

MEDIA / ASX RELEASE



8 November 2016

ASX Code: **RER**

LODGEMENT OF OFFER DOCUMENT

Regal Resources Limited (ASX: RER) (the “Company” or “Regal”) has today lodged the attached Prospectus with the Australian Securities and Investments Commission, pursuant to the orders of the Takeovers Panel (refer to the Company’s announcement of 17 October 2016).

The Prospectus, together with the attached covering letter, will be dispatched to shareholders who are eligible to participate in the offer, by Friday, 11 November 2016.

For further information, please contact:

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8 November 2016

Dear Shareholder

NOTICE TO SCALED-BACK SHAREHOLDER OF OFFER OF NEW SHARES

We refer to the recent entitlement offer (**Entitlement Offer**) undertaken by Regal Resources Limited (**Company**) pursuant to its prospectus dated 4 July 2016.

Pursuant to the orders of the Takeovers Panel dated 14 October 2016, the Company is offering all shareholders who applied for "Shortfall Shares" under the Entitlement Offer the opportunity to subscribe for any Shortfall Shares that they submitted a valid application for, but were not issued.

Our records show that you were not issued the full amount of Shortfall Shares for which you submitted a valid application for. You are therefore entitled to subscribe for those remaining Shortfall Shares, at an issue price of \$0.01 per new share (being the same price as under the original Entitlement Offer).

Enclosed with this letter is a Prospectus and personalised Application Form. Should you wish to participate in this offer, you must complete and return the Application Form with the appropriate application money (or pay by BPAY) in accordance with the instructions in the Prospectus and the Application Form. Applications will only be deemed to have been received once the Company has received cleared funds.

The offer is due to close at 5:00pm (WST) on 5 December 2016.

The details of the offer are contained in the Prospectus. The Directors urge you to read the Prospectus carefully and seek advice from your financial or legal advisor if you have any queries. This notice is to inform you of the offer. You are not required to do anything in respect of this letter.

Should you have any queries in relation to this offer, please contact the undersigned on +61 (0)8 9240 8766.

Yours faithfully



Anthony Begovich
Company Secretary & Chief Financial Officer



REGAL RESOURCES LIMITED
ACN 106 294 106

PROSPECTUS

THIS PROSPECTUS IS BEING ISSUED FOR THE OFFER OF UP TO 65,258,029 SHARES AT \$0.01 PER SHARE TO THE ELIGIBLE SHORTFALL SHAREHOLDERS.

THE OFFER UNDER THIS PROSPECTUS IS STRICTLY LIMITED TO THE ELIGIBLE SHORTFALL SHAREHOLDERS, EACH OF WHOM WILL BE SENT A COPY OF THIS PROSPECTUS AND AN APPLICATION FORM SPECIFYING THE MAXIMUM NUMBER OF SHARES THEY MAY SUBSCRIBE FOR.

THE OFFER CLOSES AT 5:00PM WST ON 5 DECEMBER 2016.

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY.

IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER WITHOUT DELAY.

AN INVESTMENT IN THE SHARES OFFERED IN CONNECTION WITH THIS PROSPECTUS SHOULD BE CONSIDERED OF A SPECULATIVE NATURE.

IMPORTANT INFORMATION

This Prospectus is dated 8 November 2016 and was lodged with the ASIC on that date with the consent of all Directors. Neither ASIC, ASX, the Takeovers Panel, the Takeovers Panel executive or their respective officers take any responsibility for the contents of this Prospectus.

No Securities will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

A copy of this Prospectus is available for inspection at the registered office of the Company at Unit 2, 8 Corbusier Place, Balcatta, Western Australia, 6021, during normal business hours.

The Securities offered by this Prospectus should be considered speculative. Please refer to Section 3 for details relating to investment risks.

Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed.

The Prospectus will be made available in electronic form. Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus (free of charge) from the Company's registered office by contacting the Company. The Offer contemplated by this Prospectus is only available in electronic form to persons receiving an electronic version of this Prospectus within Australia.

Applications will only be accepted on an Application Form which is attached to, or provided by the Company with a copy of this Prospectus either in paper or electronic form. The Corporations Act prohibits any person from passing on to another person an Application Form unless it is accompanied by a complete and unaltered copy of this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Offer in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of the Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

This document is important and should be read in its entirety before deciding to participate in the Offer. This does not take into account the investment objectives, financial or taxation or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to his/her particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult his/her stockbroker, solicitor, accountant or other professional adviser without delay. Some of the risk factors that should be considered by potential investors are outlined in Section 3.

Definitions of certain terms used in this Prospectus are contained in Section 6. All references to currency are to Australian dollars and all references to time are to WST, unless otherwise indicated.

CORPORATE DIRECTORY

Directors

Mr Mark Arnesen
Dr Simon Dorling
Dr Peter Ruxton
Mr John Hodder

Share Registry*

Advanced Share Registry Services
110 Stirling Highway
Nedlands WA 6009

Proposed Director

Mr Adam Smits

Company Secretary

Mr Anthony Begovich

Lawyers

Bellanhuse Legal
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West Perth WA 6005

Registered Office

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Balcatta WA 6021

ASX Code: RER

Telephone: (08) 9240 8766

Website: www.regalresources.com.au

Fax: (08) 9240 2005

Email: info@regalresources.com.au

* This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.

PROPOSED TIMETABLE

Lodgement of Prospectus with ASIC and ASX	8 November 2016
Prospectus and Application Form despatched to Eligible Shortfall Shareholders	11 November 2016
Closing Date of Offer	5 December 2016
Issue date of New Shares	9 December 2016
Cancellation of Shares held by the Underwriter equal to the number of New Shares issued	12 December 2016
Commencement of New Shares trading on an ordinary settlement basis	12 December 2016

The Company reserves the right, subject to the Corporations Act, Listing Rules, Panel Orders and other applicable laws, to vary the above dates, including extending the Closing Date or accepting late applications, either generally or in particular cases, without notice.

INVESTMENT OVERVIEW



This Section is intended to highlight key information for potential investors. It is an overview only, and is not intended to replace the Prospectus. Potential investors should read the Prospectus in full before deciding to invest in New Shares.

	Further Information
<p>Reason for the Offer</p> <p>This Offer is made pursuant to the orders of the Takeovers Panel dated 14 October 2016.</p> <p>This Offer is only available to the Eligible Shortfall Shareholders.</p> <p>Pursuant to this Offer, Eligible Shortfall Shareholders will be offered the opportunity to apply for their Scaled-Back Shares at an issue price of \$0.01 per Share.</p> <p>Each of the Eligible Shortfall Shareholders will receive a personalised Application Form specifying the maximum number of Scaled-Back Shares which they may apply for.</p>	Section 1
<p>Transaction specific prospectus</p> <p>This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.</p>	Section 4.2
<p>Risk factors</p> <p>Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 3, including (but not limited to) risks in respect of:</p> <ul style="list-style-type: none"> • Political: The Company's operations are located in the DRC and are therefore exposed to various levels of political, economic and other risks and uncertainties associated with operating in a foreign jurisdiction. • Exploration risk: While extensive exploration activities have been conducted over a portion of the Kalongwe Project, resulting in the declaration of a measured mineral resource, minimal exploration activities have been conducted over the remainder of the permit for the Kalongwe Project. Similarly, the Ivanhoe Project remains subject to further exploration activities. Whilst the Company is of the view that exploration to date over the remainder of the Kalongwe Project and the Ivanhoe Project have yielded results that justify further exploration, the Company is subject to exploration risk. • Continuation as a going concern: The ability of the Company to continue as a 	Section 3

	Further Information
<p>going concern is dependent on the Company being able to raise additional funds as required to meet ongoing exploration commitments and for working capital.</p> <ul style="list-style-type: none"> • General market risks: As a junior explorer with no production or income, the Company is exposed to general market and economic condition risks. 	
<p>Use of Offer proceeds</p> <p>Pursuant to the Panel Orders, the Company will be required to cancel such number of Shares currently held by the Underwriter as is equal to the total number of Shares issued under this Offer (Underwriter Share Cancellation). The Company will be required to pay Ndovu \$0.01 for each Share cancelled. Accordingly, no funds will be raised from this Offer.</p>	Sections 1.3 and 1.4
<p>Effect on capital structure</p> <p>As a result of the Underwriter Share Cancellation, the Offer will have no effect on the Company's capital structure.</p>	Section 1.4
<p>Effect on control of the Company</p> <p>In the event that all Eligible Shortfall Shareholders apply for their full number of Scaled-Back Shares, the Underwriter's voting power in the Company will be reduced from 61.78% to 59.50% (assuming no other Shares are issued).</p>	Section 1.6
<p>Forward looking statements</p> <p>This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.</p> <p>These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are considered reasonable.</p> <p>Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management.</p> <p>The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.</p> <p>The Directors have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.</p> <p>These forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 3.</p>	Section 3

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1. Details of the Offer

1.1 Background

Pursuant to a prospectus dated 4 July 2016, the Company made an offer to eligible shareholders to subscribe for up to 925,336,148 Shares, at an issue price of \$0.01 per Share (**Entitlement Offer**).

The Entitlement Offer was underwritten by the Underwriter.

The Entitlement Offer was on the basis of 1 new Share for every 2 Shares held by eligible shareholders on the record date. Eligible shareholders were also entitled to apply for Shares not subscribed for by other eligible shareholders (the **Shortfall Shares**).

The Company received applications for 184,166,015 Shortfall Shares from eligible shareholders (**Shortfall Applicants**). Of these, the Company issued 118,907,986 Shortfall Shares to the Shortfall Applicants, and issued the remaining 65,258,029 Shortfall Shares to the Underwriter. Certain Shortfall Applicants (the Eligible Shortfall Shareholders) were not issued all of the Shortfall Shares they applied for (such Shortfall Shares comprising the Scaled-Back Shares).

The Takeovers Panel ordered on 14 October 2016 that, amongst other things, that the Company offer the Eligible Shortfall Shareholders such number of new Shares as is equal to the number of Shortfall Shares they applied for but were not issued, up to a maximum aggregate of 65,258,029 Shares (**Offer**). The issue price per Share issued under the Offer must be \$0.01, as under the Entitlement Offer.

This Prospectus is being issued for the purposes of the Offer.

1.2 Offer

The Company is offering the Eligible Shortfall Shareholders the opportunity to subscribe for their respective Scaled-Back Shares, at an issue price of \$0.01 per Share.

The Company will issue a maximum of 65,258,029 Shares pursuant to the Offer.

1.3 Underwriter Share Cancellation

Pursuant to the Panel Orders, the Company will be required to cancel such number of Shares currently held by the Underwriter as is equal to the total number of Shares issued under this Offer (**Underwriter Share Cancellation**). The Company will be required to pay Ndovu \$0.01 for each Share cancelled. Accordingly, no funds will be raised from this Offer.

1.4 Effect of the Offer on the Company

As a result of the Underwriter Share Cancellation, the Offer is not expected to have a material effect on the capital structure of the Company or the Company's financial position.

The estimated expenses of the Offer are summarised in Section 1.1.

1.5 Opening and Closing Date

The Opening Date of the Offer is 11 November 2016.

The Closing Date for the Offer is 5 December 2016.

The Company reserves the right, subject to the Corporations Act, Listing Rules, Panel Orders and other applicable laws, to vary the above dates, including extending the Closing Date or accepting late applications, either generally or in particular cases, without notice.

1.6 Effect of the Offer on control of the Company

The table below outlines a range of potential effects the Offer may have on the control of the Company (assuming no other Shares are issued).

Event	Shares held by Underwriter	Voting power of Underwriter
Date of Prospectus	1,765,996,494	61.78%
Completion of Offer		
• Fully subscribed	1,700,738,465	59.50%
• 75% subscribed	1,717,052,972	60.07%
• 50% subscribed	1,733,232,480	60.64%
• 0% subscribed	1,765,996,494	61.78%

As shown above, in the event that all Eligible Shortfall Shareholders apply for their full number of Scaled-Back Shares, the Underwriter's voting power in the Company will be reduced from 61.78% to 59.50% (assuming no other Shares are issued).

1.7 Issue Date and dispatch

All New Shares are expected to be issued on or before the date specified in the proposed timetable in this Prospectus.

Security holder statements will be dispatched at the end of the calendar month following the issue of the New Shares.

It is the responsibility of Applicants to determine their allocation prior to trading in the New Shares. Applicants who sell New Shares before they receive their holding statements do so at their own risk.

1.8 Application Monies held on trust

All Application Monies received for the New Shares will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the New Shares are issued under the Offer. All Application Monies received in respect of the Offer will be returned (without interest) if the New Shares under the Offer are not issued.

1.9 ASX quotation

Application has been or will be made for the official quotation of the New Shares offered by this Prospectus. If permission is not granted by ASX for the official quotation of the New Shares offered by this Prospectus within three months after the date of this Prospectus (or such period as ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

1.10 CHESS

The Company participates in the Clearing House Electronic Sub-register System, known as CHESS. ASX Settlement Pty Limited, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Shares.

If you are broker sponsored, ASX Settlement Pty Limited will send you a CHESS statement.

The CHESS statement will specify the number of New Shares issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Shares.

If you are registered on the Issuer Sponsored sub-register, your statement will be despatched by Advanced Share Registry and will contain the number of New Shares issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time; however, a charge may be made for additional statements.

1.11 International Offer Restrictions

This Prospectus, and any accompanying Application Form, do not, and is not intended to, constitute an offer of New Shares in any jurisdiction in which it would be unlawful. In particular, this Prospectus, and any accompanying Application Form, may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia.

1.12 Ineligible Foreign Shareholders

The Company believes that it is not necessary to extend the Offer to Shareholders outside of Australia as the registered address for all of the Eligible Shortfall Shareholders is in Australia.

1.13 Notice to nominees and custodians

Nominees and custodians that hold Shares should note that the Offer is available only to Eligible Shortfall Shareholders resident in Australia. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of securities. If any nominee or custodian is acting on behalf of a foreign person, that holder in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

1.14 Taxation implications

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for New Shares.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. As a result, Applicants should consult their professional tax adviser in connection with subscribing for New Shares.

1.15 Major activities and financial information

A summary of the activities and financial information relating to the Company for the financial year ended 30 June 2016 and the half-year ended 31 December 2015 can be found in the Company's Annual Report and Interim Financial Report lodged with ASX.

The Company's continuous disclosure notices (i.e. ASX announcements) since the lodgement of its Annual Report on 29 September 2016 is listed in Section 4.3.

Copies of these documents are available free of charge from the Company. Directors strongly recommend that potential Applicants review these and all other announcements prior to deciding whether or not to participate in the Offer.

1.16 Privacy

The Company collects information about each Applicant provided on an Application Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's Security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your application.

An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

2. Action required by Eligible Shortfall Shareholders

2.1 Acceptance of Entitlement

Should you wish to accept all of your Entitlement to New Shares under the Offer and you are not paying by BPAY, then Applications for New Shares under this Prospectus must be made on the Application Form which accompanies this Prospectus in accordance with the instructions referred to in this Prospectus and on the Application Form. Please read the instructions carefully.

Please complete the Application Form by filling in the details in the spaces provided and attach a cheque, bank draft or money order for the amount indicated on the Application Form.

Completed Application Forms must be accompanied by a cheque, bank draft or money order in Australian dollars, crossed "Not Negotiable" and made payable to "Regal Resources Limited" and lodged at any time after the issue of this Prospectus and on or before the Closing Date at the Company's share registry (by delivery or by post) at:

Advanced Share Registry
110 Stirling Highway
NEDLANDS WA 6009

Applications will be deemed not to have been received until the Company is in receipt of cleared funds.

If paying via BPAY, Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY by the Closing Date. If you elect to pay via BPAY, you must follow the instructions for BPAY set out in the Application Form and you will not need to return the Application Form.

2.2 If you wish to take up only part of your Entitlement

Should you wish to only take up part of your Entitlement to New Shares under the Offer and you are not paying by BPAY, then Applications for New Shares under this Prospectus must be made on the Application Form which accompanies this Prospectus in accordance with the instructions referred to in this Prospectus and on the Application Form. Please read the instructions carefully.

Please complete the Application Form by filling in the details in the spaces provided, including the number of New Shares you wish to accept and the amount payable (calculated at \$0.01 per New Share accepted), and attach a cheque, bank draft or money order for the appropriate amount.

Completed Application Forms must be accompanied by a cheque, bank draft or money order in Australian dollars, crossed "Not Negotiable" and made payable to "Regal Resources Limited" and lodged at any time after the issue of this Prospectus and on or before the Closing Date at the Company's share registry (by delivery or by post) at the share registry's address specified in Section 2.1 above.

Applications will be deemed not to have been received until the Company is in receipt of cleared funds.

If paying via BPAY, Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY by the Closing Date. If you elect to pay via BPAY, you must follow the instructions for BPAY set out in the Application Form and you will not need to return the Application Form. Please note that if you pay by BPAY and you subscribe for less than your Entitlement or you do not pay for your full Entitlement, you are taken to have taken up your Entitlement in respect of such whole number of Shares that is covered in full by the funds transferred.

2.3 Entitlements not taken up

If you do not wish to accept any of your Entitlement, you are not obliged to do anything. The number of Shares you hold and the rights attached to those Shares will not be affected should you choose not to accept any of your Entitlement.

2.4 Entitlement and Acceptance Form

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company for the number of New Shares accepted by the Company. The Application Form does not need to be signed to be a binding acceptance of New Shares.

If the Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the application as valid and how to construe, amend or complete the Application Form, is final.

The Company will send this Prospectus, together with an Application Form, to all Eligible Shortfall Shareholders.

By completing and returning your Application Form with the requisite Application Monies, or making a payment via BPAY, you will be deemed to have represented that you are an Eligible Shortfall Shareholder. In addition, you will also be deemed to have represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus and that you:

- (a) agree to be bound by the terms of the Offer;
- (b) declare that all details and statements in the Application Form are complete and accurate;
- (c) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Application Form;
- (d) authorise the Company and its respective officers or agents, to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Company's Share Registry upon using the contact details set out in the Application Form; and
- (e) declare that you are the current registered holder of Shares as at the Record Date and have a registered address in Australia;

- (f) acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs; and
- (g) acknowledge that the New Shares have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia and accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws in particular the United States Securities Act of 1933, as amended.

2.5 Enquiries concerning your Entitlement or this Prospectus

Enquiries relating to this Prospectus should be directed to the Company Secretary by telephone on (08) 9240 8766.

For general shareholder enquiries, please contact Advanced Share Registry Services on (08) 9389 8033.

3. Risk Factors

An investment in Shares offered by this Prospectus should be regarded as speculative. Activities in the Company, as in any business, are subject to risks which may impact on the Company's future performance. The Company has implemented appropriate strategies, actions, systems and safeguards for known risks, however some are outside its control.

The Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which prospective investors need to be aware of in evaluating the Company's business and the risks of investing in the Company. Prospective investors should carefully consider the following factors in addition to the other information presented in the Prospectus.

The principal risks include, but are not limited to, the following:

3.1 Risks specific to the Company

(a) Sovereign risk

The Company's operations, and the additional interests in Kalongwe intended to be acquired pursuant to the Transactions, are located in the DRC and are therefore exposed to various levels of political, economic and other risks and uncertainties associated with operating in a foreign jurisdiction.

Any material adverse changes in government policies or legislation in the DRC affecting foreign ownership of mineral interests, taxation, profit repatriation, royalties, labour relations, and mining and exploration activities, may adversely affect the viability and profitability of the Company's assets.

The Company's projects in the DRC are subject to the risks associated in operating in a foreign country. These risks may include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, corruption, resource nationalism, difficulties with enforceability of contractual terms including with joint venture and local partners, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, labour relations as well as government control over natural resources or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.

The Directors note that the DRC has experienced civil and political unrest in the recent past. The possibility of continued or an increase in civil and political unrest remains a constant threat which may affect the viability and profitability of the Company.

(b) Legal system in the DRC

The legal system operating in the DRC may be less developed than more established countries, which may result in risk such as:

- (i) political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation, or in an ownership dispute;
- (ii) a higher degree of discretion on the part of governmental agencies;
- (iii) the lack of political or administrative guidance on implementing applicable rules and regulations;
- (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or
- (v) relative inexperience of the judiciary and court in such matter.

The commitment to local business people, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to licences and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance joint ventures, licences, license applications or other legal arrangements will not be adversely affected by the actions of the government authorities or others and the effectiveness of and enforcement of such arrangements cannot be assured.

(c) **Bridge loan risk**

As announced by the Company on 31 October 2016, the Company has entered into a bridge loan with Tembo Capital Mining Fund LP (**Tembo**), pursuant to which Tembo advanced the funds necessary for the Company to acquire an additional 15% interest in the Kalongwe Project.

Tembo is an affiliate of the Underwriter.

It is the Company's intention to repay the loan through the proceeds of an equity raising in the course of the next six months. Subject to the receipt of Shareholder approval in accordance with the Listing Rules, Tembo will be able to convert such part of the loan as will enable it to at least maintain its percentage interest in the Company at the same price as such placement. Any conversion of the loan will be subject to the restriction in section 606(1) of the Corporations Act.

If the loan remains outstanding nine months from the date of drawdown, the Company may, in its sole discretion undertake a renounceable entitlements offer to raise at least the amount necessary to repay the outstanding loan amount. If requested by the Company, Tembo must underwrite or sub-underwrite the entitlement offer. Any such agreement must be on standard market terms and conditions, and the structure must be satisfactory to the parties having regard to Takeovers Panel Guidance Note 17. There is therefore a risk that the voting power of Tembo/the Underwriter may increase as a result of such an entitlements offer.

In the event that the loan is not repaid or converted in full within 12 months of the draw-down date, the loan must be repaid in full, or otherwise converted at a 20% discount to the 20 day volume weighted average price of the Company's shares.

The loan agreement identifies various events which, if they were to come to fruition in the future, may constitute an event of default triggering an immediate repayment obligation. Many of these events are technical in nature, and considered standard for facilities of their type.

If the loan is not converted into Shares, or the necessary Shareholder approvals are not obtained, the Company will be required to fund the repayment through other means, which may not be available, or may not be available on reasonable terms.

(d) Claims in respect of historical matters

The Company was incorporated on 11 September 2003 and has been involved in numerous different negotiations, projects, companies and joint ventures during its history. The Company is therefore subject to the risk of any claims being brought against the Company in respect of such historical activities.

As announced by the Company on 9 June 2016, the Company has been served with two separate claims in respect of historical matters:

- (i) a Writ of Summons by Eucalyptus Gold Mines Pty Ltd (**EGM**) filed in the Supreme Court of Western Australia. EGM alleges that the Company has breached an agreement entered into in January 2005 (around the time of the Company's initial public offering) in relation to Mining Lease 39/115 and seeks to claim damages, interest and costs. The quantum of the claim is either \$3,000,000 (being the value of the tenement at the time of its forfeiture) or \$500,000 (being the maximum royalty EGM may have been entitled to), in each case, plus interest. The Company intends to defend the proceeding; and
- (ii) a Statement of General Procedure Third Party Claim by Peter Andrew Wiltshire (**Wiltshire**) in the Magistrates Court of Western Australia. The Shire of Laverton claims unpaid rates, interest and costs against Wiltshire and Wiltshire claims that the Company was the true owner of the relevant tenements (P39/4361-63, P39/4366-75 and M39/1083) at all material times. The Company intends to defend the proceeding.

As announced by the Company on 28 October 2016, the Company has also been served with a Statement of General Procedure Claim by Trevor John Dixon (**Dixon**) in the Magistrates Court of Western Australia. Dixon's claim is for damages for breach of contract in relation to expenditure requirements on a number of tenements (Prospecting Licences 39/4622-23 and 39/4636 and Mining Licences 39/914, 39/966, 39/969, 39/991 and 39/1064). The maximum claim in the Magistrates Court is \$75,000 (excluding interest).

The Company is also a party to proceedings in the New South Wales Civil and Administrative Tribunal regarding the Company's rejection of part of Warwick Sauer's (**Sauer**) application for Shortfall Shares.

The Company does not consider the claims by Dixon or Sauer to be material.

The Company will keep the market informed on developments for each of the above claims as they transpire, in accordance with its continuous disclosure obligations.

(e) Title

All of the permits or licences in which the Company has or may earn an interest, including in respect of the Kalongwe project, will be subject to applications for renewal or grant (as the case may be). The renewal or grant of the terms of each permit or licence is usually at the discretion of the relevant government authority.

Additionally, permits are subject to a number of government specific legislative conditions. The inability to meet these conditions could affect the standing of a permit or restrict its ability to be renewed.

If a permit or licence is not renewed or granted, the Company may suffer significant damage through loss of the opportunity to develop and discover any mineral resources on that permit.

(f) Metals and currency price volatility

The Company's ability to proceed with the development of its mineral projects and benefit from any future mining operations will depend on market factors, some of which may be beyond its control.

The world market for minerals is subject to many variables and may fluctuate markedly. These variables include world demand for gold, copper and other metals that may be mined commercially in the future from the Company's project areas, forward selling by producers and production cost levels in major mineral-producing regions. Minerals prices are also affected by macroeconomic factors such as general global economic conditions and expectations regarding inflation and interest rates. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. Metals are principally sold throughout the world in US dollars. The Company's cost base will be payable in various currencies including Australian dollars, and US dollars. As a result, any significant and/or sustained fluctuations in the exchange rate between the Australian dollar and the US dollar could have a materially adverse effect on the Company's operations, financial position (including revenue and profitability) and performance. The Company may undertake measures, where deemed necessary by the Board to mitigate such risks.

(g) Joint venture risks

The Company is currently, and may in the future become a party to joint venture agreements governing the exploration and development of its projects. There is a risk that one of the Company's joint venture partners may default in their joint venture obligations or not act in the best interests of the joint venture. This may have an adverse effect on the interests and prospects of the Company.

(h) Future capital needs

Further funding will be required by the Company to support its ongoing activities and operations. There can be no assurance that such funding will be available on satisfactory terms or at all.

The Company's ability to raise further capital within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to a number of factors, including prospectivity of projects (existing and future), the results of exploration, subsequent feasibility studies, development and mining, share market and industry conditions and the price of relevant commodities and exchange rates.

No assurance can be given that future funding will be available to the Company on favourable terms (or at all). If adequate funds are not available on acceptable terms the Company may not be able to develop its projects and it may impact on the Company's ability to continue as a going concern.

Any additional equity financing will dilute Shareholders and debt financing, if available, may restrict the Company's financing and operating activities.

(i) Reliance on key management

The Company is reliant on a number of key personnel employed or engaged by the Company. Loss of such personnel may have a materially adverse impact on the performance of the Company.

The Board is aware of the need to have sufficient management to properly supervise the exploration and (if successful) for the development of the Company's projects.

3.2 Mining Industry Risks

(a) Exploration success

While extensive exploration activities have been conducted over a portion of the Kalongwe Project, resulting in the declaration of a measured mineral resource, minimal exploration activities have been conducted over the remainder of the permit for the Kalongwe Project. Similarly, the Ivanhoe Project remains subject to further exploration activities. Whilst the Company is of the view that exploration to date over the remainder of the Kalongwe Project and the Ivanhoe Project have yielded results that justify further exploration, the Company is subject to exploration risk.

Mineral exploration and project development are high risk undertakings. There can be no assurance that further exploration on the Company's projects will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited. Until the Company is able to realise value from its mineral projects, it is likely to incur ongoing operating losses.

(b) Drilling and exploration programs

There are operational risks associated with the Company's planned drilling and exploration programs. The planned surface sampling, drilling and exploration programs at the Company's mineral projects may be affected by a range of factors, including (but not limited to): geological and ground access conditions; unanticipated operational and technical difficulties encountered in sampling and drilling activities; adverse weather conditions, environmental accidents, and unexpected shortages or increases in the costs of consumables, spare parts, and labour; mechanical failure of operating plant and equipment; prevention of access by reason of political or civil unrest, outbreak of hostilities, outbreak of disease, inability to obtain regulatory consents or approvals; terms imposed by government on development of mining projects including conditions such as equity participation, royalty rates and taxes; and risks of default or non-performance by third parties providing essential services.

No assurance can be given that planned and future exploration will be successful or that a commercial mining operation will eventuate at any of the Company's mineral projects.

(c) Environmental

The operations and proposed activities of the Company are subject to laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

(d) Resource estimates

The Company has previously announced resource estimates. Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates that were valid when originally made may alter significantly when new information or techniques become available.

In addition, by their very nature, resource estimates are imprecise and depend on interpretations which may prove to be inaccurate, and whilst the Company will employ industry-standard techniques including compliance with the JORC Code to reduce the resource estimation risk, there is no assurance that this approach will alter the risk. As further information becomes available through additional fieldwork and analysis, resource estimates may change. This may result in alterations to mining and development plans which may in turn adversely affect the Company.

3.3 General Risks

(a) Market conditions and other economic risks

General economic conditions, movements in interest and inflation rates, commodity prices and currency exchange rates may have an adverse effect on the Company's operations and any future development activities, as well as on its ability to fund those activities.

The price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general.

Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(b) Unforeseen expenditure risk

Expenditure may need to be incurred that has not been taken into account by the Company. Although the Company is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of the Company.

(c) Litigation risk

All industries, including the minerals exploration industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Company is or may become subject could have a material effect on its financial position, results of operations or the Company's activities. Refer to Section 3.1(c) for details of the current litigation claims the Company is involved in.

(d) Insurance

The Company will, where possible and economically practicable, endeavour to mitigate some project and business risks by procuring relevant insurance cover. However, such insurance cover may not always be available or economically justifiable and the policy provisions and exclusions may render a particular claim by the Company outside the scope of the insurance cover.

3.4 Investment Speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company.

The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares. Shareholders should consider that the investment in the Company is high risk and should consult their professional adviser before deciding whether to apply for New Shares pursuant to this Prospectus.

4. Additional information

4.1 Rights and liabilities attaching to Shares

A summary of the rights attaching to Shares in the Company is below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the Shareholder should seek legal advice.

(a) General meeting and notices

Each member is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to members under the Constitution, the Corporations Act or the Listing Rules.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at a general meeting of the Company every holder of fully paid Shares present in person or by an attorney, representative or proxy has one vote on a show of hands (unless a member has appointed 2 proxies) and one vote per Share on a poll.

A person who holds a Share which is not fully paid is entitled, on a poll, to a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the Share.

(c) Issues of further Shares

Subject to the Corporations Act and the Constitution, the Board may, on behalf of the Company, issue, grant options over or otherwise dispose of unissued shares to any person on the terms, with the rights, and at the times that the Board decides. The Company must not issue shares or grant options if the issue or grant would result in a breach of the Listing Rules.

(d) Variation of rights

Unless otherwise provided by the Constitution or by the terms of issue of a class of Shares, the rights attached to the Shares in any class may be varied or cancelled only with the written consent of the holders of at least three-quarters of the issued Shares of the affected class, or by special resolution passed at a separate meeting of the holders of the issued Shares of the affected class.

(e) Transfer of Shares

Subject to the Constitution, a member may transfer a share by any means permitted by the Corporations Act or by law.

(f) Dividends

Subject to the Corporations Act, the Listing Rules, the Constitution and the rights attaching to Shares issued on special conditions, the Directors may from time to time declare that a dividend is payable to the holders of ordinary Shares and fix the time for payment.

(g) Winding up

Subject to the Constitution, the Corporations Act and the rights of holders of Shares with special rights, on a winding up of the Company, any surplus must be divided among the members in the proportions which the amount paid (including amounts credited) on the Shares of a member is of the total amounts paid and payable (including amounts credited) on the Shares of all members.

(h) Dividend reinvestment and share plans

The Directors may establish a dividend reinvestment plan on any terms, under which participants may elect in respect of all or part of their Shares to apply the whole or any part of a Dividend from the Company in subscribing for securities of the Company or a related body corporate of the Company.

(i) Directors

The Company must have not less than 3 Directors.

(j) Powers of the Board

Except as otherwise required by the Corporations Act, any other law, the Listing Rules or the Constitution, the Directors may exercise all the powers of the Company except any powers that the Corporations Act or this Constitution requires the Company to exercise in general meeting.

(k) Unmarketable parcels

The Constitution permits the Company to sell the Shares held by a Shareholder if they comprise less than a marketable parcel within the meaning of the Listing Rules.

If a Shareholder does not want its Shares sold, that Shareholder may notify the Company accordingly.

(l) Capitalisation of profits

The Directors may capitalise any profits of the Company and distribute that capital to the members, in the same proportions as the members are entitled to a distribution by dividend.

(m) Preference Shares

The Company may issue preference Shares including preference Shares which are liable to be redeemed in a manner permitted by the Corporations Act, and preference Shares in accordance with the terms of the Constitution.

4.2 Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the securities market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Shares.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit report or review. Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 4.3 below). Copies of all documents announced to the ASX can be found at <http://www.regalresources.com.au/asx-releases>.

4.3 Copies of documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it during the period of the Offer a copy of:

- (a) the annual report of the Company for the financial year ended 30 June 2016 and financial statement for the half-year ended 31 December 2015, being the last two financial statements of the Company lodged with ASIC before the issue of this Prospectus; and
- (b) the following notices given by the Company to notify ASX of information relating to the Company during the period from the date of lodgement of its annual report for the financial year ended 30 June 2016 until the date of this Prospectus:

Date lodged	Subject of Announcement
01/11/2016	Appointment of Chief Financial Officer and Company Secretary
31/10/2016	Acquisition, funding and key management update
28/10/2016	Quarterly Activities Report
28/10/2016	Quarterly Cashflow Report

Date lodged	Subject of Announcement
26/10/2016	Notice of Annual General Meeting/Proxy Form
17/10/2016	TOV: Regal Resources Limited - Declaration of UC and Orders
29/09/2016	Appendix 4G & Corporate Governance Statement

The following documents are available for inspection throughout the period of the Offer during normal business hours at the registered office of the Company at Unit 2, 8 Corbusier Place, Balcatta, Western Australia, 6021:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 4.13 and the consents provided by the Directors to the issue of this Prospectus.

4.4 Information excluded from continuous disclosure notices

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules other than as is set out in this Prospectus.

4.5 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Shares under this Prospectus.

4.6 Substantial Shareholders

Based on available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Substantial Shareholder	Number of Shares	Voting power
Ndovu Capital VI B.V.	1,765,996,494	61.78%

Refer to Section 1.6 for details regarding the effect of the Offer on the voting power of Ndovu Capital VI B.V (the Underwriter).

4.7 Market price of Shares

The highest and lowest market sale prices of the Shares on ASX during the 3 months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest: \$0.018 on 2 September 2016

Lowest: \$0.012 on 11 August 2016

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with the ASIC was \$0.015 per Share on 7 November 2016.

4.8 Dividend Policy

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

4.9 Interests of Directors and Proposed Director

(a) Proposed Director

The Company announced on 31 October 2016 that it is intended that with effect from 14 November 2016, Mr Adam Smits will become the Chief Operating Officer and an Executive Director of the Company.

Experience

Mr Smits is a mechanical engineer with a successful 20 year career across Australia and for the past 10 years in francophone West Africa where he has held a variety of project development and operational roles, most recently guiding the Sissingue project in Côte d'Ivoire (owned by Perseus Mining Ltd) to construction commencement. An experienced and successful project director, Mr Smits led the successful DFS through to development of TiZir Ltd's US\$650M Grand Côte mineral sands project and played a pivotal role in Mineral Deposits Ltd's US\$330M Sabodala Gold Mine (now owned by Teranga Gold Corporation). Mr Smits has also held roles with Placer Dome Asia Pacific and Lycopodium Engineering.

Key terms of Employment Agreement

The Company has entered into an Employment Agreement with Mr Smits on the following material terms:

Term: No fixed term. Commencement on 14 November 2016.

Remuneration (Base Salary): \$240,000 per year (excluding superannuation).

Remuneration (Incentives): An annual long term incentive package of Securities up to a maximum equivalent to 1% of the issued Shares of the Company.

The Company has agreed to issue Mr Smits 30,000,000 Options pursuant to the Company's employee incentive plan. These options are proposed to be issued subject to vesting conditions over a 36 month period.

Termination:

- (i) The Company has standard summary termination rights upon the provision of written notice to Mr Smits.
- (ii) Either Mr Smits or the Company may terminate the Employment Agreement upon the provision of three months' written notice to the other party.

(b) Security holdings

The relevant interest of each of the Directors and the Proposed Director in Securities as at the date of this Prospectus is set out below.

No Securities will be issued to the Directors or the Proposed Director as part of the Offer.

Director	Position	Shares	Options
Dr Simon Dorling ¹	Non-Executive Director	455,000	3,000,000
Dr Peter Ruxton	Non-Executive Director	Nil	Nil
Mr John Hodder	Non-Executive Director	Nil	Nil
Mr Mark Arnesen ²	Chief Executive Officer and Executive Director	70,214,757	Nil
Mr Adam Smits	Proposed Chief Operating Officer and Executive Director	Nil	Nil ³

Notes:

1. Dr Dorling's interests are 455,000 Shares and 3,000,000 Options (exercisable at \$0.08 each on or before 31 October 2017) held indirectly through Dr Simon Dorling and Barbara Dorling as trustees for the Dorling Family Trust.
2. At the Annual General Meeting to be held on 25 November 2016, the Company will seek Shareholder approval for the issue of 30,000,000 Options to Mr Arnesen. These Options will be exercisable at \$0.0137 each, on or before the date that is 10 years from issue, subject to the satisfaction of vesting conditions.
3. The Company has agreed to issue Mr Smits 30,000,000 Options upon the commencement of his employment with the Company. These Options proposed to be issued subject to vesting conditions over a 36 month period.

(c) **Remuneration of Directors**

The Constitution of the Company provides that the non-executive directors are entitled to be paid an amount of fees which does not in any year exceed in aggregate the amount last fixed by ordinary resolution, or consist of a commission on or percentage of profits or operating revenue. The aggregate amount last fixed by ordinary resolution is \$300,000 (at the annual general meeting held on 29 November 2012). This aggregate amount is to be allocated among the non-executive directors equally, having regard to the proportion of the relevant year for which each director held office, or as otherwise decided by the Board. The amount may also be provided in a manner the Board decides, which may include provision of non-cash benefits, in which case, the Board must also decide the manner in which the value of those benefits is to be calculated.

The remuneration of executive directors is to be fixed by the Board. The Company currently has one Executive Director, Mr Mark Arnesen. Mr Arnesen's base salary is comprised of a base salary of \$240,000 per year, and an annual long term equity incentive package.

The remuneration for the Proposed Director (a proposed executive director) is summarised in Section 4.9(a).

The Constitution also provides that:

- (i) if a director, at the request of the Board and for the purposes of the Company, performs extra services or makes special exertions (including going or living away from the director's usual residential address), the Company may pay that director a fixed sum set by the Board for doing so. Such remuneration may be either in addition to or in substitution for any other remuneration to which that Director is entitled under the Constitution; and
- (ii) the Company must pay a director (in addition to any remuneration) all reasonable expenses (including travelling and accommodation expenses) incurred by the director in attending meetings of the Company, the Board, or a committee of the Board, on the business of the Company, or in carrying out duties as a director.

The table below sets out the remuneration provided to the Directors of the Company and their associated companies during the last two financial years, inclusive of directors fees, consultancy fees and share-based payments.

Director	FY ended 30 June 2015	FY ended 30 June 2016
Mr Angus Edgar ¹	120,000	-
Mr David Young ²	355,367	200,000
Mr John Hodder ³	-	12,687
Mr Mark Savich ⁴	42,677	19,998
Dr Peter Ruxton ⁵	14,685	39,996
Mr Rohan Gillespie ⁶	80,000	-
Dr Simon Dorling ⁷	42,517	39,996

Notes:

1. Mr Angus Edgar resigned 9 June 2015
2. Mr David Young resigned as an executive director effective 29 February 2016 and became a non-executive director. Mr Young resigned as a non-executive director effective 28 July 2016.
3. Mr John Hodder was appointed 7 March 2016.
4. Mr Mark Savich was appointed 4 July 2014 and resigned 15 January 2016.
5. Dr Peter Ruxton was appointed 17 February 2015.
6. Mr Rohan Gillespie resigned 9 June 2015.

(d) Information disclosed in this Prospectus

Other than as set out in this Prospectus, no Director or Proposed Director, holds or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (i) the formation or promotion of the Company;
- (ii) any property acquired or proposed to be acquired by the Company in connection with:
 - (A) its formation or promotion; or
 - (B) the Offer; or
- (iii) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or Proposed Director:

- (a) as an inducement to become, or to qualify as, a Director; or

- (b) for services provided in connection with:
 - (A) the formation or promotion of the Company; or
 - (B) the Offer.

4.10 Related party transactions

There are no related party transactions involved in the Offer that are not otherwise described in this Prospectus.

The Company's policy in respect of related party arrangements is:

- (a) a Director with a material personal interest in a matter is required to give notice to the other Directors before such a matter is considered by the Board; and
- (b) for the Board to consider such a matter, the Director who has a material personal interest is not present while the matter is being considered at the meeting and does not vote on the matter.

The Underwriter holds a significant voting power in the Company. The Company and its Directors will comply with all applicable laws and the Listing Rules in relation to any future dealings between the Underwriter and the Company, including:

- (a) obtaining any Shareholder approvals for transactions between the Underwriter (or its associates) and the Company, where required by applicable law or the Listing Rules; and
- (b) the Directors' duties and obligations to the Company, including in relation to material personal interests and other conflicts of interest and, more generally, to act in the best interests of the Company as a whole.

4.11 Interests of other persons

Except as disclosed in this Prospectus, no underwriter, expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Shares offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Shares offered under this Prospectus; or
- (b) has been paid or given or will be paid or given any amount or benefit in connection with the formation or promotion of the Company or the Shares offered under this Prospectus.

4.12 Expenses of Offer

The estimated expenses of the Offer are as follows:

	\$
ASIC lodgement fee	2,350
ASX quotation fee	4,189
Share registry fee	10,000
Legal fees and expenses	10,000
Printing, mailing, advertising & miscellaneous	5,000
Total	31,539

4.13 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of Securities under this Prospectus), the Directors, the Proposed Director, and any persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Bellanhouse Legal has given its written consent to being named as the Australian corporate solicitors to the Company in this Prospectus. Bellanhouse Legal has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Advanced Share Registry Services has given its written consent to being named as the share registry to the Company in this Prospectus. Advanced Share Registry Services has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

5. Directors' Statement and Consent

This Prospectus is authorised by each of the Directors and the Proposed Director of the Company.

This Prospectus is signed for and on behalf of Company by:

A handwritten signature in blue ink, appearing to read 'Atty Begovich', is written over a horizontal line.

Mr Anthony Begovich
Company Secretary & Chief Financial Officer
Dated: 8 November 2016

6. Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

\$ means Australian dollars.

Advanced Share Registry means Advanced Share Registry Ltd (ACN 127 175 946) (trading as Advanced Share Registry Services).

Applicant means a person who submits an Application Form.

Application Form means the Application Form provided by the Company with a copy of this Prospectus.

Application Monies means the amount of money in dollars and cents payable for Shares at the Offer price per Share pursuant to the Offer.

ASIC means Australian Securities and Investments Commission.

ASX means the ASX Limited ABN 98 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.

Board means the board of Directors.

Business Day means Monday to Friday inclusive, other than a day that ASX declares is not a business day.

CHESS means ASX Clearing House Electronic Sub-register System.

Closing Date means 5:00pm (WST) on the closing date identified in the proposed timetable.

Company means Regal Resources Limited (ACN 106 294 106).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors mean the directors of the Company as at the date of this Prospectus.

DRC means the Democratic Republic of the Congo.

Eligible Shortfall Shareholder means a person who submitted a valid application for Shortfall Shares under the Entitlement Offer by the Entitlement Offer closing date, who did not receive all Shortfall Shares applied for.

Entitlement means the number of New Shares for which an Eligible Shortfall Shareholder is entitled to subscribe under the Offer, being that number of Scaled-Back Shares of that Eligible Shortfall Shareholder.

Entitlement Offer means the entitlement offer conducted pursuant to the prospectus issued by the Company dated 4 July 2016.

Issuer Sponsored means Shares issued by an issuer that are held in uncertified form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHES.

Kalongwe means Kalongwe Mining S.A., a company incorporated and existing under the laws of the DRC.

Kalongwe Project means the Kalongwe Copper-Cobalt Project located in the Katanga Province in the DRC and held by Kalongwe.

Listing Rules means the listing rules of ASX.

New Share means a Share to be issued pursuant to this Prospectus.

Offer means an offer under this Prospectus to subscribe for New Shares.

Option means an option to acquire a Share.

Optionholder means the holder of an Option.

Panel Orders mean the orders of the Takeovers Panel dated 14 October 2016.

Proposed Director means Mr Adam Smits.

Prospectus means this prospectus dated 8 November 2016.

Scaled-Back Shares means the Shortfall Shares validly applied for by an Eligible Shortfall Shareholder which were not issued to the Eligible Shortfall Shareholder.

Section means a section of this Prospectus.

Shortfall Shares has the meaning given in Section 1.1.

Securities means Shares and/or Options.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means the holder of a Share.

Underwriter means Ndovu Capital VI B.V. (a limited liability company registered in the Netherlands).

Underwriter Share Cancellation means the cancellation of Shares held by the Underwriter, in such number equal to the number of Shares issued under this Offer, for a consideration of \$0.01 per cancelled Share.

WST means Western Standard Time.