



REGALPOINT RESOURCES LTD
(ABN 12 122 727 342)
(Formerly Regalpoint Exploration Ltd)

FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2010

**REGALPOINT RESOURCES LTD
(ABN 12 122 727 342)
(Formerly Regalpoint Exploration Ltd)**

**INDEX
TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

	PAGE
Directors' Report	1
Auditor's Independence Declaration	4
Statement of Comprehensive income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to and Forming Part of the Accounts	9
Directors' Declaration	22
Independent Auditors' Report	23

REGALPOINT RESOURCES LTD
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DIRECTORS' REPORT

Your Directors present their report on the Company for the quarter ended 31 December 2010.

Directors

The names of directors in office at any time during or since the end of the year are:

Mr. Anthony A Trevisan
Mr. Simon Trevisan
Mr. Robert James Pett
Mr. Nicholas Burn
Mr. Richard Lockwood

The directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

Principal Activity

The principal activity of the entity during the financial period was mining exploration.

The company has changed its name from 'Regalpoint Exploration Ltd' to 'Regalpoint Resources Ltd' on 16th March 2010. There were no other changes in the entity's activities during the year.

Operating Results

The loss of the entity for the year to 31 December 2010 after providing for income tax amounted to \$151,998 (31 December 2009: Loss \$335,905).

Review of Operations

During the period the entity has focused on mining exploration.

Dividends

No dividends have been paid or declared since the start of the financial period.

Matters Subsequent to the End of the Half Year

There has not arisen in the interval between the end of the half year and the date of this report any matter or circumstance that is likely, in the opinion of the Directors, to affect significantly the operations of the entity, the results of those operations, or the state of affairs of the entity, in future financial years except likely developments in the operations of the economic entity and the expected results of those operations have not been included in this report as the Directors believe, on reasonable grounds, that the inclusion of such information would be speculative and not in the best interests of the entity.

**REGALPOINT RESOURCES LTD
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DIRECTORS' REPORT (cont'd)

Matters Subsequent to the End of the Half Year (cont'd)

By letter dated 30 December 2010 between the Company and Nicholas Burn, the Company confirmed the appointment of Mr Burn as Chief Executive Officer of the Company effective from 4 January 2011.

The appointment is on the following terms:

- annual salary of \$180,000 (plus 9% superannuation), to be reviewed within six months of Mr Burn's appointment. Mr Burn's remuneration package will then be reviewed at the end of each calendar year thereafter;
- issue of 1.7 million options to Mr Burn (or his nominee) and
- appointment to the Board with immediate effect.

In addition, Mr Burn (or his nominee) will be issued a further 300,000 options, which will vest immediately, if the Company establishes a JORC-compliant resource prior to 30 December 2012. These options will be exercisable at 25 cents each.

Indemnifying of Directors and Officers

During or since the end of the period the Company has not given an indemnity nor entered an agreement to indemnify, or paid or agreed to pay insurance premiums.

Options

During or since the end of the financial year Mr Burn, the Chief Executive Officer of the Company, issued of 1.7 million options to Mr Burn (or his nominee).

The principal terms and conditions of the Options issued to the nominee of Mr Burn are as follow:

- (a) No monies are payable for the issue of the options.
- (b) The options will expire on the date which is five years from the date that the Company is admitted to the Official List, unless Mr Burn's employment by the Company ceases prior to that date, in which case the options will expire on the date which is six months after his employment ceases (expiry date), and may be exercised at any time following vesting and prior to the expiry date.
- (c) Vesting
 - 700,000 options vest on the date that the Company is admitted to the Official List and have an exercise price of 20 cents each.
 - 500,000 options vest on 4 January 2012 and have an exercise price of 25 cents each.
 - 500,000 options vest on 4 July 2012 and have an exercise price of 25 cents each.

**REGALPOINT RESOURCES LTD
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DIRECTORS' REPORT (cont'd)

Environmental Regulation

The entity's exploration and mining activities are governed by a range of environmental legislation. As the Company is still in the development phase of its interests in exploration projects and is not yet subject to the public reporting requirements of environmental legislation. To the best of the directors' knowledge, the company has adequate systems in place to ensure compliance with the requirements of the applicable environmental legislation and is not aware of any breach of those requirements during the financial year and up to the date of the Directors' Report.

Auditors Independence Declaration

The auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is included on page 4 of the financial report.

Auditors

BDO Audit (WA) Pty Ltd continues to act as the auditor in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of the Board of Directors

For and on behalf of the Board.

Simon Trevisan
Executive Director
Signed at Perth this _____ day of March 2011

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Auditor's Independence Declaration**

REGALPOINT RESOURCES LTD
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STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

	31 December2010	31 December2009
	Note	\$
		\$
Revenue from continuing operations	1132	5413
Other income	-	-
Employee expenses	(55,090)	-
Accounting expenses	(22,002)	(14,330)
Legal expenses	(231)	-
Depreciation and amortisation expenses	(3,374)	(6,637)
Administration fee	(30,000)	(60,000)
Consulting fee	(1,307)	-
Research and Development (CET)	-	(380,410)
Borrowing cost expenses	-	-
Impairment of Exploration expenses	-	(6,888)
Tenements administration expenses	(22,080)	(5,738)
Other expenses	(19,046)	(43,670)
	<hr/>	<hr/>
	(151,998)	(512,260)
Income tax benefit	-	-
Loss for the year after tax	<hr/>	<hr/>
Other comprehensive income	-	-
Total comprehensive income for the year	<hr/>	<hr/>
	(151,998)	(512,260)
Total comprehensive income for the year attributable to ordinary equity holders of the entity		
Regalpoint Resources Ltd	<hr/>	<hr/>
	(151,998)	(512,260)

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

REGALPOINT RESOURCES LTD
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STATEMENT OF FINANCIAL POSITION
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

	Note	31December2010 \$	30 June 2010 \$
CURRENT ASSETS			
Cash and cash equivalents	2	41,560	45,282
Trade and other receivables	3	24,662	25,823
Total Current Assets		<u>66,222</u>	<u>71,105</u>
NON CURRENT ASSETS			
Property, plant and equipment	4	9,448	12,822
Exploration and evaluation expenditure	5	2,271,448	1,800,717
Prepayment of exploration expenditure		179,358	187,639
Total Non Current Assets		<u>2,460,254</u>	<u>2,001,178</u>
TOTAL ASSETS		<u>2,526,476</u>	<u>2,072,283</u>
CURRENT LIABILITIES			
Trade and other payables	6	44,831	571,450
Loans and borrowings	6	3,220,979	2,088,168
Total Current Liabilities		<u>3,265,810</u>	<u>2,659,618</u>
NON CURRENT LIABILITIES			
Loans and borrowings		-	-
Total Non Current Liabilities		<u>-</u>	<u>-</u>
TOTAL LIABILITIES		<u>3,265,810</u>	<u>2,659,618</u>
NET ASSETS		<u>(739,334)</u>	<u>(587,335)</u>
EQUITY			
Contributed Equity	7	856,599	856,599
Accumulated Losses	8	1,595,933	(1,443,934)
TOTAL EQUITY		<u>(739,334)</u>	<u>(587,335)</u>

The above statement of financial position should be read in conjunction with the accompanying notes.

REGALPOINT RESOURCES LTD
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STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

	Contributed Equity \$	Retained Earnings \$	Total Equity \$
Balance as at 1 July 2009	856,599	(595,769)	260,830
Total comprehensive income for the year	-	(848,165)	(848,165)
Transactions with equity holders in their capacity as equity holders:			
Shares issued during the year	-	-	-
Total recognised compressive income and expenditure for the year	-	(848,165)	(848,165)
Balance as at 30 June 2010	856,599	(1,443,934)	(587,335)
Balance as at 1 July 2010	856,599	(1,443,935)	(587,336)
Total comprehensive income for the year	-	(151,998)	(151,998)
Transactions with equity holders in their capacity as equity holders:			
Shares issued during the year	-	-	-
Total recognised compressive income and expenditure for the year	-	(151,998)	(151,998)
Balance as at 31 December 2010	856,599	(1,595,933)	(739,334)

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

REGALPOINT RESOURCES LTD
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STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

	Note	31December2010 \$	31 December 2009 \$
Cash Flows from Operating Activities			
Payments to suppliers and employees		(675,214)	(431,969)
Receipts from customers		-	-
Income tax received		-	167,079
Interest received		1,132	5,413
Net Cash Used in Operating Activities	10	<u>(674,082)</u>	<u>(259,477)</u>
Cash Flows from Investing Activities			
Payments for property, plant & equipment		-	-
Payments for exploration expenditure		(470,731)	(89,492)
Prepayment for exploration expenditure		8,281	25,403
Net Cash Used in Investing Activities		<u>(462,450)</u>	<u>(64,089)</u>
Cash Flows from Financing Activities			
Proceeds from the issue of share capital		-	-
Proceeds from borrowings		1,132,810	327,138
Net Cash Provided by Financing Activities		<u>1,132,810</u>	<u>327,138</u>
Net Increase/(Decrease) in Cash Held		(3,722)	3,572
Cash and Cash Equivalents at the Beginning of the Year		45,282	34,844
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	2	<u>41,560</u>	<u>38,416</u>

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

REGALPOINT RESOURCES LTD
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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

1. STATEMENT OF ACCOUNTING POLICIES

The primary accounting policies adopted in the preparation of the financial statements are set out below and should be read in conjunction with the prospectus. These policies will consistently apply to all years presented, unless otherwise stated.

Regalpoint Resources Ltd is a company limited by shares, incorporated and domiciled in Australia.

(a) Basis of Preparation of Financial Statements

Regalpoint Resources Ltd, half-year financial statements are general purpose financial statements which have been prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The half-year financial statements do not include full disclosures of the type normally included within the annual financial statements. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as the full financial statements. For the purpose of preparing the interim financial report, the half-year has been treated as a discrete reporting period.

These half-year financial statements were approved by the Board of Directors on 8 March 2011.

(b) Significant accounting judgements and key estimates

The preparation of the half-year financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this half-year financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at and for the year ended 30 June 2010.

(c) Adoption of new and revised accounting standards

In the half-year ended 31 December 2010, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2010.

- The Company has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2010. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Company accounting policies.

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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE HALF-YEAR ENDED DECEMBER 2010

(d) Reporting Basis and Conventions

The report is also prepared on an accrual basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated. Refer Note 16 for changes in accounting policies compared to the previous financial year.

(e) Income Tax Expenses or Benefit

The income tax expense or benefit (revenue) for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for all temporary differences, between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. Exceptions are made for certain temporary differences arising on initial recognition of an asset or a liability if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit. Deferred tax assets are only recognised for deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities, associates and interests in joint ventures where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future. Current and deferred tax balances relating to amounts recognised directly in equity are also recognised directly in equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

(f) Cash and Cash Equivalents

“Cash and cash equivalents” includes cash at bank and in hand, deposits held at call with financial institutions, other short-term highly liquid deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(g) Trade and Other Receivables

Trade debtors are recognised as the amount receivable and are due for settlement within 30 days from the end of the month in which services were provided. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off against the receivable directly unless a provision for impairment has previously been recognised.

A provision for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Loans granted are recognised at the amount of consideration given or the cost of services provided to be reimbursed.

(h) Revenue recognition

Revenues are recognized at fair value of the consideration received net of the amount of GST.

Interest

Revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

(i) Comparatives figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy. The values are included as a consequence of AASB 101 Presentation of Financial Statements.

(j) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

(k) Trade and Other Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the consolidated entity. Trade accounts payable are normally settled within 60 days.

(l) Loans and Borrowings

Loans are recognised at their principal amount, subject to set-off arrangements. Borrowing costs are recognised as an expense when incurred.

(m) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flow on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authorities are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(n) Exploration and Evaluation Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Exploration and evaluation expenditure encompasses expenditures incurred by the Group in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

(n) Exploration and Evaluation Expenditure (cont'd)

Exploration and evaluation expenditure incurred by the company is accumulated for each area of interest and recorded as an asset if:

- (i) the rights to tenure of the area of interest are current; and
(ii) at least one of the following conditions is also met:

- the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and
- exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the areas of interest are continuing.

For each area of interest, expenditure incurred on the exploration of tenements throughout Australia is capitalised, classified as tangible or intangible, and recognised as an exploration and evaluation asset. Exploration and evaluation assets are measured at cost at recognition. A provision for unsuccessful exploration and evaluation is created against each area of interest by means of a charge to the statement of comprehensive income. The recoverable amount of each area of interest is determined on a bi-annual basis and the provision recorded in respect of that area adjusted so that the net carrying amount does not exceed the recoverable amount. For areas of interest that are not considered to have any commercial value, or where exploration rights are no longer current, the capitalised amounts are written off against the provision and any remaining amounts are charged against profit. Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

(o) Impairment of assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Financial Assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Non-Financial Assets

The carrying amounts of the non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

(p) Impairment of assets (cont'd)

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the statement of comprehensive income. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of any other assets in the unit (group of units) on a pro rata basis.

(q) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Plant & Equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	11 - 33%
Motor vehicles	20%

(r) Contributed Equity

Ordinary shares are classified as equity.

Costs directly attributable to the issue of new shares or options are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration.

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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE HALF-YEAR ENDED DECEMBER 2010

(s) Going Concern

As a result of the losses incurred during the current year \$848,165 and negative net assets of \$587,335 the company will only continue to be a going concern so long as it continues to have the support of its shareholders. Without this support, the company will cease to be a going concern.

(t) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

(u) Employee Benefits

Wages and Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the statement of financial position date are recognised in respect of employees' services rendered up to statement of financial position date and measured at amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable. Liabilities for wages and salaries are included as part of Other Payables and liabilities for annual and sick leave are included as part of Employee Benefit Provisions.

Long Service Leave

Liabilities for long service leave are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees to the statement of financial position date using the projected unit credit method. Consideration is given to expect future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using national government bond rates at the statement of financial position date with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

	31 December 2010	30 June 2010
	\$	\$
2. CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	8,315	12,037
Bank Guarantee	33,245	33,245
	41,560	45,282
3. TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade debtors	-	856
Other debtors (GST Refund)	24,662	24,967
	24,662	25,823
4. PROPERTY, PLANT AND EQUIPMENT		
<u>PLANT & EQUIPMENT</u>		
At cost	25,563	25,563
Accumulated depreciation	(16,115)	(12,741)
Total	9,448	12,822
Reconciliation of the carrying amounts is set out below:		
		Plant & equipment
Balance at the beginning of year	12,822	21,082
Additions	-	1,613
Depreciation expense	(3,374)	(9,873)
Carrying amount at end of year	9,448	12,822
5. EXPLORATION & EVALUATION EXPENDITURE		
Opening	1,800,717	1,481,715
Paid during the year	479,012	748,939
Transfer of prepaid exploration expenditure	(8,281)	49,251
	2,271,448	2,279,905
Less: Impairment cost	-	(479,188)
Closing	2,271,448	1,800,717
6. TRADE AND OTHER PAYABLES (CURRENT)		
Trade creditors and accruals	44,831	571,450
Payable to shareholders	3,220,979	2,088,168
Total	3,265,810	2,659,618

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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

	31 December 2010	30 June 2010
	\$	\$
7. ISSUED CAPITAL		
36,000,000 Ordinary shares issued fully paid on 31st July 2008 to capitalise the shareholder loans at that date	856,599	856,599
	856,599	856,599

The holders of Ordinary shares are entitled to exercise at any meeting of the Company one vote for each share held. The holders are entitled on a winding-up the Company to receive a distribution of all surplus assets remaining after the repayment of the amount paid up on all shares in the capital of the Company.

Capital Management Risk

Capital is defined as the wealth owned or employed in the Company. The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits of other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may issue new shares and sell.

8. ACCUMULATED LOSSES

Accumulated loss at start of year	(1,443,934)	(595,769)
Net profit / (loss) attributable to shareholders	(151,998)	(848,165)
	(1,595,933)	(1,443,934)

9. CASH FLOW INFORMATION

Reconciliation of cash flow from operations with profit from continuing operations after income tax:

Non-cash flows in profit from ordinary activities		
Profit / (loss) after Income Tax	(151,998)	(848,165)
Depreciation & Amortisation	3,374	9,874
Changes in assets & liabilities net of purchase & disposal of Subsidiaries.		
(Increase) / Decrease in receivables	1,161	-
(Increase) / Decrease in income tax	-	255,114
Increase / (Decrease) in creditor & accruals	(526,619)	709,217
Cash flow from Operating Activities	(674,082)	126,040

10. ADDRESS OR REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

The Company's registered office and principal place of business is at Level 14, 191 St George's Terrace, Perth, Western Australia 6000.

REGALPOINT RESOURCES LTD
(ABN 12 122 727 342)
(Formerly Regalpoint Exploration Ltd)

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

11. CONTINGENT LIABILITIES

There are no contingent items at the reporting date.

12. COMMITMENTS

Management Fees Commitment

The Company agreed to retain Transcontinental Investments to provide corporate administration services to the Company. Regalpoint Resources Ltd has agreed to accrue a monthly fee of \$10,000 payable to Transcontinental Investments Pty Ltd plus reimburse each month certain costs, expenses and liabilities incurred and/or paid by Transcontinental Investments Pty Ltd on behalf of the Company during the month.

Tenements Commitments

The expenditure required to maintain exploration tenements in which the company has an interest in:

	31 December 2010
	\$
Not later than one year	2,220,500
Later than one year but not later than two years	3,934,500
TOTAL	6,155,000

8. REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for service provided by the auditor of the entity, its related auditing or reviewing the financial report.

	31 December 2010	30 June 2010
	\$	\$
<u>Audit and other assurance services</u>		
Audit and review of financial report	11,232	15,679
Other assurance services	-	-
Total remuneration for audit and other assurance services	11,232	15,679
<u>Taxation services</u>		
Tax compliance services related to consulting and advice	10,770	7,441
Total remuneration for taxation services	10,770	7,441
Total remuneration for BDO (WA) Pty Ltd	22,002	23,120

9. EVENTS OCCURRING AFTER THE BALANCE DATE

There is no subsequent post balance date event at the reporting date.

REGALPOINT RESOURCES LTD
(ABN 12 122 727 342)
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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE HALF-YEAR ENDED DECEMBER 2010

10. CHANGE IN ACCOUNTING POLICY

The company has not changed any accounting policy during the half year. Below are details and impacts of accounting standards issued, not yet effective.

AASB reference	Title and Affected Standard(s):	Nature of Change	Application Date of Standard	Application Date for Company	Impact on Initial Application
AASB 2009-5 (issued May 2009)	Further Amendments to Australian Accounting Standards arising from the Annual Improvements Process	Not Urgent but necessary changes to AIFRSs as a result of the IASB's 2008 annual improvement process.	1.1.2010	1.7.2010	There will be no future financial impacts on the financial statements.
AASB 9 (issued December 2009)	Financial Instruments	Amends the requirements for classification and measurement of financial assets.	1.1.2013	1.7.2013	Due to the recent release of these amendments and that adoption is only mandatory for the 30 June 2014 year end, the entity has not yet made an assessment of the impact of these amendments.
AASB Interpretation 19 (issued December 2009)	Extinguishing Financial Liabilities with Equity Instruments	Equity instruments issued to a creditor to extinguish all or part of a financial liability are 'consideration paid' to be recognised at the fair value of the equity instruments issued, unless their fair value cannot be measured reliably, in which case they are measured at the fair value of the debt extinguished. Any difference between the carrying amount of the financial liability extinguished and the 'consideration paid' is recognised in profit or loss.	1.7.2010	1.7.2010	These amendments are unlikely to have any impact as the entity has not undertaken any debt for equity swaps.

REGALPOINT RESOURCES LTD
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NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

16. CHANGE IN ACCOUNTING POLICY (cont'd)

AASB reference	Title and Affected Standard(s):	Nature of Change	Application Date of Standard	Application Date for Company	Impact on Initial Application
AASB 2009-10	Amendments to Australian Accounting Standards - Classification of Rights Issues [AASB 132]	Accounting for rights issues that are denominated in a currency other than the functional currency of the issuer. The amendment clarifies that such transactions must be treated as equity.	1.2.2010	1.7.2010	As the entity has not made any such rights issues, the amendment will not have any effect on the entity.
AASB 2009-12	Revised AASB 124 Related Party Disclosures	Simplifies disclosure requirements for government-related entities and clarifies the definition of related party.	1.1.2011	1.7.2011	As this is a disclosure standard only, there will be no impact on amounts recognised in the financial statements.
AASB 5	Non-current Assets Held for Sale and Discontinued Operations	Clarifies that disclosures required for non-current assets classified as held for sale or discontinued operations are limited to those required by AASB 5	1.1.2010	1.7.2010	There will be no impact as these requirements are only required to be applied prospectively to disclosures for non-current assets classified as held for sale or discontinued operations.
AASB 2009-14	Amendments to Australian Interpretation - Prepayments of a Minimum Funding Requirement	The amendment removes an unintended consequence of the interpretation related to voluntary prepayments when there is a minimum funding requirement in regard to the entity. It recognise an asset for a prepayment of contributions made to cover minimum funding requirements	1.1.2011	1.7.2011	The group does not make any such prepayments. The amendment is therefore not expected to have any impact on the group's financial statements

REGALPOINT RESOURCES LTD
(ABN 12 122 727 342)
(Formerly Regalpoint Exploration Ltd)

NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

16. CHANGE IN ACCOUNTING POLICY (cont'd)

AASB reference	Title and Affected Standard(s):	Nature of Change	Application Date of Standard	Application Date for Company	Impact on Initial Application
AASB 2009-8 AASB-136 AASB 101 AASB 107	Group Cash-settled Share-based Payment Transactions Impairment of Assets Presentation of Financial Statements Statement of Cash Flows				The company will not be adopting these standards and therefore they will have no impact on the preparation of the financial statements.
IFRS-3 IFRS 7 IAS 1	Business Combinations Financial Instruments: Disclosure Presentation of Financial Statements				The company will not be adopting these standards and therefore they will have no impact on the preparation of the financial statements.

REGALPOINT RESOURCES LTD
(ABN 12 122 727 342)
(Formerly Regalpoint Exploration Ltd)

DIRECTORS' DECLARATION
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

In the opinion of the directors of Regalpoint Resources Ltd:

- a) the financial statements and notes set out on pages 5 to 21 are in accordance with the *Corporations Act 2001*, including:
 - i) giving a true and fair view of the Company's financial position as at 31 December 2010 and of their performance for the half-year ended on that date; and
 - ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- b) there are reasonable grounds to believe that Regalpoint Resources Limited will be able to pay its debts as and when they become due and payable;
- c) the directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the managing director and executive director for the half-year ended 31 December 2010.
- d) the consolidated entity has included in the notes to the financial statements, our explicit and unreserved statement of compliance with International Financial Reporting Statements

This declaration is made in accordance with a resolution of the directors and signed for on behalf of the board by:

Simon Trevisan
Executive Director
Signed at Perth this ____ day of March 2011

REGALPOINT RESOURCES LTD
(ABN 12 122 727 342)
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