results in a depreciation/amortisation charge proportionate to the depletion of the anticipated remaining life of mine production. Each item's economic life, which is assessed annually, has due regard for both its physical life limitations and to present assessments of economically recoverable reserves of the mine property at which it is located. These calculations require the use of estimates and assumptions.

Deferred mining costs
The Group defers mining costs incurred during the production stage of its operations which are calculated in accordance with the accounting policy described above. Changes in an individual mine's design will generally result in changes to the life-of-mine waste to

ore ratio. Changes in other technical or economic parameters that impact reserves will also have an impact on the life of mine ratio even if they do not affect the mine's design. Changes to the life of mine are accounted for prospectively.

Inventories

Net realisable value tests are performed at each reporting date and represent the estimated future sales price of the product based on prevailing spot metals process at the reporting date, less estimated costs to complete production and bring the product to sale.

Stockpiles are measured by estimating the number of tonnes added and removed from the stockpile, the number of contained gold ounces based on assay data, and the estimated recovery percentage. Stockpile tonnages are verified by periodic surveys.

4. FINANCIAL RISK MANAGEMENT

Overview

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks and its objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout this financial report.

The Group's exposure to movements in the gold price, which it manages through the use of gold forward contracts, is discussed at Note 31(e). The gold forward sale contracts do not meet the criteria of financial instruments for accounting purposes on the basis that they meet the normal purchase/sale exemption because physical gold will be delivered into the contract.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Audit and Risk Management Committee is responsible for developing and monitoring risk management policies. The committee reports regularly to the Board of Directors on its activities.

Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's Audit and Risk Management Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Credit Risk

The Group has determined that it currently has no significant exposure to credit risk as at reporting date.

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to the Group's reputation.

The Group uses daily and monthly cash forecasting monitoring cash flow requirements. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

- Interest rate risk: The Group's exposure to interest rate risk has been minimised since the substantial repayment of the secured project loan facility with Macquarie Bank Limited ("MBL") in November 2012.
- Foreign currency risk: The Group is occasionally exposed to foreign currency risk when long lead items are purchased in a currency other than Australian dollars. The Group maintains all of its cash in Australian dollars and does not currently hedge these purchases.

» Equity price risk: The Group does not have any exposure to movements in equity prices.

5. SEGMENT INFORMATION

Identification of reportable segments
The Group has identified its operating segments based on the internal reports that are reviewed and used by the Managing Director and his management team (the chief operating decision makers, or "CODMs") in assessing performance and in determining the allocation of resources.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's results are reviewed regularly by the CODMs to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the CODMs include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), exploration and evaluation assets relating to areas of interest where an economically recoverable reserve is yet to be delineated, head office expenses and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, conduct exploration and evaluation activities and develop mine properties.

The Group currently has two reportable segments which comprise the Duketon Gold Project being the Moolart Well Gold Mine and the Garden Well Gold Mine, which incorporates the Rosemont Gold Project. At 30 June 2013, development of the Rosemont Gold Project was ongoing and consequently it has not yet earned any revenues or incurred non-capitalised expenses.

Operations commenced at the Garden Well Gold Mine in September 2012, as such there is no comparative financial information for segment revenue and results.

Accounting policies and inter-segment transactions
The accounting policies used by the Group in reporting segments internally are the same as those contained in Note 2 to the accounts and in the prior period. There have not been any inter-segment transactions in the current or prior years.

Unallocated items
The following items and associated assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

» Interest revenue and finance costs;

» Corporate administrative costs;

» Exploration and evaluation expenditure on areas of interest prior to the definition of a reserve and determination of the technical feasibility and commercial viability.

The following table presents financial information for reportable segments for the years ended 30 June 2013 and 30 June 2012:

	CONTINUING OPERATIONS			
	MOOLART WELL GOLD MINE	GARDEN WELL GOLD MINE	UNALLOCATED	TOTAL
	$'000	$'000	$'000	$'000
30 JUNE 2013				
SEGMENT REVENUE				
Sales to external customers	166,011	250,106	-	416,117
Other revenue	-	-	717	717
Total segment revenue	166,011	250,106	717	416,834
Total revenue per the statement of profit or loss and other comprehensive income				416,834
Interest expense	-	-	1,698	1,698
Exploration and evaluation expenditure written off	-	-	1,396	1,396
Depreciation and amortisation	19,148	24,151	274	43,573
Depreciation capitalised				(178)
Total depreciation and amortisation recognised in the statement of profit or loss and other comprehensive income				43,395
SEGMENT RESULT				
Segment net operating profit/(loss) before tax	81,940	126,926	(8,172)	200,694
SEGMENT ASSETS				
Segment assets	94,222	291,831	280,536	666,589
Capital expenditure	9,928	165,879	156,878	332,685
30 JUNE 2012				
SEGMENT REVENUE				
Sales to external customers	170,355	-	-	170,355
Other revenue	-	-	1,149	1,149
Total segment revenue	170,355	-	1,149	171,504
Total revenue per the statement of profit or loss and other comprehensive income				171,504
Interest expense	-	-	2,930	2,930
Exploration and evaluation expenditure written off	-	-	786	786
Depreciation and amortisation	24,274	-	149	24,423
Depreciation capitalised				(62)
Total depreciation and amortisation recognised in the statement of profit or loss and other comprehensive income				24,361
SEGMENT RESULT				
Segment net operating profit/(loss) before tax	84,577	-	(9,828)	74,749
SEGMENT ASSETS				
Segment assets	107,854	168,391	42,235	318,480
Capital expenditure	15,497	155,773	17,314	188,584

	NOTE	CONSOLIDATED 2013 $'000	CONSOLIDATED 2012 $'000
6. OTHER INCOME			
Realised gain on gold options	(i)	2,363	1,370
Movement in rehabilitation provision		1,354	285
Exploration rent refunds		4	3
Rental income		16	-
		3,737	1,658

(i) *During the financial year, the Group sold a gold call option for 50,000 ounces at A$1,600/oz (2012: 20,000oz at A$1,930/oz). The options expired unexercised and the above gains reflect the premiums received.*

7. EXPENSES

	2013 $'000	2012 $'000
(A) COST OF GOODS SOLD		
Costs of production	146,551	53,863
Royalties	17,398	7,641
Depreciation of mine plant and equipment	24,717	13,356
Amortisation of development costs	18,581	10,918
	207,247	85,778
(B) OTHER EXPENSES		
Gold swap fees	123	53
Business development	204	173
Exploration license application fees	48	42
	375	268
(C) FINANCE COSTS		
Interest expense	1,698	2,931
Unwinding of discount on provisions	459	460
	2,157	3,391
(D) DEPRECIATION, IMPAIRMENT AND AMORTISATION INCLUDED IN THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
Depreciation expense	24,992	13,505
Amortisation expense	18,581	10,918
Less: Amounts capitalised	(178)	(62)
Depreciation and amortisation charged to the statement of profit or loss and other comprehensive income	43,395	24,361
(E) LEASE PAYMENTS AND OTHER EXPENSES INCLUDED IN THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
Minimum lease payments – operating lease	342	294
Less: Amounts capitalised	(103)	(84)
Recognised in the statement of profit or loss and other comprehensive income	239	210

	NOTE	CONSOLIDATED 2013 $'000	2012 $'000
(F) EMPLOYEE BENEFITS EXPENSE			
Wages and salaries		22,241	14,648
Defined contribution superannuation expense		1,946	1,263
Share-based payments expense		2,616	2,039
Employee bonuses		467	201
Other employee benefits expense		1,937	1,042
		29,207	19,193
Less: Amounts capitalised		(7,237)	(8,084)
Employee benefits expense recognised in the statement of profit or loss and other comprehensive income		21,970	11,109

8. INCOME TAX

(A) THE MAJOR COMPONENTS OF INCOME TAX EXPENSE ARE:

		2013 $'000	2012 $'000
CURRENT INCOME TAX			
Current income tax expense		10,157	3,625
DEFERRED INCOME TAX			
Relating to the origination and reversal of temporary differences		44,586	19,285
Adjustment in respect of income tax of previous years		224	(184)
Income tax losses utilised		-	(16,216)
Income tax expense reported in the statement of profit or loss and other comprehensive income		54,967	6,510

(B) A RECONCILIATION BETWEEN TAX EXPENSE AND THE PRODUCT OF ACCOUNTING PROFIT BEFORE TAX MULTIPLIED BY THE GROUP'S APPLICABLE INCOME TAX RATE IS AS FOLLOWS:

		2013 $'000	2012 $'000
Accounting profit before income tax		200,694	74,749
At the Group's statutory income tax rate of 30% (2012: 30%)		60,208	22,425
R&D rebate		-	(116)
Deductible exploration acquired		(6,253)	-
Share-based payments		785	611
Share issue costs amortised		-	(13)
Other non-deductible items		3	3
Adjustment in respect of income tax of previous years		224	(184)
Deferred tax assets utilised		-	(16,216)
Income tax reported in the statement of profit or loss and other comprehensive income		54,967	6,510

		CONSOLIDATED	
	NOTE	2013 $'000	2012 $'000
(C) DEFERRED INCOME TAX			
Deferred income tax at 30 June relates to the following:			
DEFERRED TAX LIABILITIES			
Receivables		3,039	1,725
Inventories		1,197	214
Prepayments		-	11
Plant and equipment		-	-
Deferred mining costs		3,563	3,072
Exploration and evaluation expenditure		39,578	8,788
Mine properties under development		5,667	20,046
Mine properties		38,371	11,538
Interest-bearing liabilities		-	13
Gross deferred tax liabilities		91,415	45,407
Set off of deferred tax assets		(29,938)	(38,897)
Net deferred tax liabilities		61,477	6,510
DEFERRED TAX ASSETS			
Plant and equipment		5,633	3,087
Trade and other payables		671	473
Provisions		7,195	4,705
Expenses deductible over time		807	1,723
Tax losses carried forward	(i)	15,632	28,909
Gross deferred tax assets		29,938	38,897
Set off of deferred tax assets		(29,938)	(38,897)
Unrecognised tax losses		-	-
Net deferred tax assets		**-**	**-**

(i) Tax losses are available to carry forward indefinitely. The Group has recognised a deferred income tax asset in relation to these losses to offset deferred tax liabilities.

(D) UNRECOGNISED TEMPORARY DIFFERENCES

At 30 June 2013 there are no unrecognised temporary differences associated with the Group's investment in subsidiaries (2012: $nil).

(E) TAX CONSOLIDATION

NATURE OF TAX FUNDING ARRANGEMENTS AND TAX SHARING ARRANGEMENTS

The head entity, in conjunction with other members of the tax-consolidated group, have entered into a tax funding arrangement which sets out the funding obligations of members of the tax-consolidated group in respect of tax amounts. The tax funding arrangements require payments to/from the head entity equal to the current tax liability/(asset) assumed by the head entity and any tax-loss deferred tax asset assumed by the head entity, resulting in the head entity recognising an inter-entity receivable/(payable) equal in amount to the tax liability/(asset) assumed. The inter-entity receivables/(payables) will be at call.

Contributions to fund the current tax liabilities are payable as per the tax funding arrangement and reflect the timing of the head entity's obligation to make payments for tax liabilities to the relevant tax authorities.

The head entity in conjunction with other members of the tax-consolidated group has also entered into a tax sharing agreement. The tax sharing agreement will provide for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement as payment of any amounts under the tax sharing agreement is considered remote.

	NOTE	CONSOLIDATED 2013 $'000	CONSOLIDATED 2012 $'000

9. EARNINGS PER SHARE

The following reflects income and share data used in the calculation of basic and diluted earnings per share.

(A) EARNINGS USED IN CALCULATING EARNINGS PER SHARE

		2013 $'000	2012 $'000
Net profit/ attributable to ordinary equity holders of the parent		145,727	68,239

		NO. SHARES THOUSANDS	NO. SHARES THOUSANDS
(B) WEIGHTED AVERAGE NUMBER OF SHARES			
Weighted average number of ordinary shares used in calculating basic earnings per share		477,988	440,000
EFFECT OF DILUTION:			
Share options	(c)	6,033	9,464
Weighted average number of ordinary shares adjusted for the effect of dilution		484,021	449,464

There are no instruments excluded from the calculation of diluted earnings per share that could potentially dilute basic earnings per share in the future because they are antidilutive for either of the periods presented.

There have been no transactions involving ordinary shares or potential ordinary shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between reporting date and the date of completion of these financial statements.

(C) INFORMATION ON THE CLASSIFICATION OF SECURITIES

Options
Options granted to employees (including KMP) as described in Note 26 are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent they are dilutive. These options have not been included in the determination of basic earnings per share.

10. CASH AND CASH EQUIVALENTS

(A) CASH AND CASH EQUIVALENTS IN THE STATEMENT OF FINANCIAL POSITION AND CASH FLOW STATEMENT

	2013 $'000	2012 $'000
Cash at banks and on hand	41,220	1,353
Short-term deposits	20,000	-
Total cash and cash equivalents	61,220	1,353

Cash at banks earn interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates

At 30 June 2013, the Group had nil undrawn committed borrowing facilities available (2012: $49.6 million). Refer to Note 22.

	NOTE	CONSOLIDATED 2013 $'000	CONSOLIDATED 2012 $'000
(B) RECONCILIATION OF NET PROFIT AFTER INCOME TAX TO CASH FLOWS USED IN OPERATIONS			
Net profit for the year		145,727	68,239
ADJUSTMENTS FOR:			
Unwinding of discount on provisions		459	460
Borrowing costs capitalised to qualifying asset		(97)	(540)
Amortisation of transaction costs recognised against interest-bearing liabilities		287	147
Employee bonuses (non-cash)		-	179
Exploration expenditure written off		1,396	786
Exploration rent refunds		(4)	(3)
Share-based payments		2,616	2,039
Depreciation and amortisation		43,395	24,361
CHANGES IN ASSETS AND LIABILITIES			
(Increase)/decrease in receivables		(12,672)	(2,053)
(Increase)/decrease in inventories		(4,607)	483
(Increase)/decrease in other current assets		(933)	(148)
(Increase)/decrease in deferred mining costs		248	(5,366)
Increase/(decrease) in trade and other payables		11,767	1,382
Increase/(decrease) in deferred tax liabilities		54,967	6,510
Increase/(decrease) in provisions		(1,271)	(251)
Net cash from operating activities		241,278	96,225

(C) NON-CASH FINANCING AND INVESTING ACTIVITIES

During the year ended 30 June 2013, the Company completed the acquisition of the McPhillamys Gold Project as described in Note 18(a). The consideration payable of $150 million was settled through the issue of 35,714,286 shares.

During the year ended 30 June 2012, the Company terminated a royalty over the Garden Well Project through the issue of 4,038,364 shares.

11. GOLD BULLION AWAITING SETTLEMENT (CURRENT)

Gold bullion awaiting settlement	19,640	8,313

At balance date, gold bullion awaiting settlement comprised 13,782 ounces at a weighted average realisable value of $1,424.98/oz (2012: 4,602 ounces at $1,806.29/oz)

(A) FAIR VALUE AND CREDIT RISK

Due to the short-term nature of the bullion awaiting settlement, the carrying value is assumed to approximate fair value.

The maximum exposure to credit risk is the fair value.

	NOTE	CONSOLIDATED 2013 $'000	2012 $'000

12. RECEIVABLES (CURRENT)

		2013 $'000	2012 $'000
GST receivable		3,282	2,070
Fuel tax credit receivable		738	519
Interest receivable		170	16
Other receivables		169	81
		4,359	2,686

Balances within receivables do not contain impaired assets and are not past due.
It is expected that these other balances will be received when due.

(A) FAIR VALUE AND CREDIT RISK

Due to the short-term nature of these receivables, their carrying value is assumed to approximate fair value.

The maximum exposure to credit risk is the fair value of receivables. Collateral is not held as security, nor is it the Group's policy to transfer (on-sell) receivables to special purpose entities.

13. INVENTORIES (CURRENT)

	2013 $'000	2012 $'000
AT COST		
Ore stockpiles	6,119	1,069
Gold in circuit	4,836	1,662
Bullion on hand	2,087	-
Consumable stores	2,112	1,285
	15,154	4,016

14. FINANCIAL ASSETS HELD - TO - MATURITY

	2013 $'000	2012 $'000
CURRENT		
Term deposits	154	10

Term deposits are held as security against rehabilitation performance bonds. Term deposits earn a fixed rate of interest which at year end was 3.43% (2012: 4.32%).

(A) FAIR VALUE

Term deposits generally have a maturity between 30 and 90 days (2012: 30 to 60 days). Due to the underlying short-term nature of term deposits, their carrying value is assumed to approximate fair value.

15. OTHER CURRENT ASSETS

	2013 $'000	2012 $'000
Prepayments	1,323	387

16. DEFERRED MINING COSTS (NON-CURRENT)

	2013 $'000	2012 $'000
Deferred mining costs	12,192	10,555

These costs represent mining expenses deferred in accordance with the accounting policy disclosed in Note 2(o).

17. PROPERTY, PLANT AND EQUIPMENT (NON-CURRENT)

(A) RECONCILIATION OF CARRYING AMOUNTS AT THE BEGINNING AND END OF THE PERIOD

	CONSOLIDATED						
	FREEHOLD LAND	LEASEHOLD IMPROVEMENTS	PLANT AND EQUIPMENT	FURNITURE AND EQUIPMENT	BUILDINGS AND INFRASTRUCTURE	CAPITAL WIP	TOTAL
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
At 1 July 2012 net of accumulated depreciation	-	518	35,770	128	18,653	418	55,487
Additions	5,028	70	4,962	284	4,148	4,539	19,031
Depreciation expense	-	(70)	(17,236)	(96)	(7,590)	-	(24,992)
Transfers from mine properties under development	-	-	87,641	-	29,019	-	116,660
Transfers	-	-	60	41	159	(260)	-
Disposals	-	-	-	-	-	-	-
At 30 June 2013 net of accumulated depreciation	5,028	518	111,197	357	44,389	4,697	166,186
AT 30 JUNE 2013							
Cost	5,028	687	146,443	826	59,207	4,697	216,888
Accumulated depreciation	-	(169)	(35,246)	(469)	(14,818)	-	(50,702)
Net carrying amount	5,028	518	111,197	357	44,389	4,697	166,186
At 1 July 2011 net of accumulated depreciation	-	472	43,597	157	15,483	291	60,000
Additions	-	71	1,540	46	6,923	412	8,992
Depreciation expense	-	(52)	(9,482)	(79)	(3,892)	-	(13,505)
Transfers	-	27	115	4	139	(285)	-
Disposals	-	-	-	-	-	-	-
At 30 June 2012 net of accumulated depreciation	-	518	35,770	128	18,653	418	55,487
AT 30 JUNE 2011							
Cost	-	520	52,125	451	18,819	291	72,206
Accumulated depreciation	-	(48)	(8,528)	(294)	(3,336)	-	(12,206)
Net carrying amount	-	472	43,597	157	15,483	291	60,000
AT 30 JUNE 2012							
Cost	-	618	53,780	501	25,881	418	81,198
Accumulated depreciation	-	(100)	(18,010)	(373)	(7,228)	-	(25,711)
Net carrying amount	-	518	35,770	128	18,653	418	55,487

(B) ASSETS PLEDGED AS SECURITY

Macquarie Bank Limited ("MBL") holds a first ranking, registered fixed and floating charge over all of the assets of Regis Resources Limited and its wholly-owned subsidiary, Duketon Resources Pty Limited as security for the debt facility provided by MBL to fund construction of the Duketon Gold Project, which comprises both the Moolart Well Gold Mine and Garden Well Gold Mine. Refer to Note 22.

	NOTE	CONSOLIDATED 2013 $'000	2012 $'000

18. EXPLORATION AND EVALUATION ASSETS (NON-CURRENT)

	NOTE	2013 $'000	2012 $'000
Balance at 1 July		29,293	24,507
Expenditure for the period		31,184	17,226
Acquisition of McPhillamys mining information	(a)	149,680	-
Write-offs to the statement of profit or loss and other comprehensive income		(1,396)	(786)
Transferred to mine properties under development	19	(4,117)	(11,654)
Balance at 30 June		204,644	29,293

The ultimate recoupment of costs carried forward is dependent upon the successful development and commercial exploitation, or alternatively the sale of the respective areas at an amount at least equivalent to the carrying value.

(A) ACQUISITION OF THE MCPHILLAMYS GOLD PROJECT

On 16 November 2012, the Group acquired the McPhillamys Gold Project, an exploration stage project located in the Bathurst region of NSW, Australia, owned by Newmont Exploration Pty Ltd (51%) and Alkane Resources Ltd (49%) in a joint venture. The property acquired comprises three exploration licenses (including the gold resource), mining information, and two freehold properties overlapping part of the project area.

Newmont's 51% interest was acquired as a straight asset purchase, comprising one of the freehold properties and mining information.

Alkane's 49% interest was acquired through the acquisition by Regis of Alkane's wholly-owned subsidiary, LFB Resources NL ("LFB"). The total consideration paid and respective values assigned to the assets acquired from each party are detailed below:

	NEWMONT 51% $'000	ALKANE 49% $'000	TOTAL $'000
CONSIDERATION PAID			
Shares issued	76,500	73,500	150,000
Transaction costs capitalised	4,614	441	5,055
Total consideration paid	81,114	73,941	155,055
ASSETS ACQUIRED			
Cash	-	6	6
Security deposits	-	120	120
Receivables	-	2	2
Freehold properties	4,235	1,012	5,247
Exploration and evaluation expenditure	76,879	72,801	149,680
Total assets acquired	81,114	73,941	155,055

The acquisition of the McPhillamys Gold Project was not accounted for as a business combination because the set of activities acquired did not meet the definition of a business as required by Accounting Standards.

	NOTE	CONSOLIDATED 2013 $'000	CONSOLIDATED 2012 $'000

19. MINE PROPERTIES UNDER DEVELOPMENT (NON-CURRENT)

(A) GARDEN WELL GOLD MINE

	NOTE	2013 $'000	2012 $'000
Balance at beginning of period		167,919	12,275
Capitalised borrowing costs		97	540
Transferred from exploration and evaluation assets	18	4,117	11,654
Newmont royalty termination expense		-	12,000
Pre-production expenditure capitalised		32,497	37,100
Rehabilitation provision recognised		7,918	5,527
Construction expenditure		46,249	88,823
Transferred to plant and equipment	17	(116,660)	-
Transferred to deferred mining costs		(1,885)	-
Transferred to mine properties	20	(77,951)	-
Balance at end of period		62,301	167,919

(B) ASSETS PLEDGED AS SECURITY

Macquarie Bank Limited ("MBL") holds a first ranking, registered fixed and floating charge over all of the assets of Regis Resources Limited and its wholly-owned subsidiary, Duketon Resources Pty Limited as security for the debt facility provided by MBL to fund construction of the Duketon Gold Project. Refer to Note 22.

20. MINE PROPERTIES (NON-CURRENT)

	NOTE	2013 $'000	2012 $'000
Balance at beginning of period		38,461	48,023
Transferred from mine properties under development	19(a)	77,951	-
Additions		21,586	1,356
Amortisation expense		(18,582)	(10,918)
Balance at end of period		119,416	38,461

21. TRADE AND OTHER PAYABLES (CURRENT)

	NOTE	2013 $'000	2012 $'000
Trade payables		17,374	8,504
Accrued expenses		16,825	15,928
Employee entitlements		1,653	1,041
Other payables		5,643	2,803
		41,495	28,276

(A) FAIR VALUE

Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.

	NOTE	CONSOLIDATED 2013 $'000	2012 $'000

22. INTEREST-BEARING LIABILITIES

	NOTE	2013 $'000	2012 $'000
CURRENT			
Secured bank loan	(a)(b)	10	4,883
NON-CURRENT			
Secured bank loan	(a)(b)	-	25,194

(A) SECURED BANK LOAN

During the year ended 30 June 2013, there were no draw downs on the secured bank loan (2012: nil). The debt was substantially repaid in November 2012.

The loan attracts a variable interest rate which ranged between 6.575% and 6.920% in the current year (2012: 7.035% to 8.573%).

The debt facility also incorporates a performance bond facility whereby MBL provides performance bonds in relation to statutory environmental obligations on certain tenements and guarantees in relation to office lease commitments. At year end, the performance bond facility limit was $20 million (2012: $20 million) and the amount used was $19,397,910 (2012: $14,257,410). The performance bonds are not required to be cash-backed until 30 June 2016.

(B) ASSETS PLEDGED AS SECURITY

The facility is secured by:

» a first ranking, registered fixed and floating charge over all of the assets of Regis Resources Limited and its wholly-owned subsidiary Duketon Resources Pty Limited;

» a first ranking, registered Mining Act (WA) mortgage over the Company's interest in the Duketon Gold Project tenements;

» a fixed charge over the Proceeds Account and Gold Account; and

» satisfactory security over Regis' rights under key project documents.

(C) FAIR VALUES

The carrying amounts of the Group's current and non-current borrowings approximate their fair value.

23. PROVISIONS

	NOTE	2013 $'000	2012 $'000
CURRENT			
Rehabilitation	(a)	295	684
NON-CURRENT			
Long service leave	(b)	247	131
Rehabilitation	(a)	23,440	14,868
		23,687	14,999

		CONSOLIDATED	
	NOTE	2013 $'000	2012 $'000
(A) PROVISION FOR REHABILITATION			
Balance at 1 July		15,552	8,717
Provisions made during the year		9,131	6,660
Provisions used during the year		(53)	-
Provisions reversed during the year		(1,354)	(285)
Unwinding of discount		459	460
Balance at 30 June		23,735	15,552

NATURE AND PURPOSE OF PROVISION FOR REHABILITATION

The nature of rehabilitation activities includes dismantling and removing structures, rehabilitating mines, dismantling operating facilities, closure of plant and waste sites and restoration, reclamation and revegetation of affected areas. Typically the obligation arises when the asset is installed at the production location. When the liability is initially recorded, the estimated cost is capitalised by increasing the carrying amount of the related mining assets. Over time, the liability is increased for the change in present value based on the discount rates that reflect the current market assessments and the risks specific to the liability. Additional disturbances or changes in rehabilitation cost estimates will be recognised as additions or changes to the corresponding asset and rehabilitation liability when incurred.

(B) PROVISION FOR LONG SERVICE LEAVE

Refer to Note 2(w) for the relevant accounting policy and a discussion of the significant estimates and assumptions applied in the measurement of this provision.

24. CONTRIBUTED EQUITY

Ordinary shares – issued and fully paid		428,358	275,010

The holders of ordinary shares are entitled to receive dividends as declared from time to time and, on a poll, are entitled to one vote per share at meetings of the Company. The Company does not have authorised capital or par value in respect of its issued shares.

		NO. SHARES '000s	$'000
MOVEMENT IN ORDINARY SHARES ON ISSUE			
At 1 July 2011		432,073	247,632
Issued on exercise of options		16,917	15,423
Issued for non-cash transactions	10(c)	4,038	12,000
Transaction costs		-	(45)
At 30 June 2012		453,028	275,010
Issued on exercise of options		5,343	3,413
Issued for non-cash transactions	10(c)	35,714	150,000
Transaction costs		-	(65)
At 30 June 2013		494,085	428,358

CAPITAL MANAGEMENT

The Board's policy in relation to capital management is to regularly and consistently monitor future cash flows against expected expenditures for a rolling period of up to 12 months in advance. The Board determines the Group's need for additional funding by way of either share issues or loan funds depending on market conditions at the time. The Board defines working capital in such circumstances as its excess liquid funds over liabilities, and defines capital as being the ordinary share capital of the Company.

There were no changes in the Group's approach to capital management during the year.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

		CONSOLIDATED	
		2013 $'000	2012 $'000

25. RETAINED PROFITS/(ACCUMULATED LOSSES) AND RESERVES

(A) RETAINED PROFITS/(ACCUMULATED LOSSES)

At 1 July		(48,492)	(116,731)
Net profit for the year		145,727	68,239
At 30 June		97,235	(48,492)

(B) SHARE OPTION RESERVE

At 1 July		11,416	9,377
Share-based payments	26	2,616	2,039
At 30 June		14,032	11,416

(C) NATURE AND PURPOSE OF RESERVES

The share option reserve is used to record the value of share-based payments provided to employees, including KMP, as part of their remuneration, as well as non-employees.

26. SHARE-BASED PAYMENTS

(A) RECOGNISED SHARE-BASED PAYMENTS EXPENSE

Expense arising from equity-settled share-based payment transactions with employees for services received during the year	2,616	2,039
Total expense arising from share-based payment transactions	2,616	2,039

The share-based payment plans are described below. There have been no cancellations or modifications to any of the plans during the current or prior years.

(B) EMPLOYEE SHARE OPTION PLAN (ESOP)

The Company has one ESOP, being the Regis Resources Limited 2008 Share Option Plan (the "Plan").

The objective of the Plan is to assist in the recruitment, reward, retention and motivation of eligible persons of the Group. Under the Plan, the board or Remuneration and Nomination Committee may issue to eligible employees options to acquire shares in the future at an exercise price fixed by the board or Remuneration and Nomination Committee on grant of the options.

The Plan includes a cashless exercise mechanism which enables the holder, at their election, to exercise their vested options not by way of payment of the applicable exercise price, but rather by choosing to receive the positive difference between the exercise price and share price at exercise in shares, with the number of shares allocated based on the share price at exercise.

The cashless exercise mechanism:

» does not change the fundamental entitlements of option holders;

» leaves an option holder who chooses to exercise their options in a cashless manner in the same economic position as if they had exercised all of their options, paid the relevant total exercise price, and disposed of the number of shares equal in value to that total exercise price; and

» results in less shares being issued upon exercise of options.

The vesting of all options is subject to service conditions being met whereby the recipient must meet the eligible employee criteria as defined in the Plan.

(C) SUMMARY OF OPTIONS GRANTED

The following table illustrates the number (No.) and weighted average exercise prices (WAEP) of, and movements in, share options issued during the year:

	2013		2012	
	NO.	WAEP	NO.	WAEP
Outstanding at the beginning of the year	6,700,000	$1.9477	16,390,000	$0.8596
Granted during the year	300,000	$4.0000	2,310,000	$3.4648
Forfeited during the year	(80,000)	$4.0000	(125,000)	$2.2300
Exercised during the year (i)	(1,788,854)	$0.8896	(632,500)	$0.7919
Sold during the year	-	-	(11,100,000)	$0.7322
Expired during the year	-	-	(142,500)	$0.9509
Outstanding at the end of the year	5,131,146	$2.4046	6,700,000	$1.9477
Exercisable at the end of the year	852,500	$1.3519	840,000	$0.3899

(i) The weighted average share price at the date of exercise was $5.19 (2012: $3.97).

(D) WEIGHTED AVERAGE REMAINING CONTRACTUAL LIFE

The weighted average remaining contractual life for the share options outstanding as at 30 June 2013 is 2.0 years (2012: 2.8 years).

(E) RANGE OF EXERCISE PRICES

The range of exercise prices for options outstanding at the end of the year was $0.1348 to $4.00 (2012: $0.1348 to $4.00).

(F) WEIGHTED AVERAGE FAIR VALUE

The weighted average fair value of options granted during the year was $1.9738 (2012: $1.7066).

(G) OPTION PRICING MODEL

The fair value of the equity-settled share options granted under the ESOP is estimated as at the date of grant using a Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted.

The following table lists the inputs to the model used for the years ended 30 June 2013 and 30 June 2012:

	2013 ESOP	2012 ESOP
Dividend yield (%)	0%	0%
Expected volatility (%)	63.61 – 80.09	63.61 - 119.25
Risk free interest rate (%)	2.24 – 2.53	2.53 – 3.92
Expected life of the option (years)	2 – 3 years	2 – 3 years
Option exercise price ($)	4.00	2.75 – 4.00
Weighted average share price at grant date ($)	4.11 – 4.54	2.75 – 4.17

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

27. KEY MANAGEMENT PERSONNEL

(A) COMPENSATION FOR KEY MANAGEMENT PERSONNEL

	CONSOLIDATED 2013 $	CONSOLIDATED 2012 $
Short-term employee benefits	3,108,688	2,778,117
Post-employment benefits	251,258	241,359
Long-term employee benefits	43,121	29,269
Termination benefits	-	-
Share-based payment	311,909	532,659
Total compensation	3,714,976	3,581,404

Regis Resources Limited has applied the option to transfer KMP disclosures required by AASB 124 Related Party Disclosures paragraphs Aus 25.4 to Aus 25.7.2 to the Remuneration Report section of the Directors' Report. These transferred disclosures have been audited.

	HELD AT START OF PERIOD 1 JULY 2012	GRANTED AS REMUNERATION	OPTIONS EXERCISED	NET CHANGE OTHER	HELD AT END OF PERIOD 30 JUNE 2013	VESTED AT 30 JUNE 2013 TOTAL	EXERCISABLE	NOT EXERCISABLE
(B) OPTION HOLDINGS OF KEY MANAGEMENT PERSONNEL								
EXECUTIVES								
M Ertzen(i)	166,667	-	-	(166,667)	-	-	-	-
M Evans	250,000	-	-	-	250,000	250,000	250,000	-
T Hinkley	200,000	-	(200,000)	-	-	-	-	-
K Massey(ii)	233,333	-	(133,333)	-	100,000	50,000	50,000	-
R Smith(iii)	500,000	-	-	(500,000)	-	-	-	-
B Wyatt(iv)	-	-	-	500,000	500,000	-	-	-
Total	1,350,000	-	(333,333)	(166,667)	850,000	300,000	300,000	-

(i) Mr Ertzen ceased to be a KMP on 1 July 2012. "Net change other" represents the number of options held at this date.
(ii) Mr Massey exercised options using the cashless exercise mechanism as described in Note 26(b).
(iii) Mr Smith ceased his position as General Manager – Garden Well Gold Mine on 1 May 2013. "Net change other" represents the number of options held at this date
(iv) Mr Wyatt commenced the role of General Manager – Garden Well Gold Mine on 1 May 2013. "Net change other" represents the number of options held at the date of becoming a KMP

	HELD AT START OF PERIOD 1 JULY 2011	GRANTED AS REMUNERATION	OPTIONS EXERCISED	NET CHANGE OTHER	HELD AT END OF PERIOD 30 JUNE 2012	VESTED AT 30 JUNE 2012 TOTAL	EXERCISABLE	NOT EXERCISABLE
DIRECTORS								
M Clark(i)	5,000,000	-	-	(5,000,000)	-	-	-	-
M Hart(i)	5,000,000	-	-	(5,000,000)	-	-	-	-
EXECUTIVES								
J Balkau(ii)	402,500	-	(402,500)	-	-	-	-	-
M Ertzen(iii)	500,000	-	-	(333,333)	166,667	166,667	166,667	-
M Evans(iii)	750,000	-	-	(500,000)	250,000	250,000	250,000	-
T Hinkley	350,000	-	(150,000)	-	200,000	200,000	200,000	-
K Massey(iii)	500,000	-	-	(266,667)	233,333	133,333	133,333	-
R Smith	-	500,000	-	-	500,000	-	-	-
Total	12,502,500	500,000	(552,500)	(11,100,000)	1,350,000	750,000	750,000	-

(i) Mr Clark and Mr Hart each sold 5,000,000 options shown under "net change other" on 20 March 2012 which were then exercised and on sold to Australian institutional and sophisticated investors in a broker managed book build.
(ii) Mr Balkau exercised options using the cashless exercise mechanism, as disclosed in Note 26(b).
(iii) Mr Ertzen, Mr Evans and Mr Massey sold the number of options shown under "net change other" on 2 April 2012 which were then exercised and on sold to Australian institutional and sophisticated investors in a broker managed book build.

(C) SHAREHOLDINGS OF KEY MANAGEMENT PERSONNEL

Shares held in Regis Resources Limited (number) directly, indirectly or beneficially by each KMP

	HELD AT 1 JULY 2012	ON EXERCISE OF OPTIONS	NET CHANGE OTHER	HELD AT 30 JUNE 2013
DIRECTORS				
N Giorgetta	20,529,671	-	-	20,529,671
M Clark	9,460,000	-	-	9,460,000
M Hart	9,389,210	-	-	9,389,210
M Okeby	1,200,000	-	-	1,200,000
OTHER KMP				
J Balkau	2,163,583	-	(638,119)	1,525,464
M Ertzen[(i)]	1,000,000	-	(1,000,000)	-
M Evans	613,188	-	-	613,188
T Hinkley	952,500	200,000	(300,000)	852,500
K Massey	16,666	123,782	(54,523)	85,925
Total	45,324,818	323,782	(1,992,642)	43,655,958

(i) Mr Ertzen ceased to be a KMP on 1 July 2012. "Net change other" represents the number of shares held at this date. In all other instances, "net change other" relates to on-market purchases and sales of shares.

	HELD AT 1 JULY 2011	ON EXERCISE OF OPTIONS	NET CHANGE OTHER	HELD AT 30 JUNE 2012
DIRECTORS				
N Giorgetta	20,529,671	-	-	20,529,671
M Clark	9,460,000	-	-	9,460,000
M Hart	9,389,210	-	-	9,389,210
M Okeby	1,200,000	-	-	1,200,000
OTHER KMP				
J Balkau	1,827,231	317,352	19,000	2,163,583
M Ertzen	1,540,900	-	(540,900)	1,000,000
M Evans	713,188	-	(100,000)	613,188
T Hinkley	852,500	150,000	(50,000)	952,500
K Massey	16,666	-	-	16,666
R Smith	-	-	-	-
Total	45,529,366	467,352	(671,900)	45,324,818

"Net change other" relates to on-market purchases and sales of shares.

All equity transactions with KMP other than those arising from the exercise of remuneration options have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

(D) LOANS TO KEY MANAGEMENT PERSONNEL AND THEIR RELATED PARTIES

There were no loans made to any director, key management personnel and/or their related parties during the current or prior year.

(E) OTHER KEY MANAGEMENT PERSONNEL TRANSACTIONS

Other than the ordinary accrual of personnel expenses at balance date, there are no other amounts receivable from and payable to key management personnel and other related parties.

28. RELATED PARTY DISCLOSURES

(A) SUBSIDIARIES

The consolidated financial statements include the financial statements of Regis Resources Limited and the subsidiaries listed in the following table:

NAME	COUNTRY OF INCORPORATION	% EQUITY INTEREST 2013	% EQUITY INTEREST 2012	INVESTMENT $'000 2013	INVESTMENT $'000 2012
Duketon Resources Pty Ltd	Australia	100%	100%	30,575	30,575
Artane Minerals NL	Australia	100%	100%	-	-
Rosemont Gold Mines Pty Ltd	Australia	100%	100%	-	-
LFB Resources NL	Australia	100%	0%	73,941	-
				104,516	30,575

(B) ULTIMATE PARENT

Regis Resources Limited is the ultimate Australian parent entity and the ultimate parent entity of the Group.

(C) TRANSACTIONS WITH RELATED PARTIES

A loan is made by the Company to Duketon Resources and represents the subsidiary's share of payments for exploration and evaluation expenditure on commercial joint ventures existing between the Company and Duketon Resources. The loan outstanding between the Company and Duketon Resources has no fixed date of repayment and is non-interest bearing. As at 30 June 2013, the balance of the loan receivable was $15,205,213 (2012: $3,356,437).

A loan is made by the Company to LFB Resources and represents the subsidiary's share of payments for exploration and evaluation expenditure. The loan outstanding between the Company and LFB Resources has no fixed date of repayment and is non-interest bearing. As at 30 June 2013, the balance of the loan receivable was $10,804,993 (2012: nil).

29. PARENT ENTITY INFORMATION

The following details information related to the parent entity, Regis Resources Limited, at 30 June 2013. The information presented here has been prepared using consistent accounting policies as presented in Note 2.

	2013 $'000	2012 $'000
Current assets	101,660	16,765
Non-current assets	571,859	305,565
Total assets	673,519	322,330
Current liabilities	41,738	33,572
Non-current liabilities	83,125	43,863
Total liabilities	124,863	77,435
Contributed equity	428,358	275,010
Share option reserve	14,032	11,416
Retained profits/accumulated losses	106,266	(41,531)
Total equity	548,656	244,895
Net profit for the year	147,797	76,273
Other comprehensive income for the year	-	-
Total comprehensive income for the year	147,797	76,273

The parent entity has not guaranteed any loans of its subsidiaries.

There are no contingent assets or liabilities of the Group or parent entity at 30 June 2013 as disclosed at Note 32.

All capital commitments disclosed at Note 31 are commitments incurred by the parent entity, except for $1,073,007 (2012: $1,264,798) of the exploration expenditure commitments, and $50,424 of the operating lease commitments (2012: nil).

30. FINANCIAL INSTRUMENTS

(A) FINANCIAL GUARANTEE LIABILITIES

As at 30 June 2013, the Group did not have any financial guarantee liabilities (2012: Nil).

(B) LIQUIDITY RISK

The following are the contractual maturities of financial liabilities, including estimated interest payments:

30 JUNE 2013	CARRYING AMOUNT	CONTRACTUAL CASH-FLOWS	6 MTHS OR LESS	6-12 MTHS	1-2 YEARS	2-5 YEARS	MORE THAN 5 YEARS
Trade and other payables	39,842	(39,842)	(39,842)				
Secured loan	10	(10)	(10)	-	-	-	-
Total	39,852	(39,852)	(39,852)	-	-	-	-

30 JUNE 2012	CARRYING AMOUNT	CONTRACTUAL CASH-FLOWS	6 MTHS OR LESS	6-12 MTHS	1-2 YEARS	2-5 YEARS	MORE THAN 5 YEARS
Trade and other payables	27,235	(27,235)	(27,235)	-	-	-	-
Secured loan	30,077	(34,783)	(1,147)	(6,242)	(16,873)	(10,521)	-
Total	57,312	(62,018)	(28,382)	(6,242)	(16,873)	(10,521)	-

(C) INTEREST RATE RISK

PROFILE

At the reporting date the interest rate profile of the Company's and the Group's interest-bearing financial instruments was:

	CONSOLIDATED 2013 $'000	2012 $'000
FIXED RATE INSTRUMENTS		
Fixed rate instruments		
Financial assets	61,223	1,356
Financial liabilities	-	-
	61,223	1,356
VARIABLE RATE INSTRUMENTS		
Financial liabilities	(10)	(30,077)

FAIR VALUE SENSITIVITY ANALYSIS FOR FIXED RATE INSTRUMENTS

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change at reporting date would not affect profit or loss.

CASH FLOW SENSITIVITY ANALYSIS FOR VARIABLE RATE INSTRUMENTS

No significant variable interest rate instruments are held at 30 June 2013 therefore a change in interest rates would not have a material impact on net profit. This analysis was performed in 2012 using a 50 basis points decrease in interest rates at reporting date, which would have resulted in an increase in net profit of $235,453. This analysis assumes that all other variables remain constant.

	CONSOLIDATED	
	2013 $'000	2012 $'000

31. COMMITMENTS

(A) OPERATING LEASE COMMITMENTS – GROUP AS LESSEE

The Group leases office premises in Perth, WA and Blayney, NSW under normal commercial lease arrangements. The Perth lease is for a period of 5 years beginning 1 May 2010. The Group is under no legal obligation to renew the lease once the lease term has expired. The Blayney lease is for a period of 3 years beginning 22 February 2013 with an option to renew for a further 3 years.

Future minimum rentals payable under non-cancellable operating leases at 30 June are as follows:

	2013 $'000	2012 $'000
Within one year	334	305
Between one and five years	303	591
Total minimum lease payments	637	896

(B) CONTRACTUAL COMMITMENTS

On 19 January 2010, the Group entered into an agreement with Pacific Energy (KPS) Pty Ltd ("KPS") for the supply of electricity to the Moolart Well Gold Mine (part of the Duketon Gold Project). The terms of this agreement commit the Group to purchasing a fixed amount of electricity per month for six years from 7 July 2010 (the "Effective Date") at a price which will be reviewed annually. As at 30 June 2013, at the current contract price, the Group had commitments to purchase electricity for the remaining term of $4,680,000 (30 June 2012: $6,240,000).

On 23 June 2011, the Group entered into an agreement with Pacific Energy (KPS) Pty Ltd ("KPS") for the supply of electricity to the Garden Well Gold Mine. The terms of this agreement commit the Group to purchasing a fixed amount of electricity per month for 5 years from 1 September 2012 (the "Effective Date") at a price which will be reviewed annually. As at 30 June 2013, at the current contract price, the Group had commitments to purchase electricity for the remaining term of $11,700,000 (30 June 2012: nil).

(C) EXPLORATION EXPENDITURE COMMITMENTS

Exploration expenditure commitments represent tenement rentals and expenditure requirements that may be required to be met under the relevant legislation should the Group wish to retain tenure on all current tenements in which the Group has an interest.

The terms and conditions under which the Group retains title to its various mining tenements oblige it to meet tenement rentals and minimum levels of exploration expenditure as gazetted by the Department of Mining and Petroleum ("DMP"), Western Australia, as well as Local Government rates and taxes.

The exploration commitments of the Group, not provided for in the consolidated financial statements and payable are as follows:

	2013 $'000	2012 $'000
Within one year	1,522	1,768

The tenement commitments shown above represent the minimum required to be spent on all granted tenements as at reporting date. Actual expenditure will vary as a result of ongoing management of the tenement portfolio including reductions and relinquishment of tenements not considered prospective, in whole or in part.

Tenement commitments are shown gross of exemptions that are likely to be available in the ordinary course of business as the financial impact of potential exemptions cannot be measured reliably in advance.

	CONSOLIDATED	
	2013 $'000	2012 $'000
(D) DUKETON GOLD PROJECT CAPITAL EXPENDITURE COMMITMENTS		
The outstanding capital commitments relating to the Duketon Gold Project at 30 June are:		
Within 1 year	3,193	7,361
	3,193	7,361

(E) PHYSICAL GOLD DELIVERY COMMITMENTS

COMMODITY PRICE RISK

The Group is exposed to movements in the gold price. As part of the risk management policy of the Group and in compliance with the conditions required by the Group's financier, the Group enters into gold forward contracts to manage the gold price of a proportion of anticipated sales of gold. It is management's intention to settle each contract through physical delivery of gold.

The counterparty to the gold forward contracts is Macquarie Bank Limited ("MBL"). The gold forward sale contracts disclosed below do not meet the criteria of financial instruments for accounting purposes on the basis that they meet the normal purchase/sale exemption because physical gold will be delivered into the contract. Accordingly, the contracts will be accounted for as sale contracts with revenue recognised once the gold has been delivered to MBL or its agent.

	GOLD FOR PHYSICAL DELIVERY	CONTRACTED GOLD SALE PRICE	VALUE OF COMMITTED SALES	MARK-TO-MARKET
30 JUNE 2013	**OUNCES**	**$/OZ**	**$'000**	**$'000**
Within one year				
- Spot deferred contracts	5,840	1,474.80	8,613	743
- Fixed forward contracts	24,000	1,460.25	35,046	1,911
Between one and five years				
- Fixed forward contracts	92,751	1,417.33	131,459	(1,215)
	122,591		175,118	1,439
Spot gold price used to calculate mark-to-market				$1,347.536/oz
30 JUNE 2012				
Within one year				
- Spot deferred contracts	44,708	1,536.40	68,689	(1,139)
- Fixed forward contracts	48,000	1,340.00	64,320	(11,936)
Between one and five years				
- Fixed forward contracts	70,750	1,441.98	102,020	(14,573)
	163,458		235,029	(27,648)
Spot gold price used to calculate mark-to-market				$1,561.873/oz

32. CONTINGENCIES

As at 30 June 2013, the Group did not have any contingent assets or liabilities (30 June 2012: nil)

33. AUDITOR'S REMUNERATION

	CONSOLIDATED 2013 $	CONSOLIDATED 2012 $
AUDIT SERVICES		
KPMG Australia		
Audit and review of financial statements	194,988	135,000
OTHER SERVICES		
Other assurance services		
Taxation compliance services	12,261	24,086
Total auditor's remuneration	207,249	159,086

34. DIVIDENDS

	CONSOLIDATED 2013 $'000	CONSOLIDATED 2012 $'000
Proposed by the directors after balance date but not recognised as a liability as at 30 June:		
Dividends on ordinary shares		
Final dividend for 2013: 15 cents per share (2012: nil)	74,427	-

FRANKING CREDIT BALANCE

As at 30 June 2013, the Group did not have any franking credits available (2012: nil) and no income tax payable in relation to the current year (2012: nil). The Group expects to pay income tax in relation to the year ended 30 June 2014 and will generate franking credits as a result. The ability to utilise franking credits is dependent upon the ability to declare dividends.

35. SUBSEQUENT EVENTS

Exercise of Options
Subsequent to year end, 1,880,449 ordinary shares have been issued as a result of the exercise of listed options for proceeds of $931,453, net of transaction costs and 212,571 ordinary shares have been issued upon the conversion of 287,500 employee options for proceeds of $347,000.

Dividends
On 16 September 2013, the directors proposed a final dividend on ordinary shares in respect of the 2013 financial year. Refer Note 34.

Other than the matters discussed above, there has not arisen in the interval between the end of the financial year and the date of this Report any item, transaction or event of a material and unusual nature which in the opinion of the directors of the Group, has significantly affected or is likely to significantly affect:

» the operations of the Group

» the results of those operations, or

» the state of affairs of the Group

in future financial years.

Directors' Declaration

In accordance with a resolution of the directors of Regis Resources Limited, I state that:

1. In the opinion of the directors:

   (a) The financial statements, notes and additional disclosures included in the directors' report designated as audited, of the Company and the consolidated entity are in accordance with the Corporations Act 2001, including:

      (i) Giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the financial year ended on that date; and

      (ii) Complying with Accounting Standards and the Corporations Regulations 2001; and

   (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.

2. The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the chief executive officer and chief financial officer for the financial year ended 30 June 2013.

3. The directors draw attention to Note 2(b) to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

On behalf of the board

Mr Mark Clark
Managing Director

Perth, 16 September 2013

Independent Auditor's Report

Independent auditor's report to the members of Regis Resources Limited

Report on the financial report

We have audited the accompanying financial report of Regis Resources Limited (the company), which comprises the consolidated statement of financial position as at 30 June 2013, and consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date, notes 1 to 35 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility 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 is free from material misstatement whether due to fraud or error. In note 2(b), the directors also state, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements of the Group comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standards, a true and fair view which is consistent with our understanding of the Group's financial position and of its performance.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

(a) the 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 2013 and of its performance for the year ended on that date; and

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

(b) the financial report also complies with International Financial Reporting Standards as disclosed in note 2(b).

Report on the remuneration report

We have audited the Remuneration Report included in pages 33 to 38 of the directors' report for the year ended 30 June 2013. 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 auditing standards.

Auditor's opinion

In our opinion, the remuneration report of Regis Resources Limited for the year ended 30 June 2013, complies with Section 300A of the *Corporations Act 2001*.

KPMG

KPMG

Trevor Hart
Partner

Perth

16 September 2013

Tenement Information

GRANTED TENEMENTS

TENEMENT	% INTEREST	TENEMENT	% INTEREST	TENEMENT	% INTEREST	TENEMENT	% INTEREST
COLLURABBIE AREA		L38/20	100%	L38/222	100%	M38/1251	100%
E38/1939	80%	L38/29	100%	L38/228	100%	M38/1257	100%
E38/2298	100%	L38/47	100%	M38/114	100%	P38/3159	100%
E38/2681	100%	L38/49	100%	M38/237	100%	P38/3377	100%
E38/2682	100%	L38/73	100%	M38/250	100%	P38/3378	100%
E38/2683	100%	L38/85	100%	M38/262	100%	P38/3407	Earning 70%
E38/2779	90%	L38/116	100%	M38/283	100%	P38/3408	Earning 70%
		L38/126	100%	M38/292	100%	P38/3409	Earning 70%
DUKETON AREA		L38/127	100%	M38/302	100%	P38/3410	Earning 70%
E38/961	100%	L38/128	100%	M38/303	100%	P38/3411	Earning 70%
E38/1046	100%	L38/129	100%	M38/316	100%	P38/3412	Earning 70%
E38/1096	100%	L38/131	100%	M38/317	100%	P38/3413	Earning 70%
E38/1689	100%	L38/133	100%	M38/319	100%	P38/3414	Earning 70%
E38/1914	100%	L38/134	100%	M38/341	100%	P38/3415	Earning 70%
E38/1952	100%	L38/135	100%	M38/343	100%	P38/3416	Earning 70%
E38/1954	100%	L38/136	100%	M38/344	100%	P38/3417	Earning 70%
E38/1955	100%	L38/137	100%	M38/352	100%	P38/3418	Earning 70%
E38/1956	100%	L38/138	100%	M38/354	100%	P38/3419	Earning 70%
E38/1957	100%	L38/139	100%	M38/407	100%	P38/3420	Earning 70%
E38/1988	100%	L38/140	100%	M38/413	Earning 70%	P38/3421	Earning 70%
E38/1989	100%	L38/141	100%	M38/414	Earning 70%	P38/3422	Earning 70%
E38/1990	100%	L38/142	100%	M38/415	Earning 70%	P38/3423	Earning 70%
E38/1991	100%	L38/143	100%	M38/488	100%	P38/3424	Earning 70%
E38/1992	100%	L38/155	100%	M38/498	100%	P38/3425	Earning 70%
E38/1994	100%	L38/156	100%	M38/499	100%	P38/3426	Earning 70%
E38/1995	100%	L38/170	100%	M38/500	100%	P38/3427	51%
E38/1996	100%	L38/181	100%	M38/515	100%	P38/3428	51%
E38/1997	97%	L38/182	100%	M38/589	97%	P38/3429	51%
E38/1999	70%	L38/184	100%	M38/590	97%	P38/3430	51%
E38/2001	100%	L38/189	100%	M38/600	70%	P38/3439	100%
E38/2002	51%	L38/190	100%	M38/601	70%	P38/3440	100%
E38/2003	100%	L38/191	100%	M38/630	100%	P38/3441	100%
E38/2004	Earning 70%	L38/192	100%	M38/802	100%	P38/3442	100%
E38/2005	80%	L38/193	100%	M38/837	100%	P38/3443	100%
E38/2006	100%	L38/194	100%	M38/889	97%	P38/3444	100%
E38/2243	100%	L38/201	100%	M38/939	100%	P38/3445	100%
E38/2723	100%	L38/202	100%	M38/940	100%	P38/3446	100%
E38/2808	100%	L38/203	100%	M38/943	100%	P38/3447	100%
E38/2809	100%	L38/204	100%	M38/1091	80%	P38/3448	100%
E38/2810	100%	L38/212	100%	M38/1092	100%	P38/3449	100%
G38/29	100%	L38/216	100%	M38/1096	100%	P38/3450	100%
G38/30	100%	L38/217	100%	M38/1247	100%	P38/3451	100%
G38/31	70%	L38/219	100%	M38/1249	100%	P38/3452	100%
G38/32	100%	L38/221	100%	M38/1250	100%	P38/3453	100%

TENEMENT	% INTEREST
P38/3454	100%
P38/3455	100%
P38/3456	100%
P38/3457	100%
P38/3458	100%
P38/3459	100%
P38/3460	100%
P38/3461	100%
P38/3462	100%
P38/3463	100%
P38/3464	100%
P38/3465	100%
P38/3466	100%
P38/3467	100%
P38/3468	100%
P38/3469	100%
P38/3470	100%
P38/3471	100%
P38/3472	100%
P38/3473	100%
P38/3474	100%
P38/3475	100%
P38/3476	100%
P38/3478	100%
P38/3480	100%
P38/3481	100%
P38/3485	100%
P38/3486	100%
P38/3487	100%
P38/3508	100%
P38/3509	100%
P38/3510	100%
P38/3511	100%
P38/3513	100%
P38/3514	100%
P38/3515	100%
P38/3528	100%
P38/3529	100%
P38/3530	100%
P38/3531	100%
P38/3532	100%
P38/3535	100%
P38/3536	100%
P38/3538	100%

TENEMENT	% INTEREST
P38/3539	100%
P38/3542	100%
P38/3543	100%
P38/3544	100%
P38/3545	100%
P38/3547	100%
P38/3548	100%
P38/3549	100%
P38/3550	100%
P38/3551	100%
P38/3557	100%
P38/3571	100%
P38/3576	70%
P38/3577	70%
P38/3578	70%
P38/3579	70%
P38/3580	100%
P38/3581	100%
P38/3582	97%
P38/3584	100%
P38/3602	100%
P38/3604	100%
P38/3605	100%
P38/3606	100%
P38/3607	100%
P38/3629	97%
P38/3630	97%
P38/3631	97%
P38/3632	97%
P38/3633	97%
P38/3634	97%
P38/3635	97%
P38/3636	97%
P38/3639	100%
P38/3640	100%
P38/3814	100%
P38/3815	100%
P38/3816	100%
P38/3877	100%
P38/3878	100%
P38/3879	100%
P38/3906	100%
P38/3928	100%
P38/3941	100%

TENEMENT	% INTEREST
P38/3942	100%
P38/3943	100%
P38/3944	100%
P38/3949	100%
P38/3950	100%
P38/3953	100%
P38/3954	100%
P38/3996	100%
P38/3997	100%
P38/3998	100%
P38/4027	100%
P38/4038	100%
P38/4039	100%
P38/4040	100%
P38/4052	100%
P38/4053	100%
P38/4062	100%
P38/4063	100%

MCPHILLAMYS

EL5760	100%
EL6111	100%
EL7878	100%
EL8120	100%

TENEMENTS UNDER APPLICATION

COLLURABBIE AREA

E38/2830	100%
E38/2870	100%
E38/2871	100%

DUKETON AREA

E38/2813	100%
E38/2814	100%
E38/2833	100%
E38/2857	100%
L38/226	100%
M38/1258	100%
M38/1259	100%
M38/1260	70%
M38/1261	100%
M38/1262	100%
M28/1263	100%

TENEMENT	% INTEREST
M38/1264	100%
P38/4073	100%
P38/4074	100%
P38/4075	100%
P38/4076	100%
P38/4104	100%

ASX Additional Information

As at 17 September 2013 the following information applied:

1. SECURITIES

(A) FULLY PAID ORDINARY SHARES

The number of holders of fully paid ordinary shares in the Company is 6,107. On a show of hands every holder of fully paid ordinary shares present or by proxy, shall have one vote. Upon a poll, each share shall have one vote. The distribution of holders of fully paid ordinary shares is as follows:

CATEGORY		NUMBER OF SHAREHOLDERS	NUMBER OF SHARES
Holding between	1-1,000 Shares	1,971	899,131
Holding between	1,001 - 5,000 Shares	2,138	5,773,451
Holding between	5,001 - 10,000 Shares	685	5,439,061
Holding between	10,001-100,000 Shares	719	22,086,167
Holding more than	100,001 Shares	163	461,980,300
		5,676	496,178,110
Holding less than	A marketable parcel	431	14,879

The Company's fully paid ordinary shares are quoted on the Australian Securities Exchange using the code RRL.

The top 20 shareholders are as follows:

NAME	NUMBER OF FULLY PAID ORDINARY SHARES HELD	PERCENTAGE INTEREST
Newmont Capital Pty Limited	97,212,729	19.59
HSBC Custody Nominees (Australia) Limited	89,751,324	18.09
J P Morgan Nominees Australia Limited	37,614,711	7.58
National Nominees Limited	37,198,372	7.50
Citicorp Nominees Pty Limited	31,899,616	6.43
Rollason Pty Ltd	13,389,671	2.70
Mr Ross Francis Stanley	11,000,000	2.22
SHL Pty Ltd <S H Lee Family A/C>	10,017,087	2.02
Mr Mark John Clark	8,711,112	1.76
Mr Morgan Cain Hart	8,438,098	1.70
Rollason Pty Ltd <Giorgetta Super Plan A/C>	7,140,000	1.44
Citicorp Nominees Pty Limited <Colonial First State Inv A/C>	7,059,398	1.42
HSBC Custody Nominees (Australia) Limited <NT-Comnwlth Super Corp A/c>	5,565,990	1.12
Mutual Investments Pty Ltd <Mitchell Family Account>	5,500,000	1.11
BNP Paribas Noms Pty Ltd <Master Cust DRP>	5,212,335	1.05
JP Morgan Nominees Australia Limited <Cash Income A/C>	4,827,691	0.97
Alkane Resources Ltd	4,710,000	0.95
Mutual Investments Pty Ltd <Mitchell Super Fund A/C>	3,012,179	0.61
Piama Pty Ltd <Fena Superannuation Plan A/C>	2,998,401	0.60
Mr Glyn Evans <Gvan Superannuation Plan A/C>	2,536,111	0.51
	393,794,825	79.37

(B) OPTIONS MATURING 31 JANUARY 2014 OVER FULLY PAID ORDINARY SHARES

The number of holders of options maturing 31 January 2014 over fully paid ordinary shares issued by the Company is 56. Optionholders may attend and speak at general meetings of the Company. However, they do not have an entitlement to vote upon the business before the meeting either by show of hands or by poll. The distribution of holders of options is as follows:

CATEGORY		NUMBER OF OPTION HOLDERS	NUMBER OF OPTIONS
Holding between	1-1,000 Options	31	24,150
Holding between	1,001 - 5,000 Options	9	26,500
Holding between	5,001 - 10,000 Options	3	23,950
Holding between	10,001-100,000 Options	10	247,912
Holding more than	100,001 Options	3	1,790,850
		56	2,113,362
Holding less than	A marketable parcel	0	0

The Company's options maturing on 31 January 2014 over fully paid ordinary shares are quoted on the Australian Securities Exchange using the code RRLO.

The top 20 optionholders are as follows:

NAME	NUMBER OF OPTIONS HELD	PERCENTAGE INTEREST
Dalkeith Resources Pty Ltd <Dalkeith Resources S/F A/C>	1,333,000	63.07
HSBC Custody Nominees (Australia) Limited – GSCO ECA	300,000	14.20
Farrah Group Pty Ltd <Farrah Group Unit A/C>	157,850	7.47
Bart Superannuation Pty Limited <4F Investments Superfund A/C>	62,500	2.96
Mr John Stephen Nitschke	50,000	2.37
CR Investments Pty Ltd	31,250	1.48
Dr Ron Ehrlich + Ms Ann Christine Wilson <Ehrlich Wilson S/Fund A/C>	20,000	0.95
ABN Amro Clearing Sydney Nominees Pty Ltd <Custodian A/C>	19,591	0.93
Mr Erwin John Clayton	18,500	0.88
Mr Pierce Patrick Cody	12,500	0.59
Mr Lian Heo Ding	11,800	0.56
Mr Simon Hammer	11,230	0.53
Andrews SMSF Pty Ltd <Andrews Super Fund A/C>	10,541	0.50
Mr John Nicholas Welsh + Mrs Lisa Ann Welsh <John & Lisa Welsh S/F A/C>	9,500	0.45
McNess Super Fund Pty Ltd <Peter Chaffey Family A/C>	9,000	0.43
Dr Rick Hans Ulrich Tamaschke	5,450	0.26
Mr Scott John Indian	5,000	0.24
Mr Murray Ranald McKay + Mrs Lesley Robin McKay <The McKay Superfund A/C>	5,000	0.24
Mrs Maria Beatrix Sandbach	5,000	0.24
Shiney Pty Ltd <Cham Super Fund A/C>	3,500	0.17
	2,081,212	98.48

ASX Additional Information (continued)

(C) UNLISTED OPTIONS

UNLISTED OPTIONS OVER FULLY PAID ORDINARY SHARES	NUMBER OF OPTION HOLDERS	NUMBER OF OPTIONS
Expiry 4 February 2014	1	90,000
Expiry 30 June 2014	1	250,000
Expiry 29 September 2014	24	1,373,646
Expiry 29 April 2015	6	600,000
Expiry 8 November 2015	3	1,075,000
Expiry 2 February 2016	1	250,000
Expiry 30 June 2016	31	980,000
Expiry 31 July 2017	47	1,910,000

Optionholders may attend and speak at general meetings of the Company. However, they do not have an entitlement to vote upon the business before the meeting either by show of hands or by poll.

(D) RESTRICTED SECURITIES

The number of restricted securities on issue at 17 September 2013 are as follows:

CLASS	NUMBER	ESCROW PERIOD
Fully paid ordinary shares	18,214,286	To 16 November 2013

2. SUBSTANTIAL SHAREHOLDERS

Substantial shareholders disclosed in substantial shareholder notices to the Company:

NAME	NUMBER OF FULLY PAID ORDINARY SHARES HELD
Newmont Capital Pty Ltd	97,212,729
JCP Investment Partners Ltd	39,113,441

REGIS RESOURCES LTD

ABN 28 009 174 761

Directors

Nick Giorgetta
(Independent Non-Executive Chairman)

Mark Clark
(Managing Director)

Morgan Hart
(Executive Director)

Ross Kestel
(Independent Non-Executive Director)

Mark Okeby
(Independent Non-Executive Director)

Company Secretary

Kim Massey

Registered Office & Principal Place of Business

Level 1,
1 Alvan Street
SUBIACO WA 6008

Share Register

Computershare Investor Services Pty Limited
GPO Box D182
PERTH WA 6840

Regis Resources Limited shares are listed on the Australian Securities Exchange (ASX). Code RRL.

Bankers

Macquarie Bank Limited
Level 4, Bishops See
235 St Georges Terrace
PERTH WA 6000

Auditors

KPMG
235 St Georges Terrace
PERTH WA 6000