# **Quarterly Report to 31 March 2024**



# UNHEDGED, BUILDING CASH WHILE DELIVERING GROWTH

# **OPERATIONS**

- Lost Time Injury Frequency Rate (LTIFR 12MMA) at a record low of 0.34 per million man hours
- FY24 guidance maintained despite the impact of substantial and protracted regional wet weather
- Gold production was 90.6koz at an AISC of \$2,735/oz which includes \$234/oz non-cash inventory adjustment and negatively impacted by abnormal wet weather in March
  - Duketon: 67.5koz gold produced at an AISC of \$2,638/oz (incl. \$318/oz non-cash inventory adjustment)
  - Tropicana: 23.2koz gold produced at an AISC of \$2,887/oz

# FINANCIAL AND CORPORATE

- Regis delivered its first quarter of unhedged gold production since hedge book closure, selling 99koz of gold for \$309M (average realised price of \$3,126/oz)
- Operating cash generated of \$108M: Duketon: \$76M, Tropicana: \$32M
- Cash and bullion as at 31 March 2024 of \$186M, up \$31M despite weather impacts
- Capital expenditure was \$55M, plus \$8M for exploration and \$5M for McPhillamys development
- \$20M tax refund received post quarter end
- FY24 production and AISC guidance maintained:
  - Gold production: 415koz-455koz
  - All in sustaining costs: \$1,995/oz-\$2,315/oz (incl. ~\$200/oz non-cash inventory adjustment)

# GROWTH

- Evaluation of the Garden Well Main and Rosemont Stage 3 underground projects nearing completion
- Tropicana continues to grow, replacing depletion and expanding Reserves. Preliminary activity and development of the Havana portal will commence in the Q4 FY24.
- Declared commercial production at two new open pits at Duketon South, Ben Hur and Russell's Find
- Updated the scope and cost estimates of the McPhillamys Gold Project (MGP), one of Australia's largest undeveloped open pit gold projects

Regis Resources' Managing Director, Jim Beyer, said: "I am very pleased that we have continued to meaningfully improve our ability to produce gold safely and responsibly delivering our lowest Lost Time Injury Frequency rate on record. An exceptional outcome however we cannot become complacent and we will continue to work together to drive further safety improvements.

Whilst the March quarter was forecast to be softer due to planned maintenance activities and scheduling of ore, the protracted rain events in the Goldfields region further softened our quarterly production and pushed up costs. Despite these events, our team remains focused on safely delivering profitable ounces. In-line with the current schedule our mining areas are primed with good access to ore, our planned maintenance activities are now complete and we are confident in our ability to deliver on our FY24 production and AISC guidance which will see us continue to grow our cash balance especially in light of our now hedge free gold sales."

From a growth perspective, we continued to enhance the value of the company. At Tropicana, we added more life through increased Reserves and replaced the site's annual depletion with new underground Reserves. We also progressed the potential new Havana underground mine. At Duketon we advanced the evaluation of Garden Well Main and Rosemont Stage 3 underground projects with these to be finalised in the coming weeks.

Shortly after the end of the quarter we took another step in our organic growth strategy, delivering an update of McPhillamys, outlining a greater degree of confidence in the project's the scope and costs.

Individually each project is value accretive. Together they provide Regis with a significant potential growth story to further enhance shareholder value. We are both pleased and excited about our growing range organic projects, all of which have the potential to contribute ounces towards our target of +500koz of annual gold production in the future."

		Duketon	Duketon	Tropicana	Total FY24
Details	Units	North	South	(30%)	MarQ
Open pit ore mined	Mt	0.15	0.69	0.11	0.96
Open pit waste mined	Mt	3.03	2.68	3.20	8.91
Stripping ratio	Waste:Ore	19.6	3.9	29.3	9.3
Open pit mined grade	g/t Au	1.25	1.04	0.89	1.06
Underground development	т	-	2,935	656	3,591
Underground ore mined	Mt	-	0.35	0.12	0.46
Underground mined grade	g/t Au	-	2.48	3.48	2.74
Total gold ounces mined	Oz	6,206	50,948	16,346	73,500
Ore processed	Mt	0.34	1.58	0.59	2.51
Head grade	g/t Au	0.87	1.28	1.36	1.24
Recovery	%	88.6%	90.6%	90.3%	90.3%
Gold production	Oz	8,466	59,017	23,167	90,649
Gold sold	Oz	9,372	62,544	26,840	98,756
Average price (pre-hedging)	A\$/oz				3,126
Average price (including hedging)	A\$/oz				3,126
Revenue (pre-hedging)	A\$M	29.4	195.9	83.4	308.7
Revenue (including hedging)	A\$M				308.7
Mining (net of capitalised costs)	A\$M	15.1	61.7	15.8	92.6
Processing	A\$M	10.4	40.4	14.2	65.0
Administration	A\$M	1.1	5.7	5.8	12.6
Ore inventory adjustments	A\$M	4.2	17.3	(0.3)	21.2
Total cash costs	A\$M	30.8	125.1	35.5	191.3
Royalties	A\$M	1.4	9.0	2.0	12.5
Sustaining capital	A\$M	2.1	9.6	29.4	41.1
Corporate	A\$M	-	-	-	3.0
All in sustaining costs (AISC)	A\$M	34.3	143.7	66.9	247.9
All in sustaining costs (AISC)	A\$/oz	4,054	2,435	2,887	2,735
Exploration	A\$M	-	-	-	7.8
McPhillamys	A\$M	-	-	-	4.7
Growth capital	A\$M	-	14.1	-	14.1
Depreciation & amortisation	A\$/oz	-	-	-	422

Table 1: Physicals and costs by site for the March quarter FY24 (unaudited)

Notes: AISC calculated on a per ounce of gold produced basis. AISC excludes any potential non-cash ore inventory net realisable value adjustments. Calculated on an accruals basis and may not match actual cash flows. Totals may not add due to rounding.

# HEALTH, SAFETY AND ENVIRONMENT

At the end of the March quarter, Regis' 12-month moving average lost time injury frequency rate (**LTIFR**) was the lowest on record at 0.34. This LTIFR continues to be well below the WA gold industry average as published by the WA Department of Mines, Industry Regulation and Safety. At Regis, the safe production of profitable ounces is an imperative.

There were no environmental non-compliances or significant incidents reported during the quarter.

As announced on 26 October 2023, the 9MW solar farm at Duketon South was commissioned and has the capacity to supply up to ~18% of daily requirements. Currently the solar farm provides up to 15% of Duketon South power requirements.

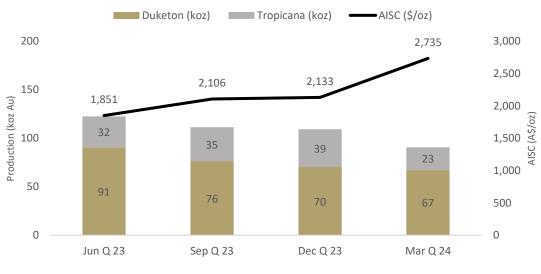
# **OPERATIONS**

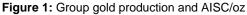
#### Weather Events

As announced on 18 March 2024, the Goldfields region was impacted by substantial and protracted regional rain events during the quarter. Across Laverton, this rainfall resulted in the closure of Laverton Shire access roads that supply Duketon. Despite these disruptions, the impact on Duketon's March quarterly production was limited, however costs across Duketon were elevated in-line with the significant increase in water management and dewatering activities undertaken in response to the weather combined with the increased proportion of low-grade stockpile material that was processed.

At Tropicana, substantially more rain was received in March, including 312mm of rain over a three-day period. This resulted in immediate power-disruption issues along with a temporary suspension of mining and processing activities. Road access between Kalgoorlie and Tropicana was also disrupted resulting in interruptions to diesel and other consumables. Processing was suspended from 22 March to 1 April and the plant was back at full throughput by 5 April. Road access was reinstated by the end of March, and open pit mining recommenced in the first days of April.

These overall impacts (lower production and higher costs) are illustrated in Figure 1. The company notes that FY24 production and cost guidance has been maintained.





Note: March 2024 quarter includes a net of \$234/oz of non-cash inventory adjustment across all operations

# **Duketon South Operation (DSO)**

DSO produced 59.0koz at an AISC of \$2,435/oz which includes \$293/oz of non-cash inventory adjustment (December 2023 quarter of 60.8koz at \$2,250/oz).

During the March quarter, open pit mining activities continued at Garden Well, and both Ben Hur and Russell's Find ramped up into commercial production, delivering 23.2koz at 1.04g/t (December quarter 26.1koz at 1.22g/t). Compared to the December quarter, mined gold ounces were lower in-part due to the weather-related

impacts to haul roads and access ramps into the open pits. Open pit mining for FY24 is forecast to continue across Garden Well, Ben Hur and Russell's Find.

DSO underground mines generated 27.7koz at 2.48g/t (December quarter 26.9koz at 2.48g/t) as ore production from Garden Well South (GWS) performed in-line with expectations. Total underground development was 2,935m (December 2,561m) as equipment availability and water management issues that impacted the prior quarter were resolved. The DSO mills processed 1,583kt at 1.28g/t with a metallurgical recovery of 90.6% (December 2023 quarter 1,631kt at 1.28g/t and 90.6% recovery).

DSO AISC of \$2,435/oz was up \$185/oz on the prior quarter, due to the rain events, increased water management and dewatering activities, and lower open-pit production. Similar to prior quarters, AISC was also affected by a higher proportion of stockpile feed, resulting in \$293/oz of non-cash stockpile draw down.

Growth capital for the March quarter was \$14 million, significantly lower compared to the prior quarter, (December quarter \$33 million) and primarily related to the completion of pre-strip mining at Russells Find and Ben Hur prior to commercial production.

# **Duketon North Operation (DNO)**

DNO produced 8.5koz at an AISC of \$4,054/oz which includes \$492/oz of non-cash inventory adjustment (December quarter 9.7koz at \$2,441/oz).

During the quarter, Duketon North mined 6.2koz at 1.25g/t (December 2023 quarter 12.0koz at 0.87g/t) as ore was sourced from Eindhoven, Gloster open pits and an increasing proportion of low-grade stockpiled material.

Under current plans Duketon North will transition into Care and Maintenance shortly after 30 June 2024.

The Moolart Well mill processed 340kt at 0.87g/t with a metallurgical recovery of 88.6% (December 2023 quarter 361kt at 0.92g/t and 90.7% recovery). Mill feed for the March quarter included an increasing proportion low grade stockpile material combined with an increased proportion of ore from the Gloster pit, which is significantly harder than ore from Eindhoven. The inclusion of increasing proportions of low-grade stockpiled material with harder ore resulted in a lower head grade and lower recoveries.

At the end of the March quarter, DNO AISC was \$4,054/oz, up 66% on Q2 FY24. The increase in costs during the March quarter were primarily driven by the significant increase in weather related water management and dewatering activities, additional grade control drilling at the Eindhoven open pit, higher waste movement, lower ore tonnes mined and lower production. Furthermore, AISC was affected by a high proportion of stockpile feed which resulted in \$492/oz in non-cash stockpile draw down. DNO AISC in Q4 FY24 will normalise and return to levels seen in H1 FY24 as water management and dewatering requirements reduce to historical levels and as production rates improve.

There was no growth capital during the March quarter with no further growth capital planned in Q4 FY24.

		FY23	FY23	FY24	FY24			FY24	
Details	Units	Mar Q	Jun Q	Sep Q	Dec Q			Mar Q	
		Total	Total	Total	Total		DNO	DSO	Total
Open pit ore mined	Mt	1.58	1.86	1.05	1.09		0.15	0.69	0.85
Open pit waste mined	Mt	6.76	7.79	6.78	7.00		3.03	2.68	5.71
Stripping ratio	Waste:Ore	4.3	4.2	6.5	6.4		19.6	3.9	6.7
Open pit mined grade	g/t Au	1.17	1.14	1.01	1.09		1.25	1.04	1.08
Underground development	т	3,189	2,964	3,144	2,561		-	2,935	2,935
Underground ore mined	Mt	0.28	0.34	0.33	0.34		-	0.35	0.35
Underground grade mined	g/t Au	2.29	2.63	2.67	2.48		-	2.48	2.48
Total gold ounces mined	Oz	79,881	96,777	61,996	64,947		6,206	50,948	57,154
Ore milled	Mt	2.10	2.20	2.15	1.99		0.34	1.58	1.92
Head grade	g/t Au	1.25	1.40	1.22	1.21		0.87	1.28	1.21
Recovery	%	90.7%	91.0%	91.1%	90.7%	1	88.6%	90.6%	90.3%
Gold production	Oz	76,543	90,566	76,432	70,413		8,466	59,017	67,483

Table 2: Duketon quarterly summary

# **Tropicana Operations**

As announced on 18 March 2024, operations at Tropicana were impacted by substantial and protracted regional rain events, and by the end of the March quarter Tropicana produced 23.2koz at an AISC of \$2,887/oz (December quarter 38.8koz at \$1,795/oz).

Open pit mining delivered 3.1koz at 0.89g/t (December 2023 quarter 25koz at 1.5g/t), a significant reduction compared to previous quarter. During the early stages of the March quarter, mining focused on waste movement to expose ore which was scheduled to be mined in the latter stages of the quarter. As a result of the rain event, the exposed ore could not be accessed until early April. During the first two weeks of April, dewatering activities were still underway across Tropicana with production rates improving.

The underground mines delivered 13.2koz at 3.48g/t (December 2023 quarter 15.8koz at 3.29g/t). During the quarter, underground capital development was 306 metres and operational development was 350 metres due to the shortage of mining supplies and consumables caused by the access road closure.

The mill processed 587kt at 1.36g/t with a metallurgical recovery of 90.3% (December 2023 quarter 690kt at 1.96g/t and 89.4% recovery). This significant reduction in mill throughput was due to a number of factors including a planned three-day maintenance shutdown and a further 11 day shut down related to power outages and consumable shortages stemming from the rain events.

The increase in Tropicana's AISC to \$2,887/oz reflects the impact of the rain events, including increased water management and dewatering activities, the temporary suspension of mining and processing activities and most significantly the resulting lower production compared to the December 2023 quarter.

There was no gro	owth capital for the	e March quarter	(December 202	3 quarter \$2M).

. . . . . .

		FY23	FY23	FY24	FY24	FY24
Details (at 30% ownership)	Unit	Mar Q	Jun Q	Sep Q	Dec Q	Mar Q
		Total	Total	Total	Total	Total
Open pit ore mined	Mt	0.17	0.36	0.41	0.53	0.11
Open pit waste mined	Mt	4.87	5.79	4.89	4.71	3.20
Stripping ratio	Waste:Ore	28.4	16.1	11.8	9.0	29.3
Open pit mined grade	g/t Au	1.18	1.45	1.51	1.50	0.89
Underground development	т	665	845	929	694	656
Underground ore mined	Mt	0.11	0.13	0.16	0.15	0.12
Underground grade mined	g/t Au	3.20	3.06	3.04	3.29	3.48
Total gold ounces mined	Oz	17,905	29,221	35,310	40,841	16,346
Ore milled	Mt	0.71	0.75	0.70	0.69	0.59
Head grade	g/t Au	1.32	1.47	1.75	1.96	1.36
Recovery	%	90.3%	90.5%	88.9%	89.4%	90.3%
Gold production	Oz	27,185	31,912	34,993	38,794	23,167

Table 3: Tropicana quarterly summary

~~~~

. .

# FINANCE AND CORPORATE

# Regis is unhedged and building cash

As announced on 11 December 2023, the Company closed out its hedge book and ongoing gold sales are into the spot gold market. Positively, Regis remains one of the largest unhedged Australian gold producers on the ASX and is now fully exposed to the record high gold price environment.

During the period, the spot gold price increased from ~A\$3,015/oz to ~A\$3,390/oz, and the Company sold 98,756oz at an average realised gold price of \$3,126/oz (December quarter \$2,671/oz). Being unhedged since December, this increasing gold price environment represents significant upside for Regis, evidenced by the \$31M increase in cash and bullion despite the production loss from March's weather issues.

# **Cash Position and Gold Sales**

Gold sales for the quarter were 99koz at an average price of \$3,126/oz with sale receipts of \$309M.

Regis generated total operating cash flow of \$108M, with \$76M from Duketon and \$32M from Tropicana.

Capital expenditure was \$55M in the quarter with the major items being:

- \$24M related to waste removal costs, of which ~\$23M was at Tropicana.
- At Duketon, \$12M in development costs at the Rosemont and Garden Well South underground mines, \$9M in pre-production costs relating to Ben Hur and Russell's Find and \$3M in plant and equipment.
- At Tropicana, \$5M in development costs at the Boston Shaker Underground and \$2M in plant and equipment.

Cash expenditure in the quarter for exploration was \$8M and McPhillamys development expenditure was \$5M.

In April 2024, Regis received a tax refund of \$20M, made available (for the last time for Regis) through the ATO's Loss Carry Back tax offset provisions which allowed the company to effectively recognise carry forward tax losses immediately, and in turn receive a cash refund.

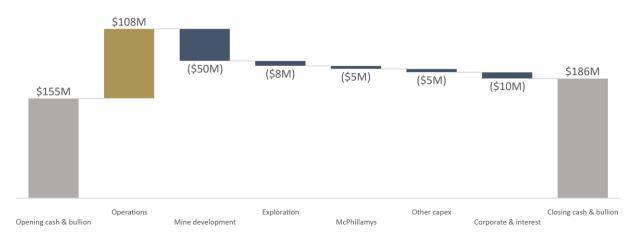


Figure 3: Key changes in cash and bullion on hand over the March quarter (unaudited) Bullion on hand at 31 March 2024 was 16,690oz valued at a spot gold price of A\$3,390/oz.

# FY24 Guidance and Outlook

FY24 guidance remains unchanged:

- Gold production (oz.) 415,000 455,000
- All-In Sustaining Costs (/oz.) \$1,995 \$2,315 (incl. ~\$200/oz. non-cash stockpile inventory adjustment)
- Growth capital \$85M \$95M
- Exploration \$48M \$55M
- McPhillamys \$22M \$25M

#### GROWTH

# Garden Well Main and Rosemont Stage 3

Regis is progressing with the evaluation of Rosemont Stage 3 and Garden Well Main, two potential new underground capital project areas at Duketon. This evaluation will be completed in Q4 FY24.

In-line with its organic underground growth strategy, Regis is targeting the operation of four to five underground mining projects at Duketon, which when consolidated, produce 200koz to 250koz of annual average gold production in the future. Garden Well Main and Rosemont Stage 3 represent two, lower-capital intensity, organic underground growth opportunities. Should the two projects be approved for development, Regis would then be operating three underground mining projects at Duketon, demonstrating clear and significant progress on its organic underground production growth strategy.

# McPhillamys Gold Project (MGP)

The MGP continues to be one of Australia's largest undeveloped open pit gold projects with studies indicating production of up to 200koz per year from a mine plan that contains of 61Mt at 1.0 g/t Au for 2.02Moz. It is expected to have a mine life in excess of 10 years with its large ore reserves underpinning significant value potential for Regis. The Company also has 390koz of Resource at the nearby Discovery Ridge deposit, with other nearby highly prospective targets also being evaluated.

Subsequent to the end of the quarter, Regis released updated scope and cost estimates related to MGP<sup>1</sup> (Table 4).

| Costs                                   | Range                   |
|-----------------------------------------|-------------------------|
| Pre-production costs                    | \$115m - \$155m         |
| Total Construction costs                | \$845m - \$900m         |
| Life of Mine All-in Sustaining<br>Costs | \$1,600/oz - \$1,800/oz |

The scope updates include: general site layout amendments as part of the extensive permitting approvals process; increased water pipeline construction costs following more detailed construction planning; process flow sheet and plant design changes to de-risk assumptions and improved recoveries, up ~3% to 88%.

Regis continues to review opportunities to optimise the project's key capital items and explore alternative development and operational efficiencies. The DFS is now expected to be completed and released to the market before the end of FY24.

As the update noted, given the proposed scope updates, Regis will apply for a modification to the current NSW State Significant Development approval. Modifications to existing approvals are common in New South Wales as designs are refined and improvements incorporated into projects. While this has the potential to be time consuming, it is not considered contentious.

The current Section 10 (*Aboriginal Torres Strait Islander Heritage Protection Act 1984 Cth*) application is still being considered by the Commonwealth government. Regis anticipates a resolution within the coming months.

Subject to further optimisation works, following the release of the DFS and after receipt of the modification approvals, the Regis Board will consider the McPhillamys Final Investment Decision (**FID**) which is not expected to be before Q3 FY25.

# Tropicana (100%) continues to grow

On 26 February 2024, Regis announced that the Tropicana JV updated its Mineral Resources and Ore Reserves. Significantly, underground Reserves continued to increase, offset by a reduction in open pit and stockpile Resource depletion. Tropicana Ore Reserves (100%) increased by 0.1Moz after accounting for 0.5Moz depletion. Underground Reserves increased by 75% to 0.7Moz (100%) driven by growth at Boston Shaker and Tropicana. A Havana underground maiden Reserve was declared.

The Tropicana Mineral Resources and Ore Reserves continue to reinforce an expected mine life of 10+ years.

# Tropicana – Havana Underground

In support of the recently released maiden Underground Reserve at Havana and as further demonstration of the increasing confidence in the potential of the Havana underground, preliminary activity and development of the Havana portal will commence in the Q4 FY24.

The Havana underground decline infrastructure, which remains subject to final approval, is a critical milestone related to the commencement of underground mining activity within the Havana underground.

Tropicana exploration and resource definition activities are ongoing and when combined with continued Reserve growth success, it provides further confidence of Tropicana being a Tier-1, long-life, expandable asset in a Tier-1 mining jurisdiction.

<sup>&</sup>lt;sup>1</sup> ASX announcement "Update on McPhillamys Gold Project Definitive Feasibility Study" on 3 April 2024.

# FORWARD LOOKING STATEMENTS

This ASX announcement 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.

# CORPORATE DIRECTORY

Regis Resources Ltd (ACN 009 174 761) **Registered Office** Second Floor, 516 Hay Street Subiaco, WA Australia 6008 Tel +61 8 9442 2200

#### Directors

Mr James Mactier (Non-Executive Chairman) Mr Jim Beyer (Managing Director) Mrs Fiona Morgan (Non-Executive Director) Mr Steve Scudamore (Non-Executive Director) Mrs Lynda Burnett (Non-Executive Director) Mr Paul Arndt (Non-Executive Director)

Website www.regisresources.com Email enquiries@regisresources.com

#### **Company Secretary** Ms Elena Macrides

**Investor Relations** Mr Jeff Sansom Tel +61 (0) 473 089 856

# Share Registry

Computershare Ltd GPO Box D182 Perth WA 6840 Shareholder Enquiries: 1300 557 010 (local) +613 9415 4000 (international)

# ASX Listed Securities (as at 15 February 2024)

| Security        | Code | No. Quoted  |
|-----------------|------|-------------|
| Ordinary Shares | RRL  | 755,338,808 |

# Guidance Update and Quarterly Results Conference Call

Regis will host an analysts/institutions teleconference at 11am AEST (9:00am AWST) on Wednesday 24 April 2024. To listen to the call please go to the following link:

https://webcast.openbriefing.com/rrl-qtr-2024/

A recording will be posted on the Company's website following the call. To listen go to the following link:

https://regisresources.com.au/investor-centre/webcasts/

This announcement is authorised by Jim Beyer, Managing Director and CEO.