



**Regalpoint
Resources** Ltd

ACN 122 747 342

**INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2011**

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CORPORATE DIRECTORY

DIRECTORS

Shane L. Stone (Chairman)
Nicholas Burn (Chief Executive Officer)
Simon Trevisan (Executive Director)
Richard Lockwood (Non-Executive Director)
Robert Pett (Non-Executive Director)
Ian Murchison (Non-Executive Director)

COMPANY SECRETARY

Fleur Hudson

REGISTERED AND PRINCIPAL OFFICE

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PERTH WA 6000
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Facsimile: (08) 9321 5932
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AUDITORS

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SHARE REGISTRY

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CORPORATE DIRECTORY

Home Exchange

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2 The Esplanade
PERTH WA 6000
ASX Code: RGU; RGUO

Solicitors

Squire Sanders (AU)
Level 49, Central Park
152-158 St Georges Terrace
Perth WA 6000

Bankers

St George Bank
Level 1, Westralia Plaza
167 St Georges Terrace
Perth WA 6000

Director's Report

The Directors present their report together with the financial report of Regalpoint Resources Limited (Company) for the half year ended 31 December 2011 and the auditor's review report thereon.

DIRECTORS

The names and details of the Directors in office during the half year and until the date of this report are set out below.

- Shane L. Stone (Chairman)
- Nicholas Burn (Chief Executive Officer)
- Simon Trevisan (Executive Director)
- Richard Lockwood (Non-Executive Director)
- Robert Pett (Non-Executive Director)
- Ian Murchison (Non-Executive Director)

Directors have been in office the entire period unless otherwise stated.

REVIEW OF OPERATIONS

Highlights

- **Initial exploration of first 3 lead projects identifies high grade mineralized prospects on each**
- **Identification of the Skevi Prospect with significant uranium assays up to 0.47% U at the Paroo Range project**
- **King Leopold airborne survey and reconnaissance identifies extensive radiometric anomalies: up to 0.43% U**
- **Highlander : High grade shoots within Au mineralized structural corridor identified, up to 6m @ 3.91 g/t Au, including 1m @ 13.2 g/t Au**

During the period following Regalpoint's initial public offering (IPO) and admission to the official list of the Australian Securities Exchange (ASX) on 31 May 2011 the Company undertook an exploration program on its priority projects.

The Company's tenement portfolio was compiled following a collaborative and comprehensive uranium prospectivity study carried out for the Company by the renowned mineral exploration research centre, The Centre for Exploration Targeting (CET) at the University of Western Australia. The Company's portfolio currently comprises 57 tenements totalling in excess of 14,500 km².

Regalpoint explored priority project areas (Figure.1) during the period with very encouraging initial exploration results successfully identifying high grade mineralization on the first three projects (Paroo Range, Rum Jungle/Highlander and King Leopold). These exciting prospects will continue to be the focus of assessment in the coming field season. In addition exploration will commence on our other projects.

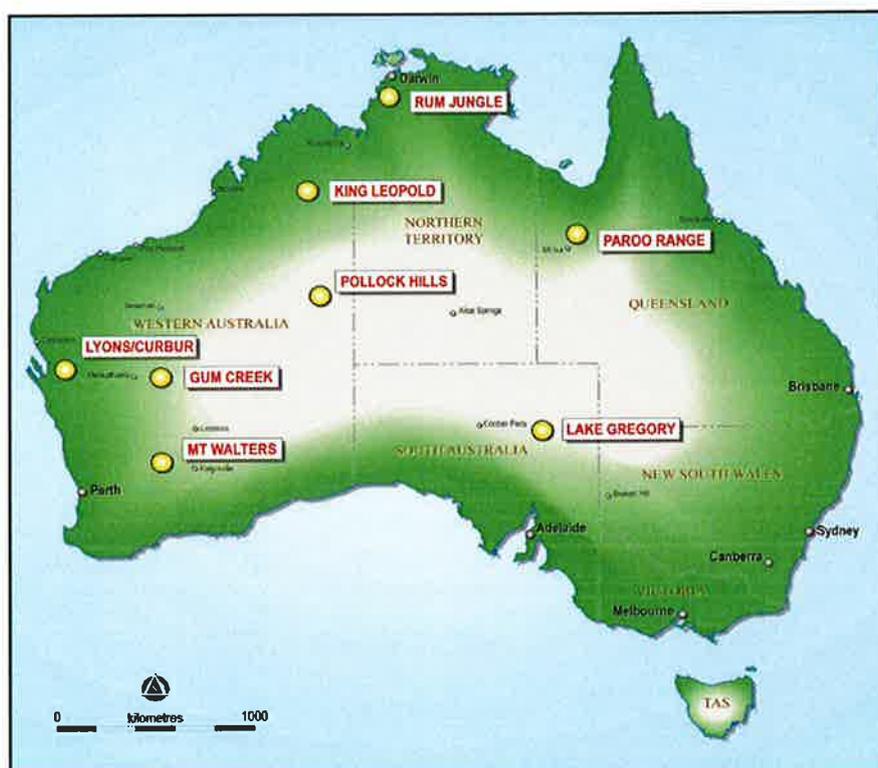


Figure 1: Location of Regalpoint's eight priority areas

PAROO RANGE, QLD (RGU: 100%)

The Paroo Range project is located approximately 25km north of Mt Isa and is adjacent to the Paladin Energy tenements that host the Skal and Valhalla uranium resources (Figure 2).

During the period Regalpoint's exploration of its Paroo Range project identified significant uranium mineralisation associated with altered Eastern Creek Volcanics. Two phases of helicopter supported reconnaissance of identified radiometric anomalies in the project area returned encouraging uranium spectrometer values up to 1138 ppm eU at anomaly PRP 1 (now named the 'Skevi' prospect).

The Skevi prospect is interpreted as a strong N-S trending structurally controlled zone in altered Eastern Creek Volcanics, approximately 500m in strike length, with significant spectrometer uranium values to the north and south of the initial sampling (Figure 3).

Encouraging spectrometer uranium values up to **633 ppm eU***, **545 ppm eU*** and **300 ppm eU*** were collected along strike from the initial sampling. Follow-up chemical analysis of these high spectrometer values confirmed the substantial uranium anomalism with assays up to **0.47 %U** and **0.34 %U** from the prospect area and strongly anomalous values along the identified strike extent.

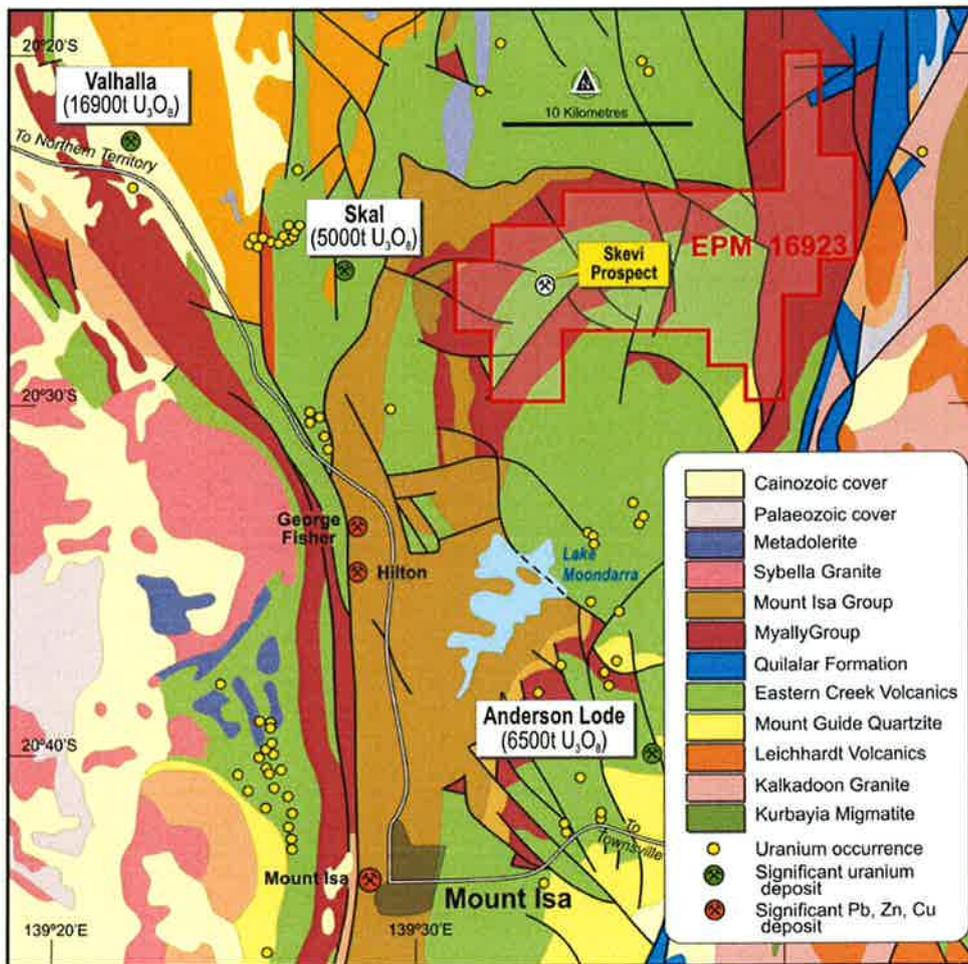


Figure 2: Paroo Range geology

The Skevi Prospect and surrounding anomalies are an exciting priority target and important breakthrough for the Regalpoint exploration strategy in developing the large CET-generated tenement portfolio.

The Company is now preparing to test the Skevi prospect and an RC drilling program is expected to commence early this 2012 field season.

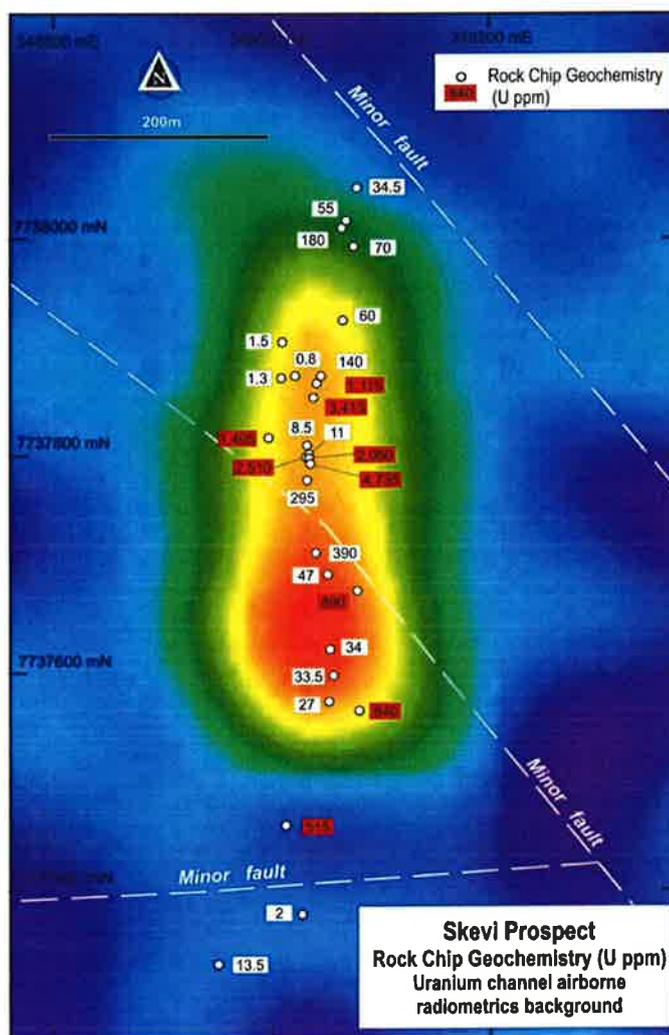


Figure 3: Skevi Prospect Geochemistry over Uranium Channel Radiometric Image

RUM JUNGLE, NT (RGU: 100%)

The Highlander gold prospect is a historical gold anomaly located within EL26094, east of Batchelor in the Northern Territory. Historical shallow RC drilling at Highlander returned assays up to 9m @ 1.88 g/t and 3m @ 2.90 g/t Au.

In the last half year period Regalpoint has undertaken a program of costean excavation, mapping and sampling and an RC drill program (1,540m) to test the strike and depth of mineralisation and to verify the historical drill results. Results from this initial program included 4m @ 1.60 g/t Au and 4m @ 1.2 g/t Au from the verification drilling at the northern end of the current prospect area.

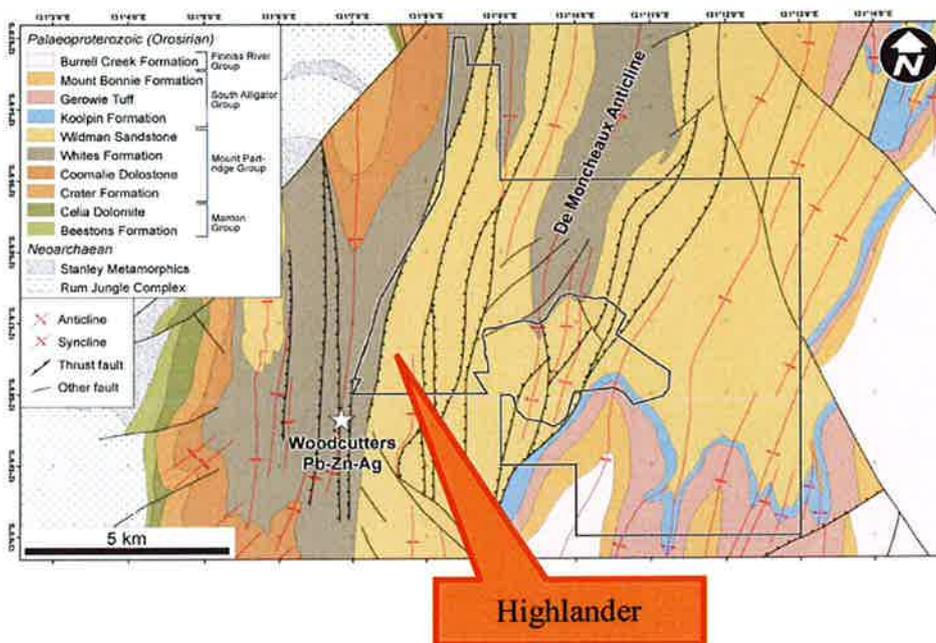
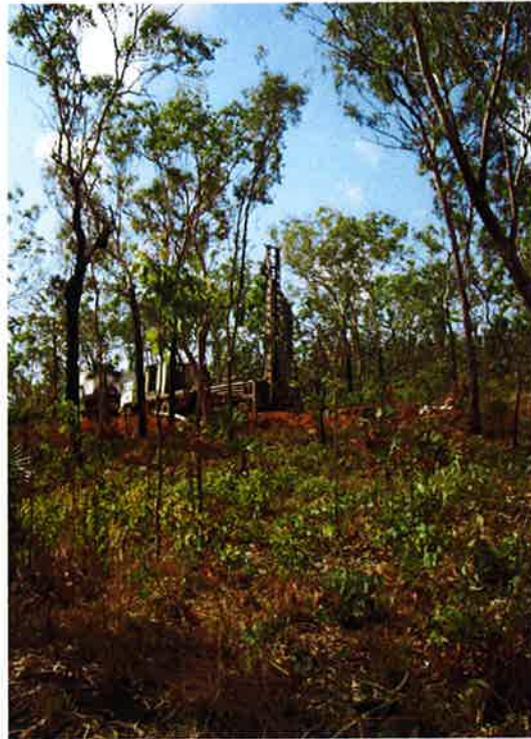


Figure 4: Highlander Prospect Location

One metre re-assays of anomalous intercepts from the composite 4m sampling returned upgraded gold assays with a maximum intercept of **6m @ 3.91 g/t Au, including 1m @ 13.2 g/t Au**, from 108m downhole. The new assays highlight the potential to identify primary high grade shoots within this zone.

Director's Report continued

Drilling has now defined a coherent zone of anomalous gold mineralisation at the thrust fault contact of the Whites Formation and overlying Wildman Siltstone (Figure.4). The Flaming Fury-Highlander trend has numerous historical trenches along its northern extension with regional mapping and rock chip sampling indicating that the Au – As anomalism potentially continues along this northern trend and in other areas of the tenement.

Regalpoint is to undertake further drilling (1500m) to target the potential (i) high grade shoots in the Highlander structure, (ii) potential northern extension to the Highlander trend, and (iii) extensions to the historic Maureen anomaly.

Initial radon sampling on EL 26091 has identified an anomalous value at the Whites Formation-Coomalie Dolostone unconformity, suggesting a buried radiometric source below the thin transported cover. Further infill radon sampling and drill testing is to be undertaken during the forthcoming dry season to investigate the source of the radon anomaly.

KING LEOPOLD, WA (RGU: 100%)

Situated approximately 65km northeast of Fitzroy Crossing the project area lies over the unconformity between the Hooper Complex of the King Leopold Orogen, a Lower Proterozoic mobile zone, and the southern margin of the Kimberley Basin, a Middle Proterozoic continental basin lying unconformably over the rocks of the King Leopold and Halls Creek Orogens. In places, this unconformity has acted as an overthrust fault surface of the Kimberley Basin rocks thrust over the Hooper Complex.

Regalpoint has undertaken helicopter supported reconnaissance of radiometric and historic targets, in excess of 50, at its King Leopold Project (Figure.5 and 6) to assess their priority with geochemical and spectrometer testing of particular anomalous zones.

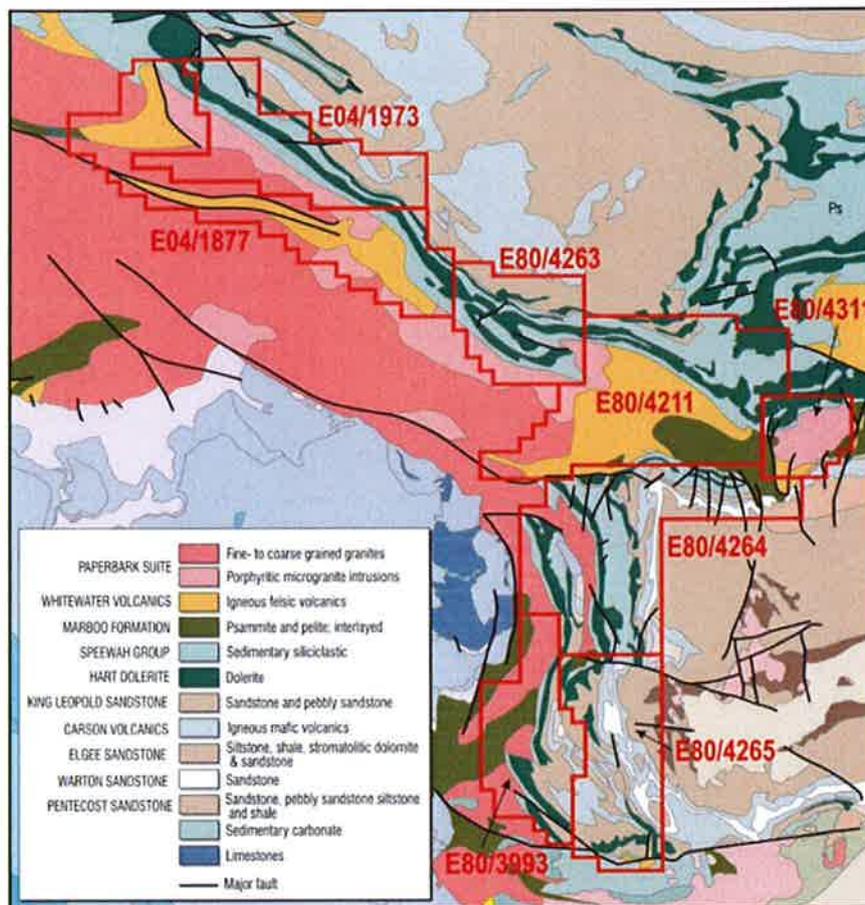


Figure 5: Simplified Geology and location of the King Leopold project

Initial spectrometer sampling returned very encouraging uranium results from four anomalies including:

Juno	850 ppm eU*
L48	671 ppm eU*
Jupiter	522 ppm eU*
L43	186 ppm eU*

Follow-up chemical analysis of these high spectrometer values has confirmed the significant uranium values with up to **0.43% U** from Juno and **840 ppm U** from the L48 prospect area.

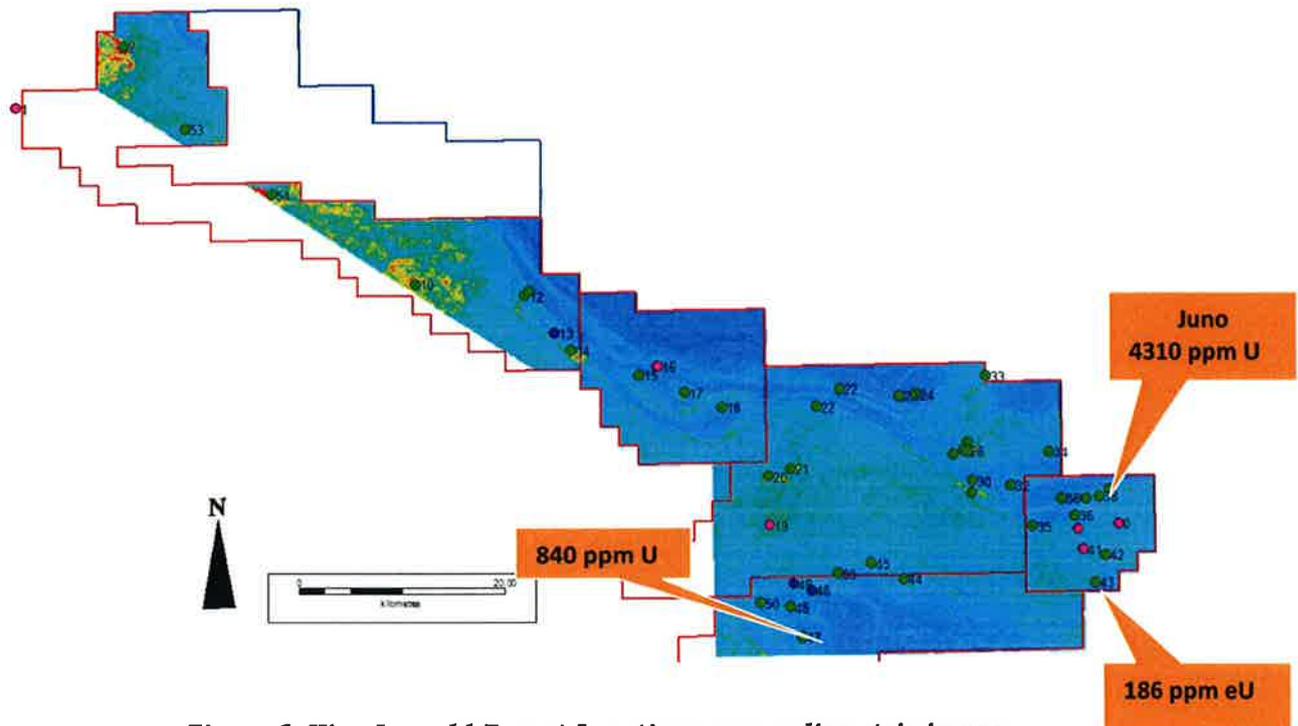


Figure 6: King Leopold Target Locations over radiometric image

Further ground geochemical sampling and a drilling programme to test these exciting prospect areas and other elevated uranium anomalies (including L32, L14) will be a priority focus in 2012 as soon as ground conditions following the northern wet season permit access.

LEICHHARDT RIVER, QLD (100%)

Leichardt River project comprises two tenements EPM 16625-26 (approximately 400 km²) covering a sequence of Cretaceous shales/siltstones overlying the Leichardt Metamorphics of the Mt Isa Block (Figure.7).

The project area is located 200km north of Mt Isa and is considered prospective for roll front sandstone hosted uranium mineralisation in the basal Gilbert River Formation as well as potential for copper gold mineralisation in the Leichardt Metamorphics or IOCG targets.

Interpretation and targeting of existing geophysical and geological data by independent consultants is underway with ground reconnaissance and drill testing anticipated in the June quarter.

Leichardt Project

Geology 1:250,000 (1970)

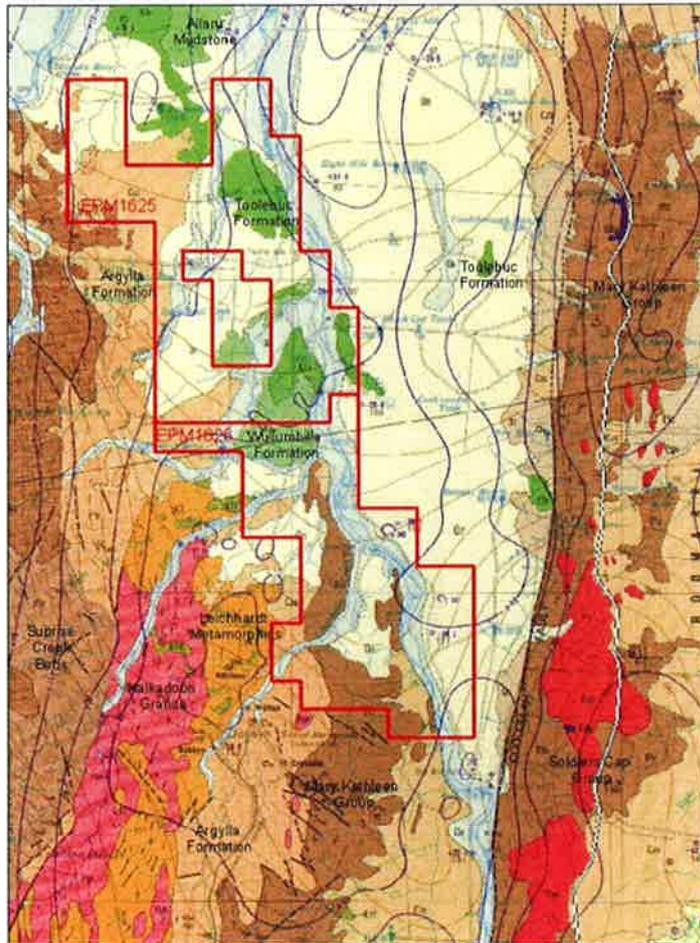


Figure 7: Leichardt River Project Geology

WALLING ROCK and MT WALTER, WA (RGU: 100%)

The two projects are located approximately 120 km west of Kalgoorlie, north east of Southern Cross, and are considered prospective for both sandstone-hosted and valley-fill uranium mineralisation in the identified palaeochannels.

The approved Walling Rock aircore program (approximately 2500m) is pegged with site clearing and baseline radiometric surveys undertaken (Figure.8). This aircore program will be started imminently.

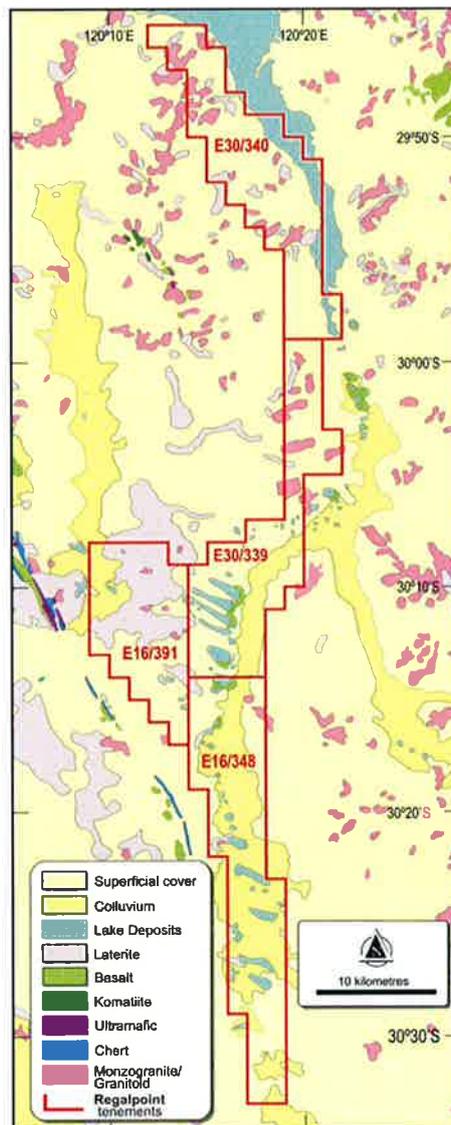


Figure 8: Walling Rock Project

Approval for the Mt Walter program, located in proposed conservation reserve, is subject to DEC approval and will require Conservation Management Plan before receiving final DMP approval. This includes a flora survey for which quotes have been received and is to be undertaken subject to appropriate climactic conditions.

LYONS/CURBUR, WA (RGU: 100%)

Lyons/Curbur is a large tenement holding located in the Murchison region and is considered prospective for calcrete, palaeochannel and sandstone hosted uranium mineralisation within the Carnarvon Basin palaeo-drainage systems.

Director's Report continued

A regional scale airborne TEMPEST electromagnetic survey was completed in the September Quarter to define the location of the palaeochannels and potential trap sites for uranium-rich fluids draining westerly from the Gascoyne Complex and northern Yilgarn Craton.

Interpretation of the survey has identified prospective palaeochannel locations in the Curbur, Curbur North and Lyons River West sub-project areas. These interpreted palaeochannel targets have been surveyed by the Company for access and ground geology targeting (Figure.9).

A large portion of the project area is still inundated and target access is restricted by extensive regional flood damage that occurred earlier in the 2011 year (Figure.10). A program of works application for an initial wide spaced palaeochannel drill program (50 holes), targeting reduced Permian fluvial sediment horizons, has been lodged with the DMP. This program will be undertaken, subject to approval, when access and rig is available.

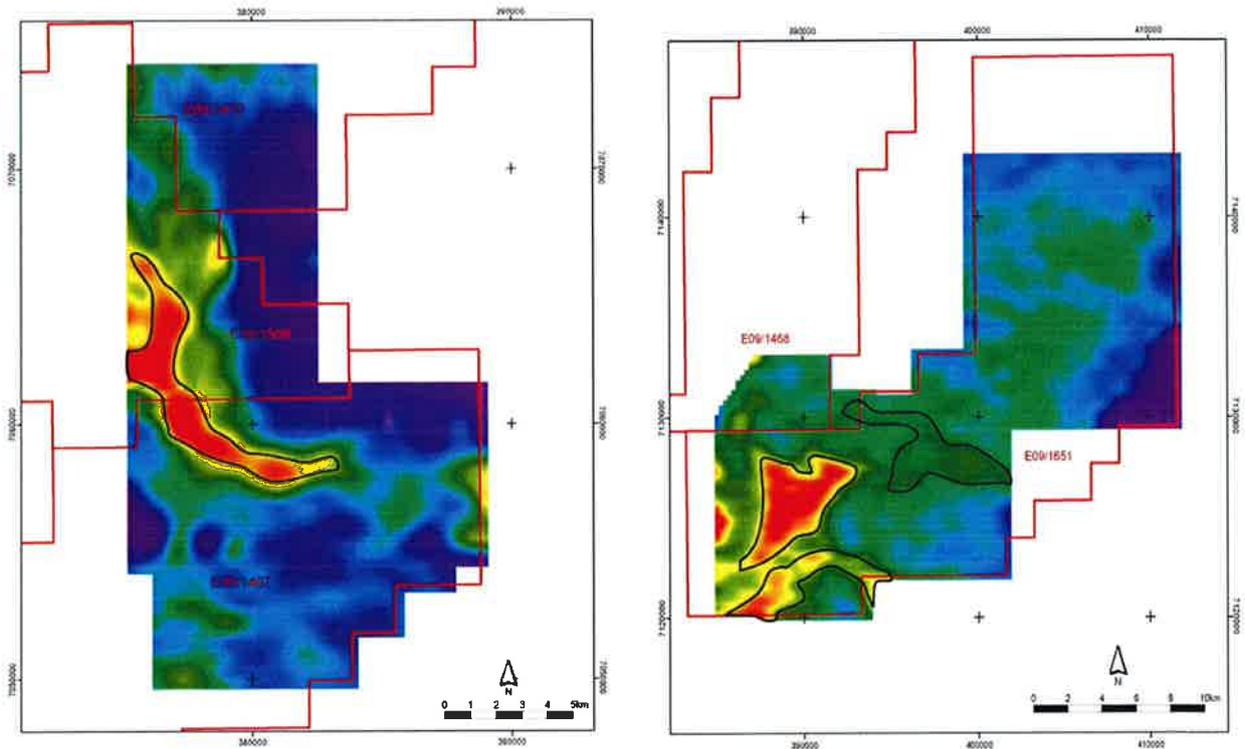


Figure 9: Interpreted Palaeochannel targets -Lyons Curbur TEMPEST survey



Figure 10: Curbur Project 2011

Rationalisation of the NE Lyons River projects tenements (E09/1646-48) is underway with independent geophysical and geological interpretation of existing data.

LAKE GREGORY, SA (RGU: 100%)

The Lake Gregory project is located approximately 100 km north of Marree in South Australia, where the principal target lithologies are siliciclastic sedimentary rocks within the Cretaceous Winton and Mackunda Formations, and pyritic and carbonaceous sands of the Palaeogene Eyre Formation, which hosts the significant Honeymoon uranium deposit in the neighbouring Lake Frome basin.

The CET Study suggested that since their deposition in the Cretaceous the sandy units accumulating in the Eromanga Basin would have acted as the conduit for uranium shedding from the uraniumiferous basement rocks of the Curnamona basement and formed deposits where suitably reducing conditions existed.

Basement fracture zones may have provided both conduits for uranium enriched groundwaters as well as providing pathways for reducing petroleum-related gases.

Final program approvals are currently being sought from the SA Government and preparations are underway for this drilling in this half year (Figure.11).

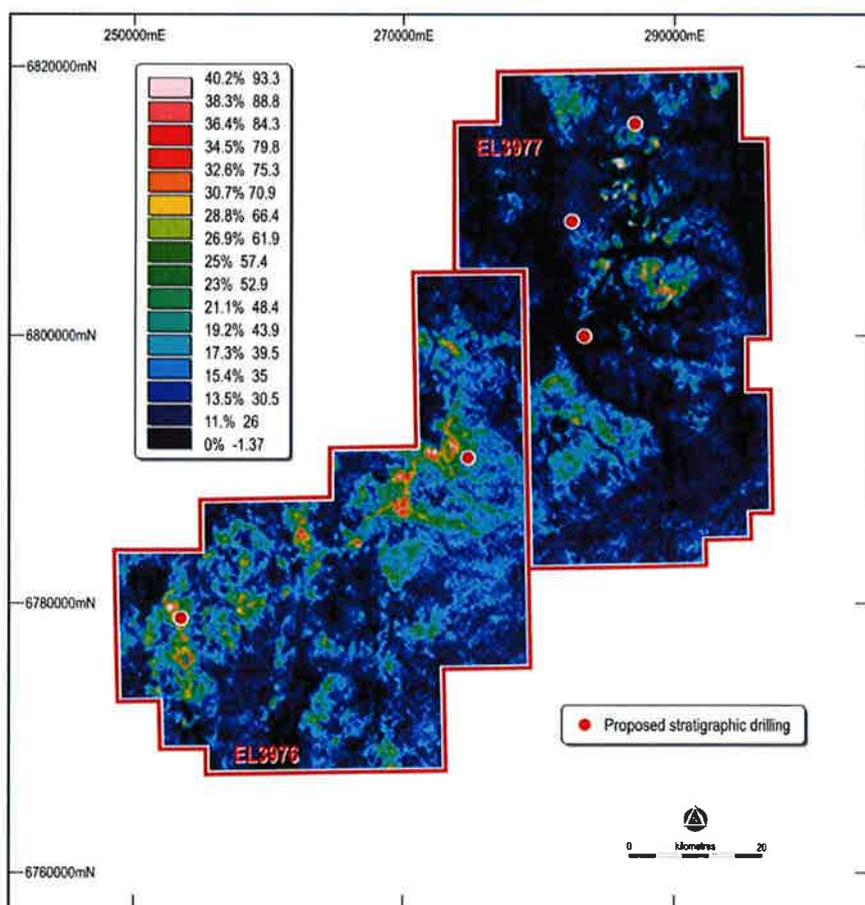


Figure 11: Lake Gregory Proposed drill program

POLLOCK HILLS, WA (RGU: 100%)

Interpretation of the Pollock Hills data has identified significant radiometric anomalies in both the Palaeoproterozoic Pollock Hills Formation and overlying Neoproterozoic Bitter Springs Formation.

Initial field mapping and sampling to investigate these radiometric anomalies and the structural setting is currently being arranged with the Aboriginal freehold landowners for their heritage survey requirements prior to field activities.

GUM CREEK, WA (RGU: 100%)

The Gum Creek project, 50 km NW of the BHP Yeelirrie project, is considered prospective for calcrete hosted uranium mineralisation in interpreted palaeochannels.

An initial aircore drill program to test for calcrete and uranium mineralisation beneath the thin cover (Area 1) was undertaken with 133 holes for 2411 m completed. Geological logging identified thin clay horizons within oxidised palaeochannels formed in the granite basement. Minor calcrete was observed.

Director's Report continued

PATERSON, WA (100%)

Application for E45/3037 was advertised by the WA Government under s29 expedited procedures of the Native Title Act on 25 January 2012. Once granted Ausgold Ltd have agreed to farm into 70% of the non-uranium rights.



Nicholas Burn
Chief Executive Officer

Dated at Perth, Western Australia, this 12th March 2012

Background

The Company was formed to pursue exploration opportunities for uranium and precious and base metals within proven and emerging mineral provinces in Australia. 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 in Australia with potential for uranium and other 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.

The information in this report that relates to Exploration results is based on information compiled by Mr Nick Burn who is a member of the Australian Institute of Geoscientists. Mr Burn is a full-time employee of Regalpoint Resources Ltd. Mr Burn has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Burn consents to the inclusion in this report of the matters based on their information in the form and context in which it appears.

**Uranium mineralisation grades through this report are annotated with a sub-prefix 'e' because they have been reported as uranium equivalent grades derived from RS125 spectrometer results and should be regarded as approximations only.*

Confirmation uranium analysis was undertaken by Amdel Laboratories with samples submitted to Amdel Laboratories in Mt Isa for preparation and low level ICP3MS analysis (ie. 0.1 ppm U detection limit) in Adelaide.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the half year comprised of mineral exploration in Australia.

There were no other significant changes in the nature of the Company activities during the half year.

Director's Report continued

OPERATING RESULTS

The Company's net loss after providing for income tax for the year ended 31 December 2011 amounted to \$673,524 (2010: \$114,942). The significant loss was attributable to the written off exploration expenditure of \$409,639 for the tenements numbers E04/1631, E69/2433, E51/1236 and E53/1340 that have been surrendered during the period and the employee option expenses of \$59,291 at the end of the half year ended 31 December 2011. At 31 December 2011, the Company has \$3,269,693 between cash and cash equivalents and a held to maturity financial asset in the form of a \$3 million, 3 month term deposit with Westpac - St George Bank a AA rated Australian trading bank.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

All significant changes in the state of affairs of the Company during the year are discussed in detail in the Operations Report.

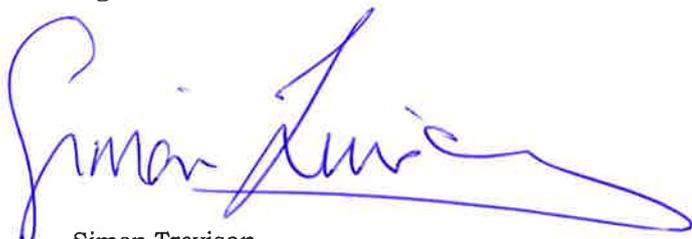
AFTER REPORTING DATE EVENTS

There are no post balance date events at the reporting date.

AUDITORS INDEPENDENCE DECLARATION

The lead auditor's independence declaration as required under S.307C of the Corporations Act 2001 is set out on page 18 for the half year ended 31 December 2011.

Signed in accordance with a resolution of the Board of Directors



Simon Trevisan
Executive Director

Dated at Perth, Western Australia, this 12th of March 2012

12 March 2012

The Board of Directors
Regalpoint Resources Limited
Level 14, 191 St Georges Terrace
PERTH WA 6000

Dear Sirs,

**DECLARATION OF INDEPENDENCE BY CHRIS BURTON TO THE DIRECTORS OF
REGALPOINT RESOURCES LIMITED**

As lead auditor for the review of Regalpoint Resources Limited for the half-year ended 31 December 2011, I declare that to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Regalpoint Resources Limited.



Chris Burton
Director

BDO Audit (WA) Pty Ltd
Perth, Western Australia

Statement of Comprehensive Income

FOR HALF-YEAR ENDED 31 DECEMBER 2011

	HALF YEAR		
	Notes	31 December	31 December
		2011	2010
		\$	\$
Revenue from continuing operations		122,752	1,132
Accounting expense		(23,846)	(22,002)
Legal expenses		(19,674)	(231)
Corporate and administrative expenses		(122,596)	(41,410)
Management and Service fees		(120,000)	(30,000)
Depreciation and amortisation expenses		(2,922)	(3,374)
Employee option expenses		(59,361)	-
Impairment of exploration expenditure write off		(409,639)	-
Other expenses from ordinary activities		(38,238)	(19,057)
LOSS BEFORE INCOME TAX		(673,524)	(114,942)
Income tax benefit		-	-
NET LOSS FOR THE PERIOD		(673,524)	(114,942)
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(673,524)	(114,942)
Total comprehensive income for the year is attributable to ordinary equity holders of the entity			
Owner of Regalpoint Resources Limited		(673,524)	(114,942)
Basic loss (cents per share)	7	1.00	0.64

The statement of comprehensive income is to be read in conjunction with the accompanying notes.

Statement of Financial Position

AS AT 31 DECEMBER 2011

	Notes	31 December 2011 \$	30 June 2011 \$
CURRENT ASSETS			
Cash and cash equivalents		3,269,693	4,828,563
Trade and other receivables		48,001	118,852
TOTAL CURRENT ASSETS		3,317,694	4,947,415
NON-CURRENT ASSETS			
Property, plant and equipment		7,611	10,532
Exploration and evaluation expenditure	3	4,339,416	3,209,647
Prepayment of exploration and evaluation expenditure	3	74,280	70,966
TOTAL NON-CURRENT ASSETS		4,421,307	3,291,145
TOTAL ASSETS		7,739,001	8,238,560
CURRENT LIABILITIES			
Trade and other payables		219,294	104,690
TOTAL CURRENT LIABILITIES		219,294	104,690
TOTAL LIABILITIES		219,294	104,690
NET ASSETS		7,519,707	8,133,870
EQUITY			
Contributed Equity	4	9,758,247	9,758,246
Reserves	5	59,361	-
Accumulated Losses	6	(2,297,901)	(1,624,376)
TOTAL EQUITY		7,519,707	8,133,870

The statement of financial position is to be read in conjunction with the accompanying notes.

Statement of Changes in Equity

FOR HALF-YEAR ENDED 31 DECEMBER 2011

	Contributed Equity \$	Option Reserve \$	Accumulate d Losses \$	Total \$
BALANCE AT 01 July 2010	856,599	-	(1,443,935)	(587,336)
Total comprehensive income for the year	-	-	(114,942)	(114,942)
Transactions with equity holders in their capacity as equity holders:				
Shares issued during the half year	-	-	-	-
BALANCE AT 31 December 2010	856,599	-	(1,558,877)	(702,278)
BALANCE AT 01 July 2011	9,758,247	-	(1,624,377)	8,133,870
Total comprehensive income for the year	-	-	(673,524)	(673,524)
Transactions with equity holders in their capacity as equity holders:				
Employee share options	-	59,361	-	59,361
Share issue costs during the half year	-	-	-	-
BALANCE AT 31 December 2011	9,758,247	59,361	(2,297,901)	7,519,707

The statement of changes in equity is to be read in conjunction with the accompanying notes.

Statement of Cash Flows

FOR HALF-YEAR ENDED 31 DECEMBER 2011

	HALF YEAR		
	Notes	31 December	31 December
		2011	2010
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(209,750)	(117,569)
GST refund received		59,118	-
Interest received		122,752	1,132
NET CASH FLOWS USED IN OPERATING ACTIVITIES		(27,880)	(116,437)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		-	(3,374)
Payments for exploration and evaluation expenditure		(1,530,990)	(577,002)
Prepayments for exploration and evaluation expenditure		-	8,281
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(1,530,990)	(572,095)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the issue of share capital (net)		-	-
Proceeds from borrowings		-	684,810
Repayment of borrowings		-	-
NET CASH PROVIDED BY FINANCING ACTIVITIES		-	684,810
NET INCREASE/(DECREASE) IN CASH HELD		(1,558,870)	(3,722)
Cash and cash equivalents at beginning of period		4,828,563	45,282
CASH AT END OF PERIOD		3,269,693	41,560

The statement of cash flows is to be read in conjunction with the accompanying notes.

Notes to the Financial Statements

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of Half-Year Financial Statements

This half-year financial report is a general purpose financial report which has 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 report does 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.

It is recommended that the half-year financial report be read in conjunction with the annual financial statements for the year ended 30 June 2011 and considered together with any public announcements made by the Company during the half-year ended 31 December 2011 in accordance with the continuous disclosure requirements arising under Corporations Act 2001 and the ASX Listing Rules.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period. All amounts are presented in Australian dollars, unless otherwise noted.

These half-year financial statements were approved by the Board of Directors on 8 March 2012.

For the purpose of preparing the interim financial report, the half-year has been treated as a discrete reporting period.

(b) Significant accounting judgements and key estimates

The preparation of the half-year financial report 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 report, 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 2011.

Share-based payment transactions

The cost of share-based payments to employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted including assessment of volatility.

Notes to the Financial Statements

(c) Adoption of new and revised accounting standards

In the half-year ended 31 December 2011, 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 2011.

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 2011. 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.

(d) Comparatives

The comparative values have been included on the basis that Regalpoint Resources Ltd was in existence for the comparative period. Certain of the prior period's figures may have been reclassified in conformity with the current period's financial statement presentation. The values are included as a consequence of AASB 101 *Presentation of Financial Statements* however they have not been audited.

Regalpoint have adjusted the 31 December 2010 comparative figures by \$37,056 due to the capitalisation of exploration expenditure. This has impacted on the 31 December 2010 comparative figures for the Statement of Comprehensive Income as we have reallocated \$37,056 from the Statement of Comprehensive Income to the Statement of Financial Position, reducing the net loss of the company from \$151,998 to \$114,942. Furthermore this has also had an impact on the Statement of Financial Position as we have capitalised \$37,056 to the exploration asset and as the loss has changed for that period we have also restated the retained earnings however this will not be evident in the interim financial report for 31 December 2011 as the comparative used for the Statement of Financial Position is 30 June 2011.

(e) Going Concern

The financial report has been prepared on the going concern basis. For the half year ended 31 December 2011, the Company recorded a net loss of \$673,523 (2010: \$114,942) and incurred cash outflows from operating activities for the half year ended 31 December 2011 of \$27,880. The Group had net assets of \$7,519,707 and continues to incur expenditure on its exploration tenements drawing on its cash balances. At 31 December 2011, the Group has \$3,269,693 (2010: \$41,560) in cash and cash equivalents. The Company has a very large landholding which reflects in high minimum expenditures to maintain the full area. The Company's business and exploration plan is to reduce the size of the landholding as exploration highlights and focuses in on the areas of greatest prospectively and value allowing the lesser areas to be dropped and reducing the minimum spend commitments to maintain tenure and value.

The Directors have prepared a cash flow forecast for the next 12 month period reflecting the above mentioned expectations and their effect upon Regalpoint Resources Limited and have determined that future capital raisings will not be required during the 12 month period from the date of this financial report in order to continue the Company's exploration and development of its mining tenements. If the Group considers accelerating its exploration expenditure or retaining a larger land holding of exploration rights for future exploration then capital raisings may be required to ensure that Regalpoint Resources Limited can meet its debts as and when they become due and payable.

Notes to the Financial Statements

2. SEGMENT INFORMATION

Operating segments are reported in a manner that is consistent with the internal reporting to the Chief Operating Decision Maker ("CODM"), which has been identified by the Company as the Chief Executive Officer and other members of the Board of Directors.

Management has determined that the entity has only one reportable segment, being mineral exploration in Australia. As the entity is focused on mineral exploration, the Board monitors the entity based on actual versus budgeted exploration expenditure incurred by area of interest. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the entity and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date.

Segment information provided to the executive management committee for the half year ended 31 December 2011 is as follows:

	Segments	
	Australia	Total
<u>31 December 2011</u>		
Revenue from external sources	-	-
Reportable segment profit/(loss)	(409,639)	(409,639)
Reportable segment assets	4,692,665	4,692,665
<u>30 June 2011</u>		
Revenue from external sources	-	-
Reportable segment profit/(loss)	(110,193)	(110,193)
Reportable segment assets	3,280,613	3,280,613
<u>31 December 2010</u>		
Revenue from external sources	-	-
Reportable segment profit/(loss)	-	-
Reportable segment assets	2,487,863	2,487,863

	31 December 2011	31 December 2010
Reconciliation of reportable segment loss to the statement of comprehensive income		
Reportable segment profit / (loss)	(409,639)	-
Other profit / (loss)		
• Interest revenue	122,752	1,132
• Depreciation and amortisation	(2,922)	(3,374)
• Corporate and administration	(122,596)	(41,410)
• Management and service fee	(120,000)	(30,000)
• Accounting expenses	(23,846)	(22,002)
• Legal expenses	(19,674)	(231)
• Employee option expenses	(59,361)	(19,057)
• Other expenses	(38,238)	-
Profit / (Loss) after income tax benefit	(673,524)	(114,942)

Notes to the Financial Statements

There is no reportable segments' liabilities to be allocated based on the operations of the segment. The reconciliation of segments' assets to total assets and segments' liabilities to total liabilities are referred in the Statement of Financial Position as at 31 December 2011.

3. EXPLORATION AND EVALUATION EXPENDITURE

Exploration and evaluation expenditure carried forward in respect of mining areas of interest:

	31 December 2011	30 June 2011
	\$	\$
Exploration, evaluation and development costs carried forward in respect of areas of interest (net of amounts written off)	4,413,696	3,280,613
Reconciliation		
Carrying amount at the beginning of the half year	3,280,613	1,988,356
Expenditure during the half year – exploration	1,468,442	1,326,306
Prepayment exploration expenditure during the half year	74,280	70,966
Expenditure written off during the half year	(409,639)	(105,015)
Carrying amount at the end of the half year	4,413,696	3,280,613

4. CONTRIBUTED EQUITY

A reconciliation of the movement in capital for the entity can be found in the Statement of Changes in Equity.

	\$
Balance at 1 July 2010	856,599
Share issued during the year from conversion of shareholders' loan	3,433,119
6,200,000 Ordinary shares issued at 16 cents per shares	1,000,000
25,000,000 Ordinary shares issued fully paid on 30 May 2011 at 20 cents per shares	5,000,000
Less: Share issued cost	(531,471)
Balance at 30 June 2011	9,758,247
Balance at 1 July 2011	9,758,247
Movement during the half year	-
Balance at the end of half year 31 December 2011	9,758,247

Notes to the Financial Statements

Options

During or since the end of the half year, the entity has the following options over unissued ordinary shares:

Class	Expiry Date	Exercise Price	Date Granted	Number of Options
Bonus Options	31 March 2014	\$0.20	30 May 2011	66,328,988
Employee Options	26 May 2016	\$0.20	01 December 2011	700,000

5. SHARE BASED PAYMENT

The primary purpose of the Director Options is to provide incentive to the participating directors to drive the Company's assets forward.

Options Granted

During the half year ended 31 December 2011, the Company granted 700,000 options issued to Nicholas Burn, Chief Executive Officer of Regalpoint Resources Limited, on 01 December 2011. The below are summaries of options granted to the directors.

Class	Expiry Date	Exercise Price	Date Granted	Number of Options
Nicholas Ross Burn	26 May 2016	\$0.20	01 December 2011	700,000

Options Expensed

Option expenses related to options issued to Directors in prior periods, with the expenses being recognised over the vesting period.

The fair value of option at grant date is independently determined using a Black Scholes option valuation methodology that takes into account the exercise price.

The following share based payment was made through the issue of equity:

	Number of Options	Value of options issued	Options expensed during the half year **
Issue of Tranche A management options exercisable at \$0.20, vesting immediately and expiring five years from issue	700,000	59,361	59,361
Total	700,000	59,361	59,361

** - Options calculated on a per day ratio

Notes to the Financial Statements

Input	Tranche A
Underlying share price	\$0.20
Exercise price	\$0.20
Expected volatility	110%
Expiry date	26 May 2016
Expected dividends	-
Risk free interest rate	3.48%

The options will be expensed over their vesting period in accordance with AASB 2. In the Statement of Financial Position all of the Tranche A options have been expensed.

6. ACCUMULATED LOSSES

	31 December 2011	30 June 2011
	\$	\$
Accumulated loss at the beginning of the half year	(1,624,377)	(1,443,934)
Net profit/(loss) attributable to shareholders	(673,524)	(180,443)
Accumulated loss at end of the half year	(2,297,901)	(1,624,377)

7. LOSS PER SHARE

The calculation of basic loss per share as at 31 December 2011 was based on the loss attributable to ordinary shareholders of \$673,524 (2010: \$114,942) and a weighted average number of ordinary shares outstanding at the end of the half year is 67,605,280 (2010: 18,000,000).

Basic loss per share	1.00	0.64
a) Reconciliation of earnings to operating loss		
Loss attributable to ordinary shareholders		
Loss after tax	(673,524)	(114,942)
Loss used in the calculation of EPS	(673,524)	(114,942)
b) Weighted average number of ordinary shares (WANOS) outstanding during the half year		
	Number 2011	Number 2010
WANOS used in calculating basic loss per share	67,605,280	18,000,000
	67,605,280	18,000,000

Effect of dilutive securities: Share options are not considered dilutive as the conversion of options to ordinary shares will result in a decrease in the net loss per shares.

Notes to the Financial Statements

8. CONTINGENT LIABILITIES

The Board is not aware of any circumstances or information which leads them to believe there are any material contingent liabilities outstanding as at 31 December 2011.

9. COMMITMENTS

Management Fees Commitment

Regalpoint Resources Limited has entered into an agreement between Transcontinental Investments Pty Ltd trading as the Transcontinental Group (**Transcontinental Investments Pty Ltd**) and the Company dated 14 February 2011, the Company agreed to retain Transcontinental Group to provide administration services to the Company on the terms and conditions set out in the agreement and details on annual report as at 30 June 2011.

10. RELATED PARTY INFORMATION

There are no material related party transaction changes since or during the half year except options issued to directors are set out details in Note 5.

11. EVENTS AFTER REPORTING DATE

There are no post balance date events at the reporting date.

Directors Declaration

In the opinion of the directors of Regalpoint Resources Limited:

- 1) the financial statements and notes set out on pages 19 to 29, are in accordance with the *Corporations Act 2001*, including:
 - a) giving a true and fair view of the Company's and the Entity's financial position as at 31 December 2011 and of their performance, for the half year ended on that date; and
 - b) complying with Australian Accounting Standards AASB 134 Interim Financial Reporting, the Corporation Regulations 2001 and the mandatory professional reporting requirements; and
- 2) There are reasonable grounds to believe that the Company will able to pay its debts as and when they become due and payable.

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



Simon Trevisan

Executive Director

Dated at Perth, Western Australia, this 12th of March 2012

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF REGALPOINT RESOURCES LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Regalpoint Resources Limited, which comprises the statement of financial position as at 31 December 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the disclosing entity are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the disclosing entity's financial position as at 31 December 2011 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Regalpoint Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Regalpoint Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's report.



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Regalpoint Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the disclosing entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

BDO Audit (WA) Pty Ltd

BDO


Chris Burton
Director

Perth, Western Australia
Dated this 12th day of March 2012