REGIS RESOURCES LTD

REGIS RESOURCES ANNUAL REPORT

2018

CORPORATE DIRECTORY

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)
Fiona Morgan	(Independent Non-Executive Director)

Company Secretary

Kim Massey

Registered Office & Principal Place of Business

Level 2
516 Hay 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

Front Cover Photo by Ben Broeder, Every Man & His Dog Media

Garden Well pit // Photo by Will Nguyen

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HIGHLIGHTS

Moolart Well Plant // Photo by Ben Broeder

CORPORATE

26%

NET PROFIT AFTER TAX

Net profit after tax up 26% to **$174.2 million** for the financial year.

25%

EARNINGS PER SHARE

Earnings per share up 25% to **34.60 cents per share**.

11%

REVENUE

Revenue up 11% to **$604.4 million**.

23%

EBITDA

EBITDA up 23% to **$312.5 million**.

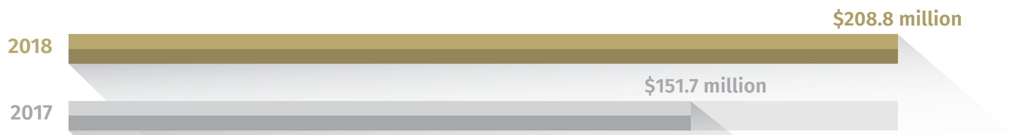
7%

DIVIDENDS

Dividends declared for FY2018 up 7% to **16.0 cents per share**.

CASH AND BULLION

Cash and Bullion increased to $208.8 million at 30 June 2018, up **$57.1 million** for the year.



MCPHILLAMYS PROJECT

McPhillamys Project advancing with DFS & EIS expected to be completed in December 2018 quarter.

DUKETON OPERATIONS

- Record gold production at Duketon in FY2018 with **361,373 ounces of gold produced** at AISC of **$901 per ounce**.
- Strong **operating cashflow** from Duketon of **$300.8 million**.
- **Strong operational performance** at Duketon for FY2018 with full year of production from satellite projects Gloster and Erlistoun.
- Commencement of pre-strip mining at **Anchor, Dogbolter and Tooheys Well satellite pits**.
- FY2018 production guidance increased to **340,000-370,000 ounces of gold** at AISC **$985-$1,055 per ounce**.

EXPLORATION

- **Maiden Ore Reserve Estimate** at the McPhillamys Gold Project is 60.1 million tonnes at 1.05g/t Au for **2,034,000 ounces of gold**.
- **Maiden Inferred Underground Mineral Resource Estimate** at Rosemont of 1.4 million tonnes at 5.1g/t gold for **230,000 ounces of gold** at a 2.0g/t gold cut off grade.
- RC and diamond drilling programmes at **Garden Well Underground** delivers encouraging intercepts, and confirms the existence of **high grade shoots** 300m south of the current pit design.

CHAIRMAN'S REPORT

Dear Shareholder,

It is my great pleasure to present to you the 2018 Regis Resources Annual Report.

As you are aware the Company announced that I will be stepping down as Chairman and as a director at this year's Annual General Meeting. Over the last 9 years I have had the privilege of leading this Company from a pre-production exploration company to a highly profitable leading mid-tier gold producer. I believe the time is right for me to handover the leadership of Regis as it embarks on the next phase of its growth.

I am handing over at a time when the Company is in a very strong position having enjoyed a record breaking year in FY2018 that included the following highlights:

- Continued outstanding operational performance at Duketon with record gold production of 361,373 ounces at all in sustaining costs of $901 per ounce.
- Record profit after tax of $174.2 million, up 26% on 2017 with EBITDA up 23% to 312.5 million.
- A fully franked final dividend of 8 cents per share taking full year dividends to 16 cents per share.
- The commencement of mining at the Tooheys Well, Dogbolter and Anchor pits continuing the strategy of blending higher grade satellite ore feed to existing operations.
- A maiden Ore Reserve of 60.1 million tonnes at 1.05g/t for 2.03 million ounces of gold estimated at McPhillamys in NSW with a pre-feasibility study demonstrating a robust large scale open pit gold mine with a planned 7 million tonne per annum mining and processing operation producing an annual average of 192,000 ounces of gold over a nine year mine life.
- A successful underground drilling programme at Rosemont that delivered a maiden underground resource of 1.4 million tonnes at 5.10g/t Au for 230,000 ounces of gold ore.
- Group Ore Reserves as at 31 March 2018 increased by 86% to 4.06 million ounces.
- Ongoing work at McPhillamys during the year has the project progressing through the regulatory approvals process with the lodgement of the Preliminary Environmental Assessment.

Once again the quality of the Duketon operation delivered very strong financial results. Regis generated a net operating cash flow of $259.7 million for FY2018 and at the end of the financial year had cash and bullion holdings of $208.8 million with no bank debt. The full year dividend of 16 cents per share in FY2018 represents a payout ratio of 13% of revenue and 26% of EBITDA for FY2018. Regis continues to be an Australian gold industry leader on dividend payment metrics. Since 2013 Regis has paid a total of $326 million (65cps) in fully franked dividends.

The Company's record gold production was achieved with a strong contribution from the higher grade satellite projects of Gloster and Erlistoun. The strategy of blending higher grade ore feed from satellite projects will continue in FY2019 with the commencement of pre-strip mining at the Tooheys Well, Dogbolter and Anchor deposits. FY2019 is expected to be another year of strong production with guidance of 340,000 - 370,000 ounces at an all in sustaining cost of $985 - $1,055 per ounce.

It is an exciting time for Regis as the Company embarks on its first underground mine at Rosemont. Subsequent to the end of the year, the Regis board approved the development of an underground mining operation directly below the Rosemont open pit. Development work commenced in the September 2018 quarter, with the ordering of long lead items and an underground mining contract tendering process. Commencement of the portal development in the southern end of the Rosemont Main Pit is expected by March 2019 with processing beginning in the December 2019 quarter.

The focus on defining new underground resources will now turn to Garden Well and the high grade shoots that have been identified below the pit in the southern part of the deposit.

During the year, work continued on progressing the development of the McPhillamys project with a maiden Reserve of 2.03 million ounces released in September 2017. Subsequent to the end of the year, the Company submitted a Preliminary Environmental Assessment (PEA) to the NSW Department of Planning and Environment (DPE). The PEA is the trigger for the DPE to provide the Secretary's Environmental Assessments Requirements

None of these achievements would be possible without the relentless efforts and commitment of all Regis employees and contractors and I wish the Company every success in the future.

for the project, which allow the Environmental Impact Statement (EIS) to be appropriately focussed to enable regulatory assessment of the project. The development of the project represents an outstanding organic growth opportunity for Regis and we look forward to pushing ahead with the final elements of the EIS and the DFS.

I believe it is a very exciting time for Regis as we move forward under the new leadership team to be led by James Mactier as incoming Non-executive Chairman and Jim Beyer as Managing Director.

James Mactier steps into the role of Chairman and brings his personal values, business acumen and strong relationships throughout the industry. He will continue to maintain the Company culture that has lead Regis to be the quality company it is today. Jim is a high quality and proven mining executive. He was most recently the CEO of Mount Gibson Iron Limited and previously the General Manger of the Boddington and Pajingo gold mines. He has both the technical and corporate experience to continue the disciplined management of our current projects and to grow the projects and Company as opportunities arise. I have great confidence that under their stewardship Regis will continue to prosper and grow.

Finally I would like to take this opportunity to acknowledge the hard work and dedication of the Regis team. None of these achievements would be possible without the relentless efforts and commitment of all Regis employees and contractors and I wish the Company every success in the future.

Yours sincerely

Mark Clark
Executive Chairman

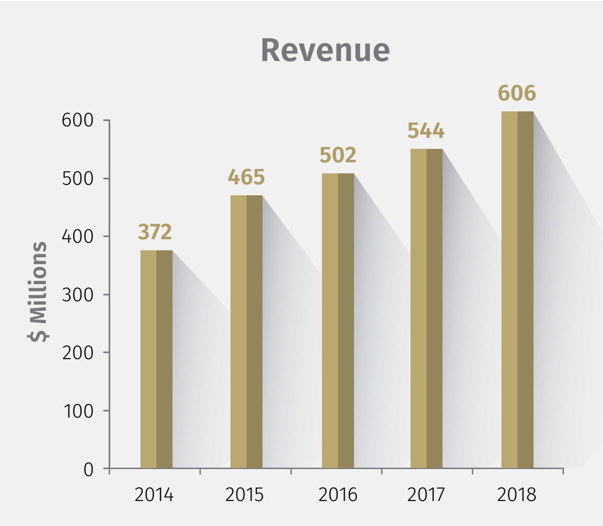
CORPORATE

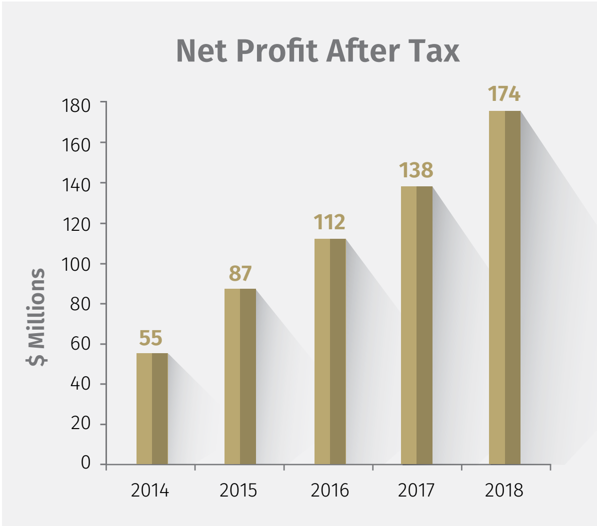
Driven by record production at the Duketon Gold Project, Regis reported a 26% increase in profit after tax for the 2018 financial year of $174.2 million.

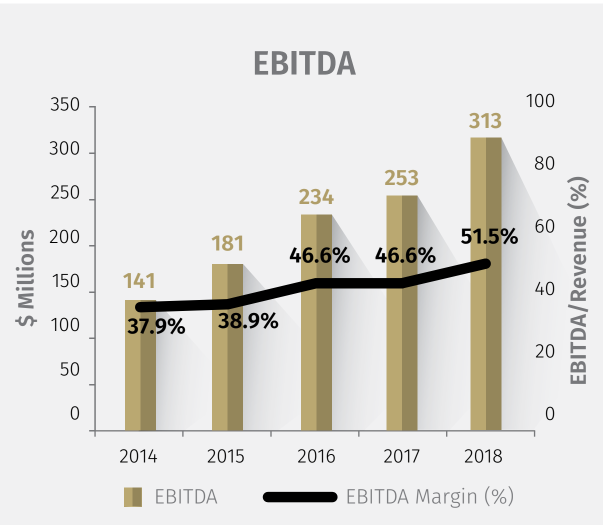
This strong result was on the back of an 11% increase in gold revenue to $604.4 million driven by a 14% higher sales volume. Accordingly, EBITDA increased by 23% from the previous period to $312.5 million for FY2018.

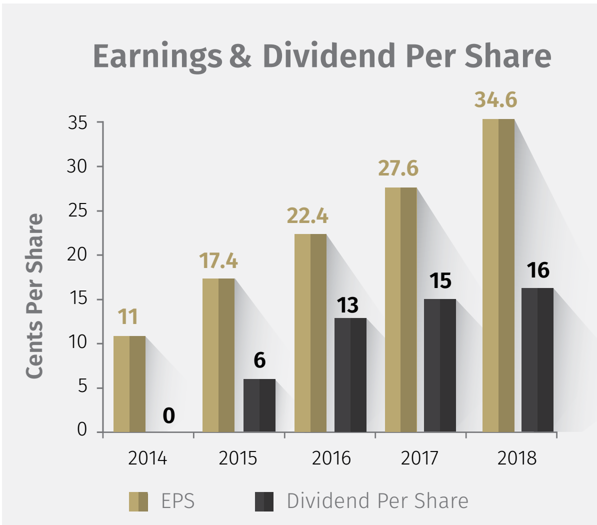
Regis sold a total of 362,790 ounces of gold during the year at an average price of A$1,676 per ounce. The Company delivered the gold produced during the year into a combination of spot deferred contracts and at the prevailing spot price. At the end of the financial year the Company had a total hedging position of 388,711 ounces of spot deferred contracts with a delivery price of A$1,555 per ounce.

The following graphs illustrate the strong performance of the Company across several profit metrics.





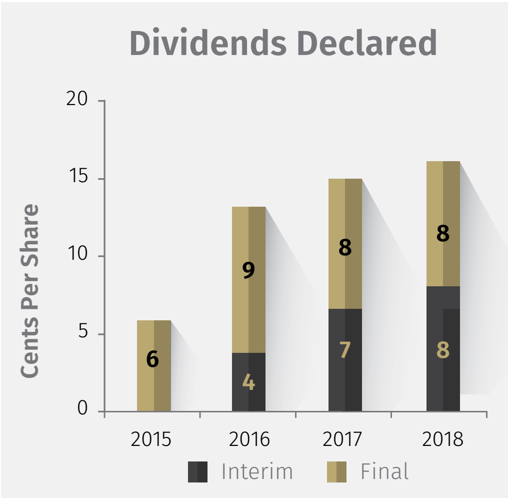


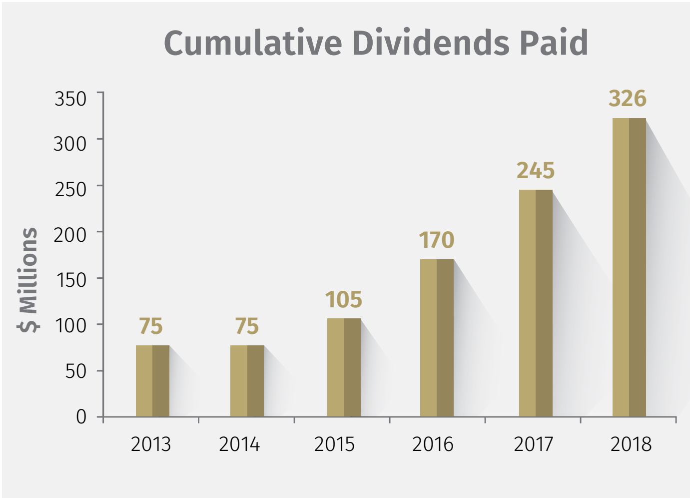


FY2014 NPAT, EBITDA & EPS adjusted to underlying result by excluding $202.7m after tax impairment charge

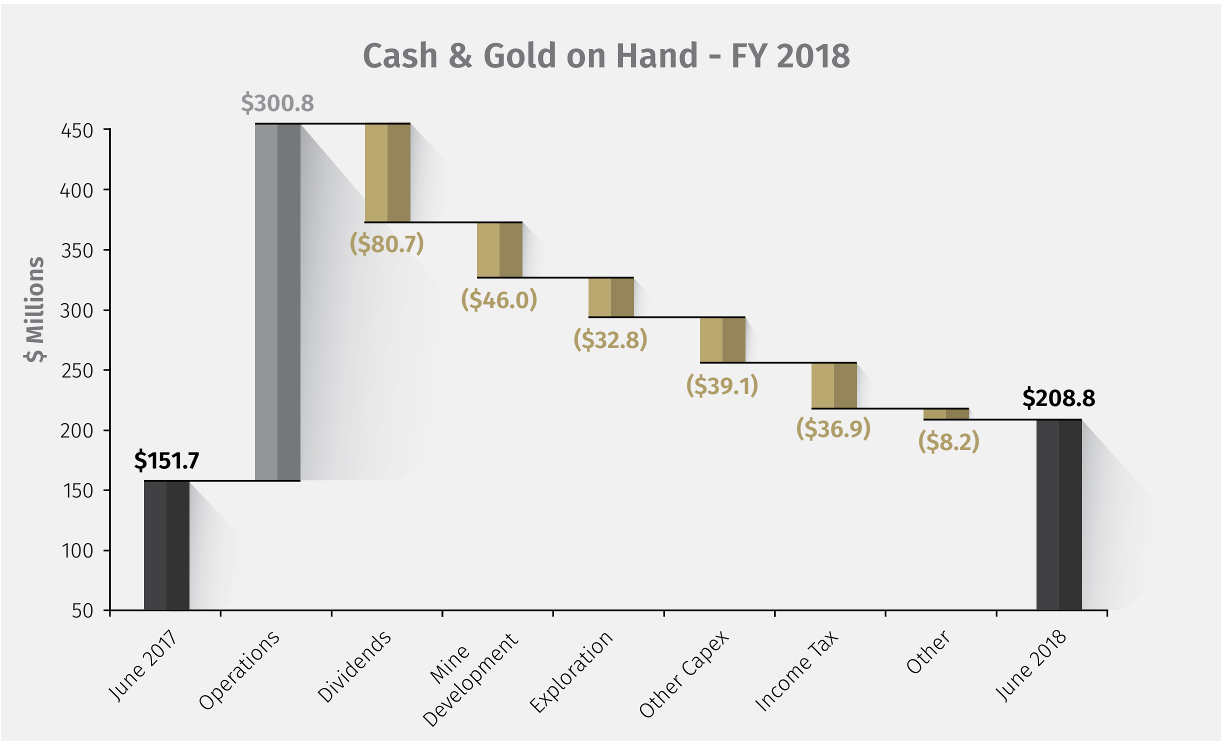
Net cash from operating activities of $259.7 million was up 26% from the previous year. Robust operating cashflows from the project generated an increase in the Company's cash and bullion holdings to $208.8 million, up $57.1 million from the previous year after payment of $80.7 million in dividends and $33 million in exploration expenditure.

The Company paid a total of $80.7 million in fully franked dividends during the year and subsequent to the end of the financial year declared an 8 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 FY2018. The full year dividend of 8 cents per share coupled with the 8 cents per share interim dividend paid in March 2018, took the full year pay out to 16 cents per share. This represents a 13.4% payout of FY2018 revenue and 46% of net profit after tax. Since the commencement of dividend payments in 2013, the Company has paid a total of $326 million in fully franked dividends (65ps).





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

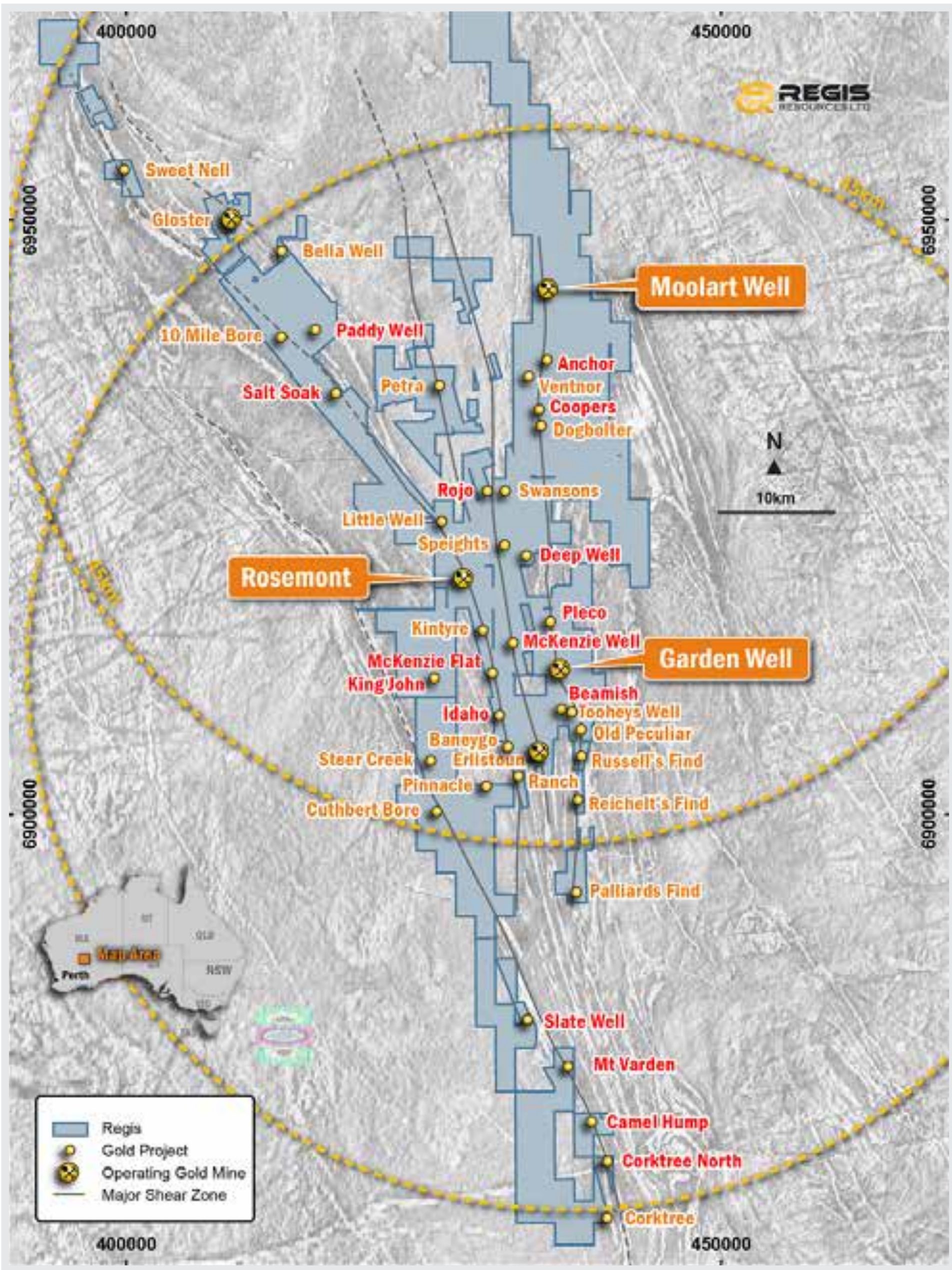


Operating cash flow differs from the statutory Statement of Cash Flow "net cash from operating activities" as it is quoted under the Appendix 5B classification protocol and includes movement in gold bullion on hand

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, Anchor Gold Mine and the Dogbolter Gold Mine; and the Duketon South Operations ("DSO") comprising the Garden Well and Rosemont Gold Mines and surrounding satellite deposits including the Erlistoun Gold Mine and Tooheys Well Gold Mine. The Duketon Project has in excess of 1,000 square kilometres of exploration and mining tenure.



The Duketon Project produced record gold production for 2018, with 361,373 ounces of gold produced which was at the upper end of FY2018 guidance of 335,000-365,000 ounces. The project benefited from a full year of production of higher grade ore feed from the Gloster and Erlistoun satellite deposits. Milled grade across the Duketon Project increased by 7% to 1.19g/t and validated the strategy of pursuing organic growth through aggressive regional exploration programmes across Duketon. All in sustaining costs were $901 per ounce which were towards the lower end of FY2018 cost guidance and reflected the excellent cost control at the operations.

Operating results for the entire Duketon Project are summarised below:

		2018	2017
Ore mined	Mbcm	4.58	4.56
Waste mined	Mbcm	20.13	25.55
Stripping ratio	w:o	4.40	5.60
Ore mined	Mt	10.55	10.85
Ore milled	Mt	10.04	9.78
Head grade	g/t	1.19	1.11
Recovery	%	94	93
Gold production	koz's	361	324
Cash cost	A$/oz	721	790
Cash cost inc royalty	A$/oz	794	864
All in Sustaining Cost	A$/oz	901	945

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 2018 were as follows:

		2018	2017
Ore mined	Mbcm	1.72	1.74
Waste mined	Mbcm	5.07	7.77
Stripping ratio	w:o	2.9	4.5
Ore mined	Mt	3.15	3.37
Ore milled	Mt	3.26	2.95
Head grade	g/t	1.09	1.14
Recovery	%	94	94
Gold production	koz's	107	101
Cash cost	A$/oz	649	621
Cash cost inc royalty	A$/oz	718	697
All in Sustaining Cost	A$/oz	827	785

Annual production for FY2018 at DNO was 106,928 ounces at a cash cost of $649 per ounce and an all in sustaining cost of $827 per ounce. Production at DNO increased by 6% from the previous year due to a full year of mining operations at the Gloster satellite deposit. Gloster ore is hauled approximately 26 kilometres by road train to the processing facility at Moolart Well where it is blended with ore from that operation. The ore from Gloster milled during 2018 was of a higher grade and softer, oxide material than the ore available from Moolart Well. As a result, the mill throughput increased by 10% from the prior year.

DUKETON SOUTH OPERATIONS

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

Operating results for the year to 30 June 2018 were as follows:

		2018	2017
Ore mined	Mbcm	2.86	2.82
Waste mined	Mbcm	15.06	17.78
Stripping ratio	w:o	5.3	6.3
Ore mined	Mt	7.40	7.48
Ore milled	Mt	6.79	6.83
Head grade	g/t	1.24	1.10
Recovery	%	94	93
Gold production	koz's	254	223
Cash cost	A$/oz	751	867
Cash cost inc royalty	A$/oz	826	940
All in Sustaining Cost	A$/oz	932	1,017

DSO produced 254,445 ounces of gold for the year, which was an increase of 14% on the prior year. Gold production increased due to a full 12 months of mining a higher grade and softer ore from the Erlistoun satellite deposit. Head grade was 1.24g/t, an increase of 13% from the prior year.

Pre-production mining at the Tooheys Well satellite project commenced in January 2018 with first ore to be carted in October 2018 to the Garden Well processing plant, located approximately 2.5 kilometres away.

FY2019 GUIDANCE

Regis is expecting another strong year of cashflow and has forecasted that guidance will be consistent with the 2018 financial year. All-in sustaining costs will be higher than the prior year due to $40 million of growth capital for Tooheys Well and other satellite operations. Gold production and operating costs for FY2019 are expected to be in the following ranges:

- Gold production: 340,000 – 370,000 ounces
- Cash costs, including royalties: $880 – $950 per ounce
- All in Sustaining Cost: $985 – $1,055 per ounce

GOLD EXPLORATION

Regis controls a significant tenement package, encompassing 200 granted exploration, prospecting and mining licences

Duketon Gold Project

Regis controls a significant tenement package, encompassing 200 granted exploration, prospecting and mining licences covering 1,674 square kilometres and 42 miscellaneous licences at the Duketon Gold Project.

Regis' exploration effort in recent years has been successful in extending the reserve base of the Company and replacing annual production. The successful replenishment and extension of Reserves is reflective of the advantage the significant tenure position on prospective geology and the proximity to the 10Mtpa milling capacity provides at Duketon.

Significant exploration projects advanced during the year ended 30 June 2018 are outlined below.

Rosemont Underground

The Rosemont Project is a fully operational open pit gold mine (commenced in March 2013) with a stand-alone crushing and grinding plant, piping an ore slurry to the Garden Well CIL processing facility. The current open pit mine is expected to continue until at least FY2024.

The geology at Rosemont has gold hosted in a steeply dipping quartz-dolerite unit intruding into a mafic-ultramafic sequence. Gold mineralisation is within a brittle quartz-dolerite phase of the Rosemont Dolerite, primarily occurring within discrete, steeply dipping, quartz-dolerite paralled, en-echelon and stacked vein structures. The quartz-dolerite varies from 5 metres, up to 100 metres wide.

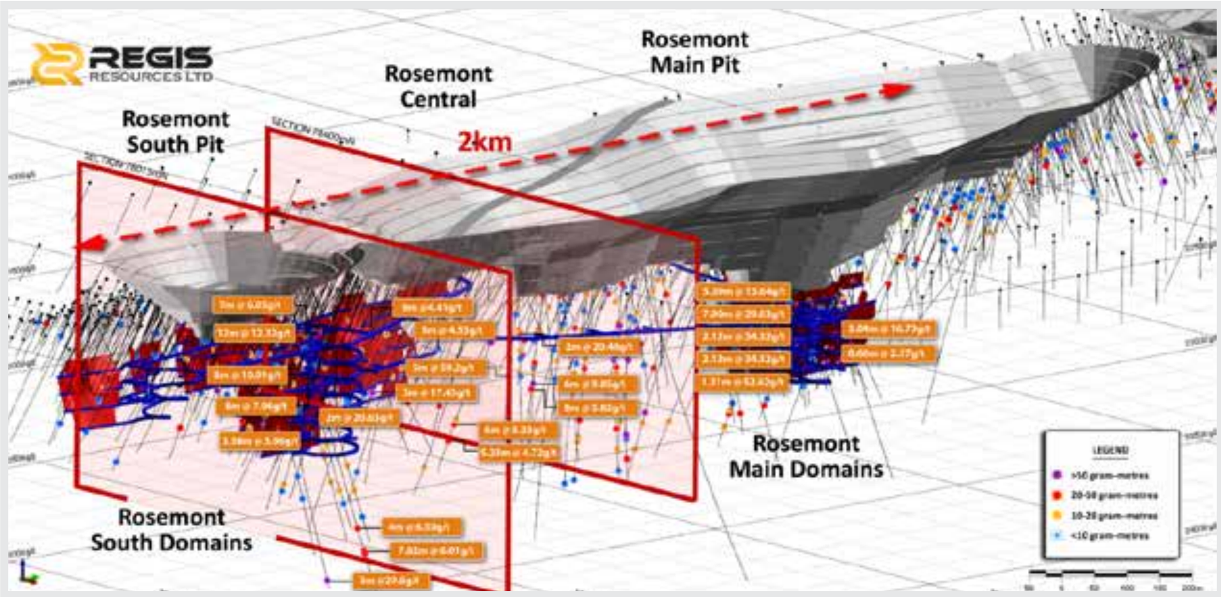
RC and diamond drilling programmes were undertaken during the year aimed at increasing data-density and geological understanding in the two zones of this study. The drilling has helped to further define high grade gold mineralisation in two distinct zones beneath the life of mine open pit designs to a sufficient level to support an underground mining operation.

Subsequent to the end of the year, the Company announced the approved development of an underground mining operation directly below the current Rosemont open pit as and part of an expansion of the existing operations.

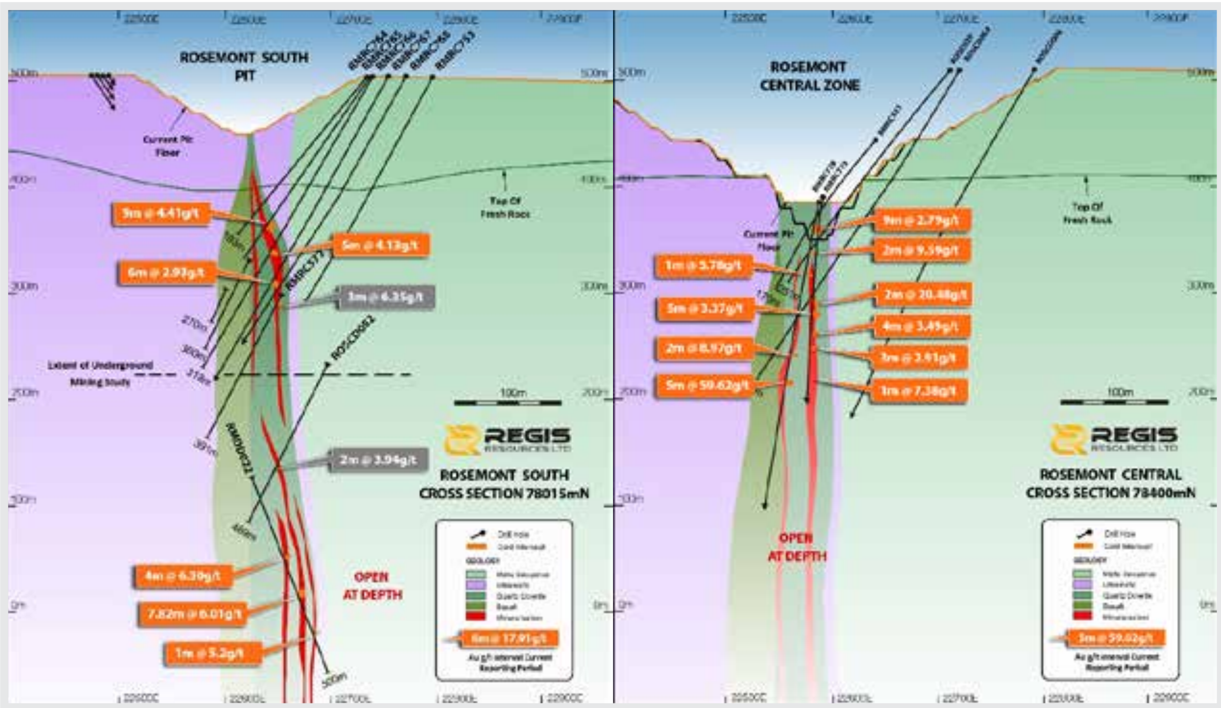
The combined open pit and underground mine is scheduled to deliver 10.3 million tonnes of ore at 1.72g/t for 570,000 ounces over a current five year mine life.

The development timeline will be as follows:

- Commencement of Development work, including long lead items and underground mining contract tendering process – September 2018 quarter
- Commencement of portal work – March 2019 quarter
- Processing of first material – December 2019 quarter



Oblique Long Section looking northwest shows final pit design and proposed UG mine design and stoping blocks.



Section 78015mN showing high grade gold intercepts at Rosemont south, 200m below proposed UG development stope design. Cross Section 78400mN at Rosemont Central zone along strike and outside of current UG resource domains.

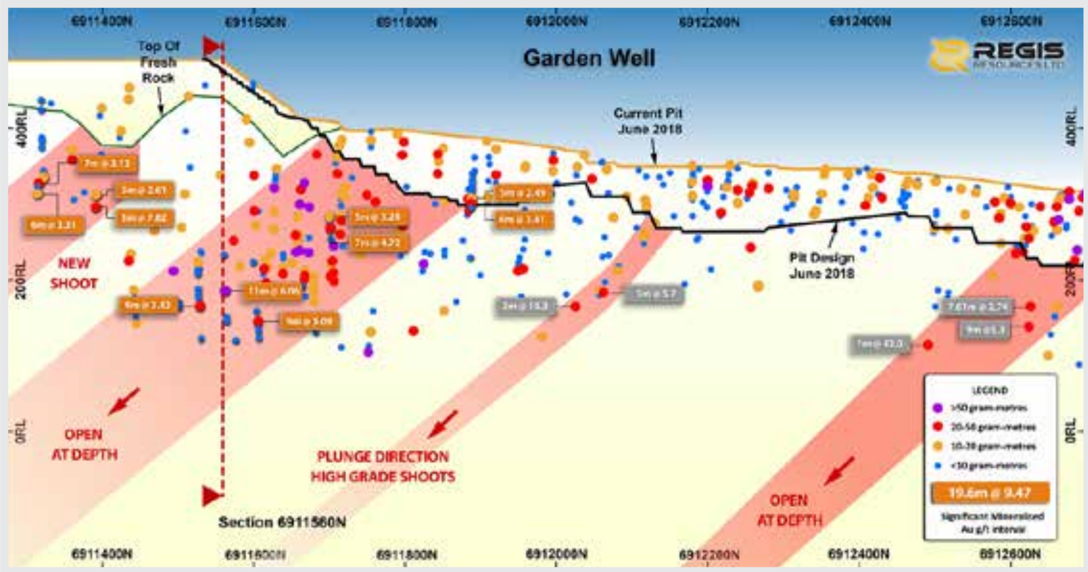
Garden Well Underground

RC and diamond drilling programmes were undertaken during the year to test the continuity of high grade gold mineralisation located below the southern end of the final Garden Well pit design and to reduce drill spacing from 40m x 40m to 40m x 20m.

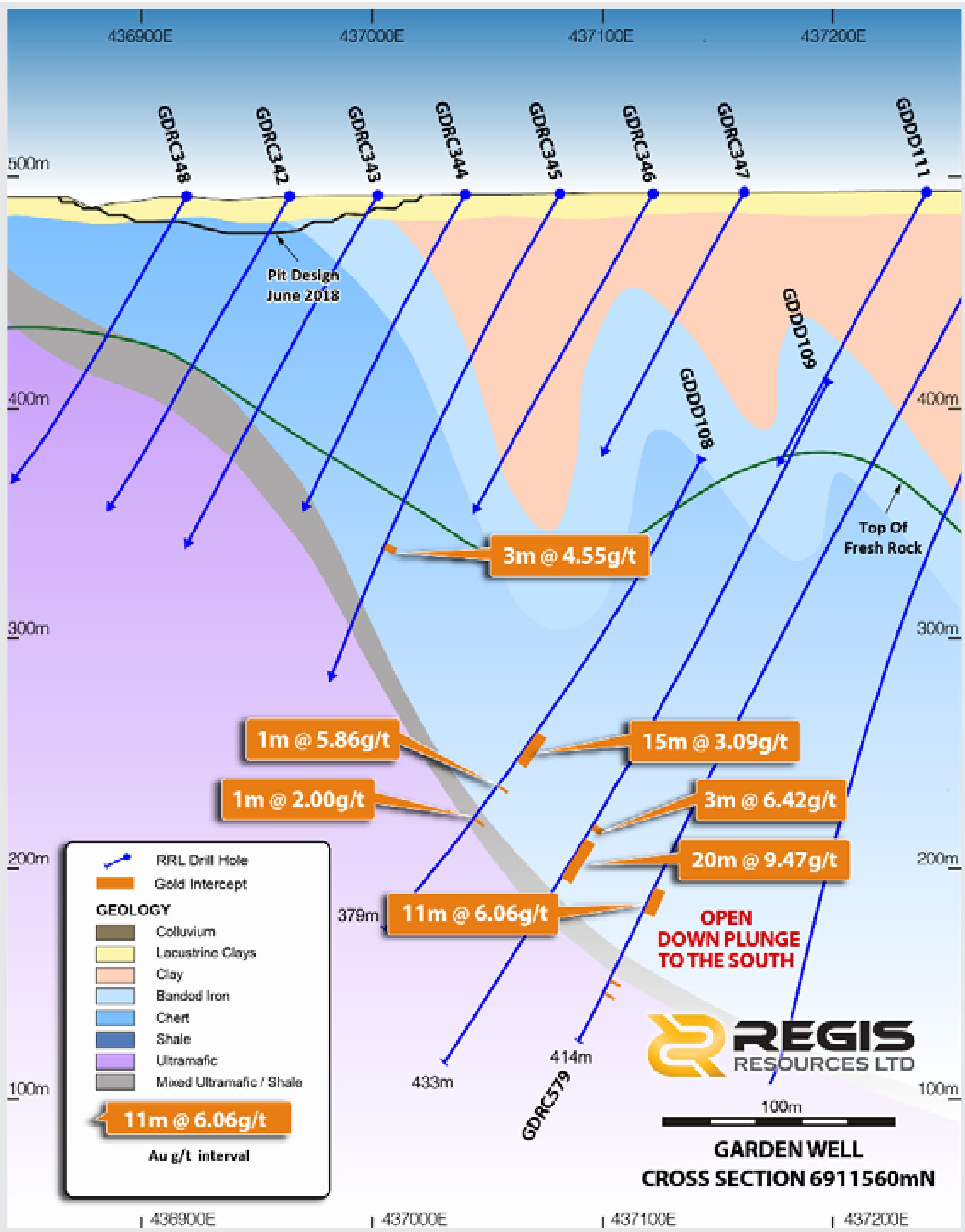
Drilling results show significant widths and grades of gold mineralisation and indicate the potential for a robust underground target below the southern end of the open pit. The southern high grade shoot measures 4-10m true width across strike and 200m north-south along strike. The zone of mineralisation is located between 100-350m below surface, dips to the east and is open to the south. Drilling along strike has also identified several high grade shoots beneath the pit and further to the south.

A new high grade shoot has been identified 300m south of the current pit design, 200m below surface and is open down plunge. Drilling will continue to define the extent of the southern high grade shoots along strike and down plunge.

The long section and cross section below include the location of the intercepts referred to above.



Garden Well Long Section showing high grade shoots beneath the final pit design and highlights results.



Group Reserve Growth

An aggressive exploration programme at the Duketon project continues to be 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 Group resource and reserve base when it released the annual resources and reserves update in July 2018. Group Ore Reserves increased by 86% from 2.18 million ounces to 4.06 million ounces, after accounting for mining depletion of 396,000 ounces.

The change in the Group Ore Reserve from March 2017 to March 2018 is as follows:

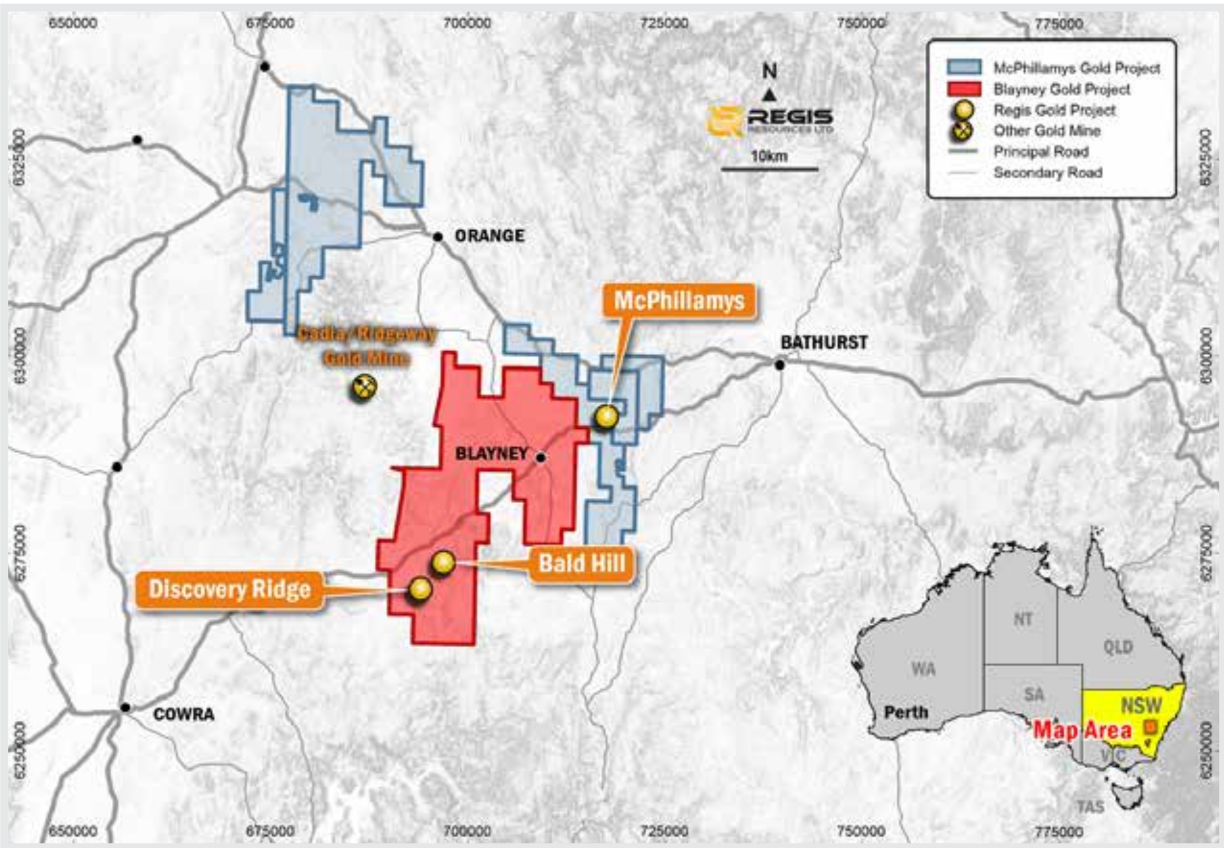
	TOTAL ORE RESERVE		
	TONNES (MT)	GOLD GRADE (G/T)	GOLD METAL (KOZ)
31 March 2017	59.3	1.14	2,182
Depleted by Mining to 31 March 2018	-10.5	1.17	-396
31 March 2017 Net of Depletion	48.8	1.14	1,786
31 March 2018	**117.2**	**1.08**	**4,065**
% Variation net of Depletion	115%		104%

The major contributors to the increase in Ore Reserves net of depletion were:

- Maiden Ore Reserve of 2,034,000 ounces at the McPhillamys Gold Project;
- A review of current pit design parameters including costs, metallurgical and geotechnical performance of mining projects to date;
- A review of the open pit optimisation shell selection strategy to individually suit each deposit; and
- The inclusion of further drilling results.

McPhillamys Gold Project

The McPhillamys Gold Project is wholly owned by Regis and is located approximately 250 kilometres west of Sydney in the Central West region of New South Wales. In September 2017, the Company announced a maiden Ore Reserve Estimate of 60.1 million tonnes at 1.05g/t Au for 2,034,000 ounces of gold.

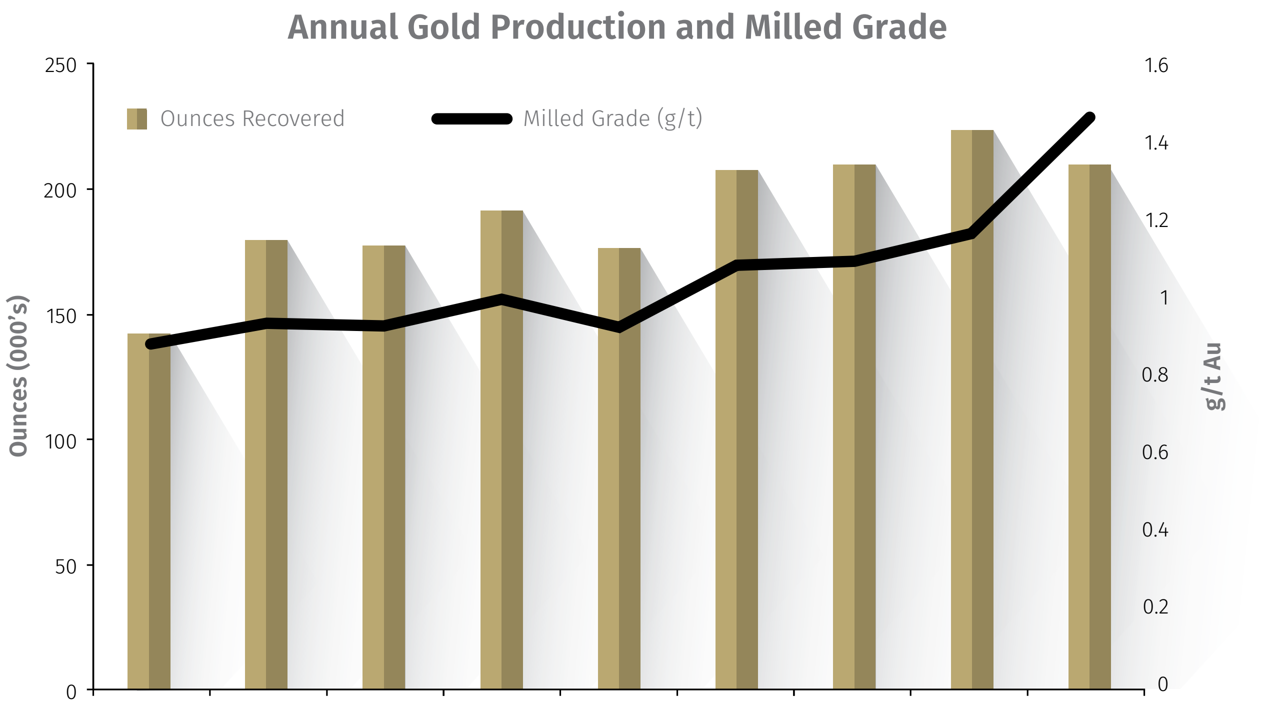


Pre-feasibility level studies show the McPhillamys Gold Project is a robust, large scale open pit gold mine with a planned 7 million tonne per annum mining and processing operation producing an average of 192,000 ounces per annum over a nine year mine life.

Key life of mine physical results from the study are summarised below:

MINING	
Waste volume (BCM millions)	91.6
Ore volume (BCM millions)	21.3
Volume total (BCM millions)	112.9
W:O Strip Ratio	4.29
MILLING	
Dry Tonnes Per Hour	841
Plant Availability	95.0%
Ore Milled (Tonnes millions)	60.1
Milled Grade (g/t)	1.05
Recovery	85.0%
Ounces Recovered	1,728,264
Mine life (years)	9

Life of mine gold production is shown below:



	1	2	3	4	5	6	7	8	9
Ounces Recovered	142,688	181,016	179,298	192,720	177,647	209,062	210,877	224,493	210,461
Milled Grade (g/t)	0.90	0.95	0.94	1.01	0.93	1.09	1.10	1.17	1.46

Subsequent to the end of the year, the Company announced that a Preliminary Environmental Assessment (PEA) has been submitted to the NSW Department of Planning and Environment (DPE). The PEA represents the lead document in the development application phase and is the trigger for the DPE to provide the Secretary's Environmental Assessments Requirements for the project, which will allow for the Environmental Impact Statement to be appropriately focussed to enable regulatory assessment of the project.

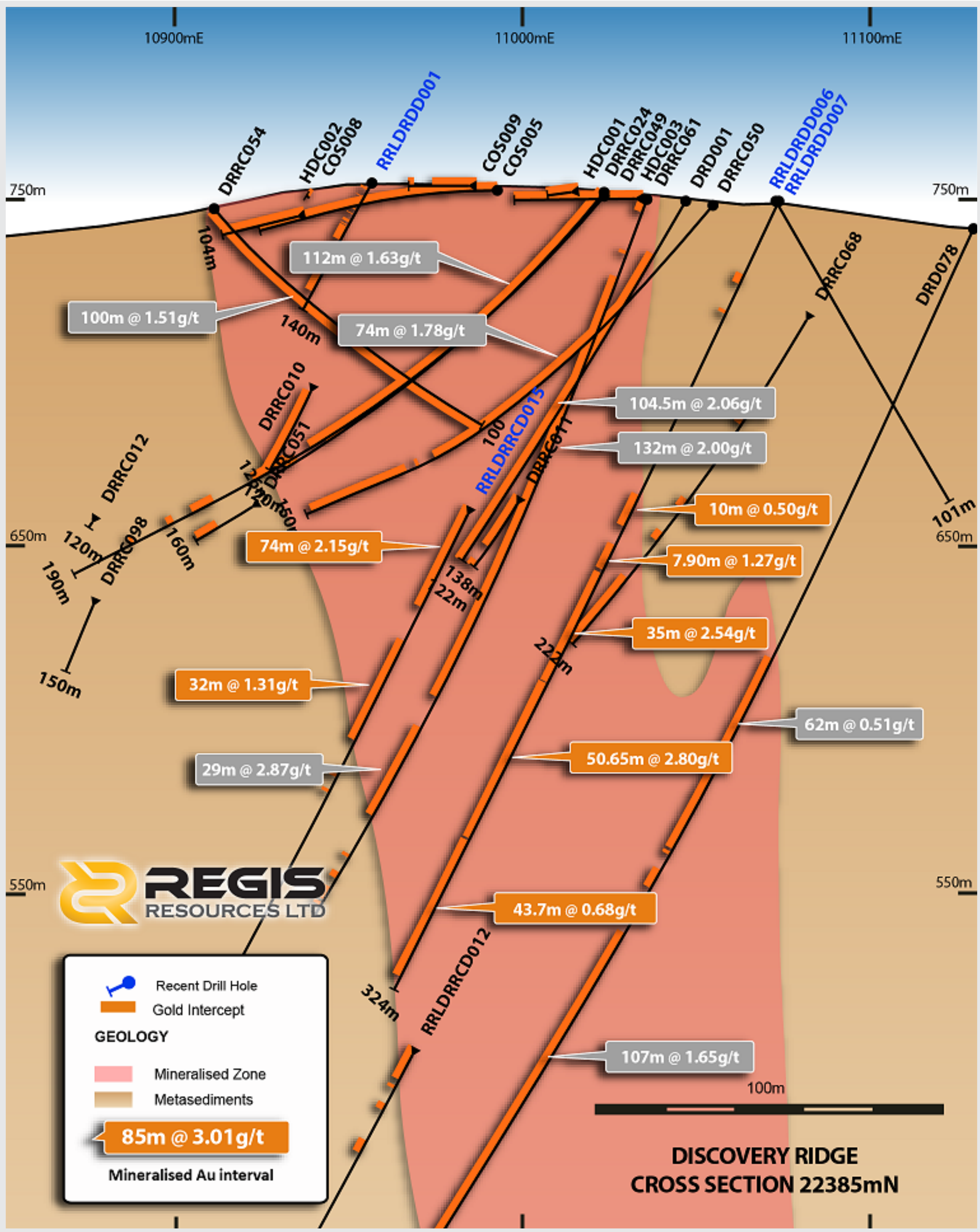
Contemporaneous with the preparation of the Environmental Impact Statement, the Company expects to complete the Definitive Feasibility Study by December 2018.

Discovery Ridge

Discovery Ridge is located approximately 32 kilometres south west of the McPhillamys gold project in NSW. It is a shear hosted gold deposit in strongly foliated, fine-grained metasediments of the Ordovician Coombing and Adaminaby Formations. The deposit is within the hinge zone of a tight, steep north plunging D2 fold on the contact of the Adaminaby Group with the Coombing Formation.

The deposit has a known strike length in the order of 200 metres and comprises a well-defined steeply north pitching Eastern Lode with widths of around 50 metres and known depths of up to 500 metres and a parallel but more diffuse West Lode of similar orientation.

A total of 5,167 metres of resource and diamond drilling were undertaken during the year which have confirmed location and tenor of historical gold intercepts. Infill resource and diamond drilling continues with a Mineral Resource estimation and update and a maiden Ore Reserve is expected to be announced later in the year along with a pre-feasibility study.



Discovery Ridge cross section 22,385mN (local grid)

GROUP ORE RESERVES *As at 31 March 2018*

PROJECT	TYPE	CUT-OFF (g/t)[2]	PROVED TONNES (Mt)	PROVED GOLD GRADE (g/t)	PROVED GOLD METAL (koz)	PROBABLE TONNES (Mt)	PROBABLE GOLD GRADE (g/t)	PROBABLE GOLD METAL (koz)	TOTAL ORE RESERVE TONNES (Mt)	TOTAL ORE RESERVE GOLD GRADE (g/t)	TOTAL ORE RESERVE GOLD METAL (koz)	COMPETENT PERSON[3]
Moolart Well[1]	Open-Pit	> 0.4	1.3	0.91	38	1.4	0.79	36	2.7	0.85	74	C
Garden Well[1]	Open-Pit	> 0.4	5.6	0.71	128	15.8	0.94	474	21.4	0.88	603	C
Rosemont[1]	Open-Pit	> 0.4	2.0	1.24	80	6.5	1.32	276	8.5	1.31	356	C
Duketon Main Deposits	**Sub Total**		**8.9**	**0.86**	**246**	**23.7**	**1.03**	**787**	**32.6**	**0.99**	**1,033**	
Tooheys Well[5]	Open-Pit	> 0.5	0.0	-	0	7.1	1.61	366	7.1	1.61	366	C
Gloster[1]	Open-Pit	> 0.4	1.0	0.88	28	6.3	0.93	190	7.3	0.93	217	C
Erlistoun[1]	Open-Pit	> 0.5	0.1	1.10	3	3.4	1.39	154	3.5	1.39	157	C
Baneygo	Open-Pit	> 0.5	-	-	-	4.0	1.22	158	4.0	1.22	158	C
Petra	Open-Pit	> 0.4	-	-	-	0.9	1.11	31	0.9	1.11	31	C
Dogbolter	Open-Pit	> 0.4	-	-	-	1.6	1.18	61	1.6	1.18	61	C
Anchor	Open-Pit	> 0.4	-	-	-	0.1	1.87	7	0.1	1.87	7	C
Duketon Satellite Deposits	**Sub Total**		**1.1**	**0.90**	**31**	**23.4**	**1.28**	**966**	**24.5**	**1.27**	**998**	
McPhillamys[4]	Open-Pit	> 0.4	-	-	-	60.1	1.05	2,034	60.1	1.05	2,034	C
Regis	**Grand Total**		**10.0**	**0.86**	**278**	**107.2**	**1.10**	**3,787**	**117.2**	**1.08**	**4,065**	

GROUP MINERAL RESOURCES *As at 31 March 2018*

GOLD PROJECT	TYPE	CUT-OFF (g/t)	MEASURED TONNES (Mt)	MEASURED GOLD GRADE (g/t)	MEASURED GOLD METAL (koz)	INDICATED TONNES (Mt)	INDICATED GOLD GRADE (g/t)	INDICATED GOLD METAL (koz)	INFERRED TONNES (Mt)	INFERRED GOLD GRADE (g/t)	INFERRED GOLD METAL (koz)	TOTAL RESOURCE TONNES (Mt)	TOTAL RESOURCE GOLD GRADE (g/t)	TOTAL RESOURCE GOLD METAL (koz)	COMPETENT PERSON[2]
Moolart Well[1]	Open-Pit	0.4	5.1	0.82	135	17.1	0.69	377	11.6	0.70	261	33.8	0.71	773	A
Garden Well[1]	Open-Pit	0.4	6.5	0.71	147	51.6	0.83	1,377	10.8	0.76	264	68.9	0.81	1,787	A
Rosemont[1]	Open-Pit	0.4	2.5	1.20	95	14.9	1.17	562	0.8	1.36	36.58	18.3	1.20	694	A
Rosemont[5]	Underground	2.0	-	-	-	-	-	-	1.4	5.10	230	1.4	5.10	230	B
Duketon Main Deposits	**Sub Total**		**14.1**	**0.83**	**378**	**83.6**	**0.86**	**2,315**	**24.6**	**1.00**	**792**	**122.4**	**0.89**	**3,485**	
Tooheys Well[3]	Open-Pit	0.4	0.0	0.86	0	15.8	1.18	601	1.1	0.89	31	17.0	1.16	633	A
Gloster[1]	Open-Pit	0.4	1.0	0.88	28	11.7	0.79	297	5.8	0.66	123	18.4	0.75	447	A
Baneygo	Open-Pit	0.4	-	-	-	9.2	0.96	283	1.9	0.95	57	11.1	0.96	340	A
Erlistoun[1]	Open-Pit	0.4	0.1	1.10	3	5.3	1.27	215	0.6	0.99	19	5.9	1.24	237	A
Dogbolter	Open-Pit	0.4	-	-	-	4.0	1.04	141	0.1	1.39	5	4.1	1.10	146	A
Russells Find	Open-Pit	0.4	-	-	-	2.2	1.06	75	0.3	0.98	11	2.5	1.05	86	A
Petra	Open-Pit	0.4	-	-	-	1.3	1.07	44	0.8	0.67	18	2.1	0.91	62	A
King John	Open-Pit	0.4	-	-	-	-	-	-	0.8	1.56	42	0.8	1.56	42	A
Reichelts Find	Open-Pit	0.4	-	-	-	0.6	2.18	43	0.3	2.26	21	0.9	2.21	64	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	**Sub Total**		**1.1**	**0.90**	**31**	**50.2**	**1.06**	**1,707**	**11.8**	**0.87**	**329**	**63.2**	**1.02**	**2,067**	
Duketon	Total		15.2	0.84	409	133.8	0.93	4,022	36.5	0.96	1,121	185.5	0.93	5,552	
McPhillamys[4]	Total	0.4	-	-	-	67.7	1.05	2,282	1.2	0.64	25.46	68.9	1.04	2,307	A
Regis	**Grand Total**		**15.2**	**0.84**	**409**	**201.6**	**0.97**	**6,304**	**37.7**	**0.95**	**1,146**	**254.5**	**0.96**	**7,859**	

Gloster Pit // Photo by Richard Spilsbury

Directors' Report

DIRECTORS' REPORT

Your directors submit their report for the year ended 30 June 2018.

DIRECTORS

The directors of the Company in office since 1 July 2017 and up to the date of this report are:

Mr Mark Clark *B.Bus CA*

Executive Chairman

Mr Clark has over 27 years of experience in corporate advisory and public company management. He was appointed to the board of Regis Resources Limited in May 2009 in the role of Managing Director. Mr Clark assumed the role of Executive Chairman at Regis immediately after the company's AGM on 12 November 2015. Prior to joining Regis, Mr Clark was the Managing Director of Equigold NL.

He joined Equigold in 1995, was a director from April 2003 and was Managing Director from December 2005 until Equigold's merger with Lihir Gold Limited in June 2008.

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) GAICD*

Executive Director

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, MAICD*
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 Beadell Resources Limited (from February 2012 to November 2015).

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

Mr James Mactier *BAgrEc(Hons), GradDipAppFin, GAICD*
Independent Non-Executive Director

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. He is a Graduate Member of the Australian Institute of Company Directors.

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

Mrs Fiona Morgan *CPEng, BE(Hons), FIEAust, FAusIMM, GAICD*
Independent Non-Executive Director

Mrs Morgan is a Chartered Professional Engineer with over 24 years' experience in the mining industry, including working on gold, nickel, coal and iron ore projects. Mrs Morgan is the Managing Director and Chief Executive Officer of Mintrex Pty Ltd, a highly regarded and longstanding consulting engineering company which has successfully undertaken a broad suite of technical services to Australian and international clients developing resource projects. She has a wide range of experience in operations and project management, maintenance, research and design of both underground and surface mining infrastructure.

Mrs Morgan is a Fellow of the Institution of Engineers Australian, a Fellow of the Australasian Institute of Mining and Metallurgy and a graduate member of the Australian Institute of Company Directors.

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

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	8.00	40,389

The financial effect of these dividends has not been brought to account in the consolidated financial statements for the year ended 30 June 2018 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:

- continue to optimise mining and processing operations across the Duketon Gold Project whilst maintaining a high standard of safety;
- Maximise cash flow by this process of optimisation and the blending of ore feed from satellite resources across the Duketon tenure;
- Organically increase the Reserve base of the Group by discovering and developing satellite resource positions, extending the reserve base of existing operating deposits;
- Focus on regional exploration to add incremental ounces and mine life to the three operating mills in the district;
- Advance the economic study of the McPhillamys Gold Project in NSW with a view to developing a significant long life gold mine at the project;
- Return value to shareholders through a commitment to dividends; and
- Actively pursue inorganic 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 within two distinct project areas at the Duketon Gold Project in the Eastern Goldfields of Western Australia. The Duketon North Operations (DNO) comprises the Moolart Well Gold Mine, the Gloster Gold Mine, Anchor Gold Mine and the Dogbolter Gold Mine. The Duketon South Operations (DSO) contains the Garden Well Gold Mine, the Rosemont Gold Mine, the Erlistoun Gold Mine and the Tooheys Well Gold Mine.

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.

Financial Summary

KEY FINANCIAL DATA	2018 $'000	2017 $'000	CHANGE $'000	CHANGE %
Financial results				
Sales revenue	604,425	542,218	62,207	11.5%
Cost of sales (excluding D&A)(i)	(279,273)	(278,374)	(899)	0.3%
Other income	3,396	4,962	(1,566)	(31.6%)
Corporate, admin and other costs	(15,987)	(15,504)	(483)	3.1%
EBITDA(i)	312,561	253,302	59,259	23.4%
Depreciation and amortisation (D&A)	(64,437)	(57,581)	(6,856)	11.9%
Profit before tax(i)	248,921	196,137	52,784	26.9%
Income tax expense	(74,690)	(57,974)	(16,716)	28.8%
Reported profit after tax	174,231	138,163	36,068	26.1%
Other financial information				
Cash flow from operating activities	259,727	206,082	53,645	26.0%
Net cash	180,276	117,081	63,195	54.0%
Net assets	636,842	538,392	98,441	18.3%
Basic earnings per share (cents per share)	34.60	27.59	7.01	25.4%

(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 a record after tax profit of $174.2 million for the full year to 30 June 2018, which was up 26.1% from the previous corresponding year result of $138.2 million. Record gold production of 361,373 ounces for the year and the Company's commitment to maximising operational efficiencies and controlling costs are the key drivers in the current year result.

Sales

The Company produced 361,373 ounces of gold for the year ended 30 June 2018. Gold sales revenue rose by 11.5% from the previous year with 359,750 ounces of gold sold at an average price of $1,680 per ounce in 2018 (2017: 322,355 ounces at $1,682 per ounce). The Company delivered gold produced into a combination of forward contracts and at the prevailing spot price. The total hedging position at the end of the year was 388,711 ounces of forward contracts with an average delivery price of $1,555 per ounce (2017: 396,406 ounces of forward contracts with a weighted average forward price of $1,551 per ounce).

Cost of Sales

Costs of sales including royalties, but before depreciation and amortisation increased marginally by 0.3% to $279.3 million.

Depreciation and Amortisation

Depreciation and amortisation charges increased by 11.9% from the prior year 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 flow from operating activities was $259.7 million, up 26% on the prior year due to increased production. During the year, the Company paid $36.9 million of income taxes.

The Company continued to provide strong returns to shareholders through the payment of two fully franked dividends in 2018 totalling $80.7 million.

Duketon North Operations ("DNO")

Operating results for the 12 months to 30 June 2018 were as follows:

		30 JUNE 2018	30 JUNE 2017
Ore mined	BCM	1,721,414	1,742,903
Waste mined	BCM	5,074,235	7,768,536
Strip ratio	w:o	2.9	4.5
Ore mined	Tonnes	3,154,597	3,368,392
Ore milled	Tonnes	3,255,901	2,950,400
Head grade	g/t	1.09	1.14
Recovery	%	94	94
Gold production	Ounces	106,928	100,875
Cash cost per ounce – pre royalties	A$/oz	$649	$621
Cash cost per ounce – incl. royalties	A$/oz	$718	$697
All-in Sustaining Cost ("AISC")	A$/oz	$827	$785

DNO produced 106,928 ounces of gold for the year at an all-in sustaining cost of $827 per ounce. Gold production was up 6% on the prior year as a result of increased throughput at the Moolart Well processing facility and higher grade ore from a full year of production from the Gloster satellite pit. Throughput was up 10% from last year due to processing softer ore from the Gloster deposit.

In May 2018, mining commenced at the Anchor and Dogbolter satellite pits, with first ore expected to be trucked and hauled to the Moolart Well plant in mid 2019.

Duketon South Operations ("DSO")

Operating results at the Duketon South Operations for the 12 months to 30 June 2018 were as follows:

		30 JUNE 2018	30 JUNE 2017
Ore mined	BCM	2,857,329	2,817,291
Waste mined	BCM	15,060,386	17,783,273
Strip ratio	w:o	5.3	6.3
Ore mined	Tonnes	7,400,488	7,481,128
Ore milled	Tonnes	6,783,488	6,830,460
Head grade	g/t	1.24	1.10
Recovery	%	94	93
Gold production	Ounces	254,445	223,478
Cash cost per ounce – pre royalties	A$/oz	$751	$867
Cash cost per ounce – incl. royalties	A$/oz	$826	$940
All-in Sustaining Cost ("AISC")	A$/oz	$932	$1,017

Production at DSO increased by 14% from the previous year with 254,445 ounces of gold produced at an all-in sustaining cost of $932 per ounce which was 8% lower than last year. Production is higher due to a full 12 months of mining of higher grade and softer ore from the Erlistoun gold deposit which contributed to a higher grade ore feed.

Pre-Strip mining commenced at the Tooheys Well satellite pit in January 2018, with first gold production expected to be in the December 2018 quarter.

Exploration

During the year, a total of 253,077 metres of exploration drilling was completed across the Group's tenements in Western Australia and New South Wales. The table below breaks down the drilling activity (in metres) by Prospect:

PROSPECT	AIRCORE	RC	DIAMOND	TOTAL
Rosemont	-	40,408	9,486	49,894
Moolart Well	2,461	22,622	-	25,083
Baneygo	4,833	13,790	-	18,623
Garden Well	-	18,306	174	18,480
Beamish	-	16,834	-	16,834
McPhillamys	-	6,865	5,366	12,231
King John	4,266	7,646	-	11,912
Petra	7,372	-	-	7,372
Coopers	3,996	3,141	-	7,137
Salt Soak	5,730	1,063	-	6,793
Ranch	6,585	-	-	6,585
Reichelts	-	6,413	-	6,413
Steer Creek	5,406	-	-	5,406
Pleco	1,530	3,679	-	5,209
Ventnor	5,029	-	-	5,029
Russells Find	-	4,863	-	4,863
Paddy Well	4,448	-	-	4,448
Anchor	2,067	2,348	-	4,415
McKenzie Well	3,337	756	-	4,093

PROSPECT	AIRCORE	RC	DIAMOND	TOTAL
Discovery Ridge	-	3,912	1,255	5,167
Tooheys Well	1,301	1,638	284	3,223
Erlistoun	-	2,876	-	2,876
Little Well	2,296	-	-	2,296
Dogbolter	792	1,923	-	2,715
Idaho	-	2,585	-	2,585
Ten Mile Bore	1,998	-	-	1,998
Bella Well	1,996	-	-	1,996
Cuthbert Bore	1,639	-	-	1,639
Speights	1,568	-	-	1,568
Rojo	1,360	-	-	1,360
Deep Well	1,051	-	-	1,051
Camel Hump	981	-	-	981
Mt Varden	821	-	-	821
Slate Well	636	-	-	636
Butchers Well	592	-	-	592
Gloster	-	450	-	450
Cork Tree Well	302	-	-	302
Total	**74,393**	**162,118**	**16,566**	**253,077**

Significant projects advanced during the year ended 30 June 2018 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.

Rosemont Underground

The Rosemont Project commenced in March 2013 and is a fully operational open pit gold mine with a stand-alone crushing and grinding plant, piping an ore slurry to the Garden Well CIL. The geology at Rosemont has gold hosted in a steeply dipping quartz-dolerite unit intruding into a mafic-ultramafic sequence. Gold mineralisation is associated with quartz-albite-carbonate-chlorite-sulphide alteration of the quartz dolerite unit which varies from 5 metres to greater than 100 metres wide.

In March 2018, the Company announced a maiden Inferred Underground Mineral Resource Estimate (MRE) for the Rosemont Underground project of 1.4 million tonnes at 5.10g/t Au for 230,000 ounces of gold.

Drilling completed at Rosemont during the year included RC drilling and diamond drilling programmes to further define high grade gold mineralisation and increase data-density and geological understanding. Both drill programmes were successful in defining high grade gold mineralisation in two distinct zones beneath the life of mine open pit designs to support an underground MRE.

Further drilling is continuing with a focus on defining new high grade shoots in the central zone with RC drilling and extending the existing resources at depth below the current underground (U/G) domains with deeper diamond drilling.

Subsequent to the end of the year, the Regis board approved the development of an U/G mining operation directly below the Rosemont open pit. Development work will commence in the September 2018 quarter, with the ordering of long lead items and an underground mining contract tendering process. Commencement of the portal development in the southern end of the Rosemont Main Pit is expected by March 2019 with processing beginning in the December 2019 quarter.

Garden Well Underground

A review of the historic drilling below the final pit design at Garden Well indicated the potential for a significant underground target below the southern end of the open pit project. During the year, RC and diamond drilling programmes were conducted to test the continuity of high grade gold mineralisation and to reduce drill spacing from 40m x 40m to 40m x 20m. Drilling results have shown significant widths and grades of gold mineralisation and has identified several high grade shoots beneath the pit and further to the south. The southern high grade shoot measures 4-10m width across strike and 200m north-south along strike. The zone of mineralisation is located between 100-350m below surface and dips to the east and is open to the south. Drilling will continue to define the extent of the southern high grade shoots along strike and down plunge.

Baneygo-Idaho Project

The Baneygo-Idaho Gold Project is located 15 kilometres south along strike of the Rosemont Gold Deposit and has a resource of 11 million tonnes at 0.96g/t AU for 340,380 ounces. Gold mineralisation extends over a 2.5 kilometre strike and is hosted in quartz dolerite which has intruded a sequence of mafic-ultramafic-sedimentary units.

A RC infill programme was undertaken during the year with the purpose being to convert inferred resources that may exist inside or below the current pit designs and to ensure drill coverage in gaps in the existing 2.5 kilometre strike with a view to adding further resources. Drilling to date has allowed the estimation of an Ore Reserve of 4 million tonnes at 1.22g/t Au for 158,000 ounces across four shallow oxide pits.

McPhillamys Gold Project NSW

The 100% Regis owned McPhillamys Gold Project is one of Australia's larger undeveloped open pittable gold resources. The project is located approximately 250 kilometres west of Sydney in Central West NSW, a well-established mining district. In September 2017, Regis announced a maiden Ore Reserve of 60.1 million tonnes at 1.05g/t Au for 2.03 million ounces.

Pre-feasibility level studies show that the McPhillamys Gold Project is a robust, large scale open pit gold mine with a planned 7 million tonne per annum mining and processing operation producing an average of 192,000 ounces per annum over a ten year mine life.

Subsequent to the end of the year, the Company announced that a Preliminary Environmental Assessment (PEA) has been submitted to the NSW Department of Planning and Environment (DPE). The PEA represents the lead document in the development application phase and is the trigger for the DPE to provide the Secretary's Environmental Assessments Requirements for the project, which will allow for the Environmental Impact Statement to be appropriately focussed to enable regulatory assessment of the project.

Contemporaneous with the preparation of the Environmental Impact Statement, the Company expects to complete the Definitive Feasibility Study by December 2018.

Discovery Ridge Gold Deposit

Approximately 32 kilometres from the McPhillamys Gold Project is the 100% owned Discovery Ridge deposit, a shear hosted gold deposit located in strongly foliated, fine grained metasediments of the Ordovician Coombing and Adaminaby Formations.

The deposit is located within the hinge zone of a tight, steep north plunging D2 fold on the contact of the Adaminaby Group with the Coombing Formation. The deposit has a known strike length in the order of 200 metres and comprises a well-defined steeply north pitching East Lode with widths of around 50 metres and known depths of up to 500 metres and a parallel but more diffuse West Lode of similar orientation.

A total of 5,167 metres of resource and diamond drilling was undertaken during the year which has confirmed the location and tenor of historical gold intercepts which will be included in an updated resource and maiden reserve estimation. Further drilling is planned to test the northern down plunge extension of the eastern following up on a strong intersection.

Infill resource and diamond drilling continues with a Mineral Resource estimation and update and a maiden Ore Reserve is expected to be announced later in the year along with a pre-feasibility study.

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 issue

Subsequent to year end, 425,133 shares have been issued as a result of the exercise of employee options for proceeds of $35,000.

Dividends

On 27 August 2018, the directors proposed a final dividend on ordinary shares in respect of the 2018 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.

Ore trucked from Gloster // Photo by Ben Broeder

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		
11 August 2019	$1.40	3,425,000
13 May 2020	$2.70	100,000
1 July 2021	$3.90	1,690,000
Total		**5,560,000**

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 3,417,808 fully paid ordinary shares in Regis Resources Limited at a weighted average exercise price of $1.53 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, NOMINATION AND DIVERSITY 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
R Kestel	10	10	2	2	7	7
J Mactier	10	10	2	2	7	7
F Morgan	10	10	1	1	n/a	n/a
M Okeby	10	9	2	2	7	7
P Thomas	10	10	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, Nomination and Diversity Committee of the board of directors.

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

AUDIT AND RISK MANAGEMENT COMMITTEE	REMUNERATION, NOMINATION AND DIVERSITY COMMITTEE
R Kestel (Chairman)	R Kestel (Chairman)
J Mactier	J Mactier
M Okeby	M Okeby
F Morgan	

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 2018 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	3,000,000
R Kestel	75,000
J Mactier	-
F Morgan	513,230
M Okeby	700,000
P Thomas	-

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

During the year KPMG, the Group auditor, provided the following non-audit services. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

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

	$
Tax compliance services	33,700
Other advisory services	13,581
	47,281

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)

This remuneration report for the year ended 30 June 2018 outlines the remuneration arrangements of the Company and the Group.

This remuneration report for the year ended 30 June 2018 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 and their movements during the year ended 30 June 2018 are set out below:

NAME	POSITION	TERM AS KMP
Non-Executive Directors		
M Okeby	Deputy Chairman	Full financial year
R Kestel	Non-Executive Director	Full financial year
J Mactier	Non-Executive Director	Full financial year
F Morgan	Non-Executive Director	Full financial year
Executive Directors		
M Clark	Executive Chairman	Full financial year
P Thomas	Executive Director	Full financial year
Other Executives		
P Woodman	Chief Geological Officer	Resigned 29 March 2018
K Massey	Chief Financial Officer and Company Secretary	Full financial year
M Ertzen	Executive General Manager - Growth	Appointed as Executive General Manager – Growth, effective 1 April 2018. Previously – General Manager - Business Development

PRINCIPLES OF REMUNERATION

The Remuneration, Nomination and Diversity Committee is charged with formulating the Group's remuneration policy, reviewing 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, Nomination and Diversity 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. We reward executives with a level and mix of remuneration appropriate to their position, responsibilities and performance, in a way that aligns with the business strategy. For the 2018 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 Short Term Incentives ("STI") and Long Term Incentives ("LTI").

The objectives and principles of the Company's 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.

In FY18, the STI represented 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 ("KPI"). 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.

Executive remuneration levels are reviewed annually by the Remuneration, Nomination and Diversity Committee with reference to the remuneration guiding principles and market movements.

The chart below provides a summary of the structure of executive remuneration in the 2018 financial year:

FIXED REMUNERATION

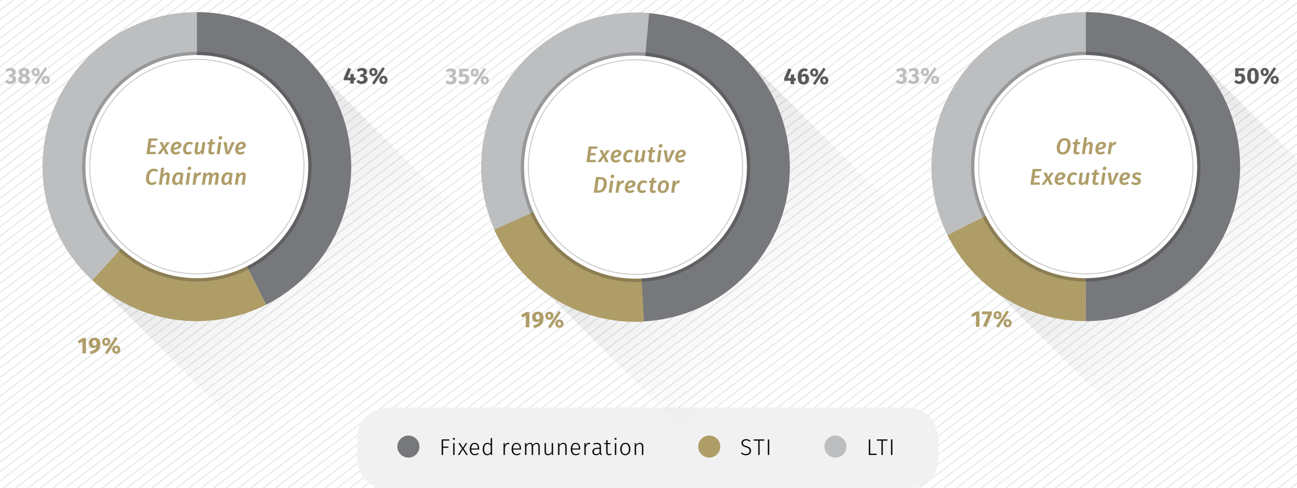
Base salary + superannuation + benefits

VARIABLE REMUNERATION

STI plan	***LTI plan***
↓	↓
Cash	***Performance rights***

To maximise engagement of executives and align with the long-term interests of shareholders, the initial grant of Performance rights in November 2016 had a two year performance/vesting period with a one year holding lock restricting trading on any shares issued under the plan. Subsequent grants of performance rights have a performance/vesting period of three years.

REMUNERATION MIX – TARGET



ELEMENTS OF REMUNERATION IN FY18

Fixed remuneration

Fixed remuneration consists of base remuneration (including any fringe benefits 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, Nomination and Diversity 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 KMP's remuneration is competitive in the market place, as required. In November 2017, BDO Remuneration and Reward Pty Ltd reviewed the existing remuneration arrangements of the Company's KMPs and made recommendations to the Remuneration, Nomination and Diversity Committee.

Performance linked remuneration

Performance linked remuneration includes both STI and LTI and is designed to reward KMP for meeting or exceeding their KPIs.

Rosemont Main Pit // Photo by Kaitlin Bryant

Short Term Incentive

Under the STI plan, all executives have the opportunity to earn an annual incentive which is delivered in cash. The STI recognises and rewards annual performance.

How is it paid?	Any STI award is paid in cash after the assessment of annual performance.
How much can executives earn?	In FY18, the Executive Chairman and Executive Director had a maximum STI opportunity of 45% and 40% respectively of fixed remuneration, and other executives had a maximum STI opportunity of 35% of fixed remuneration. 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 available to be awarded, subject further to the level of achievement against detailed KPI's listed below. This maximum achievable STI 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.
How is performance measured?	A combination of specific Company Key Performance Indicators (KPIs) are chosen to reflect the core drivers of short term performance and also to provide a framework for delivering sustainable value to the Group and its shareholders. The following KPIs were chosen for the 2018 financial year: • 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]).
When is it paid?	The STI award is determined after the end of the financial year following a review of performance over the year against the STI performance measures by the Remuneration, Nomination and Diversity Committee. The Board approves the final STI award based on this assessment of performance and the award is paid in cash three months after the end of the performance period.
What happens if executive leaves?	If an executive resigns or is terminated for cause before the end of the financial year, no STI is awarded for that year. If an executive ceases employment during the performance period by reason of redundancy, ill health, death, or other circumstances approved by the Board, the executive will be entitled to a pro-rata cash payment based on assessment of performance up to the date of ceasing employment for that year (subject to Board discretion).
What happens if there is a change of control?	In the event of a change of control, a pro-rata cash payment will be made based on assessment of performance up to the date of the change of control (subject to Board discretion).

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

Long Term Incentives

Under the LTI plan, annual grants of performance rights are made to executives to align remuneration with the creation of shareholder value over the long-term.

How is it paid?	Executives are eligible to receive performance rights (being the issue of shares in Regis in the future).
How much can executives earn?	In FY18, the Executive Chairman and Executive Director had a maximum LTI opportunity of 90% and 75% respectively of fixed remuneration, and other executives had a maximum LTI opportunity of 65% of fixed remuneration. 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 LTI available to be awarded, subject further to the level of achievement against detailed KPI's listed below. This maximum achievable 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.
How is performance measured?	The vesting of performance rights are subject to a number of vesting conditions. The performance rights issued in FY18 are subject to the following vesting conditions: - 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 three year vesting period (25%[i])
When is performance measured?	The performance rights issued in FY17 have a two year performance period with the vesting of the rights tested as at 30 June 2018. All subsequent issues of performance rights have a three year performance period. Any performance rights that do not vest will lapse after testing. There is no re-testing of performance rights.
What happens if executive leaves?	Where an executive ceases to be an employee of any Group Company: - due to resignation or termination for cause, then any unvested rights will automatically lapse on the date of the cessation of employment; or - due to any other reason, then a proportion of any unvested rights will lapse equivalent to the proportion of time remaining in the period during which the relevant vesting conditions must be satisfied and the remaining unvested rights will continue and are still capable of vesting in accordance with the relevant vesting conditions at the end of that period, unless the Board determines otherwise.
What happens if there is a change of control?	If a matter, event, circumstance or transaction occurs that the Board reasonably believes may lead to a change of control, the Board may in its discretion determine the treatment and timing of such treatment of any unvested rights and must notify the holder of any changes to the terms of the rights as a result of such a decision. If a change of control occurs and the Board hasn't made such a decision, all unvested rights will vest and be automatically exercised.
Are executives eligible for dividends?	Executives are not eligible to receive dividends on unvested performance rights.

(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.

PERFORMANCE AND EXECUTIVE REMUNERATION OUTCOMES IN FY18

Actual remuneration earned by executives in FY18

The actual remuneration earned by executives in the year ended 30 June 2018 is set out below. This provides shareholders with a view of the remuneration actually paid to executives for performance in 2018 year and the value of LTIs that vested during the period.

Performance against STI measures

A combination of financial and non-financial measures is used to measure performance for STI rewards. Company performance against those measures is as follows for 2018:

KEY PERFORMANCE INDICATOR	WEIGHTING	METRIC	ACHIEVEMENT
KPI 1: EBITDA	35%	EBITDA relative to Budget	Stretch target achieved – 100% award
KPI 2: Production	35%	Production relative to stated guidance	Threshold target achieved – 65% award
KPI 3: Safety and Environment	30%	Reduction in safety and environmental measures	Threshold target achieved – 40% award

Based on this assessment, the STI payments for FY2018 to executives were recommended as detailed in the following table:

NAME	POSITION	ACHIEVED STI	STI AWARDED
		%	$
Mark Clark	Executive Chairman	69.83%	235,676
Paul Thomas	Chief Operating Officer	69.83%	167,592
Kim Massey	Chief Financial Officer & Company Secretary	69.83%	109,982

Performance against LTI measures

LTI awards granted in FY18 will be subject to testing at the end of the three year performance period on 30 June 2021. In November 2017, after receiving approval from shareholders at the AGM, 430,440 performance rights were granted in total to the Executive Directors, Mr Mark Clark and Mr Paul Thomas, and to other executives, Mr Kim Massey and Mr Peter Woodman, under the Group's Executive Incentive Plan ("EIP"). Mr Woodman resigned from his position as Chief Geologist Officer 29 March 2018 and forfeited LTI rewards. Further details of the grant, including performance conditions and the calculation of fair value is disclosed in the Note 23 to the financial statements.

LTI awards granted and approved by shareholders in November 2016 were tested at the end of the two year performance period on 30 June 2018. The Board resolved to vest 100% of the performance rights granted in November 2016, and further instructed that the shares be issued following the release of the 2018 financial report. Further details of the grant, including performance conditions and the calculation of fair value is disclosed in Note 23 to the financial statements.

A number of performance conditions determined the vesting of the performance rights. The outcomes of these performance conditions as tested for the two year performance period ending on 30 June 2018 were as follows:

PERFORMANCE CONDITION	WEIGHTING	METRIC	ACHIEVEMENT
Relative TSR	25%	Company's relative total shareholder return measured against 17 comparator mining companies	Stretch target achieved – 100% award
Absolute TSR	25%	Company's absolute TSR	Stretch target achieved – 100% award
EPS	25%	Growth in the Company's earnings per share	Stretch target achieved – 100% award
Reserves Growth	25%	Growth in the Company's ore reserves	Stretch target achieved – 100% award

Based on the outcomes of the performance conditions, the following 2016 performance rights vested and became exercisable on 30 June 2018:

NAME	POSITION	ACHIEVED LTI	LTI AWARDED	
		%	No. Rights Vested	Fair Value
Mark Clark	Executive Chairman	100%	168,000	$319,326
Paul Thomas	Chief Operating Officer	100%	95,333	$181,205
Peter Woodman(i)	Chief Geological Officer	-	-	-
Kim Massey	Chief Financial Officer & Company Secretary	100%	69,333	$131,785

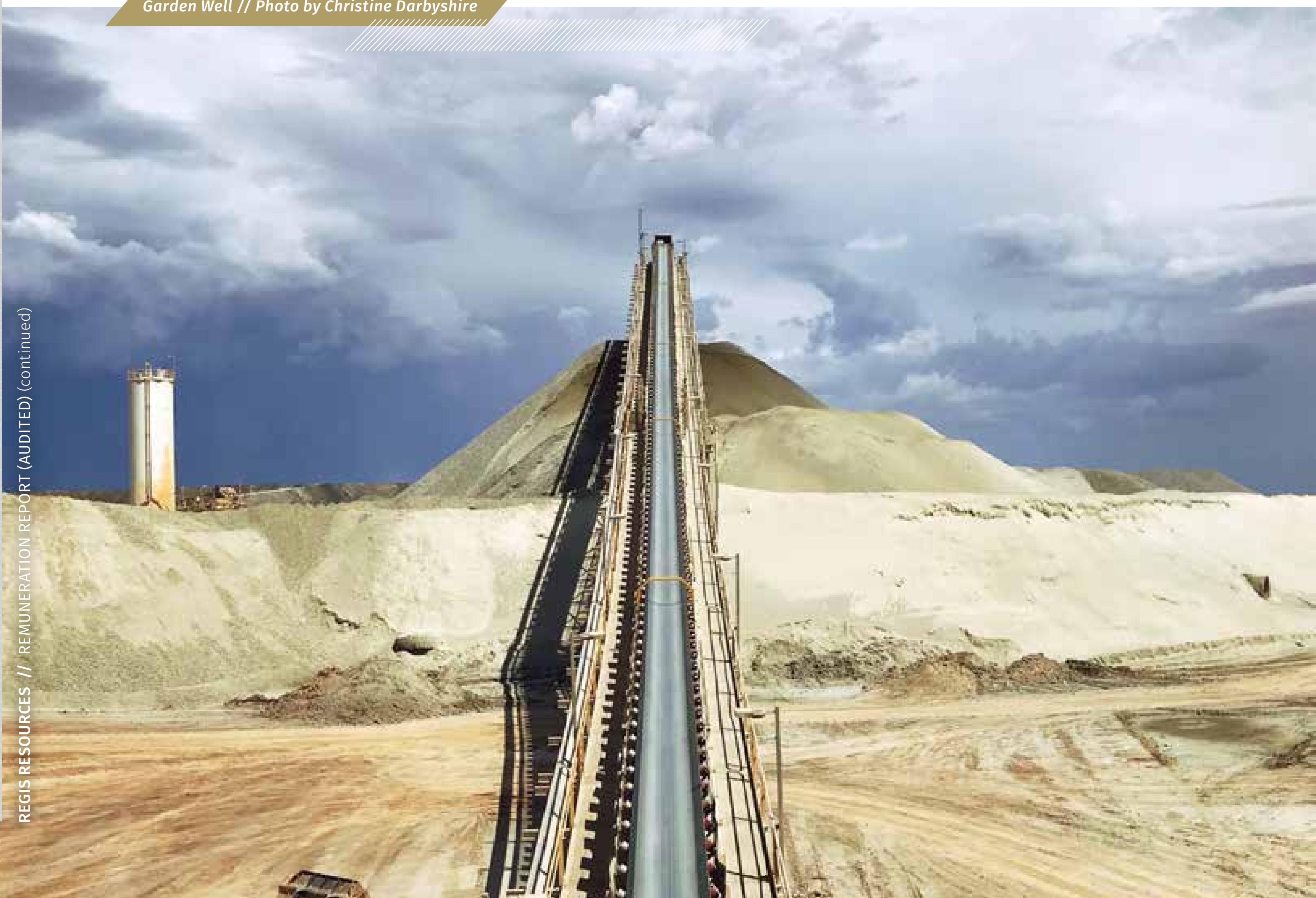
(i) Mr Woodman resigned from his position as Chief Geological Officer on 29 March 2018, resulting in the lapsing of his performance rights prior to vesting.

During the year the following 2017 performance rights were granted:

NAME	POSITION	ACHIEVED LTI	LTI AWARDED	
		%	No. Rights Granted	Fair Value
Mark Clark	Executive Chairman	-	173,554	$517,581
Paul Thomas	Chief Operating Officer	-	113,636	$338,891
Peter Woodman(i)	Chief Geological Officer	-	71,625	$213,604
Kim Massey	Chief Financial Officer & Company Secretary	-	71,625	$213,604

(i) Mr Woodman resigned from his position as Chief Geological Officer on 29 March 2018, resulting in the lapsing of his performance rights prior to vesting.

Garden Well // Photo by Christine Darbyshire



Statutory performance indicators

The Company aims to align its executive remuneration to its strategic and business objectives and the creation of shareholder wealth. The table below shows measures of the Group's financial performance over the past five years as required by the *Corporations Act 2001*. However these measures are not necessarily consistent with the measures used in determining the variable amounts of remuneration to be awarded to KMPs, as discussed above. As a consequence, there may not always be a direct correlation between the statutory key performance measures and the variable remuneration awarded.

	2018	2017	2016	2015	2014
	$'000	$'000	$'000	$'000	$'000
Revenue	606,495	543,799	502,019	465,320	371,933
Net profit/(loss) after tax	174,231	138,163	111,793	86,920	(147,830)
Basic earnings/(loss) per share (cents)	34.60	27.59	22.37	17.39	(29.68)
Diluted earnings/(loss) per share (cents)	34.35	27.29	22.22	17.39	(29.68)
Net assets	636,842	538,392	481,848	409,973	321,060

PERFORMANCE AND EXECUTIVE REMUNERATION ARRANGEMENTS IN FY19

Following a review by the Remuneration, Nomination and Diversity Committee and after feedback from shareholders and external advisors, the Board resolved to change the structure of the STI awards for the 2019 and subsequent financial years. The STI awarded will now be payable with 50% in cash, payable 3 months after the end of the financial year and 50% in performance rights which vest 12 months after the end of the financial year. Disqualifying events will apply to the performance rights prior to vesting, including non-performance, a workplace fatality or material one-off write downs and at the discretion of the Board. Subsequent to the end of the 2018 financial year, the Board resolved to set STI and LTI hurdles as follows for the 2019 financial year:

COMPONENT	LINKS TO FY2019 PERFORMANCE
Total Fixed Remuneration (TFR)	Salaries awarded effective 1 July 2018 used as basis for determining the value component for FY2019 STI and LTI. The maximum STI opportunity that each KMP can earn are: - Executive Chairman 70% - Chief Operating Officer 65% - Other executives 60%
Short Term Incentives (STI)	The following KPIs were chosen for the 2019 financial year: - KPI 1: EBITDA relative to budget (20%(i)); - KPI 2: Production relative to stated guidance (20%(i)); - KPI 3: Safety and environmental performance measures (20%(i)); - KPI 4: McPhillamys Project targets as determined by the Board (20%); and - KPI 5: Rosemount underground targets as determined by the Board (20%).
Long Term Incentives (LTI)	The performance rights issued in 2019 are subject to the following vesting conditions: - Relative Total Shareholder Return (20%(i)) measured on a sliding scale against a select peer group of comparator companies (ASX code: DCN, EVN, NCM, NST, OGC, PRU, RSG, SAR, SBM,WGX). - Absolute Total Shareholder Return (20%(i)); - Absolute Earnings Per Share ("EPS") (15%(i)) measured against a pre-determined target(ii) set by the Board (as an average across three 12 month periods); - Reserve growth in excess of depletion over the three-year vesting period (15%(i)); - McPhillamys Project targets as determined by the Board (15%); and - Rosemount underground targets as determined by the Board (15%).

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

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:

- A term of three years commencing 4 May 2018;
- Fixed remuneration of $821,250 per annum inclusive of superannuation (2017: $766,500) subject to annual review; and
- Opportunity to earn a performance based STI and LTI 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 AND RIGHTS ON TERMINATION
Employer initiated termination:			
- without reason	3 months plus 9 months' salary	12 months	Options - 1 month to exercise, extendable at Board discretion Rights – refer to LTI details above
- 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 AND RIGHTS ON TERMINATION
Employer initiated termination:			
- with or without reason	3 months	Up to 3 months	Options - 1 month to exercise, extendable at Board discretion Rights – refer to LTI details above
- 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 2017 AGM, is not to exceed $700,000 per annum. At the date of this report, total non-executive directors' base fees are $362,000 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 additional services to the Company and in these cases they are paid fees in line with industry rates.

The Board has resolved to increase non-executive director fees for 2019. The increase will include both base fees and chair fees and are within the agreed pool for non-executive directors fees.

KEY MANAGEMENT PERSONNEL REMUNERATION

Table 1: Remuneration for the year ended 30 June 2018

	SHORT TERM			POST EMPLOYMENT	LONG-TERM BENEFITS	SHARE-BASED PAYMENT			
2018	SALARY & FEES	CASH REWARDS	NON-MONETARY BENEFITS*	SUPER-ANNUATION	ACCRUED ANNUAL & LONG SERVICE LEAVE#	OPTIONS & RIGHTS+	TERMINATION PAYMENTS	TOTAL	PERFOR-MANCE RELATED
	$	$	$	$	$	$	$	$	%
Non-executive directors									
R Kestel(i)	97,000	-	-	9,215	-	-	-	106,215	-
J Mactier	85,000	-	-	8,075	-	-	-	93,075	-
F Morgan	85,000	-	-	8,075	-	-	-	93,075	-
M Okeby(ii)	302,468	-	-	29,606	-	-	-	332,074	-
Executive directors									
M Clark(iv)	701,114	235,676	4,756	25,000	69,491	861,186	-	1,897,223	57.81%
P Thomas(iv)	566,672	167,592	4,756	25,000	54,223	305,481	-	1,123,724	42.10%
Other executives									
K Massey(iv)	382,229	109,982	4,756	25,000	38,486	331,032	-	891,485	49.47%
P Woodman(iii, iv)	273,708	-	3,567	19,728	19,837	(131,075)	5,619	191,384	-
M Ertzen(v)	75,115	-	1,189	7,363	8,025	24,853	-	116,545	21.32%
Total	**2,568,306**	**513,250**	**19,024**	**157,062**	**190,062**	**1,391,477**	**5,619**	**4,844,800**	

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

\# Long term benefits for accrued annual and long service leave are the movements in the provision, net of any leave taken.

\+ Represents the statutory remuneration expensed based on fair value at grant date of options and rights over the vesting period of the award. Options have been vested during the year for KMPs as detailed in Table 3. Table 3 reflects the realised benefits of share-based payments for the year.

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

(ii) Mr Okeby's fees includes $207,468 for additional services provided relating to the McPhillamys project.

(iii) Mr Woodman resigned as Chief Geological Officer effective 29 March 2018.

(iv) Mr Clark, Mr Thomas, Mr Woodman and Mr Massey elected to receive a portion of their superannuation entitlements above the statutorily required maximum amount as salary.

(v) Mr Ertzen was appointed as Executive General Manager - Growth on 1 April 2018. The remuneration presented above is only for the period subsequent to this appointment.

Table 2: Remuneration for the year ended 30 June 2017

2017	SHORT TERM SALARY & FEES	SHORT TERM CASH REWARDS	SHORT TERM NON-MONETARY BENEFITS*	POST EMPLOYMENT SUPER-ANNUATION	LONG-TERM BENEFITS ACCRUED ANNUAL & LONG SERVICE LEAVE#	SHARE-BASED PAYMENT OPTIONS & RIGHTS	TOTAL	PERFORMANCE RELATED
	$	$	$	$	$	$	$	%
Non-executive directors								
G Evans	7,083	-	-	673	-	-	7,756	-
R Kestel	97,000	-	-	9,215	-	-	106,215	-
J Mactier	85,000	-	-	8,075	-	-	93,075	-
F Morgan	52,362	-	-	4,974	-	-	57,336	-
M Okeby	117,076	-	-	8,075	-	-	125,151	-
Executive directors								
M Clark	653,420	205,320	3,734	32,083	78,441	902,692	1,875,690	59.07%
P Thomas	521,590	125,474	3,734	33,125	54,296	336,693	1,074,912	43.00%
Other executives								
K Massey	373,076	91,253	3,734	29,115	47,724	322,906	867,808	47.72%
P Woodman	367,261	91,253	3,734	34,075	32,406	468,703	997,432	56.14%
Total	**2,273,868**	**513,300**	**14,936**	**159,410**	**212,867**	**2,030,994**	**5,205,375**	

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

Long term benefits for accrued annual and long service leave are the movements in the provision, net of any leave taken.

Rosemont Main Pit // Photo by Marty McKenzie

Table 3: Voluntary information – Non-IFRS – Remuneration received by executives for the year ended 30 June 2018

The amounts disclosed below as executive KMP remuneration for 2018 reflect the realised benefits received by each KMP during the reporting period. The remuneration values disclosed below have been determined as follows:

Fixed remuneration

Fixed remuneration includes base salaries received, payments made to superannuation funds, the taxable value of non-monetary benefits received and any once-off payments such as sign-on bonuses or termination benefits, see Table 1 above for details. Fixed remuneration excludes any accruals of annual or long service leave.

Short-term incentives

The cash STI benefits represent the bonuses that were awarded to each KMP in relation to the prior financial year and which were paid in the current financial year.

Long-term incentives

The value of vested options was determined based on the intrinsic value of the options at the date of vesting, being the difference between the share price on that date and the exercise price payable by the KMP. The options that vested during the current year were granted in August 2015 (Mr Thomas and Mr Massey), November 2015 (M Clark) and January 2016 (Mr Woodman). The performance rights that vested during the year were granted in November 2016.

	FIXED REMUNERATION	AWARDED STI (CASH)	VESTED LTI	TOTAL VALUE
	$	$	$	$
Executive directors				
M Clark	771,256	235,676	2,077,500	3,084,432
P Thomas	607,006	167,592	692,500	1,467,098
Other executives				
K Massey	442,756	109,982	1,435,000	1,987,738
P Woodman(i)	336,470	-	975,000	1,311,470
M Ertzen(ii)	86,052	-	-	86,052
Total executive KMP	**2,243,540**	**513,250**	**5,180,000**	**7,936,790**
Non-executive directors	624,439	-	-	624,439
Total KMP remuneration	**2,867,979**	**513,250**	**5,180,000**	**8,561,229**

(i) Mr Woodman resigned as Chief Geological Officer on 29 March 2018.

(ii) Mr Ertzen was appointed as Executive General Manager - Growth on 1 April 2018. The remuneration presented above is only for the period subsequent to this appointment.

The amounts disclosed above are not the same as the remuneration expensed in relation to each KMP in accordance with the accounting standards ($4,844,800 for 2018, see Table 1 above). The directors believe that the remuneration received is more relevant to users for the following reasons:

- The statutory remuneration expensed is based on fair value determined at grant date and does not reflect the fair value of the equity instruments when they are actually received by the KMPs.
- The statutory remuneration shows benefits before they are actually received by the KMPs.
- Where options or performance rights do not vest because a market-based performance condition is not satisfied (e.g. absolute TSR), the Company must still recognise the full amount of expenses even though the KMPs will never receive any benefits.
- Share-based payment awards are treated differently under the accounting standards depending on whether the performance conditions are market conditions (no reversal of expense) or non-market conditions (reversal of expense where shares fail to vest), even though the benefit received by the KMP is the same (nil where equity instruments fail to vest).

The accuracy of information in this section has been audited together with the rest of the remuneration report.

Tables 4 & 5: Rights and options over equity instruments granted as compensation

All rights and options refer to rights and options over ordinary shares of Regis Resources Limited, which are exercisable on a one-for-one basis.

There were no options granted to KMPs as compensation during the current year. Details on options granted as compensation in previous years and which have vested during or remain outstanding at the end of the year are provided below.

OPTIONS	GRANTED & OUTSTANDING		TERMS & CONDITIONS FOR EACH GRANT				VESTED		
	NO.	GRANT DATE	FAIR VALUE PER OPTION AT GRANT DATE	EXERCISE PRICE PER OPTION	EXPIRY DATE	VESTING DATE	NO.	% VESTED DURING THE YEAR	% FORFEITED DURING THE YEAR
M Clark	750,000	12 Nov 15	$1.04	$1.40	11 Aug 19	11 Aug 17	750,000	100%	-
M Clark	750,000	12 Nov 15	$1.27	$1.40	11 Aug 19	11 Aug 18	-	-	-
P Thomas	250,000	12 Aug 15	$0.58	$1.40	11 Aug 19	11 Aug 17	250,000	100%	-
P Thomas	250,000	12 Aug 15	$0.74	$1.40	11 Aug 19	11 Aug 18	-	-	-
P Woodman(i)	500,000	25 Jan 16	$1.00	$2.34	6 Jan 20	25 Jan 18	500,000	100%	-
P Woodman(i)	500,000	25 Jan 16	$1.29	$2.34	6 Jan 20	25 Jan 19	-	-	100%
K Massey	500,000	12 Aug 15	$0.58	$1.40	11 Aug 19	11 Aug 17	500,000	100%	-
K Massey	500,000	12 Aug 15	$0.74	$1.40	11 Aug 19	11 Aug 18	-	-	-
M Ertzen(ii)	50,000	5 Jul 17	$1.28	$3.90	1 Jul 21	5 Jul 19	-	-	-
M Ertzen(ii)	50,000	5 Jul 17	$1.87	$3.90	1 Jul 21	5 Jul 20	-	-	-
M Ertzen(ii)	200,000	12 Aug 15	$0.74	$1.40	11 Aug 19	11 Aug 18	-	-	-
Total	**4,300,000**						**2,000,000**		

(i) Mr Woodman resigned as Chief Geological Officer on 29 March 2018 and forfeited the right to the unvested options held at that date.

(ii) Mr Ertzen was appointed as Executive General Manager - Growth on 1 April 2018. Only options vested subsequent to his appointment or remain outstanding at the end of the year are presented in the table above.

All options expire at the earlier of their expiry date or termination of the individual's employment. Options granted as compensation do not have any vesting conditions other than a continuing employment service condition.

Details on performance rights that were granted as compensation to each KMP during the current year and in previous years and which have vested during or remain outstanding at the end of the year are provided below.

RIGHTS	GRANTED			NUMBER OF RIGHTS TO:					
VESTING CONDITION	GRANT DATE	FAIR VALUE AT GRANT DATE	TEST DATE	M CLARK	P THOMAS	K MASSEY	P WOODMAN(i)	% VESTED DURING THE YEAR	% FORFEITED DURING THE YEAR
Relative TSR	23 Nov 17	$2.68	30 Jun 20	43,388	28,409	17,906	17,906	-	17%
Absolute TSR	23 Nov 17	$1.86	30 Jun 20	43,389	28,409	17,906	17,906	-	17%
Earnings per share	23 Nov 17	$3.69	30 Jun 20	43,388	28,409	17,906	17,906	-	17%
Ore reserves	23 Nov 17	$3.69	30 Jun 20	43,389	28,409	17,907	17,907	-	17%
Relative TSR	18 Nov 16	$1.51	30 Jun 18	42,000	23,833	17,333	17,333	83%	17%
Absolute TSR	18 Nov 16	$0.97	30 Jun 18	42,000	23,833	17,333	17,333	83%	17%
Earnings per share	18 Nov 16	$2.56	30 Jun 18	42,000	23,833	17,333	17,333	83%	17%
Ore reserves	18 Nov 16	$2.56	30 Jun 18	42,000	23,834	17,334	17,334	83%	17%
Total rights				**341,554**	**208,969**	**140,958**	**140,958**		
Value of rights granted during the year				**$517,581**	**$338,891**	**$213,604**	**$213,604**		

(i) Mr Woodman resigned as Chief Geological Officer on 29 March 2018 and forfeited the right to the unvested performance rights held at that date.

In relation to the performance rights granted in November 2016, the two year performance period during which the performance rights were tested ended on 30 June 2018 with the testing occurring within 60 days after that date. Any performance rights which did not vest lapsed after testing. There is no re-testing of performance rights. In relation to the performance rights granted in November 2017, there is a three year performance period which ends on 30 June 2020.

In addition to a continuing employment service condition, vesting of the performance rights is conditional upon the Group achieving certain performance hurdles. Details of the performance criteria are included in the long-term incentives discussion on page 34.

The value of rights granted during the year is the fair value of the rights calculated at grant date. The total value of the rights granted is included in the table above. This amount is allocated to remuneration over the vesting period (i.e. in years 1 July 2017 to 30 June 2020). No performance rights were exercised during the year.

Table 6: Rights and options over equity instruments

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

	HELD AT START OF PERIOD				HELD AT END OF PERIOD	VESTED AT 30 JUNE 2018		
	1 JULY 2017	GRANTED AS REMUNERATION	EXERCISED	NET CHANGE OTHER	30 JUNE 2018	TOTAL	EXERCISABLE	NOT EXERCISABLE
Options								
M Clark(i)	1,500,000	-	(750,000)	-	750,000	-	-	-
P Thomas(ii)	500,000	-	(250,000)	-	250,000	-	-	-
K Massey(iii)	1,000,000	-	(500,000)	-	500,000	-	-	-
P Woodman(iv)	1,000,000	-	(500,000)	(500,000)	n/a	-	-	-
M Ertzen(v)	n/a	-	-	300,000	300,000	-	-	-
Rights								
M Clark	168,000	173,554	-	-	341,554	168,000	168,000	-
P Thomas	95,333	113,636	-	-	208,969	95,333	95,333	-
K Massey	69,333	71,625	-	-	140,958	69,333	69,333	-
P Woodman(iv)	69,333	71,625	-	(140,958)	n/a	-	-	-

(i) The intrinsic value of options exercised by Mr Clark during the year was $2,077,500. Mr Clark was issued with 750,000 ordinary shares. No amounts remain unpaid on the shares issued.

(ii) The intrinsic value of options exercised by Mr Thomas during the year was $692,500. Mr Thomas exercised his options using the cashless exercise feature available under the Regis ESOP and was issued with 168,605 ordinary shares as a result. No amounts remain unpaid on the shares issued.

(iii) The intrinsic value of options exercised by Mr Massey during the year was $1,435,000. Mr Massey exercised his options using the cashless exercise feature available under the Regis ESOP and was issued with 336,066 ordinary shares as a result. No amounts remain unpaid on the shares issued.

(iv) The intrinsic value of options exercised by Mr Woodman during the year was $975,000. Mr Woodman exercised his options using the cashless exercise feature available under the Regis ESOP and was issued with 236,486 ordinary shares as a result. No amounts remain unpaid on the shares issued. Mr Woodman resigned as Chief Geological Officer on 29 March 2018 and forfeited all unvested options and rights held at that date.

(v) Mr Ertzen was appointed as Executive General Manager - Growth on 1 April 2018. “Net change other” represents the number of options and rights held at this date. No options or rights were granted or exercised subsequent to this appointment.

There were no options granted to KMPs during the year, apart from options granted to Mr Ertzen prior to his appointment as a KMP. All unvested options and rights held by Mr Woodman at the date of his resignation were forfeited. Rights granted in the prior year were tested on 30 June 2018 against performance criteria – the portion relating to achieved performance criteria vested and were exercised on that date, and the remaining rights were forfeited. There have been no alterations to the terms and conditions of options or rights awarded as remuneration since their award date.

Table 7: 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 2017	ON EXERCISE OF OPTIONS	NET CHANGE OTHER	HELD AT 30 JUNE 2018
Non-executive directors				
M Okeby	700,000	-	-	700,000
R Kestel	75,000	-	-	75,000
J Mactier	-	-	-	-
F Morgan	513,230	-	-	513,230
Executive directors				
M Clark	2,460,000	750,000	(210,000)	3,000,000
P Thomas	-	168,605	(168,605)	-
Other executives				
P Woodman(i)	-	236,486	(236,486)	n/a
K Massey	-	336,066	(336,066)	-
M Ertzen(ii)	n/a	-	200,000	200,000
Total	**3,748,230**	**1,491,157**	**(751,157)**	**4,488,230**

(i) Mr Woodman resigned as Chief Geological Officer on 29 March 2018. He did not hold any shares at this date.

(ii) Mr Ertzen was appointed as Executive General Manager - Growth on 1 April 2018. "Net change other" represents the number of shares held at this date. There was no movement in Mr Ertzen's shareholding subsequent to this appointment.

Unless stated otherwise, "Net change other" relates to on-market purchases and sales of shares.

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

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

For the year ended 30 June 2018, services totalling $645,073 (2017: $335,302) have been provided on normal commercial terms to the Group by Mintrex Pty Ltd, of which Mrs Morgan is Managing Director, Chief Executive Officer and a shareholder. The Company engaged Mintrex during the financial year to engineer preliminary plant designs for the McPhillamys Project. Mrs Morgan and Mintrex have structured their management of this engineering project to ensure she has no involvement in the control or direction of the work. The balance outstanding at 30 June was $30,249, exclusive of GST.

Other than the ordinary accrual of personnel expenses at balance date and transactions disclosed above, 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.

Mr Mark Clark
Executive Chairman

Perth, 27 August 2018

AUDITOR'S INDEPENDENCE DECLARATION

KPMG

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 of Regis Resources Limited for the financial year ended 30 June 2018 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

Partner

27 August 2018

BMM Software use // Photo by Florent Etievant

Financial Statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2018

	NOTE	CONSOLIDATED 2018	CONSOLIDATED 2017
		$'000	$'000
Revenue	2	606,495	543,799
Cost of goods sold	3	(343,585)	(335,827)
Gross profit		262,910	207,972
Other income	2	3,396	4,962
Investor and corporate costs		(1,818)	(2,117)
Personnel costs		(8,479)	(5,521)
Share-based payment expense	23	(3,231)	(3,222)
Occupancy costs		(584)	(585)
Other corporate administrative expenses		(636)	(312)
Impairment of non-current assets	15	(353)	(2,939)
Other expenses	3	(1,011)	(936)
Finance costs	18	(1,273)	(1,165)
Profit before tax		248,921	196,137
Income tax expense	5	(74,690)	(57,974)
Profit from continuing operations		174,231	138,163
Profit attributable to members of the parent		174,231	138,163
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Cash flow hedge reserve			
Unrealised gains/(losses) on cash flow hedges		-	(641)
Realised gains transferred to net profit		(188)	(4,177)
Tax effect		78	1,424
Financial assets reserve			
Changes in the fair value of financial assets designated at fair value through other comprehensive income		-	(2,180)
Tax effect		-	654
Other comprehensive (loss)/income for the period, net of tax		(110)	(4,920)
Total comprehensive income for the period		174,121	133,243
Total comprehensive income attributable to members of the parent		**174,121**	**133,243**
Basic earnings per share attributable to ordinary equity holders of the parent (cents per share)	4	34.60	27.59
Diluted earnings per share attributable to ordinary equity holders of the parent (cents per share)	4	34.35	27.29

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

CONSOLIDATED BALANCE SHEET

As at 30 June 2018

	NOTE	CONSOLIDATED 2018 $'000	2017 $'000
Current assets			
Cash and cash equivalents	7	181,118	119,428
Gold bullion awaiting settlement	8	21,160	24,934
Receivables	9	5,954	6,833
Inventories	10	43,438	39,328
Derivatives		-	260
Financial assets	19	344	263
Other current assets		1,354	1,197
Total current assets		253,368	192,243
Non-current assets			
Inventories	10	45,986	35,452
Property, plant and equipment	11	195,340	182,388
Exploration and evaluation assets	12	171,570	151,735
Mine properties under development	13	29,578	-
Mine properties	14	124,116	123,244
Intangible assets		2,572	802
Total non-current assets		569,162	493,621
Total assets		822,530	685,864
Current liabilities			
Trade and other payables	16	48,635	43,719
Interest-bearing liabilities	18	806	1,506
Income tax payable		14,242	2,193
Provisions	17	3,418	4,607
Derivatives		-	102
Total current liabilities		67,101	52,127
Non-current liabilities			
Interest-bearing liabilities	18	36	841
Deferred tax liabilities	22	75,098	49,403
Provisions	17	43,453	45,101
Total non-current liabilities		118,587	95,345
Total liabilities		185,688	147,472
Net assets		**636,842**	**538,392**
Equity			
Issued capital	21	433,248	431,491
Reserves	21	29,997	26,876
Retained profits		173,597	80,025
Total equity		**636,842**	**538,392**

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 2018

	CONSOLIDATED					
	ISSUED CAPITAL	SHARE-BASED PAYMENT RESERVE	FINANCIAL ASSETS RESERVE	CASH FLOW HEDGE RESERVE	RETAINED PROFITS/ (ACCUMULATED LOSSES)	TOTAL EQUITY
	$'000	$'000	$'000	$'000	$'000	$'000
At 1 July 2017	431,491	25,049	1,717	110	80,025	538,392
Profit for the period	-	-	-	-	174,231	174,231
Other comprehensive income						
Changes in the fair value of financial assets, net of tax	-	-	-	-	-	-
Changes in the value of cash flow hedges, net of tax	-	-	-	(110)	-	(110)
Total other comprehensive income for the year, net of tax	-	-	-	(110)	-	(110)
Total comprehensive income for the year, net of tax	-	-	-	(110)	174,231	174,121
Transactions with owners in their capacity as owners:						
Share-based payments expense	-	3,231	-	-	-	3,231
Dividends paid	-	-	-	-	(80,659)	(80,659)
Shares issued, net of transaction costs	1,757	-	-	-	-	1,757
At 30 June 2018	**433,248**	**28,280**	**1,717**	**-**	**173,597**	**636,842**
At 1 July 2016	431,335	21,827	3,243	3,504	21,939	481,848
Profit for the period	-	-	-	-	138,163	138,163
Other comprehensive income						
Changes in the fair value of financial assets, net of tax	-	-	(1,526)	-	-	(1,526)
Changes in the value of cash flow hedges, net of tax	-	-	-	(3,394)	-	(3,394)
Total other comprehensive income for the year, net of tax	-	-	(1,526)	(3,394)	-	(4,920)
Total comprehensive income for the year, net of tax	-	-	(1,526)	(3,394)	138,163	133,243
Transactions with owners in their capacity as owners:						
Share-based payments expense	-	3,222	-	-	-	3,222
Dividends paid	-	-	-	-	(80,077)	(80,077)
Shares issued, net of transaction costs	156	-	-	-	-	156
At 30 June 2017	**431,491**	**25,049**	**1,717**	**110**	**80,025**	**538,392**

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

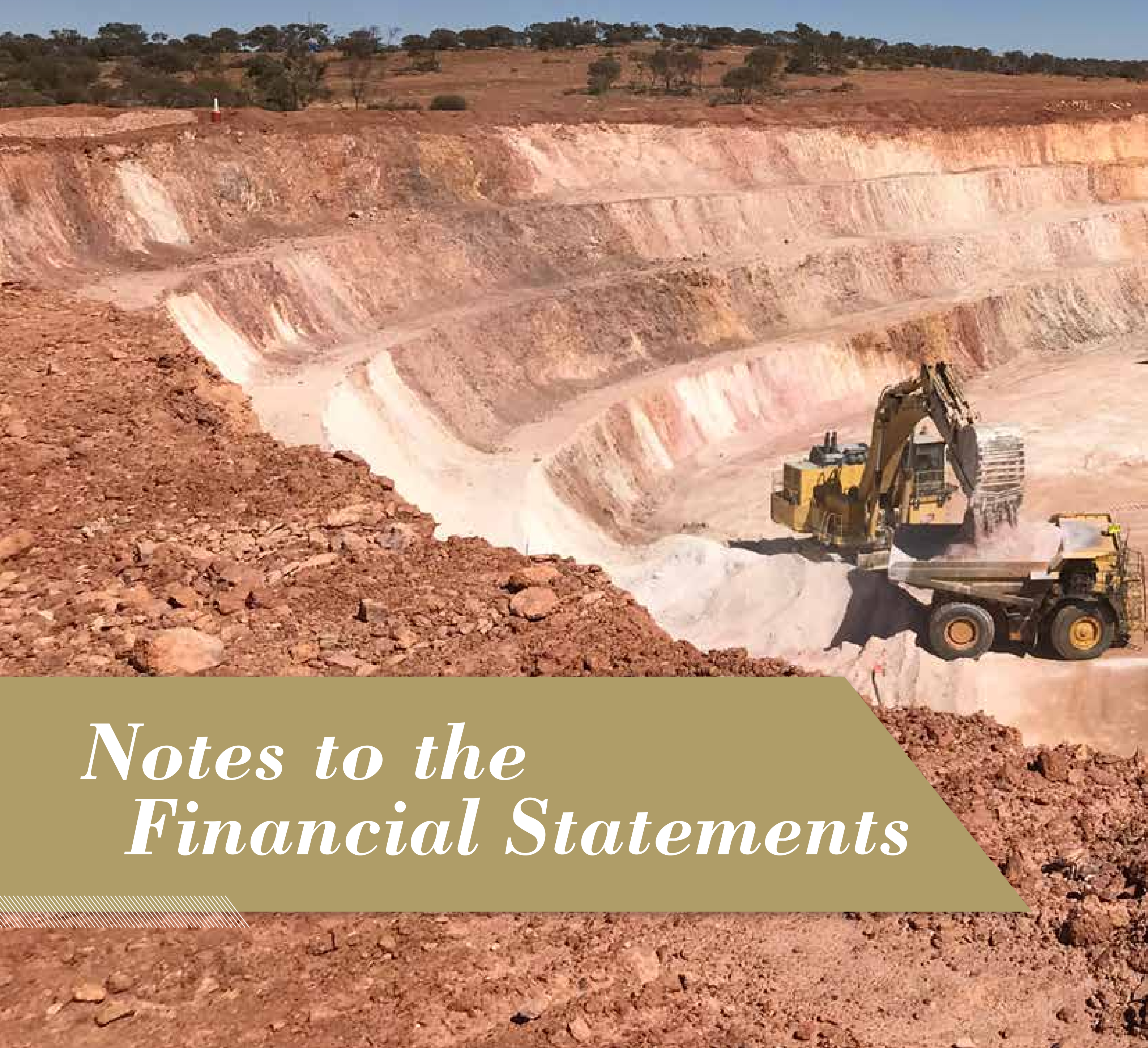
CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2018

	NOTE	CONSOLIDATED 2018	2017
		$'000	$'000
Cash flows from operating activities			
Receipts from gold sales		608,200	540,048
Payments to suppliers and employees		(314,824)	(300,416)
Option premium income received		1,197	1,302
Interest received		2,087	1,504
Interest paid		(69)	(126)
Proceeds from rental income		4	-
Income tax paid		(36,868)	(36,230)
Net cash from operating activities	7	259,727	206,082
Cash flows from investing activities			
Acquisition of property, plant and equipment		(37,452)	(23,395)
Proceeds on disposal of property, plant and equipment		(144)	2
Payments for exploration and evaluation (net of rent refunds)		(32,410)	(31,564)
Payments for acquisition of exploration assets (net of cash)		(50)	(3,370)
Payments for intangible assets		(1,490)	(802)
Payments for financial assets		(82)	-
Proceeds on disposal of financial assets		-	4,154
Payments for mine properties under development		(14,053)	(9,506)
Payments for mine properties		(31,949)	(40,301)
Net cash used in investing activities		(117,630)	(104,782)
Cash flows from financing activities			
Proceeds from issue of shares		1,810	175
Payment of transaction costs		(53)	(19)
Payment of dividends		(80,659)	(80,077)
Repayment of finance lease		(1,505)	(1,486)
Net cash used in financing activities		(80,407)	(81,407)
Net increase in cash and cash equivalents		61,690	19,893
Cash and cash equivalents at 1 July		119,428	99,535
Cash and cash equivalents at 30 June	**7**	**181,118**	**119,428**

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

Garden Well Diamond drilling // Photo by Richard Spilsbury



Notes to the Financial Statements

Tooheys Well Pre-Production // Photo by Richard Spilsbury

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 2
516 Hay 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 27 August 2018.

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 2016. Refer to note 30 for further details;
- does not early adopt Accounting Standards and Interpretations that have been issued or amended but are not yet effective. Refer to note 30 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 24.

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.

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 comprising Moolart Well, Gloster, Anchor and Dogbolter and Duketon South Operations ("DSO"), currently incorporating Garden Well, Rosemont, Erlistoun and Tooheys Well. The segments are unchanged from those reported at 30 June 2017. A number of new mining operations at satellite pits will commence in the next several years. In addition to current pits, DNO will include Petra as it will be processed through the Moolart Well processing plant. DSO will add 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 2018 and 30 June 2017:

	DUKETON NORTH OPERATIONS		DUKETON SOUTH OPERATIONS		UNALLOCATED		TOTAL	
	2018	2017	2018	2017	2018	2017	2018	2017
Continuing Operations	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Segment revenue								
Sales to external customers	175,568	170,065	428,857	372,153	-	-	604,425	542,218
Other revenue	-	-	-	-	2,070	1,581	2,070	1,581
Total segment revenue	175,568	170,065	428,857	372,153	2,070	1,581	606,495	543,799
Total revenue per the statement of comprehensive income							606,495	543,799
Interest expense	-	-	-	-	69	126	69	126
Impairment of non-current assets	-	-	-	-	353	2,939	353	2,939
Depreciation and amortisation	17,677	18,061	46,635	39,392	265	218	64,577	57,671
Depreciation capitalised							(140)	(90)
Total depreciation and amortisation recognised in the statement of comprehensive income							64,437	57,581
Segment result								
Segment net operating profit/(loss) before tax	84,438	80,724	177,167	127,455	(12,684)	(12,042)	248,921	196,137
Segment assets								
Segment assets at balance date	88,429	82,066	338,141	308,108	395,960	295,690	822,530	685,864
Capital expenditure for the year	18,997	18,436	58,701	46,622	51,614	32,306	129,312	97,364

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	
	2018	2017
	$'000	$'000
Revenue		
Gold sales	604,425	542,218
Interest	2,070	1,581
	606,495	543,799

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)	
	2018	2017	2018	2017	2018	2017	2018	2017
	ounces	ounces	$/oz	$/oz	$'000	$'000	$'000	$'000
Within one year								
- Spot deferred contracts(ii)	388,711	396,406	1,555	1,551	604,635	614,718	(54,151)	(25,386)
	388,711	396,406			604,635	614,718	(54,151)	(25,386)

Mark-to-market has been calculated with reference to the following spot price at period end	$1,693/oz	$1,615/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 $1,416/oz to $1,821/oz (2017: $1,408/oz to $1,810/oz).

	CONSOLIDATED	
	2018	2017
	$'000	$'000
Other income		
Rehabilitation provision adjustment	2,165	2,977
Net gain on financial instruments at fair value through profit or loss	1,299	1,913
Ineffectiveness on commodity swap contracts designated as cash flow hedges	(72)	72
Rental income	4	-
	3,396	4,962

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 20,000 ounces with a weighted average exercise price of $1,684/oz (2017: 35,000 ounces at A$1,716/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".

3. EXPENSES

Accounting Policies

Cash costs of production

Cash costs of production is a component of cost of goods sold and includes 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	
	2018	2017
	$'000	$'000
Cost of goods sold		
Cash costs of production	252,948	255,074
Royalties	26,325	23,300
Depreciation of mine plant and equipment	29,703	31,484
Amortisation of mine properties	34,609	25,969
	343,585	335,827

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.

	CONSOLIDATED	
	2018	2017
	$'000	$'000
Depreciation and amortisation		
Depreciation expense	29,968	31,702
Amortisation expense	34,609	25,969
Less: Amounts capitalised	(140)	(90)
Depreciation and amortisation charged to the statement of comprehensive income	64,437	57,581

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 2018	2017
		$'000	$'000
Employee benefits expense			
Wages and salaries		38,750	35,700
Defined contribution superannuation expense		3,569	3,235
Share-based payments expense	23	3,231	3,222
Employee bonuses		1,473	335
Other employee benefits expense		3,966	2,425
		50,989	44,917
Less: Amounts capitalised		(6,047)	(4,826)
Employee benefits expense recognised in the statement of comprehensive income		44,942	40,091
Lease payments and other expenses included in the statement of comprehensive income			
Minimum lease payments – operating lease		384	380
Less: Amounts capitalised		(115)	(114)
Recognised in the statement of comprehensive income		269	266
Other expenses			
Gold swap fees		-	49
Non-capital exploration expenditure		867	804
Loss on disposal of assets		144	83
		1,011	936

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 and performance rights on issue.

	CONSOLIDATED	
	2018	2017
	$'000	$'000
Earnings used in calculating EPS		
Net profit attributable to ordinary equity holders of the parent	174,231	138,163

	NO. SHARES	NO. SHARES
	('000s)	('000s)
Weighted average number of shares		
Issued ordinary shares at 1 July	501,020	499,854
Effect of shares issued	2,597	928
Weighted average number of ordinary shares at 30 June	503,617	500,782
Effect of dilution:		
Share options	2,885	5,225
Performance rights	692	247
Weighted average number of ordinary shares adjusted for the effect of dilution	507,194	506,254

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.

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	
	2018	2017
	$'000	$'000
The major components of income tax expense are:		
Current income tax		
Current income tax expense	47,054	30,198
Adjustment in respect of income tax of previous years	1,862	(3,635)
Deferred income tax		
Relating to the origination and reversal of temporary differences	28,749	29,614
Adjustment in respect of income tax of previous years	(2,975)	1,797
Income tax expense reported in the statement of comprehensive income	74,690	57,974
Deferred tax payable/(receivable) related to items recognised in OCI during the year		
Net (loss)/gain on revaluation of cash flow hedges	(78)	(1,424)
Net (loss)/gain on financial assets	-	(654)
Deferred tax charged to OCI	(78)	(2,078)
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	248,921	196,137
At the Group's statutory income tax rate of 30% (2017: 30%)	74,676	58,841
Share-based payments	969	966
Other non-deductible items	158	5
Adjustment in respect of income tax of previous years	(1,113)	(1,838)
Income tax expense reported in the statement of comprehensive income	74,690	57,974

6. DIVIDENDS

	CONSOLIDATED	
	2018	2017
	$'000	$'000
Declared and paid during the year:		
Dividends on ordinary shares		
Final dividend for 2017: 8 cents per share (2016: 9 cents per share)	40,312	45,007
Interim franked dividend for 2018: 8 cents per share (2017: 7 cents per share)	40,347	35,070
	80,659	80,077
Proposed by the directors after balance date but not recognised as a liability at 30 June:		
Dividends on ordinary shares		
Final dividend for 2018: 8 cents per share (2017: 8 cents per share)	40,389	40,143
Dividend franking account		
Amount of franking credits available to shareholders of Regis Resources Limited for subsequent financial years	19,974	5,625

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 and short-term deposits with an original maturity of 3 months or less that are readily convertible to known amounts of cash and which are subject to insignificant changes in value. Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

At 30 June 2018, the Group had no undrawn, committed borrowing facilities available (2017: nil). Refer to note 18.

	CONSOLIDATED	
	2018	2017
	$'000	$'000
Cash and cash equivalents in the balance sheet and cash flow statement		
Cash at bank and on hand	181,118	69,428
Short-term deposits	-	50,000
	181,118	119,428

Restrictions on cash

The Group is required to maintain $203,000 (2017: $161,000) on deposit to secure bank guarantees in relation to the Perth office lease and two new office leases in NSW. The amount will be held for the term of the lease. In September 2018 the Group will be required to provide a bank guarantee of $280,000 in relation to the new Perth office lease. Refer to note 26.

		CONSOLIDATED	
	NOTE	2018	2017
		$'000	$'000
Reconciliation of profit after income tax to net cash inflow from operating activities			
Net profit for the year		174,231	138,163
Adjustments for:			
Impairment of non-current assets	15	353	2,939
Unwinding of discount on provisions	18	1,204	1,039
Loss on disposal of assets		144	83
Unrealised (loss)/gain on derivatives		(30)	(683)
Share-based payments		3,231	3,222
Rehabilitation provision adjustment		(2,165)	(2,977)
Depreciation and amortisation		64,437	57,581
Changes in assets and liabilities			
(Increase)/decrease in gold bullion awaiting settlement		3,775	(2,170)
(Increase)/decrease in receivables		45	(365)
(Increase)/decrease in inventories		(13,476)	(18,669)
(Increase)/decrease in other current assets		(119)	(64)
Increase/(decrease) in income tax payable		12,049	(7,308)
Increase/(decrease) in trade and other payables		(9,289)	7,539
Increase/(decrease) in deferred tax liabilities		25,772	29,053
Increase/(decrease) in provisions		(435)	(1,301)
Net cash from operating activities		259,727	206,082

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 74.

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	
	2018	2017
	$'000	$'000
Current		
Gold bullion awaiting settlement	21,160	24,934

At balance date, gold bullion awaiting settlement comprised 12,447 ounces valued at a weighted average realisable value of $1,700/oz (2017: 15,487 ounces at $1,610/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	
	2018	2017
	$'000	$'000
Current		
GST receivable	3,447	3,323
Fuel tax credit receivable	1,637	1,570
Security deposit for land acquisition	-	974
Interest receivable	201	217
Dividend trust account	441	498
Other receivables	228	251
	5,954	6,833

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	
	2018	2017
	$'000	$'000
Current		
Ore stockpiles	26,394	25,894
Gold in circuit	9,123	6,098
Bullion on hand	4,263	4,254
Consumable stores	3,658	3,082
	43,438	39,328
Non-current		
Ore stockpiles	45,986	35,452

At 30 June 2017, all inventories were carried at cost, except for a portion of ore stockpiles that were reclassified as non-current as a result of the annual update of life of mine plans and written down to net realisable value resulting in an expense totalling $1,440,000 being recognised in cost of goods sold.

At 30 June 2018, there was no expense recognised in costs of goods sold for inventories carried at net realisable value.

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.

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 2017	16,488	303	104,224	600	52,288	8,485	182,388
Additions	17,264	-	8,496	249	3,171	11,629	40,809
Depreciation expense	-	(76)	(18,705)	(194)	(10,993)	-	(29,968)
Transfers to mine properties	-	-	-	-	-	(26)	(26)
Transfers between classes	-	-	1,180	169	5,298	(6,647)	-
Rehabilitation provision adjustments	-	-	(29)	-	2,358	-	2,329
Disposals	-	-	(192)	-	-	-	(192)
Net carrying amount at 30 June 2018	33,752	227	94,974	824	52,122	13,441	195,340
At 30 June 2018							
Cost	33,752	762	243,392	2,218	112,955	13,441	406,520
Accumulated depreciation	-	(535)	(148,418)	(1,394)	(60,833)	-	(211,180)
Net carrying amount	33,752	227	94,974	824	52,122	13,441	195,340
Net carrying amount at 1 July 2016	16,488	341	114,609	616	47,561	8,048	187,663
Additions	-	28	6,400	108	9,361	8,327	24,224
Depreciation expense	-	(76)	(21,306)	(176)	(10,144)	-	(31,702)
Transfers to mine properties	-	-	-	-	-	(18)	(18)
Transfers between classes	-	10	4,551	52	3,259	(7,872)	-
Rehabilitation provision adjustments	-	-	55	-	2,251	-	2,306
Disposals	-	-	(85)	-	-	-	(85)
Net carrying amount at 30 June 2017	16,488	303	104,224	600	52,288	8,485	182,388
At 1 July 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	47,561	8,048	187,663
At 30 June 2017							
Cost	16,488	762	234,758	1,817	102,539	8,485	364,849
Accumulated depreciation	-	(459)	(130,534)	(1,217)	(50,251)	-	(182,461)
Net carrying amount	16,488	303	104,224	600	52,288	8,485	182,388

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	
	NOTE	2018	2017
		$'000	$'000
Reconciliation of movements during the year			
Balance at 1 July		151,735	123,739
Expenditure for the period		33,444	31,976
Acquisition of tenements		50	3,382
Impairment	15	(353)	(2,917)
Transferred to mine properties under development	13	(12,918)	-
Transferred to mine properties	14	(388)	(4,445)
Balance at 30 June		171,570	151,735

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		
Duketon North Operations	9,118	8,868
Duketon South Operations	27,323	14,281
Duketon Gold Project satellite deposits	5,466	12,757
Regional WA exploration	13,610	9,267
NSW exploration	116,053	106,562
	171,570	151,735

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.

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	
	2018	2017
	$'000	$'000
Within one year	1,668	2,317

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	
	NOTE	2018	2017
		$'000	$'000
Balance at beginning of period		-	1,199
Pre-production expenditure capitalised		17,831	9,158
Transferred from exploration	12	12,918	-
Transferred to inventory		(1,168)	(1,111)
Transferred to mine properties	14	(3)	(9,246)
Balance at end of period		29,578	-

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 represent 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 2017	41,887	40,819	40,538	123,244
Additions	30,188	7,796	416	38,400
Transfers from exploration and evaluation assets	-	-	388	388
Transfers from pre-production	-	-	3	3
Transfers from property, plant and equipment	-	-	-	-
Rehabilitation provision adjustment	-	-	(3,310)	(3,310)
Amortisation expense	(11,158)	(12,257)	(11,194)	(34,609)
Net carrying amount at 30 June 2018	60,917	36,358	26,841	124,116
At 30 June 2018				
Cost	93,751	89,950	94,300	278,001
Accumulated amortisation	(32,834)	(53,592)	(67,459)	(153,885)
Net carrying amount	60,917	36,358	26,841	124,116
Net carrying amount at 1 July 2016	19,969	37,334	26,055	83,358
Additions	22,398	11,213	7,535	41,146
Transfers from exploration and evaluation assets	-	-	4,445	4,445
Transfers from pre-production	4,321	3,606	1,319	9,246
Transfers from property, plant and equipment	-	-	18	18
Rehabilitation provision adjustment	-	-	11,000	11,000
Amortisation expense	(4,801)	(11,334)	(9,834)	(25,969)
Net carrying amount at 30 June 2017	41,887	40,819	40,538	123,244
At 30 June 2017				
Cost	63,563	82,154	96,803	242,520
Accumulated amortisation	(21,676)	(41,335)	(56,265)	(119,276)
Net carrying amount	41,887	40,819	40,538	123,244
At 1 July 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

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	
	NOTE	2018	2017
		$'000	$'000
Exploration and evaluation assets	12	353	2,939

Exploration and evaluation assets

An impairment loss of $353,000 (2017: $343,000) has been recognised in relation to tenements that were surrendered, relinquished or expired during the year.

For the year ended 30 June 2017, an impairment loss of $2,596,000 was recognised for the tenements relating to the Duketon Gold Exploration Joint Venture. The Joint Venture required Regis to spend at least $1 million over a 2 year period to earn a 75% interest in any mining project that is confirmed by a Regis decision to mine. The 2 year term expired in October 2017 and no further expenditure was incurred for the year ended 30 June 2018.

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	
	2018	2017
	$'000	$'000
Current		
Trade payables	21,075	16,892
Accrued expenses	15,756	16,628
Employee entitlements – annual leave payable	3,329	2,881
Other payables	8,475	7,318
	48,635	43,719

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.

	CONSOLIDATED	
	2018	2017
	$'000	$'000
Current		
Dividends payable	440	498
Long service leave	150	156
Rehabilitation	2,828	3,953
	3,418	4,607
Non-current		
Long service leave	1,737	1,423
Rehabilitation	41,716	43,678
	43,453	45,101
Provision for rehabilitation		
Balance at 1 July	47,631	37,401
Provisions made during the year	3,910	12,439
Provisions used during the year	(1,145)	(1,138)
Provisions re-measured during the year	(7,056)	(2,110)
Unwinding of discount	1,204	1,039
Balance at 30 June	44,544	47,631

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

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	
	NOTE	2018	2017
		$'000	$'000
Current interest-bearing liabilities			
Finance lease liability		806	1,506
Non-current interest-bearing liabilities			
Finance lease liability		36	841
Less: cash and cash equivalents	7	181,118	119,428
Net cash		180,276	117,081

Interest-bearing liabilities

Finance lease commitments

The Group has hire purchase contracts for three Komatsu loaders. The Group's obligations are secured by the lessors' title to the leased assets. Ownership of the loaders passes to the Group once all contractual payments have been made. Refer to note 26.

	CONSOLIDATED	
	2018	2017
	$'000	$'000
Finance costs		
Interest expense	69	126
Unwinding of discount on provisions	1,204	1,039
	1,273	1,165

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	
	2018	2017
	$'000	$'000
Current		
Financial assets at amortised cost – term deposit	344	263

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.
- *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 and commodity 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 and gold bullion awaiting settlement. The Group has adopted the policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. Cash holdings are with Macquarie Bank Limited, an Australian bank regulated by APRA and with a short term S&P rating of A-1. The Group has determined that it currently has no significant exposure to credit risk as at reporting date given banks have investment grade credit ratings.

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.

30 JUNE 2018 ($'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	45,306	(45,306)	(45,306)	-	-	-	-
Finance leases	842	(856)	(428)	(392)	(36)	-	-
Total	**46,148**	**(46,162)**	**(45,734)**	**(392)**	**(36)**	**-**	**-**

30 JUNE 2017 ($'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	40,764	(40,764)	(40,764)	-	-	-	-
Derivative liabilities	102	(102)	(102)	-	-	-	-
Finance lease	2,347	(2,414)	(811)	(747)	(820)	(36)	-
Total	**43,213**	**(43,280)**	**(41,677)**	**(747)**	**(820)**	**(36)**	**-**

Assets pledged as security

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 2018, the Group did not have any financial guarantee liabilities (2017: 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 20). 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.

The Group continued a medium term risk management strategy during the prior 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. During the 2018 financial year this hedge arrangement fixed a significant proportion (approximately two thirds) of the total estimated annual diesel usage at the Group's Duketon operations.

Interest rate risk

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

	CONSOLIDATED	
	2018	2017
	$'000	$'000
Fixed rate instruments		
Term deposits	344	50,263
Finance lease liabilities	(842)	(2,347)
	(498)	47,916
Variable rate instruments		
Cash and cash equivalents	180,854	69,167

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.
- 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. 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	
	2018	2017
	$'000	$'000
Ordinary shares – issued and fully paid	433,248	431,491

	NO. SHARES	
	('000s)	$'000
Movement in ordinary shares on issue		
At 1 July 2016	499,854	431,335
Issued on exercise of options	1,166	175
Transaction costs	-	(19)
At 30 June 2017	501,020	431,491
Issued on exercise of options	3,418	1,810
Transaction costs	-	(53)
At 30 June 2018	504,438	433,248

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.

	SHARE-BASED PAYMENT RESERVE	FINANCIAL ASSETS RESERVE	CASH FLOW HEDGE RESERVE	TOTAL RESERVES
	$'000	$'000	$'000	$'000
Balance at 1 July 2016	21,827	3,243	3,504	28,574
Net gain on financial instruments recognised in equity	-	(2,180)	(4,818)	(6,998)
Tax effect of transfers and revaluations	-	654	1,424	2,078
Share-based payment transactions	3,222	-	-	3,222
Balance at 30 June 2017 and 1 July 2017	25,049	1,717	110	26,876
Net gain on financial instruments recognised in equity	-	-	(188)	(188)
Tax effect of transfers and revaluations	-	-	78	78
Share-based payment transactions	3,231	-	-	3,231
Balance at 30 June 2018	28,280	1,717	-	29,997

Nature and purpose of reserves

Share-based payment reserve

The share-based payment reserve is used to record the value of share-based payments and performance rights 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.

22. 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 2018 there are no unrecognised temporary differences associated with the Group's investment in subsidiaries (2017: $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	
	2018	2017
	$'000	$'000
Deferred tax liabilities		
Receivables	3,219	2,389
Inventories	4,594	469
Prepayments	111	74
Financial assets	-	78
Property, plant and equipment	14,199	10,083
Exploration and evaluation expenditure	28,615	22,529
Mine properties under development	8,873	-
Mine properties	37,235	36,973
Gross deferred tax liabilities	96,846	72,595
Set off of deferred tax assets	(21,748)	(23,192)
Net deferred tax liabilities	75,098	49,403
Deferred tax assets		
Trade and other payables	1,114	940
Provisions	13,929	14,763
Expenses deductible over time	3	8
Derivatives	-	31
Tax losses carried forward	6,702	7,450
Gross deferred tax assets	21,748	23,192
Set off of deferred tax assets	(21,748)	(23,192)
Net deferred tax assets	-	-
Reconciliation of deferred tax, net:		
Opening balance at 1 July – net deferred tax assets/(liabilities)	(49,403)	(20,806)
Income tax (expense)/ benefit recognised in profit or loss	(25,773)	(31,411)
Income tax (expense)/benefit recognised in equity	78	2,814
Closing balance at 30 June – net deferred tax (liabilities)/ assets	(75,098)	(49,403)

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.

23. 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	
	2018	2017
	$'000	$'000
Recognised share-based payments expense		
Employee share-based payments expense	2,575	2,928
Performance rights expense	656	294
Total expense arising from share-based payment transactions	3,231	3,222

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, Nomination and Diversity Committee may issue eligible employees with options to acquire shares in the future at an exercise price fixed by the board or Remuneration, Nomination and Diversity 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:

	2018		2017	
	NO.	WAEP	NO.	WAEP
Outstanding at the beginning of the year	9,445,000	$1.5274	13,160,000	$1.7125
Granted during the year	1,790,000	$3.9000	-	-
Forfeited during the year	(747,500)	$2.3632	(1,035,000)	$1.7570
Exercised during the year	(4,665,000)	$1.5294	(2,680,000)	$2.3473
Expired during the year	-	-	-	-
Outstanding at the end of the year	5,822,500	$2.1480	9,445,000	$1.5274
Exercisable at the end of the year	70,000	$1.4000	-	-

	2018	2017
Weighted average share price at the date of exercise	$4.19	$3.85
Weighted average remaining contractual life	1.7 years	2.2 years
Range of exercise prices	$1.40 - $3.90	$1.40 - $2.70
Weighted average fair value of options granted during the year	$1.5709	n/a

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. There were no new grants of employee options during the year ended 30 June 2017. The following table lists the inputs to the model used for the year ended 30 June 2018:

	2018 ESOP
Dividend yield (%)	4.00
Expected volatility (%)	73.12 – 93.74
Risk free interest rate (%)	1.74 – 1.90
Expected life of the option (years)	2 – 3 years
Option exercise price ($)	3.90
Weighted average share price at grant date ($)	3.75

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.

Performance Rights

In November 2016, 401,999 performance rights were granted to the executive directors, Mr Mark Clark and Mr Paul Thomas, and other executives, Mr Kim Massey and Mr Peter Woodman under the Group's Executive Incentive Plan ("EIP").

Mr Peter Woodman resigned on 29 March 2018, 69,333 performance rights granted to Mr Woodman lapsed upon the date of the resignation in accordance with the terms and conditions.

The performance conditions that the Board has determined will apply to the Performance Rights are summarised below:

TRANCHE	WEIGHTING	PERFORMANCE CONDITIONS
Tranche A	25% of the Performance Rights	The Company's relative total shareholder return ("TSR") measured against the TSR's of 18 comparator mining companies
Tranche B	25% of the Performance Rights	The Company's absolute TSR measured against specific thresholds
Tranche C	25% of the Performance Rights	The growth in the Company's earnings per share ("EPS") measured against specific thresholds
Tranche D	25% of the Performance Rights	The growth in the Company's Ore Reserve measured against specific thresholds

The fair value at grant date of Tranches A and B was estimated using a Monte Carlo simulation, and a Black Scholes option pricing model was used to estimate the fair value at grant date of Tranches C and D.

The table below details the terms and conditions of the grant and the assumptions used in estimating fair value:

ITEM	TRANCHE A & B	TRANCHE C & D
Grant date	18 November 2016	18 November 2016
Value of the underlying security at grant date	$2.740	$2.740
Exercise price	nil	nil
Dividend yield	4.23%	4.23%
Risk free rate	1.75%	1.75%
Volatility	60%	60%
Performance period (years)	2	2
Commencement of measurement period	1 July 2016	1 July 2016
Test date	30 June 2018	30 June 2018
Remaining performance period (years)	nil	nil

The weighted average fair value of the Performance Rights granted during the year was $1.90.

In November 2017, 430,440 performance rights were granted to the executive directors, Mr Mark Clark and Mr Paul Thomas, and other executives, Mr Kim Massey and Mr Peter Woodman under the Group's Executive Incentive Plan ("EIP").

Mr Peter Woodman resigned on 29 March 2018, 71,625 performance rights granted to Mr Woodman lapsed upon the date of the resignation in accordance with the terms and conditions.

The performance conditions that the Board has determined will apply to the Performance Rights are summarised below:

TRANCHE	WEIGHTING	PERFORMANCE CONDITIONS
Tranche A	25% of the Performance Rights	The Company's relative total shareholder return ("TSR") measured against the TSR's of 18 comparator mining companies
Tranche B	25% of the Performance Rights	The Company's absolute TSR measured against specific thresholds
Tranche C	25% of the Performance Rights	The growth in the Company's earnings per share ("EPS") measured against specific thresholds
Tranche D	25% of the Performance Rights	The growth in the Company's Ore Reserve measured against specific thresholds

The fair value at grant date of Tranches A and B was estimated using a Monte Carlo simulation, and a Black Scholes option pricing model was used to estimate the fair value at grant date of Tranches C and D.

The table below details the terms and conditions of the grant and the assumptions used in estimating fair value:

ITEM	TRANCHE A & B	TRANCHE C & D
Grant date	23 November 2017	23 November 2017
Value of the underlying security at grant date	$4.090	$4.090
Exercise price	nil	nil
Dividend yield	4.00%	4.00%
Risk free rate	1.90%	1.90%
Volatility	50%	50%
Performance period (years)	3	3
Commencement of measurement period	1 July 2017	1 July 2017
Test date	30 June 2020	30 June 2020
Remaining performance period (years)	2.6	2.6

The weighted average fair value of the Performance Rights granted during the year was $2.98.

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.

24. RELATED PARTIES

Key management personnel compensation

The key management personnel compensation included in employee benefits expense (note 3) and share-based payments (note 23), is as follows:

	CONSOLIDATED	
	2018	2017
	$	$
Short-term employee benefits	3,100,580	2,802,104
Post-employment benefits	157,062	159,410
Long-term benefits	190,062	212,867
Termination benefits	5,619	-
Share-based payment	1,391,477	2,030,994
Total compensation	4,844,800	5,205,375

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, other than advised elsewhere in this report.

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		INVESTMENT $'000	
		2018	2017	2018	2017
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
Greenflow Pty Ltd	Australia	100%	100%	-	-
				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 2018, the balance of the loan receivable was $25,971,000 (2017: $24,157,000).

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 2018, the balance of the loan receivable was $63,945,000 (2017: $38,775,000).

Transactions with key management personnel

For the year ended 30 June 2018, services totalling $645,073 (2017: $335,302) have been provided on normal commercial terms to the Group by Mintrex Pty Ltd, of which Mrs Morgan is a Managing Director, Chief Executive Officer and a shareholder. The Company engaged Mintrex during the financial year to engineer preliminary plant designs for the McPhillamys Project. Mrs Morgan and Mintrex have structured their management of this engineering project to ensure she has no involvement in the control or direction of the work. The balance outstanding at 30 June was $30,249, exclusive of GST.

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

25. PARENT ENTITY INFORMATION

The following details information related to the parent entity, Regis Resources Limited, at 30 June 2018. The information presented here has been prepared using consistent accounting policies as detailed in the relevant notes of this report.

	2018	2017
	$'000	$'000
Current assets	252,892	190,919
Non-current assets	585,459	518,194
Total assets	838,351	709,113
Current liabilities	66,865	51,984
Non-current liabilities	101,674	85,933
Total liabilities	168,539	137,917
Issued capital	433,248	431,491
Share-based payment reserve	29,997	26,876
Retained profits	206,567	112,829
Total equity	669,812	571,196
Net profit for the year	174,396	138,503
Other comprehensive income for the period	(110)	(4,920)
Total comprehensive income for the period	174,286	133,583

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 2018 as disclosed at note 27.

All commitments are commitments incurred by the parent entity, except for $744,000 (2017: $1,351,000) of the exploration expenditure commitments disclosed at note 12, and $201,000 (2017: $35,000) of the operating lease commitments disclosed at note 26.

26. 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 in 2016. The Group is under no legal obligation to renew the lease once the extended lease term has expired.

During the year, two new office leases were entered into for Blayney, NSW, for an initial period of 3 years each, effective 1 November 2017.

On 1 June 2018, the Group signed a new lease contract for the Perth office for initial period of 3 years. During this period, the current Perth office lease will be sublet subject to negotiation with the potential lessee.

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

	CONSOLIDATED	
	2018	2017
	$'000	$'000
Within one year	1,027	373
Between one and five years	1,529	683
Total minimum lease payments	2,556	1,056

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 27 May 2019 and 4 July 2019 and ownership of the loaders passes to the Group once all contractual payments have been made. (30 June 2017: 29 May 2018, 27 May 2019 and 4 July 2019).

		CONSOLIDATED	
	NOTE	2018	2017
		$'000	$'000
Within one year		821	1,558
Between one and five years		36	856
Total minimum lease payments		857	2,414
Less amounts representing finance charges		(15)	(67)
Present value of minimum lease payments		842	2,347
Included in the financial statements as:			
Current interest-bearing liabilities		806	1,506
Non-current interest-bearing liabilities		36	841
		842	2,347
Carrying value of leased assets included in plant and equipment	11	1,132	3,425

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. The agreement has been renewed for further 4 years, effective 1 September 2017. As at 30 June 2018, the Group had $3,507,000 commitments to purchase electricity (30 June 2017: nil).

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. On 1 September 2017, he agreement was renewed for further 3 years. As at 30 June 2018, at the current contract price, the Group had commitments to purchase electricity for the remaining term of $11,330,000 (30 June 2017: $762,000).

27. CONTINGENCIES

As at 30 June 2018, the Group did not have any contingent assets or liabilities (30 June 2017: nil).

28. AUDITOR'S REMUNERATION

	CONSOLIDATED	
	2018	2017
	$	$
Audit services		
KPMG Australia		
Audit and review of financial statements	237,408	217,299
Other services		
Other advisory services	13,581	15,888
Taxation compliance services	33,700	6,509
Total auditor's remuneration	284,689	239,696

29. SUBSEQUENT EVENTS

Share issue

Subsequent to year end, 425,133 shares have been issued as a result of the exercise of employee options for proceeds of $35,000.

Dividends

On 27 August 2018, the directors proposed a final dividend on ordinary shares in respect of the 2018 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.

30. 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 2017:

- AASB 2016-1 Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses
- AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107

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

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 2018 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 15 Revenue from Contracts with Customers

AASB 15 replaces all existing revenue requirements in Australian Accounting Standards (AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB Interpretation 13 *Customer Loyalty Programmes*, AASB Interpretation 15 *Agreements for the Construction of Real Estate*, AASB Interpretation 18 *Transfers of Assets from Customers* and AASB Interpretation 131 *Revenue – Barter Transactions Involving Advertising Services)* and applies to all revenue arising from contracts with customers, unless the contracts are in the scope of other standards, such as AASB 117 (or AASB 16 *Leases*, once applied).

AASB 15 establishes a five step model to account for revenue in a way that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. Under AASB 15 the revenue recognition model will change from one based on the transfer of risk and reward of ownership to the transfer of control of ownership.

The Group has assessed the effects of applying the new standard and on the recognition of revenue recognised from gold sales. The Group have concluded that there is no material impact in the amount of revenue recognised from gold sales following the transition to AASB15. It is not expected that significant changes to disclosures will be required.

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

*Early application is permitted.

AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in AASB 3 *Business Combinations*. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.

AASB 2015-10 defers the mandatory effective date (application date) of AASB 2014-10 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2022 instead of 1 January 2018.

Application date of Standard:	1 January 2022	**Application date for Group:**	1 July 2022

AASB 2016-5 Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions

This standard amends AASB 2 *Share-based Payment,* clarifying 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

AASB 16 Leases

AASB 16 requires lessees to account for all leases under a single on-balance sheet model in a similar way to finance leases under AASB 117 Leases. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset).

Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the re-measurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting is substantially unchanged from today's accounting under AASB 117. Lessors will continue to classify all leases using the same classification principle as in AASB 117 and distinguish between two types of leases: operating and finance leases.

The standard will primarily affect the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of $2.6 million, see note 26. To date, work has focussed on the identification of the provisions of the standard which will most impact the Group. In the year ended 30 June 2019, work on the issues and their resolution will continue including a detailed review of contracts, in particular, the Company's mining services and haulage contracts and their financial reporting impacts.

Some of these commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under AASB 16. Given the Group's current level of exposure, the impact of adoption of AASB 16 on the financial statements is not expected to be material.

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

IFRIC 23 Uncertainty over Income Tax Treatments

The Interpretation clarifies the application of the recognition and measurement criteria in IAS 12 *Income Taxes* when there is uncertainty over income tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately.
- The assumptions an entity makes about the examination of tax treatment by taxation authorities.
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.
- How an entity considers changes in facts and circumstances.

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

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 2018 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 2018.

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, 27 August 2018

KPMG

Independent Auditor's Report

To the shareholders of Regis Resources Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Regis Resources Limited.

In our opinion, the accompanying ***Financial Report*** of Regis Resources Limited is in accordance with the *Corporations Act 2001*, including

- giving a true and fair view of the ***Group's*** financial position as at 30 June 2018 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises the:

- Consolidated Balance Sheet as at 30 June 2018
- Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended
- Notes including a summary of significant accounting policies
- Directors' Declaration.

The ***Group*** consists of Regis Resources Limited (the Company) and the entities it controlled at the year end and from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Company in accordance with the *Corporations Act 2001* and the relevant ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* (the Code). We have fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

The ***Key Audit Matters*** we identified are:

- Valuation and classification of low grade ore stockpiles
- Valuation of exploration and evaluation assets

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG

<table>
<tr><th colspan="2">Valuation and classification of low grade ore stockpiles
AU $45,986 thousand</th></tr>
<tr><td colspan="2">Refer to Note 10 to the financial report</td></tr>
<tr><th>The key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>Significant judgment is required to be exercised by management in assessing the value and classification of low grade ore stockpiles which will be used to produce gold bullion in the future. The valuation and classification of low grade ore stockpiles is a key audit matter because:
• Additional low grade stockpiles have been created from the continuation of mining activities; and
• Significant judgment is required by us in evaluating and challenging the Group's assessment.
The Group's assessment is based on a model which estimates future revenue expected to be derived from gold contained in the low grade ore stockpiles, less selling costs and future processing costs to convert stockpiles into gold bullion. We placed particular focus on those judgments listed below which impact the valuation and classification of ore stockpiles:
• Forecast processing costs of low grade ore stockpiles.
• Forecast quantity of gold contained within the low grade ore stockpiles.
• Future commodity prices expected to prevail when the gold from existing low grade ore stockpiles is processed and sold.
• Estimated timing of conversion of low grade ore stockpiles into gold bullion, which drives the classification of low grade ore stockpiles as current or non-current assets.</td><td>For this key audit matter, our procedures included:
• Testing the Group's key controls around inventory reconciliations which utilise underlying data such as production and processing costs, geological survey reports, mill production reports and metallurgical survey reports.
• Assessing the methodology and key assumptions in the Group's model used to determine the value of low grade ore stockpiles by:
o comparing forecast processing costs to previous actual costs, and for consistency with management's latest life of mine plan
o comparing forecast quantity of gold contained within stockpiles to management's geological survey results and historical trends
o comparing commodity prices to published external analysts' data for prices expected to prevail in the future
• Critically evaluating the Group's classification of low grade ore stockpiles as current/non-current by assessing the estimated timing of processing the stockpiles against the Group's latest life of mine plan and the historical operating capacity of the Group's processing plants.</td></tr>
</table>

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Valuation of exploration and evaluation ("E&E") assets AU $171,570 thousand	
Refer to Note 12 to the financial report	
The key audit matter	**How the matter was addressed in our audit**

The valuation of E&E assets is a key audit matter due to:
• the significance of the E&E balance (being 21% of the Group's total assets); and
• the greater level of audit effort to evaluate the Group's application of the requirements of the industry specific accounting standard AASB 6 Exploration for and Evaluation of Mineral Resources, in particular the presence of impairment indicators. The presence of impairment indicators would necessitate a detailed analysis by the Group of the value of E&E, therefore given the criticality of this to the scope and depth of our work, we involved senior team members to challenge the Group's determination that no such indicators existed.
 	
In assessing the presence of impairment indicators, we focused on those that may draw into question the commercial continuation of E&E activities for areas of interest within the Duketon region of WA as well as the McPhillamys project of NSW where significant capitalised E&E exists. In performing the assessments above, we paid particular attention to:
• The Group's compliance with key license conditions to maintain current rights to tenure for an area of interest, particularly minimum expenditure requirements
• The ability of the Group to fund the continuation of activities for all areas of interest
• Results from latest activities regarding the potential for a commercially viable quantity of reserves and the Group's intention to continue E&E activities in each area of interest as a result.
	Our audit procedures included:
	• We tested the Group's compliance with minimum expenditure requirements for a sample of exploration licenses
	• We obtained corporate budgets which we compared for consistency to areas of interest with capitalised E&E, for evidence of the ability to fund the continuation of activities
	• We compared the documentation from the sources listed below for information regarding the results of activities, the potential for commercially viable quantities of reserves to exist and for the Group's intentions to continue activities in relation to certain areas of interest. We corroborated this through interviews of key operational and finance personnel
	  o Internal management plans
	  o Minutes of board meetings
	  o Reports lodged with relevant government authorities
	  o Announcements made by the Group to the ASX

Other Information

Other Information is financial and non-financial information in Regis Resources Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors' Report. The remaining Other Information, which includes the Chairman's Report, Corporate, Duketon Gold Project, Gold Exploration, Gold Reserves & Resources and Additional ASX information is expected to be made available to us after the date of the Auditor's Report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not and will not express any form of assurance conclusion thereon, with the exception of the Remuneration Report.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*;
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- assessing the Group's ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the Audit of the Financial Report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our Auditor's Report.

KPMG

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Regis Resources Limited for the year ended 30 June 2018, complies with *Section 300A* of the *Corporations Act 2001*.

Director's responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in the Director's report for the year ended 30 June 2018.

Our responsibility is to express an opinion on the Remuneration Report, based on our Audit conducted in accordance with *Australian Auditing Standards*.

KPMG.

KPMG

R Gambitta
Partner

Perth

27 August 2018

ASX ADDITIONAL INFORMATION

As at 19 September 2018 the following information applied:

1. SECURITIES

(a) Fully Paid Ordinary Shares

The number of holders of fully paid ordinary shares in the Company is 8,080. 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	2,619	1,240,823
Holding between	1,001 - 5,000 Shares	3,421	9,259,370
Holding between	5,001 - 10,000 Shares	1,039	7,914,912
Holding between	10,001 - 100,000 Shares	907	23,791,775
Holding more than	100,001 Shares	94	464,921,079
		8,080	**507,127,959**
Holding less than	A marketable parcel	488	15,493

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
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	228,055,291	44.97%
J P MORGAN NOMINEES AUSTRALIA LIMITED	94,544,998	18.64%
CITICORP NOMINEES PTY LIMITED	46,614,972	9.19%
NATIONAL NOMINEES LIMITED	31,911,371	6.29%
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING DRP A/C>	9,814,573	1.94%
BNP PARIBAS NOMS PTY LTD <DRP>	5,984,002	1.18%
NATIONAL NOMINEES LIMITED <DB A/C>	2,889,163	0.57%
ROLLASON PTY LTD <GIORGETTA SUPER PLAN A/C>	2,800,000	0.55%
MR MARK JOHN CLARK	2,555,274	0.50%
ROLLASON PTY LTD	2,389,671	0.47%
SHL PTY LTD <S H LEE FAMILY A/C>	2,250,000	0.44%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	2,139,531	0.42%
UBS NOMINEES PTY LTD	1,903,312	0.38%
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING COLLATERAL>	1,622,000	0.32%
AMP LIFE LIMITED	1,601,476	0.32%
ZERO NOMINEES PTY LTD	1,454,369	0.29%
CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	1,376,222	0.27%
MEERKAT NOMINEES PTY LTD <ROSE SUPER FUND A/C>	1,350,000	0.27%
MUTUAL INVESTMENT PTY LTD <MITCHELL SUPER FUND A/C >	1,123,484	0.22%
HSBC CUSTODY NOMINEES (AUSTRALIA) PTY LIMITED – A/C 2	1,039,456	0.20%
TOP 20 SHAREHOLDERS OF ORDINARY FULLY PAID SHARES (TOTAL)	**443,419,165**	**87.44%**

(b) Unlisted options

UNLISTED OPTIONS OVER FULLY PAID ORDINARY SHARES	NUMBER OF HOLDERS	NUMBER OF OPTIONS HELD
Expiry 11 August 2019	47	1,087,500
Expiry 13 May 2020	1	100,000
Expiry 1 July 2021	11	1,690,000

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) Unlisted performance rights

PERFORMANCE RIGHTS ISSUED UNDER EMPLOYEE INCENTIVE SCHEME	NUMBER OF HOLDERS	NUMBER OF RIGHTS HELD
Unvested 2017 performance rights (Test date: 30 June 2020)	3	358,815

Performance rights do not carry a right to vote. Voting rights will be attached to the unissued shares when the performance rights have been exercised.

2. SUBSTANTIAL SHAREHOLDERS

The substantial shareholders as disclosed in substantial shareholder notices received by the Company are:

NAME	NUMBER OF FULLY PAID ORDINARY SHARES HELD	PERCENTAGE INTEREST
Van Eck Associates Corporation	74,071,654	14.67%

3. ON-MARKET BUY-BACK

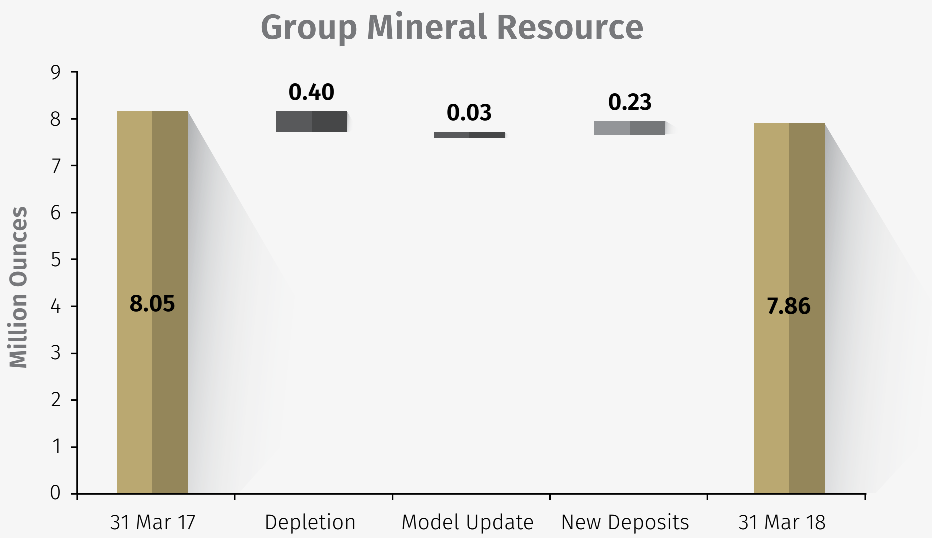
There is no current on-market buy-back of the Company's securities.

4. CORPORATE GOVERNANCE STATEMENT

The Company's 2018 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

5. MINERAL RESOURCES AND ORE RESERVES

The JORC compliant Group Mineral Resources as at 31 March 2018 are estimated to be 254.5 million tonnes at 0.96g/t Au for 7.86 million ounces of gold, compared with the estimate at 31 March 2017 of 268.0 million tonnes at 0.93g/t Au for 8.05 million ounces of gold. The change in the Group Mineral Resources is primarily due to depletion.



Mineral Resources are reported inclusive of Ore Reserves and include all exploration and resource definition drilling information, where practicable, up to 31 March 2018 and have been depleted for mining to 31 March 2018.

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).*

Group Ore Reserves

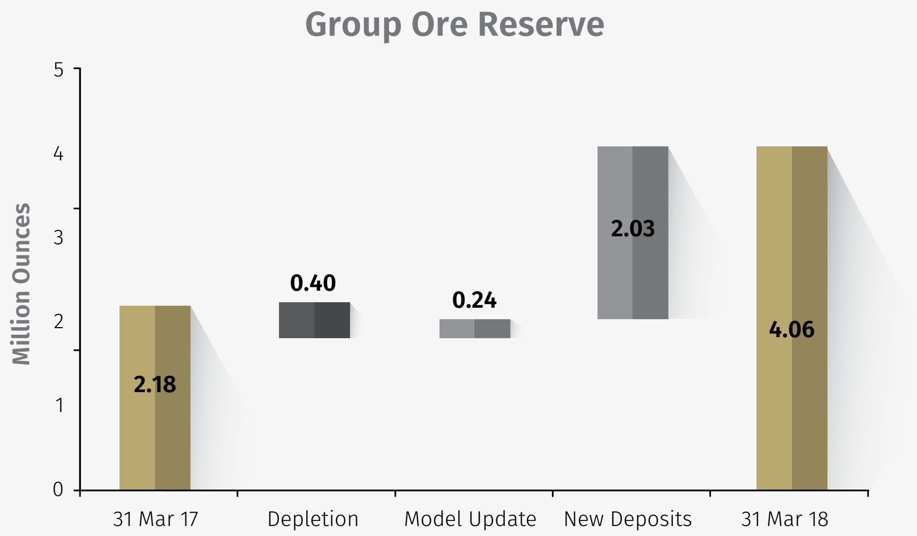
The JORC compliant Group Ore Reserves as at 31 March 2018 are estimated at 117.2 million tonnes at 1.08g/t Au for 4.06 million ounces of gold, compared with the estimate at 31 March 2017 of 59.3 million tonnes at 1.14g/t Au for 2.18 million ounces of gold.

The change in the Group Ore Reserve from March 2017 to March 2018 is as follows:

	TOTAL ORE RESERVE		
	TONNES (MT)	GOLD GRADE (G/T)	GOLD METAL (KOZ)
31 March 2017	59.3	1.14	2,182
Depleted by Mining to 31 March 2018	(10.5)	1.17	(396)
31 March 2017 Net of Depletion	48.8	1.14	1,786
31 March 2018	**117.2**	**1.08**	**4,065**
% Variation net of Depletion	115%		104%

The re-estimation of Group Ore Reserves resulted in a 115% increase in tonnes and 104% increase in ounces after allowing for depletion by mining. This was primarily the result of:

- The inclusion of maiden Ore Reserve from McPhillamys;
- A review of current pit design parameters including costs, metallurgical and geotechnical performance of mining projects to date;
- A review of the open pit optimisation shell selection strategy to individually suit each deposit; and
- The inclusion of further drilling results.



A long term base 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 2018.

Garden Well

The Garden Well JORC compliant Mineral Resource as at 31 March 2018 is 68.9 million tonnes at 0.81g/t Au for 1.79 million ounces, compared to 70.1 million tonnes at 0.82g/t Au for 1.84 million ounces at 31 March 2017.

The Garden Well JORC compliant Ore Reserve as at 31 March 2018 is 21.4 million tonnes at 0.88g/t Au for 0.60 million ounces, compared to 23.7 million tonnes at 0.88g/t Au for 0.67 million ounces at 31 March 2017.

The change in the Garden Well Ore Reserve from March 2017 to March 2018 is as follows:

	TOTAL ORE RESERVE - GARDEN WELL		
	TONNES (MT)	GOLD GRADE (G/T)	GOLD METAL (KOZ)
31 March 2017	23.7	0.88	669
Depleted by Mining to 31 March 2018	(3.8)	0.92	(112)
31 March 2017 Net of Depletion	19.9	0.87	557
31 March 2018	**21.4**	**0.88**	**603**
% Variation Net of Depletion	6%		7%

The reoptimisation and subsequent pit redesign at Garden Well resulted in a 6% increase in tonnes and 7% increase in ounces after allowing for depletion by mining. This was primarily the result of the selection of higher revenue factor shells from the A$1,400 optimisation to base some portions of the pit design on.

Rosemont

The Rosemont open-pit JORC compliant Mineral Resource as at 31 March 2018 is 18.3 million tonnes at 1.20g/t Au for 0.69 million ounces, compared to 24.7 million tonnes at 1.34g/t Au for 1.07 million ounces at 31 March 2017. The reduction is the result of the addition of the Maiden Inferred Underground MRE (1.4 million tonnes at 5.1g/t Au for 0.23 million ounces, announced 12th March 2018) which occupies some areas previously reported as open-pit Resources. The open-pit and underground MRE's are separated by a surface ensuring no duplication of reported Resources. The Rosemont MRE's combined total 19.7 million tonnes at 1.46g/t Au for 0.92 million ounces.

The Rosemont JORC compliant Ore Reserve as at 31 March 2018 is 8.5 million tonnes at 1.31g/t Au for 0.36 million ounces, compared to 9.7 million tonnes at 1.42g/t Au for 0.44 million ounces at 31 March 2017 (100% open-pit). The change in the Rosemont Ore Reserve from March 2017 to March 2018 is as follows:

	TOTAL ORE RESERVE - ROSEMONT		
	TONNES (MT)	GOLD GRADE (G/T)	GOLD METAL (KOZ)
31 March 2017	9.7	1.42	442
Depleted by Mining to 31 March 2018	(2.1)	1.56	(104)
31 March 2017 Net of Depletion	7.6	1.38	339
31 March 2018	**8.5**	**1.31**	**356**
% Variation Net of Depletion	9%		4%

The reoptimisation and subsequent pit redesign at Rosemont resulted in a 9% increase in tonnes and 4% increase in ounces after allowing for depletion by mining, primarily due to a small pit extension and a model update.

Moolart Well

The Moolart Well JORC compliant Mineral Resource as at 31 March 2018 is 33.8 million tonnes at 0.71g/t Au for 0.77 million ounces, compared to 34.5 million tonnes at 0.73g/t Au for 0.81 million ounces at 31 March 2017.

The Moolart Well JORC compliant Ore Reserve as at 31 March 2018 is 2.7 million tonnes at 0.85g/t Au for 0.07 million ounces, compared to 2.8 million tonnes at 0.92g/t Au for 0.08 million ounces at 31 March 2017. The change in the Moolart Well Ore Reserve from March 2017 to March 2018 is as follows:

	TOTAL ORE RESERVE - MOOLART WELL		
	TONNES (MT)	GOLD GRADE (G/T)	GOLD METAL (KOZ)
31 March 2017	2.8	0.92	83
Depleted by Mining to 31 March 2018	(0.8)	1.13	(28)
31 March 2017 Net of Depletion	2.0	0.84	55
31 March 2018	**2.7**	**0.85**	**74**
% Variation Net of Depletion	24%		22%

The reoptimisation and subsequent pit redesign at Moolart resulted in a 24% increase in tonnes and 22% increase in ounces after allowing for depletion by mining. This was primarily the result of the selection of higher revenue factor shells from the A$1,400 optimisation on which to base the pit designs.

Duketon Satellite Deposits

The combined JORC compliant Mineral Resource for Duketon satellite deposits as at 31 March 2018 is 63.2 million tonnes at 1.02g/t Au for 2.07 million ounces, compared to 65.7 million tonnes at 1.01g/t Au for 2.14 million ounces at 31 March 2017.

The combined JORC compliant Ore Reserve for Duketon satellite deposits as at 31 March 2018 is 24.5 million tonnes at 1.27g/t Au for 1.00 million ounces, compared to 23.2 million tonnes at 1.32g/t Au for 0.99 million ounces at 31 March 2017.

The change in the combined satellite deposits Ore Reserve from March 2017 to March 2018 is as follows:

	TOTAL ORE RESERVE - SATELLITE DEPOSITS		
	TONNES (MT)	GOLD GRADE (G/T)	GOLD METAL (KOZ)
31 March 2017	23.2	1.32	987
Depleted by Mining to 31 March 2018	(3.9)	1.22	(153)
31 March 2017 Net of Depletion	19.3	1.34	834
31 March 2018	**24.5**	**1.27**	**998**
% Variation net of Depletion	22%		17%

There has been a 22% increase in tonnes and 17% increase in ounces at the Duketon satellite deposits. This was primarily the result of the selection of higher revenue factor shells from the A$1,400 optimisation at Gloster, Dogbolter and parts of Erlistoun to base the pit designs on.

McPhillamys

The McPhillamys JORC compliant Mineral Resource at 31 March 2018 is 68.9 million tonnes at 1.04g/t Au for 2.31 million ounces, compared to 73.2 million tonnes at 0.94g/t Au for 2.21 million ounces at 31 March 2017. An MRE update was completed in late 2017 (refer separate ASX announcement 8th September 2017) on the back of an infill drilling programme. This drilling effectively doubled the drillhole density over the deposit.

The MRE update was released in conjunction with a maiden Ore Reserve at McPhillamys totaling 60.1 million tonnes at 1.05g/t Au for 2.03 million ounces (refer separate ASX announcement 8th September 2017). Significant progress on the McPhillamys Project is being made on multiple fronts including environmental baseline monitoring/modelling, advanced metallurgical testwork, detailed mine design, project scheduling and project execution planning.

Subsequent to the end of the year, the Company announced that a Preliminary Environmental Assessment (PEA) has been submitted to the NSW Department of Planning and Environment (DPE). The PEA represents the lead document in the development application phase and is the trigger for the DPE to provide the Secretary's Environmental Assessments Requirements for the project, which will allow for the Environmental Impact Statement to be appropriately focussed to enable regulatory assessment of the project.

Contemporaneous with the preparation of the Environmental Impact Statement, the Company expects to complete the Definitive Feasibility Study by December 2018.

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

As at 31 March 2018

GOLD			MEASURED			INDICATED			INFERRED			TOTAL RESOURCE			
PROJECT	TYPE	CUT-OFF (g/t)	TONNES (Mt)	GOLD GRADE (g/t)	GOLD METAL (koz)	TONNES (Mt)	GOLD GRADE (g/t)	GOLD METAL (koz)	TONNES (Mt)	GOLD GRADE (g/t)	GOLD METAL (koz)	TONNES (Mt)	GOLD GRADE (g/t)	GOLD METAL (koz)	COMPETENT PERSON[2]
Moolart Well[1]	Open-Pit	0.4	5.1	0.82	135	17.1	0.69	377	11.6	0.70	261	33.8	0.71	773	A
Garden Well[1]	Open-Pit	0.4	6.5	0.71	147	51.6	0.83	1,377	10.8	0.76	264	68.9	0.81	1,787	A
Rosemont[1]	Open-Pit	0.4	2.5	1.20	95	14.9	1.17	562	0.8	1.36	36.58	18.3	1.20	694	A
Rosemont[5]	Underground	2.0	-	-	-	-	-	-	1.4	5.10	230	1.4	5.10	230	B
Duketon Main Deposits	**Sub Total**		**14.1**	**0.83**	**378**	**83.6**	**0.86**	**2,315**	**24.6**	**1.00**	**792**	**122.4**	**0.89**	**3,485**	
Tooheys Well[3]	Open-Pit	0.4	0.0	0.86	0	15.8	1.18	601	1.1	0.89	31	17.0	1.16	633	A
Gloster[1]	Open-Pit	0.4	1.0	0.88	28	11.7	0.79	297	5.8	0.66	123	18.4	0.75	447	A
Baneygo	Open-Pit	0.4	-	-	-	9.2	0.96	283	1.9	0.95	57	11.1	0.96	340	A
Erlistoun[1]	Open-Pit	0.4	0.1	1.10	3	5.3	1.27	215	0.6	0.99	19	5.9	1.24	237	A
Dogbolter	Open-Pit	0.4	-	-	-	4.0	1.04	141	0.1	1.39	5	4.1	1.10	146	A
Russells Find	Open-Pit	0.4	-	-	-	2.2	1.06	75	0.3	0.98	11	2.5	1.05	86	A
Petra	Open-Pit	0.4	-	-	-	1.3	1.07	44	0.8	0.67	18	2.1	0.91	62	A
King John	Open-Pit	0.4	-	-	-	-	-	-	0.8	1.56	42	0.8	1.56	42	A
Reichelts Find	Open-Pit	0.4	-	-	-	0.6	2.18	43	0.3	2.26	21	0.9	2.21	64	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	**Sub Total**		**1.1**	**0.90**	**31**	**50.2**	**1.06**	**1,707**	**11.8**	**0.87**	**329**	**63.2**	**1.02**	**2,067**	
Duketon	**Total**		**15.2**	**0.84**	**409**	**133.8**	**0.93**	**4,022**	**36.5**	**0.96**	**1,121**	**185.5**	**0.93**	**5,552**	
McPhillamys[4]	**Total**	**0.4**	**-**	**-**	**-**	**67.7**	**1.05**	**2,282**	**1.2**	**0.64**	**25.46**	**68.9**	**1.04**	**2,307**	A
Regis	**Grand Total**		**15.2**	**0.84**	**409**	**201.6**	**0.97**	**6,304**	**37.7**	**0.95**	**1,146**	**254.5**	**0.96**	**7,859**	

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. Mineral Resources and Ore Reserves are reported inclusive of ROM Stockpiles at cut-off grade of 0.4 g/t.
2. Refer to Group Competent Person Notes.
3. As reported 4 July 2017.
4. As reported 8 September 2017.
5. As reported 12 March 2018.

Group Ore Reserves

As at 31 March 2018

			PROVED			PROBABLE			TOTAL ORE RESERVE			
PROJECT	TYPE	CUT-OFF (g/t)[2]	TONNES (Mt)	GOLD GRADE (g/t)	GOLD METAL (koz)	TONNES (Mt)	GOLD GRADE (g/t)	GOLD METAL (koz)	TONNES (Mt)	GOLD GRADE (g/t)	GOLD METAL (koz)	COMPETENT PERSON[3]
Moolart Well[1]	Open-Pit	> 0.4	1.3	0.91	38	1.4	0.79	36	2.7	0.85	74	C
Garden Well[1]	Open-Pit	> 0.4	5.6	0.71	128	15.8	0.94	474	21.4	0.88	603	C
Rosemont[1]	Open-Pit	> 0.4	2.0	1.24	80	6.5	1.32	276	8.5	1.31	356	C
Duketon Main Deposits	**Sub Total**		**8.9**	**0.86**	**246**	**23.7**	**1.03**	**787**	**32.6**	**0.99**	**1,033**	
Tooheys Well[5]	Open-Pit	> 0.5	0.0	-	0	7.1	1.61	366	7.1	1.61	366	C
Gloster[1]	Open-Pit	> 0.4	1.0	0.88	28	6.3	0.93	190	7.3	0.93	217	C
Erlistoun[1]	Open-Pit	> 0.5	0.1	1.10	3	3.4	1.39	154	3.5	1.39	157	C
Baneygo	Open-Pit	> 0.5	-	-	-	4.0	1.22	158	4.0	1.22	158	C
Petra	Open-Pit	> 0.4	-	-	-	0.9	1.11	31	0.9	1.11	31	C
Dogbolter	Open-Pit	> 0.4	-	-	-	1.6	1.18	61	1.6	1.18	61	C
Anchor	Open-Pit	> 0.4	-	-	-	0.1	1.87	7	0.1	1.87	7	C
Duketon Satellite Deposits	**Sub Total**		**1.1**	**0.90**	**31**	**23.4**	**1.28**	**966**	**24.5**	**1.27**	**998**	
McPhillamys[4]	**Open-Pit**	**> 0.4**	**-**	**-**	**-**	**60.1**	**1.05**	**2,034**	**60.1**	**1.05**	**2,034**	**C**
Regis	**Grand Total**		**10.0**	**0.86**	**278**	**107.2**	**1.10**	**3,787**	**117.2**	**1.08**	**4,065**	

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. Mineral Resources and Ore Reserves are reported inclusive of ROM Stockpiles at cut-off grade of 0.4 g/t.
2. Cut-off grades vary according to oxidation and lithology domains. Refer to Group Ore Reserves Lower Cut Notes.
3. Refer to Group Competent Person Notes.
4. As reported 8 September 2017.
5. As reported 4 July 2017.

Group Ore Reserves Lower Cut

Reserves as at 31 March 2018

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	All		0.4
Erlistoun	All		0.5
Dogbolter	Oxide		0.4
	Transitional	Sediments	0.5
		Other	0.5
	Fresh	Sediments	0.6
		Other	0.5
Petra	Oxide		0.4
	Transitional, Fresh		0.5
Anchor	Oxide		0.4
	Transitional, Fresh		0.5
Gloster	Oxide		0.4
Baneygo	Transitional, Fresh		0.5
	Oxide, Transitional		0.5
	Fresh		0.6
Tooheys Well	Oxide		0.5
	Transitional		0.6
	Fresh	Low Recovery	0.8
	Fresh		0.6
McPhillamys	All		0.4

Competent Persons Statement

The information in this statement that relates to the Mineral Resources or Ore Reserves listed in the previous tables is based on work compiled by the person whose name appears below. Mr Price is a full-time employee of Regis Resources Limited, Mr de Klerk is a full-time employee of Cube Consulting Pty Ltd and Mr Finch is a full-time employee of Entech 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. 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 2018

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	Jarrad Price	A	Australasian Institute of Mining and Metallurgy
Garden Well Reserve	Quinton de Klerk	D	Australasian Institute of Mining and Metallurgy
Rosemont Resource – Open Pit	Jarrad Price	A	Australasian Institute of Mining and Metallurgy
Rosemont Resource – Underground	Andrew Finch	B	Australian Institute of Geoscientists
Rosemont Reserve	Quinton de Klerk	D	Australasian Institute of Mining and Metallurgy
Tooheys Well Resource	Jarrad Price	A	Australasian Institute of Mining and Metallurgy
Tooheys Well 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
Reichelts Find Resource	Jarrad Price	A	Australasian Institute of Mining and Metallurgy
Gloster Resource	Jarrad Price	A	Australasian Institute of Mining and Metallurgy
Coopers Resource	Jarrad Price	A	Australasian Institute of Mining and Metallurgy
McPhillamys Resource	Jarrad Price	A	Australasian Institute of Mining and Metallurgy

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.

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Seeding rehabilitation sites // Photo by Frazer Allen

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