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Manager Announcements
Company Announcements Office
Australian Securities Exchange Limited
Level 4, 20 Bridge Street
Sydney NSW 2000



www.regisresources.com
Level 1
1 Alvan Street
Subiaco WA 6008 Australia
P 08 9442 2200
F 08 9442 2290

Gold Production, Outlook & Corporate Update

The board of Regis Resources Ltd provides the following gold production summary and corporate update in advance of the release of the full June 2015 quarterly report.

June 2015 Quarter Gold Production

Regis produced 75,372 ounces of gold in the June 2015 quarter (March 15: 65,949 oz) which was in line with revised guidance for the June 15 quarter given in early March 2015. Gold production for the full 2015 financial year was 310,204 ounces (within original guidance).

Operating results for the Regis group for the June 2015 quarter were as follows:

	Moolart Well	Rosemont	Garden Well	Total
Ore mined (bcm)	339,493	270,215	438,565	1,048,273
Waste mined (bcm)	1,122,832	2,795,517	2,565,988	6,484,337
Stripping ratio (w:o)	3.31	10.34	5.85	6.19
Ore mined (tonnes)	711,967	603,281	1,174,324	2,489,572
Ore milled (tonnes)	743,599	638,280	1,162,159	2,544,038
Head grade (g/t)	0.95	1.45	0.85	1.03
Recovery (%)	90.4%	94.1%	83.9%	89.5%
Gold production (ounces)	20,655	27,951	26,766	75,372
Cash cost (A\$/oz)	753	727	1,112	871
Cash cost inc royalty (A\$/oz)	823	796	1,184	941
All in Sustaining Cost (A\$/oz) ¹	899	1,066	1,426	1,148

¹ AISC calculated on a per ounce of production basis

The June 2015 quarter saw a number of improvements in operations from the March 2015 quarter including:

- Total Duketon throughput at 2.54MT was up 6% and recoveries were up 2% as a result of ongoing improvements at Rosemont and Garden Well as those milling operations continue to be fine tuned; and
- Overall grade was up 6% as higher grade zones available at Rosemont were mined and milled.

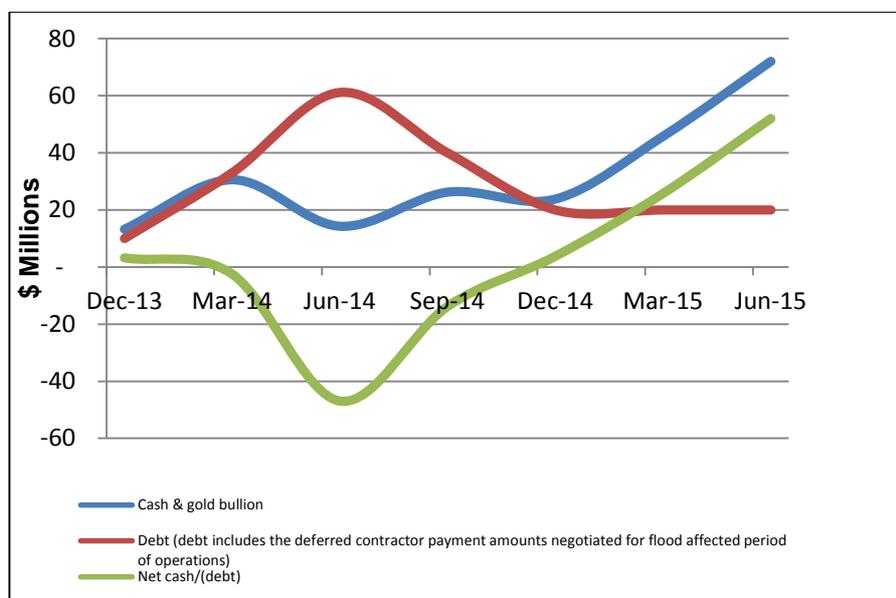
Cash costs of operation for the quarter at \$871 per ounce were 7% better than the March 2015 quarter (\$936/oz) due to the above improvements. As a result of these operational improvements, all in sustaining costs (AISC) at \$1,148 per ounce for the quarter were in line with the March 2015 quarter of \$1,159/oz despite large cutbacks in both Garden Well and Rosemont pits significantly increasing mining stripping costs included in AISC. In particular Q4 stripping ratio (w:o) of 5.85 for Garden Well compared to Q3 of 4.43 and 3.82 for the first three quarters of FY2015. This is expected to reduce to 2.5 in FY2016 and 1.91 for remaining life of mine.

AISC for FY2015 for the Duketon operation was \$994 per ounce.

Cash and Bullion Position

The board of Regis is pleased to advise that the Duketon project generated strong operating* cash-flow of \$47.6 million in the June 2015 quarter. This saw Regis' cash and gold bullion holdings at 30 June 2015 increase to \$73.1 million (March 15: \$45.8 million).

The operating* cash flow for FY2015 was \$150.9 million which has led, as shown below, to Regis' net cash position increasing by \$100 million in the twelve months to June 2015.



Production Guidance for 2016

Regis expects gold production for the 2016 financial year to be within the range of 275,000 – 305,000 ounces at an AISC (all in sustaining cost) of \$950 - \$1,050 per ounce. The mid-point of this (+/- 5%) guidance range is summarised as follows:

	Moolart Well	Rosemont	Garden Well	Total
Ore mined (Mbcm)	1.5	1.0	2.2	4.7
Waste mined (Mbcm)	4.4	9.3	5.9	19.6
Stripping ratio (w:o)	3.1	9.7	2.5	4.2
Ore mined (Mtonnes)	2.8	2.2	5.6	10.6
Ore milled (Mtonnes)	2.9	2.3	5.0	10.1
Head grade (g/t)	0.89	1.23	0.91	0.98
Recovery (%)	91	93	88	91
Gold production (ounces '000)	75	85	130	290
Cash cost (A\$/oz)	820	840	900	860
Cash cost inc royalty (A\$/oz)	880	910	970	930
All in Sustaining Cost (A\$/oz)	950	1,070	1,040	1,020

Note: errors in summation may occur in this table due to rounding

At the mid-point of guidance and the current gold price (\approx A\$1,550/oz) the Duketon operations are expected to generate an operating cashflow (derived using AISC as operating cost) of around A\$150 million in FY2016. Additional expansion capital expenditures are expected to be in the order of A\$15-20 million.

* operating cash flow in relation to Q4 2015 and FY2015 is quoted under the Appendix 5B classification protocol and as such does not include payments for pre-strip and deferred mining costs as these are classified as investing activities.

Capital Management

The Company's cash position and the strong outlook for the 2016 financial year have underpinned the board's decision to implement the following capital management strategies:

Dividend

It is the board's intention to recommence the payment of dividends in relation to the 2015 financial year (30 June 2015) with a target of 5-7 cents per share payment in the December 2015 quarter. Further details on the quantum of dividend will be provided at the time of the release of financial results in September 2015. Long term intentions are to establish and maintain a dividend payout ratio in the order of 60% of net profit after tax.

The target 2015 dividend payment and the long term payout ratio are subject to numerous factors including but not limited to gold price and exchange rates, gold production and operational performance, profitability, cash flow, working capital requirements, other expenditure requirements (including capital expenditures, acquisitions, developments and exploration) and the availability of sufficient franking credits.

Share Buyback

The board has also decided to implement an on-market share buy-back programme for up to 5% of the Company's issued capital or approximately 25 million shares over the next twelve months. This follows the continued improvement in the Company's financial and cash position since overcoming the flooding disruptions of the second half of FY2014 and the board's view of the outlook for the Company's operations.

An Appendix 3C in relation to the on-market buyback will be released shortly.

Yours sincerely

Regis Resources Limited



Mark Clark
Managing Director