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Garden Well Gold Deposit – Development Update

Highlights

- Major suite of **metallurgical test work completed with very favourable results**, including:
    - Gold leach extraction test work indicating high recoverable gold through cyanidation, with 24 hour recoveries averaging 95.3% (weighted average by resource ore types) at a 150 µm grind size.
    - High gravity gold recovery averaging 54.0% (weighted average by resource ore types) at a 150 µm grind size.
    - Very low abrasion index of 0.057 Ai (g).
    - Fresh rock ball bond mill work index medium to low at 13.6 kWh/tonne.
    - Very soft crusher work index of 4.9 kWh/tonne.
- **Key mining leases granted** over the Garden Well gold deposit and proposed areas of infrastructure.
- **Work continuing towards estimation of an updated JORC resource** to include infill and extensional drilling completed since announcement of the 1.2 Moz maiden resource.
- **Work underway to complete estimation of a maiden JORC reserve** in the December 2010 quarter (from the updated JORC resource).

Metallurgical Testing

Regis Resources Ltd is pleased to announce the completion of a major suite of metallurgical testing in relation to the Garden Well Gold Project. The programme of gold extraction and processing comminution test work was conducted on a representative selection of diamond drilling core and reverse circulation drill samples.

The programme was designed to assess the following metallurgical characteristics of the Garden Well ore:

- Gold leaching characteristics of oxide, transitional and fresh ore types. Samples were taken from the (predominant) ultramafic ore type along with the (minor) black shale ore type.
- Gravity separation character of the ore.
- Bond Ball Mill Work index of fresh ultramafic ore (predominant fresh ore type).
- Bond Abrasion Index of the fresh ultramafic ore.
- Bond Impact Crushing Work Index of the fresh ultramafic ore.

The results of the metallurgical testing conducted are set out below.

Gold Leaching and Gravity Recovery

Seven composite samples were separated for gravity gold extraction by laboratory Knelson Concentrator. Gravity concentrates were processed through amalgamation with 5.0g of mercury and gravity tailings subjected to 48 hour direct cyanidation and CIL leaching (oxygen sparged). The 24 hour version of this test is broadly indicative of CIL gold recovery rates in an operational scale setting. The following tables show the results of gold leaching and gravity recovery test work at a 75µm and 150µm grind size respectively:

Leaching and gravity separation testwork (Grind size 75µm)		48 Hour Test			24 Hour Recovery (%)
		Gravity Recovery (%)	Leach Recovery (%)	Total Recovery (%)	
RRLGDDD001	Upper Oxide	30.17	69.57	**99.74**	**99.01**
	Transition/Ultramafic	79.69	19.24	**98.93**	**98.93**
	Transition/Shale	58.15	24.55	**82.70**[2]	**87.29**[2]
	Fresh/Ultramafic	80.42	17.75	**98.17**	**98.17**
RRLGDDD003	Upper Oxide	40.95	57.36	**98.31**	**98.15**
	Transition/Ultramafic	66.38	30.97	**97.35**	**96.74**
	Fresh/Ultramafic	72.32	26.32	**98.64**	**98.08**
COMPOSITE	Oxide 1	na	na	**97.60**	**94.84**
COMPOSITE	Oxide 2	na	na	**95.26**	**93.50**
COMPOSITE	Oxide 3	na	na	**97.63**	**93.27**
COMPOSITE	Oxide 4	na	na	**99.42**	**99.02**
COMPOSITE	Transitional 1	na	na	**97.54**	**97.43**
COMPOSITE	Transitional 2	na	na	**97.80**	**97.29**
COMPOSITE	Transitional 3	na	na	**98.31**	**96.75**
COMPOSITE	Transitional 4	na	na	**97.39**	**94.50**
COMPOSITE	Fresh 1	na	na	**97.09**	**93.87**
COMPOSITE	Fresh 2	na	na	**95.83**	**94.40**
COMPOSITE	Fresh 3	na	na	**98.42**	**97.32**
COMPOSITE	Fresh 4	na	na	**98.69**	**94.17**
Average		**67.5%**[1]		**97.3%**[1]	**95.9%**[1]

Notes 1 Averages based on weighted average ounces of ore types represented in the Garden Well JORC Resource. 2 The transitional shale represents less than 4% of the total resource ounces.

Leaching and gravity separation testwork (Grind size 150µm)		48 Hour Test			24 Hour Recovery (%)
		Gravity Recovery (%)	Leach Recovery (%)	Total Recovery (%)	
RRLGDDD001	Upper Oxide	25.66	73.42	**99.08**	**98.65**
	Transition/Ultramafic	75.46	23.70	**99.16**	**99.04**
	Transition/Shale	58.87	22.73	**81.60**[2]	**83.19**[2]
	Fresh/Ultramafic	65.55	29.75	**95.30**	**94.75**
RRLGDDD003	Upper Oxide	24.04	74.61	**98.65**	**98.65**
	Transition/Ultramafic	58.31	37.99	**96.30**	**95.66**
	Fresh/Ultramafic	49.71	47.04	**96.75**	**93.76**
Average		**54.0%**[1]		**96.4%**[1]	**95.3%**[1]

Notes 1 Averages based on weighted average ounces of ore types represented in the Garden Well JORC Resource. 2 The transitional shale represents less than 4% of the total resource ounces.

The high gold recovery (both total and gravity) returned, particularly in the courser 150 µm grind testwork, is very positive for the processing plant design and operating costs of the Garden Well project. This testing indicates that the ore will not require fine grinding and reagent usage should be reduced with the incorporation of a gravity circuit in the plant design.

Bond Ball Mill Work Index (BWI)

The BWI is a test designed to estimate the power requirements to grind a mineral ore to a standard size particle. It is an indicator of the "hardness" of an ore type. The results of the BWI test for Garden Well fresh ore are as follows:

SAMPLE	BWI (kWh/dry tonne)	Classification
RRLGDDD001 Fresh Ultramafic	14.7	Medium
RRLGDDD003 Fresh Ultramafic	12.6	Medium
Average	**13.6**	**Medium**

The BWI of the fresh ore, at an average of 13.6 kWh/tonne, is indicative of medium hardness. It is considered that milling of this ore, in blend with the soft oxide ore, will require a relatively low power draw. The low power requirement is a strong positive in the development of the project as it will help to reduce both the size of the required milling circuit and the operating power requirements.

Bond Abrasion Index (Ai)

This index estimates the abrasiveness of an ore. The index is used to calculate metal wear rates in crushers and associated equipment and ball consumption rates in ball mills. The results of the Ai test for Garden Well fresh ore are as follows:

SAMPLE	Ai (g)	Classification
RRLGDDD001 Fresh Ultramafic	0.0574	Low
RRLGDDD003 Fresh Ultramafic	0.0565	Low
Average	**0.0570**	**Low**

The low abrasion index of the ore indicates low steel ball consumption rates in the milling circuit and generally low wear rates on crushing, grinding and associated equipment.

Bond Impact Crushing Work Index (CWI)

The CWI describes the competency of an ore at larger particle sizes. It is used to estimate primary crusher power requirements. The results of the CWI test for Garden Well fresh ore are as follows:

SAMPLE	CWI (kWh/tonne)	Classification
RRLGDDD001 Fresh Ultramafic (average)	6.3	Soft
RRLGDDD003 Fresh Ultramafic (average)	3.5	Very soft
Average	**4.9**	**Very soft**

The CWI test indicates that the Garden Well ore is very soft in terms of crushing requirements. This presents Regis the opportunity to further reduce overall power usage in the milling circuit by the efficient use of crushing capacity in substitution for some milling capacity.

Mining Leases

Regis is also pleased to announce that Mining Leases M38/1249 and 1250 have been granted over the Garden Well project area. These leases, along with previously granted mining tenure, cover the Garden Well gold resource, the proposed mill infrastructure site and parts of the proposed tailings storage facility (TSF) and waste dump sites. This is a significant early step in the licensing process associated with the development of the project.

Applications have also been lodged for a general purpose licence and mining license to cover the balance of the proposed TSF and waste dump. These licenses are expected to be granted in due course.

Development Timetable

The board of Regis is encouraged by the very favourable metallurgical test work results and the granting of key mining leases and is continuing to expedite the work required to commence development of the project as a stand-alone mining operation.

The Company expects to estimate a revised JORC resource in the December 2010 quarter to include infill and extensional drilling completed since the announcement of the maiden resource. It will be from this updated resource that the maiden JORC reserve will be estimated.

The Company is continuing to work towards the previously announced target development timetable:

Milestone	Targeted Timing
Calculate reserve	December 2010 quarter
Complete feasibility studies and financing	June 2011 quarter
Commence project construction	September 2011 quarter
Commence gold production	September 2012 quarter

The delivery of this strategy and the timing of it will, of course, be dependent on numerous factors, not limited to the assessment of all technical issues, statutory licensing processes and successful completion of feasibility studies.

Regis Managing Director Mark Clark commented:

"The very favourable results of the major suite of metallurgical tests further confirm the potential of the Garden Well gold deposit to become Regis' second and largest gold mining operation. The granting of key mining leases is the first significant step in the licensing process to develop a mine at Garden Well. We are pushing ahead with an aggressive development timetable which we expect will see first gold production from Garden Well in the September 2012 quarter, lifting Regis gold production to around 250,000 ounces per annum."

Yours sincerely
Regis Resources Limited

Mark Clark
Managing Director

Background
The Garden Well project is 100% owned by Regis and is located 30 kilometres south of Regis' operating Moolart Well gold mine. To the end of the September 2010 quarter Regis had completed in excess of 55,000 metres of Aircore, RC and diamond drilling confirming oxide mineralistion over a 1,040 metre strike length and fresh rock mineralisation over a 920 metre strike length (and open to the south).

In October 2010 Regis announced a maiden resource at Garden Well, estimated within a 0.5 g/t Au limit of mineralisation, at a 0 g/t Au cut-off, as follows:

Category	Tonnes (Millions)	Gold Grade (g/t)	Contained Gold (Ounces)
Indicated	9.8	2.06	647,500
Inferred	9.8	1.79	564,200
	19.6	**1.92**	**1,211,700**

Notes: 0.5 g/t Au limit of mineralization. Rounded to two significant figures.

This resource has been estimated to a maximum depth below surface of 250 metres and 94% of the contained gold is within 180 metres of surface.

Qualification Statement
The technical information in this report has been reviewed and approved by Mr Morgan Hart who is a member of the Australasian Institute of Mining and Metallurgy. Mr Hart has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Morgan Hart is a director and full time employee of Regis Resources Ltd and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.