

14 April 2016

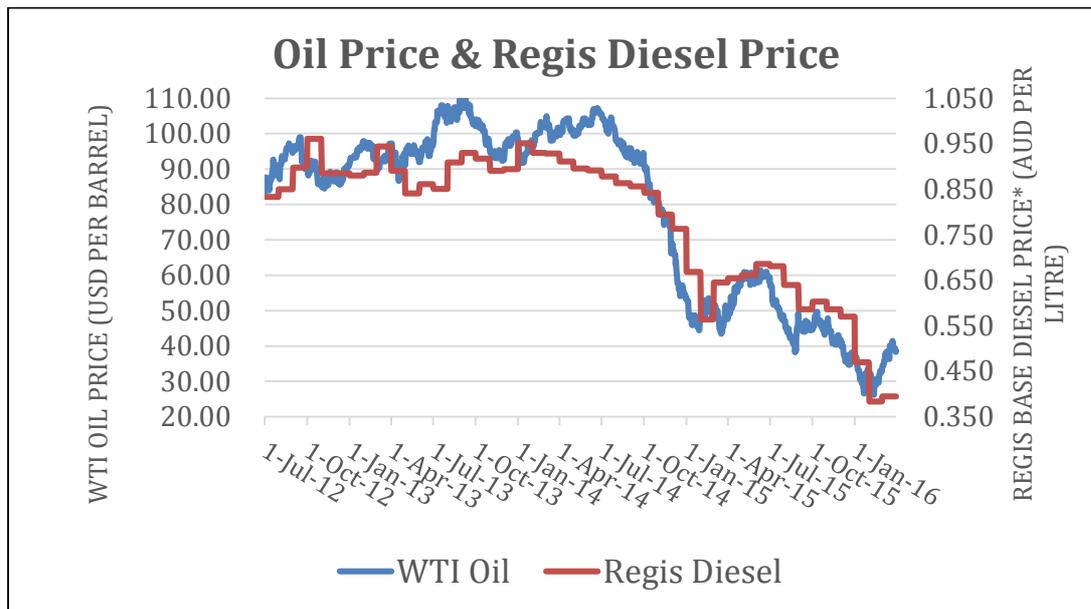
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DIESEL HEDGING

The board of Regis advises that the Company recently took advantage of historically low oil prices by entering into a commodity swap transaction to partially hedge future fluctuations in the AUD diesel price for the operating requirements of the Duketon Gold Project.

A chart showing the history of the benchmark oil price (WTI crude in USD) and the base diesel price* (AUD\$/litre) paid by Regis on a monthly basis (before delivery charges) since the start of FY2012 is shown below. This shows the strategic medium term risk management and value proposition presented by the diesel hedging programme undertaken.



The Company has hedged a total of 4 million litres of diesel per month from 1 May 2016 to 31 April 2017 and a further 2 million litres per month from 1 May 2017 to 31 October 2017. The hedging programme has been implemented in two tranches as shown below:

Volume per month	Tenor	Price
2 million litres	1 May 2016 to 31 April 2017	A\$0.404/L
2 million litres	1 May 2016 to 31 October 2017	\$A0.419/L

The total amount hedged over the 12 month period represents approximately two thirds of total annual usage at the Duketon operations.

* Base diesel price represents Singapore Gasoil 10ppm (the product Regis purchases) expressed in AUD. Base price does not include Government excise, GST (both claimable) or freight.

Regis Executive Chairman, Mark Clark commented:

“Between our three Duketon processing facilities and the contractor open pit earth moving fleet, for which Regis buys the fuel, diesel is the largest individual cost line in our operating cost base. We believe that this 12-18 month hedge, undertaken at close to the lowest ever base diesel cost recorded at Duketon to date, is a strong medium term risk management and value creation opportunity for Regis.”

Yours sincerely

Regis Resources Limited

A handwritten signature in blue ink, appearing to read 'Mark Clark', with a stylized flourish at the end.

Mark Clark
Executive Chairman