



## 2020 Half Year Financial Results – 17 February 2020

JIM BEYER – Managing Director & CEO & JON LATTO – Chief Financial Officer

ASX:RRL

## CAUTIONARY STATEMENT

These materials prepared by Regis Resources Limited (or “the Company”) include forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, and “guidance”, or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management’s good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company’s business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company’s business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company’s control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

ASX announcements are available on the Company’s website at [www.regisresources.com.au](http://www.regisresources.com.au)

## FINANCIAL HIGHLIGHTS

**Record Net Profit**  
**A\$93M up 17%**  
**Net Profit Margin +25%**

**EBITDA**  
**A\$186m up 27%**  
**EBITDA Margin 50%**

**Cash flow from  
operating activities**  
**A\$147m up 16%**

**Cash & Bullion**  
**A\$169m\***  
**No debt**

**Interim Dividend**  
**8c per share**

\*Includes bullion on hand valued at \$2,220 per ounce.

## FY2020 HALF YEAR PHYSICALS

Physicals	FY 2020 Half Year			FY19 H1	Variance
	DNO	DSO	TOTAL	TOTAL	
Ore mined (Mbcm)	0.67	1.39	<b>2.06</b>	2.52	-18%
Waste mined (Mbcm)	3.19	10.19	<b>13.38</b>	13.15	+2%
Stripping ratio (w:o)	4.8	7.3	<b>6.5</b>	5.2	+25%
Ore mined (Mtonnes)	1.48	3.46	<b>4.94</b>	5.81	-15%
Ore milled (Mtonnes)	1.45	3.17	<b>4.62</b>	4.87	-5%
Head grade (g/t)	1.11	1.35	<b>1.28</b>	1.24	+3%
Recovery (%)	91.4%	94.9%	<b>94.0%</b>	93.7%	0%
Gold production (ounces)	47,620	130,861	<b>178,482</b>	181,366	-2%

➤ Production on track to meet full year guidance **340,000 – 370,000oz**

➤ Good progress in underground mine development at Rosemont decline with first trial stoping on track for later this quarter.

## FY2020 HALF YEAR FINANCIAL RESULTS

	Unit	H1 FY2020 31 Dec 2019	H1 FY2019 31 Dec 2018
Ounces Produced	oz	178,482	181,366
Ounces Sold	oz	182,807	186,276
Average Realised Price	\$/oz	2,063	1,696
Sales Revenue	\$m	371.4	317.2
Royalties	\$m	(17.5)	(13.3)
Cost of Sales	\$m	(210.0)	(180.1)
<b>Gross Profit</b>	<b>\$m</b>	<b>143.9</b>	<b>123.8</b>
Other Income	\$m	0.4	(0.2)
Administration and Other Costs	\$m	(8.8)	(8.5)
Finance Costs	\$m	(1.1)	(0.7)
Exploration expenditure written off	\$m	(1.1)	(0.0)
<b>Profit Before Tax</b>	<b>\$m</b>	<b>133.3</b>	<b>114.4</b>
Income Tax Expense	\$m	(39.9)	(34.5)
<b>Net Profit After Tax</b>	<b>\$m</b>	<b>93.4</b>	<b>79.9</b>
All-in-Sustaining-Costs	\$/oz	1,226	954

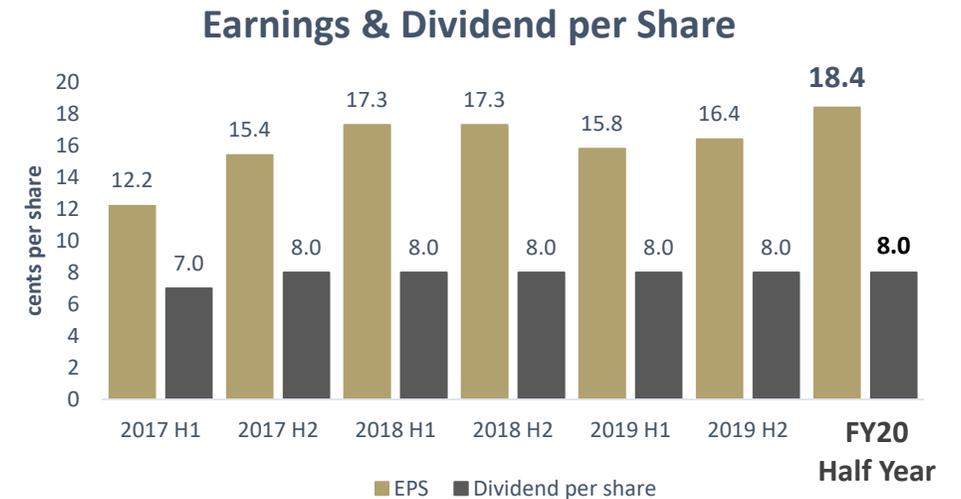
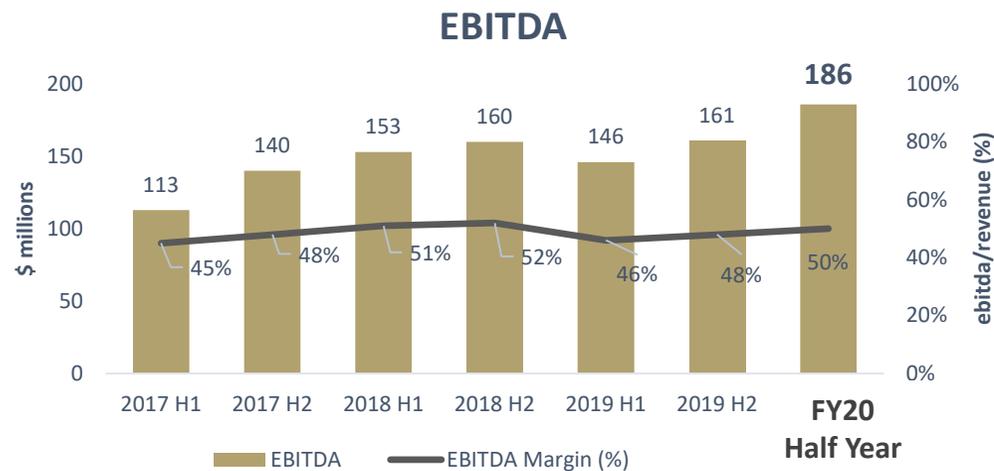
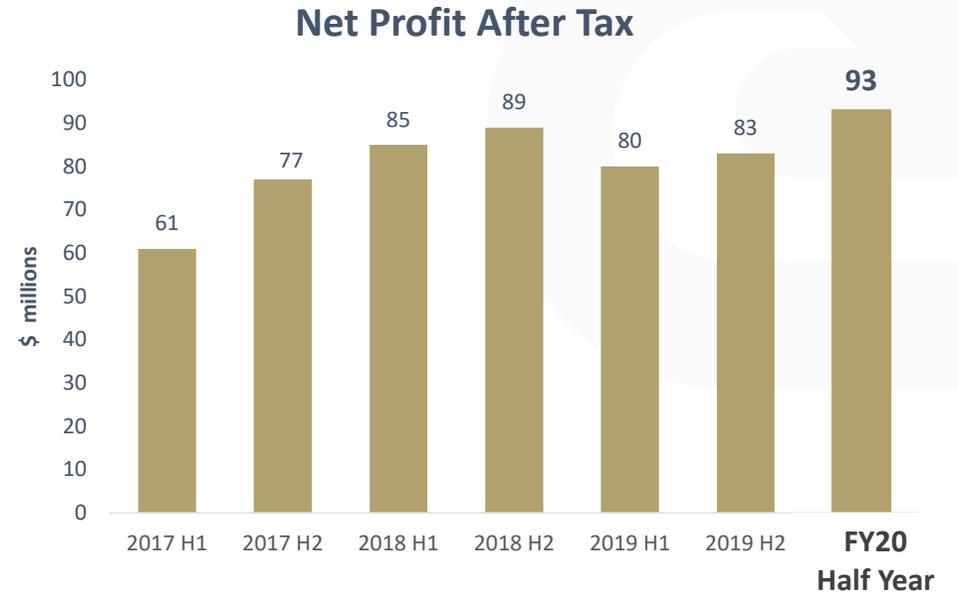
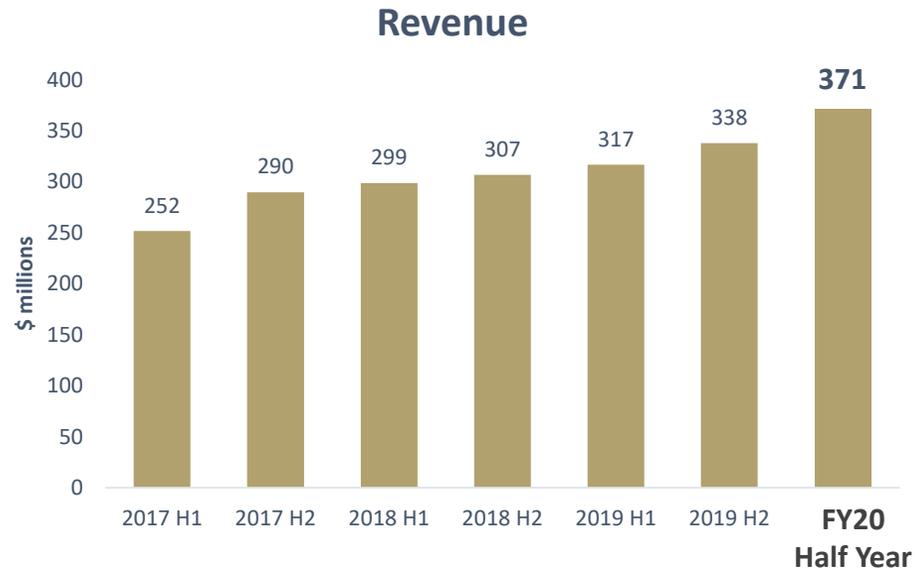
**Net Profit**  
**A\$93M up 17%**

**EBITDA**  
**A\$186m up 27%**

**Strong EBITDA**  
**Margin**  
**50%**

# STRONG PERFORMANCE ON ALL PROFIT MEASURES

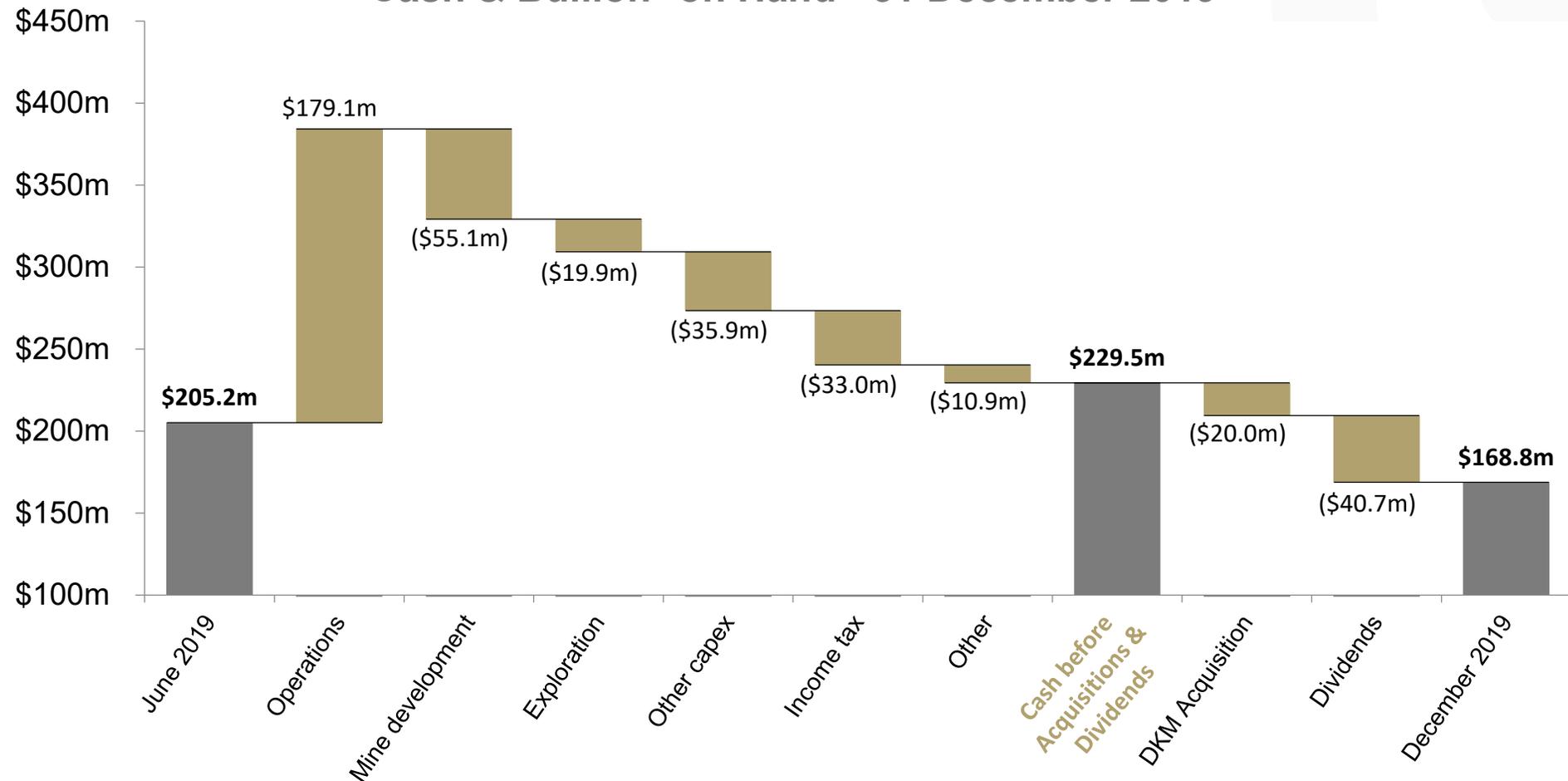
FY20 continues the trend



## CASHFLOW WATERFALL

Strong cashflow from operations of \$179.1 million supported the current phase of increased capital investment and also the payment of \$40.7 million in dividends during the first half of FY2020

### Cash & Bullion\* on Hand - 31 December 2019



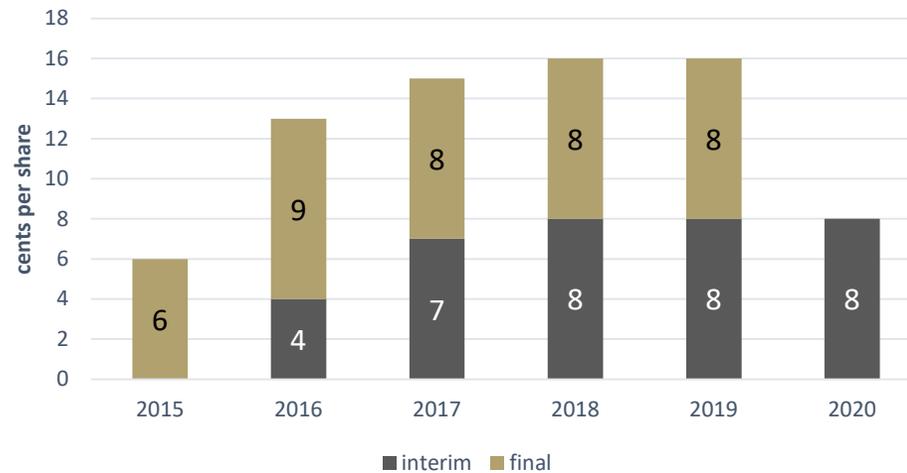
\*Includes bullion on hand valued at \$2,220 per ounce.

# DIVIDEND

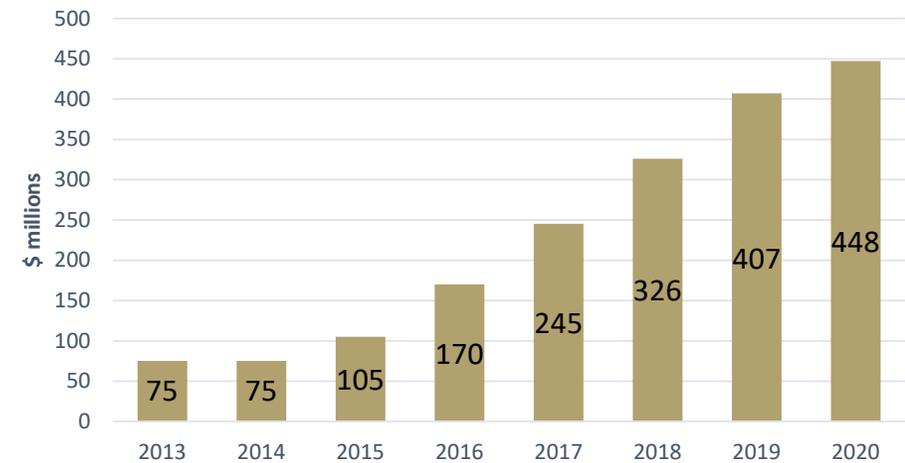
Regis continues to be an Australian gold industry leader on dividend payment metrics

- 🌀 **Interim dividend of 8 cps (\$40.7m) fully franked**
- 🌀 Interim dividend is 11% of H1 FY20 revenue and 22% of EBITDA
- 🌀 Regis has paid and/or declared 89cps - \$448 million in dividends since 2013
- 🌀 Level of future dividends will continuously be assessed in the context of gold price, operational performance and planned capital expenditure

### Dividends Declared



### Cumulative Dividends Paid



## REVIEW OF FY2020 HALF YEAR OPERATIONS

- 🌀 **Net profit after tax of \$93.4 million** (FY19 H1: \$79.9 million)
- 🌀 Half year **interim dividend** for FY2020 of **8 cents per share**
- 🌀 **EBITDA of \$185.6 million** with strong **EBITDA margin of 50%**
- 🌀 Half Year end Cash and bullion of **\$168.8 million\***
- 🌀 Strong operational performance with **production of 178,482 ozs**
- 🌀 **Produced ore** from our first **underground operation** at Rosemont
- 🌀 **McPhillamys Development Application (DA)** made significant progress with the Exhibition and Submission period having closed
- 🌀 **Tripled exploration tenure** around the Duketon Operations

\*Includes bullion on hand valued at \$2,220 per ounce.



**REGIS**  
RESOURCES LTD

**Additional Financial Information**

## FY2020 HALF YEAR – Profit & Loss

	31 December 2019 \$'000	31 December 2018 \$'000
<b>Revenue</b>	<b>371,366</b>	317,174
Cost of goods sold	<b>(227,483)</b>	(193,364)
Gross profit	<b>143,883</b>	123,810
Other income	<b>437</b>	(177)
Investor and corporate costs	<b>(1,193)</b>	(1,468)
Personnel costs	<b>(5,254)</b>	(4,719)
Share-based payment expense	<b>395</b>	(660)
Occupancy costs	<b>(335)</b>	(561)
Other corporate administrative expenses	<b>(537)</b>	(275)
Exploration and evaluation written off	<b>(1,065)</b>	(1)
Other	<b>(1,912)</b>	(852)
Finance costs	<b>(1,119)</b>	(683)
<b>Profit before income tax</b>	<b>133,300</b>	114,414
<b>Income tax expense</b>	<b>(39,910)</b>	(34,560)
<b>Net profit</b>	<b>93,390</b>	79,854
Earnings Per Share (cents per share)	18.38	15.77

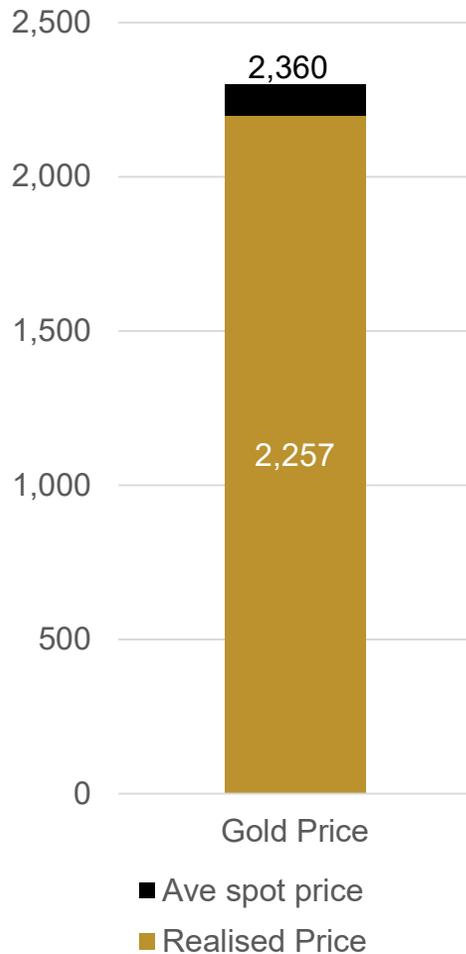
## FY2020 HALF YEAR – Cash Flow Statement

	31 December 2019 \$'000	31 December 2018 \$'000
<b>Cash flows from operating activities</b>		
Receipts from gold sales	370,796	315,960
Payments to suppliers and employees	(191,007)	(161,488)
Income tax paid	(33,034)	(29,157)
Other income	429	1,168
<b>Net cash from operating activities</b>	<b>147,184</b>	<b>126,483</b>
<b>Cash flows from investing activities</b>		
Acquisition of plant and equipment (net)	(35,920)	(21,515)
Payments for exploration and evaluation (net of rent refunds)	(19,871)	(20,892)
Payments for acquisition of exploration assets	(20,000)	-
Payments for mine properties under development	(23,174)	(16,474)
Payments for mine properties	(31,932)	(22,296)
<b>Net cash used in investing activities</b>	<b>(130,897)</b>	<b>(81,177)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	279	1,698
Payment of transaction costs	(14)	(50)
Payment of lease liabilities	(5,621)	(417)
Dividends paid	(40,654)	(40,570)
<b>Net cash used in financing activities</b>	<b>(46,010)</b>	<b>(39,339)</b>
Net increase/(decrease) in cash and cash equivalents	(29,723)	5,967
Cash and cash equivalents at 1 July	188,697	181,118
<b>Cash and cash equivalents at 31 December</b>	<b>158,974</b>	<b>187,085</b>

# FY2020 HALF YEAR – Balance Sheet

	31 December 2019 \$'000	30 June 2019 \$'000
<b>Current assets</b>		
Cash and cash equivalents	158,974	188,697
Inventories	55,678	56,077
Other current assets	12,471	10,141
<b>Total current assets</b>	<b>227,123</b>	<b>254,915</b>
<b>Non-current assets</b>		
Inventories	60,764	55,898
Property, plant and equipment	258,709	242,988
Exploration and evaluation expenditure	213,284	185,748
Mine properties under development	56,607	44,163
Mine properties	196,119	167,713
Other	37,273	2,572
<b>Total non-current assets</b>	<b>822,756</b>	<b>699,082</b>
<b>Total assets</b>	<b>1,049,879</b>	<b>953,997</b>
<b>Current liabilities</b>		
Trade and other payables	69,497	67,613
Income tax payable	11,893	12,224
Other	15,875	4,272
<b>Total current liabilities</b>	<b>97,265</b>	<b>84,109</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	98,511	91,305
Provisions & Lease liabilities	85,033	62,119
<b>Total non-current liabilities</b>	<b>183,544</b>	<b>153,424</b>
<b>Total liabilities</b>	<b>280,809</b>	<b>237,533</b>
<b>Net Assets</b>	<b>769,070</b>	<b>716,464</b>
<b>Total Equity</b>	<b>769,070</b>	<b>716,464</b>

## “SPOT DEFERRED” – FLEXIBLE GOLD HEDGE BOOK (31 Dec 2019)



- Regis' hedge position reduced to ~429koz at an average of A\$1,617/oz.
- Regis is currently actively managing the process of selling into the lowest price hedges. Currently at a rate of approximately 10koz per quarter – assuming a spot of A\$2,360/oz this results in an overall 4% drop in average price realised compared with the spot, as illustrated in graph

**Table 1: Hedging Volumes & Price Ranges**

Hedging Price Range	Quantity (oz's)
A\$1,400 - \$1,500	187,000
A\$1,500 - \$1,600	15,000
A\$1,600 - \$1,700	36,000
A\$1,700 - \$1,800	131,000
A\$1,800 - \$1,900	60,000

**Table 2: Current Hedging Volume Limits**

Period	Volume (oz's)
Today – Dec 2020	600,000
Jan 2021 – Dec 2021	400,000
Jan 2022 – Dec 2022	200,000
Jan 2023 – June 2023	100,000
July 2023	Nil



**REGIS**  
RESOURCES LTD

**Further information:**

**Jim Beyer | Managing Director & CEO**

**+ 61 8 9442 2200**