

Regis Resources Limited and its Controlled Entities

For the half-year ended 31 December 2022

(Previous corresponding period is the half-year ended 31 December 2021)

Results for Announcement to the Market

	31 December 2022	31 December 2021	Change	
	\$'000	\$'000	\$'000	%
Revenue from ordinary activities	537,346	488,790	48,556	10%
(Loss)/Profit from ordinary activities after tax attributable to members	(30,182)	26,499	(56,681)	(214%)
Net profit for the period attributable to members	(30,182)	26,499	(56,681)	(214%)

Net Tangible Assets

	31 December 2022	31 December 2021
	\$	\$
Net tangible assets per share (excludes mining properties, exploration and intangible assets)	0.23	0.33

Control Gained or Lost over Entities during the Period

There have been no gains or losses of control over entities in the half-year ended 31 December 2022.

Financial Results

This report is based on the attached Condensed Consolidated Interim Financial Report for the half-year ended 31 December 2022, which has been reviewed by KPMG, and should be read in conjunction with the consolidated annual financial report as at 30 June 2022 and public announcements made subsequent to 31 December 2022.



ABN 28 009 174 761

and its Controlled Entities

Condensed Consolidated Interim Financial Report

31 December 2022

CONTENTS

Corporate Information	4
Directors' Report	5
Auditor's Independence Declaration	9
Consolidated Statement of Comprehensive Income	10
Consolidated Balance Sheet	11
Consolidated Statement of Changes in Equity	12
Consolidated Statement of Cash Flow	13
Notes to the Consolidated Financial Statements	14
Directors' Declaration	21
Independent Auditor's Report	22

CORPORATE INFORMATION

ABN

28 009 174 761

Directors

James Mactier	Independent Non-Executive Chairman
Jim Beyer	Chief Executive Officer and Managing Director
Fiona Morgan	Independent Non-Executive Director
Steve Scudamore	Independent Non-Executive Director
Lynda Burnett	Independent Non-Executive Director
Paul Arndt	Independent Non-Executive Director (appointed 25 November 2022)

Company Secretary

Elena Macrides

Registered Office & Principal Place of Business

Level 2
516 Hay Street
SUBIACO WA 6008

Share Register

Computershare Investor Services Pty Limited
GPO Box D182
PERTH WA 6840

Regis Resources Limited shares are listed on the Australian Securities Exchange (ASX). Code: RRL.

Bankers

Macquarie Bank Limited
Level 23
240 St Georges Terrace
PERTH WA 6840

Commonwealth Bank of Australia
Ground Floor, Tower 1
201 Sussex Street
SYDNEY NSW 2000

Auditor

KPMG
235 St Georges Terrace
PERTH WA 6000

DIRECTORS' REPORT

The directors present their report of Regis Resources Limited ("Regis" or "the Company") for the half-year ended 31 December 2022.

Directors

The names of the Company's directors in office during the half-year and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

James Mactier Independent Non-Executive Chairman
 Jim Beyer Chief Executive Officer and Managing Director
 Fiona Morgan Independent Non-Executive Director
 Steve Scudamore Independent Non-Executive Director
 Lynda Burnett Independent Non-Executive Director
 Paul Arndt Independent Non-Executive Director (appointed 25 November 2022)

Review and Results of Operations

Results

Consolidated net loss after tax for the half-year was \$30,182,000 (2021 half-year: profit \$26,499,000).

Operating results for the Duketon and Tropicana (30%) Gold Projects for the half-year ended 31 December 2022 were as follows:

	Unit	Duketon South Operations	Duketon North Operations	Tropicana Gold Project (30%)	Total December 2022	Duketon South Operations	Duketon North Operations	Tropicana Gold Project (30%)	Total December 2021
Ore mined (open pit)	Bcm	1,106,782	522,826	242,129	1,871,738	1,461,882	400,889	156,818	2,019,589
Waste mined (open pit)	Bcm	1,834,708	5,143,878	3,979,879	10,958,465	5,101,077	8,596,437	3,537,017	17,234,531
Stripping ratio	w:o	1.7	9.8	16.4	5.9	3.5	21.4	22.6	8.5
Capital development	m	2,725	-	773	3,498	2,639	-	632	3,271
Operating development	m	1,970	-	775	2,745	2,524	-	718	3,242
Ore mined (OP & UG)	t	3,458,375	1,062,168	889,904	5,410,447	4,177,713	811,498	653,414	5,642,625
Ore milled	t	3,100,194	1,359,745	1,464,355	5,924,293	2,978,072	1,509,287	1,447,656	5,935,015
Head grade	g/t	1.35	1.01	1.71	1.36	1.35	0.71	1.50	1.22
Recovery	%	90.0%	89.3%	89.6%	89.8%	90.6%	90.8%	89.4%	90.3%
Gold production	oz	120,737	39,412	71,998	232,147	116,818	31,085	62,367	210,270
All-in Sustaining Cost ¹	A\$/oz	1,883	2,425	1,141	1,771	1,640	1,807	1,084	1,527

Duketon Gold Project Operations

The Duketon Gold Project achieved half-year production of 160,149 ounces of gold at an all-in sustaining cost of \$2,016 per ounce (2021 half-year: 147,903 ounces of gold produced at an all-in sustaining cost of \$1,675 per ounce).

Duketon South Operations (DSO)

Duketon South Operations gold production was marginally higher than the previous corresponding period as a result of higher throughput. The Company's underground operations at Rosemont and Garden Well continued to progress with the first production stope occurring at Garden Well in the December 2022 quarter.

Costs continue to be impacted by industry-wide inflationary pressures with an increase to the previous corresponding period in the All-in Sustaining Cost (AISC) to \$1,883 per ounce at the Duketon South Operations.

¹ All-in sustaining cost per ounce is calculated as cash cost per ounce as described above, plus royalties, amounts capitalised for production stripping costs, sustaining capital and corporate costs, divided by gold ounces produced. Net realisable value adjustments to inventories are not included in AISC above.

The above measure is included to assist investors to better understand the performance of the business, is a non-IFRS measure, and where included in this report, has not been subject to review by the Group's auditor.

Directors' Report (Continued)

Duketon North Operations (DNO)

Duketon North Operations gold production for the half-year ended 31 December 2022 increased by 27% from the previous corresponding period as a result of a grade increase feeding into the Moolart Well mill, with approximately 70% of the ore in the current half coming from the higher grade Gloster and Dogbolter Coopers satellite pits.

Costs continue to be impacted by industry-wide inflationary pressures with an increase to the previous corresponding period in the All-in Sustaining Cost (AISC) to \$2,425 per ounce at the Duketon North Operations.

Tropicana Gold Project Operations

The Tropicana Gold Project is 30% owned by Regis, and is operated by joint venture partner AngloGold Ashanti Australia Limited (70%).

The Tropicana Gold Project achieved half-year production of 71,998 ounces of gold (at 30%) at an all-in sustaining cost of \$1,141 per ounce.

Corporate

Gold Sales

During the half-year ended 31 December 2022, the Company sold 227,444 ounces of gold at an average price of \$2,357 net of hedge sales per ounce (2021 half-year: 216,651 ounces at an average price of \$2,256 net of hedge sales per ounce). The Company had a hedging position at the end of the period of 170,000 ounces of forward contracts at a price of A\$1,571 per ounce (2021 half-year: 270,000 ounces of forward contracts at a price of A\$1,571 per ounce).

Dividend Paid and Declared

Regis' net profit after tax for the year ended 30 June 2022 was \$13.775 million, and as a result the Board declared a fully franked final dividend of 2 cents per share (\$15.1 million) which coincided with the Dividend Reinvestment Plan being suspended in August 2022. The final dividend payment occurred on 28 October 2022.

No interim dividend in relation to the half year ended 31 December 2022 has been declared.

Income tax

The finalisation of the 30 June 2022 Income Tax Return, and an amendment to the 30 June 2021 Income Tax Return, has resulted in a tax refund due to the Company of \$67.097 million relating to the ATO's Loss Carry Back tax offset. The relevant lodgements have been made and the Company expects the refund in the second half of the current financial year ending 30 June 2023.

Development

Garden Well Underground Project

The first production stope was fired and delivered to the mill at Garden Well South. Raise-boring and ladderways were also completed during the quarter. Commercial production is expected in the second half of FY23. The current mining inventory for Garden Well South is 1.85Mt at 3.2 g/t Au for a total of 190koz as described in the Feasibility Study. We are very encouraged by the potential for growth of the ore body down plunge with drilling from underground platforms remaining a focus for the Company.

Garden Well Main Exploration Decline

The exploration decline into the Garden Well Main area has now progressed 240m. Drilling will commence in the southern part of the decline in the March 2023 quarter with the expectation of completing the decline by the end of CY2023.

Tropicana – Havana Underground

The Havana Underground Pre-Feasibility Study and "Havana Link" progressed during the quarter. The "Havana Link" development is planned to extend from the existing Tropicana underground decline as an exploration drive to verify the high grade mineralisation between Tropicana and Havana. The link drive may provide early access to the Havana underground for continuing infill and verification drilling, and potentially mining.

Exploration

The Bi-Annual exploration update released to the ASX on 21 November 2022 further highlighted the underground growth potential at Duketon South and Tropicana.

During the half-year ended 31 December 2022, Regis drilled a total of 218,267 metres across Duketon and Tropicana (100%) as shown below:

	Duketon	Tropicana
Type	Metres	Metres
Aircore	83,971	-
RC	72,735	12,441
Diamond	19,592	29,528
Total	176,298	41,969

Significant exploration projects advanced during the half-year ended 31 December 2022 are outlined as follows.

Garden Well Main Underground

One kilometre to the north of the approved Garden Well South Underground Project (approved in December 2020) there is another target area that is the down plunge extension of the Garden Well Main mineralisation.

Exploration drilling from surface beneath the Garden Well pit has demonstrated the potential for a large mineralised system which could support additional underground production areas. A 1km long exploration decline extending from Garden Well South to beneath GW Main Zone has commenced to allow a comprehensive test of the system. Approximately 30,000m of resource definition drilling has been planned and should commence in Q3 FY23 once the decline is suitably advanced. The drilling program is expected to be completed within 6-9 months.

Rosemont Underground

The orebody at Rosemont is hosted in a steeply dipping north trending quartz-dolerite unit intruding into a mafic-ultramafic sequence. Drilling continued to explore multiple high-grade shoots which extend at depth beneath existing underground infrastructure and along strike to the south. During the period the following areas were drilled, Main 2,814 metres and South and Southern Extension Zone 11,557 metres for a total of 14,371 metres above the 1000mRL.

The Rosemont South drilling has continued to infill and extend higher grade lodes. All holes have intersected mineralised quartz dolerite with fine disseminated sulphides, quartz veining and quartz-albite-sericite alteration occurring in multiple metre-scale zones, a common feature of gold bearing geology.

Diamond drilling from underground platforms has continued to test the extents of the Rosemont system between and beneath the current mine plan areas. This drilling has been targeted down to the 1,000m RL and has returned very positive results which will contribute to the future growth of resources, reserves and the mine life at Rosemont. Additional targeted drilling below 1,000m is planned from surface and underground areas. Significantly, the gaps between Main, Central and South mineralised zones are appearing to join as the drilling density increases.

Tropicana

The Tropicana Gold Mine (TGM) is a large-scale gold deposit within high-grade metamorphic rocks with a known strike length of ~5 km in a northeast-trending mineralised corridor and comprises four known mineralised zones. They are named from north to south as the Boston Shaker, Tropicana, Havana, and Havana South. The gold mineralised zones are laterally extensive along strike and down-dip and range from a few metres to 60 m true thickness. Exploration in and around the mine continues to define substantial resource extensions. The current period has focused on the extension to both the Boston Shaker and Tropicana underground mines. Underground development of the Tropicana-Havana linking drill drive has commenced to enable the drilling of mineralisation to the south of the Tropicana underground production area. Considerable depth potential exists along the strike length of the deposit that could be exploited from underground.

Boston Shaker Underground

Exploration drilling at Boston Shaker has continued to test and confirm the down-plunge mineralisation beyond the boundaries of the existing resources. Positive results continue to be returned during the period highlighting the potential for the Boston Shaker UG resource to grow further.

Tropicana Underground

The Tropicana underground forms part of the production schedule for the operation and continues to grow with further exploration. A programme of sixty RC/diamond holes has commenced from an underground platform targeting the down-dip extension of the Tropicana mineralisation.

Directors' Report (Continued)

Regional Exploration

Regional exploration continued to test conceptual targets and identify new gold anomalies as well as collecting baseline geological, geochemical and geophysical data. This data has facilitated the prioritisation of ongoing exploration in the most prospective trends within the Duketon Belt. An area south of Rosemont has begun to return some very promising RC drilling results in a setting which is geologically similar to the existing orebodies on the trend. Exploration along this 8km zone, known as the Rosemont South Trend, between Rosemont and Baneygo/Idaho has returned encouraging results from two prospects, Maverick and McKenzie.

McPhillamys Gold Project (MGP)

The McPhillamys Gold Project in New South Wales is one of Australia's largest undeveloped open pit gold projects capable of producing up to 200,000 ounces per year from an Ore Reserve of 61 million tonnes @ 1.0g/t gold for 2.02 million ounces. With strong community support, as indicated by independent research that was commissioned across Blaney and Central West NSW, the Project has the potential to play an important role in delivering social and economic stimulus to regional NSW.

A major approval milestone was achieved during the half year with the New South Wales Department of Planning and Environment (DPE) referring the project to the Independent Planning Commission of NSW (IPC) for final determination. The DPE stated that "On balance, the Department considers that the benefits of the project outweigh its residual costs and that the project is in the public interest and is approvable, subject to the strict conditions of consent". The current draft approval conditions included with the DPE's Assessment Report are not expected to materially impact the Project's development.

A key stage of the IPC assessment, the public submission hearings, were held on 6, 7 and 8 of February 2023. The Company is expecting to receive the final NSW planning approval in the coming months.

The Company has also completed all outstanding queries in relation to a Federal Section 10 application (ATSHIP Act) and is anticipating a response within the same period.

COVID-19

Regis' Crisis Management Team has continued to manage our ongoing response to COVID-19 which has been coordinated in cooperation with our contractors.

The Company is maintaining a range of measures across its business consistent with advice from State and Federal health authorities. These measures help ensure the health and welfare of our employees and their respective communities.

Events After Balance Date

Except as disclosed above, there have been no events subsequent to balance date that would significantly affect the amounts reported in the consolidated financial statements as at and for the half-year ended 31 December 2022.

Auditor's Independence Declaration

The auditor's independence declaration as required under Section 307C of the Corporations Act 2001 is set out on the following page and forms part of the Directors' Report for the half-year ended 31 December 2022.

Rounding

The amounts contained in this report and in the financial report have been rounded to the nearest \$1,000 (unless otherwise stated) under the option available to the company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The Company is an entity to which the legislative instrument applies.

Signed in accordance with a resolution of the directors.



Mr James Mactier
Non-Executive Chairman
Perth, 22 February 2023



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Regis Resources Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Regis Resources Limited for the half-year ended 31 December 2022 there have been:

- i. No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. No contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature of 'KPMG' in blue ink.

KPMG

A handwritten signature of 'Derek Meates' in blue ink.

Derek Meates

Partner

Perth

22 February 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the half-year ended 31 December 2022

	Note	Consolidated	
		31 December 2022	31 December 2021
		\$'000	\$'000
Revenue	4	537,346	488,790
Cost of goods sold	6	(553,873)	(427,245)
Gross (loss)/profit		(16,527)	61,545
Other (expenses)/income		(66)	49
Investor and corporate costs		(3,590)	(3,969)
Personnel costs		(9,096)	(8,158)
Share-based payment expense	13	(672)	(588)
Occupancy costs		(1,098)	(815)
Other corporate administrative expenses		(1,485)	(568)
Impairment of non-current assets		(139)	-
Finance costs	6	(10,141)	(5,443)
Other		-	(182)
(Loss)/profit before income tax		(42,814)	41,871
Income tax benefit/(expense)	7	12,632	(15,372)
Net (loss)/profit		(30,182)	26,499
Other comprehensive income			
Other comprehensive income for the period, net of tax		-	-
Total comprehensive (loss)/income for the period		(30,182)	26,499
(Loss)/profit attributable to members of the parent		(30,182)	26,499
Total comprehensive (loss)/income attributable to members of the parent		(30,182)	26,499
Basic (loss)/profit per share attributable to ordinary equity holders of the parent (cents per share)		(4.0)	3.51
Diluted (loss)/profit per share attributable to ordinary equity holders of the parent (cents per share)		(4.0)	3.50

CONSOLIDATED BALANCE SHEET

As at 31 December 2022

		Consolidated	
		31 December 2022	30 June 2022
	Note	\$'000	\$'000
Current assets			
Cash and cash equivalents		106,492	207,354
Receivables		13,798	13,092
Inventories	10	190,504	141,033
Financial assets	9	193	183
Current tax assets	7	67,097	8,139
Other current assets		6,569	2,635
Total current assets		384,653	372,436
Non-current assets			
Inventories	10	180,780	213,132
Property, plant and equipment		304,792	324,442
Exploration and evaluation expenditure	12	544,323	509,104
Mine properties under development		196,404	114,998
Mine properties		614,353	736,118
Intangible assets		2,108	2,301
Right-of-use assets	11	43,520	56,741
Total non-current assets		1,886,280	1,956,836
Total assets		2,270,933	2,329,272
Current liabilities			
Trade and other payables	9	113,583	151,339
Provisions		4,869	4,903
Lease liabilities	11	16,022	28,202
Total current liabilities		134,474	184,444
Non-current liabilities			
Deferred tax liabilities		171,639	125,314
Long term borrowings	9	297,263	295,883
Provisions		110,706	119,687
Lease liabilities	11	24,162	26,645
Total non-current liabilities		603,770	567,529
Total liabilities		738,244	751,973
Net assets		1,532,689	1,577,299
Equity			
Issued capital		1,096,575	1,096,575
Reserves		36,633	35,961
Retained profits		399,481	444,763
Total equity		1,532,689	1,577,299

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2022

	Consolidated				
	Issued capital	Share-based payment reserve	Financial assets reserve	Retained profits/ (accumulated losses)	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2022	1,096,575	34,244	1,717	444,763	1,577,299
Loss for the period	-	-	-	(30,182)	(30,182)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	-	(30,182)	(30,182)
Transactions with owners in their capacity as owners:					
Share-based payments expense	-	672	-	-	672
Dividends paid	-	-	-	(15,100)	(15,100)
At 31 December 2022	1,096,575	34,916	1,717	399,481	1,532,689
At 1 July 2021	1,095,533	33,440	1,717	453,615	1,584,305
Profit for the period	-	-	-	26,499	26,499
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income/(loss) for the period	-	-	-	26,499	26,499
Transactions with owners in their capacity as owners:					
Share-based payments expense	-	588	-	-	588
Dividends paid	-	-	-	(22,627)	(22,627)
Dividends reinvested	1,046	-	-	-	1,046
Shares issued, net of transaction costs	(3)	-	-	-	(3)
At 31 December 2021	1,096,576	34,028	1,717	457,487	1,589,808

CONSOLIDATED STATEMENT OF CASH FLOW

For the half-year ended 31 December 2022

	Note	Consolidated	
		31 December 2022	31 December 2021
		\$'000	\$'000
Cash flows from operating activities			
Receipts from gold sales		536,150	492,119
Payments to suppliers and employees		(383,029)	(322,088)
Interest received		1,155	125
Interest paid		(6,158)	(3,765)
Income tax paid		-	(30,508)
Net cash from operating activities		148,118	135,883
Cash flows from investing activities			
Acquisition of plant and equipment		(21,507)	(19,676)
Payments for exploration and evaluation (net of rent refunds)		(34,346)	(32,845)
Payment of stamp duty - 30% Tropicana acquisition		(38,970)	-
Payments for mine properties under development		(82,639)	(39,741)
Payments for mine properties in production		(41,591)	(76,907)
Net cash used in investing activities		(219,053)	(169,169)
Cash flows from financing activities			
Share issue Costs		-	(8)
Payment of transaction costs – 30% Tropicana acquisition		-	(7,736)
Payment of lease liabilities		(14,827)	(15,597)
Dividends paid		(15,100)	(21,575)
Net cash used in financing activities		(29,927)	(44,916)
Net decrease in cash and cash equivalents		(100,862)	(78,202)
Cash and cash equivalents at 1 July		207,354	242,627
Cash and cash equivalents at 31 December		106,492	164,425

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2022

1. Corporate Information

The interim condensed consolidated financial statements of Regis Resources Limited and its subsidiaries (collectively referred to as the “Group”) for the six months ended 31 December 2022 were authorised for issue in accordance with a resolution of the directors on 22 February 2023.

Regis Resources Limited (the “Company”) is a for profit company, limited by shares, incorporated and domiciled in Australia whose shares are publicly traded. The Group’s principal activities are the exploration for, and production of, gold.

2. Basis of Preparation and Accounting Policies

Basis of preparation

The interim condensed consolidated financial statements for the half-year ended 31 December 2022 have been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 30 June 2022 which are available upon request from the Company’s registered office or at www.regisresources.com.

Significant accounting policies

The Group has adopted the Amendments to AASB 116 *Property, Plant and Equipment: Proceeds before Intended Use* from 1 July 2021. Under the amendments, the Group recognises the proceeds from gold sales from mines which are in the pre-production phase in the statement of comprehensive income, together with the costs of production. Prior to this adoption any proceeds from sales in the pre-production phase were deducted from the cost of the mine properties under development asset. These amendments apply retrospectively and did not have a material impact on the comparative periods presented, and therefore comparative information has not been restated.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 30 June 2022.

3. Operating Segment Information

The following table presents revenue and profit information for reportable segments for the half-years ended 31 December 2022 and 2021 respectively.

	Duketon North Operations		Duketon South Operations		Tropicana		Unallocated		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Segment revenue</i>										
Sales to external customers	104,615	77,357	303,015	301,321	178,993	153,711	-	-	586,623	532,389
Hedge loss	-	-	-	-	-	-	(49,277)	(43,599)	(49,277)	(43,599)
Total segment revenue	104,615	77,357	303,015	301,321	178,993	153,711	(49,277)	(43,599)	537,346	488,790
Total revenue per the statement of comprehensive income									537,346	488,790
<i>Segment result</i>										
Segment net operating profit/(loss) before tax	(50,591)	15,542	36,614	62,083	43,148	26,061	(71,985)	(61,815)	(42,814)	41,871
Income tax Benefit/(expense)									12,632	(15,372)
Net (loss)/profit after tax									(30,182)	26,499

Notes to the Financial Statements (Continued)

Segment assets

The Group's three reporting segments comprise Duketon North (DNO), Duketon South (DSO) and Tropicana. DNO and DSO collectively comprise the Duketon Gold Project. These segments are unchanged from those reported at 30 June 2022. DNO comprises Moolart Well, Gloster, Anchor, Dogbolter-Coopers and Petra. DSO comprises Garden Well, Rosemont, Rosemont Underground, Eristoun, Tooheys Well and Baneygo. Unallocated items comprise exploration and evaluation assets relating to areas of interest where an economically recoverable reserve is yet to be delineated and corporate costs. Segment assets as at 31 December and 30 June are as follows:

	Duketon North Operations		Duketon South Operations		Tropicana		Unallocated		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 31 December										
Segment operating assets	102,632	149,126	578,712	591,853	997,534	1,035,663	592,055	551,508	2,270,933	2,328,150
As at 30 June										
Segment operating assets	156,734	118,826	632,129	574,472	1,009,097	1,043,360	531,312	576,507	2,329,272	2,313,165

4. Revenue

	Consolidated	
	Half-year ended 31 December 2022	Half-year ended 31 December 2021
	\$'000	\$'000
Revenue		
Gold sales	536,149	488,717
Interest income	1,197	73
	<u>537,346</u>	<u>488,790</u>

5. Physical Gold Delivery Commitments

Open contracts at balance date, along with the current amortisation profile agreed with the Company's hedge provider, Macquarie Bank Limited, are summarised in the table below:

	Gold for physical delivery		Contracted gold sale price		Value of committed sales		Mark-to-market ⁽ⁱ⁾	
	31 December 2022	30 June 2022	31 December 2022	30 June 2022	31 December 2022	30 June 2022	31 December 2022	30 June 2022
	ounces	ounces	\$/oz	\$/oz	\$'000	\$'000	\$'000	\$'000
Within one year:								
- Forward contracts	110,000	100,000	1,571	1,571	172,825	157,114	(125,187)	(107,180)
Later than one year but not later than five years:								
- Forward contracts	60,000	120,000	1,571	1,571	94,268	188,537	(70,851)	(134,693)
	<u>170,000</u>	<u>220,000</u>			<u>267,093</u>	<u>345,651</u>	<u>(196,038)</u>	<u>(241,873)</u>

Mark-to-market has been calculated with reference to the following spot price at period end

\$2,674/oz \$2,616/oz

(i) Mark-to-market represents the value of the open contracts at balance date, calculated with reference to the gold spot price at that date. A negative amount reflects a valuation in the counterparty's favour.

Notes to the Financial Statements (Continued)

6. Expenses

	Consolidated	
	Half-year ended 31 December 2022	Half-year ended 31 December 2021
	\$'000	\$'000
<i>(a) Cost of goods sold</i>		
Cash costs of mining and processing	316,635	235,189
Royalties	24,071	20,533
Depreciation of mine plant and equipment	43,750	45,170
Amortisation of mine properties	167,254	103,370
Inventory (increase) in bullion on hand	(16,899)	(2,269)
Inventory write down	19,062	25,252
	<u>553,873</u>	<u>427,245</u>
<i>(b) Finance costs</i>		
Interest expense	7,993	4,723
Unwinding of discount on provisions	2,148	720
	<u>10,141</u>	<u>5,443</u>

7. Income Tax

A reconciliation between tax expense and the product of accounting profit before tax multiplied by the Group's applicable income tax rate is as follows:

Accounting (loss)/ profit before income tax	(42,814)	41,871
At the Group's statutory income tax rate of 30% (2021: 30%)	(12,844)	12,561
Share-based payments	202	177
Other non-deductible expenditure	5	13
Adjustment in respect of acquisition	-	2,621
Adjustment in respect of income tax of previous years	5	-
Income tax (benefit)/expense reported in the statement of comprehensive income	<u>(12,632)</u>	<u>15,372</u>

The finalisation of the 30 June 2022 Income Tax Return, and an amendment to the 30 June 2021 Income Tax Return, has resulted in a tax refund due to the Company of \$67.097 million relating to the ATO's Loss Carry Back tax offset. The relevant lodgements have been made and the Company expects the refund in the second half of the current financial year ending 30 June 2023.

8. Dividends

	Consolidated	
	Half-year ended 31 December 2022	Half-year ended 31 December 2021
	\$'000	\$'000
<i>Declared and paid during the half-year:</i>		
Dividends on ordinary shares		
Final dividend for 2022: 2 cents (2021: 3 cents) (fully-franked at 30%)	15,100	22,626
<i>Proposed by the directors after balance date but not recognised as a liability at 31 December:</i>		
Dividends on ordinary shares		
Interim dividend for 2023: nil (2022: nil) (fully-franked at 30%)	-	-
<i>Dividend franking account</i>		
Franking credits available for future years at 30% adjusted for the payment of income tax and dividends payable	86,943	109,415

Notes to the Financial Statements (Continued)

	Consolidated	
	Half-year ended 31 December 2022	Half-year ended 31 December 2021
	\$'000	\$'000
Impact on the franking account of dividends proposed before the financial report was issued but not recognised as a distribution to equity holders during the period	-	-
The ability to utilise the franking credits is dependent upon the ability to declare dividends.		

9. Financial Assets and Financial Liabilities

Set out below is an overview of financial assets (other than cash and short-term deposits) and financial liabilities, held by the Group at 31 December 2022 and 30 June 2022.

	Consolidated	
	As at 31 December 2022	As at 30 June 2022
	\$'000	\$'000
<i>Financial assets at amortised cost</i>		
Term deposit	193	183
Total financial assets	193	183
<i>Financial liabilities at amortised cost</i>		
Trade and other payables	113,583	151,339
Secured bank loan	297,263	295,883
Obligations under leases		
Current	16,022	28,202
Non-current	24,162	26,645
Total financial liabilities	451,030	502,069

Fair Values

The carrying amounts and estimated fair values of all of the Group's financial instruments recognised in the financial statements are materially the same.

10. Inventories

	Consolidated	
	As at 31 December 2022	As at 30 June 2022
	\$'000	\$'000
<i>Current</i>		
Bullion on hand	31,461	14,562
Ore stockpiles	111,174	82,617
Gold in circuit	24,137	25,536
Consumable stores	23,732	18,318
	190,504	141,033
<i>Non-current</i>		
Ore stockpiles	180,780	213,132

At 31 December 2022, all inventories were valued at the lower of cost and net realisable value. The respective adjustments were recognised in cost of goods sold. The assessment resulted in Duketon ore stockpiles being adjusted down by \$11.9 million of which \$8.3 million related to the Duketon North operation (DNO) and \$3.6 million for the Duketon South operation. Gold in circuit and bullion on hand at DNO were

Notes to the Financial Statements (Continued)

also valued downwards by \$2.4 million and \$4.8 million respectively. There were no downward revisions to Tropicana inventories. A total \$19.1 million inventory write down.

11. Leases

	Consolidated	
	As at 31 December 2022 \$'000	As at 30 June 2022 \$'000
Lease liability recognised		
Comprising:		
Current	16,022	28,202
Non-current	24,162	26,645
	40,184	54,847

Right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet as at 31 December 2022.

	Consolidated	
	As at 31 December 2022 \$'000	As at 30 June 2022 \$'000
Plant & equipment	34,810	44,453
Furniture & equipment	13	24
Buildings & infrastructure	8,697	12,264
Total right-of-use assets	43,520	56,741

12. Exploration and Evaluation Assets

	Consolidated	
	As at 31 December 2022 \$'000	As at 30 June 2022 \$'000
<i>Reconciliation of movements during the year</i>		
Balance at 1 July	509,104	491,702
Expenditure for the period	35,358	53,574
Impairment charge	(139)	(11,117)
Transferred to mine properties	-	(25,055)
Balance at 31 December / 30 June	544,323	509,104

Notes to the Financial Statements (Continued)

13. Share-Based Payments

On 24 November 2022, a total of 1,380,596 Performance Rights were granted to the Chief Executive Officer and Managing Director, Mr Jim Beyer (664,763), and to executives Mr Stuart Gula (279,902), Mr Anthony Rechichi (205,760) and others (230,171) in the form of long-term incentives (LTI's) under the Group's Executive Incentive Plan (EIP). The performance conditions that the Board has determined will apply to the Performance Rights are summarised below:

Tranche	Weighting	Performance Conditions
Tranche A	50% of the Performance Rights	The Company's relative total shareholder return (RTSR) measured against the RTSRs of 12 comparator mining companies
Tranche B	25% of the Performance Rights	The Company's life of mine reserves growth in excess of depletion
Tranche C	25% of the Performance Rights	Project targets as determined by the Board

The fair value at grant date of Tranche A, which has market based performance conditions, was estimated using a Monte Carlo simulation, and a Black Scholes option pricing model was used to estimate the fair value at grant date of Tranches B and C, which have non-market based performance conditions.

The table below details the terms and conditions of the grant and the assumptions used in estimating fair value:

Grant date	24 November 2022
Value of the underlying security at grant date	\$1.905
Exercise price	Nil
Dividend yield	3.25%
Risk free rate	3.24%
Volatility	50%
Performance period (years)	3.00
Commencement of measurement period	30 June 2022
Test date	30 June 2025
Remaining performance period (years)	2.60

On 24 November 2022, a total of 196,751 Performance Rights were granted to the Chief Executive Officer and Managing Director, Mr Jim Beyer (120,322), to executive Mr Stuart Gula (54,504) and others (21,925) which represents 50% of the short-term incentive (STI) awarded for the year ended 30 June 2023 under the Group's Executive Incentive Plan (EIP). The performance conditions that the Board has determined will apply to the Performance Rights are summarised below:

Tranche	Weighting	Performance Conditions
Tranche D	100% of the Performance Rights	Mr. Jim Beyer, Mr. Stuart Gula and others being employees of the company as at 1 July 2023.

The fair value at grant date of Tranche D, which has non-market based performance conditions, was estimated using a Black Scholes option pricing model.

The table below details the terms and conditions of the grant and the assumptions used in estimating fair value:

Grant date	24 November 2022
Value of the underlying security at grant date	\$1.905
Exercise price	Nil
Dividend yield	3.25%
Risk free rate	3.16%
Volatility	50%
Performance period (years)	1.0
Commencement of measurement period	30 June 2022
Test date	30 June 2023
Remaining performance period (years)	0.60

Notes to the Financial Statements (Continued)

The fair value of the Performance Rights granted during the half-year was \$2,452,000 and the weighted average fair value per right was \$1.55.

For the six months ended 31 December 2022, the Group has recognised \$672,000 of share-based payments in the statement of comprehensive income (2021 half-year: \$588,000).

14. Subsequent Events

There have been no events subsequent to balance date that would significantly affect the amounts reported in the consolidated financial statements as at and for the half-year ended 31 December 2022.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Regis Resources Limited, I state that:

In the opinion of the directors:

- (a) The financial statements and notes of Regis Resources Limited for the half-year ended 31 December 2022 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- (b) There are reasonable grounds to believe that the Company and Group will be able to pay its debts as and when they become due and payable.

On behalf of the board



Mr James Mactier
Non-Executive Chairman
Perth, 22 February 2023



Independent Auditor's Review Report

To the shareholders of Regis Resources Limited

Report on the Interim Financial Report

Conclusion

We have reviewed the accompanying **Interim Financial Report** of Regis Resources Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Regis Resources Limited does not comply with the *Corporations Act 2001*, including:

- Giving a true and fair view of the **Group's** financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- Complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises the:

- Consolidated balance sheet as at 31 December 2022;
- Consolidated statement of comprehensive income, Consolidated statement of changes in equity and Consolidated statement of cash flows for the half-year ended on that date;
- Notes comprising a summary of significant accounting policies and other explanatory information; and
- The Directors' Declaration.

The **Group** comprises Regis Resources Limited (the Company) and the entities it controlled at the half year's end or from time to time during the half-year.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia.

We have also fulfilled our other ethical responsibilities in accordance with these requirements.



Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- The preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*.
- Such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim 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.

KPMG

Derek Meates
Partner
Perth
22 February 2023