

25 February 2021

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Financial Results and Interim Dividend Declaration for the Half Year Ended 31 December 2020

Key Highlights *(All figures expressed in Australian dollars unless stated otherwise)*

- **Net profit after tax of \$84.8 million** and **net profit margin of 21%** reflects the ongoing strong profitability of the Duketon operations.
- **Revenue of \$401.0 million**, with **172,990 ounces of gold sold** at an average price of \$2,317 per ounce.
- **EBITDA of \$198.6 million** with a strong **EBITDA margin of 50%**.
- **Cash flows** from operating activities of **\$147.8 million**.
- **Cash and bullion of \$220.0 million¹**, after the payment of \$34.3 million in fully franked cash dividends, \$40.3 million in income tax, \$22.5 million on exploration expenditure and feasibility costs, \$60.5 million on capitalised mining costs and \$20.3 million on other capital including underground infrastructure and land acquisitions in New South Wales.
- **Fully franked interim dividend of 4 cents per share** declared for a basic half-year yield of 1.2% and a grossed-up yield of 1.7%.²
- Gold production of **172,977 ounces for H1 FY21** at an AISC of **\$1,356** per ounce.
- Hedging reduced by a further 40,000 ounces to 359,434 ounces as at 31 December 2020.
- Approval of **Garden Well Underground Project**.

Comment

Regis Managing Director, Mr Jim Beyer commented: "Regis has again delivered another solid profit result with a half-year profit after tax of approximately \$84.8 million and operating cash flows of \$147.8 million. A net profit margin of 21% and robust operating cash flows for the half-year continue to point to the strength of the Duketon operations.

During the half-year, the board approved the development of the Garden Well underground mine which will become the second underground mine at the Duketon operations and will be a welcome addition to Regis' production profile once developed. In addition, the Company further consolidated its land holding in the Duketon Greenstone Belt with the acquisition of a valuable resource and tenement package (including the Ben Hur resource) from Stone Resources Australia Limited for a total of \$10 million worth of Regis shares and a capped NSR royalty.

At the McPhillamys Gold Project we continue to work with the NSW Department of Planning, Industry and Environment on the process of seeking approval for the mine. In the meantime, we continue to ramp-up preparations for the development of the Project.

In light of this and given the capital expenditure that will be required for the development of McPhillamys (in the event that approval is received), the board has decided to pay an interim dividend at a rate of 4 cents per share, delivering a grossed-up yield of 1.7% for H1. This brings the total dividend payments declared by Regis to over half a billion dollars fully franked."

¹ Includes bullion on hand valued at spot as at 31 December 2020

² Grossed up for 100% franking. Based on closing share price of \$3.31 per share on 24 February 2021

FY21 HALF YEAR RESULTS

The board of Regis Resources Limited is pleased to announce a strong half year net profit after tax of \$84.8 million for the six months ended 31 December 2020.

As a result of the ongoing strong financial performance of the Company, the Board has declared the following fully franked interim dividend:

- Dividend amount 4 cents per share fully franked
- Ex-dividend date 10 March 2021
- Record date 11 March 2021
- Dividend Reinvestment Plan election date 12 March 2021
- Payable date 25 March 2021

The board of Regis Resources Limited has adjusted the Company's interim dividend to 4 cents per share as it continues to ramp-up its financial preparations for its McPhillamys Gold Project in NSW which will require a significant capital investment.

Regis recognises that the final decision by the NSW government is still to be made however the Company believes this is a prudent financial decision given that recommendation by the NSW Department of Planning, Industry and Environment to the Independent Planning Commission may be made in the current quarter.

The Regis Dividend Reinvestment Plan (DRP) includes a 1% discount to the applicable 5-day volume weighted average price and allows existing shareholders to invest their dividends back into the Company with no fees, brokerage or other transaction costs on shares acquired under the DRP. Details of the DRP along with the DRP rules were announced to the ASX on 26 August 2020.

The interim dividend represents a payout ratio of 5% of revenue and 24% of profit after tax for the half year ended 31 December 2020. As at 24 February 2021 this is a basic half-year yield of 1.2% and a grossed-up yield of 1.7%³.

A summary of the financial result for H1 FY21 is presented below:

	Half Year 31 Dec 20	Half Year 31 Dec 19	Change	Change %
Gold sales (\$'000)	400,880	370,796	+30,084	+8%
Profit before tax (\$'000)	123,193	133,300	-12,107	-9%
Profit after tax (\$'000)	84,805	93,390	-8,585	-9%
Basic earnings per share (cents)	16.64	18.38	-1.74	-9%
Gold sales (ounces) included in revenue	172,990	182,807		
Average Sale price (\$/oz)	2,317	2,063		
Cash operating cost pre-royalties (\$/oz)	1,047	889		
All in sustaining cost (A\$/oz) ¹	1,356	1,226		
Dividend declared (cents per share)	4	8		

³ Grossed up for 100% franking. Based on closing share price of \$3.31 per share on 24 February 2021

Operating results for the Duketon operations for H1 FY21 were as follows:

	December 2020	December 2019
Ore mined (Mbcm)	2.1	2.1
Waste mined (Mbcm)	14.4	13.4
Stripping ratio (w:o)	6.8	6.5
Ore mined (Mtonnes)	5.2	4.9
Ore milled (Mtonnes)	4.9	4.6
Head grade (g/t)	1.20	1.28
Recovery (%)	92.1	94.0
Gold production (Koz)	173	178
Cash cost pre-royalty (A\$/oz)	1,047	889
All in Sustaining Cost (A\$/oz) ⁴	1,356	1,226

⁴ AISC calculated on a per ounce of production basis

A copy of the Company's Condensed Consolidated Interim Financial Report and Appendix 4D for the 6 months to 31 December 2020 are attached.

GUIDANCE FOR FY21

Regis is expecting a year of growth within the operations as production continues to lift in line with the targeted growth profile heading to 400,000oz pa from internal development options over the next couple of years.

The updates on the FY21 key guidance elements are:

- Gold Production 355,000 - 380,000 ounces

We continue to consider our FY21 production guidance appropriate albeit as previously noted with a stronger production weighting to the second half of the financial year.

- C1 Cash Costs including royalties \$1,030 - 1,090 per ounce

No change to guidance

- All in Sustaining Cost \$1,230 - 1,300 per ounce

No change to guidance.

GROWTH RELATED EXPENDITURE

- Growth Capital⁵ increased by \$10 million to: \$60 - 70 million

Three key areas have impacted this item, being higher than expected mining costs for pre-strip at Moolart Well, timing changes to the Rosemont underground capital development schedule and the addition of works for the Garden Well underground project.

- Exploration decreased by \$7million to: \$28 million

Forecast FY21 expenditure is reduced due to delayed access to exploration ground and subsequent shortage of drilling rigs both due to COVID related restrictions.

- McPhillamys increased by \$7million to: \$22 million.

Additional expenditure brought forward to ensure the project is Final Investment Decision (FID) ready in the event of a near term Independent Planning Commission approval.

⁵Growth Capital includes open pit and underground pre-production mining costs, site infrastructure and camp expansion costs

Regis Resources Limited and its Controlled Entities

For the half-year ended 31 December 2020

(Previous corresponding period is the half-year ended 31 December 2019)

Results for Announcement to the Market

	31 December 2020	31 December 2019	Change	
	\$'000	\$'000	\$'000	%
Revenue from ordinary activities	401,045	371,366	29,679	8%
Profit from ordinary activities after tax attributable to members	84,805	93,390	(8,585)	(9%)
Net profit for the period attributable to members	84,805	93,390	(8,585)	(9%)

Dividend Information

After balance date the following interim dividend was declared by the directors:

Amount per share	Franking	Record Date	Expected Payment Date
4 cents per share	100% franked	11 March 2021	25 March 2021

Net Tangible Assets

	31 December 2020	31 December 2019
	\$	\$
Net tangible assets per share	0.66	0.59

Control Gained or Lost over Entities during the Period

There have been no gains or losses of control over entities in the period ended 31 December 2020.

Financial Results

This report is based on the attached Condensed Consolidated Interim Financial Report for the half-year ended 31 December 2020, which has been reviewed by KPMG, and should be read in conjunction with the consolidated annual financial report as at 30 June 2020 and public announcements made subsequent to 31 December 2020.



ABN 28 009 174 761

and its Controlled Entities

Condensed Consolidated Interim Financial Report

31 December 2020

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CORPORATE INFORMATION

ABN

28 009 174 761

Directors

James Mactier	(Independent Non-Executive Chairman)
Jim Beyer	(Chief Executive Officer and Managing Director)
Fiona Morgan	(Independent Non-Executive Director)
Steve Scudamore	(Independent Non-Executive Director)
Lynda Burnett	(Independent Non-Executive Director)
Russell Barwick	(Independent Non-Executive Director)

Company Secretary

Elena Macrides (appointed 12 January 2021)

Jon Latto (resigned 12 January 2021)

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.

DIRECTORS' REPORT

The directors present their report of Regis Resources Limited ("Regis" or "the Company") for the half-year ended 31 December 2020.

Directors

The names of the Company's directors in office during the half-year and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

James Mactier Independent Non-Executive Chairman
 Jim Beyer Chief Executive Officer and Managing Director
 Fiona Morgan Independent Non-Executive Director
 Steve Scudamore Independent Non-Executive Director
 Lynda Burnett Independent Non-Executive Director
 Russell Barwick Independent Non-Executive Director

Review and Results of Operations

Results

Consolidated net profit after tax for the half-year was \$84,805,000 (2019: \$93,390,000).

Duketon Gold Project Operations

The Duketon Gold Project achieved half year production of 172,977 ounces of gold at a pre-royalty cash cost of \$1,047 per ounce¹ and an all-in sustaining cost of \$1,356 per ounce² (2019: 178,482 ounces of gold produced at a pre-royalty cash cost of \$889 per ounce and an all-in sustaining cost of \$1,226 per ounce).

Operating results for the Duketon Gold Project for the half-year ended 31 December 2020 were as follows:

	Unit	Duketon South Operations	Duketon North Operations	Total December 2020	Duketon South Operations	Duketon North Operations	Total December 2019
Ore mined	bcm	1,396,111	738,145	2,134,256	1,386,693	669,166	2,055,858
Waste mined	bcm	8,751,863	5,687,118	14,438,981	10,190,178	3,188,792	13,378,970
Stripping ratio	w:o	6.3	7.7	6.8	7.3	4.8	6.5
Capital development	m	2,397	-	2,397	1,919	-	1,919
Operating development	m	1,879	-	1,879	734	-	734
Ore mined	t	3,862,201	1,361,746	5,223,947	3,459,255	1,477,737	4,936,992
Ore milled	t	3,270,183	1,601,385	4,871,568	3,165,788	1,454,125	4,619,913
Head grade	g/t	1.34	0.92	1.20	1.35	1.11	1.28
Recovery	%	92.3%	91.5%	92.1%	94.9%	91.4%	94.0%
Gold production	oz	129,577	43,400	172,977	130,861	47,620	178,482
Cash cost pre royalty	A\$/oz	1,057	1,018	1,047	841	1,022	889
All-in Sustaining Cost	A\$/oz	1,379	1,194	1,356	1,226	1,227	1,226

Duketon South Operations (DSO) gold production was 1% lower than the previous corresponding period with an increase in throughput offset by marginally lower head grade and lower mill recovery at the Project. With Rosemont Underground being in commercial production for the full period, the underground project contributed 15,843 ounces with a total of 4,276 in development metres achieved.

¹ Cash cost per ounce is calculated as cash costs of production relating to gold sales (note 6(a)), excluding gold in circuit inventory movements and the cost of royalties, divided by gold ounces produced.

² All-in sustaining cost per ounce is calculated as cash cost per ounce as described above, plus royalties, amounts capitalised for production stripping costs, sustaining capital and corporate costs, divided by gold ounces produced.

Both of the above measures are included to assist investors to better understand the performance of the business, are non-IFRS measures, and where included in this report, have not been subject to review by the Group's external auditors.

Directors' Report (Continued)

The reduction in grade can be attributed to some grade variability experienced in early-stage mining at Rosemont Underground South and Central zones. During the period development into the higher-grade Main zone commenced which saw an increase in grades from the underground project in comparison to previous periods. A series of slips in Erlistoun pit delayed the scheduled access to high-grade ore with variations to the mine schedule also impacting grade and recoveries. These factors resulted in an increase in the All-in Sustaining Cost (AISC) to \$1,379 per ounce at the Duketon South Operations.

Duketon North Operations (DNO) gold production for the half year ended 31 December 2020 decreased by 9% from the previous corresponding period as a result of lower throughput and lower head grade at the Moolart Well mill. Mill throughput was impacted following the introduction of laterite ore while the lower head grade milled was caused by a delay in the commencement of an additional road train fleet. These delays resulted in the depletion of ROM stocks and the processing of some low-grade material.

The AISC of \$1,194 per ounce for the half year end 31 December 2020 was 3% lower than the prior period due to lower stripping ratios attributable to AISC.

Corporate

Gold Sales

During the half-year ended 31 December 2020, the Company sold 172,990 ounces of gold at an average price of \$2,317 per ounce (2019: 182,807 ounces at an average price of \$2,063 per ounce). The Company had a hedging position at the end of the period of 359,493 ounces of spot deferred contracts with an average price of A\$1,617 per ounce (2019: 428,510 ounces of spot deferred contracts with an average price of A\$1,617 per ounce).

Dividend Payment

Regis' net profit after tax for the year ended 30 June 2020 was \$199.5 million, and as a result the Board declared a fully franked final dividend of 8 cents per share (\$40.8 million) with shareholders invited to participate in a dividend reinvestment plan (DRP). The final dividend was paid in October 2020 with \$6.5 million reinvested under the DRP. The final dividend payment took total dividends paid in relation to the 2020 financial year to 16 cents per share (\$81.5 million).

Resource & Tenement Acquisition – Brightstar Resources Limited (Formerly Stone Resources Australia Limited) (BRL)

The Company's portfolio of Value Growth Projects was strengthened on 2 September 2020 when the Company acquired a resource and tenement package from Brightstar Resources Limited (ASX: BTR), formerly Stone Resources Australia Limited (ASX: SHK), for \$9.75 million in Regis shares and a cash consideration of \$0.25 million. A capped 1% Net Smelter Royalty (NSR) is payable to BRL after the first 100,000 ounces of production, this will revert to a 0.0025% NSR for four years after \$5 million has been paid under the royalty. In addition, a royalty of \$1 per tonne of ore processed greater than 1g/t gold is payable to Parkerville Enterprises Pty Ltd. The acquisition included the Ben Hur Gold Project, located approximately 30 kilometres south of Garden Well, with a current Mineral Resource compliant with JORC code 2012 of 5.8 million tonnes at 1.6g/t gold for 290,000 ounces. This acquisition will add further life to the Duketon Operations while expanding the Duketon Greenstone Belt (DGB) footprint for future exploration programmes.

Development

Garden Well Underground Project

In December 2020, the Company announced the approval for the development of a new underground mine under the current Garden Well open pit based on a positive Feasibility Study on the Garden Well South (GWS) Underground Gold Project. Development at the GWS Underground Project commenced in the March 2021 quarter with processing of first underground development ore scheduled for the December 2021 quarter and stope production to commence in the June 2022 quarter. The maiden GWS Underground Mineral Resource Estimate (MRE) is 2.4 million tonnes at 3.6g/t gold for 270,000 ounces with considerable opportunity for additional Resources down plunge of the existing GWS Resource.

McPhillamys Gold Project (MGP)

The McPhillamys Gold Project in New South Wales is one of Australia's largest undeveloped open pit gold projects with an Ore Reserve of 61 million tonnes @ 1.0g/t gold for 2.02 million ounces and is the highest priority growth project for the Company.

In the first week of September 2020, the assessment phase of the McPhillamys Development Application reached another milestone with the submission of the Amendment Report and Responses to Submissions to the Department of Planning, Industry and Environment (DPIE).

The Project is now in the penultimate phase of the assessment and approval process with DPIE (who assess State Significant Projects) expected to make a recommendation on the Project to the Independent Planning Commission (IPC) in the current quarter. The IPC are then tasked with, under recently revised guidelines, holding a public hearing and making a determination within a twelve-week timeframe. During the December 2020 quarter, DPIE forwarded additional requests for information from other regulatory departments to Regis, all of which were responded to.

Directors' Report (Continued)

Regis recognises and respects that the final decision by the government is still to be made and while the process is still underway a decision on the Development Application could be made in the first half of 2021. Should this occur and based on current plans, the Company foresees that construction could potentially commence in the second half of 2021. As noted, this is highly dependent on the timing of a successful application approval.

A Project execution team has been assembled and is continuing to progress work into more detailed areas including mining, processing, water and power supply. With IPC approval Regis would expect to finalise any outstanding scope changes and costings and as soon as practical thereafter provide the Feasibility Study summary to the Market.

In the meantime, work continues to develop a detailed understanding of local business capacity and where these businesses have the potential to be incorporated into construction activity. This assessment, along with other contract and design related works, is underway to ensure that for a favourable decision from the IPC in the first half of 2021, the Project will be as ready for Final Investment Decision and as "Shovel Ready" as practical.

Exploration

Extensive exploration and resource development continued during the half-year to 31 December 2020, with intensive regional exploration drilling activities focused on targets across the DGB in addition to deep exploration drilling for depth extensions to existing gold resources at the Duketon Gold Project in Western Australia.

During the half year ended 31 December 2020, Regis drilled a total of 103,099 metres across the DGB as shown below:

By Drilling Type		
Type	No. Holes	Metres
Aircore	321	24,426
RC	265	52,838
Diamond	52	25,835
Total	638	103,099

Significant exploration projects advanced during the half-year ended 31 December 2020 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 on 23 October 2020 and 27 January 2021 along with the associated JORC Code 2012 disclosures.

Ben Hur Project

Following the acquisition of the Ben Hur Gold Project and associated tenement package in September 2020, a significant drilling campaign commenced to infill the existing resource to provide sufficient data for a maiden reserve and extend the drilling at depth and along strike to increase the resource base. 22,857 metres of reverse circulation (RC) drilling was completed to reduce drill spacing across the resource area to 25m x 25m and extend the resource down dip with drill testing at depth on a 50m x 50m spacing. 484 metres of diamond drilling was completed for geotechnical purposes. Metallurgical and other feasibility studies are underway in order to update the Mineral Resource Estimate and potentially provide sufficient data to develop a maiden Ore Reserve.

Garden Well North Underground Project

One kilometre to the north of the approved Garden Well South Underground Project (approved in December 2020) there is another target area that is the down plunge extension of the Garden Well North mineralisation. Deep drilling re-commenced beneath the northern end of the pit to test the continuity of significant gold mineralisation including 9 metres at 8.7g/t gold and 9 metres at 5.3 g/t gold identified in earlier programmes. A total of 9 diamond drill holes were completed for 4,815 metres. Assay results confirmed two separate high-grade south plunging shoots showing potential for underground mine development are hosted within sheared ultramafics beneath the northern end of the pit.

Rosemont Underground Project

The deep diamond drilling programme continued to explore the high-grade shoots which extend at depth beneath existing underground infrastructure. 390 metres of RC drilling and 12,707 metres of diamond drilling was completed to test down plunge extensions of high-grade gold mineralisation outside the current underground resource domains. Drill results below the northern end of Main Pit show narrow intercepts and indicate the potential for new high-grade shoots in this area. The drill results at Rosemont South show two new ore shoots with multiple intercepts over suitable widths for underground mine development. Drilling continues in an effort to delineate the size of the new high-grade shoots at Rosemont South.

Directors' Report (Continued)

Gloster Project

The Gloster gold deposit is hosted in a package of intermediate volcanics and intrusives. The gold mineralised system is structurally complex, consisting of steeply dipping shears and multiple flat lying mineralised vein sets beneath the existing pit. Mineralised zones are characterised by several metres of quartz-carbonate-sulphide veins with visible gold.

62 RC drill holes were completed for 13,734 metres with an additional 6 diamond drill holes for 3,141 metres. Drilling in the current and previous periods have provided sufficient data to generate a preliminary lithological and mineralisation model. Mineralisation persists to 500 metres beneath the pit and consist of a series of narrow, high-grade, strike limited quartz veins. An internal review has commenced to determine if this mineralisation will prove economic for an underground mine development. High-grade gold intercepts close to the base of the pit could contribute to extending reserves and ultimately driving the base of the pit deeper.

Baneygo Project

The Baneygo Project is located 15 kilometres south and along strike of the Rosemont Gold Mine and the current Mineral Resource is 12 million tonnes @ 1.0g/t Au for 380,000 ounces, including Ore Reserves of 3 million tonnes @ 1.2g/t Au for 140,000 ounces. 8 RC holes for 3,313 metres and 6 diamond drill holes for 2,474 metres targeted the down plunge and strike extensions to gold mineralisation beneath the oxide resources. RC and diamond drilling to date has provided sufficient data to generate a preliminary lithological and mineralisation model with potential for developing the mineralisation that extends 100 metres below the northern end of the pit and this will be pursued from in pit prior to open cut mine completion.

Duketon Regional Exploration

Greenfields exploration campaigns continued to focus on identifying new mineralised trends and drill testing high priority geological target areas. Much of the western trend is concealed by transported sediment cover, is significantly underexplored, and is in a geologically similar setting to other large gold systems in the Eastern Goldfields.

During the period drill testing the western trend included 13,129 AC drill metres at Matt's Bore, 5,634 AC drill metres and 6,276 RC drill metres drilled at Betelgeuse. A single diamond hole was completed to 523 metres to confirm the lithology, determine the dip of the stratigraphy and orientation of potentially gold bearing structures at Betelgeuse. The diamond hole returned low level gold assays associated with narrow quartz veins and confirmed the presence of a gold mineralised system.

Systematic drilling continues along the 30-kilometre strike length of prospective geology in search for a large oxide gold deposit.

Discovery Ridge Project

Discovery Ridge continues to shape up as a very significant additional value proposition for the McPhillamys Gold Project. Pre-feasibility studies are ongoing with a maiden Ore Reserve targeted for the coming year.

COVID-19

Regis' Crisis Management Team has continued to manage our ongoing response to COVID-19 which has been coordinated in cooperation with our contractors.

The Company is maintaining a range of measures across its business consistent with advice from State and Federal health authorities. These measures help ensure the health and welfare of our employees and their respective communities.

To date there have been no confirmed cases of COVID-19 across the business.

Regis continues to assist communities in Western Australia to deal with the ongoing impacts of COVID-19 and has maintained its participation in the FIFO DETECT research programme.

Events After Balance Date

On 12 January 2021, Ms Elena Macrides replaced Mr Jon Latto as Company Secretary with Mr Latto continuing in his role as Chief Financial Officer.

On 24 February 2021, the directors declared an interim, fully franked dividend of 4 cents per share on ordinary shares (refer Note 8). The dividend record date is 11 March 2021 and will be paid on 25 March 2021.

Except as disclosed above, there have been no events subsequent to balance date that would significantly affect the amounts reported in the consolidated financial statements as at and for the half-year ended 31 December 2020.

Auditor's Independence Declaration

The auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is set out on the following page and forms part of the Directors' Report for the half-year ended 31 December 2020.

Rounding

The amounts contained in this report and in the financial report have been rounded to the nearest \$1,000 (unless otherwise stated) under the option available to the company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The Company is an entity to which the legislative instrument applies.

Signed in accordance with a resolution of the directors.



Mr James Mactier
Non-Executive Chairman
Perth, 24 February 2021



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 review of Regis Resources Limited for the half-year ended 31 December 2020 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature of the KPMG firm, written in blue ink.

KPMG

A handwritten signature of Derek Meates, written in blue ink.

Derek Meates
Partner

Perth

24 February 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the half-year ended 31 December 2020

	Note	Consolidated	
		31 December 2020	31 December 2019
		\$'000	\$'000
Revenue	4	401,045	371,366
Cost of goods sold	6	(266,569)	(227,483)
Gross profit		134,476	143,883
Other income		14	437
Investor and corporate costs		(1,785)	(1,193)
Personnel costs		(4,597)	(5,254)
Share-based payment expense	13	(3,652)	395
Occupancy costs		(263)	(335)
Other corporate administrative expenses		(245)	(537)
Exploration and evaluation written off		-	(1,065)
Other		(8)	(1,912)
Finance costs	6	(747)	(1,119)
Profit before income tax		123,193	133,300
Income tax expense	7	(38,388)	(39,910)
Net profit		84,805	93,390
Other comprehensive income			
<i>Items that may be reclassified to profit or loss:</i>			
Unrealised gains on cash flow hedges		-	-
Realised gains transferred to net profit		-	-
Tax effect		-	-
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period		84,805	93,390
Profit attributable to members of the parent		84,805	93,390
Total comprehensive income attributable to members of the parent		84,805	93,390
Basic profit per share attributable to ordinary equity holders of the parent (cents per share)		16.64	18.38
Diluted profit per share attributable to ordinary equity holders of the parent (cents per share)		16.59	18.34

CONSOLIDATED BALANCE SHEET

As at 31 December 2020

	Note	Consolidated	
		31 December 2020	30 June 2020
		\$'000	\$'000
Current assets			
Cash and cash equivalents		202,573	192,428
Receivables		9,762	7,799
Inventories	10	80,438	74,430
Financial assets	9	239	270
Other current assets		4,030	2,778
Total current assets		297,042	277,705
Non-current assets			
Inventories	10	71,686	63,503
Property, plant and equipment		245,617	261,676
Exploration and evaluation expenditure	12	261,164	230,260
Mine properties under development		2,296	2,188
Mine properties		295,079	275,939
Intangible assets		2,710	2,572
Right-of-use assets	11	34,292	38,034
Total non-current assets		912,844	874,172
Total assets		1,209,886	1,151,877
Current liabilities			
Trade and other payables	9	74,460	74,181
Income tax payable		14,299	7,471
Provisions		3,987	3,994
Lease liabilities	9	17,942	15,856
Total current liabilities		110,688	101,502
Non-current liabilities			
Deferred tax liabilities		108,698	117,408
Provisions		75,698	75,845
Lease liabilities	9	15,847	22,041
Total non-current liabilities		200,243	215,294
Total liabilities		310,931	316,796
Net assets		898,955	835,081
Equity			
Issued capital		451,376	435,145
Reserves		34,875	31,223
Retained profits		412,704	368,713
Total equity		898,955	835,081

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2020

	Consolidated				
	Issued capital	Share-based payment reserve	Financial assets reserve	Retained profits/ (accumulated losses)	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2020	435,145	29,506	1,717	368,713	835,081
Profit for the period	-	-	-	84,805	84,805
Other comprehensive income	-	-	-	-	-
Total other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	84,805	84,805
Transactions with owners in their capacity as owners:					
Share-based payments expense	-	3,652	-	-	3,652
Dividends paid	-	-	-	(40,814)	(40,814)
Dividends reinvested	6,540	-	-	-	6,540
Issued capital	9,750	-	-	-	9,750
Shares issued, net of transaction costs	(59)	-	-	-	(59)
At 31 December 2020	451,376	33,158	1,717	412,704	898,955
At 1 July 2019	434,880	29,362	1,717	250,505	716,464
Profit for the period	-	-	-	93,390	93,390
Other comprehensive income	-	-	-	-	-
Total other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	93,390	93,390
Transactions with owners in their capacity as owners:					
Share-based payments expense	-	(395)	-	-	(395)
Dividends paid	-	-	-	(40,654)	(40,654)
Shares issued, net of transaction costs	265	-	-	-	265
At 31 December 2019	435,145	28,967	1,717	303,241	769,070

CONSOLIDATED STATEMENT OF CASH FLOW

For the half-year ended 31 December 2020

	Note	Consolidated	
		31 December 2020	31 December 2019
		\$'000	\$'000
Cash flows from operating activities			
Receipts from gold sales		400,880	370,796
Payments to suppliers and employees		(212,426)	(191,007)
Interest received		194	665
Interest paid		(606)	(673)
Income tax paid		(40,269)	(33,034)
Other income		-	437
Net cash from operating activities		147,773	147,184
Cash flows from investing activities			
Acquisition of plant and equipment		(11,119)	(35,920)
Payments for exploration and evaluation (net of rent refunds)		(22,350)	(19,871)
Payments for acquisition of exploration assets		(270)	(20,000)
Proceeds from held to maturity investments		31	(1)
Payments for mine properties under development		(108)	(23,174)
Payments for mine properties		(60,423)	(31,932)
Proceeds on disposal of plant and equipment		-	1
Net cash used in investing activities		(94,239)	(130,897)
Cash flows from financing activities			
Proceeds from issue of shares		-	279
Payment of transaction costs		(59)	(14)
Payment of lease liabilities		(9,055)	(5,621)
Dividends paid	8	(34,275)	(40,654)
Net cash used in financing activities		(43,389)	(46,010)
Net increase/(decrease) in cash and cash equivalents		10,145	(29,723)
Cash and cash equivalents at 1 July		192,428	188,697
Cash and cash equivalents at 31 December		202,573	158,974

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2020

1. Corporate Information

The interim condensed consolidated financial statements of Regis Resources Limited and its subsidiaries (collectively referred to as the “Group”) for the six months ended 31 December 2020 were authorised for issue in accordance with a resolution of the directors on 24 February 2021.

Regis Resources Limited (the “Company”) is a for profit company, limited by shares, incorporated and domiciled in Australia whose shares are publicly traded. The Group’s principal activities are the exploration for and production of gold.

2. Basis of Preparation and Accounting Policies

Basis of preparation

The interim condensed consolidated financial statements for the half-year ended 31 December 2020 have been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 30 June 2020 which are available upon request from the Company’s registered office or at www.regisresources.com.

Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 30 June 2020.

3. Operating Segment Information

The following table presents revenue and profit information for reportable segments for the half-years ended 31 December 2020 and 2019 respectively.

	Duketon North Operations		Duketon South Operations		Unallocated		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Segment revenue</i>								
Sales to external customers	99,997	98,570	300,883	272,226	-	-	400,880	370,796
Other revenue	-	-	-	-	165	570	165	570
Total segment revenue	99,997	98,570	300,883	272,226	165	570	401,045	371,366
Total revenue per the statement of comprehensive income							401,045	371,366
<i>Segment result</i>								
Segment net operating profit/(loss) before tax	31,538	37,019	102,860	106,073	(11,205)	(9,792)	123,193	133,300
Income tax expense							(38,388)	(39,910)
Net profit after tax							84,805	93,390

Segment assets

Total segment assets have increased since the last annual report. The Group’s two reporting segments comprise the Duketon Gold Project, which includes Duketon North (DNO) and Duketon South (DSO). These segments are unchanged from those reported at 30 June 2020. DNO comprises Moolart Well, Gloster, Anchor, Dogbolter-Coopers and Petra. DSO comprises Garden Well, Rosemont, Rosemont Underground, Erlistoun, Tooheys Well and Baneygo. Expansionary activity at DNO to bring Petra into production and DSO to bring Baneygo and Rosemont Underground into production, has contributed to the increase for these segments. Unallocated items comprise exploration and evaluation assets relating to areas of interest where an economically recoverable reserve is yet to be delineated. Segment assets as at 31 December and 30 June are as follows:

Notes to the Financial Statements (Continued)

	Duketon North Operations		Duketon South Operations		Unallocated		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 31 December								
Segment operating assets	111,818	105,830	560,278	502,375	537,790	441,674	1,209,886	1,049,879
As at 30 June								
Segment operating assets	110,192	98,843	551,479	422,140	490,206	433,013	1,151,877	953,997

4. Revenue

	Consolidated	
	Half-year ended 31 December 2020	Half-year ended 31 December 2019
	\$'000	\$'000
<i>Revenue</i>		
Gold sales	400,880	370,796
Interest	165	570
	<u>401,045</u>	<u>371,366</u>

5. Physical Gold Delivery Commitments

Open contracts at balance date, along with the current amortisation profile agreed with the Company's hedge provider, Macquarie Bank Limited, are summarised in the table below and overleaf:

	Gold for physical delivery		Contracted gold sale price		Value of committed sales		Mark-to-market ⁽ⁱ⁾	
	31 December 2020	30 June 2020	31 December 2020	30 June 2020	31 December 2020	30 June 2020	31 December 2020	30 June 2020
	ounces	ounces	\$/oz	\$/oz	\$'000	\$'000	\$'000	\$'000
- Spot deferred contracts ⁽ⁱⁱⁱ⁾	359,493	399,494	1,617	1,614	581,122	644,716	(301,901)	(388,179)
- Spot	-	-	-	-	-	-	-	-
	<u>359,493</u>	<u>399,494</u>			<u>581,122</u>	<u>644,716</u>	<u>(301,901)</u>	<u>(388,179)</u>

Mark-to-market has been calculated with reference to the following spot price at period end

\$2,456/oz \$2,586/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 half-year was from \$1,405/oz to \$1,833/oz (30 June 2020: \$1,415/oz to \$1,854/oz).

The Company's current volume limits are as follows:

Period	Volume
December 2019 – December 2020	600,000 ounces
January 2021 – December 2021	400,000 ounces
January 2022 – December 2022	200,000 ounces
January 2023 – June 2023	100,000 ounces
July 2023	Nil

As at 31 December 2020, the Group has no further gold sale commitments.

Notes to the Financial Statements (Continued)

6. Expenses

	Consolidated	
	Half-year ended 31 December 2020 \$'000	Half-year ended 31 December 2019 \$'000
<i>(a) Cost of goods sold</i>		
Cash costs of production	171,465	163,063
Royalties	19,530	17,475
Depreciation of mine plant and equipment	31,099	19,213
Amortisation of mine properties	44,475	27,732
	266,569	227,483
<i>(b) Finance costs</i>		
Interest expense	606	675
Unwinding of discount on provisions	141	444
	747	1,119

7. Income Tax

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	123,193	133,300
At the Group's statutory income tax rate of 30% (2019: 30%)	36,958	39,990
Share-based payments	1,096	(118)
Other non-deductible expenditure	2	3
Adjustment in respect of income tax of previous years	332	35
Income tax expense reported in the statement of comprehensive income	38,388	39,910

8. Dividends

	Consolidated	
	Half-year ended 31 December 2020 \$'000	Half-year ended 31 December 2019 \$'000
<i>Declared and paid during the half-year:</i>		
Dividends on ordinary shares		
Final dividend for 2020: 8 cents (2019: 8 cents) (fully-franked at 30%)	40,814	40,654
<i>Proposed by the directors after balance date but not recognised as a liability at 31 December:</i>		
Dividends on ordinary shares		
Interim dividend for 2021: 4 cents (2020: 8 cents) (fully-franked at 30%)	20,481	40,654
<i>Dividend franking account</i>		
Franking credits available for future years at 30% adjusted for the payment of income tax and dividends payable	94,537	52,409
Impact on the franking account of dividends proposed before the financial report was issued but not recognised as a distribution to equity holders during the period	(8,778)	(17,423)

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

Notes to the Financial Statements (Continued)

9. Financial Assets and Financial Liabilities

Set out below is an overview of financial assets (other than cash and short-term deposits) and financial liabilities, held by the Group at 31 December 2020 and 30 June 2020.

	Consolidated	
	As at 31 December 2020 \$'000	As at 30 June 2020 \$'000
<i>Financial assets at amortised cost</i>		
Receivables	239	270
Total financial assets	239	270
<i>Financial liabilities at amortised cost</i>		
Trade and other payables	74,460	74,181
Obligations under leases		
Current	17,942	15,856
Non-current	15,847	22,041
Total financial liabilities	108,249	112,078

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.

10. Inventories

	Consolidated	
	As at 31 December 2020 \$'000	As at 30 June 2020 \$'000
<i>Current</i>		
Ore stockpiles	52,030	48,545
Gold in circuit	15,210	13,759
Bullion on hand	9,880	8,601
Consumable stores	3,318	3,525
	80,438	74,430
<i>Non-current</i>		
Ore stockpiles	71,686	63,503

At 31 December 2020, all inventories were carried at cost except for a portion of ore stockpiles written back to net realisable value resulting in an expense totalling \$1,740,200 being recognised in cost of goods sold.

At the prior year end, all inventories were carried at cost except for a portion of Rosemont ore stockpiles written back to net realisable value resulting in an expense totalling \$115,000 being recognised in cost of goods sold.

Notes to the Financial Statements (Continued)

11. AASB 16 Leases

	Consolidated	
	As at 31 December 2020	As at 30 June 2020
	\$'000	\$'000
Lease liability recognised		
Comprising:		
Current	17,942	15,856
Non-current	15,847	22,041
	33,789	37,897

Right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet as at 30 June 2020.

	Consolidated	
	As at 31 December 2020	As at 30 June 2020
	\$'000	\$'000
Plant & equipment	22,380	24,249
Furniture & equipment	70	57
Buildings & infrastructure	11,842	13,728
Total right-of-use assets	34,292	38,034

12. Exploration and Evaluation Assets

	Consolidated	
	As at 31 December 2020	As at 30 June 2020
	\$'000	\$'000
<i>Reconciliation of movements during the year</i>		
Balance at 1 July	230,260	185,748
Expenditure for the period	20,885	37,326
Acquisition of tenements ⁽ⁱ⁾	10,019	21,402
Impairment	-	(1,686)
Transferred to mine properties under development	-	(12,530)
Balance at 30 June	261,164	230,260

⁽ⁱ⁾ On 2 September 2020 the Company acquired a resource and tenement package from Brightstar Resources Limited (ASX: BTR), formerly Stone Resources Australia Limited (ASX: SHK), for \$9.75 million in Regis shares and a cash consideration of \$0.25 million.

Notes to the Financial Statements (Continued)

13. Share-Based Payments

In November 2020, a total of 277,364 Performance Rights were granted to the Chief Executive Officer and Managing Director, Mr Jim Beyer (154,353), and to executives Mr Stuart Gula (67,350) and Mr Jon Latto (55,661), in the form of long-term incentives (LTI's) under the Group's Executive Incentive Plan (EIP). The performance conditions that the Board has determined will apply to the Performance Rights are summarised below:

Tranche	Weighting	Performance Conditions
Tranche A	50% of the Performance Rights	The Company's relative total shareholder return (RTSR) measured against the RTSRs of 12 comparator mining companies
Tranche B	25% of the Performance Rights	The Company's life of mine reserves growth in excess of depletion
Tranche C	25% of the Performance Rights	McPhillamys Project targets as determined by the Board

The fair value at grant date of Tranche A, which has market based performance conditions, 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 B and C, which have non-market based performance conditions.

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

Grant date	25 November 2020
Value of the underlying security at grant date	\$3.75
Exercise price	Nil
Dividend yield	3.50%
Risk free rate	0.11%
Volatility	45%
Performance period (years)	3.00
Commencement of measurement period	1 July 2020
Test date	30 June 2023
Remaining performance period (years)	2.59

In November 2020, 37,816 Performance Rights were granted to the Chief Executive Officer and Managing Director, Mr Jim Beyer, in the form of short-term incentives (STI's) under the Group's Executive Incentive Plan (EIP). The performance conditions that the Board has determined will apply to the Performance Rights are summarised below:

Tranche	Weighting	Performance Conditions
Tranche D	100% of the Performance Rights	Mr. Jim Beyer being an employee of the company as at 1 July 2021

The fair value at grant date of Tranche D, which has non-market based performance conditions, was estimated using a Black Scholes option pricing model.

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

Grant date	25 November 2020
Value of the underlying security at grant date	\$3.75
Exercise price	Nil
Dividend yield	3.50%
Risk free rate	0.09%
Volatility	45%
Performance period (years)	0.60
Commencement of measurement period	25 November 2020
Test date	1 July 2021
Remaining performance period (years)	0.60

Notes to the Financial Statements (Continued)

In November 2020, 592,447 Performance Rights were granted to employees in the form of short-term incentives (STI's) under the Group's Executive Incentive Plan (EIP). The performance conditions that the Board has determined will apply to the Performance Rights are summarised below:

Grant date	14 September 2020
Value of the underlying security at grant date	\$5.34
Exercise price	Nil
Dividend yield	3.50%
Risk free rate	0.22%
Volatility	45%
Performance period (years)	0.24
Commencement of measurement period	14 September 2020
Test date	11 December 2020
Remaining performance period (years)	0.24

The fair value of the Performance Rights granted during the half year was \$4,008,000 and the weighted average fair value was \$4.42.

For the six months ended 31 December 2020, the Group has recognised \$3,652,000 of share-based payments in the statement of comprehensive income (31 December 2019: (\$395,000)).

14. Subsequent Events

On 12 January 2021, Ms Elena Macrides replaced Mr Jon Latto as Company Secretary with Mr Latto continuing in his role as Chief Financial Officer.

On 24 February 2021, the directors declared an interim, fully franked dividend of 4 cents per share on ordinary shares (refer Note 8). The dividend record date is 11 March 2021 and will be paid on 25 March 2021.

Except as disclosed above, there have been no events subsequent to balance date that would significantly affect the amounts reported in the consolidated financial statements as at and for the half-year ended 31 December 2020.

DIRECTORS' DECLARATION

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

In the opinion of the directors:

- (a) The financial statements and notes of Regis Resources Limited for the half-year ended 31 December 2020 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- (b) There are reasonable grounds to believe that the Company and Group will be able to pay its debts as and when they become due and payable.

On behalf of the board



Mr James Mactier
Non-Executive Chairman
Perth, 24 February 2021



Independent Auditor's Review Report

To the shareholders of Regis Resources Limited

Report on the Interim Financial Report

Conclusion

We have reviewed the accompanying **Interim Financial Report** of Regis Resources Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Regis Resources Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises the:

- Consolidated balance sheet as at 31 December 2020
- Consolidated statement of comprehensive income, Consolidated statement of changes in equity and Consolidated statement of cash flows for the half-year ended on that date
- Notes comprising a summary of significant accounting policies and other explanatory information
- Directors' Declaration.

The **Group** comprises Regis Resources Limited (the Company) and the entities it controlled at the half year's end or from time to time during the half-year.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.



Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*.
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

Derek Meates
Partner

Perth

24 February 2021