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The Manager  
ASX Company Announcements Office  
PO Box H224, Australia Square  
SYDNEY NSW 2001

## **RGU TO ACQUIRE 100% OF KARAMOJA GOLD PROJECT IN UGANDA**

### **Highlights**

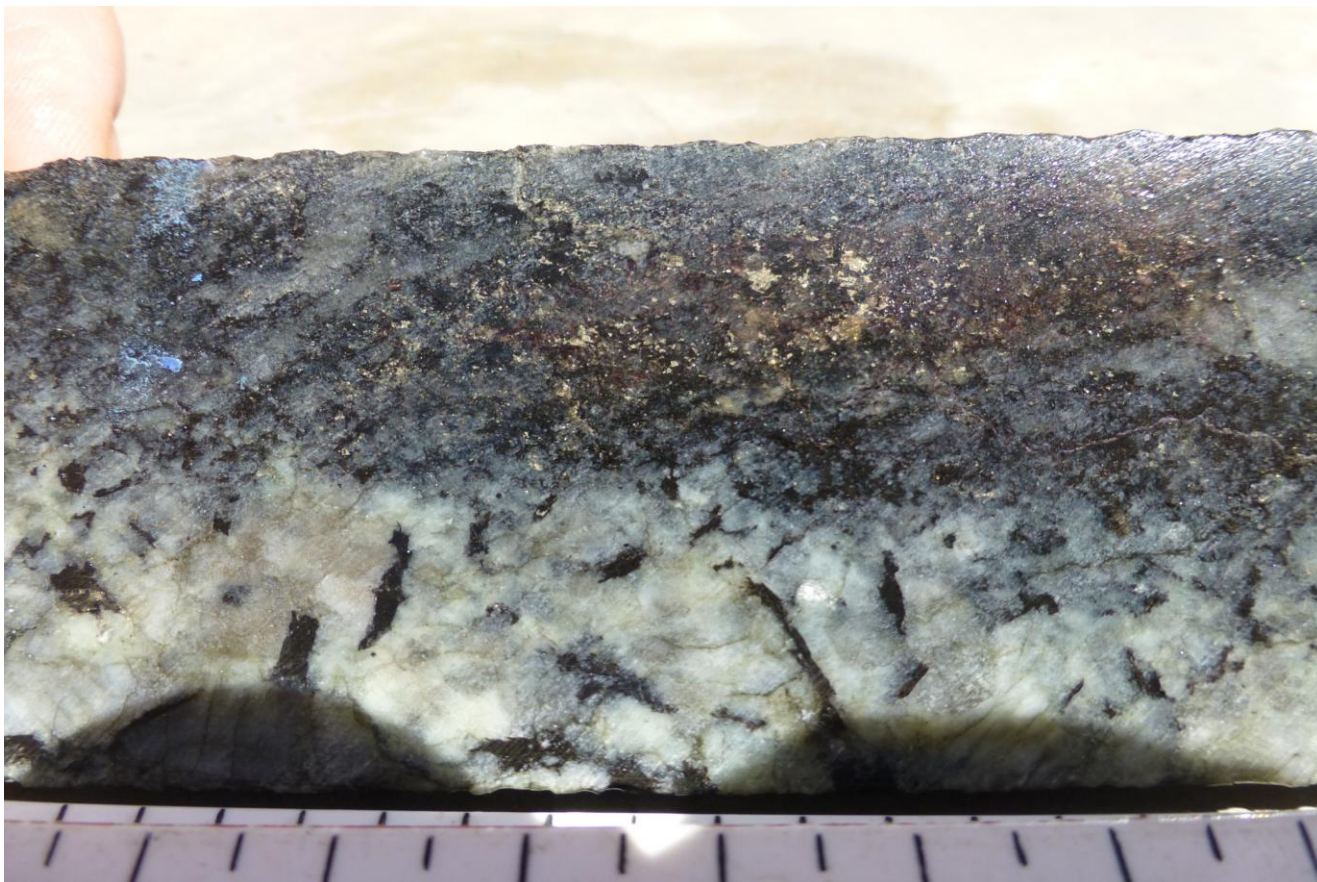
- **2,093sq kms of granted exploration licences.**
- **Sample results from trenching includes 84 g/t Au**
- **4 target zones identified.**
- **Initial diamond drilling program underway.**
- **continuity of strike in 586m trenched with assay highs of 69.3 g/t Au**

Regalpoint Resources Ltd (ASX:RGU or the “**Company**”) is pleased to announce that it has entered into an agreement to acquire East African Gold Limited (“**EAGL**”), the holding company of a 100% interest in the Karamoja Gold Project in Uganda.

The Karamoja Gold Project comprises 26 exploration licences in the Karamoja region of north-east Uganda, covering a total area of 2,093sq kms and included are a number of artisanal workings which targeted narrow high grade quartz veins within shear zones in the gneisses. The quartz veins contain visible gold.

EAGL has established a first mover advantage in this highly prospective region and is already deploying modern exploration techniques for the first time in the traditional artisanally mined areas. It presently has a drill rig on site carrying out an initial 2000m diamond drilling program.

Surface exploration activities have resulted in the prioritization of four key areas: Lopedo, Naikoret, Sokodu/Lemonya and Lois.



*Core from Karamoja Gold Project showing visible sulphides*

Selective grab samples have been very encouraging to date including Lopedo –up to 84 g/t Au, Naikoret – up to 7 g/t Au, Sokodu – up to 14 g/t Au. Further exploration has included trenching across the artisanal workings and results are awaited from the laboratory. Initial trenching work displayed a continuity of strike in the 586m trenched at the end of 2012 and provided assay highs of 69.3g per tonne of gold in the veins. Diamond drilling is in progress on the target areas.

### **Uganda Overview**

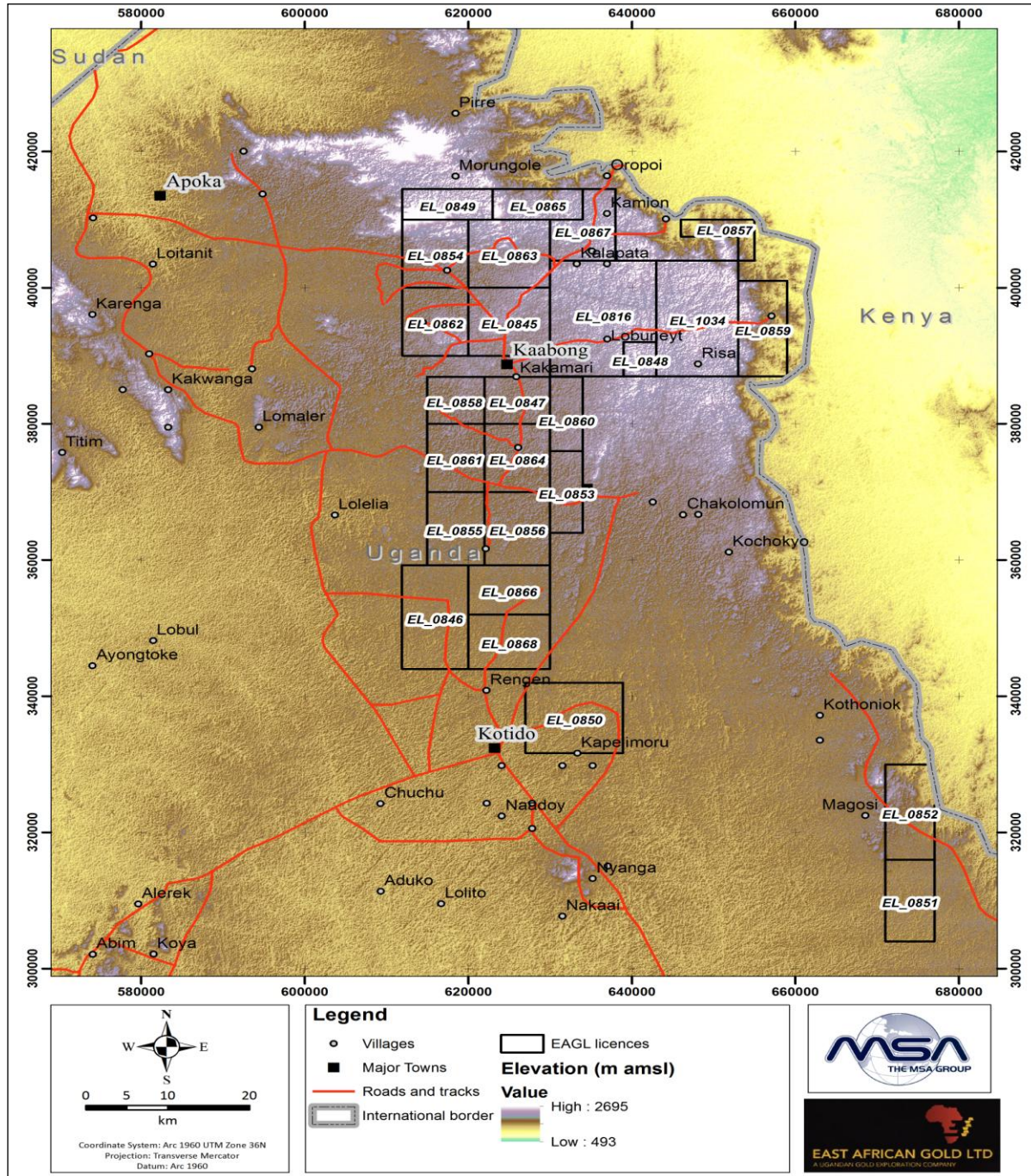
Uganda lies within the African plate, a continental crust that contains Archaean cratons that date at least 2700Ma.

The Archaean basement region dominated by granitoids in central and northern Uganda is traditionally classified as the Basement Complex of Uganda. It contains a variety of industrial minerals including graphite, kyanite, garnet, talc, asbestos, feldspar, kaolin and clays as well as rocks for aggregates. The Basement Complex now comprises the Lake Victoria terrane in south east Uganda, the northern extension of the Tanzanian Craton to central Uganda, North Uganda terrane in northern Uganda and the west Nile block in north west Uganda (the eastern extension of the Bomu-Kibalian Shield of Congo). These terranes are mainly composed of plutonic rocks, mostly granitoids and gneisses, while less metamorphosed metavolcanic and metasedimentary rocks are locally encountered, particularly in south east Uganda.

The metavolcanic and sedimentary rocks of the Lake Victoria terrane in south east Uganda form the Nyanzian Supergroup. It includes a gold-bearing greenstone belt, which is part of the famous Lake Victoria gold field of northern Tanzania and western Kenya. Gold mineralization is confined to quartz veins within the mafic metavolcanic rocks, within banded iron formations (BIF) or in the rocks adjacent to the BIF units. Tira gold mine in Busia area has a medium scale production plant in place and production, though intermittent, dates from late 1930s to date.

The Aswa Shear Zone is an up to 11 km wide NW-SE striking lineament that extends from the South Sudanese border to Kenya (and beyond), over a length of around 365km. The main shear zone is accompanied by a number of splay faults and parallel shear zones, and the fabric is characterized by pronounced and well developed mylonitic foliation.

Several regional scale thrust faults are also recognized in the bedrock of northern Uganda. The Albertine Rift Valley is part of the continent scale East African Rift system, which contains lakes Nyasa, Tanganyika, Kivu, Edward, George and Albert.



**The Karamoja Gold Project Tenements**

The Lake Victoria gold deposits are connected by major gold trends that extend through Uganda. These linear mineral occurrences represent gold zones that trend in northern western/north easterly directions stretching across Uganda and the borders of the DRC, Tanzania, South Sudan and Ethiopia.

### Karamoja Gold Field

In general, most gold production in Uganda has been by small producers who include licensed miners and illegal miners or artisans. Production statistics are only indicative.

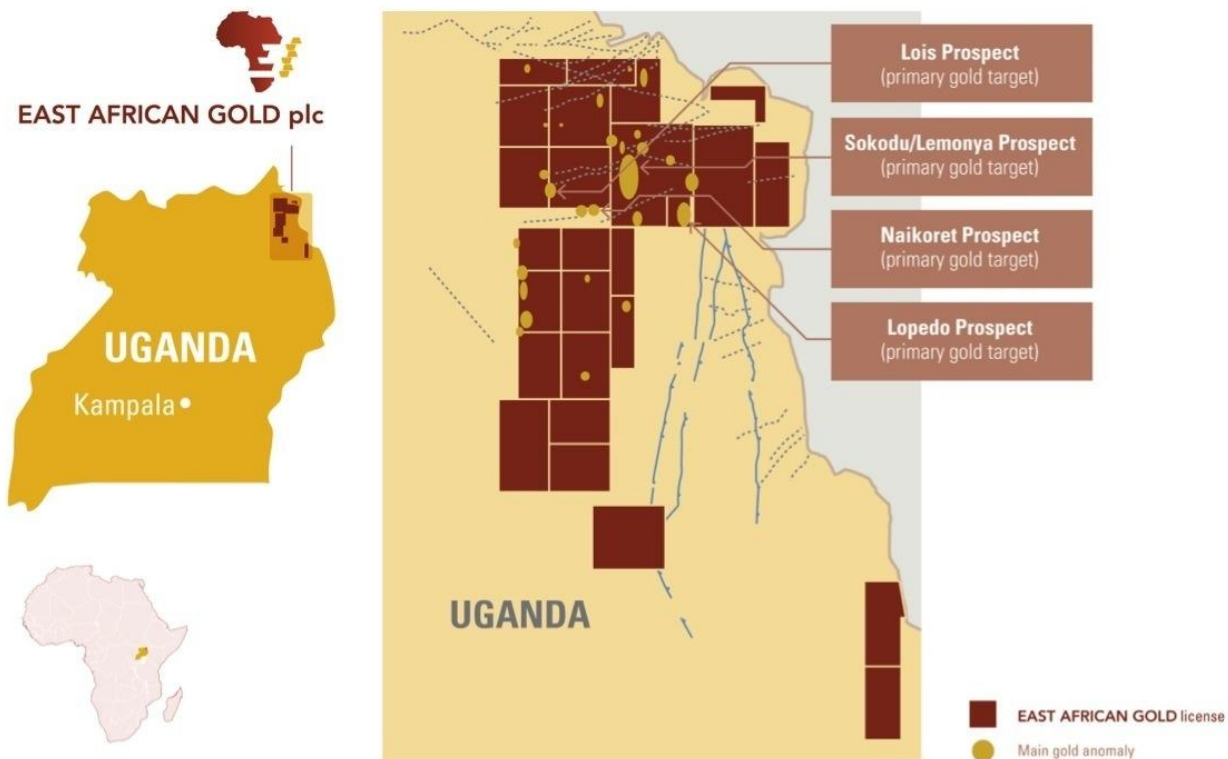
Gold was first reported in gravels of River Kalere near Kaabong in 1960. Commercial gold exploitation was done in 1983 by artisans who worked alluvial, colluvial and elluvial material. The primary source rocks are also exploited by small scale artisanal workings.

Exploration within the Karamoja Gold Project is systematically targeting a belt of tectonically reworked Archaean Shield comprising granites and gneisses along the eastern margin of the Tanzanian shield to the north east of the Lake Victoria Gold belt.

This is considered to be a similar geological setting to the high-grade gneissic rocks that lie on the eastern edge of the Yilgarn craton within its transition into the NE-SW oriented Albany Fraser orogen to the east. The setting hosts the recently discovered Tropicana gold deposits. The geological setting was historically not seen to be prospective for gold deposits and the Tropicana gold discovery is a new mineral deposit style in this previously unrecognised and unexplored gold province.

### KARAMOJA GOLD PROJECT

Kaabong, Kotido & Moroto districts in Karamoja region



East Africa's largest gold deposits are connected by major gold trends that extend through Uganda. These linear mineral occurrences represent gold zones that trend in northern western/north easterly directions stretching across Uganda and the borders of the DRC, Tanzania, South Sudan and Ethiopia.

The Karimoja Gold project included a number of artisanal working which targeted narrow high grade quartz veins within shear zones in the gneisses.

Surface exploration activities to date have resulted in the prioritization of four key areas: Lopedo, Naikoret, Sokodu/Lemonya and Lois. Selective grab samples on the mineralized veins have been very encouraging to date including: Lopedo – 83.6g/t Au, 25.8g/e, 24.0g/t, 18.1g/t, 17.4g/t, 11.2g/t, 10.9g/t and 2.0g/t; Naikoret – 7.0g/t Au; Sokodu – 14.1 g/t and 0.98g/t Au (all sample values reported). The quartz veins contain visible gold. Further exploration has included trenching across the artisanal workings and results are awaited from the laboratory. Diamond drilling is in progress on the target areas.

Initial trenching work displayed a continuity of strike in the 586m trenched at the end of 2012 with channel sample values of 2.5g/t and 2.0g/t Au and 63.9g/t Au in the veins in the two trenches which have assay results returned. The existence of larger continuous structures has been identified in magnetometer results.

A NI43-101 report on the Karamoja Gold Project has been prepared by the MSA Group (Pty) Ltd on behalf of EAGL. The MSA Group note that despite generally poor exposure artisanal activities reveal the presence of several NNW-trending mineralized zones that contain course gold in the oxidised portion of the mineralised zones. Mineralisation styles considered to represent the hypozonal deep-crustal end member of orogenic gold deposits. Surface exploration activities to date have included licence reconnaissance and grab sampling which have resulted in the prioritisation of key areas for priority investigation. It is anticipated that further areas will be identified as surface exploration works proceed.

***Trench LOPT2 at the northern end of the artisanal workings***



Excavated and demarcated LOPT2



Channel (above hammer) cut through saprolite and weathered bedrock showing sampling methodology



Gossanous quartz + tourmaline vein exposed in the sidewall of LOPT2



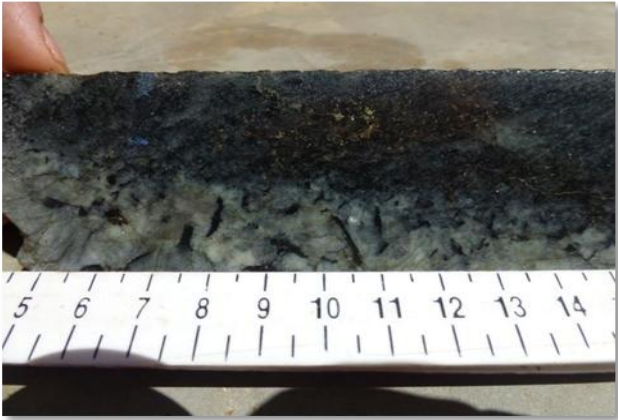
Coarse gold panned from the discarded spoils of trench LOPT2

**Terms of Agreement**

The agreement to purchase EAGL is conditional upon due diligence and necessary shareholders and regulatory approvals and the parties completing full formal documentation. The Company has agreed to acquire EAGL for the issue of 138,708,000 new RGU shares.

Upon completion of the due diligence and formal documentation, the Company has agreed to loan EAGL \$1,000,000 to complete the funding of EAGL's current drilling program on the Karamoja Gold Project. Should the transaction not proceed then the loan will be repaid with 10% interest. The loan is secured against the shares in EAGL.

***Karamoja Gold Project: Drilling - December 2012***



**Background**

*The Company was formed to pursue exploration opportunities for precious and base metals and uranium. In 2006 the Centre for Exploration Targeting was engaged to carry out a prospectivity study for uranium and other minerals utilising the mineral systems approach. The objective of the study was to identify promising new areas with potentially economic mineral deposits and to generate exploration targets at the terrane-to-camp scale that satisfied targeting criteria determined based on geological and commercial considerations. Targets were ranked according to the designated criteria and the Company was able to obtain mineral exploration licences over available ground for the top ranking projects as identified by the CET Study.*

For further information please contact:

**Simon Trevisan: Executive Director**

Ph: (08) 9424 9320

strevisan@regalpointresources.com.au

*The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Malcolm Castle, a competent person who is a Member of the Australasian Institute of Mining and Metallurgy ("AusIMM"). Malcolm Castle is a consultant geologist employed by Agricola Mining Consultants Pty Ltd and is a consultant to Regalpoint Resources Limited. Malcolm Castle has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Malcolm Castle consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*