



**Regalpoint
Resources** Ltd

ACN 122 727 342

**INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2014**

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CORPORATE DIRECTORY

DIRECTORS

Shane L Stone (Chairman)
Bruce McCracken (Executive Director)
Simon Trevisan (Executive Director)
Ian Murchison (Non-Executive Director)

COMPANY SECRETARY

Fleur Hudson

REGISTERED AND PRINCIPAL OFFICE

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191 St Georges Terrace
PERTH WA 6000
Telephone: (08) 9424 9320
Facsimile: (08) 9321 5932
Website: www.regalpointresources.com.au
Email: enquiry@regalpointresources.com.au

AUDITORS

BDO Audit (WA) Pty Ltd
38 Station Street
SUBIACO WA 6008

SHARE REGISTRY

Security Transfer Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153
Telephone: (08) 9315 2333
Facsimile: (08) 9315 2233

HOME EXCHANGE

Australian Securities Exchange Ltd
Exchange Plaza
2 The Esplanade
PERTH WA 6000
ASX Code: RGU

SOLICITORS

Jackson McDonald
225 St Georges Terrace
PERTH WA 6000

BANKERS

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

DIRECTORS' REPORT

The Directors present their report together with the financial report of Regalpoint Resources Limited (Company) for the half year ended 31 December 2014 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)
- Bruce McCracken (Executive Director)
- Simon Trevisan (Executive Director)
- Ian Murchison (Non-Executive Director)

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

REVIEW OF OPERATIONS

During the half year the Company continued to manage and incrementally progress its portfolio of core projects and actively seek and evaluate new project opportunities with the potential to create near term value for shareholders.

At the Company's core Paroo Range uranium project the tenement areas were expanded with the granting of additional adjacent ground which will enable a broader regional approach to the exploration program. The most recent drilling at Paroo Range confirmed similar structural controls to the neighbouring Valhalla and Skal deposits, and the extension of the mineralised zone to the north and at depth.

At the Company's Rum Jungle uranium and gold project further evaluation was carried out on the Highlander Prospect, with some rationalisation of non-core areas within the AROWS Water Catchment Area.

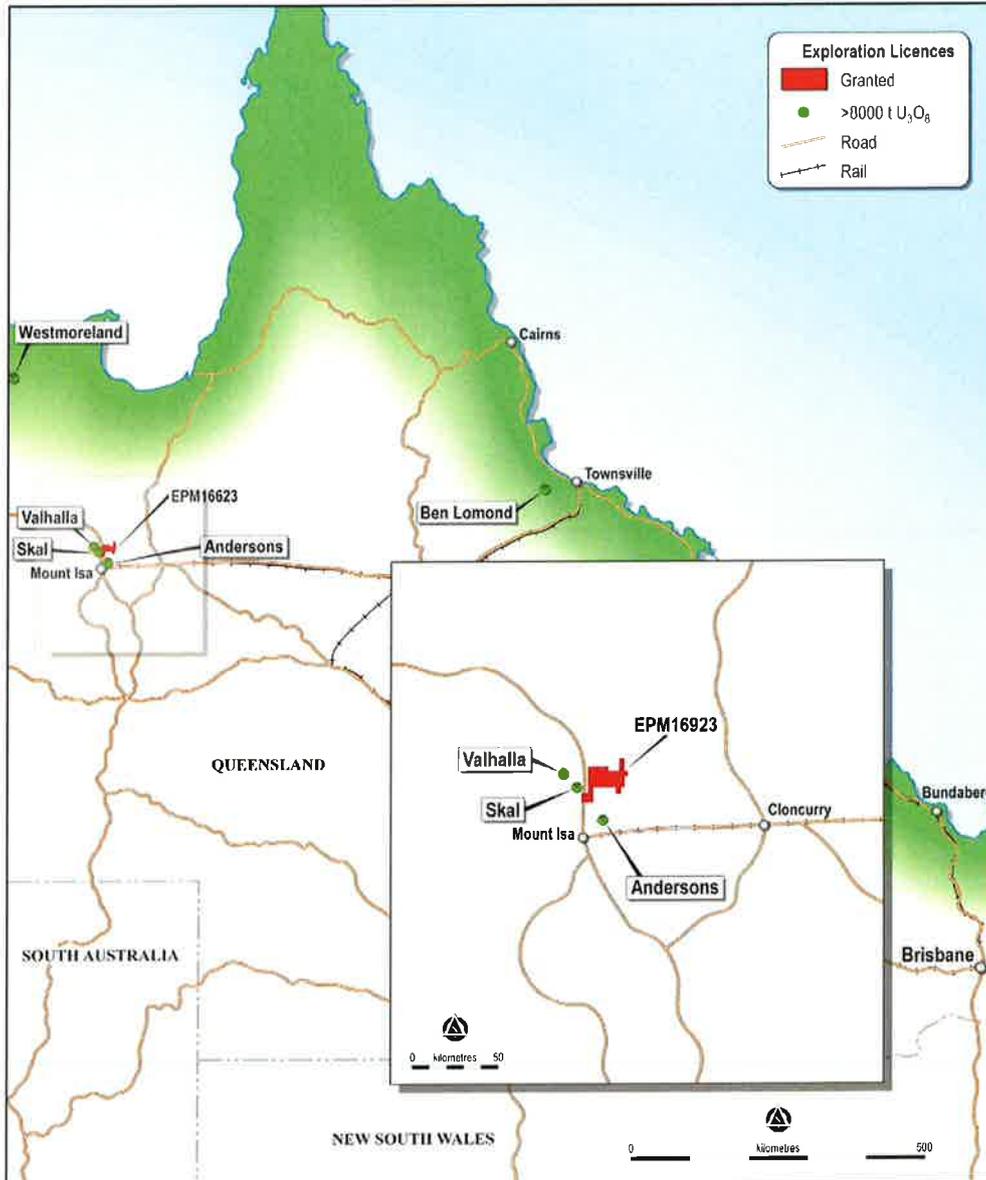
At the Company's King Leopold Project in Western Australia further evaluation of previous exploration work was carried out.

DIRECTORS' REPORT

THE PAROO RANGE URANIUM PROJECT (RGU 100%) – NORTH QUEENSLAND

The Paroo Range Project lies in the Mount Isa block 50km north east of Mt Isa.

Diagram [1] – Location of Paroo Range Project (highlighting key EPM16923)



The Paroo Range Project covers outcropping Eastern Creek Volcanics – the main host lithology for the known mineralisation in the Mt Isa district. The Eastern Creek Volcanics host the deposits of Valhalla and Skal, which are significant uranium resources where the uranium mineralisation is in the form of brannerite. The Project includes an advanced prospect at Skevi where two phases of RC drilling have been completed with encouraging results. There are also a number of radiometric anomalies, which although relatively minor in amplitude warrant further investigation given their setting and the significant alluvial cover in parts.

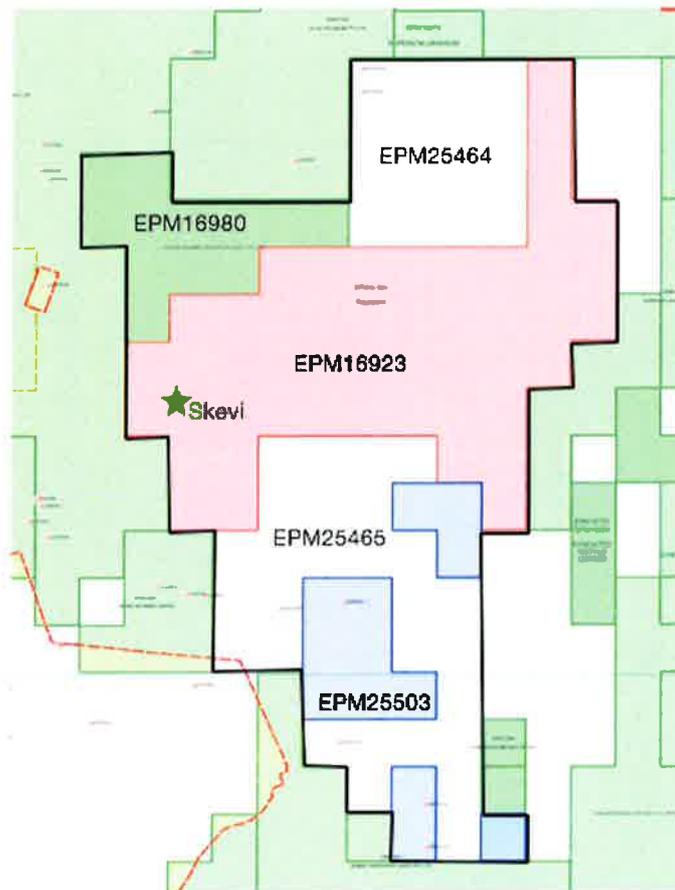
Regalpoint recently applied for (and was granted) three new tenements adjacent to the existing prospect and the Project now covers an area of approximately 375 square kilometers.

DIRECTORS' REPORT

Table [1] – Paroo Range Exploration Licences

| Tenement | Project | Location | Status | Area | Expiry |
|----------|-------------|----------|---------|-----------|-----------|
| EPM16923 | Paroo Range | QLD | Granted | 49 Sub BI | 17-Dec-15 |
| EPM16980 | Paroo Range | QLD | Granted | 12 Sub-BI | 13-Dec-16 |
| EPM25464 | Paroo Range | QLD | Granted | 16 Sub-BI | 30-Jul-19 |
| EPM25465 | Paroo Range | QLD | Granted | 28 Sub-BI | 3-Sep-19 |
| EPM25503 | Paroo Range | QLD | Granted | 12 Sub-BI | 11-Sep-19 |

Diagram [2] – Location of Paroo Range Exploration Licences



The exploration target is structurally controlled metasomatic uranium associated with haematized brecciated basalts, and the mineralisation in this deposit type is sufficiently large to warrant detailed exploration.

Stream sediment sampling combined with mapping and ground checking known radiometric anomalies was the first pass work carried out at Paroo Range. The strong structural control on this style of mineralisation led to a lithostructural interpretation of the available aeromagnetic data followed by ground checking and structural mapping over some target areas. Further targets identified from the structural interpretation will be assessed using soil geochemistry and/or radon surveys, followed by drill testing. This program has been completed at the Skevi prospect with success.

DIRECTORS' REPORT

Table [2] - Results of the Skevi Drilling

| Hole | Northing | Interval | U3O8 (ppm) |
|----------|----------|-----------|------------|
| PSRC-011 | 7737884 | 41-44 | 3m @ 473 |
| | | 33-34 | 1m @ 615 |
| PSRC-004 | 7737776 | 9-Nov | 2m @ 695 |
| PSRC-023 | 7737457 | 25-32 | 7m @ 1155 |
| | | Inc 27-30 | 3m @ 2457 |
| | | 34-35 | 1m @ 765 |
| PSRC-041 | 7737455 | 72-76 | 4m @ 780 |
| | | 88-89 | 1m @ 510 |
| PSRC-040 | 7737505 | 87-88 | 1m @ 980 |
| | | 93-94 | 1m @ 890 |
| PSRC-038 | 7737550 | 43-47 | 4m @ 1065 |
| | | 55-57 | 2m @ 565 |
| PSRC-026 | 7737950 | 57-69 | 11m @ 1090 |
| PSRC-060 | 7738000 | 15-18 | 3m @ 640 |
| | | 23-29 | 6m @ 510 |
| | | 35-40 | 5m @ 590 |

RUM JUNGLE, NT (RGU 100%) – Gold Exploration Target

The Company's project area consists of approximately 84 square kilometres of granted tenement in the Batchelor area and one tenement application for c.30 square kilometres in the Adelaide River area.

RGU has undertaken exploration work across the project area, including drilling, sampling and geophysical surveys, in addition to previous drilling undertaken by Nicron Resources (Nicron) and Normandy. Nicron drilled 24 RC holes over a gold soil anomaly now known as the Highlander Prospect, and Normandy subsequently took over the area and interpreted the anomaly as strata bound zone of vein type gold mineralisation over a strike length of 4.5km. The mineralisation is interpreted as a sulphide Au-Quartz vein system in the boundary vicinity of the Wildman Siltstone and underlying Whites Formation. The structure in the area is dominated by a series of north-south striking anticlines.

The Company's project area consists of a granted Exploration Licence (EL26094) of approximately 35 square kilometres in the Batchelor area following a reduction in the number of blocks over an area that is unavailable for the grant of a mining lease. One tenement application for approximately 30 square kilometres is in the Adelaide River area.

DIRECTORS' REPORT

RGU has undertaken exploration work across the project area, including drilling, sampling and geophysical surveys and was successful in confirming the Highlander gold mineralisation as a first class target in a green field area. No fieldwork was carried out on the Rum Jungle Project during the half year and future drilling will aim at defining the mineralised envelope and identifying higher-grade zones within it that may be amenable to resource estimation.

RGU conducted drilling and costeaning in 2011 close to the previous Nicron drilling and trenching and was successful in confirming Highlander as a first class target in a green field area. RGU recorded intercepts of 6m @3.91 g/t Au with 1 m @ 13.1 g/t and two vein/gossanous rock chip samples taken by RGU within the Highlander Prospect recorded 0.87g/t and 0.83 g/t Au respectively.

An extension of term for the tenement holding was granted and will expire on 5 May 2016. An exploration Management Plan was approved by the Northern Territory Department of Mines

KING LEOPOLD, WA (RGU 100%) - Uranium Exploration Target

The Company holds two granted tenements (E80/4264 and E80/4311) in the King Leopold project area covering an area of approximately 400 square kilometres

The Juno and Jupiter Prospects (E80/4311) lie on a major north-south trending regional fault filled with quartz breccia and is essentially a radiometric hotspot within the fault system. The Juno hotspot coincides with a saddle in the otherwise prominent ridge formed by the quartz breccia. The breccia is clearly hydrothermal. Anomaly L48 (E80/4264) appears to be due to a superficial enrichment of uranium due to lateritisation processes, involving the leaching of uranium from high U-background siltstones during weathering and deposition at the contact with underlying sandstones.

No fieldwork was carried out on the King Leopold Project during the half year and a review of the earlier work will form a background to planned future drilling of the Jupiter, Juno and L48 Uranium Prospects.

DIRECTORS' REPORT

Current Tenement Schedule - 31 December 2014

| Tenement | Project | Location | Status | Area | Expiry | Application |
|----------|----------------|----------|-------------|-----------|-----------|-------------|
| E80/4264 | King Leopold | WA | Granted | 52 Blocks | 29-Feb-16 | |
| E80/4311 | King Leopold | WA | Granted | 30 Blocks | 26-Jul-15 | |
| EL26094 | Rum Jungle | NT | Granted | 11 Blocks | 5-May-16 | |
| EL26098 | Adelaide River | NT | Application | 10 Blocks | | 30-Apr-07 |
| EPM16923 | Paroo Range | QLD | Granted | 49 Sub BI | 17-Dec-15 | |
| EPM16980 | Paroo Range | QLD | Granted | 12 Sub-BI | 13-Dec-16 | |
| EPM25464 | Paroo Range | QLD | Granted | 16 Sub-BI | 30-Jul-19 | |
| EPM25465 | Paroo Range | QLD | Granted | 28 Sub-BI | 3-Sep-19 | |
| EPM25503 | Paroo Range | QLD | Granted | 12 Sub-BI | 11-Sep-19 | |

Competent Persons Statement

The information in this report that relates to Exploration Results, Exploration Targets, Mineral Resources or Ore Reserves is based on information compiled by Malcolm Castle, who is a Member of the Australasian Institute of Mining and Metallurgy ("AusIMM"). Mr Castle is a consultant geologist with Agricola Mining Consultants Pty Ltd. He has sufficient experience 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 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Castle consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

DIRECTORS' REPORT

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.

OPERATING RESULTS

The Company's net loss after providing for income tax for the half year ended 31 December 2014 amounted to \$208,755 (2013: \$609,190). At 31 December 2014, the Company has \$205,064 cash and cash equivalents.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

All significant changes in the state of affairs of the Company during the half year are discussed in detail in the Operations Report set out on page 4.

EVENTS OCCURRING AFTER THE REPORTING PERIOD

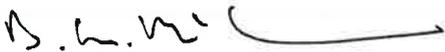
Transcontinental Group (TRG) has provided a letter of support to the Company dated 16 February 2015 and confirmed that TRG will provide financial support to Regalpoint to meet its debts when they fall due and to enable Regalpoint to carry on its business as a going concern and maintain its assets in good standing for a period until Regalpoint completes adequate fund raising or for the period of 12 months from the date of signing the 2014 Half Year Report.

There were no other post reporting 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 11 for the half year ended 31 December 2014.

Signed in accordance with a resolution of the Board of Directors.



Bruce McCracken

Executive Director

Dated at Perth, Western Australia, this 4th of March 2015

DECLARATION OF INDEPENDENCE BY BRAD MCVEIGH TO THE DIRECTORS OF REGALPOINT RESOURCES LIMITED

As lead auditor for the review of Regalpoint Resources Limited for the half-year ended 31 December 2014, I declare that, to the best of my knowledge and belief, there have been:

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



Brad McVeigh
Director

BDO Audit (WA) Pty Ltd

Perth, 4 March 2015

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR HALF-YEAR ENDED 31 DECEMBER 2014**

| | Notes | HALF YEAR | |
|-------------------------------------------------------------|-------|------------------|------------------|
| | | 31 December 2014 | 31 December 2013 |
| | | \$ | \$ |
| Revenue from continuing operations | | 4,183 | 12,051 |
| Accounting expenses | | (20,219) | (19,652) |
| Legal expenses | | (4,424) | (2,935) |
| Corporate and administrative expenses | | (111,504) | (77,768) |
| Management and Service fees | | (60,000) | (120,000) |
| Depreciation and amortisation expenses | | - | (508) |
| Impairment of loan | | - | (112,682) |
| Impairment of exploration expenditure write off | | - | (275,256) |
| Other expenses | | (16,791) | (12,440) |
| LOSS BEFORE INCOME TAX | | (208,755) | (609,190) |
| Income tax benefit | | - | - |
| LOSS AFTER INCOME TAX | | (208,755) | (609,190) |
| Other Comprehensive Income | | - | - |
| TOTAL COMPREHENSIVE LOSS FOR THE PERIOD | | (208,755) | (609,190) |
| Total comprehensive loss for the period is attributable to: | | | |
| Owners of Regalpoint Resources Limited | 7 | (208,755) | (609,190) |
| Basic loss (cents per share) | 8 | (0.30) | (0.90) |

The above Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

| | Notes | 31 December 2014 \$ | 30 June 2014 \$ |
|------------------------------------------------------|-------|------------------------|--------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | | 205,064 | 394,345 |
| Trade and other receivables | | 15,748 | 12,035 |
| TOTAL CURRENT ASSETS | | 220,812 | 406,380 |
| NON-CURRENT ASSETS | | | |
| Exploration and evaluation expenditure | 3 | 1,807,104 | 1,725,266 |
| Prepayment of exploration and evaluation expenditure | 4 | 5,272 | 11,252 |
| TOTAL NON-CURRENT ASSETS | | 1,812,376 | 1,736,518 |
| TOTAL ASSETS | | 2,033,188 | 2,142,898 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | | 371,120 | 272,075 |
| TOTAL CURRENT LIABILITIES | | 371,120 | 272,075 |
| TOTAL LIABILITIES | | 371,120 | 272,075 |
| NET ASSETS | | 1,662,068 | 1,870,823 |
| EQUITY | | | |
| Contributed Equity | 5 | 9,758,246 | 9,758,246 |
| Reserves | 6 | 59,361 | 59,361 |
| Accumulated Losses | 7 | (8,155,539) | (7,946,784) |
| TOTAL EQUITY | | 1,662,068 | 1,870,823 |

The above 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 2014**

| | Contributed Equity | Option Reserve | Accumulated Losses | Total |
|-----------------------------------------------------------------------|-----------------------|-------------------|-----------------------|------------------|
| | \$ | \$ | \$ | \$ |
| BALANCE AT 01 July 2014 | 9,758,246 | 59,361 | (7,946,784) | 1,870,823 |
| Total comprehensive loss for the half year | - | - | (208,755) | (208,755) |
| Transactions with equity holders in their capacity as equity holders: | | | | |
| Employee share options | - | - | - | - |
| Share issue costs during the half year | - | - | - | - |
| BALANCE AT 31 December 2014 | 9,758,246 | 59,361 | (8,155,539) | 1,662,068 |
| BALANCE AT 01 July 2013 | 9,758,246 | 59,361 | (7,103,618) | 2,713,989 |
| Total comprehensive loss for the half year | - | - | (609,190) | (609,190) |
| Transactions with equity holders in their capacity as equity holders: | | | | |
| Employee share options | - | - | - | - |
| Share issue costs during the half year | - | - | - | - |
| BALANCE AT 31 December 2013 | 9,758,246 | 59,361 | (7,712,808) | 2,104,799 |

The above Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

**STATEMENT OF CASH FLOW
FOR HALF-YEAR ENDED 31 DECEMBER 2014**

| | | HALF YEAR | |
|-----------------------------------------------------|------------------|------------------|--|
| Notes | 31 December 2014 | 31 December 2013 | |
| | \$ | \$ | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments to suppliers and employees | (105,892) | (192,359) | |
| Interest received | 4,183 | 12,051 | |
| NET CASH FLOWS USED IN OPERATING ACTIVITIES | (101,709) | (180,308) | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payments for exploration and evaluation expenditure | 3 (87,572) | (239,662) | |
| NET CASH FLOWS USED IN INVESTING ACTIVITIES | (87,572) | (239,662) | |
| NET INCREASE/(DECREASE) IN CASH HELD | (189,281) | (419,970) | |
| Cash and cash equivalents at beginning of period | 394,345 | 1,071,153 | |
| CASH AT END OF PERIOD | 205,064 | 651,183 | |

The above Statement of Cash Flows is to be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENT

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 2014 and considered together with any public announcements made by the Company during the half-year ended 31 December 2014 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 4 March 2015.

(b) Significant accounting judgements, estimates and assumptions

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 2014.

(c) Adoption of new and revised Accounting Standards

In the half-year ended 31 December 2014, the directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the company's operations and effective for annual reporting periods beginning on or after 1 July 2014. It has been determined by the directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the company's business and, therefore, no change is necessary to the Company accounting policies.

The directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2014. 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 the company's business and, therefore, no change is necessary to the Company accounting policies.

NOTES TO THE FINANCIAL STATEMENT

2. SEGMENT INFORMATION

Management has determined the operating segments based on reports reviewed by the Board that are used to make strategic decisions.

Reportable segments disclosed are based on aggregating operating segments, where the segments have similar characteristics. For the current reporting period, 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 2014 is as follows:

| | Segments Australia | Total |
|----------------------------------|--------------------|-----------|
| 31 December 2014 | | |
| Reportable segment profit/(loss) | - | - |
| Reportable segment assets | 1,812,376 | 1,812,376 |
| 31 December 2013 | | |
| Reportable segment (loss) | (275,256) | (275,256) |
| Reportable segment assets | 1,623,926 | 1,623,926 |

Reconciliation of reportable segment loss to the Statement of Profit or Loss and Other Comprehensive Income

| | 31 December 2014 | 31 December 2013 |
|-----------------------------------------------|------------------|------------------|
| Reportable segment profit/(loss) | - | (275,256) |
| Other profit/(loss) | | |
| • Interest revenue | 4,183 | 12,051 |
| • Depreciation and amortisation | - | (508) |
| • Corporate and administration | (111,504) | (77,768) |
| • Management and service fee | (60,000) | (120,000) |
| • Accounting expenses | (20,219) | (19,652) |
| • Legal expenses | (4,424) | (2,935) |
| • Impairment of loan | - | (112,682) |
| Other expenses | (16,791) | (12,440) |
| Profit/(Loss) after income tax benefit | (208,755) | (609,190) |

There are no reportable segments' liabilities to be allocated based on the operations of the segment. The reconciliation of segments' assets to total assets is referred in the Statement of Financial Position as at 31 December 2014.

NOTES TO THE FINANCIAL STATEMENT

3. EXPLORATION AND EVALUATION EXPENDITURE

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

| | 31 December 2014 | 30 June 2014 |
|----------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| | \$ | \$ |
| Exploration, evaluation and development costs carried forward in respect of areas of interest (net of amounts written off) | 1,807,104 | 1,725,265 |
| Reconciliation | | |
| Carrying amount at the beginning of the half year | 1,725,265 | 1,631,147 |
| Expenditure during the half year – exploration | 75,859 | 371,759 |
| Reallocation of Exploration Expenditure during the half year | 5,980 | - |
| Expenditure written off during the half year | - | (277,641) |
| Carrying amount at the end of the half year | <u>1,807,104</u> | <u>1,725,265</u> |

The ongoing carrying value of the Company's interest in exploration and evaluation expenditure is dependent upon the continuance of the Company's rights to tenure of the areas of interest and the results of future exploration and the recoupment of costs through the successful development and exploitation of the areas of interest, or alternatively by their sale.

4. PREPAYMENT OF EXPLORATION AND EVALUATION EXPENDITURE

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

| | 31 December 2014 | 30 June 2014 |
|------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------|
| | \$ | \$ |
| Prepayment of Exploration, evaluation and development costs carried forward in respect of areas of interest (net of amounts written off) | 5,272 | 11,252 |
| Reconciliation | | |
| Carrying amount at the beginning of the half year | 11,252 | 5,273 |
| Expenditure during the half year – exploration | - | 5,979 |
| Reallocation of exploration expenditure during the half year | (5,980) | - |
| Prepayment exploration expenditure written off during the half year | - | - |
| Carrying amount at the end of the half year | <u>5,272</u> | <u>11,252</u> |

NOTES TO THE FINANCIAL STATEMENT

5. CONTRIBUTED EQUITY

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

| | 31 December 2014 | 30 June 2014 |
|-------------------------------------|-------------------------|---------------------|
| | \$ | \$ |
| Balance at the start of the period | 9,758,246 | 9,758,246 |
| Movement during the half year | - | - |
| Balance at the end of the half year | 9,758,246 | 9,758,246 |

6. RESERVES

Option Reserve

The option reserve is used to record the value of the share based payments provided to employees, consultants and for options issued pursuant to any acquisitions or in exchange for services.

| | 31 December 2014 | 30 June 2014 |
|-------------------------------------------|-------------------------|---------------------|
| | \$ | \$ |
| Reserve at the beginning of the half year | 59,361 | 59,361 |
| Share based payment | - | - |
| Reserve at end of the half year | 59,361 | 59,361 |

7. ACCUMULATED LOSSES

| | 31 December 2014 | 30 June 2014 |
|----------------------------------------------------|-------------------------|---------------------|
| | \$ | \$ |
| Accumulated loss at the beginning of the half year | (7,946,784) | (7,103,618) |
| Net profit/(loss) attributable to shareholders | (208,755) | (843,166) |
| Accumulated loss at end of the half year | (8,155,539) | (7,946,784) |

NOTES TO THE FINANCIAL STATEMENT

8. LOSS PER SHARE

The calculation of basic loss per share as at 31 December 2014 was based on the loss attributable to ordinary shareholders of \$208,755 (2013: \$609,190) and a weighted average number of ordinary shares outstanding at the end of the half year is 67,605,280 (2013: 67,605,280).

| | 31 December 2014 | 31 December 2013 |
|-----------------------------------------------------------------------------------------------|-------------------|-------------------|
| | \$ | \$ |
| Basic loss per share | (0.30) | (0.90) |
| a) Reconciliation of earnings to operating loss | | |
| Loss attributable to ordinary shareholders | | |
| Loss after tax | (208,755) | (609,190) |
| Loss used in the calculation of EPS | (208,755) | (609,190) |
| b) Weighted average number of ordinary shares (WANOS) outstanding during the half year | | |
| WANOS used in calculating basic loss per share | 67,605,280 | 67,605,280 |
| | 67,605,280 | 67,605,280 |

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.

9. 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 2014.

10. COMMITMENTS

The Commitment expenditure at reporting date is as follows:

Administration Services Fees Commitment

On and from 1 July 2014 TRG agreed to reduce the monthly fee from \$15,000 to \$10,000 and to accrue 100% of the balance without charging any interest.

Simon Trevisan (an Executive Director of the Company) is a Director and Shareholder of the Transcontinental Group.

There is no other change to commitment or contingencies since or after the annual financial statements for the year ended 30 June 2014.

NOTES TO THE FINANCIAL STATEMENT

11. RELATED PARTY INFORMATION

There are no material changes on the related party transaction since or during the half year.

12. EVENTS OCCURRING AFTER THE REPORTING PERIOD

Transcontinental Group (TRG) has provided a letter of support to the Company dated 16 February 2015 and confirmed that TRG will provide financial support to Regalpoint to meet its debts when they fall due and to enable Regalpoint to carry on its business as a going concern and maintain its assets in good standing for a period until Regalpoint completes adequate fund raising or for the period of 12 months from the date of signing the 2014 Half Year Report.

There were no other post reporting date events at the reporting date.

13. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

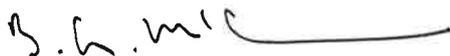
Due to their short-term nature, the carrying amounts of the current receivables, current payables and current borrowings are assumed to approximate their fair value.

DIRECTORS' DECLARATION

In the opinion of the directors of Regalpoint Resources Ltd:

1. The financial statements and notes set out on pages 12 to 21, are in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of the Company's financial position as at 31 December 2014 and of its 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 be 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.



Bruce McCracken

Executive Director

Dated at Perth, Western Australia, this 4th of March 2015

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 2014, the statement of profit or loss and other 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 significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company 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 company's financial position as at 31 December 2014 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 review 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 company's financial position as at 31 December 2014 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

A handwritten signature in black ink. The word 'BDO' is written in a simple, blocky font. Below it, the name 'Brad McVeigh' is written in a cursive, handwritten style.

Brad McVeigh

Director

Perth, 4 March 2015