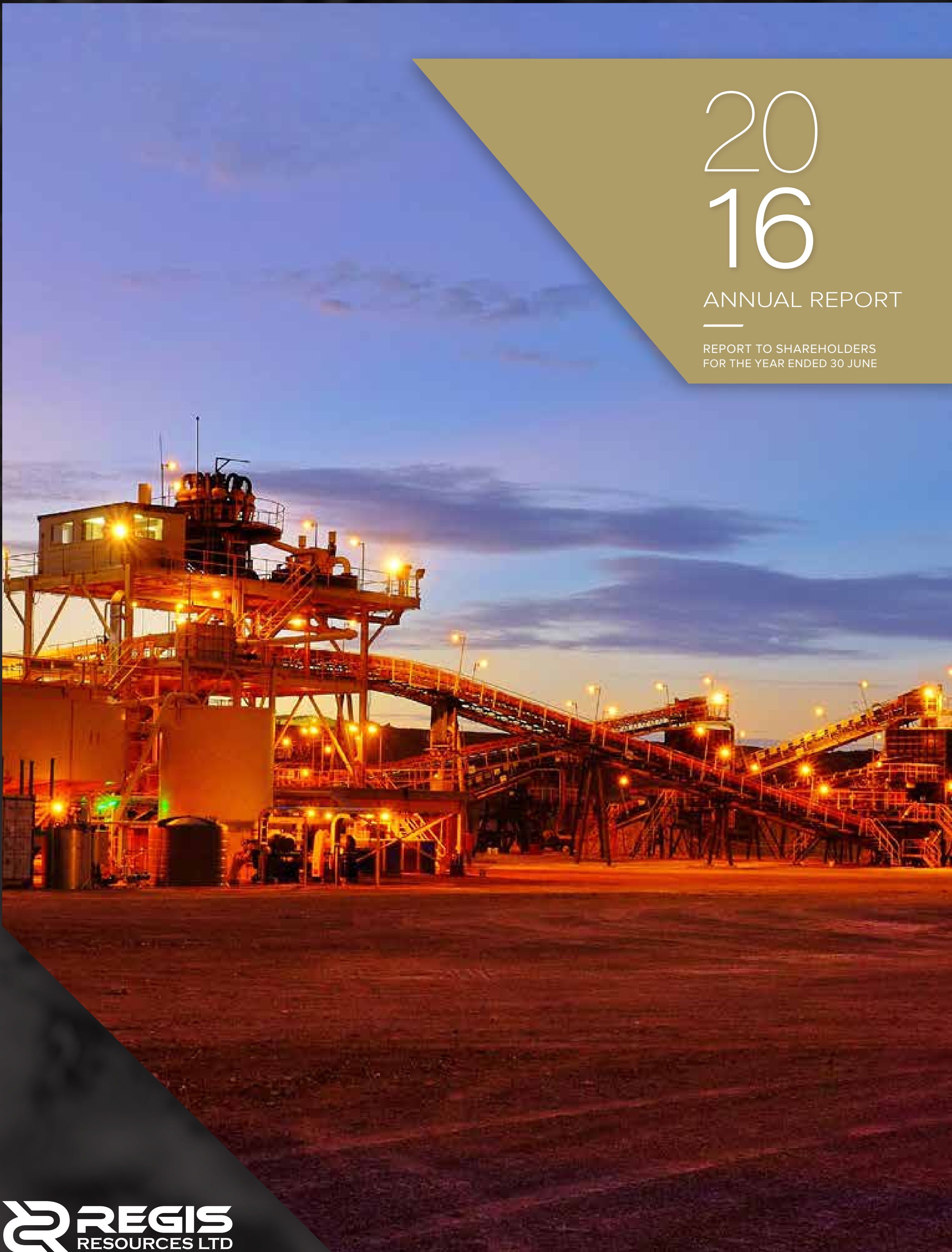


2016 ANNUAL REPORT

REPORT TO SHAREHOLDERS
FOR THE YEAR ENDED 30 JUNE

REGIS RESOURCES LTD

CORPORATE INFORMATION

ABN

28 009 174 761

Directors

Mark Clark	(Executive Chairman)
Paul Thomas	(Executive Director)
Mark Okeby	(Deputy Chairman/Lead Independent Non-Executive Director)
Ross Kestel	(Independent Non-Executive Director)
James Mactier	(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

REGIS
RESOURCES LTD

CONTENTS

GARDEN WELL AT SUNRISE // Photo by Rob Wilson

HIGHLIGHTS

2016

Total dividends paid out for FY2016 of 13 cents per share represent 13% of revenue and 58% of net profit after tax.

Since the commencement of dividend payments in 2013, Regis has paid a total of **$170 million in fully franked dividends.**

DUKETON OPERATIONS

- Strong operational performance at Duketon in FY2016 with **305,084 ounces** of gold produced at AISC of **$927 per ounce.**
- Strong **operating cashflow** from Duketon of **$233.4 million.**
- FY2017 production guidance increased to **300,000-330,000 ounces of gold** at AISC **$980-1,050 per ounce.**

EXPLORATION

- Outstanding high grade exploration results at **Tooheys Well** during the year confirm a new gold project at the Duketon operations with a maiden resource of **547,000 ounces** released in July 2016.
- Maiden reserves released for the **Gloster and Baneygo Gold deposits** contribute to an increase in Ore Reserves during the period of **445,000 ounces** net of depletion.
- Exploration programmes continue to test the potential of further discoveries along the Tooheys Well to Garden Well corridor and the Rosemont to Baneygo trend.
- Drilling commenced on the Duketon Gold Exploration Joint Venture.

CORPORATE

NET PROFIT AFTER TAX UP 29%

$111.8 MILLION

for the financial year.

REVENUE UP 8%

$502 MILLION

EBITDA UP 29%

$234.4 MILLION

REPAID BANK DEBT OF

$20 MILLION

during the financial year.

DIVIDENDS DECLARED UP 117%

13c PER SHARE

for the financial year.

CHAIRMAN'S REPORT

Dear Shareholder,

It is my pleasure to write to you about the achievements of Regis in 2016. The Company took advantage of the strong gold price environment to deliver results that have consolidated Regis' position as one of Australia's leading gold mining companies.

Some of the highlights of a very successful year include:

- Strong operational performance at Duketon with 305,084 ounces of gold produced at all in sustaining costs of $927 per ounce.
- Net profit after tax up 29% to $111.8 million and EBITDA up 29% to $234.4 million.
- A fully franked final dividend of 9 cents per share declared in July 2016 taking full year dividends to 13 cents per share.
- Exploration efforts at Duketon saw a 445,000 ounce (22%) increase in Ore Reserves net of mining depletion during the year.
- Outstanding high grade drilling results at Tooheys Well during the year confirm a new gold project at Duketon with a maiden resource of 547,000 ounces realised in July 2016.

It was pleasing that the performance of the operations at Duketon saw gold production for the year exceed the guidance range of 275,000-300,000 ounces and operating costs were below the cost guidance range of $950 - $1,050 per ounce. The industry is experiencing a robust gold price and strong investor sentiment but our industry can be cyclical, so we have continued to focus on delivering operational results on a consistent basis as this is within our control.

The excellent operating results at Duketon have placed the Company in a strong financial position. Regis generated a net operating cash flow of $204 million for 2016 and at the end of the financial year had cash and bullion holdings of $122.3 million and no bank debt. This strong cash flow saw continuation of Regis' commitment to dividends with the payment of 13 cents per share. Since Regis' maiden dividend in 2013, the Company has paid a total of $170 million (34cps) in fully franked dividends making Regis an Australian gold industry leader on dividend payment metrics. With gold production at Duketon forecast to grow over the next 3 years, the board expects that this commitment to dividends will continue.

During the year the Company reported maiden reserves at the Gloster and Baneygo gold projects, adding 361,000 ounces to Regis' ore reserves. This highlights the remarkable organic growth potential that aggressive exploration of the Duketon greenstone belts, controlled by Regis, can deliver. With Regis' 10 million tonne per annum milling capacity in the district, these satellite deposits, and any further discoveries within trucking distance of the three processing plants, should provide significant value for the Company.

The most recent example of this organic growth strategy is at the Tooheys Well gold deposit located only 2.5 kilometres from the Garden Well processing plant. Excellent results from intensive drilling at the project during the year have culminated in a maiden resource of 547,000 ounces of gold. With Tooheys Well located so close to the Garden Well processing plant, Regis is already working on this project with a view to delivering a substantial high grade mill feed satellite project for Garden Well.

Gold production for 2017 is expected to be in the range of 300,000 - 330,000 ounces at an all in sustaining cost of $980 - $1,050 per ounce. This should provide an ideal platform from which we can continue to grow the Company. As always, we will continue to strive to create shareholder value as we grow the business.

I would like to take this opportunity to thank the three non-executive directors who retired from the Regis board during the year. Nick Giorgetta, Frank Fergusson and Glyn Evans all provided invaluable service to the Company and helped build the foundation for the success of Regis for a long time to come. I wish them all long and happy retirements.

Finally I would like to thank all Regis employees for their hard work and commitment over the last 12 months. It is through their relentless efforts that we have achieved the results I have written about above and created a culture that will see us continue to succeed in to the future.

Yours sincerely

Mark Clark
Executive Chairman

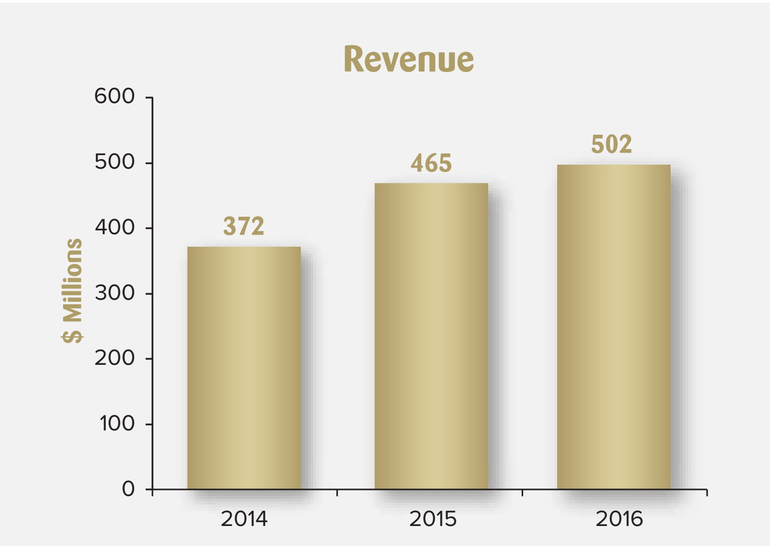
Net profit after tax up 29% to $111.8 million and EBITDA up 29% to $234.4 million.

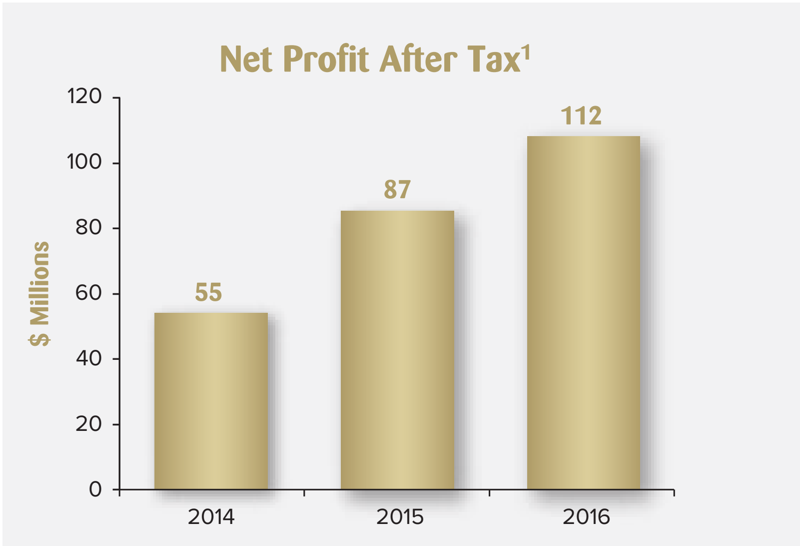
CORPORATE

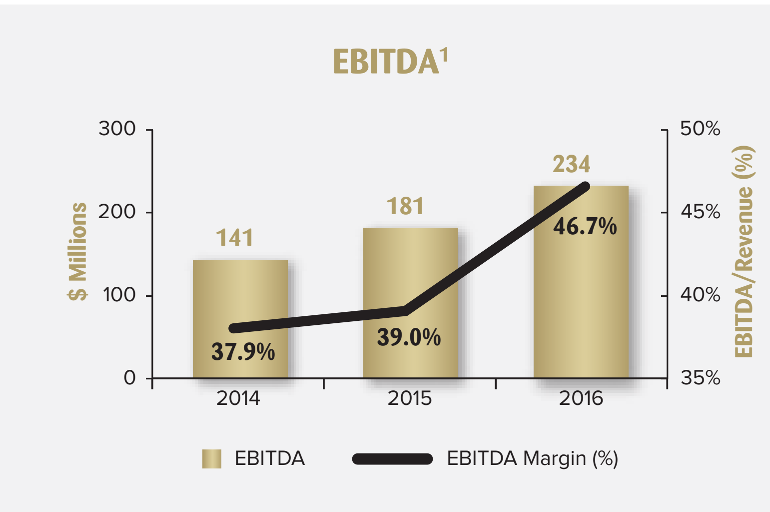
Regis reported a profit after tax of $111.8 million for the 2016 financial year, up 29% on the previous corresponding period. This strong result was on the back of an 8% increase in revenue to $502.0 million driven by an 8% higher delivered gold price.

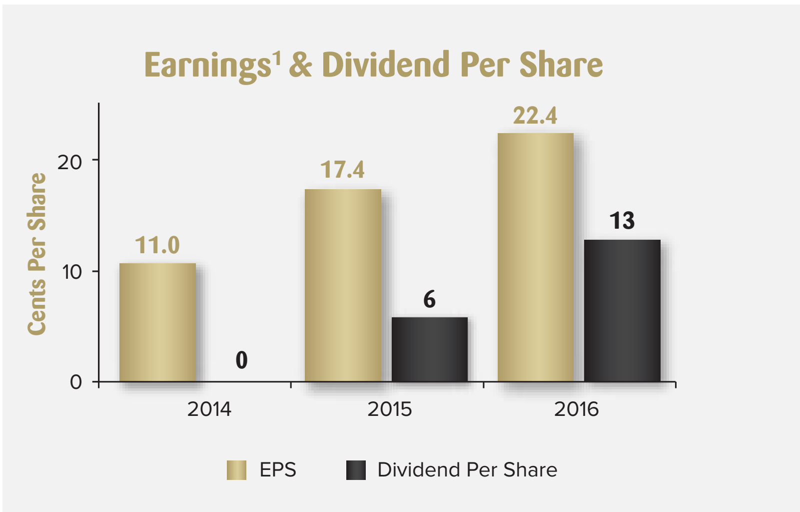
Regis sold a total of 306,296 ounces of gold during the year at an average price of A$1,600 per ounce. The gold was delivered into a mix of spot prices and forward hedging contracts. At the end of the financial year the Company had a total hedging position of 433,770 ounces, being 80,000 ounces of flat forward contracts with a delivery price of A$1,454 per ounce and 353,777 ounces of spot deferred contracts with a weighted average price of A$1,581 per ounce.

The following graphs illustrate the strong performance of the Company across all profit measures.









1 FY2014 NPAT, EBITDA and EPS adjusted to underlying result by excluding $202.7m after tax impairment charge

EBITDA for the year increased by 29% to $234.4 million benefitting not only from the higher Australian dollar gold price but also from operational efficiencies and a commitment to cost control.

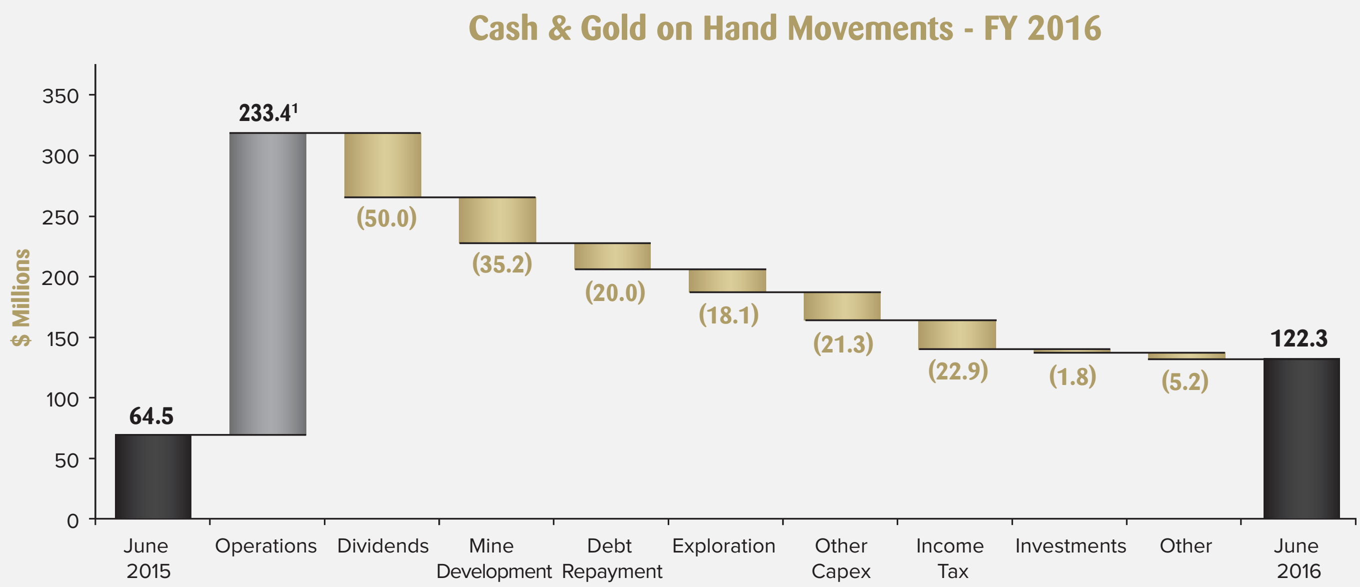
This strong operating performance at Duketon generated net cash from operating activities of $204 million, up 44% on the previous year.

As a result of this strong financial performance, the Company's cash and bullion holdings have increased significantly. Cash and bullion at 30 June 2016 was $122.3 million, up $57.8 million from the previous year even after the repayment of debt and dividends.

The Company paid a total of $50 million in fully franked dividends during the year and subsequent to the end of the financial year declared a 9 cents per share fully franked final dividend. The final dividend was declared after consideration of the strong cashflow and profitability from the Company's Duketon operations in FY2016. The full year dividend of 9 cents per share coupled with the 4 cents per share interim dividend paid in February 2016, took the full year pay out to 13 cents per share. This represents a 13% payout of FY2016 revenue and 58% of net profit after tax. Since the commencement of dividend payments in 2013, the Company has paid a total of $170 million in fully franked dividends (34cps).

In June 2016 the Company repaid the $20 million debt outstanding under the Macquarie Bank financing facility. The early repayment of the loan means Regis is debt free, other than normal trade creditors and leasing arrangements.

The following chart details the movement in the Company's cash reserves over the financial year:

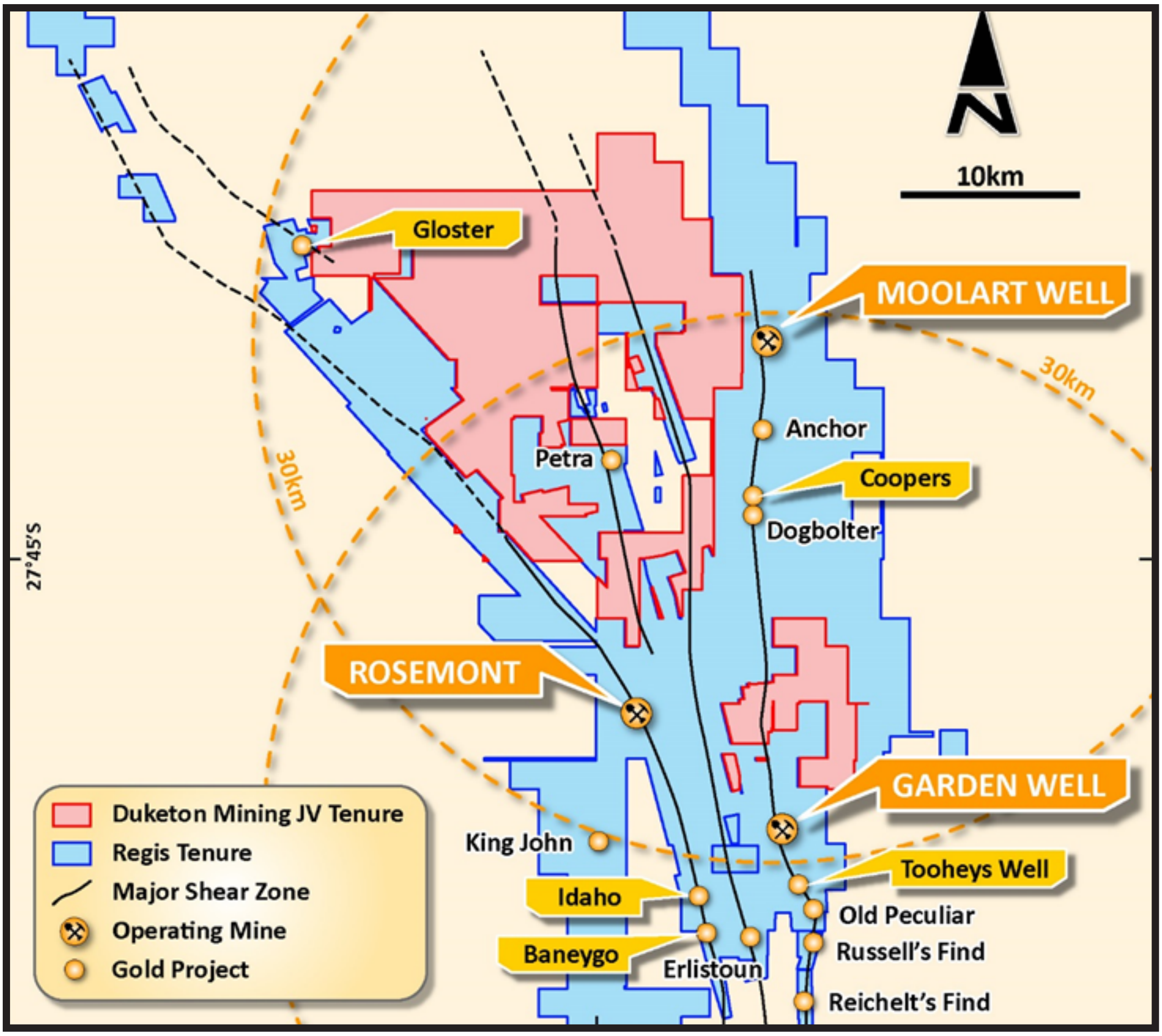


1 Operating cash flow differs from the statutory Statement of Cash Flow "net cash from operating activities" as it is quoted under the Appendix 5B classification protocol and includes movement in gold bullion on hand

DUKETON

GOLD PROJECT

The Duketon Gold Project is located in the North Eastern Goldfields of Western Australia approximately 130 kilometres north of Laverton. The project area consists of two operating centres being the Duketon North Operations ("DNO") comprising the Moolart Well Gold Mine and surrounding satellite deposits including the Gloster Gold Mine; and the Duketon South Operations ("DSO") comprising the Garden Well and Rosemont Gold Mines and surrounding satellite deposits. The Duketon Project has in excess of 3,500 square kilometres of exploration and mining tenure.



In 2016 the Duketon Project produced 305,084 ounces of gold which exceeded the upper end of FY2016 guidance of 275,000-305,000 ounces. Cost efficiencies across the Duketon Project contributed to a 7% fall in all in sustaining costs which at $927 per ounce were below the lower end of annual cost guidance.

DUKETON
GOLD PROJECT

Operating results for the entire Duketon Project are summarised below:

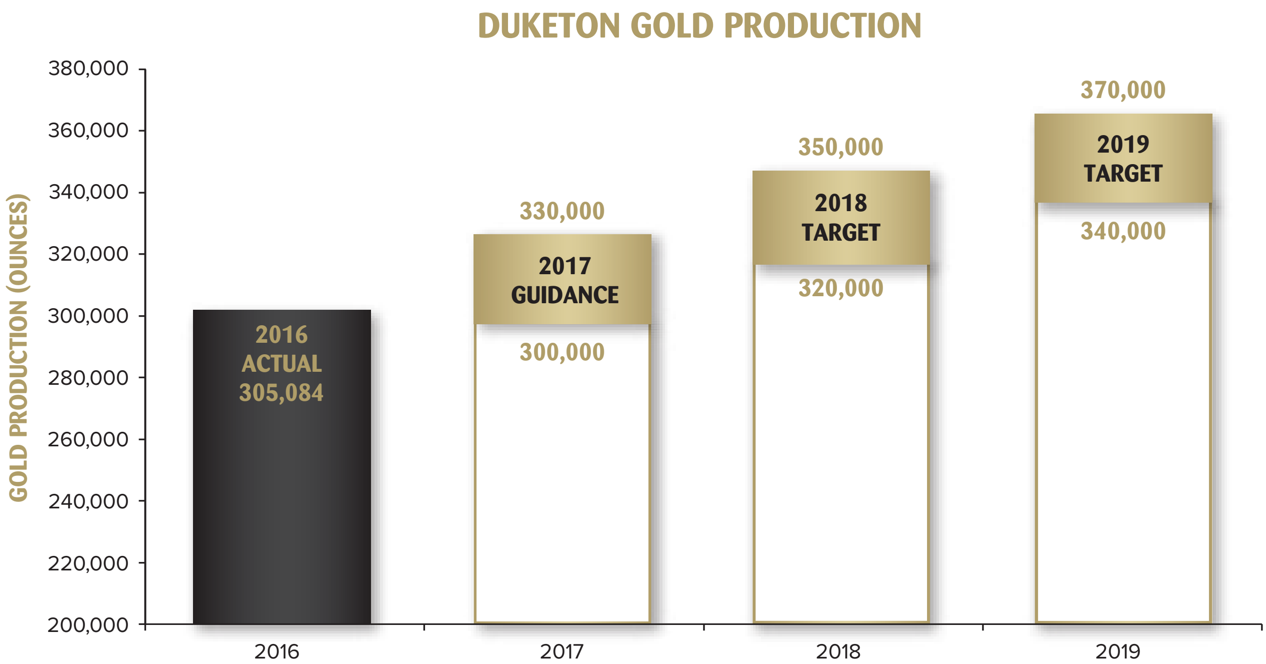
		2016	2015
Ore mined	Mbcm	4.63	4.65
Waste mined	Mbcm	22.62	23.70
Stripping ratio	w:o	4.89	5.10
Ore mined		10.79	11.07
Ore milled	Mt	10.25	9.84
Head grade	g/t	1.03	1.11
Recovery	%	90	88
Gold production	koz's	305	310
Cash cost	A$/oz	773	826
Cash cost inc royalty	A$/oz	845	891
All in Sustaining Cost	A$/oz	927	994

Regis is expecting operations in FY2017 to build on the strong performance of the Duketon project in FY2016. Gold production and operating costs for FY2017 are expected to be in the following ranges:

- Gold production: 300,000 – 330,000 ounces
- Cash costs, including royalties: $840 - 910 per ounce
- All in Sustaining Cost $980 – 1,050 per ounce

Forecast 2017 production growth is the result of the positive grade impact from new satellite projects Gloster and Erlistoun and the optimisation to steady state of the open pit operations at Moolart Well, Garden Well and Rosemont.

Production growth is targeted to continue over the next three years as shown below.



Note: Midpoint of cumulative 2017-2019 production guidance/target range is based on 98% Probable Ore Reserves and 2% Inferred Mineral Resources.

DUKETON

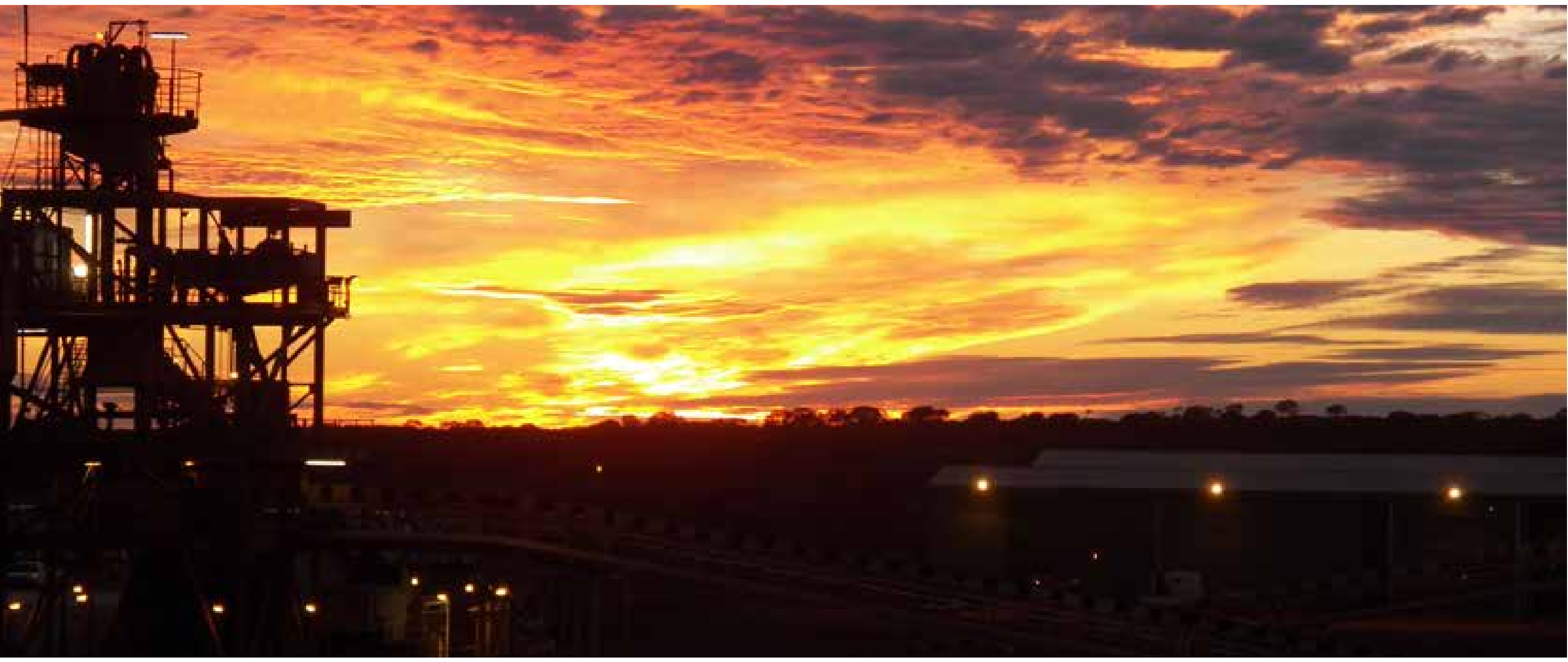
NORTH OPERATIONS

Duketon North Operations ("DNO") comprises the Moolart Well, Gloster, Dogbolter, Petra and Anchor pits with all ore processed through the Moolart Well processing plant.

Operating results for the year to 30 June 2016 were as follows:

		2016	2015
Ore mined	Mbcm	1.49	1.35
Waste mined	Mbcm	5.77	4.37
Stripping ratio	w:o	3.9	3.2
Ore mined	Mt	2.98	2.91
Ore milled	Mt	2.92	2.91
Head grade	g/t	0.90	1.14
Recovery	%	91	92
Gold production	koz's	76	99
Cash cost	A$/oz	706	622
Cash cost inc royalty	A$/oz	778	686
All in Sustaining Cost	A$/oz	934	N/A

During the year DNO produced 76,139 ounces at a cash cost of $778 per ounce and an all in sustaining cost of $934 per ounce. The ore feed for DNO during FY2016 was sourced entirely from the Moolart Well open pit. Production declined by 23% from the previous year as a result of a 21% decline in the processed head grade at the operation. The lower head grade was expected and reflective of the ore scheduled to be mined during the year. Production at DNO in the 2017 financial year is expected to increase with the inclusion of higher grade ore from the Gloster deposit. Mining will commence at Gloster in the September 2016 quarter with first gold expected to be produced in the December 2016 quarter.



SUNSET FROM THE TOP OF MOOLART WELL TANKS

DUKETON
SOUTH OPERATIONS

The Duketon South Operations ("DSO") includes the Garden Well, Rosemont, Erlistoun, Baneygo and other satellite projects in proximity to the Garden Well processing plant.

Operating results for the year to 30 June 2016 were as follows:

		2016	2015
Ore mined	Mbcm	3.15	3.30
Waste mined	Mbcm	16.85	19.32
Stripping ratio	w:o	5.4	5.9
Ore mined	Mt	7.81	8.16
Ore milled	Mt	7.34	6.93
Head grade	g/t	1.08	1.10
Recovery	%	90	86
Gold production	koz's	229	211
Cash cost	A$/oz	795	921
Cash cost inc royalty	A$/oz	867	987
All in Sustaining Cost	A$/oz	924	N/A

Production at DSO for the year was 228,945 ounces of gold at an all-in sustaining cost of $924 per ounce which was above the annual production guidance and an 8% increase on the previous year. Production benefited from improvements to the processing facility during the year with both gold recoveries and mill throughput rates increasing at the DSO. The construction of two additional leaching tanks at the Garden Well processing facility towards the end of the financial year is expected to continue the operational improvement at the project.

Mining at the Erlistoun Gold Mine is expected to commence in the second half of FY2017 and will provide higher grade ore feed to the Garden Well processing plant, displacing lower grade tonnes from the Garden Well open pit. First production from Erlistoun is expected in the June 2017 quarter.

GARDEN WELL PROCESSING FACILITY WITH TWO ADDITIONAL TANKS UNDER CONSTRUCTION

GOLD EXPLORATION

DUKETON GOLD PROJECT

Regis controls a significant tenement package, encompassing 187 granted exploration, prospecting and mining licences covering 3,503 square kilometres and 39 general purpose and miscellaneous licences covering 1,202 square kilometres at the Duketon Gold Project.

Intensive exploration activities were conducted at the Duketon Gold Project during the year with outstanding results achieved from drilling at new potential satellite mining operations.

Significant exploration projects advanced during the year ended 30 June 2016 are outlined below.

Gloster Gold Project

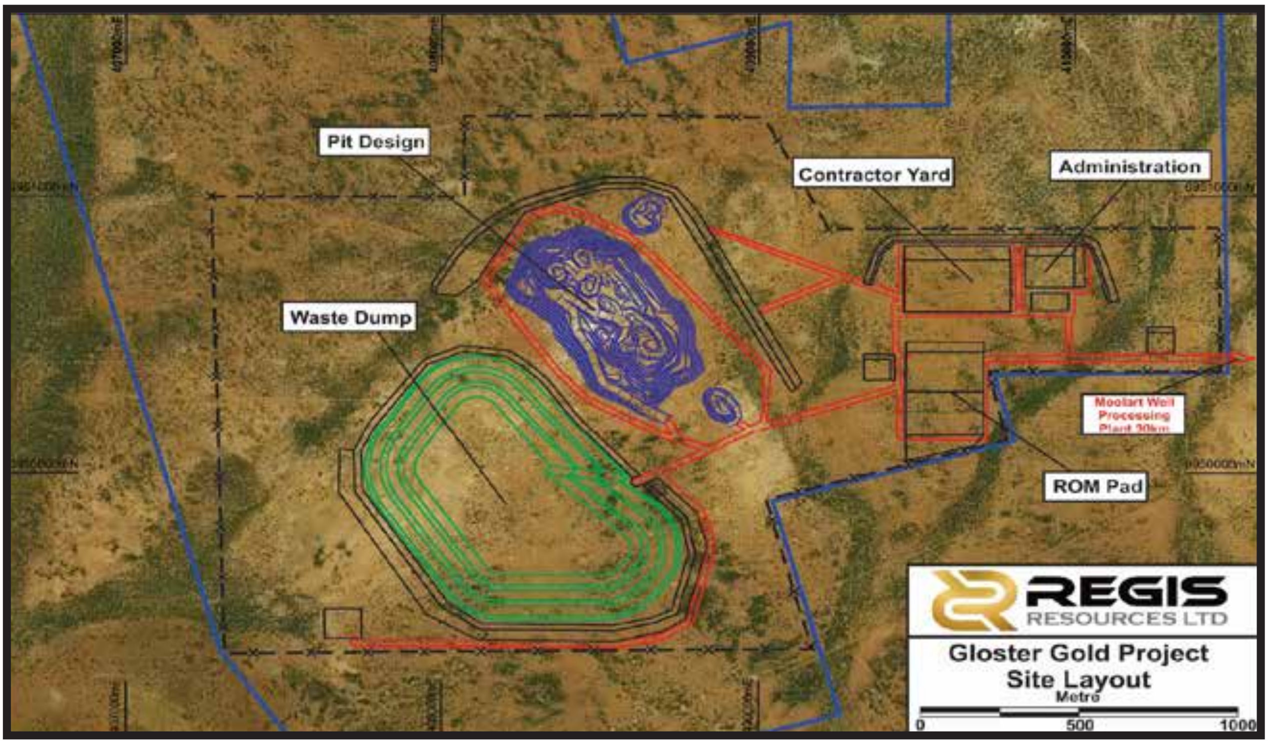
The 100% owned Gloster gold deposit is located 26km west of Moolart Well and was acquired by Regis in June 2015. Gloster was historically mined from 1902-1908 and was extensively drilled from 1984-1996. A Resource estimate was completed in 1997 (in compliance with the 1996 JORC Code and Guidelines) for 8.28MT at a grade of 1.37g/t gold for 365,000 ounces.

During the year, Regis completed an extensive RC drilling programme to infill the existing gold Resource and to test for extensions of gold mineralisation below the current historical level of drilling in the fresh rock zone. A total of 177 RC holes were drilled for 21,287 metres which enabled an updated Mineral Resource estimate of 21.3 million tonnes at a grade of 0.77 g/t gold for 528,000 ounces.

In March 2016 after completion of a mining study, Regis announced a maiden Ore Reserve at Gloster of 7.0 million tonnes at 1.00g/t Au for 226,000 ounces of gold.

A Mining Lease was granted over the Gloster gold deposit during the year and final statutory approvals were received in July 2016. Mining has commenced in the September 2016 quarter and first gold production is expected in the December 2016 quarter. The Gloster deposit will be mined with ore hauled overland to the 2.5-3 million tonne per annum Moolart Well processing plant and is expected to produce in the order of 70,000 ounces of gold per annum for approximately 3 years.

Gloster Gold Project Site Layout

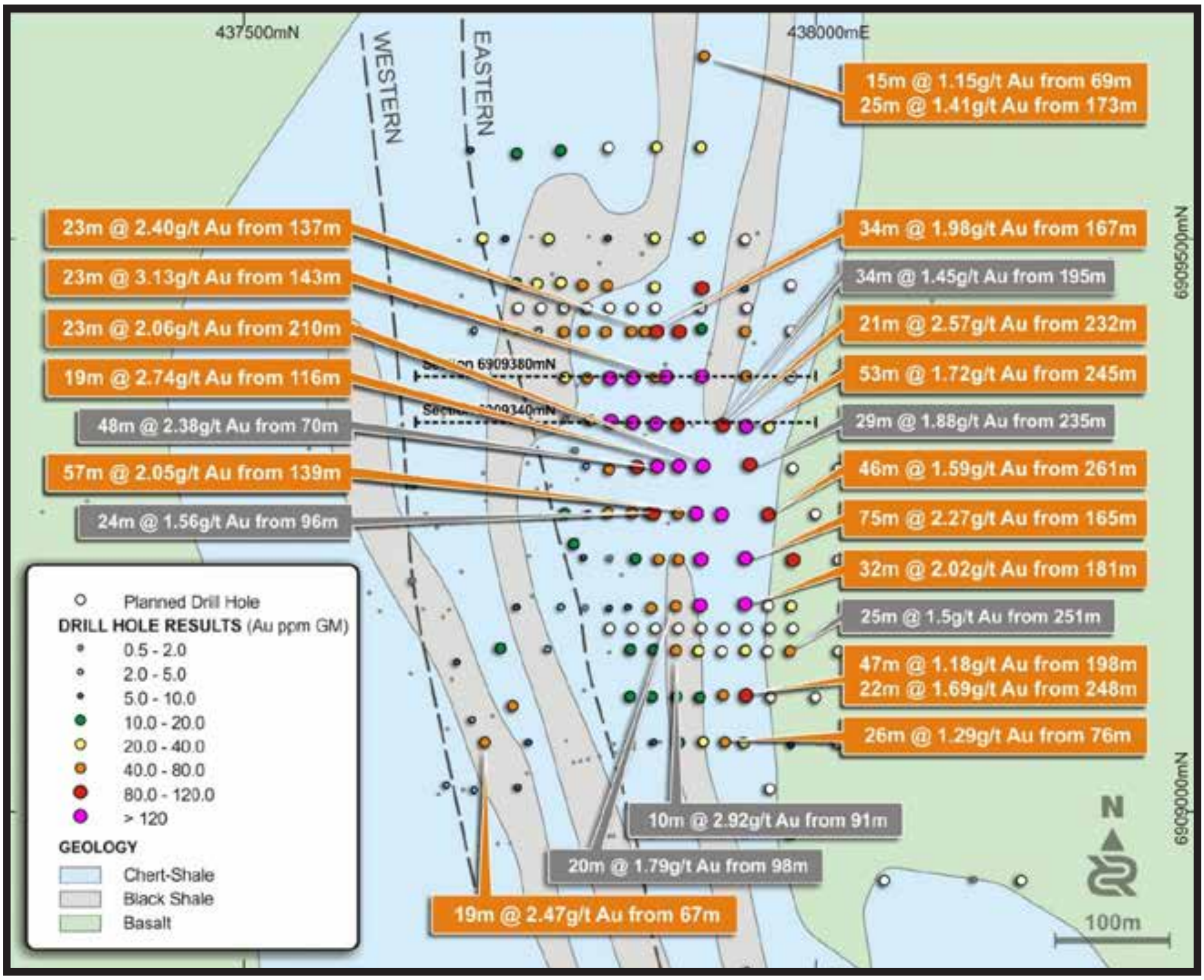


GOLD EXPLORATION
DUKETON GOLD PROJECT

Tooheys Well

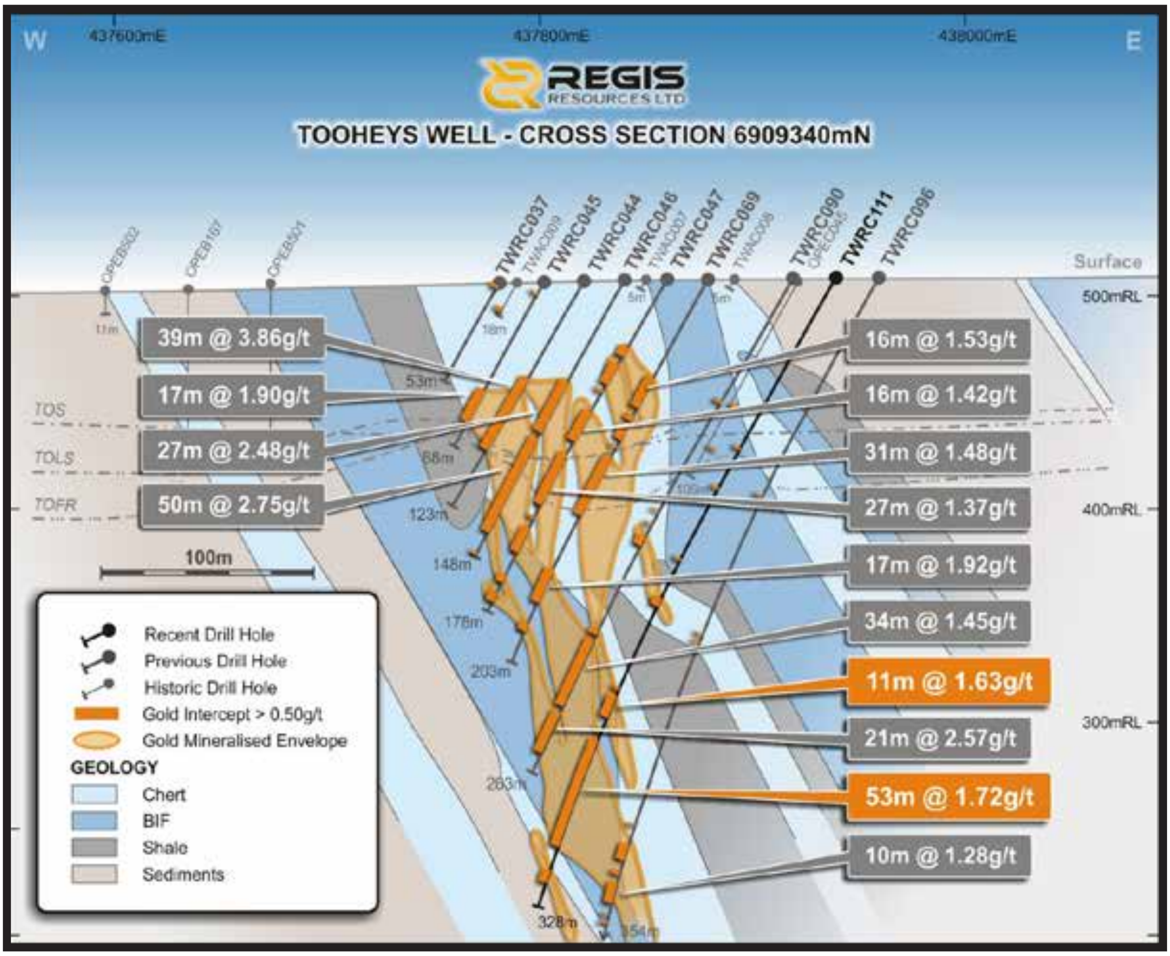
The Tooheys Well gold prospect is located on a granted mining lease, 2.5km south of the Garden Well gold mine. Gold mineralisation was previously defined in two north-south trending Western and Eastern shear zones, 100 metres apart hosted in chert and fine grained sediments. Total RC drilling of 120 holes for 19,336 metres and 7 diamond holes for 720 metres was completed during the year to follow up anomalous gold mineralisation in the Eastern and Western shear zones.

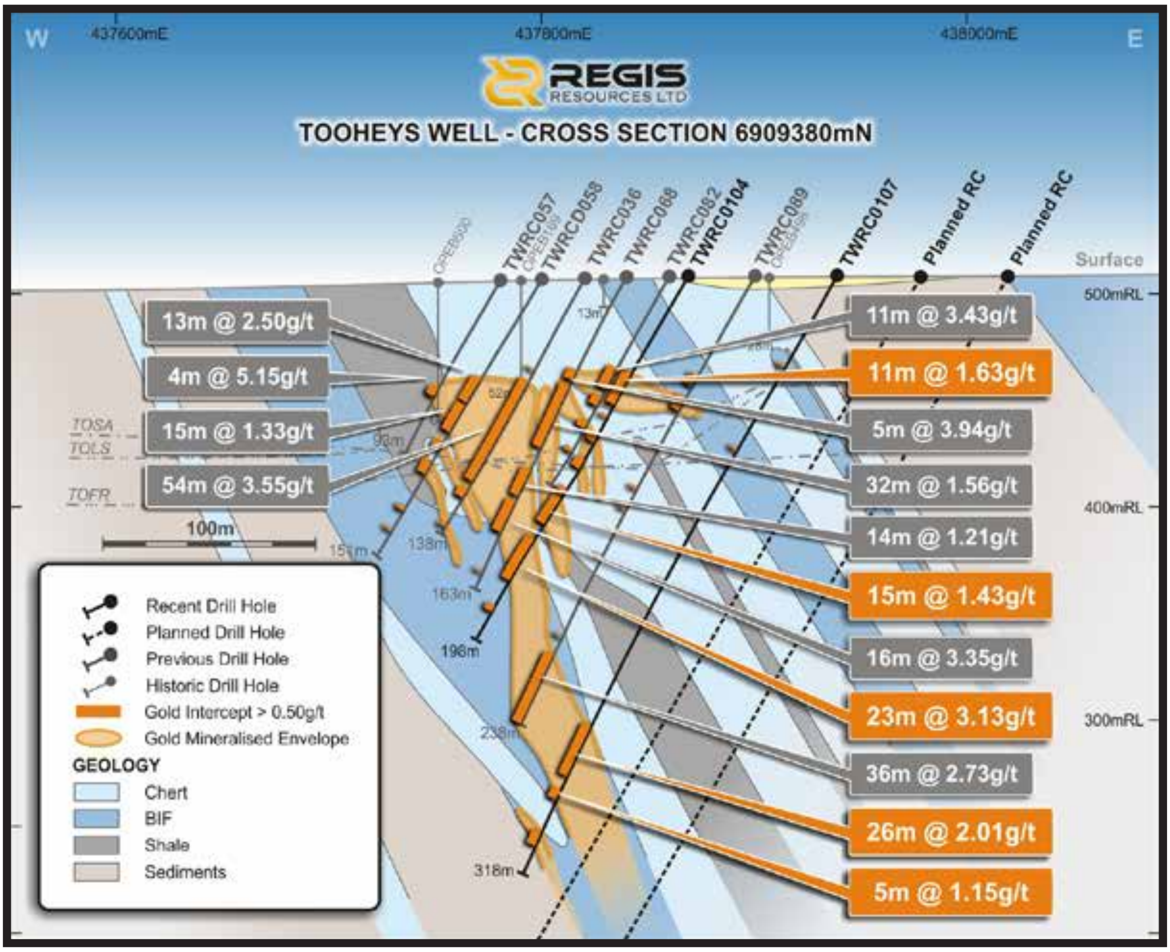
This drilling has demonstrated gold mineralisation continuity both along strike and at depth in the Eastern shear zone which is now mineralised over a strike length in excess of 500 metres from 6909000mN to 6909500mN based on a 40m x 20m drilling pattern.



The deposit is steeply east dipping and hosted in a Banded Iron Formation ("BIF") as shown on the cross sections below. Weathering extends to between 80 and 160 metres and there are significant fresh rock intersections with good consistent grade and widths of mineralisation at depth. See cross sections 6909340mN and 6909380mN below.

GOLD EXPLORATION
DUKETON GOLD PROJECT



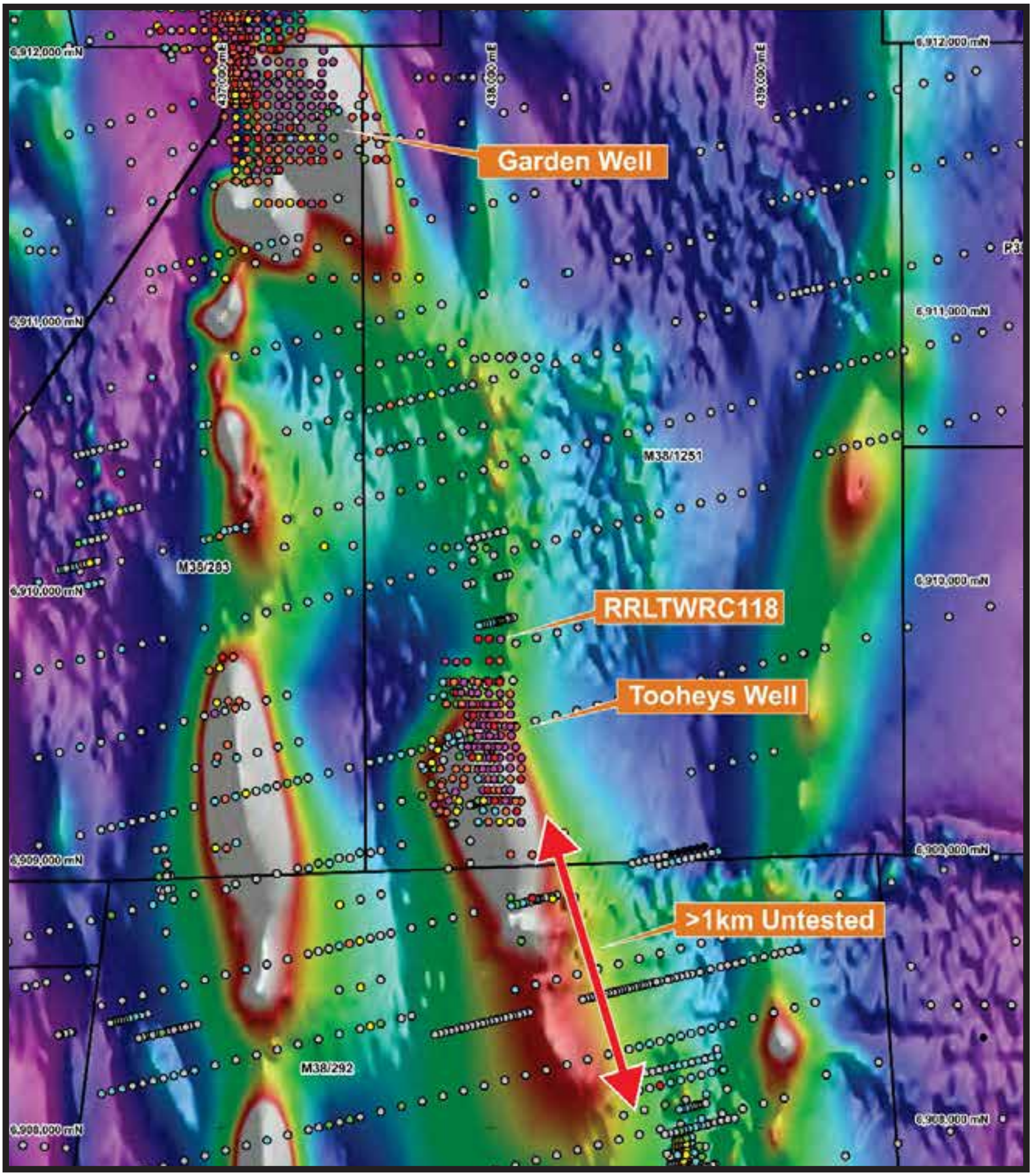


GOLD EXPLORATION
DUKETON GOLD PROJECT

Subsequent to year end, the Company announced a Maiden Inferred Mineral Resource Estimate at Tooheys Well of 14.6 million tonnes at 1.16g/t gold for 547,000 ounces at a 0.4 g/t gold cut-off grade.

The Company is currently testing the potential north and south of the Tooheys Well deposit. The eastern shear structure of the deposit is interpreted to join with the gold mineralised shear zones at Chert Ridge approximately 2.5 kilometres to the north at the southern end of the Garden Well deposit.

The Tooheys Well mineralisation is currently defined on the northern flank of a magnetic high that extends for more than one kilometre to the south. The southern half of the magnetic high is under cover and has historically only had limited shallow drill testing. Drilling is focussed on testing the extension of mineralisation to the south along this magnetic high.



Infill resource drilling and extensional drilling both immediately north and south of the more than 750 metres of strike covered by the Mineral Resource Estimate is being expedited with a view to including the results in an update to the Resource estimate to be used as the basis for a maiden Ore Reserve estimate.

GOLD EXPLORATION
DUKETON GOLD PROJECT

Baneygo Gold Project

The 100% owned Baneygo gold project is located 12 kilometres south of the Rosemont gold mine and is hosted in a quartz dolerite unit believed to be the same unit hosting gold at Rosemont. Regis has been drilling around the four known small deposits at Baneygo and along strike since June 2015 completing 35,820 metres of RC and diamond drilling. An additional discovery at the nearby Idaho deposit has also contributed to the size of the Baneygo project.

In March 2016, Regis announced a maiden Ore Reserve at Baneygo of 3.6 million tonnes at 1.16g/t Au for 136,000 ounces of gold. The Reserve does not include Idaho, the southern extremity of which is only 700 metres along strike from the northern end of Baneygo, or the sparsely drilled but mineralised 4 kilometres along strike to the south of Baneygo.

Further drilling programmes are planned to test along strike extensions. Mining at the Baneygo deposit will be scheduled along with the other satellite deposits in the vicinity of the Duketon South Operations.

Coopers

The Coopers gold prospect is located on a granted Mining Lease, 11 kilometres south of Moolart Well and 600 metres north of Dogbolter. It is located on the same shear zone hosting those two deposits. Earlier extensive Aircore drilling and a limited 10 hole RC drilling programme by Regis on 40 metre and 80 metre spaced east-west traverses defined gold mineralisation in the oxide zone over a strike distance of 400 metres.

Regis drilled 40 Aircore holes and 62 RC holes for 8,687 metres during the year to test the strike continuation and follow up anomalous gold mineralisation at Coopers. Analytical results have been received and will form the basis of a Resource estimation. A diamond drilling programme is also planned to determine bulk densities and metallurgical and geotechnical work to enable a Reserve estimate to be completed.

Russell's Find

The Russell's Find deposit is located 6.5km south of the Garden Well pit.

Gold mineralisation at Russell's Find is contained in steep east dipping quartz-carbonate-biotite veins contained in a package of moderate east dipping carbonated ultramafic with a footwall sequence of chert, BIF and fine grained silicified shale.

An RC drilling programme was completed during the year to validate and extend the current JORC 2004 gold resource of 0.4 million tonnes at 3.86g/t gold for 55,000 ounces of gold using a 1g/t cut-off grade. The results from the drilling programme were used in the updated Mineral Resource estimate to 2.4 million tonnes at 1.05g/t gold for 81,000 ounces of gold using a 0.4g/t cut-off.

Duketon Gold Exploration Joint Venture

Regis is spending $1 million in the joint venture area over a two year period to earn a 75% interest in any mining project that is confirmed by a Regis decision to mine. A total of 9,516 first pass lag soil samples were collected on the Duketon Mining JV tenements to date to complete the first pass programme. This reconnaissance lag sampling was completed on a 400m x 100m grid, with lag sampling across mineralised trends completed on a 200m x 50m grid. Gold and pathfinder element results have been received for all of the samples collected and contouring of gold results has been completed. Numerous +75ppb gold anomalies of interest have been defined and require further investigation prior to follow up infill lag sampling/mapping and subsequent Aircore drilling.

The Petra North project is located in the joint venture area immediately adjacent to Regis' 100% owned Petra project which has a reported JORC 2012 Resource of 44,000 ounces. A preliminary Aircore drill programme was designed to test for extensions of the known mineralisation at Petra into the JV tenement. Drilling commenced in April 2016 and by year end, 86 AC holes were completed for 7,266 metres. Gold results from this drilling programme include encouraging intercepts that will be followed up with an infill drilling programme.

Moolart Well Gold Project

An RC drill programme was planned at the southern end of the Stirling pit at Moolart Well targeting extensions to known mineralisation encountered during mining that may extend outside of current pit designs. Drilling commenced in April 2016 and by the end of the year, 27 RC holes for 2,616 metres and 9 AC holes for 611 metres had been completed. Encouraging results were returned and follow up drilling is planned.

Duketon Reserve Growth

The aggressive exploration programme at the Duketon project focussed on high potential areas for Mineral Resource expansions with a view to delivering further extensions to the mine life of the current operations. The Company successfully added to the Duketon resource and reserve base when it released the annual resources and reserves update in July 2016. Group Ore Reserves increased by 6% from 2.01 million ounces to 2.13 million ounces after accounting for mining depletion of 330,000 ounces. Group Mineral Resources increased by 5% from 7.63 million ounces to 8.01 million ounces after accounting for mining depletion of 330,000 ounces.

GOLD EXPLORATION
DUKETON GOLD PROJECT

The change in the Group Ore Reserve from March 2015 to March 2016 is as follows:

	TOTAL ORE RESERVE		
	TONNES (MT)	GOLD GRADE (G/T)	GOLD METAL (KOZ)
31 March 2015	59.1	1.06	2,006
Depleted by Mining to 31 March 2016	-10.6	0.96	-326
31 March 2015 Net of Depletion	48.5	1.08	1,680
31 March 2016	**60.8**	**1.09**	**2,125**
% Variation net of Depletion	21%		22%

The major contributors to the increase of 445,000 ounces (22%) in Ore Reserves net of depletion were:

- Maiden Ore Reserves of 226,000 ounces at Gloster and 136,000 ounces at Baneygo;
- Addition of 81,000 ounces at Rosemont through extensional drilling and improved optimisations; and
- Addition of 27,000 ounces at Moolart Well through infill drilling.

In 2017 the Company will continue to focus on current targets yielding highly encouraging results including the Tooheys Well deposit south of Garden Well.

RETIRING GM EXPLORATION, JENS BALKAU & THE EXPLORATION TEAM AT IDAHO // Photo by Peter Woodman

GOLD EXPLORATION

MCPHILLAMYS GOLD PROJECT

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 and contains a quoted Resource of 2.2 million ounces making it one of the larger undeveloped open pit gold resources in Australia.

The project area consists of four granted exploration permits covering 477 square kilometres in two discrete locations approximately 25 kilometres apart. During the year the Company focussed on securing key infrastructure requirements for the development of the project.

In view of the board's confidence that the McPhillamys Project provides an excellent medium term development proposition, a 26,000 metre infill drilling programme commenced in September 2016 aimed at Resource definition and metallurgical studies. Work will continue in FY2017 in advancing other long lead pre-feasibility and environmental impact studies.

PREPARING TO BLAST AT ROSEMONT MAIN PIT // Photo by Steve Snowdon

GOLD RESERVES
AS AT 31 MARCH 2016

			PROVED			PROBABLE			TOTAL RESERVES		
PROJECT	TYPE	CUT-OFF (G/T)	MILLION TONNES	GRADE G/T	GOLD KOZ	MILLION TONNES	GRADE G/T	GOLD KOZ	MILLION TONNES	GRADE G/T	GOLD KOZ
Moolart Well	Open Pit	>0.4	1.6	0.77	39	3.3	1.00	105	4.8	0.93	144
Garden Well	Open Pit	>0.4	2.9	0.58	55	25.9	0.93	772	28.8	0.89	827
Rosemont	Open Pit	>0.4	3.4	1.45	157	8.3	1.53	407	11.6	1.51	564
Duketon Main Deposits		**Total**	**7.9**	**0.99**	**251**	**37.4**	**1.07**	**1,284**	**45.3**	**1.05**	**1,535**
Gloster	Open-Pit	> 0.5	-	-	-	7.0	1.00	226	7.0	1.00	226
Erlistoun	Open-Pit	> 0.5	-	-	-	3.8	1.48	181	3.8	1.48	181
Baneygo	Open-Pit	> 0.4	-	-	-	3.6	1.16	136	3.6	1.16	136
Petra	Open-Pit	> 0.5	-	-	-	0.6	1.26	25	0.6	1.26	25
Dogbolter	Open-Pit	> 0.5	-	-	-	0.3	1.57	16	0.3	1.57	16
Anchor	Open-Pit	> 0.5	-	-	-	0.1	2.07	6	0.1	2.07	6
Duketon Satellite Deposits		**Total**	**-**	**-**	**-**	**15.5**	**1.18**	**590**	**15.5**	**1.18**	**590**
REGIS		**TOTAL**	**7.9**	**0.99**	**251**	**52.9**	**1.10**	**1,874**	**60.8**	**1.09**	**2,125**

GOLD RESOURCES
AS AT 31 MARCH 2016

			MEASURED			INDICATED			INFERRED			TOTAL RESOURCES		
PROJECT	TYPE	CUT-OFF (G/T)	MILLION TONNES	GRADE G/T	GOLD KOZ	MILLION TONNES	GRADE G/T	GOLD KOZ	MILLION TONNES	GRADE G/T	GOLD KOZ	MILLION TONNES	GRADE G/T	GOLD KOZ
Moolart Well	Open Pit	0.4	1.9	0.72	45	24.9	0.74	596	9.3	0.62	184	36.1	0.71	825
Garden Well	Open Pit	0.4	2.9	0.58	55	64.8	0.89	1,859	8.0	0.89	228	75.8	0.88	2,141
Rosemont	Open Pit	0.4	4.5	1.42	204	20.5	1.42	938	3.0	1.95	189	28.0	1.48	1,331
Duketon Main Deposits			**9.4**	**1.01**	**303**	**110.2**	**0.96**	**3,393**	**20.3**	**0.92**	**600**	**139.8**	**0.96**	**4,297**
Gloster	Open-Pit	0.4	-	-	-	14.7	0.79	374	6.6	0.73	154	21.3	0.77	528
Baneygo	Open-Pit	0.4	-	-	-	9.2	0.96	283	1.9	0.95	57	11.1	0.96	340
Erlistoun	Open-Pit	0.4	-	-	-	5.7	1.34	247	1.1	1.00	37	6.9	1.28	284
Dogbolter	Open-Pit	0.4	-	-	-	3.5	1.11	128	0.5	1.02	16	4.0	1.10	144
Russells Find	Open-Pit	0.4	-	-	-	2.1	1.07	71	0.3	0.90	10	2.4	1.05	81
Petra	Open-Pit	0.4	-	-	-	1.2	1.08	42	0.1	1.09	2	1.3	1.08	44
King John	Open-Pit	0.4	-	-	-	-	-	-	0.8	1.56	42	0.8	1.56	42
Reichelts Find	Open-Pit	0.4	-	-	-	-	-	-	0.8	1.11	28	0.8	1.11	28
Anchor	Open-Pit	0.4	-	-	-	0.2	1.75	9	0.1	0.95	2	0.2	1.53	11
Duketon Satellite Deposits			**-**	**-**	**-**	**36.6**	**0.98**	**1,155**	**12.2**	**0.89**	**348**	**48.7**	**0.96**	**1,503**
Duketon	**Total**		**9.4**	**1.01**	**303**	**146.8**	**0.96**	**4,548**	**32.4**	**0.91**	**948**	**188.6**	**0.96**	**5,800**
McPhillamys	**Total**	**0.4**	**-**	**-**	**-**	**69.2**	**0.94**	**2,087**	**3.9**	**0.98**	**123**	**73.2**	**0.94**	**2,210**
REGIS	**TOTAL**		**9.4**	**1.01**	**303**	**216.0**	**0.96**	**6,635**	**36.4**	**0.92**	**1,071**	**261.7**	**0.95**	**8,010**

DIRECTORS' REPORT

DIRECTORS' REPORT

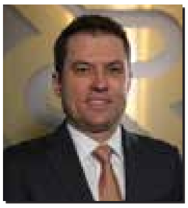
Your directors submit their report for the year ended 30 June 2016.

DIRECTORS

The directors of the Company in office since 1 July 2015 and up to the date of this report are:

Mr Mark Clark, B.Bus CA

(Executive Chairman)



Mr Clark has over 26 years of experience in corporate advisory and public company management. He was appointed to the board of Regis in May 2009 in the role of Managing Director. 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 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.

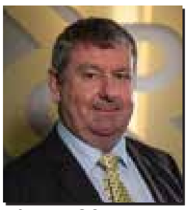
Mr Clark assumed the role of Executive Chairman immediately after the company's AGM on 12 November 2015.

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 Paul Thomas, BAppSc (extmet) AICD

(Executive Director – appointed 12 November 2015)



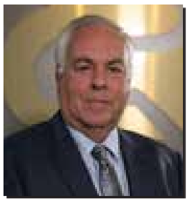
Mr Thomas joined Regis in March 2014 in the role of Chief Operating Officer (COO) and was appointed to the board immediately following the company's AGM on 12 November 2015. Mr Thomas is a qualified metallurgist with extensive operating and development experience gained in a career of over 30 years in the mining industry. During this time, he has held a number of senior operations management and executive roles within Australian listed gold and base metal mining companies.

Mr Thomas has various regulatory and technical qualifications in mining, processing, management and finance including a Diploma in Open Cut and Underground Mining, a Diploma of Business and a Graduate Diploma of Applied Finance and Investment. He is a Graduate Member of the Australian Institute of Company Directors.

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

Mr Mark Okeby, LLM

(Deputy Chairman/Lead Independent Non-Executive Director)



Mr Okeby has considerable experience in the resources industry as a solicitor and as a director of listed companies.

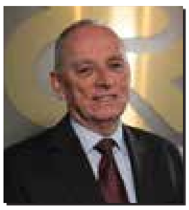
He has been an executive and non-executive director of a number of gold producers and other resource companies and has been involved in the development of a number of resource projects and with mergers and acquisitions in the resource sector.

Mr Okeby was appointed Deputy Chairman/Lead Independent Director immediately after the company's AGM on 12 November 2015 and assumes the responsibilities of Chairman in the event of the unavailability of Mr Clark at any time or in relation to any matter in which Mr Clark may be conflicted.

Mr Okeby is currently a non-executive director of Red Hill Iron Limited and, during the past three years, has not served as a director of any other ASX listed companies.

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 26 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.

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

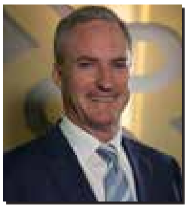
- Beadell Resources Limited (from February 2012 to November 2015); and
- Xstate Resources Limited (September 2006 to September 2013).

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

DIRECTORS' REPORT

Mr James Mactier, BAgrEc, GradDipAppFin

(Independent Non-Executive Director – appointed 23 February 2016)



Mr Mactier was joint head of the Metals and Energy Capital Division of Macquarie Bank Limited for fifteen years until his retirement in April 2015. He has wide ranging experience in project and corporate finance, resource project assessment, equity investing, commodity and currency hedging and trading in the metals and energy sectors globally.

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

Mr Glyn Evans, BAppSc, FAusIMM

(Independent Non-Executive Director – retired 29 July 2016)

Mr Evans is a geologist with over 30 years' experience in base metal and gold mining operations.

He was an executive director with ASX listed gold mining companies between 1991 and 2007. Mr Evans has a strong mine geology background, having held senior mine management positions early in his career and then ultimately managed the gold resources and reserves of both Samantha Gold NL (1987-1994) and Equigold NL (1995-2007). He also led extensive exploration programmes over his long career which culminated in significant gold discoveries including the well-known Higginsville and Chalice Mines in Western Australia and the Bonikro mine in the Ivory Coast.

Mr Evans retired as non-executive director on 29 July 2016.

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

Mr Evans is a Fellow of the Australian Institute of Mining and Metallurgy.

Mr Nick Giorgetta

(Independent Non-Executive Chairman/Non-Executive Director – retired 29 April 2016)

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 stepped down as Chairman of Regis immediately after company's AGM on 12 November 2015 and assumed the role of non-executive director until his retirement on 29 April 2016.

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 Frank Fergusson

(Independent Non-Executive Director – retired 12 November 2015)

Mr Fergusson is an experienced gold mining industry director and has a long track record of successful operational management.

His career in the gold mining industry spans over 30 years, starting at Great Victoria Gold Mine in 1983 where he was later the project's General Manager. He was Operations Manager at Samantha Gold NL from 1988 to 1994 and was an Executive Director from 1992 to 1994. Mr Fergusson was a founding shareholder and executive director of Equigold NL from 1994 until his retirement from the role in 2006.

Mr Fergusson retired as non-executive director immediately after the company's AGM on 12 November 2015.

During the past three years, Mr Fergusson 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	9.00	45,006

The financial effect of these dividends has not been brought to account in the consolidated financial statements for the year ended 30 June 2016 and will be recognised in subsequent financial reports.

NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

The principal activities of Regis Resources Limited ("Regis" or the "Company") and its controlled entities (collectively, the "Group") during the year were:

- production of gold from the Duketon Gold Project;
- exploration, evaluation and development of gold projects in the Eastern Goldfields of Western Australia; and
- exploration and evaluation of the McPhillamys Gold Project in New South Wales.

Apart from the above, or as noted elsewhere in this report, no significant changes in the state of affairs of the Company occurred during the financial year.

OBJECTIVES

The Group's objectives are to:

- Achieve operational predictability by optimising mining and processing facilities across the Duketon Gold Project whilst maintaining a high standard of safety;
- Maximise cash flow by driving the cost base lower from steady state operations and pushing for incremental capacity opportunities;
- Organically increase the Reserve base of the Group by bringing satellite resource positions in to the mine plan and extend the reserve base of existing operating deposits;
- Focus on regional exploration to add incremental ounces to the three operating mills in the district;
- Return value to shareholders through a commitment to dividends; and
- Actively pursue growth opportunities.

OPERATING AND FINANCIAL REVIEW

Overview of the Group

Regis is a leading Australian gold producer, with its head office in Perth, Western Australia. The Company operates three wholly-owned mines at the Duketon Gold Project in the Eastern Goldfields of Western Australia. The Moolart Well Gold Mine commenced operations in July 2010, the Garden Well Gold Mine commenced in August 2012 and the Rosemont Gold Mine commenced operations in October 2013.

The Group also owns the McPhillamys Gold Project, an advanced exploration project in New South Wales, 250 kilometres west of Sydney near the town of Bathurst.

DIRECTORS' REPORT

Financial Summary

KEY FINANCIAL DATA	2016 $'000	2015 $'000	CHANGE $'000	CHANGE %
Financial results				
Sales revenue	500,152	464,854	35,298	7.6%
Cost of sales (excluding D&A)(i)	(260,047)	(276,223)	16,176	(5.9%)
Other income	6,294	2,452	3,842	156.7%
Corporate, admin and other costs	(12,007)	(9,630)	(2,377)	24.7%
EBITDA(i)	234,392	181,453	52,939	29.2%
Depreciation and amortisation (D&A)	(75,244)	(53,530)	(21,714)	40.6%
Profit before tax(i)	159,101	125,024	34,077	27.3%
Income tax expense	(47,308)	(38,104)	(9,204)	24.2%
Reported profit after tax	111,793	86,920	24,873	28.6%
Other financial information				
Cash flow from operating activities	204,001	141,955	62,046	43.7%
Net cash	96,925	29,574	67,351	227.7%
Net assets	481,848	409,973	71,875	17.5%
Basic earnings per share (cents per share)	22.37	17.39	4.98	28.6%

(i) EBITDA is an adjusted measure of earnings before interest, taxes, depreciation and amortisation. Cost of sales (excluding D&A) and EBITDA are non-IFRS financial information and are not subject to audit. These measures are included to assist investors to better understand the performance of the business

Performance relative to the previous financial year

Regis achieved an after tax profit of $111.8 million for the full year to 30 June 2016 which represents an improvement of 29% compared to the previous corresponding year result of $86.9 million. The strong Australian dollar gold price and commitment to maximising operational efficiencies and controlling costs are the key drivers in the current year result.

SALES

Sales revenue for the year ended 30 June 2016 increased by $35.3 million (8%) compared to the previous corresponding period. Gold production from the Company's Duketon Gold Project remained steady for the year with production totalling 305,084 ounces (2015: 310,204 ounces) however the average price of gold sold during the current year was $1,600 per ounce or 8% up on the previous year's average sale price of $1,488 per ounce.

COST OF SALES

Cost of sales including royalties, but before depreciation and amortisation decreased by 6% to $260.0 million.

DEPRECIATION AND AMORTISATION

Depreciation and amortisation charges increased by $21.7 million or 41% over the previous corresponding period as the Company's assets mature and depreciation and amortisation rates based on the units of production method increase as reserves are depleted.

CASH FLOW FROM OPERATING ACTIVITIES

Cash inflow from operating activities was $204.0 million, up 44% on the previous year due to the improved gold price achieved for ounces sold and the reduced cost base of those ounces. During the current year, the Company paid $22.9 million of income taxes.

The Company has used this strong cash flow from operations to repay the debt owed under the Macquarie Bank financing facility ($20 million) and return $50 million to shareholders through two fully franked dividend payments. The early repayment of the loan means Regis is debt free other than normal trade creditors and leasing arrangements.

GOLD FORWARD CONTRACTS

At the end of the financial year the Company had a total hedging position of 433,770 ounces, comprising 80,000 ounces of flat forward contracts with a delivery price of $1,454 per ounce and 353,770 ounces of spot deferred contracts with a weighted average forward price of $1,581 per ounce.

Operational statistics have been condensed to report on Duketon North Operations ("DNO") and Duketon South Operations ("DSO"). This is due to the plan to commence a number of new mining operations at satellite pits at the Duketon Gold Project in the next several years. DNO will include Moolart Well, Gloster, Dogbolter, Petra and Anchor pit as all are processed through the Moolart Well processing plant. In the current financial year, DNO operations were solely related to Moolart Well. DSO will include Garden Well, Rosemont, Erlistoun, Baneygo and the other satellite projects in that region all processed through the Garden Well processing plant (leaching circuit). During the current financial year, DSO operations only included production from Garden Well and Rosemont. This grouping aligns with the operating segments reported in note 1.

DUKETON NORTH OPERATIONS ("DNO")

Operating results for the 12 months to 30 June 2016 were as follows:

		30 JUNE 2016	30 JUNE 2015
Ore mined	BCM	1,486,071	1,346,525
Waste mined	BCM	5,768,217	4,371,317
Strip ratio	w:o	3.9	3.2
Ore mined	Tonnes	2,981,095	2,910,547
Ore milled	Tonnes	2,916,006	2,912,706
Head grade	g/t	0.90	1.14
Recovery	%	91	92
Gold production	Ounces	76,139	98,742
Cash cost per ounce – pre royalties	A$/oz	$706	$622
Cash cost per ounce – incl. royalties	A$/oz	$778	$686
All-in Sustaining Cost ("AISC")	A$/oz	$934	AISC not reported

DNO produced 76,139 ounces of gold for the year at an all-in sustaining cost of $934 per ounce. Although production was in line with annual guidance it was 23% lower than the previous year due to a 21% decline in the head grade of the ore being milled. The lower head grade was expected and reflective of the ore scheduled to be mined during the year. Production at DNO in the 2017 financial year is expected to increase with the inclusion of higher grade ore from the Gloster deposit. Mining commenced at Gloster in the September 2016 quarter with first gold expected to be produced in the December 2016 quarter.

DUKETON SOUTH OPERATIONS ("DSO")

Operating results at the Duketon South Operations for the 12 months to 30 June 2016 were as follows:

		30 JUNE 2016	30 JUNE 2015
Ore mined	BCM	3,148,056	3,300,358
Waste mined	BCM	16,848,858	19,324,571
Strip ratio	w:o	5.4	5.9
Ore mined	Tonnes	7,805,241	8,160,890
Ore milled	Tonnes	7,336,030	6,930,044
Head grade	g/t	1.08	1.10
Recovery	%	90	86
Gold production	Ounces	228,945	211,462
Cash cost per ounce – pre royalties	A$/oz	$795	$921
Cash cost per ounce – incl. royalties	A$/oz	$867	$987
All-in Sustaining Cost ("AISC")	A$/oz	$924	AISC not reported

Production at DSO for the year was 228,945 ounces of gold at an all-in sustaining cost of $924 per ounce which was above the annual production guidance and an 8% increase on the previous year. Production benefited from improvements to the processing facility during the year with both gold recoveries and mill throughput rates increasing at the DSO.

DIRECTORS' REPORT

Production Guidance

Regis is expecting operation in the 2017 financial year to build on the strong performance of the Duketon project in the current year where production of 305,084 ounces at AISC of $927 per ounce was achieved against guidance of 275-305,000 ounces at AISC of $970-1,070 per ounce. Gold production for the next financial year is expected to be in the following guidance range:

- Gold production: 300,000 – 330,000 ounces
- Cash cost per ounce – incl. royalties: $840 – 910 per ounce
- All-in sustaining cost: $980 – 1,050 per ounce

Forecast 2017 production growth is the result of the positive grade impact from new satellite projects at Gloster and Erlistoun, and the optimisation of steady state of the open pit operations at Moolart Well, Garden Well and Rosemont.

Exploration

DUKETON OVERVIEW

Intensive exploration activities were conducted at the Duketon Gold Project with outstanding results achieved from drilling at new potential satellite mining operations. Drilling activities at the Duketon Gold Project during the year ended 30 June 2016 are summarised below:

BY DRILLING TYPE

TYPE	NO. HOLES	METRES
Aircore	317	25,388
RC	1,115	124,701
Diamond	26	4,604
TOTAL	**1,458**	**154,693**

Significant exploration projects advanced during the year ended 30 June 2016 are outlined below.

All drilling results and resource estimations highlighted in this report are detailed fully in announcements to the ASX made by the Company throughout the year, along with the associated JORC 2012 disclosures.

BY PROJECT

PROJECT	METRES
Gloster	32,018
Baneygo	23,638
Tooheys Well	20,056
Idaho	15,493
Regional	15,709
Russell's Find	10,275
Moolart Well	8,930
Coopers	8,687
Petra North (DKJV)	7,266
Water exploration	5,520
Collurabbie	3,496
Kintyre Soak	2,201
McKenzie's Flat	1,404
TOTAL	**154,693**

BANEYGO GOLD PROJECT

The 100% owned Baneygo gold project is located 12 kilometres south of the Rosemont gold mine and is hosted in a quartz dolerite unit believed to be the same unit hosting gold at Rosemont. Regis has been drilling around the four known small deposits at Baneygo and along strike since June 2015 completing 35,820 metres of RC and diamond drilling. An additional discovery in Idaho has also been made along this Rosemont to Baneygo trend as announced on the ASX on 14 January 2016.

In March 2016, Regis announced a maiden Ore Reserve at Baneygo of 3.6 million tonnes at 1.16g/t Au for 136,000 ounces of gold. The quoted Reserve does not include Idaho, the southern extremity of which is only 700 metres along strike from the northern end of Baneygo, or the sparsely drilled but mineralised 4 kilometres along strike to the south of Baneygo.

Further drilling programmes are planned to test along strike extensions. Mining at the Baneygo deposit will be scheduled along with the other satellite deposits in the vicinity of the Duketon South Operations.

GLOSTER GOLD PROJECT

The 100% owned Gloster gold deposit is located 26km west of Moolart Well and was acquired by Regis in June 2015. Gloster was historically mined from 1902-1908 and was extensively drilled from 1984-1996. A Resource estimate was completed in 1997 (in compliance with the 1996 JORC Code and Guidelines) for 8.28MT at a grade of 1.37g/t gold for 365,000 ounces.

During the year, Regis completed an extensive RC drilling programme to infill the existing gold Resource and to test for extensions of gold mineralisation below the current historical level of drilling in the fresh rock zone. A total of 177 RC holes were drilled for 21,287 metres which enabled an updated Mineral Resource estimate of 21.3 million tonnes at a grade of 0.77 g/t gold for 528,000 ounces. The Resource estimate was completed in-house using the Ordinary Kriging estimation technique based on 73,253 metres of drilling of which approximately 30% was completed by the recent infill drill program. This estimate has been validated by an independently completed calculation using Multiple Indicator Kriging.

In March 2016, Regis announced a maiden Ore Reserve at Gloster of 7.0 million tonnes at 1.00g/t Au for 226,000 ounces of gold.

A Mining Lease was granted over the Gloster gold deposit during the period and final statutory approvals were received in July 2016. It is projected that mining should commence later in the September 2016 quarter with first gold production in the December 2016 quarter. The Gloster deposit will be mined with ore hauled overland to the 2.5-3 million tonne per annum DNO processing plant and is expected to produce in the order of 70,000 ounces of gold per annum for approximately 3 years.

TOOHEYS WELL

The Tooheys Well gold prospect is located on a granted Mining Lease, 2.5km south of the Garden Well gold mine. Gold mineralisation was previously defined in two north-south trending Western and Eastern shear zones, 100 metres apart hosted in chert and fine grained sediments. Total RC drilling of 120 holes for 19,336 metres and 7 diamond holes for 720 metres were carried during the period to follow up anomalous gold mineralisation in the Eastern and Western shear zones.

This drilling has demonstrated gold mineralisation continuity both along strike and at depth in the Eastern shear zone which is now mineralised over a strike length in excess of 500 metres from 690900mN to 6909500mN based on a 40m x 20m drilling pattern. Subsequent to year end, the Company announced a Maiden Inferred Mineral Resource Estimate at Tooheys Well of 14.6 million tonnes at 1.16g/t gold for 547,000 ounces at a 0.4 g/t gold cut-off grade.

Infill resource drilling and extensional drilling both immediately north and south of the more than 750 metres of strike covered by the Mineral Resource Estimate is being expedited with a view to including the results in an update to the Resource estimate to be used as the basis for a maiden Ore Reserve estimate.

COOPERS

The Coopers gold prospect is located on a granted Mining Lease, 11 kilometres south of Moolart Well and 600 metres north of Dogbolter, and is located on the same shear zone hosting those two deposits. Earlier extensive Aircore drilling and a limited 10 hole RC drilling programme by Regis on 40 metre and 80 metre spaced east-west traverses defined gold mineralisation in the oxide zone over a strike distance of 400 metres.

Regis drilled 40 Aircore holes and 62 RC holes for 8,687 metres during the period to test the strike continuation and follow up anomalous gold mineralisation at Coopers. Analytical results have been received and provide enough data to complete a Resource estimation. A diamond drilling programme is also planned to determine bulk densities and metallurgical and geotechnical work to enable a Reserve estimate to be completed.

RUSSELL'S FIND

The Russell's Find deposit is located 6.5km south of the Garden Well pit.

Gold mineralisation at Russell's Find is contained in steep east dipping quartz-carbonate-biotite veins contained in a package of moderate east dipping carbonated ultramafic with a footwall sequence of chert, BIF and fine grained silicified shale.

An RC drilling programme was carried out during the year to validated and extend the current JORC 2004 gold resource of 0.4 million tonnes at 3.86g/t gold for 55,000 ounces of gold using a 1g/t cut-off grade. The results from the drilling programme were used in the updated Mineral Resource estimate released to the ASX in July 2016 of 2.4 million tonnes at 1.05g/t gold for 81,000 ounces of gold using a 0.4g/t cut-off.

DUKETON GOLD EXPLORATION JOINT VENTURE

Regis is spending $1 million in the joint venture area over a two year period to earn a 75% interest in any mining project that is confirmed by a Regis decision to mine. A total of 9,516 first pass lag soil samples were collected on the Duketon Mining JV tenements to date to complete the first pass programme. This reconnaissance lag sampling was completed on a 400m x 100m grid, and lag sampling across mineralised trends was completed on a 200m x 50m grid. Gold and pathfinder element results have been received for all of the samples collected and contouring of gold results has been completed. Numerous +75ppb gold anomalies of interest have been defined and require further investigation prior to follow up infill lag sampling/mapping and subsequent air core drilling.

The Petra North project is located in the joint venture area immediately adjacent to Regis' 100% owned Petra project which has a reported JORC 2012 Resource of 44,000 ounces. A preliminary air core drill programme was designed to test for extensions of the known mineralisation at Petra into the JV tenement. Drilling commenced in April 2016 and by year end, 86 AC holes were completed for 7,266 metres. Gold results from this drilling programme include encouraging intercepts that will be followed up with an infill drilling programme.

MOOLART WELL GOLD PROJECT

An RC drill programme was planned at the southern end of the Stirling pit at Moolart Well looking for extensions of known mineralisation encountered during mining that may extend outside of current pit designs. Drilling commenced in April 2016 and by the end of the year, 27 RC holes for 2,616 metres and 9 AC holes for 611 metres had been completed. Encouraging results were returned and follow up drilling is planned.

MCPHILLAMYS GOLD PROJECT

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. Early stage feasibility work continued during the year, particularly focussed on the key infrastructure requirements for development of the project. A 26,000 metre infill drilling programme is scheduled to commence in August 2016 aimed at Resource definition and metallurgical studies.

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

SHARE ISSUES

Subsequent to year end, 225,908 shares have been issued as a result of the exercise of employee options for proceeds of $175,000.

DIRECTORS' REPORT

DIVIDENDS

On 1 August 2016, the directors proposed a final dividend on ordinary shares in respect of the 2016 financial year. Refer to note 6.

Other than the matter 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 States 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
Unlisted options		
31 July 2017	$3.50	35,000
12 September 2017	$1.55	1,500,000
31 March 2018	$2.40	75,000
14 October 2018	$1.55	50,000
11 August 2019	$1.40	8,595,000
6 January 2020	$2.34	1,000,000
13 May 2020	$2.70	200,000
TOTAL		**11,455,000**

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, employees exercised unlisted options to acquire 72,546 fully paid ordinary shares in Regis Resources Limited at a weighted average exercise price of $2.40 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:

	DIRECTORS' MEETINGS		AUDIT AND RISK MANAGEMENT COMMITTEE		REMUNERATION AND NOMINATION COMMITTEE	
	No. Eligible to Attend	No. Attended	No. Eligible to Attend	No. Attended	No. Eligible to Attend	No. Attended
M Clark	10	10	n/a	n/a	n/a	n/a
G Evans (retired 29 July 2016)	10	9	n/a	n/a	n/a	n/a
F Fergusson (retired 12 November 2015)	3	3	n/a	n/a	1	1
N Giorgetta (retired 29 April 2016)	8	8	2	2	3	3
R Kestel	10	9	3	3	4	4
J Mactier (appointed 23 February 2016)	4	4	1	1	1	1
M Okeby	10	9	3	2	4	4
P Thomas (appointed 12 November 2015)	7	7	n/a	n/a	n/a	n/a

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)
J Mactier – appointed 29 April 2016	J Mactier – appointed 29 April 2016
M Okeby	M Okeby
N Giorgetta – retired 29 April 2016	N Giorgetta – retired 29 April 2016
	F Fergusson – retired 12 November 2015

Directors' Interests in the Shares and Options of the Company

As at the date of this report, the interests of the directors in the options of the Company were unchanged from the holdings as at 30 June 2016 as disclosed in the Remuneration Report. The directors' interests in the shares of the Company at the date of this report are set out in the table below.

	NUMBER OF ORDINARY SHARES
M Clark	2,460,000
R Kestel	75,000
J Mactier	-
M Okeby	700,000
P Thomas	-

Auditor Independence and Non-Audit Services

During the year KPMG, the Group auditor, did not perform any non-audit services in addition to the audit and review of the financial statements.

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 Instrument 2016/191 dated 24 March 2016 and in accordance with that Instrument, amounts in the Financial Statements and Directors' Report have been rounded to the nearest thousand dollars, unless otherwise stated.

REMUNERATION REPORT (AUDITED)

REMUNERATION REPORT

AUDITED

This remuneration report for the year ended 30 June 2016 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 Executive Chairman, senior executives and company secretaries of the Parent and the Group.

KEY MANAGEMENT PERSONNEL

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

NAME	POSITION	TERM AS KMP
Non-Executive Directors		
M Okeby	Deputy Chairman/Lead Independent Director	Appointed as Deputy Chairman 12 November 2015. Previously – Non-Executive Director.
G Evans	Non-Executive Director	Full financial year. Retired 29 July 2016.
F Fergusson	Non-Executive Director	Retired 12 November 2015.
N Giorgetta	Non-Executive Director	Retired as Chairman 12 November 2015 and took up the role of Non-Executive Director until his retirement on 29 April 2016.
R Kestel	Non-Executive Director	Full financial year.
J Mactier	Non-Executive Director	Appointed 23 February 2016.
Executive Directors		
M Clark	Executive Chairman	Appointed as Executive Chairman 12 November 2015. Previously – Managing Director.
P Thomas	Executive Director	Appointed as Executive Director 12 November 2015. Previously – Chief Operating Officer.
Other Executives		
J Balkau	General Manager - Exploration	Retired 29 February 2016.
P Woodman	Chief Geological Officer	Appointed 25 January 2016.
M Evans	Chief Development Officer	Resigned 6 May 2016.
K Massey	Chief Financial Officer and Company Secretary	Full financial year.

<< DENSITY SAMPLING TANKS

REMUNERATION REPORT
AUDITED

PRINCIPLES OF REMUNERATION

The Remuneration and Nomination Committee is charged with formulating the Group's remuneration policy, setting each director's remuneration and reviewing the Executive Chairman's remuneration recommendations for KMPs to ensure compliance with the Remuneration Policy and consistency across the Group. Recommendations of the Remuneration and Nomination Committee are put to the Board for approval.

Remuneration levels for KMP are set to attract, retain and incentivise appropriately qualified and experienced directors and executives. Decisions as to the appropriateness of remuneration packages are based on:

- the state of the employment market (using independently sourced market surveys);
- the capability and experience of the relevant employee, their relativity within the Group and their ability to influence the Group's performance;
- the Group's overall operating and financial performance, and;
- total returns to shareholders on an absolute and comparative basis.

Various short and long-term performance hurdles and maximum achievable remuneration levels are set for each financial year to provide guidance for management and employees.

Remuneration packages include a mix of cash and longer-term performance based incentives.

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

	2016 $'000	2015 $'000	2014 $'000	2013 $'000	2012 $'000
Revenue	502,019	465,320	371,933	416,834	171,504
Net profit/(loss) after tax	111,793	86,920	(147,830)	146,506	68,239
Basic earnings/(loss) per share (cents)	22.37	17.39	(29.68)	30.65	15.51
Diluted earnings/(loss) per share (cents)	22.22	17.39	(29.68)	30.27	15.18
Net assets	481,848	409,973	321,060	538,096	235,626

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, safety performance, execution of development projects, exploration success, growth of business through acquisitions and effectiveness of communications with regulators, shareholders, investors and other stakeholders.

During the year Ernst & Young (EY) were engaged to provide advice on implementing remuneration structures in the form of Short Term Incentives (STI) and Long Term Incentives (LTI) for KMP going forward and to benchmark current remuneration against the industry. No remuneration recommendations, as defined by the Corporations Act, were provided by EY.

The Remuneration and Nomination Committee consider the advice from EY along with other factors, in making its remuneration decisions.

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 Group allows KMP 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.

REMUNERATION REPORT
AUDITED

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 Chairman reviews the performance of the KMPs 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 STI 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 STIs have been recommended for the 2016 financial year.

Long-term incentives

Options have been issued under the Regis Resources Limited 2014 Share Option Plan (the "Option Plan"). The objective of the Option Plan was 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 was 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 was reasonable in the circumstances.

The Option Plan provided 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.

The details of options issued to executive directors and KMP's for the 2016 financial year are listed in Table 3. No new benefits under the Option Plan will be issued to executive directors or other KMP's in the 2017 financial year.

2017 Executive Remuneration Incentive Plan

For the 2017 and subsequent financial years, the Company has implemented an Executive Remuneration Incentive Plan for executive directors and other KMPs which sets out the performance hurdles for both STI and LTI and replaces share options with performance rights as the LTI compensation methodology. The Fixed Remuneration and STI will remain as cash payments. The objectives and principles of the Company's new remuneration policy include:

- To align the objectives of executive directors and other KMP's with the interests of shareholders and reflect Company strategy;
- To provide competitive rewards to attract, retain and incentivise high calibre executives; and
- For total remuneration to include a competitive fixed component and an "at risk" component based on performance hurdles and key performance indicators.

The STI is the annual component of the "at risk" reward opportunity which is payable in cash upon the successful achievement of work related financial and non-financial key performance indicators. These KPI's are chosen to represent the key drivers of short term success for the Company with reference to Regis' long term strategy.

The LTI refers to the "at risk" reward opportunity which takes the form of performance rights, being the issue of shares in Regis in the future, subject to meeting predetermined performance and vesting conditions.

Subsequent to the end of the financial year, the Board set the following STI key performance indicators and LTI performance hurdles based upon recommendations from the Remuneration and Nomination Committee.

REMUNERATION REPORT
AUDITED

REMUNERATION STRUCTURE FOR 1 JULY 2016 TO 30 JUNE 2017

COMPONENT	KPI AND PERFORMANCE HURDLE
Total Fixed Remuneration	Salaries awarded effective 1 July used as a base for determining value component for 2017 STI's and LTI's
Short Term Incentives (STI) and Long Term Incentives (LTI)	An overarching review by the board of each individual's performance against agreed performance measures and a review of quantitative factors around the Company's performance and the macro economic environment will determine the achievable percentage (between 0%-100%) of the maximum potential STI and LTI available to be awarded, subject further to the level of achievement against detailed KPI's listed below. This maximum achievable STI and LTI percentage will automatically be 0% in a given financial year in the event of a workplace fatality at any of the Company's operations in that year.
Short Term Incentives (STI)	Combination of specific Company Key Performance Indicators (KPIs) - KPI 1: EBITDA relative to internal targets (35%(i)); - KPI 2: Production relative to stated guidance (35%(i)); and - KPI 3: Safety and environmental performance targets (30%(i)).
Long Term Incentives (LTI)	Vesting may occur after year 2 subject to the following performance hurdles measured at 30 June 2018: - Relative Total Shareholder Return (25%(i)) measured on a sliding scale against a select peer group of comparator companies. (ASX code: AQG, BDR DRM, EVN, KRM, MML, MOY, NCM, NST, OGC, PRU, RMS, RSG, SAR, SBM, SLR, TGZ, TRY); - Absolute Total Shareholder Return (25%(i)); - Absolute earnings per share ("EPS") (25%(i)) measured against a pre-determined target(ii) set by the board (as an average across two 12 month periods); and - Reserve growth and production replacement over the two year vesting period (25%(i))

(i) Represents the maximum award if stretch targets are met.

(ii) Targets and actual outcomes for each of the STI and LTI performance measures will be disclosed in the relevant remuneration report in the year the award may vest. This is to recognise commercial sensitivity of disclosing key organisational metrics.

To maximise engagement of executives and align with the long-term interests of shareholders, the initial grant of LTI's have a two year performance/vesting period with a one year holding lock restricting trading on any shares issued under the plan. Subsequent grants of rights will apply a performance/vesting period after three years.

EY also provided market data to assist the board in establishing the appropriate remuneration levels for the Company's executive directors and other KMP's.

NAME	POSITION	BASE SALARY (AT 1 JULY 2016)(i)	MAXIMUM POTENTIAL STI %(ii)	MAXIMUM POTENTIAL LTI %(ii)
Mark Clark	Executive Chairman	650,000	45%	90%
Paul Thomas	Chief Operating Officer	500,000	35%	65%
Peter Woodman	Chief Geological Officer	380,000	35%	65%
Kim Massey	Chief Financial Officer and Company Secretary	375,000	35%	65%

(i) Base Salaries subject to ongoing review in the ordinary course of business

(ii) Potential STI's and LTI's are based on a % of Base Salary.

The Company will be seeking shareholder approval for the establishment of a Performance Rights Plan at its next AGM and for the issue of Performance Rights to Mark Clark and Paul Thomas as directors of the Company.

SERVICE CONTRACTS

The Group has entered into service contracts with each KMP. 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. No service contract specifies a term of employment or entitlement to performance based incentives, except as detailed below for the Executive Chairman.

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

- Current contract has a three year term to 3 May 2018;
- Fixed remuneration of $650,000 per annum before superannuation (2015: $550,000) subject to annual review; and
- Opportunity to earn a performance based STI determined by the Board.

Each key management person, except as specified below, is subject to a notice period of 1 month which the Company may pay in part or full of the required notice period. 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. In the case of a genuine redundancy, executives would receive their statutory entitlements based on completed years of service.

The Executive Chairman'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

Mr Paul Thomas, the Company's Chief Operating Officer, is employed under a contract with the following termination provisions:

	NOTICE PERIOD	PAYMENT IN LIEU OF NOTICE	ENTITLEMENT TO OPTIONS ON TERMINATION
Employer initiated termination:			1 month to exercise, extendable at Board discretion
- with or without reason	3 months	Up to 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

Mr Kim Massey, the Company's Chief Financial Officer and Company Secretary is entitled to 1 months' notice plus 12 months' salary in the event of a change of control.

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 $267,000 per annum excluding superannuation. Non-executive directors' fees cover all main board activities and membership of board committees. Non-executive directors do not receive performance-related compensation and are not provided with any retirement benefits, apart from statutory superannuation. 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.

REMUNERATION REPORT
AUDITED

KEY MANAGEMENT PERSONNEL REMUNERATION

TABLE 1: REMUNERATION FOR THE YEAR ENDED 30 JUNE 2016

	SHORT TERM		POST EMPLOYMENT	SHARE-BASED PAYMENT			
2016	SALARY & FEES	NON-MONETARY BENEFITS*	SUPER-ANNUATION	OPTIONS	TERMINATION PAYMENTS	TOTAL	PERFORMANCE RELATED
	$	$	$	$	$	$	%
Non-Executive Directors							
N Giorgetta(i)	83,333	-	7,917	-	-	91,250	-
M Okeby	80,000	-	7,600	-	-	87,600	-
G Evans	80,000	-	7,600	-	-	87,600	-
F Fergusson(ii)	26,767	-	2,543	-	-	29,310	-
R Kestel(iii)	92,000	-	8,740	-	-	100,740	-
J Mactier(iv)	30,295	-	2,878	-	-	33,173	-
Executive Directors							
M Clark(v)	680,875	5,525	30,875	401,289	-	1,118,564	35.88%
P Thomas(vi)	500,000	5,525	47,500	853,160	-	1,406,185	60.67%
Other executives							
J Balkau(vii)	203,334	3,683	19,317	51,759	116,545	394,638	13.12%
P Woodman(viii)	165,641	2,302	15,736	163,972	-	347,651	47.17%
M Evans(ix)	297,500	4,604	28,262	-	100,226	430,592	-
K Massey	375,000	5,525	35,625	238,469	-	654,619	36.43%
TOTAL	**2,614,745**	**27,164**	**214,593**	**1,708,649**	**216,771**	**4,781,922**	

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

(i) Mr Giorgetta retired as non-executive director on 29 April 2016.

(ii) Mr Fergusson retired from his position as non-executive director on 12 November 2015.

(iii) Mr Kestel's fees include an additional $12,000 for chairing the Board Committees.

(iv) Mr Mactier was appointed as non-executive director on 23 February 2016.

(v) Mr Clark elected to receive a portion of his superannuation entitlements above the statutorily required maximum amount as salary.

(vi) Mr Thomas was appointed as Executive Director on 12 November 2015. Prior to that date Mr Thomas was Chief Operating Officer.

(vii) Mr Balkau retired from his position as General Manager – Exploration on 29 February 2016. The termination payments include annual leave and long service leave accrued to the date of retirement.

(viii) Mr Woodman commenced with the Company on 25 January 2016 in the role of Chief Geological Officer.

(ix) Mr Evans resigned from his position as Chief Development Officer on 6 May 2016 and forfeited the share options granted and vested during the year as disclosed in Table 3. Any share-based payment expense previously recognised under AASB 2 in respect of unvested options has been reversed. The termination payments include annual leave and long service leave accrued to the date of resignation.

TABLE 2: REMUNERATION FOR THE YEAR ENDED 30 JUNE 2015

	SHORT TERM		POST EMPLOYMENT	SHARE-BASED PAYMENT			
2015	**SALARY & FEES**	**NON-MONETARY BENEFITS***	**SUPER-ANNUATION**	**OPTIONS**	**TERMINATION PAYMENTS**	**TOTAL**	**PERFORMANCE RELATED**
	$	$	$	$	$	$	%
Non-Executive Directors							
N Giorgetta	110,000	-	10,450	-	-	120,450	-
M Okeby	73,000	-	6,935	-	-	79,935	-
G Evans	73,000	-	6,935	-	-	79,935	-
F Fergusson	73,000	-	6,935	-	-	79,935	-
R Kestel	85,000	-	8,075	-	-	93,075	-
Executive Director							
M Clark	550,000	5,112	52,250	-	-	607,362	-
Other Executives							
J Balkau	295,000	5,112	28,025	53,326	-	381,463	13.98%
M Evans	321,667	5,112	30,558	71,099	-	428,436	16.60%
K Massey	310,833	5,112	29,529	71,099	-	416,573	17.07%
P Thomas	400,000	5,112	38,000	416,078	-	859,190	48.43%
TOTAL	**2,291,500**	**25,560**	**217,692**	**611,602**	**-**	**3,146,354**	

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

REMUNERATION REPORT
AUDITED

TABLE 3: COMPENSATION OPTIONS – GRANTED, VESTED AND OUTSTANDING DURING THE YEAR

	GRANTED		TERMS & CONDITIONS FOR EACH GRANT					VESTED	
2016	NO.	GRANT DATE	FAIR VALUE PER OPTION AT GRANT DATE	EXERCISE PRICE PER OPTION	EXPIRY DATE	FIRST EXERCISE DATE	LAST EXERCISE DATE	NO.	% VESTED DURING THE YEAR
Executive Directors									
M Clark	750,000	12 Nov 15	$1.0400	$1.40	11 Aug 19	11 Aug 17	11 Aug 19	-	-
M Clark	750,000	12 Nov 15	$1.2690	$1.40	11 Aug 19	11 Aug 18	11 Aug 19	-	-
P Thomas	250,000	12 Aug 15	$0.5804	$1.40	11 Aug 19	11 Aug 17	11 Aug 19	-	-
P Thomas	250,000	12 Aug 15	$0.7396	$1.40	11 Aug 19	11 Aug 18	11 Aug 19	-	-
P Thomas	1,500,000	12 Sep 14	-	-	-	12 Sep 16	12 Sep 17	-	-
Other Executives									
J Balkau(i)	100,000	12 Aug 15	$0.5804	$1.40	11 Aug 19	11 Aug 17	11 Aug 19	-	-
J Balkau(i)	100,000	12 Aug 15	$0.7396	$1.40	11 Aug 19	11 Aug 18	11 Aug 19	-	-
J Balkau(i)	37,500	19 Aug 13	-	-	-	31 Jul 15	31 Jul 17	37,500	50%
J Balkau(i)	37,500	19 Aug 13	-	-	-	31 Jul 16	31 Jul 17	-	-
P Woodman	500,000	25 Jan 16	$1.0032	$2.34	6 Jan 20	25 Jan 18	6 Jan 20	-	-
P Woodman	500,000	25 Jan 16	$1.2946	$2.34	6 Jan 20	25 Jan 19	6 Jan 20	-	-
M Evans(ii)	200,000	12 Aug 15	$0.5804	$1.40	11 Aug 19	11 Aug 17	11 Aug 19	-	-
M Evans(ii)	200,000	12 Aug 15	$0.7396	$1.40	11 Aug 19	11 Aug 18	11 Aug 19	-	-
M Evans(ii)	-	19 Aug 13	-	-	-	31 Jul 15	-	50,000	50%
K Massey	500,000	12 Aug 15	$0.5804	$1.40	11 Aug 19	11 Aug 17	11 Aug 19	-	-
K Massey	500,000	12 Aug 15	$0.7396	$1.40	11 Aug 19	11 Aug 18	11 Aug 19	-	-
K Massey	50,000	19 Aug 13	-	-	-	31 Jul 15	31 Jul 17	50,000	50%
K Massey	50,000	19 Aug 13	-	-	-	31 Jul 16	31 Jul 17	-	-
TOTAL	**6,275,000**							**137,500**	

(i) Mr Balkau retired from his position as General Manager – Exploration on 29 February 2016 as ceased to be a KMP from that date. Mr Balkau continues to work for the Company in a consulting capacity and such remains entitled to these options.

(ii) Mr Evans resigned from his position as Chief Development Officer on 6 May 2016 and forfeited the right to the options that were granted and those that vested during his time as a KMP.

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

	VALUE OF OPTIONS GRANTED DURING THE YEAR	VALUE OF OPTIONS EXERCISED DURING THE YEAR	REMUNERATION CONSISTING OF SHARE OPTIONS FOR THE YEAR
	$	$	%
Executive Directors			
M Clark(i)	1,731,750	-	35.88%
P Thomas(ii)	330,000	-	60.67%
Other Executives			
J Balkau	132,000	-	13.12%
P Woodman	1,148,900	-	47.17%
M Evans	264,000	-	n/a
K Massey	660,000	-	36.43%
TOTAL	**4,266,650**		

(i) Mr Clark's options were approved by shareholders at the 2015 AGM.

(ii) Mr Thomas' options were awarded prior to his appointment to the Board.

There were no options exercised by KMPs during the year.
No options were forfeited during the 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.

REMUNERATION REPORT
AUDITED

TABLE 5: OPTION HOLDINGS OF KEY MANAGEMENT PERSONNEL

The movement during the reporting period, by number of options over ordinary shares in Regis Resources Limited held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

	HELD AT START OF PERIOD 1 JULY 2015	GRANTED AS REMUNERATION	OPTIONS EXERCISED	NET CHANGE OTHER	HELD AT END OF PERIOD 30 JUNE 2016	VESTED AT 30 JUNE 2016		
						TOTAL	EXERCISABLE	NOT EXERCISABLE
Executive Directors								
M Clark	-	1,500,000	-	-	1,500,000	-	-	-
P Thomas	1,500,000	500,000	-	-	2,000,000	-	-	-
Other Executives								
J Balkau(i)	75,000	200,000	-	-	n/a	n/a	n/a	n/a
P Woodman(ii)	n/a	1,000,000	-	-	1,000,000	-	-	-
M Evans(iii)	100,000	400,000	-	(500,000)	n/a	n/a	n/a	n/a
K Massey	100,000	1,000,000	-	-	1,100,000	50,000	50,000	-
TOTAL	**1,775,000**	**4,600,000**	**-**	**(500,000)**	**5,600,000**	**50,000**	**50,000**	**-**

(i) Mr Balkau retired from his position as General Manager – Exploration on 29 February 2016.
(ii) Mr Woodman commenced with the Company on 25 January 2016 in the role of Chief Geological Officer.
(iii) Mr Evans resigned from his position as Chief Development Officer on 6 May 2016. "Net change other" represents the number of options forfeited by Mr Evans at the time of his resignation. The 500,000 options forfeited comprise 400,000 options granted in the current financial year as disclosed in Table 3 above, and 100,000 options granted in the 2014 financial year.

TABLE 6: SHAREHOLDINGS OF KEY MANAGEMENT PERSONNEL

The movement during the reporting period in the number of ordinary shares in Regis Resources Limited held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

	HELD AT 1 JULY 2015	ON EXERCISE OF OPTIONS	NET CHANGE OTHER	HELD AT 30 JUNE 2016
Non-Executive Directors				
N Giorgetta(i)	16,529,671	-	3,000,000	n/a
M Okeby	1,200,000	-	(500,000)	700,000
G Evans	3,507,815	-	(1,272,000)	2,235,815
F Fergusson(ii)	5,003,957	-	-	n/a
R Kestel	-	-	75,000	75,000
J Mactier(iii)	n/a	-	-	-
Executive Directors				
M Clark	9,460,000	-	(4,500,000)	4,960,000
P Thomas	80,000	-	(80,000)	-
Other Executives				
J Balkau(iv)	1,525,464	-	-	n/a
P Woodman	n/a	-	-	-
M Evans(v)	701,707	-	(204,545)	n/a
K Massey	161,049	-	(161,049)	-
TOTAL	**38,169,663**	**-**	**(3,642,594)**	**7,970,815**

(i) Mr Giorgetta retired as non-executive director on 29 April 2016.
(ii) Mr Fergusson retired as non-executive director on 12 November 2015.
(iii) Mr Mactier was appointed as non-executive director on 23 February 2016.
(iv) Mr Balkau retired as General Manager – Exploration on 29 February 2016.
(v) Mr Evans resigned as Chief Development Officer on 6 May 2016.

In all instances, "Net change other" relates to on-market purchases and sales of shares.

REMUNERATION REPORT
AUDITED

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.

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 years.

OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

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 their related parties.

Signed in accordance with a resolution of the directors.

Executive Chairman

Perth, 26 August 2016

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 2016 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

R Gambitta
Partner

Perth

26 August 2016

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

		CONSOLIDATED	
		2016	2015
	NOTE	$'000	$'000
Revenue	2	502,019	465,320
Cost of goods sold	3	(335,136)	(329,611)
Gross profit		166,883	135,709
Other income	2	6,294	2,452
Investor and corporate costs		(1,677)	(1,129)
Personnel costs		(5,304)	(4,825)
Share-based payment expense	24	(3,317)	(1,959)
Occupancy costs		(547)	(524)
Other corporate administrative expenses		(457)	(550)
Impairment of non-current assets	15	(21)	(47)
Other expenses	3	(839)	(738)
Finance costs	18	(1,914)	(3,365)
Profit before tax		159,101	125,024
Income tax expense	5	(47,308)	(38,104)
Profit from continuing operations		111,793	86,920
Profit attributable to members of the parent		111,793	86,920
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Cash flow hedge reserve			
Unrealised gains on cash flow hedges		5,006	-
Tax effect		(1,502)	-
Items that will not be reclassified to profit or loss:			
Financial assets reserve			
Changes in the fair value of financial assets designated at fair value through other comprehensive income		4,633	-
Tax effect		(1,390)	-
Other comprehensive income for the period, net of tax		6,747	-
Total comprehensive income for the period		6,747	-
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS OF THE PARENT		**118,540**	**86,920**
Basic earnings per share attributable to ordinary equity holders of the parent (cents per share)	4	22.37	17.39
Diluted earnings per share attributable to ordinary equity holders of the parent (cents per share)	4	22.22	17.39

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2016

	NOTE	CONSOLIDATED 2016 $'000	CONSOLIDATED 2015 $'000
Current assets			
Cash and cash equivalents	7	99,535	51,781
Gold bullion awaiting settlement	8	22,764	12,710
Receivables	9	5,257	4,732
Inventories	10	29,134	30,818
Derivatives	21	5,006	-
Financial assets	19	155	152
Other current assets		1,139	939
Total current assets		162,990	101,132
Non-current assets			
Inventories	10	25,866	21,377
Financial assets	19	6,442	-
Property, plant and equipment	11	187,663	208,959
Exploration and evaluation assets	12	123,739	118,779
Mine properties under development	13	1,199	68
Mine properties	14	83,358	65,874
Total non-current assets		428,267	415,057
Total assets		591,257	516,189
Current liabilities			
Trade and other payables	16	35,155	36,104
Interest-bearing liabilities	18	1,125	787
Income tax payable		11,123	3,522
Provisions	17	1,903	3,622
Derivatives	21	713	-
Total current liabilities		50,019	44,035
Non-current liabilities			
Interest-bearing liabilities	18	1,485	21,420
Deferred tax liabilities	23	20,806	1,140
Provisions	17	37,099	39,621
Total non-current liabilities		59,390	62,181
Total liabilities		109,409	106,216
NET ASSETS		**481,848**	**409,973**
Equity			
Issued capital	22	431,335	431,338
Reserves	22	28,574	18,510
Retained profits/(accumulated losses)		21,939	(39,875)
TOTAL EQUITY		**481,848**	**409,973**

The above balance sheet should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2016

FINANCIAL STATEMENTS

	CONSOLIDATED					
	ISSUED CAPITAL $'000	SHARE OPTION RESERVE $'000	FINANCIAL ASSETS RESERVE $'000	CASH FLOW HEDGE RESERVE $'000	RETAINED PROFITS/ (ACCUMULATED LOSSES) $'000	TOTAL EQUITY $'000
At 1 July 2015	431,338	18,510	-	-	(39,875)	409,973
Profit for the period	-	-	-	-	111,793	111,793
Other comprehensive income						
Changes in the fair value of financial assets, net of tax	-	-	3,243	-	-	3,243
Changes in the value of cash flow hedges, net of tax	-	-	-	3,504	-	3,504
Total other comprehensive income for the year, net of tax	-	-	3,243	3,504	-	6,747
Total comprehensive income for the year, net of tax	-	-	3,243	3,504	111,793	118,540
Transactions with owners in their capacity as owners:						
Share-based payments expense	-	3,317	-	-	-	3,317
Dividends paid	-	-	-	-	(49,979)	(49,979)
Shares issued, net of transaction costs	(3)	-	-	-	-	(3)
AT 30 JUNE 2016	**431,335**	**21,827**	**3,243**	**3,504**	**21,939**	**481,848**
At 1 July 2014	431,304	16,551	-	-	(126,795)	321,060
Profit for the period	-	-	-	-	86,920	86,920
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	86,920	86,920
Transactions with owners in their capacity as owners:						
Share-based payments expense	-	1,959	-	-	-	1,959
Shares issued, net of transaction costs	34	-	-	-	-	34
AT 30 JUNE 2015	**431,338**	**18,510**	**-**	**-**	**(39,875)**	**409,973**

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

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2016

		CONSOLIDATED	
		2016	2015
	NOTE	$'000	$'000
Cash flows from operating activities			
Receipts from gold sales		490,098	459,750
Payments to suppliers and employees		(266,569)	(316,314)
Option premium income received		2,715	75
Interest received		1,745	458
Interest paid		(1,063)	(2,024)
Proceeds from rental income		8	10
Income tax paid		(22,933)	-
Net cash from operating activities	7	204,001	141,955
Cash flows from investing activities			
Acquisition of property, plant and equipment		(20,469)	(19,257)
Proceeds on disposal of property, plant and equipment		165	-
Payments for exploration and evaluation (net of rent refunds)		(18,141)	(10,292)
Payments for exploration assets (net of cash)		(100)	(1,557)
Payments for financial assets		(1,812)	(4)
Payments for mine properties under development		(816)	(1,800)
Payments for mine properties		(44,355)	(43,855)
Net cash used in investing activities		(85,528)	(76,765)
Cash flows from financing activities			
Proceeds from issue of shares		-	37
Payment of transaction costs		(3)	(3)
Payment of dividends		(49,979)	-
Repayment of finance lease		(737)	(58)
Repayment of borrowings		(20,000)	(20,000)
Net cash used in financing activities		(70,719)	(20,024)
Net increase in cash and cash equivalents		47,754	45,166
Cash and cash equivalents at 1 July		51,781	6,615
CASH AND CASH EQUIVALENTS AT 30 JUNE	**7**	**99,535**	**51,781**

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

Notes to the FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE
FINANCIAL STATEMENTS

BASIS OF PREPARATION

Regis Resources Limited ("Regis" or the "Company") is a for profit company limited by shares, incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange. Its registered office and principal place of business is:

Regis Resources Limited
Level 1
1 Alvan Street
Subiaco WA 6008

A description of the nature of operations and principal activities of Regis and its subsidiaries (collectively, the "Group") is included in the Directors' Report, which is not part of these financial statements.

The financial statements were authorised for issue in accordance with a resolution of the directors on 26 August 2016.

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 (AASB) and complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB);
- has been prepared on a historical cost basis except for assets and liabilities and share-based payments which are required to be measured at fair value. The basis of measurement is discussed further in the individual notes;
- is presented in Australian dollars with all values rounded to the nearest thousand dollars ($'000) unless otherwise stated, in accordance with ASIC Instrument 2016/191;
- presents reclassified comparative information where required for consistency with the current year's presentation;
- adopts all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the operations of the Group and effective for reporting periods beginning on or after 1 July 2015. Refer to note 31 for further details;
- does not early adopt Accounting Standards and Interpretations that have been issued or amended but are not yet effective with the exception of AASB 9 Financial Instruments (2014) including consequential amendments to other standards which was adopted on 1 July 2015. Refer to note 31 for further details.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Group. A list of controlled entities (subsidiaries) at year end is contained in note 25.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profits and losses resulting from intra-group transactions have been eliminated. Subsidiaries are consolidated from the date on which control is obtained to the date on which control is disposed. The acquisition of subsidiaries is accounted for using the acquisition method of accounting.

FOREIGN CURRENCIES

Both the functional currency of each entity within the Group and the Group's presentation currency is Australian dollars.

Transactions in foreign currencies are initially recorded in Australian dollars at the exchange rate on that day. Foreign currency monetary assets and liabilities are translated to Australian dollars at the reporting date exchange rate. Foreign currency gains and losses are generally recognised in profit or loss.

OTHER ACCOUNTING POLICIES

Significant and other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements. Where possible, wording has been simplified to provide clearer commentary on the financial report of the Group. Accounting policies determined non-significant are not included in the financial statements. There have been no changes to the Group's accounting policies that are no longer disclosed in the financial statements.

KEY ESTIMATES AND JUDGEMENTS

In the process of applying the Group's accounting policies, management has made a number of judgements and applied estimates of future events. Judgements and estimates which are material to the financial report are found in the following notes.

Note 3	Expenses	Page 53
Note 10	Inventories	Page 59
Note 12	Exploration and evaluation assets	Page 61
Note 14	Mine properties	Page 62
Note 15	Impairment	Page 64
Note 17	Provisions	Page 65
Note 23	Deferred income tax	Page 75
Note 24	Share-based payments	Page 76

THE NOTES TO THE FINANCIAL STATEMENTS

The notes include information which is required to understand the financial statements and is material and relevant to the operations and the financial position and performance of the Group. Information is considered relevant and material if, for example:

- the amount is significant due to its size or nature;
- the amount is important for understanding the results of the Group;
- it helps to explain the impact of significant changes in the Group's business; or
- it relates to an aspect of the Group's operations that is important to its future performance.

The notes are organised into the following sections:

- Performance for the year;
- Operating assets and liabilities;
- Capital structure and risk;
- Other disclosures.

A brief explanation is included under each section.

PERFORMANCE FOR THE YEAR

This section focuses on the results and performance of the Group. This covers both profitability and the resultant return to shareholders via earnings per share combined with cash generation and the return of cash to shareholders via dividends.

1. Segment Information

Operating segments are reported in a manner that is consistent with the internal reporting provided to the Executive Chairman and his executive management team (the chief operating decision makers). The Group has two reportable segments which comprise the Duketon Gold Project; being Duketon North Operations ("DNO"), currently only comprising Moolart Well and Duketon South Operations ("DSO"), currently incorporating Garden Well and Rosemont. Other than the name, the segments are unchanged from those reported at 30 June 2015. A number of new mining operations at satellite pits will commence in the next several years. In addition to Moolart Well, DNO will include Gloster, Dogbolter, Petra and Anchor pits as all will be processed through the Moolart Well processing plant. DSO will add Erlistoun, Baneygo and the other satellite projects in that area to the Garden Well leaching circuit.

Unallocated items comprise corporate administrative costs (including personnel costs, share based payments, occupancy costs and investor and corporate costs), interest revenue, finance costs, net gains and losses on derivatives, exploration and evaluation assets relating to areas of interest where an economically recoverable reserve is yet to be delineated, cash, derivative assets and income tax assets.

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 following table presents financial information for reportable segments for the years ended 30 June 2016 and 30 June 2015:

	DUKETON NORTH OPERATIONS		DUKETON SOUTH OPERATIONS		UNALLOCATED		TOTAL	
	2016	2015	2016	2015	2016	2015	2016	2015
CONTINUING OPERATIONS	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Segment revenue								
Sales to external customers	124,661	144,400	375,491	320,454	-	-	500,152	464,854
Other revenue	-	-	-	-	1,867	466	1,867	466
Total segment revenue	124,661	144,400	375,491	320,454	1,867	466	502,019	465,320
Total revenue per the statement of comprehensive income							502,019	465,320
Interest expense	-	-	-	-	981	1,677	981	1,677
Impairment of non-current assets	-	-	-	-	21	47	21	47
Depreciation and amortisation	34,482	24,612	40,607	28,776	248	229	75,337	53,617
Depreciation capitalised							(93)	(87)
Total depreciation and amortisation recognised in the statement of comprehensive income							75,244	53,530
Segment result								
Segment net operating profit/(loss) before tax	30,341	54,528	137,886	81,564	(9,126)	(11,068)	159,101	125,024
Segment assets								
Segment assets at balance date	62,087	62,849	272,784	261,408	256,386	191,932	591,257	516,189
Capital expenditure for the year	18,974	6,650	41,386	57,596	17,692	13,059	78,052	77,305

NOTES TO THE
FINANCIAL STATEMENTS

2. Revenue and Other Income

Accounting Policies

GOLD SALES

Revenue is recognised and measured at the fair value of the consideration received or receivable, when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Group. The specific recognition criteria for the Group's gold sales is upon dispatch of the gold bullion from the mine site as this is the point at which the significant risks and rewards of ownership and control of the product passes to the customer. Adjustments are made for variations in gold 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.

	CONSOLIDATED	
	2016	2015
	$'000	$'000
Revenue		
Gold sales	500,152	464,854
Interest	1,867	466
	502,019	465,320

Gold forward contracts

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 gold sales. The counterparty to the gold forward contracts is Macquarie Bank Limited ("MBL").

It is management's intention to settle each contract through physical delivery of gold and as such, the gold forward sale contracts disclosed below do not meet the criteria of financial instruments for accounting purposes. This is referred to as the "normal purchase/sale" exemption. Accordingly, the contracts will be accounted for as sale contracts with revenue recognised once the gold has been delivered to MBL or its agent.

Open contracts at balance date are summarised in the table below:

	GOLD FOR PHYSICAL DELIVERY		CONTRACTED GOLD SALE PRICE		VALUE OF COMMITTED SALES		MARK-TO-MARKET(i)	
	2016	2015	2016	2015	2016	2015	2016	2015
	OUNCES	OUNCES	$/OZ	$/OZ	$'000	$'000	$'000	$'000
Within one year								
- Spot deferred contracts(ii)	353,770	135,197	1,581	1,437	559,206	194,210	(68,594)	(11,310)
- Fixed forward contracts	80,000	45,834	1,454	1,403	116,280	64,275	(27,121)	(6,263)
- Fixed forward contracts	-	20,000	-	1,454	-	29,070	-	(1,723)
Between one and five years								
- Fixed forward contracts	-	80,000	-	1,454	-	116,280	-	(9,316)
	433,770	281,031			675,486	403,835	(95,715)	(28,612)
Mark-to-market has been calculated with reference to the following spot price at period end							$1,774/oz	$1,520/oz

(i) Mark-to-market represents the value of the open contracts at balance date, calculated with reference to the gold spot price at that date. A negative amount reflects a valuation in the counterparty's favour.

(ii) The contracted gold sale price disclosed for spot deferred contracts reflects a weighted average of a range of contract prices. The range of prices at the end of the year was from $1,402/oz to $1,803/oz (2015: $1,402/oz to $1,588/oz).

	CONSOLIDATED 2016 $'000	CONSOLIDATED 2015 $'000
Other income		
Rehabilitation provision adjustment	4,283	2,367
Net gain on financial instruments at fair value through profit or loss	2,002	75
Rental income	9	10
	6,294	2,452

The net gain on financial instruments at fair value through profit or loss relates to sold gold call options that do not qualify for hedge accounting. During the current financial year, the Group sold gold call options for 73,000 ounces with a weighted average exercise price of A$1,700/oz (2015: 7,000 ounces at A$1,409/oz). Offsetting the premium income received during the current year is the fair value of open contracts at balance date, recognised on the balances sheet as "derivative liabilities". In the prior year, there were no open contracts at balance date and the net gain reflected premiums received. For more information on the measurement and recognition of derivatives, refer to note 21.

3. Expenses

Accounting Policies

CASH COSTS OF PRODUCTION

Cash costs of production include direct costs incurred for mining, milling, laboratory and mine site administration, net of costs capitalised to pre-strip and production stripping assets. This category also includes movements in the cost of inventory and any net realisable value write downs.

	CONSOLIDATED 2016 $'000	CONSOLIDATED 2015 $'000
Cost of goods sold		
Cash costs of production	238,158	256,192
Royalties	21,889	20,031
Depreciation of mine plant and equipment	42,823	36,710
Amortisation of mine properties	32,266	16,678
	335,136	329,611

DEPRECIATION

Depreciation of mine specific plant and equipment and buildings and infrastructure is charged to the statement of 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 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 - 20 years
- Fixtures and fittings: 3 - 20 years
- Leasehold improvements: 10 years

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

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.

NOTES TO THE
FINANCIAL STATEMENTS

	CONSOLIDATED 2016 $'000	CONSOLIDATED 2015 $'000
Depreciation and amortisation		
Depreciation expense	43,071	36,939
Amortisation expense	32,266	16,678
Less: Amounts capitalised	(93)	(87)
Depreciation and amortisation charged to the statement of comprehensive income	75,244	53,530

Key estimates and assumptions

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.

	NOTE	CONSOLIDATED 2016 $'000	CONSOLIDATED 2015 $'000
Employee benefits expense			
Wages and salaries		33,459	30,347
Defined contribution superannuation expense		3,027	2,759
Share-based payments expense	24	3,317	1,959
Other employee benefits expense		2,118	1,893
		41,921	36,958
Less: Amounts capitalised		(3,365)	(2,627)
Employee benefits expense recognised in the statement of comprehensive income		38,556	34,331
Lease payments and other expenses included in the statement of comprehensive income			
Minimum lease payments – operating lease		356	351
Less: Amounts capitalised		(107)	(105)
Recognised in the statement of comprehensive income		249	246
Other expenses			
Gold swap fees		175	151
Non-capital exploration expenditure		660	579
Loss on disposal of assets		4	8
Rehabilitation provision adjustment		-	-
		839	738

4. Earnings per Share

Accounting Policy

Earnings per share ("EPS") is the amount of post-tax profit attributable to each share. The Group presents basic and diluted 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 takes into account the dilutive effect of all potential ordinary shares, being unlisted employee share options on issue.

	CONSOLIDATED	
	2016 $'000	2015 $'000
Earnings used in calculating EPS		
Net profit attributable to ordinary equity holders of the parent	111,793	86,920

	NO. SHARES ('000S)	NO. SHARES ('000S)
Weighted average number of shares		
Issued ordinary shares at 1 July	499,782	499,744
Effect of shares issued	6	29
Weighted average number of ordinary shares at 30 June	499,788	499,773
Effect of dilution:		
Share options	3,291	21
Weighted average number of ordinary shares adjusted for the effect of dilution	503,079	499,794

There have been no transactions involving ordinary shares between the reporting date and the date of completion of these financial statements which would impact on the above EPS calculations.

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FINANCIAL STATEMENTS

5. Current Income Tax

Accounting Policy

CURRENT TAX

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.

	CONSOLIDATED	
	2016	2015
	$'000	$'000
The major components of income tax expense are:		
Current income tax		
Current income tax expense	31,996	26,121
Adjustment in respect of income tax of previous years	(1,462)	4,480
Deferred income tax		
Relating to the origination and reversal of temporary differences	16,736	11,976
Adjustment in respect of income tax of previous years	38	(4,473)
Income tax expense reported in the statement of comprehensive income	47,308	38,104
Deferred tax payable related to items recognised in OCI during the year		
Net gain on revaluation of cash flow hedges	1,502	-
Unrealised gain on financial assets	1,390	-
Deferred tax charged to OCI	2,892	-
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:		
Accounting profit before income tax	159,101	125,024
At the Group's statutory income tax rate of 30% (2015: 30%)	47,730	37,507
Share-based payments	996	588
Other non-deductible items	6	3
Adjustment in respect of income tax of previous years	(1,424)	6
Income tax expense reported in the statement of comprehensive income	47,308	38,104

6. Dividends

	CONSOLIDATED	
	2016	2015
	$'000	$'000
Declared and paid during the year:		
Dividends on ordinary shares		
Final franked dividend for 2015: 6 cents per share (2014: nil)	29,987	-
Interim franked dividend for 2016: 4 cents per share (2015: nil)	19,992	-
	49,979	-
Proposed by the directors after balance date but not recognised as a liability at 30 June:		
Dividends on ordinary shares		
Final dividend for 2016: 9 cents per share (2015: 6 cents per share)	45,006	29,987
Dividend franking account		
Amount of franking credits available to shareholders of Regis Resources Limited for subsequent financial years	12,644	-

The ability to utilise the franking credits is dependent upon the ability to declare dividends.

7. Cash and Cash Equivalents

Accounting Policy

CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand. Cash at bank earns interest at floating rates based on daily bank deposit rates.

At 30 June 2016, the Group had no undrawn, committed borrowing facilities available (2015: nil). Refer to note 18.

	CONSOLIDATED	
	2016	2015
	$'000	$'000
Cash and cash equivalents in the balance sheet and cash flow statement		
Cash at bank and on hand	99,535	51,781

Restrictions on cash

The Group is required to maintain $161,000 (2015: $161,000) on deposit to secure a bank guarantee in relation to the Perth office lease. The amount will be held for the term of the lease. Refer to note 27.

	CONSOLIDATED	
	2016	2015
	$'000	$'000
Reconciliation of profit after income tax to net cash inflow from operating activities		
Net profit for the year	111,793	86,920
Adjustments for:		
Impairment of non-current assets	21	47
Unwinding of discount on provisions	933	1,543
Loss on disposal of assets	4	8
Unrealised gain on derivatives	713	-
Share-based payments	3,317	1,959
Rehabilitation provision adjustment	(4,283)	(2,367)
Depreciation and amortisation	75,244	53,530
Changes in assets and liabilities		
(Increase)/decrease in gold bullion awaiting settlement	(10,054)	(5,105)
(Increase)/decrease in receivables	(376)	(1,136)
(Increase)/decrease in inventories	(2,805)	(9,150)
(Increase)/decrease in other current assets	(180)	272
Increase/(decrease) in income tax payable	7,601	30,620
Increase/(decrease) in trade and other payables	5,899	(21,750)
Increase/(decrease) in deferred tax liabilities	16,774	7,503
Increase/(decrease) in provisions	(600)	(939)
Net cash from operating activities	204,001	141,955

NON-CASH FINANCING AND INVESTING ACTIVITIES

During the year ended 30 June 2016, the Group entered into a hire purchase arrangement for the acquisition of a Komatsu WA600 loader for the Duketon Gold Project. The amount financed was $1,222,000. In the prior year, the Group entered into a hire purchase arrangement for the acquisition of a Komatsu WA900 loader for the Duketon Gold Project. The amount financed was $2,183,000.

Refer to note 18 for further details. These transactions are not reflected in the statement of cash flows.

OPERATING ASSETS AND LIABILITIES

This section shows the assets used to generate the Group's trading performance and the liabilities incurred as a result. Liabilities relating to the Group's financing activities are addressed in the capital structure and finance costs section on page 67.

8. Gold Bullion Awaiting Settlement

Accounting Policy

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 the expected selling price and adjustments for variations in the gold price are made at the time of final settlement.

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.

	CONSOLIDATED	
	2016	2015
	$'000	$'000
Current		
Gold bullion awaiting settlement	22,764	12,710

At balance date, gold bullion awaiting settlement comprised 12,538 ounces valued at a weighted average realisable value of $1,815/oz (2015: 8,158 ounces at $1,558/oz).

9. Receivables

Accounting Policy

Receivables are initially recognised at fair value and subsequently at the amounts considered receivable (financial assets at amortised cost). Balances within receivables do not contain impaired assets, are not past due and are expected to be received when due.

The Group does not have trade receivables in relation to gold sales. The only material receivables at year end are for GST and fuel tax credits receivable from the Australian Taxation Office and therefore, the Group is not generally exposed to credit risk in relation to its receivables.

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

	CONSOLIDATED	
	2016	2015
	$'000	$'000
Current		
GST receivable	2,955	2,850
Fuel tax credit receivable	1,527	1,364
Interest receivable	140	17
Dividend trust account	439	340
Other receivables	196	161
	5,257	4,732

10. Inventories

Accounting Policy

Gold bullion, gold in circuit and ore stockpiles are physically measured or estimated and valued at the lower of cost and net realisable value. 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. 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, including royalties.

Consumable stores are valued at the lower of cost and net realisable value. The cost of consumable stores is measured on a first-in first-out basis.

Inventories expected to be sold (or consumed in the case of stores) within 12 months after the balance sheet date are classified as current assets, all other inventories are classified as non-current.

	CONSOLIDATED	
	2016	2015
	$'000	$'000
Current		
Ore stockpiles	16,733	11,780
Gold in circuit	8,957	10,168
Bullion on hand	525	6,022
Consumable stores	2,919	2,848
	29,134	30,818
Non-current		
Ore stockpiles	25,866	21,377

During the year ended 30 June 2015, a portion of ore stockpiles were reclassified as non-current as a result of the annual update of life of mine plans. These stockpiles continue to be classified as non-current as at 30 June 2016, which reflects the expected timing for the conversion to bullion and subsequent sale.

At 30 June 2016, all inventory is carried at cost. At the prior year end, all inventory was carried at cost, except for the non-current ore stockpile which was held at net realisable value. During the current year, there was no expense recognised in costs of goods sold for inventories carried at net realisable value (2015: $1,810,000 expense recognised).

Key estimates and assumptions

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.

11. Property, Plant and Equipment

Accounting Policy

The value of property, plant and equipment is measured as the cost of the asset, less accumulated depreciation and impairment. The cost of the asset also includes the cost of replacing parts that are eligible for capitalisation, the cost of major inspections and an initial estimate of the cost of dismantling and removing the item from site at the end of its useful life (rehabilitation provisions). Changes in the rehabilitation provisions resulting from changes in the size or timing of the cost or from changes in the discount rate are also recognised as part of the asset cost.

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DERECOGNITION

An item of property, plant and equipment is derecognised when it is sold or otherwise disposed of, or when its use is expected to bring no further economic benefits. Any gain or loss from derecognising the asset (the difference between the proceeds on disposal and the carrying amount of the asset) is included in the income statement in the period the item is derecognised.

	CONSOLIDATED						
	FREEHOLD LAND	LEASEHOLD IMPROVEMENTS	PLANT & EQUIPMENT	FURNITURE & EQUIPMENT	BUILDINGS & INFRASTRUCTURE	CAPITAL WIP	TOTAL
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Net carrying amount at 1 July 2015	16,488	409	133,541	613	47,537	10,371	208,959
Additions	-	4	8,408	221	1,308	12,290	22,231
Depreciation expense	-	(72)	(30,238)	(229)	(12,532)	-	(43,071)
Transfers between classes	-	-	3,101	11	11,501	(14,613)	-
Rehabilitation provision adjustments	-	-	(34)	-	(253)	-	(287)
Disposals	-	-	(169)	-	-	-	(169)
Net carrying amount at 30 June 2016	16,488	341	114,609	616	47,561	8,048	187,663
At 30 June 2016							
Cost	16,488	725	223,997	1,663	88,104	8,048	339,025
Accumulated depreciation	-	(384)	(109,388)	(1,047)	(40,543)	-	(151,362)
Net carrying amount	16,488	341	114,609	616	14,561	8,048	187,663
Net carrying amount at 1 July 2014	16,488	481	136,702	726	54,026	3,597	212,020
Additions	-	-	8,034	69	3,191	8,052	19,346
Depreciation expense	-	(72)	(26,142)	(188)	(10,537)	-	(36,939)
Transfers from mine properties under development	-	-	14,277	-	734	-	15,011
Transfers between classes	-	-	743	6	529	(1,278)	-
Rehabilitation provision adjustments	-	-	(65)	-	(406)	-	(471)
Disposals	-	-	(8)	-	-	-	(8)
Net carrying amount at 30 June 2015	16,488	409	133,541	613	47,537	10,371	208,959
At 1 July 2014							
Cost	16,488	721	191,393	1,357	74,309	3,597	287,865
Accumulated depreciation	-	(240)	(54,691)	(631)	(20,283)	-	(75,845)
Net carrying amount	16,488	481	136,702	726	54,026	3,597	212,020
At 30 June 2015							
Cost	16,488	721	213,694	1,432	76,187	10,371	318,893
Accumulated depreciation	-	(312)	(80,153)	(819)	(28,650)	-	(109,934)
Net carrying amount	16,488	409	133,541	613	47,537	10,371	208,959

NOTES TO THE
FINANCIAL STATEMENTS

12. Exploration and Evaluation Assets

Accounting Policy

Exploration and evaluation expenditure is accumulated on an area of interest basis. 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. Expenditure is carried forward when incurred in areas for which the Group has rights of tenure and where economic mineralisation is indicated, but activities have not yet 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. Costs incurred before the Group has obtained the legal rights to explore an area are recognised in the statement of comprehensive income.

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.

		CONSOLIDATED	
		2016	2015
	NOTE	$'000	$'000
Reconciliation of movements during the year			
Balance at 1 July		118,779	105,788
Expenditure for the period		17,440	11,394
Acquisition of tenements		100	1,644
Impairment	15	(21)	(47)
Transferred to mine properties	14	(12,559)	-
Balance at 30 June		123,739	118,779

ACQUISITION OF TENEMENTS

The Group made an up-front payment of $100,000 as part of an agreement to enter into an exploration joint venture with Duketon Mining Limited ("DKM") on four of DKM's exploration licences which are in proximity to the Moolart Well project.

IMPAIRMENT

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 ("CGUs") to which the exploration activity relates. The CGU is not larger than the area of interest.

Carrying value by area of interest		
Moolart Well CGU	1,840	9,719
Garden Well CGU	3,144	1,931
Duketon Gold Project satellite deposits	19,343	11,912
Regional WA exploration	7,947	4,367
McPhillamys	91,465	90,850
	123,739	118,779

Key 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.

NOTES TO THE
FINANCIAL STATEMENTS

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 Western Australian and New South Wales state governments, 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:

	CONSOLIDATED	
	2016	2015
	$'000	$'000
Within one year	2,804	2,255

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.

13. Mine Properties under Development

Accounting Policy

Mine properties under development represents the costs incurred in preparing mines for production and includes plant and equipment under construction and operating 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 are transferred to property, plant and equipment and mine properties, as relevant, and are depreciated and 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.

	CONSOLIDATED	
	2016	2015
	$'000	$'000
Balance at beginning of period	68	14,235
Pre-production expenditure capitalised	1,131	68
Construction expenditure	-	776
Transferred to property, plant and equipment	-	(15,011)
Balance at end of period	1,199	68

14. Mine Properties

Accounting Policies

PRODUCTION STRIPPING COSTS

Once access to the ore is attained, all waste that is removed from that point forward is considered production stripping activity. The amount of production stripping costs deferred is based on the extent to which the current period cost per tonne of ore mined exceeds the expected cost per tonne for the life of the identified component. A component is defined as a specific volume of the ore body that is made more accessible by the stripping activity, and is identified based on the mine plan.

The production stripping asset is initially measured at cost, which is the accumulation of costs directly incurred to perform the stripping activity that improves access to the identified component of the ore body. The production stripping asset is then carried at cost less accumulated amortisation and any impairment losses.

The production stripping asset is amortised over the expected useful life of the identified component (determined based on economically recoverable reserves), on a unit of production basis. The unit of account is tonnes of ore mined.

PRE-STRIP COSTS

In open pit mining operations, it is necessary to remove overburden and waste materials to access the ore. This process is referred to as stripping and the Group capitalises stripping costs incurred during the development of a mine (or pit) as part of the investment in constructing the mine ("pre-strip"). These costs are subsequently amortised over the life of mine on a units of production basis, where the unit of account is tonnes of ore milled.

OTHER MINE PROPERTIES

Other 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. Other mine properties are stated at cost, less accumulated amortisation and accumulated impairment losses.

Other 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.

	CONSOLIDATED			
	PRODUCTION STRIPPING COSTS	PRE-STRIP COSTS	OTHER MINE PROPERTIES	TOTAL
	$'000	$'000	$'000	$'000
Net carrying amount at 1 July 2015	20,464	31,663	13,747	65,874
Additions	5,521	21,794	9,935	37,250
Transfers from exploration and evaluation assets	-	-	12,559	12,559
Rehabilitation provision adjustment	-	-	(59)	(59)
Amortisation expense	(6,016)	(16,123)	(10,127)	(32,266)
Net carrying amount at 30 June 2016	19,969	37,334	26,055	83,358
At 30 June 2016				
Cost	36,843	67,335	72,486	176,664
Accumulated amortisation	(16,874)	(30,001)	(46,431)	(93,306)
Net carrying amount	19,969	37,334	26,055	83,358
Net carrying amount at 1 July 2014	8,103	11,434	19,131	38,668
Additions	16,231	27,317	529	44,077
Rehabilitation provision adjustment	-	-	(193)	(193)
Amortisation expense	(3,870)	(7,088)	(5,720)	(16,678)
Net carrying amount at 30 June 2015	20,464	31,663	13,747	65,874
At 30 June 2015				
Cost	31,322	45,541	50,051	126,914
Accumulated amortisation	(10,858)	(13,878)	(36,304)	(61,040)
Net carrying amount	20,464	31,663	13,747	65,874
At 1 July 2014				
Cost	15,091	18,224	49,715	83,030
Accumulated amortisation	(6,988)	(6,790)	(30,584)	(44,362)
Net carrying amount	8,103	11,434	19,131	38,668

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FINANCIAL STATEMENTS

Key estimates and assumptions

PRODUCTION STRIPPING COSTS

The Group capitalises mining costs incurred during the production stage of its operations in accordance with the accounting policy described above. The identification of specific components will vary between mines as a result of both the geological characteristics and location of the ore body. The financial considerations of the mining operations may also impact the identification and designation of a component.

The expected cost per tonne is a function of an individual mine's design and therefore changes to that design will generally result in changes to the expected cost. Changes in other technical or economic parameters that impact reserves will also have an impact on the expected costs per tonne for each identified component. Changes in the expected cost per tonne are accounted for prospectively from the date of change.

15. Impairment of Non-Financial Assets

ACCOUNTING POLICY

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 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.

Total impairment losses recognised in the statement of comprehensive income for the year were as follows:

		CONSOLIDATED	
		2016	2015
	NOTE	$'000	$'000
Exploration and evaluation assets	12	21	47
		21	47

EXPLORATION AND EVALUATION ASSETS

An impairment loss of $21,000 (2015: $47,000) has been recognised in relation to tenements that were surrendered, relinquished or expired during the year. There were no other indicators of impairment identified.

Key judgements

DETERMINATION OF MINERAL RESOURCES AND ORE RESERVES

The determination of mineral resources and ore reserves impacts the accounting for asset carrying values. The Group 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.

16. Trade and Other Payables

Accounting Policies

TRADE PAYABLES

Trade and other payables are initially recognised at the value of the invoice received from a supplier and subsequently measured at amortised cost. 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.

EMPLOYEE ENTITLEMENTS

A liability is recognised for the amount expected to be paid to an employee for annual leave they are presently entitled to as a result of past service. The liability includes allowances for on-costs such as superannuation and payroll taxes, as well as any future salary and wage increases that the employee may be reasonably entitled to.

	CONSOLIDATED	
	2016	2015
	$'000	$'000
Current		
Trade payables	14,182	11,813
Accrued expenses	11,241	15,710
Employee entitlements – annual leave payable	2,727	2,429
Other payables	7,005	6,152
	35,155	36,104

17. Provisions

Accounting Policies

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 the risks specific to the liability. The unwinding of the discount is recognised as a finance cost. Refer to note 18.

SITE REHABILITATION

In accordance with the Group's published environmental policy and applicable legal requirements, a provision for site rehabilitation is recognised in respect of the estimated cost of rehabilitation and restoration of the areas disturbed by mining activities up to the reporting date, but not yet rehabilitated.

When the liability is initially recorded, the estimated cost is capitalised by increasing the carrying amount of the related mining assets. At each reporting date the site rehabilitation provision is re-measured to reflect any changes in discount rates and timing or amounts to be incurred. Additional disturbances or changes in rehabilitation costs will be recognised as additions or changes to the corresponding asset and rehabilitation provision, prospectively from the date of change. For closed sites, or where the carrying value of the related asset has been reduced to nil either through depreciation and amortisation or impairment, changes to estimated costs are recognised immediately in the statement of comprehensive income.

LONG SERVICE LEAVE

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service up to reporting date, plus related on costs. The benefit is discounted to determine its present value and the discount rate is the yield at the reporting date on high-quality corporate bonds that have maturity dates approximating the terms of the Group's obligations.

NOTES TO THE FINANCIAL STATEMENTS

	CONSOLIDATED	
	2016	2015
	$'000	$'000
Current		
Dividends payable	438	340
Rehabilitation	1,465	3,282
	1,903	3,622
Non-current		
Long service leave	1,163	789
Rehabilitation	35,936	38,832
	37,099	39,621
Provision for rehabilitation		
Balance at 1 July	42,114	44,853
Provisions made during the year	-	-
Provisions used during the year	(1,018)	(1,250)
Provisions re-measured during the year	(4,628)	(3,032)
Unwinding of discount	933	1,543
Balance at 30 June	37,401	42,114

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 re-vegetation of affected areas. Typically the obligation arises when the asset is installed at the production location.

Key estimates and assumptions

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.

CAPITAL STRUCTURE, FINANCIAL INSTRUMENTS AND RISK

This section outlines how the Group manages its capital, related financing costs and its exposure to various financial risks. It explains how these risks affect the Group's financial position and performance and what the Group does to manage these risks.

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders and to maintain an efficient capital structure to reduce the cost of capital.

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, plus retained earnings, reserves and net debt. In order to maintain or adjust the capital structure, the Board may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or reduce debt.

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.

18. Net Debt and Finance Costs

Accounting Policies

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.

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.

FINANCE LEASES – GROUP AS A LESSEE

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership for the lease item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as an expense in profit or loss.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

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

		CONSOLIDATED	
		2016	2015
	NOTE	$'000	$'000
Current interest-bearing liabilities			
Secured bank loan		-	82
Finance lease liability		1,125	705
		1,125	787
Non-current interest-bearing liabilities			
Secured bank loan		-	20,000
Finance lease liability		1,485	1,420
		1,485	21,420
Less: cash and cash equivalents	7	99,535	51,781
Net cash/(debt)		96,925	29,574

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Interest-bearing liabilities

SECURED BANK LOAN

At balance date, the Group has less than $1,000 (2015: $20 million) outstanding on the secured bank loan provided by Macquarie Bank Limited ("MBL") which is due for repayment on 30 June 2017.

The loan attracted a variable interest rate which ranged between 4.395% and 4.730% in the current year (2015: 4.655% and 5.255%).

FINANCE LEASE COMMITMENTS

During the current year, the Group entered into a new hire purchase agreement for the acquisition of a Komatsu WA600 loader (2015: Komatsu WA900 loader). The agreement incorporates a fixed interest rate of 3.19% (2015: 3.35%), monthly repayments and an expiry date of 27 May 2019 (2015: 29 May 2018). Ownership of the loaders passes to the Group once all contractual payments have been made. Refer to note 27.

	CONSOLIDATED	
	2016 $'000	2015 $'000
Finance costs		
Interest expense	981	1,677
Other borrowing costs	-	145
Unwinding of discount on provisions	933	1,543
	1,914	3,365

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.

UNWINDING OF DISCOUNT ON PROVISIONS

The unwinding of discount on provisions represents the cost associated with the passage of time. Rehabilitation provisions are recognised at the discounted value of the present obligation to restore, dismantle and rehabilitate each mine site with the increase in the provision due to the passage of time being recognised as a finance cost in accordance with the policy described in note 17.

19. Financial Assets

Accounting Policy

Financial assets are initially recognised at fair value, plus transaction costs that are directly attributable to its acquisition and subsequently measured at amortised costs or fair value depending on the business model for those assets and the contractual cash flow characteristics.

EQUITY INSTRUMENTS

Equity instruments are normally measured at fair value through profit or loss ("FVTPL") unless the Group chooses, on an instrument-by-instrument basis on initial recognition, to present fair value changes in other comprehensive income ("FVOCI"). This option is irrevocable and only applies to equity instruments which are neither held for trading nor are contingent consideration in a business combination. Gains and losses on equity instruments measured at FVOCI are not recycled through profit and loss or disposal and there is no impairment accounting. All gains and losses are recorded in equity through other comprehensive income.

	CONSOLIDATED	
	2016 $'000	2015 $'000
Current		
Financial assets at amortised cost – term deposit	155	152
Non-current		
Financial assets at fair value through OCI – listed shares	6,442	-

FINANCIAL ASSETS AT FAIR VALUE THROUGH OCI

During the year, the Group made a strategic investment in Capricorn Metals Limited ("CMM") which owns the Karlawinda Gold Project. The Group held a non-controlling interest of 9% at balance date which is carried at its fair value determined with reference to the published price quoted on the ASX, an active market ("Level 1" fair value measurement).

20. Financial Risk Management

The Group holds financial instruments for the following purposes:

- *Financing:* to raise finance for the Group's operations or, in the case of short-term deposits, to invest surplus funds. The principal types of instruments used include bank loans, cash and short-term deposits.
- *Operational:* the Group's activities generate financial instruments, including cash, receivables and trade payables.
- *Strategic:* one of the Group's objectives is to actively pursue growth opportunities. During the current year, this has led to the acquisition of a strategic investment in a listed company, which is classified as a financial asset at fair value through OCI.
- *Risk management:* to reduce risks arising from the financial instruments described above, including commodity swap contracts and gold call options.

It is, and has been throughout the year, the Group's policy that no speculative trading in financial instruments shall be undertaken.

The Group's holding of these financial instruments exposes it to the following risks:

- Credit risk
- Liquidity risk
- Market risk, including interest rate, commodity price and equity price 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. These risks affect the fair value measurements applied by the Group. Further quantitative disclosures are included throughout this financial report.

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

Credit risk is the risk of financial loss to the Group if the counterparty to a financial asset fails to meet its contractual obligation. Credit risk arises from cash and cash equivalents. The Group has adopted the policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. Cash is deposited only with institutions approved by the Board. 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 weekly and monthly cash forecasting to monitor 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.

The following table analyses the Group's financial liabilities, including net and gross settled financial instruments, into relevant maturity periods based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows and hence will not necessarily reconcile with the amounts disclosed in the balance sheet.

For derivative liabilities (sold gold call options), the amounts disclosed are the net amounts that would need to be paid if the option expired out of the money. Due to their short term nature, the amounts have been estimated using the gold spot price applicable at reporting date.

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30 JUNE 2016 ($'000)	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	32,428	(32,428)	(32,428)	-	-	-	-
Derivative liabilities	713	(713)	(713)	-	-	-	-
Finance leases	2,610	(2,716)	(597)	(597)	(1,130)	(392)	-
Total	35,751	(35,857)	(33,738)	(597)	(1,130)	(392)	-

30 JUNE 2015 ($'000)	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	33,675	(33,675)	(33,675)	-	-	-	-
Secured bank loan	20,082	(21,865)	(467)	(467)	(20,931)	-	-
Finance lease	2,125	(2,234)	(383)	(383)	(766)	(702)	-
Total	55,882	(57,774)	(34,525)	(850)	(21,697)	(702)	-

ASSETS PLEDGED AS SECURITY

The secured bank loan provided by MBL 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.

The finance lease liabilities are secured by the related assets. Ownership of the assets remains with Komatsu until all contractual payments have been made.

FINANCIAL GUARANTEE LIABILITIES

As at 30 June 2016, the Group did not have any financial guarantee liabilities (2015: Nil).

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, commodity prices 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.

- *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. There is no significant exposure to foreign currency risk at reporting date.

- *Interest rate risk:* Since repayment of substantially all of the principal outstanding on the secured project loan facility with Macquarie Bank Limited ("MBL") during the current year, the Group is only exposed to interest rate risk through its cash deposits, which attract variable interest rates. The Group regularly reviews its current working capital requirements against cash balances and the returns available on short term deposits. There is no significant exposure to interest rate risk at reporting date.

- *Commodity price risk:* The Group's exposure to commodity price risk is purely operational and arises largely from gold price fluctuations or in relation to the purchase of inventory with commodity price as a significant input, such as diesel. The Group's exposure to movements in the gold price is managed through the use of gold forward contracts (note 2) and sold call options (note 21). 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. No sensitivity analysis is provided for these contracts as they are outside the scope of AASB 9 *Financial Instruments (2014).* The sold call options are classified as derivative financial instruments at fair value through profit or loss. Refer to note 21 for sensitivity and other analysis.

  The Group implemented a medium term risk management strategy during the current year to take advantage of historically low oil prices by entering into commodity swap transactions on gasoil to hedge exposure to movements in the Australian dollar price of diesel. Regis considers the gasoil component to be a separately identifiable and measurable component of diesel. This hedge arrangement fixes a significant proportion (approximately two thirds) of the total estimated annual diesel usage at the Group's Duketon operations. Sensitivity of the Group's profit or loss to the hedged exposures is analysed in note 21.

- *Equity price risk:* The Group acquired shares in Capricorn Metals Limited, an ASX listed entity, during the current year and as such is exposed to market price risk arising from uncertainties about future values of the investment. At the reporting date, the investment was measured at its fair value of $6,442,000. The Group has elected to present fair value changes through other comprehensive income. Accordingly, an increase or decrease of 10% in the value of the investment would only impact equity and not profit or loss.

INTEREST RATE RISK

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

	CONSOLIDATED	
	2016 $'000	2015 $'000
Fixed rate instruments		
Term deposit held to maturity	155	152
Finance lease liabilities	(2,610)	(2,125)
	(2,455)	(1,973)
Variable rate instruments		
Cash and cash equivalents	99,105	51,433
Secured bank loan	-	(20,000)
	99,105	31,433

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

A sensitivity analysis has not been disclosed in relation to the variable interest rate cash on deposit and secured bank loan as the results have been determined to be immaterial to the statement of comprehensive income for both the current and prior financial years.

Fair Values

The carrying amounts and estimated fair values of all of the Group's financial instruments recognised in the financial statements are materially the same. The methods and assumptions used to estimate the fair value of the financial instruments are disclosed in the respective notes.

VALUATION OF FINANCIAL INSTRUMENTS

For all fair value measurements and disclosures, the Group uses the following to categorise the method used:

- Level 1: the fair value is calculated using quoted prices in active markets. The Group's investment in Capricorn Metals Limited is classified as Level 1, as it is valued based on a price quoted in an active market.
- Level 2: the fair value is estimated using inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). The Group's derivative liabilities (sold gold call options) and derivative assets (cash flow hedges) are classified as Level 2, as they were valued using valuation techniques that employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, and spot and forward rate curves of the underlying commodity. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for the commodity swaps designated in hedge relationships and the sold gold call options recognised at fair value.
- Level 3: the fair value is estimated using inputs for the asset or liability that are not based on observable market data. The Group does not have any financial assets or liabilities in this category.

For financial instruments that are carried at fair value on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no transfers between levels during the year.

21. Derivatives and Hedging

Accounting policy

RECOGNITION

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured to fair value as per note 20. The method of recognising any re-measurement gain or loss depends on the nature of the item being hedged. Any changes in the fair value of a derivative instrument that does not qualify for hedge accounting are recognised immediately in the income statement. For hedge instruments, any hedge ineffectiveness is recognised directly in the income statement in the period in which it is incurred. There was no ineffectiveness on the diesel swap contracts in the current year (2015: nil).

HEDGE ACCOUNTING

At the start of a hedge relationship, the Group formally designates and documents the hedge relationship, including the risk management strategy for undertaking the hedge. This includes identification of the hedge instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument's effectiveness. Hedge accounting is only applied where effective tests are met on a prospective basis.

For the purposes of hedge accounting, hedges are classified as:

- fair value hedges when they hedge the exposure to changes in the fair value of a recognised asset, liability or firm commitment that could affect profit or loss; or
- cash flow hedges when they hedge a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions.

Regis will discontinue hedge accounting prospectively only when the hedging relationship, or part of the hedging relationship no longer qualifies for hedge accounting, which includes where there has been a change to the risk management objective and strategy for undertaking the hedge and instances when the hedging instrument expires or is sold, terminated or exercised. For this purpose, the replacement or rollover of a hedging instrument into another hedging instrument is not an expiration or termination if such a replacement or rollover is consistent with our documented risk management objective.

	CONSOLIDATED	
	2016	2015
	$'000	$'000
Derivatives (current assets)		
Designated as cash flow hedges	5,006	-
Derivatives (current liabilities)		
Sold gold call options (not qualifying for hedge accounting)	(713)	-

Hedges that meet the criteria for hedge accounting are classified and accounted for as follows:

CASH FLOW HEDGES

The Group uses cash flow hedges to mitigate the risk of variability of future cash flows attributable to diesel price fluctuations over the hedging period associated with our operations at the Duketon Gold Project, where it has highly probable purchases of diesel. For cash flow hedges, the portion of the gain or loss on the hedging instrument that is effective is recognised directly in equity, while the ineffective portion is recognised in profit or loss.

Amounts recognised in equity are transferred to the income statement when the hedged transaction affects profit or loss, such as when hedged expenses are recognised or when the asset is consumed. When the hedged item is the cost of a non-financial asset or liability, the amounts taken to equity are transferred to the initial carrying amount of the non-financial asset or liability.

			CONSOLIDATED	
			2016	2015
	NOTIONAL AMOUNT	LINE ITEM IN THE BALANCE SHEET	$'000	$'000
Cash flow hedges				
Diesel swap – 12 month contract expiring 30 April 2017 – fixed at $0.404/litre	2,000,000 litres/ month (20,000,000 litres)	Derivatives (current assets)	1,988	-
Diesel swap – 18 month contract expiring 31 October 2017 – fixed at $0.419/litre	2,000,000 litres/month (32,000,000 litres)	Derivatives (current assets)	3,018	-
			5,006	-

2016 CASH FLOW HEDGES	HEDGING GAIN/ (LOSS) RECOGNISED IN OCI $'000	INEFFECTIVENESS RECOGNISED IN PROFIT OR LOSS $'000	LINE ITEM IN THE STATEMENT OF PROFIT OR LOSS	AMOUNT RECLASSIFIED FROM OCI TO PROFIT OR LOSS $'000	LINE ITEM IN THE STATEMENT OF PROFIT OR LOSS
Diesel swaps	5,006	-	n/a	-	n/a

If the forecast transaction is no longer expected to occur, amounts previously recognised in equity are transferred to the income statement. If the hedging instrument expires or is sold, terminated or exercised without replacement or roll over, or if its designation as a hedge is revoked, amounts previously recognised in equity remain in equity until the forecast transaction occurs. There were no such events during the current or prior year.

Commodity Price Sensitivity

The table below summarises the gain/(loss) impact of reasonably possible changes in market risk, relating to existing financial instruments, on net profit and equity before tax. For the purpose of this disclosure, the following assumptions were used:

- 10% per litre increase and decrease in the Australian dollar gasoil price (2015: not applicable)
- A$20 per ounce increase and decrease in the spot price of gold (2015: not applicable)
- Sensitivity analysis assumes hedge designations as at 30 June 2016 remain unchanged and all designations are effective

2016	CHANGE IN YEAR-END PRICE	EFFECT ON PROFIT (before tax)	EFFECT ON EQUITY (before tax)
Cash flow hedges		$'000	$'000
Diesel swaps	+10%	-	2,630
	-10%	-	(2,627)
Derivatives			
Sold gold call options	+A$20	(285)	-
	-A$20	261	-

22. Issued Capital and Reserves

Accounting Policy

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

	CONSOLIDATED	
	2016 $'000	2015 $'000
Ordinary shares – issued and fully paid	431,335	431,338

	NO. SHARES ('000S)	$'000
Movement in ordinary shares on issue		
At 1 July 2014	499,744	431,304
Issued on exercise of options	37	37
Transaction costs	-	(3)
At 30 June 2015	499,781	431,338
Issued on exercise of options	73	-
Transaction costs	-	(3)
At 30 June 2016	499,854	431,335

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.

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	SHARE OPTION RESERVE $'000	FINANCIAL ASSETS RESERVE $'000	CASH FLOW HEDGE RESERVE $'000	TOTAL RESERVES $'000
Balance at 1 July 2014	16,551	-	-	16,551
Share-based payment transactions	1,959	-	-	1,959
Balance at 30 June 2015 and 1 July 2015	18,510	-	-	18,510
Net gain/(loss) on financial instruments recognised in equity	-	4,633	5,006	9,639
Tax effect of transfers and revaluations	-	(1,390)	(1,502)	(2,892)
Share-based payment transactions	3,317	-	-	3,317
Balance at 30 June 2016	21,827	3,243	3,504	28,574

Nature and purpose of reserves

SHARE OPTION RESERVE

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.

FINANCIAL ASSETS RESERVE

The financial assets reserve records fair value changes on financial assets designated at fair-value through other comprehensive income.

CASH FLOW HEDGE RESERVE

The hedging reserve records the portion of the gain or loss on a hedging instrument in a cash flow hedge that is determined to be an effective hedge relationship.

OTHER DISCLOSURES

This section provides information on items which require disclosure to comply with Australian Accounting Standards and other regulatory pronouncements.

23. Deferred Income Tax

Accounting Policy

Deferred tax balances are determined using the balance sheet method, which provides for temporary differences at the balance sheet date between accounting carrying amounts and the tax bases of assets and liabilities.

Deferred income tax liabilities are recognised for all taxable temporary differences, other than for the exemptions permitted under accounting standards. At 30 June 2016 there are no unrecognised temporary differences associated with the Group's investment in subsidiaries (2015: $nil).

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that future taxable profits will be available to utilise these deductible temporary differences. 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.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are only offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Deferred income tax at 30 June relates to the following:	CONSOLIDATED	
	2016 $'000	2015 $'000
Deferred tax liabilities		
Receivables	2,752	1,362
Prepayments	47	-
Financial assets	2,892	-
Exploration and evaluation expenditure	14,922	13,353
Mine properties under development	360	20
Mine properties	25,007	19,603
Gross deferred tax liabilities	45,980	34,338
Set off of deferred tax assets	(25,174)	(33,198)
Net deferred tax liabilities	20,806	1,140
Deferred tax assets		
Inventories	2,114	946
Property, plant and equipment	2,339	9,847
Trade and other payables	892	931
Provisions	11,569	12,871
Expenses deductible over time	31	58
Derivatives	214	-
Tax losses carried forward	8,015	8,545
Gross deferred tax assets	25,174	33,198
Set off of deferred tax assets	(25,174)	(33,198)
Net deferred tax assets	-	-
Reconciliation of deferred tax, net:		
Opening balance at 1 July – net deferred tax assets/(liabilities)	(1,140)	6,363
Income tax (expense)/ benefit recognised in profit or loss	(16,774)	(7,503)
Income tax (expense)/benefit recognised in equity	(2,892)	-
Closing balance at 30 June – net deferred tax (liabilities)/ assets	(20,806)	(1,140)

Key judgements

RECOVERY OF DEFERRED TAX ASSETS

Judgement is required in determining whether deferred tax assets are recognised on the balance sheet. 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.

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.

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. Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries are assumed by the head entity and are recognised by the Company as intercompany receivables (or payables). 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 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.

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 provides 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.

24. Share-based Payments

Accounting Policy

The 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 option (the vesting date).

At each subsequent reporting date until vesting, the cumulative charge to the statement of comprehensive income is the product of:

- The grant date fair value of the option;
- The current best estimate of the number of options 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 option has vested, any amounts recorded are contingent and will be adjusted if more or fewer awards vest than were originally anticipated to do so.

	CONSOLIDATED	
	2016	2015
	$'000	$'000
Recognised share-based payments expense		
Employee share options expense	3,317	1,959
Total expense arising from share-based payment transactions	3,317	1,959

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

Employee share option plan (ESOP)

The Company has one ESOP, being the Regis Resources Limited 2014 Share Option Plan (the "Option Plan"). The objective of the Option Plan is to assist in the recruitment, reward, retention and motivation of eligible persons of the Group. Under the Option Plan, the board or Remuneration and Nomination Committee may issue eligible employees with 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 vesting of all options is subject to service conditions being met whereby the recipient must meet the eligible employee criteria as defined in the Option Plan.

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:

	2016		2015	
	NO.	WAEP	NO.	WAEP
Outstanding at the beginning of the year	5,155,000	$2.7956	5,337,500	$3.1666
Granted during the year	10,705,000	$1.5121	1,650,000	$1.5500
Forfeited during the year	(1,020,000)	$2.4520	(1,495,000)	$2.9040
Exercised during the year	(275,000)	$2.4000	(37,500)	$1.0000
Expired during the year	(1,405,000)	$3.4884	(300,000)	$2.2300
Outstanding at the end of the year	13,160,000	$1.7125	5,155,000	$2.7956
Exercisable at the end of the year	572,500	$3.5000	1,430,000	$3.4974

	2016	2015
Weighted average share price at the date of exercise	$2.91	$1.65
Weighted average remaining contractual life	2.7 years	1.8 years
Range of exercise prices	$1.40 - $3.50	$1.55 - $4.00
Weighted average fair value of options granted during the year	$0.7941	$0.8600

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 2016 and 30 June 2015:

	2016 ESOP	2015 ESOP
Dividend yield (%)	2.91 - 4.27	0
Expected volatility (%)	84.73 – 103.38	76.32 – 88.51
Risk free interest rate (%)	1.57 – 2.15	2.54 – 2.72
Expected life of the option (years)	2 – 3 years	2 – 3 years
Option exercise price ($)	1.40 – 2.70	1.55
Weighted average share price at grant date ($)	1.41 – 3.19	1.51 – 1.83

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.

Key estimates and assumptions

SHARE-BASED PAYMENTS

The Group is required to use key assumptions, such as volatility, 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*. 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.

25. Related Parties

Key management personnel compensation

The key management personnel compensation included in employee benefits expense (note 3) and share-based payments (note 24), is as follows:

	CONSOLIDATED	
	2016	2015
	$	$
Short-term employee benefits	2,641,909	2,317,060
Post-employment benefits	214,593	217,692
Termination benefits	216,771	-
Share-based payment	1,708,649	611,602
Total compensation	4,781,922	3,146,354

Individual directors and executives compensation disclosures

Information regarding individual directors' and executives' compensation and equity instrument disclosures required by s300A of the Corporations Act and Corporations Regulations 2M.3.03 are provided in the Remuneration Report section of the Directors' Report.

No director has entered into a material contract with the Group either in the current or prior financial year and there were no material contracts involving directors' interests existing at year end.

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 2016	% EQUITY INTEREST 2015	INVESTMENT $'000 2016	INVESTMENT $'000 2015
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%	100%	44,110	44,110
				74,685	74,685

Ultimate parent

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

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 2016, the balance of the loan receivable was $17,298,000 (2015: $14,978,000).

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 2016, the balance of the loan receivable was $25,481,000 (2015: $24,728,000).

26. Parent Entity Information

The following details information related to the parent entity, Regis Resources Limited, at 30 June 2016. The information presented here has been prepared using consistent accounting policies as detailed in the relevant notes of this report.

	2016 $'000	2015 $'000
Current assets	162,751	100,932
Non-current assets	458,108	445,120
Total assets	620,859	546,052
Current liabilities	49,957	43,972
Non-current liabilities	56,590	60,035
Total liabilities	106,547	104,007
Issued capital	431,335	431,338
Share option reserve	28,574	18,510
Retained profits/(accumulated losses)	54,403	(7,803)
Total equity	514,312	442,045
Net profit/(loss) for the year	112,184	87,620
Other comprehensive income for the period	6,747	-
Total comprehensive income for the period	118,931	87,620

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 2016 as disclosed at note 28.

All commitments are commitments incurred by the parent entity, except for $1,827,000 (2015: $1,570,000) of the exploration expenditure commitments disclosed at note 12, and $56,000 (2015: $14,000) of the operating lease commitments disclosed at note 27.

27. Commitments

Operating lease commitments – Group as lessee

The Group leases office premises in Perth, WA and Blayney, NSW under normal commercial lease arrangements. The Perth office lease was entered into for an initial period of 5 years beginning 1 May 2010 and was renewed for a further 5 year period during the prior year. The Group is under no legal obligation to renew the lease once the extended lease term has expired. The Blayney lease is for a period of 3 years beginning 22 February 2013 and was renewed for a further 3 year period during the current year.

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

	CONSOLIDATED	
	2016	2015
	$'000	$'000
Within one year	358	336
Between one and five years	1,040	1,320
Total minimum lease payments	1,398	1,656

Finance lease commitments - Group as lessee

The Group has entered into hire purchase contracts for the purchase of two Komatsu loaders. The contracts expire on 29 May 2018 and 27 May 2019 and ownership of the loaders passes to the Group once all contractual payments have been made. (30 June 2015: 29 May 2018).

		CONSOLIDATED	
		2016	2015
	NOTES	$'000	$'000
Within one year		1,194	766
Between one and five years		1,522	1,468
Total minimum lease payments		2,716	2,234
Less amounts representing finance charges		(106)	(109)
Present value of minimum lease payments		2,610	2,125
Included in the financial statements as:			
Current interest-bearing liabilities		1,125	705
Non-current interest-bearing liabilities		1,485	1,420
		2,610	2,125
Carrying value of leased assets included in plant and equipment	11	3,008	2,210

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. 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 2016, at the current contract price, the Group had commitments to purchase electricity for the remaining term of $135,000 (30 June 2015: $1,625,000).

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. The agreement was amended, effective 1 October 2013, to incorporate Rosemont Gold Mine's power requirements. As at 30 June 2016, at the current contract price, the Group had commitments to purchase electricity for the remaining term of $5,335,000 (30 June 2015: $9,907,000).

28. Contingencies

As at 30 June 2016, the Group did not have any contingent assets or liabilities (30 June 2015: nil).

29. Auditor's Remuneration

	CONSOLIDATED	
	2016	2015
	$	$
Audit services		
KPMG Australia		
Audit and review of financial statements	209,218	195,297
Other services		
Other assurance services	-	-
Taxation compliance services	-	-
Total auditor's remuneration	209,218	195,297

30. Subsequent Events

Share issues

Subsequent to year end, 225,908 shares have been issued as a result of the exercise of employee options for proceeds of $175,000.

Dividends

On 1 August 2016, the directors proposed a final dividend on ordinary shares in respect of the 2016 financial year. Refer to note 6.

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.

31. New Accounting Standards and Interpretations

Changes in accounting policy

The Group has adopted the following new and revised accounting standards, amendments and interpretations as of 1 July 2015:

- AASB 2013-9 *Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments*
- AASB 2015-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality

The adoption of these new and revised standards did not have a material impact on the Group's financial statements.

The following Australian Accounting Standard was early adopted by the Group from 1 July 2015:

AASB 9 FINANCIAL INSTRUMENTS (2014)

Regis has early adopted and applied all of the requirements of AASB 9 (2014), including consequential amendments to other standards, on 1 July 2015. The adoption of AASB 9 (2014) has allowed Regis to apply hedge accounting to the diesel swap contracts entered into during the current financial year.

On adoption of AASB 9 (2014) Regis has reclassified its financial assets as subsequently measured at amortised cost or fair value depending on the business model for those assets and the contractual cash flow characteristics. There was no change in the classification or measurement of financial liabilities. The principal impact on Regis' financial assets at 1 July 2015 is the reclassification of cash and cash equivalents and trade and other receivables from 'loans and receivables' under AASB 139 to 'financial assets at amortised cost' under AASB 9 (2014).

In relation to the reclassification of financial assets and liabilities, there was no impact on the income statement, the statement of comprehensive income, balance sheet or statement of changes in equity on adoption of AASB 9 (2014).

NOTES TO THE
FINANCIAL STATEMENTS

As a result of adopting AASB 9 (2014), the accounting policies for cash and cash equivalents (note 7), trade and other receivables (note 9) and derivative financial instruments and hedging (note 21) have been updated and are applicable from 1 July 2015.

The terminology in the above policies has been updated in accordance with the requirements of AASB 9 (2014). There has been no material change to the measurement and recognition of these items.

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 2016, but have not been applied in preparing this financial report. Except where noted, the Group has evaluated the impact of the new standards and interpretations listed below and determined that the changes are not likely to have a material impact on its financial statements.

AASB 2014-3 AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – ACCOUNTING FOR ACQUISITIONS OF INTERESTS IN JOINT OPERATIONS [AASB 1 & AASB 11]

AASB 2014-3 amends AASB 11 *Joint Arrangements* to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. The amendments require:

- The acquirer of an interest in a joint operation in which the activity constitutes a business, as defined in AASB 3 *Business Combinations,* to apply all of the principles on business combination accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11.
- The acquirer to disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations.

This Standard also makes an editorial correction to AASB 11.

Application date of Standard: 1 January 2016 *Application date for Group:* 1 July 2016

AASB 2014-4 CLARIFICATION OF ACCEPTABLE METHODS OF DEPRECIATION AND AMORTISATION (AMENDMENTS TO AASB 116 AND AASB 138)

AASB 116 *Property, Plant and Equipment* and AASB 138 *Intangible Assets* both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset.

The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.

The amendment also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

Application date of Standard: 1 January 2016 *Application date for Group:* 1 July 2016

AASB 15 REVENUE FROM CONTRACTS WITH CUSTOMERS

AASB 15 *Revenue from Contracts with Customers* replaces the existing revenue recognition standards AASB 11 *Construction Contracts*, AASB 118 *Revenue* and related Interpretations (Interpretation 13 *Customer Loyalty Programmes*, Interpretation 15 *Agreements for the Construction of Real Estate*, Interpretation 18 *Transfers of Assets from Customers* and Interpretation 131 *Revenue – Barter Transactions Involving Advertising Services* and Interpretation 1042 *Subscriber Acquisition Costs in the Telecommunications Industry*). AASB 15 incorporates the requirements of IFRS 15 *Revenue from Contracts with Customers* issued by the International Accounting Standards Board (IASB) and developed jointly with the US Financial Accounting Standards Board (FASB).

AASB 15 specifies the accounting treatment for revenue arising from contracts with customers (except for contracts within the scope of other accounting standards such as leases or financial instruments). The core principle of AASB 15 is that an entity recognises revenue to depict the transfer of promised good or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those good or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligations in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

AASB 2014-5 incorporates the consequential amendments to a number of Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15.

The Group has evaluated the impact of the new standard and determined that the changes are not likely to have a material impact on the amount of revenue recognised from gold sales, nor is it expected that significant changes to disclosures will be required. The Group is still assessing whether the timing of revenue recognition will be materially impacted on adoption of the new standard.

Application date of Standard: 1 January 2018* *Application date for Group:* 1 July 2018

*Early application is permitted.

AASB 1057 APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

This Standard lists the application paragraphs for each other Standard (and Interpretation), grouped where they are the same. Accordingly, paragraphs 5 and 22 respectively specify the application paragraphs for Standards and Interpretations in general. Differing application paragraphs are set out for individual Standards and Interpretations or grouped where possible. The application paragraphs do not affect requirements in other Standards that specify that certain paragraphs apply only to certain types of entities.

Application date of Standard: 1 January 2016 *Application date for Group:* 1 July 2016

AASB 2015-1 ANNUAL IMPROVEMENTS TO AUSTRALIAN ACCOUNTING STANDARDS 2012-2014 CYCLE

The subjects of the principal amendments to the Standards are set out below:

AASB 119 Employee Benefits

The amendment clarifies that the high quality corporate bonds used to estimate the discount rate for post-employment benefit obligations should be denominated in the same currency as the liability. Further it clarifies that the depth of the market for high quality corporate bonds should be assessed at the currency level.

AASB 134 Interim Financial Reporting

The changes to AASB 134 clarify the meaning of 'disclosure of information elsewhere in the interim financial report' and require the inclusion of a cross-reference from the interim financial statements to the location of this information.

Application date of Standard: 1 January 2016 *Application date for Group:* 1 July 2016

AASB 2015-2 AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – DISCLOSURE INITIATIVE: AMENDMENTS TO AASB 101

The Standard makes amendments to AASB 101 *Presentation of Financial Statements* arising from the IASB's Disclosure Initiative project. The amendments are designed to further encourage companies to apply professional judgment in determining what information to disclose in the financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. The amendments also clarify that companies should use professional judgment in determining where and in what order information is presented in the financial disclosures.

Application date of Standard: 1 January 2016 *Application date for Group:* 1 July 2016

AASB 2015-9 AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – SCOPE AND APPLICATION PARAGRAPHS [AASB 8, AASB 133 & AASB 1057]

This Standard inserts scope paragraphs into AASB 8 and AASB 133 in place of application paragraph text in AASB 1057. This is to correct inadvertent removal of these paragraphs during editorial changes made in August 2015. There is no change to the requirements or the applicability of AASB 8 and AASB 133.

Application date of Standard: 1 January 2016 *Application date for Group:* 1 July 2016

AASB 16 LEASES

The key features of AASB 16 (for lessee accounting) are as follows:

- Lessees are required to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.
- A lessee measures right-of-use assets similarly to other non-financial assets and lease liabilities similarly to other financial liabilities.
- Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments), and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease.
- AASB 16 contains disclosure requirements for lessees.

AASB 16 supersedes AASB 17 Leases, Interpretation 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases-Incentives*, and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The new standard will be effective for annual reporting periods beginning on after 1 January 2019. Early application is permitted, provided the new revenue standard, AASB 15 *Revenue from Contracts with Customers*, has been applied, or is applied at the same date as AASB 16. The Group is currently assessing the impact of the new standard on its financial statements.

Application date of Standard: 1 January 2019 *Application date for Group:* 1 July 2019

2016-1 AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – RECOGNITION OF DEFERRED TAX ASSETS FOR UNREALISED LOSSES [AASB112]

This Standard amends AASB 112 *Income Taxes* (July 2004) and AASB 112 *Income Taxes* (August 2015) to clarify the requirements on recognition of deferred tax assets for unrealised losses on debt instruments measured at fair value.

Application date of Standard: 1 January 2017 *Application date for Group:* 1 July 2017

NOTES TO THE FINANCIAL STATEMENTS

2016-2 AMENDMENTS TO AUSTRALIAN ACCOUNTING STANDARDS – DISCLOSURE INITIATIVE: AMENDMENTS TO AASB 107

This Standard amends AASB 107 *Statement of Cash Flows* (August 2015) to require entities preparing financial statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

Application date of Standard: 1 January 2017 *Application date for Group:* 1 January 2017

IFRS 2 (AMENDMENTS) CLASSIFICATION AND MEASUREMENT OF SHARE-BASED PAYMENT TRANSACTIONS

This standard amends IFRS 2 *Share-based Payments*, to clarify how to account for certain types of share-based payment transactions. The amendments provide requirements on the accounting for:

- The effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments.
- Share-based payment transactions with a net settlement feature for withholding tax obligations.
- A modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

Application date of Standard: 1 January 2018 *Application date for Group:* 1 July 2018

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 2016 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 2016.

3. The directors draw attention to the notes to the consolidated financial statements, which include a statement of compliance with International Financial Reporting Standards.

On behalf of the board

Mr Mark Clark
Executive Chairman

Perth, 26 August 2016

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 balance sheet as at 30 June 2016, 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, the notes 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 the notes, 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 2016 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 the basis of preparation.

Report on the remuneration report

We have audited the Remuneration Report included in pages 31 to 40 of the directors' report for the year ended 30 June 2016. 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 2016, complies with Section 300A of the *Corporations Act 2001*.

KPMG.

KPMG

R Gambitta
Partner

Perth

26 August 2016

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ADDITIONAL INFORMATION

As at 15 September 2016 the following information applied:

1. SECURITIES

(a) Fully Paid Ordinary Shares

The number of holders of fully paid ordinary shares in the Company is 6,562. 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	2,353	1,105,488
Holding between	1,001 - 5,000 Shares	2,486	6,754,806
Holding between	5,001 - 10,000 Shares	848	6,665,725
Holding between	10,001-100,000 Shares	771	21,540,287
Holding more than	100,001 Shares	104	464,912,968
		6,562	**500,979,274**
Holding less than	A marketable parcel	438	10,744

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
National Nominees Limited	148,854,404	29.71
HSBC Custody Nominees (Australia) Limited	96,479,534	19.26
J P Morgan Nominees Australia Limited	81,864,198	16.34
Citicorp Nominees Pty Limited	43,175,493	8.62
BNP Paribas Noms Pty Ltd <DRP>	16,165,496	3.23
Rollason Pty Ltd <Giorgetta Super Plan A/C>	9,550,000	1.91
National Nominees Limited <DB A/C>	3,848,598	0.77
HSBC Custody Nominees (Australia) Limited -GSCO ECA	3,801,083	0.76
National Nominees Limited <N A/C>	3,200,000	0.64
RBC Investor Services Australia Nominees Pty Limited <PI POOLED A/C>	3,065,885	0.61
Mr Ross Francis Stanley <Ross Francis Stanley A/C>	3,000,000	0.60
HSBC Custody Nominees (Australia) Limited – A/C 2	2,879,552	0.57
SHL Pty Ltd <S H Lee Family A/C>	2,500,000	0.50
Rollason Pty Ltd	2,389,671	0.48
BNP Paribas Nominees Pty Ltd <Agency Lending DRP A/C>	2,272,413	0.45
AMP Life Limited	2,063,106	0.41
Piama Pty Ltd <F & N Fergusson Invest A/C>	2,005,556	0.40
Mutual Investments Pty Ltd <Mitchell Super Fund A/C>	2,000,000	0.40
Mr Mark John Clark	1,847,274	0.37
RBC Investor Services Australia Nominees Pty Ltd <BKMINI A/C>	1,710,076	0.34
	432,672,339	**86.37**

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ADDITIONAL INFORMATION

(b) Unlisted options

UNLISTED OPTIONS OVER FULLY PAID ORDINARY SHARES	NUMBER OF OPTION HOLDERS	NUMBER OF OPTIONS HELD
Expiry 31 July 2017	2	35,000
Expiry 31 March 2018	1	75,000
Expiry 14 October 2018	1	50,000
Expiry 11 August 2019	140	8,595,000
Expiry 6 January 2020	1	1,000,000
Expiry 13 May 2020	1	200,000

Option holders 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.

(c) On-market buy-back

Regis announced an on-market buy-back of the Company's ordinary shares on 30 July 2015. The Company may buy-back up to a maximum of 5% of the Company's issued capital as at 30 July 2015, being 24,989,080 shares.

As at the date of this report, the Company has not bought back any shares.

2. SUBSTANTIAL SHAREHOLDERS

Substantial shareholders disclosed in substantial shareholder notices to the Company:

NAME	NUMBER OF FULLY PAID ORDINARY SHARES HELD
Van Eck Associates Corporation	82,311,696
Vinva Investment Management	25,179,406

3. CORPORATE GOVERNANCE STATEMENT

The Company's 2016 Corporate Governance Statement has been released as a separate document and is located on our website at *http://www.regisresources.com.au/about-us/corporate-governance.html*

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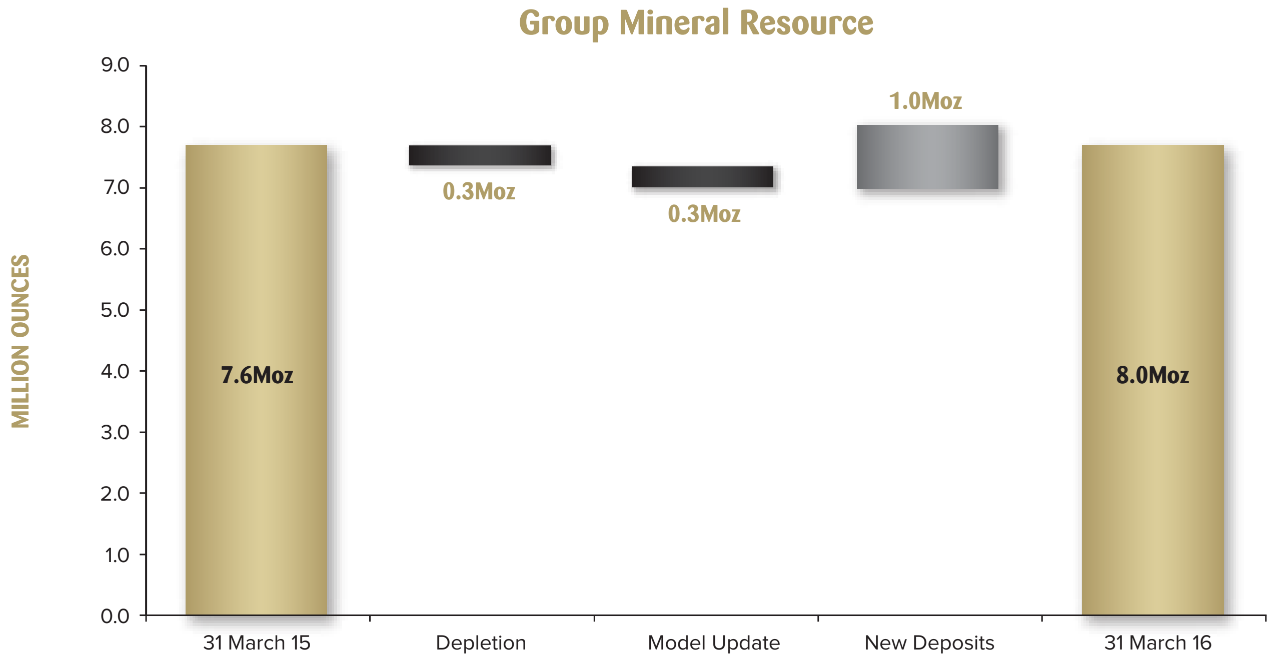
ADDITIONAL INFORMATION

4. MINERAL RESOURCES AND ORE RESERVES

The JORC compliant Group Mineral Resources (inclusive of Ore Reserves) as at 31 March 2016 are estimated at 261.7 million tonnes at 0.95g/t Au for 8.01million ounces of gold compared with the estimate at 31 March 2015 of 249.1 million tonnes at 0.95g/t Au for 7.63 million ounces of gold.

The change in the Group Mineral Resources is primarily the result of addition of new deposits.



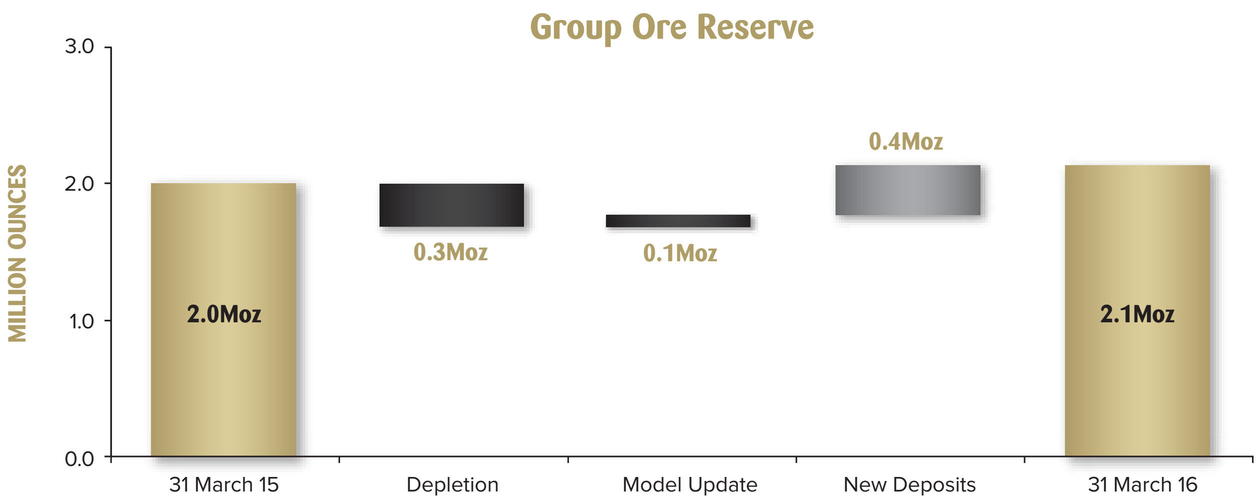
Mineral Resources are reported inclusive of Ore Reserves and include all exploration and resource definition drilling information, where practicable, up to 31 March 2016 and have been depleted for mining to 31 March 2016.

Mineral Resources are constrained by optimised open pit shells developed with operating costs and a long term gold price assumption of A$2,000 per ounce for the purpose of satisfying "reasonable prospects for eventual extraction" (JORC 2012).

The JORC compliant Group Ore Reserves as at 31 March 2016 are estimated at 60.8 million tonnes at 1.09g/t Au for 2.13 million ounces of gold compared with the estimate at 31 March 2015 of 59.1 million tonnes at 1.06g/t Au for 2.01 million ounces of gold.

The re-estimation of Group Ore Reserves resulted in a 21% increase in tonnes and 22% increase in ounces after allowing for depletion by mining. This was primarily the result of:

- The inclusion of maiden Ore Reserves from Gloster and Baneygo deposits;
- a review of current pit design parameters including costs, metallurgical and geotechnical performance of mining projects to date; and
- the inclusion of further drilling results.



A long term gold price of A$1,400 per ounce was used in Ore Reserve pit optimisations. Ore Reserves have been depleted for mining to 31 March 2016.

Garden Well

The Garden Well JORC compliant Mineral Resource as at 31 March 2016 is 75.8 million tonnes at 0.88g/t Au for 2.14 million ounces, compared to 86.7 million tonnes at 0.89g/t Au for 2.47 million ounces at 31 March 2015.

The Garden Well JORC compliant Ore Reserve as at 31 March 2016 is 28.8 million tonnes at 0.89g/t Au for 0.83 million ounces, compared to 34.5 million tonnes at 0.91g/t Au for 1.01 million ounces at 31 March 2015.

The change in the Garden Well Ore Reserve from March 2015 to March 2016 is as follows:

	TOTAL ORE RESERVE - GARDEN WELL		
	TONNES (MT)	GOLD GRADE (G/T)	GOLD METAL (KOZ)
31 March 2015	34.5	0.91	1,009
Depleted by Mining to 31 March 2016	(5.6)	0.87	(158)
31 March 2015 Net of Depletion	28.9	0.92	851
31 March 2016	**28.8**	**0.89**	**827**
% Variation Net of Depletion	0%		-2%

The re-optimisation and subsequent pit redesign at Garden Well resulted in a minor decrease in tonnes and 2% decrease in ounces after allowing for depletion by mining. This was primarily the result of review of 2016 reconciliation data against the March 2015 Ore Reserve and update of current pit design parameters including costs, metallurgical performance and infill drilling.

Rosemont

The Rosemont JORC compliant Mineral Resource as at 31 March 2016 is 28.0 million tonnes at 1.48g/t Au for 1.33 million ounces, compared to 28.3 million tonnes at 1.33g/t Au for 1.21 million ounces at 31 March 2015.

The Rosemont JORC compliant Ore Reserve as at 31 March 2016 is 11.6 million tonnes at 1.51g/t Au for 0.56 million ounces, compared to 13.2 million tonnes at 1.35g/t Au for 0.57 million ounces at 31 March 2015. The change in the Rosemont Ore Reserve from March 2015 to March 2016 is as follows:

	TOTAL ORE RESERVE - ROSEMONT		
	TONNES (MT)	GOLD GRADE (G/T)	GOLD METAL (KOZ)
31 March 2015	13.2	1.35	574
Depleted by Mining to 31 March 2016	(2.3)	1.24	(91)
31 March 2015 Net of Depletion	10.9	1.38	484
31 March 2016	**11.6**	**1.51**	**564**
% Variation Net of Depletion	5%		14%

The re-optimisation and subsequent pit redesign at Rosemont resulted in a 5% increase in tonnes and 14% increase in ounces after allowing for depletion by mining, primarily due to:

- a review of current pit design parameters including costs, metallurgical and geotechnical performance plus an updated Mineral Resource estimate guided by reconciliation data that better reflects high-grade mineralisation; and
- the inclusion of further drilling results.

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ADDITIONAL INFORMATION

Moolart Well

The Moolart Well JORC compliant Mineral Resource as at 31 March 2016 is 36.1 million tonnes at 0.71g/t Au for 0.82 million ounces, compared to 47.3 million tonnes at 0.72g/t Au for 1.09 million ounces at 31 March 2015.

The Moolart Well JORC compliant Ore Reserve as at 31 March 2016 is 4.8 million tonnes at 0.93g/t Au for 0.14 million ounces, compared to 6.5 million tonnes at 0.92g/t Au for 0.20 million ounces at 31 March 2015. The change in the Moolart Well Ore Reserve from March 2015 to March 2016 is as follows:

	TOTAL ORE RESERVE - MOOLART WELL		
	TONNES (MT)	GOLD GRADE (G/T)	GOLD METAL (KOZ)
31 March 2015	6.5	0.92	194
Depleted by Mining to 31 March 2016	(2.7)	0.89	(77)
31 March 2015 Net of Depletion	3.8	0.95	117
31 March 2016	**4.8**	**0.93**	**144**
% Variation Net of Depletion	15%		14%

The re-optimisation and subsequent pit redesign at Moolart resulted in a 15% increase in tonnes and 14% increase in ounces after allowing for depletion by mining. This was primarily the result of additional drilling in and around known Mineral Resources to expand and improve confidence.

Duketon Satellite Deposits

The combined JORC compliant Mineral Resource for Duketon satellite deposits as at 31 March 2016 is 48.7 million tonnes at 0.96g/t Au for 1.50 million ounces, compared to 13.6 million tonnes at 1.46g/t Au for 0.64 million ounces at 31 March 2015.

The material change in total Mineral Resource ounces for the combined Duketon satellite deposits are as follows:

Gloster:

- Mineral Resource purchased during the year and therefore not previously quoted by Regis. Updated to JORC 2012 utilising drilling completed by Regis in the past year.

Baneygo:

- Mineral Resource has been updated from JORC 2004 to JORC 2012 utilising new drilling completed by Regis Resources in the past year.

The combined JORC compliant Ore Reserve for Duketon satellite deposits as at 31 March 2016 is 15.5 million tonnes at 1.18g/t Au for 0.59 million ounces, compared to 4.8 million tonnes at 1.47g/t Au for 0.23 million ounces at 31 March 2015.

The change in the combined satellite deposits Ore Reserve from March 2015 to March 2016 is as follows:

	TOTAL ORE RESERVE - SATELLITE DEPOSITS		
	TONNES (MT)	GOLD GRADE (G/T)	GOLD METAL (KOZ)
31 March 2015	4.8	1.47	229
Depleted by Mining to 31 March 2016	0.0	-	0
31 March 2015 Net of Depletion	4.8	1.47	229
31 March 2016	**15.5**	**1.18**	**590**
% Variation net of Depletion	221%		158%

There has been a 221% increase in tonnes and 158% increase in ounces at the Duketon satellite deposits. This was primarily the result of the inclusion of maiden Ore Reserve estimates based on the revised Mineral Resource estimates for Gloster and Baneygo utilising pit optimisation parameters based on nearby operating Duketon Projects. Refer to separate ASX announcements on 14 January 2016 (Baneygo Mineral Resource estimate) and 14 March 2016 (Gloster maiden Mineral Resource estimate and Ore Reserve and maiden Baneygo Ore Reserve).

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ADDITIONAL INFORMATION

McPhillamys

The McPhillamys JORC compliant Mineral Resource at 31 March 2016 is 73.2 million tonnes at 0.94g/t Au for 2.21 million ounces, unchanged from 31 March 2015.

GOVERNANCE ARRANGEMENTS & INTERNAL CONTROLS

Regis has put in place governance arrangements and internal controls with respect to its estimates of Mineral Resources and Ore Reserves and the estimation process, including:

- oversight and approval of each annual statement by responsible senior officers;
- establishment of internal procedures and controls to meet JORC Code 2012 compliance in all external reporting;
- independent review of new and materially changed estimates;
- annual reconciliation with internal planning to validate reserve estimates for operating mines; and
- board approval of new and materially changed estimates.

GROUP MINERAL RESOURCES

			MEASURED			INDICATED			INFERRED			TOTAL RESOURCES			
PROJECT	TYPE	CUT-OFF (G/T)	MILLION TONNES	GRADE G/T	GOLD KOZ	MILLION TONNES	GRADE G/T	GOLD KOZ	MILLION TONNES	GRADE G/T	GOLD KOZ	MILLION TONNES	GRADE G/T	GOLD KOZ	COMPETENT PERSON[1]
Moolart Well[2]	Open Pit	0.4	1.9	0.72	45	24.9	0.74	596	9.3	0.62	184	36.1	0.71	825	A
Garden Well[2]	Open Pit	0.4	2.9	0.58	55	64.8	0.89	1,859	8.0	0.89	228	75.8	0.88	2,141	B
Rosemont[2]	Open Pit	0.4	4.5	1.42	204	20.5	1.42	938	3.0	1.95	189	28.0	1.48	1,331	B
Duketon Main Deposits			**9.4**	**1.01**	**303**	**110.2**	**0.96**	**3,393**	**20.3**	**0.92**	**600**	**139.8**	**0.96**	**4,297**	
Gloster	Open Pit	0.4	-	-	-	14.7	0.79	374	6.6	0.73	154	21.3	0.77	528	A
Baneygo	Open Pit	0.4	-	-	-	9.2	0.96	283	1.9	0.95	57	11.1	0.96	340	A
Erlistoun	Open Pit	0.4	-	-	-	5.7	1.34	247	1.1	1.00	37	6.9	1.28	284	A
Dogbolter	Open Pit	0.4	-	-	-	3.5	1.11	128	0.5	1.02	16	4.0	1.10	144	A
Russells Find	Open Pit	0.4	-	-	-	2.1	1.07	71	0.3	0.90	10	2.4	1.05	81	A
Petra	Open Pit	0.4	-	-	-	1.2	1.08	42	0.1	1.09	2	1.3	1.08	44	A
King John	Open Pit	0.4	-	-	-	-	-	-	0.8	1.56	42	0.8	1.56	42	A
Reichelts Find	Open Pit	0.4	-	-	-	-	-	-	0.8	1.11	28	0.8	1.11	28	A
Anchor	Open Pit	0.4	-	-	-	0.2	1.75	9	0.1	0.95	2	0.2	1.53	11	A
Duketon Satellite Deposits			**-**	**-**	**-**	**36.6**	**0.98**	**1,155**	**12.2**	**0.89**	**348**	**48.7**	**0.96**	**1,503**	
Duketon	**Total**		**9.4**	**1.01**	**303**	**146.8**	**0.96**	**4,548**	**32.4**	**0.91**	**948**	**188.6**	**0.96**	**5,800**	
McPhillamys	**Total**	**0.4**	**-**	**-**	**-**	**69.2**	**0.94**	**2,087**	**3.9**	**0.98**	**123**	**73.2**	**0.94**	**2,210**	**B**
REGIS	**TOTAL**		**9.4**	**1.01**	**303**	**216.0**	**0.96**	**6,635**	**36.4**	**0.92**	**1,071**	**261.7**	**0.95**	**8,010**	

The above data has been rounded to the nearest 100,000 tonnes, 0.01 g/t gold grade and 1,000 ounces. Errors of summation may occur due to rounding.

All Mineral Resources are reported inclusive of Ore Reserves to JORC Code 2012 unless otherwise noted.

1. Refer to Group Competent Person notes below.

2. Mineral Resources and Ore Reserves are reported inclusive of ROM Stockpiles at cut-off grade of 0.4g/t.

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ADDITIONAL INFORMATION

GROUP ORE RESERVES

			PROVED			PROBABLE			TOTAL RESERVES			
PROJECT	TYPE	CUT-OFF (G/T)[1]	MILLION TONNES	GRADE G/T	GOLD KOZ	MILLION TONNES	GRADE G/T	GOLD KOZ	MILLION TONNES	GRADE G/T	GOLD KOZ	COMPETENT PERSON[2]
Moolart Well[3]	Open Pit	>0.4	1.6	0.77	39	3.3	1.00	105	4.8	0.93	144	D
Garden Well[3]	Open Pit	>0.4	2.9	0.58	55	25.9	0.93	772	28.8	0.89	827	D
Rosemont[3]	Open Pit	>0.4	3.4	1.45	157	8.3	1.53	407	11.6	1.51	564	D
Duketon Main Deposits		**Total**	**7.9**	**0.99**	**251**	**37.4**	**1.07**	**1,284**	**45.3**	**1.05**	**1,535**	
Gloster	Open-Pit	> 0.5	-	-	-	7.0	1.00	226	7.0	1.00	226	D
Erlistoun	Open-Pit	> 0.5	-	-	-	3.8	1.48	181	3.8	1.48	181	D
Baneygo	Open-Pit	> 0.4	-	-	-	3.6	1.16	136	3.6	1.16	136	D
Petra	Open-Pit	> 0.5	-	-	-	0.6	1.26	25	0.6	1.26	25	D
Dogbolter	Open-Pit	> 0.5	-	-	-	0.3	1.57	16	0.3	1.57	16	D
Anchor	Open-Pit	> 0.5	-	-	-	0.1	2.07	6	0.1	2.07	6	D
Duketon Satellite Deposits		**Total**	**-**	**-**	**-**	**15.5**	**1.18**	**590**	**15.5**	**1.18**	**590**	
REGIS		**TOTAL**	**7.9**	**0.99**	**251**	**52.9**	**1.10**	**1,874**	**60.8**	**1.09**	**2,125**	

The above data has been rounded to the nearest 100,000 tonnes, 0.01 g/t gold grade and 1,000 ounces. Errors of summation may occur due to rounding.

1. Cut-off grades vary according to oxidation and lithology domains. Refer to Group Ore Reserves Lower Cut notes below.
2. Refer to Group Competent Person notes below.
3. Mineral Resources and Ore Reserves are reported inclusive of ROM Stockpiles at cut-off grade of 0.4g/t.

GROUP ORE RESERVES LOWER CUT

Reserves as at 31 March 2016

PROJECT	PROFILE	DOMAIN	LOWER CUT (G/T)
Garden Well	Alluvial		0.4
	Oxide, Transitional, Fresh	Ultramafic	0.4
		Chert	0.5
		Low Recovery Chert and Shale	0.8
Rosemont	All		0.4
Moolart	Laterite, Oxide, Transitional		0.4
	Fresh		0.4
Erlistoun	All		0.5
Dogbolter	Oxide		0.5
	Transitional	Sediments	0.6
		Other	0.5
	Fresh	Sediments	0.7
		Other	0.6
Petra	Oxide, Transitional		0.5
	Fresh		0.6
Anchor	Oxide, Transitional		0.5
	Fresh		0.6
Gloster	Oxide, Transitional		0.5
	Fresh		0.6
Baneygo	Oxide, Transitional		0.4
	Fresh		0.5

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COMPETENT PERSONS STATEMENT

The information in this statement that relates to the Mineral Resources or Ore Reserves listed in the table below is based on work compiled by the person whose name appears in the same row. Each of these persons, other than Mr de Klerk and Mr Johnson, is a full-time employee of Regis Resources Limited. Mr de Klerk is a full-time employee of Cube Consulting Pty Ltd and Mr Johnson is a full-time employee of MPR Geological Consultants Pty Ltd. Each person named in the table below are Members of The Australasian Institute of Mining and Metallurgy and/or The Australian Institute of Geoscientists and have sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which they have undertaken to qualify as a Competent Person as defined in the JORC Code 2012. It is noted that some of the Duketon satellite deposits were previously disclosed under JORC Code 2004 requirements and have now been updated to JORC Code 2012 requirements. Each person named in the table below consents to the inclusion in this report of the matters based on their information in the form and context in which it appears.

GROUP COMPETENT PERSONS

Resources and Reserves as at 31 March 2016

ACTIVITY	COMPETENT PERSON	IDENTIFIER	INSTITUTE
Moolart Well Resource	Jarrad Price	A	Australasian Institute of Mining and Metallurgy
Moolart Well Reserve	Quinton de Klerk	D	Australasian Institute of Mining and Metallurgy
Garden Well Resource	Nic Johnson	B	Australian Institute of Geoscientists
Garden Well Reserve	Quinton de Klerk	D	Australasian Institute of Mining and Metallurgy
Rosemont Resource	Nic Johnson	B	Australian Institute of Geoscientists
Rosemont Reserve	Quinton de Klerk	D	Australasian Institute of Mining and Metallurgy
Erlistoun Resource	Jarrad Price	A	Australasian Institute of Mining and Metallurgy
Erlistoun Reserve	Quinton de Klerk	D	Australasian Institute of Mining and Metallurgy
Dogbolter Resource	Jarrad Price	A	Australasian Institute of Mining and Metallurgy
Dogbolter Reserve	Quinton de Klerk	D	Australasian Institute of Mining and Metallurgy
Petra Resource	Jarrad Price	A	Australasian Institute of Mining and Metallurgy
Petra Reserve	Quinton de Klerk	D	Australasian Institute of Mining and Metallurgy
Anchor Resource	Jarrad Price	A	Australasian Institute of Mining and Metallurgy
Anchor Reserve	Quinton de Klerk	D	Australasian Institute of Mining and Metallurgy
King John Resource	Jarrad Price	A	Australasian Institute of Mining and Metallurgy
Russells Find Resource	Jarrad Price	A	Australasian Institute of Mining and Metallurgy
Baneygo Resource	Jarrad Price	A	Australasian Institute of Mining and Metallurgy
Baneygo Reserve	Jarrad Price	A	Australasian Institute of Mining and Metallurgy
Reichelts Find Resource	Jarrad Price	A	Australasian Institute of Mining and Metallurgy
Gloster Resource	Jarrad Price	A	Australasian Institute of Mining and Metallurgy
Gloster Reserve	Jarrad Price	A	Australasian Institute of Mining and Metallurgy
Coopers Resource	Jarrad Price	A	Australasian Institute of Mining and Metallurgy
McPhillamys Resource	Nic Johnson	B	Australian Institute of Geoscientists

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ADDITIONAL INFORMATION

FORWARD LOOKING STATEMENTS

This report may contain forward looking statements that are subject to risk factors associated with gold exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, Reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

Forward-looking statements, including projections, forecasts and estimates, are provided as a general guide only and should not be relied on as an indication or guarantee of future performance and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Regis Resources Ltd. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward looking statements or other forecast.