REGIS RESOURCES LIMITED

ABN 28 009 174 761

and its Controlled Entities

31 December 2008
Consolidated Interim Financial Report

This report should be read in conjunction with the 2008 Annual Financial Report

The Directors present their report together with the consolidated financial report for the half-year ended 31 December 2008 and the review report thereon.

1. DIRECTORS

The Directors of the Company at any time during or since the end of the half-year are:

Mr Jeffrey J Lucy AM – FCA, FCPA (Hons), FAICD — Appointed 16 February 2009
Non-Executive Chairman

Dr. G Michael Folie - BE (Civil) DIC, MSc (Econ), PhD, FAICD — Resigned 16 February 2009
Non-Executive Chairman

Mr. David A Walker - BSc (Hons), MSc, MAuslMM
Managing Director

Mr. Paul J Dowd - BSc (Eng), FAusIMM
Non-Executive Director

All Directors held office throughout the period since 1 July 2008 unless otherwise stated.

2. REVIEW OF RESULTS AND OPERATIONS

Objectives

The objective of Regis Resources Limited and its controlled entities ("the Group") is to increase shareholder wealth through successful project development and exploration activities whilst providing a safe workplace and ensuring best practice in relation to dealing with all stakeholders.

Regis Resources Limited ("Regis") together with its subsidiaries is an Australian minerals explorer with extensive landholdings in the Eastern Goldfields of Western Australia. The most significant of these are the Duketon gold and Collurabbie nickel properties north of Laverton.

In the Leonora-Laverton area, Regis holds a number of properties in its own right, and is also earning up to an 85% interest and manages exploration on the Copper Well tenements.

The key areas of focus and achievements of the Group during the half-year have been:

(i) Duketon Gold Project - the feasibility study is now well advanced with an upgrade in the project resource completed and an initial laterite reserve announced in October 2008 and an initial oxide reserve announced subsequent to the half-year end. An optimum project throughput of 2.5 – 3.5 mtpa has been determined, leading to a production level of approximately 200,000 oz of gold per annum;

(ii) Moolart Well gold deposit - drilling has been completed on the initial laterite and oxide resource including the announcement of an initial indicated laterite reserve of 442koz of gold and an additional oxide reserve of 156kozs announced following the end of the half year;

(iii) Water drilling – drilling and aquifer testing was undertaken during the half to determine water availability for the project;

(iv) Erlistoun deposit - a reverse circulation infill drilling program was completed with significant new gold intersections;

(v) Collurabbie - there were encouraging nickel intersections during the half from drilling undertaken;

(vi) The appointment of a General Manager ("GM")– Development was made and will assist in leading the Group and more specifically, the project, into a construction and production phase; and

(vii) Corporate and funding: completion of a private placement of $19.6 million in July 2008.

Income Statement

Revenue

As a minerals explorer in the pre-development stage, the Group does not have an ongoing source of operational revenue. Its revenue stream arises from interest received on cash in bank and ad-hoc tenement and investment disposal.

For the six months ended 31 December 2008, interest income increased by $303,000 to $384,000 relative to the same period in 2007. This increase was driven by higher average levels of interest bearing cash in the bank following capital raising.

Expenses

The Group's activity is the exploration for and evaluation of mineral deposits, and the majority of exploration and evaluation related costs are capitalised in accordance with the Group's accounting policies. Accordingly expenses reflected in the income statement are primarily related to administration and compliance matters.

Administrative costs and charges expensed through the income statement have decreased to $717,000 for the six months to 31 December 2008 from $1,008,000 for the same period in 2007. The key drivers of this are:

(i) Consolidation of GM - Finance and Administration and Company Secretary roles into one position.

(ii) Non-cash amortisation charges in relation to employee options issued as long-term incentives pursuant to the Group's remuneration policies and, in the case of Directors, as approved by shareholders were $192,000 less than the same period in 2007. This was attributable to there being no new issues of options and options forefeited upon resignation of staff, during the period.

Exploration and evaluation written off to the income statement was $149,000 for the December 2008 half-year compared to $220,000 for the same period in 2007. This represents the write-off of expenditure for application fees on new tenements incurred prior to the grant of tenure over the ground, plus a write-off of previously capitalised exploration expenditure on tenements subject to a Farm-in from which the Company has withdrawn its interest.

Finance expenses are $602,000 for the 2008 half-year (2007: $74,000) representing interest paid and accrued in relation to an interest bearing loan obtained in the previous half-year, and a non-cash expense of $287,000 representing the unwinding of the discount relating to the provision for rehabilitation.

Result for the half-year

The operating loss recorded for the Group is $1,084,000 for the half-year ended 31 December 2008 (2007: $1,222,000). There is no income tax expense attributable to the result for the current or previous half-year. Tax losses generated to date are expected to be available to offset future income tax liabilities. No tax asset has been recognised as recoupment is not considered probable (as defined in accounting standards) at this stage.

Balance Sheet

The components of the Group's balance sheet and key changes over the half-year are as follows:

Cash balances increased to $10,179,000 at 31 December 2008 from $231,000 at 30 June 2008 due to receipt of share placement funds. Cash flows for the half-year are described in further detail below.

Current assets (other than cash) comprise sundry receivables and prepaid expenses, the main component being refundable GST.

Non-current receivables of $1,305,000 (30 June 2008: $1,402,000) are term deposits with a major bank that secure a bank guarantee facility. This facility covers environmental performance bonds provided to the Department of Mines and Petroleum WA ("DMP") in respect of certain tenements in the Duketon area, and security deposits for the leases of company offices. These term deposits bear interest at market rates.

Capitalised exploration and evaluation expenditure for the Group as at 31 December 2008 is $124,003,000, compared to $116,929,000 as at 30 June 2008. Costs associated with the exploration for and evaluation of mineral deposits are capitalised, with the exception of any costs incurred on tenements prior to the granting of tenure, which have been written off. When tenements are surrendered, any costs previously capitalised in respect of those tenements are written off.

Plant and equipment for the Group has decreased from $734,000 to $573,000 over the half-year, reflecting depreciation on existing assets and minimal purchases.

Trade and other payables of $2,563,000 represent amounts owing at 31 December 2008 for exploration costs, administration expenses and unpaid Managing Director fees for the half-year. The decrease relative to the comparative figure at 30 June 2008 of $3,541,000 reflects reduced activity levels and closer focus on creditor balances and management.

Employee benefit liabilities of $409,000 (30 June 2008: $704,000) represent accrued liabilities for PAYG tax, superannuation contributions, unused annual leave and payroll related on-costs for staff. The decrease relative to the comparative figure at 30 June 2008 reflects reduced accruals in relation to consulting and directors fees.

Interest bearing liabilities of $4,413,000 represents a loan advanced from a Director-related entity Dalkeith Resources Pty Ltd in December 2007, and includes an accrual for interest payable at commercial rates under the terms of the loan.

Provisions represent the Group's estimated liability for site restoration costs on exploration and previously mined tenements. This balance was reassessed at 31 December 2008 to reflect rehabilitation works completed over the calendar year and disturbance from new exploration and evaluation work.

At 31 December 2008, the Group had a surplus of net working capital of $2,930,000 (deficiency at 30 June 2008 was $7,968,000), with net assets of $125,342,000 (30 June 2008: $108,357,000).

Cash Flow

The key sources of funds for the half-year were the proceeds of capital raising in July 2008 of $19,600,000 (gross), receipt of interest and the refund of a $500,000 deposit paid to participate in a due diligence process for second-hand plant.

Cash outflows for the half-year are primarily exploration and feasibility expenditure on the Group's exploration and evaluation projects, together with administrative costs, totalling $6,650,000 (2007: $8,482,000).

In addition, the Group funded purchases of exploration and office equipment of $65,000 during the half-year (2007: $322,000) and made final payment due on a stamp duty liability that arose on the acquisition of Duketon Resources in 2006 ($423,000 including interest).

Transaction costs paid during the half-year in relation to capital raising were $1,684,000 (2007: $359,000).

3. 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 2008.

4. ROUNDING OFF

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, amounts in the Financial Report and Directors' Report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a Resolution of the Board of Directors at Melbourne this 19th day of February 2009.

P J Dowd	D A Walker
Director	Director

KPMG

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 for the half-year ended 31 December 2008 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.

KPMG

KPMG

Tony Romeo
Partner

Melbourne
19 February 2009

Regis Resources Limited
Consolidated Interim Income Statement
For the six months ended 31 December 2008

In thousands of AUD	Note	**31 Dec 08**	**31 Dec 07**
Continuing operations			
Revenue – interest received		384	80
Corporate administrative expenses		(717)	(1,008)
Exploration and evaluation written off	6	(149)	(220)
Results from operating activities		(482)	(1,148)
Finance expenses		(602)	(74)
Net finance costs		(602)	(74)
Income tax expense		-	-
Profit/(loss) for the period		(1,084)	(1,222)
Profit/(loss) for the period		(1,084)	(1,222)
Attributable to:			
Shareholders of the Company		(1,084)	(1,222)
Profit/(loss) for the period		(1,084)	(1,222)
Loss per share		**Cents**	**Cents**
Basic loss per share		(0.47)	(0.96)
Diluted loss per share		(0.47)	(0.96)

The consolidated interim income statement is to be read in conjunction with the notes to the consolidated interim financial report.

Regis Resources Limited
Consolidated Interim Balance Sheet
As at 31 December 2008

In thousands of AUD	Note	**31 Dec 08**	**30 June 08**
CURRENT ASSETS			
Cash and cash equivalents		10,179	231
Other receivables and prepayments		212	663
TOTAL CURRENT ASSETS		10,391	894
NON-CURRENT ASSETS			
Other receivables and prepayments		1,305	1,402
Exploration and evaluation assets	6	124,003	116,929
Property, plant and equipment		573	734
TOTAL NON-CURRENT ASSETS		125,881	119,065
TOTAL ASSETS		136,272	119,959
CURRENT LIABILITIES			
Trade and other payables		2,492	3,541
Interest bearing liabilities	7	4,413	4,517
Employee entitlements provision		409	704
Provision for rehabilitation	8	75	100
TOTAL CURRENT LIABILITIES		7,389	8,862
NON-CURRENT LIABILITIES			
Other payables		71	73
Provision for rehabilitation	8	3,470	2,667
TOTAL NON-CURRENT LIABILITIES		3,541	2,740
TOTAL LIABILITIES		10,930	11,602
NET ASSETS		125,342	108,357
EQUITY			
Issued capital	9	167,692	149,620
Share Option Reserve		1,072	1,075
Accumulated losses		(43,422)	(42,338)
TOTAL EQUITY		125,342	108,357

The consolidated interim balance sheet is to be read in conjunction with the notes to the consolidated interim financial report.

Regis Resources Limited
Consolidated Interim Statement of Changes in Equity
For the Six Months Ended 31 December 2008

In thousands of AUD	Issued Capital	Accumulated Losses	Share option reserve	Total Equity
At 1 July 2007	135,976	(40,051)	465	96,390
Profit/(loss) for the half-year	-	(1,222)	-	(1,222)
Share-based payment charge	-	-	479	479
Shares issued (net of transaction costs)	7,596	-	-	7,596
At 31 December 2007	143,572	(41,273)	944	103,243
At 1 July 2007	135,976	(40,051)	465	96,390
Profit/(loss) for the year	-	(2,287)	-	(2,287)
Share-based payment charge	-	-	610	610
Shares issued (net of transaction costs)	13,644	-	-	13,644
At 30 June 2008	149,620	(42,338)	1,075	108,357
At 1 July 2008	149,620	(42,338)	1,075	108,357
Profit/(loss) for the half-year	-	(1,084)	-	(1,084)
Share-based payment charge	-	-	(3)	(3)
Shares issued (net of transaction costs)	18,072	-	-	18,072
At 31 December 2008	167,692	(43,422)	1,072	125,342

The consolidated interim statement of changes in equity is to be read in conjunction with the notes to the consolidated interim financial report.

Regis Resources Limited
Consolidated Interim Statement of Cash Flows
For the Six Months Ended 31 December 2008

In thousands of AUD	**31 Dec 08**	**31 Dec 07**
Cash flows from operating activities		
Cash paid to suppliers and employees	(1,235)	(859)
Interest received	372	112
Interest paid	(401)	(54)
Net cash (used in)/from operating activities	(1,264)	(801)
Cash flows from investing activities		
Payment of security deposits - tenements	(12)	(156)
Acquisition of interest in tenements	(120)	-
Stamp duty paid on acquisition of subsidiary	(387)	(776)
Acquisition of property, plant and equipment	(65)	(322)
Return of refundable deposit	500	-
Direct exploration and evaluation (net of rent refunds)	(6,650)	(8,482)
Net cash (used in)/from investing activities	(6,734)	(9,736)
Cash flows from financing activities		
Proceeds from the issue of share capital	19,630	7,955
Payment of transaction costs	(1,684)	(359)
Proceeds from short - term borrowings	-	1,500
Net cash from financing activities	17,946	9,096
Net increase/(decrease) in cash and cash equivalents	9,948	(1,441)
Cash and cash equivalents at 1 July	231	1,511
Cash and cash equivalents at 31 December	10,179	70

Non cash investing activities

During the period, the Company issued 500,000 shares as part consideration for the acquisition of residual tenement interests. This transaction is not reflected in the statement of cash flows.

The consolidated interim statement of cash flows is to be read in conjunction with the notes to the consolidated interim financial report.

1. REPORTING ENTITY

The consolidated interim financial report of the Group as at and for the six months ended 31 December 2008 comprises the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associates and jointly controlled entities.

The annual financial report of the Group as at and for the year ended 30 June 2008 ("2008 Annual Financial Report") is available upon request from the Company's registered office at Level 11, 461 Bourke Street, Melbourne, Victoria, 3000, Australia or at www.regisresources.com.

2. STATEMENT OF COMPLIANCE

The consolidated interim financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Act 2001.

The consolidated interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the 2008 Annual Financial Report of the Group as at and for the year ended 30 June 2008.

This consolidated interim financial report was approved by the Board of Directors on 19th of February 2009.

The Company is of a kind referred to in ASIC Class Orders 98/100 dated 10 July 1998 and in accordance with the Class order, amounts in the financial report have been rounded off to the nearest thousands dollars, unless otherwise stated.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Group in this consolidated interim financial report are the same as those applied by the Group in its consolidated financial report, as at and for the year ended 30 June 2008.

4. FINANCIAL POSITION

The Group's financial report has been prepared on the going concern basis. While the Group's projects are not yet at a stage where a source of operating cash flows has been established, the Directors consider the going concern basis is appropriate. The reasons for this are set out in Note 13.

5. ESTIMATES

The preparation of the interim 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 consolidated interim financial report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report as at and for the year ended 30 June 2008.

6. EXPLORATION AND EVALUATION ASSETS

In thousands of AUD	**31 Dec 08**	**30 June 08**
Balance at 1 July	116,929	100,002
Expenditure for the period [(a)]	7,223	17,153
Write-offs to the income statement	(149)	(226)
Balance at end of period	124,003	116,929

[(a)] Expenditure net of rent refunds and adjustment to site restoration asset on reassessment of the provision.

7. INTEREST BEARING LIABILITIES

In thousands of AUD

	Face value	Carrying amount
Balance at 1 July 2008	4,370	4,517
Interest accrued during the period	-	297
Interest paid during the period	-	(401)
Balance at 31 December 2008	4,370	4,413

In December 2007, the Group was provided with a loan facility from Dalkeith Resources Pty Ltd, a related entity of the Group's Managing Director, Mr David Walker. As at 31 December 2008, $4,370,000 had been drawn down from the facility and $43,254 interest has accrued. Interest on the borrowings is payable at the National Australia Bank's Business Overdraft Commercial rate plus 1%. The loan is repayable at the discretion of the Company and is unsecured. The loan agreement in place at 31 December 2008 contains no specified available facility amount or limit.

8. PROVISION FOR REHABILITATION

In thousands of AUD

Balance at 1 July	2,767	2,089
Provisions made during the year	547	839
Provisions reversed during the year	(56)	(125)
Unwinding of discount	287	(36)
Balance at end of period	3,545	2,767
Current	75	100
Non-Current	3,470	2,667
Total	3,545	2,767

9. ISSUED CAPITAL

In thousands of shares & AUD

Ordinary shares	Six months ended 31 Dec 08 No of shares	$	Year ended 30 June 08 No of shares	$
On issue 1 July	142,349	149,620	1,226,333	135,976
Issued for cash	98,150	19,630	90,060	14,262
Less: transaction costs	-	(1,642)	-	(618)
Issued as consideration for acquiring an interest in tenements	500	85	-	-
Less: transaction costs	-	(1)	-	-
Removed upon share consolidation [(a)]			(1,174,044)	-
Balance at end of period	240,999	167,692	142,349	149,620

(a) In November 2007, 1,174,043,928 shares were removed from the Company's share register, following a share consolidation on a 1:10 basis that was approved by shareholders at the 2007 Annual General Meeting.

10. COMMITMENTS

Exploration expenditure commitments

Exploration expenditure commitments represent tenement rentals and expenditure commitments that may be required to be met under the relevant legislation should the Group wish to retain tenure on all current tenements in which the Group has an interest.

The exploration commitments of the Group, not provided for in the interim financial report and payable:

	31 Dec 08	30 June 08
Within one year	6,214	5,854
Between one and five years	20,220	13,390
Later than 5 years	30,328	18,080
	56,762	37,324

The tenement commitments shown above represent the minimum required to be spent on all granted tenements as at balance sheet date. Actual expenditure will vary as a result of ongoing management of the tenement portfolio including reductions and relinquishment of tenements not considered prospective, in whole or in part.

Tenement commitments are shown gross of exemptions that are likely to be available in the ordinary course of business as the financial impact of potential exemptions cannot be measured reliably in advance.

11. FINANCIAL GUARANTEE LIABILITY

The Company issued a financial guarantee contract in February 2002. The terms of the arrangement and the accounting treatment of this item are unchanged from those outlined in the 2008 Annual Financial Report. Based on a review of information currently available, an assessment has been made that it is not probable that any amount will become payable in respect of the guarantee and accordingly no liability has been recognised at 31 December 2008.

As described in the 2008 Annual Financial Report there is significant uncertainty in the information available to the Company in making this assessment. The significant terms and conditions of the financial guarantee are as follows:

- In 2002 as part of a restructuring arrangement the Company provided a deed of guarantee and indemnity to Newmont Mining Finance Pty Ltd ("NMF") to secure a loan liability of a third party, Edensor Nominees Pty Ltd ("the borrower"), to NMF (including interest), which at the time amounted to $12,842,758;
- Unless and until NMF call the guarantee and indemnity issued by the Company, the Company has no liability to make any payment under the financial guarantee issued. Based upon the timing of interest and principal repayments due on the underlying loan, the earliest of any potential cash outflow was April 2008 for interest, and 2010 for principal, in the absence of any further loan renegotiations that may defer the due dates for payment. In July 2008, NMF confirmed that it will not exercise any of its rights or take action under any of the security documents until at least 1 March 2010;
- The amounts that can be called from the Company are limited only to cash payment amounts in default at any time; and
- The guarantee and indemnity provided is secured by a fixed charge over certain tenements and a floating charge over the assets of the Company.

In 2004, as part of the restructuring and change of Board and management of the Company, contractual arrangements were put in place as follows:

- A company related to the borrower, Surfer Holdings Pty Ltd, provided an indemnity to the Company, whereby it undertook to pay all monies due and payable by the Company to NMF in the event that the guarantee provided by the Company is called;
- In support of its obligations, the indemnity provider has granted a floating charge over its assets in favour of the Company;
- Both the borrower and the indemnity provider undertook to maintain assets in the indemnity provider to a minimum level of $12,842,755 to cover the Company's potential obligations to NMF under the guarantee and indemnity provided by the Company; and

- In the event that the indemnity provider's assets fall below the required level, the Company may have recourse to the assets of the borrower and certain other parties related to it in order to recover any shortfall.

At 31 December 2008, the value of the indemnity provider's assets underlying the security provided to the Company was $58,748 (30 June 2008: $689,267). The Company has received legal advice that the shortfall in the level of this security amounts to a breach of contract. The Company is actively working to have the security position rectified.

12. SUBSEQUENT EVENTS

Withdrawal from Melita Farm-in

On 14 January 2009, the Company formally withdrew its interests in the Melita tenements. Consequently the $1 million expenditure commitment disclosed in the 30 June 2008 Annual Report no longer exists. At 31 December 2008 the Company wrote back its interests in these tenements to $Nil (30 June 2008: $664,000).

13. GOING CONCERN

The Group has incurred a loss of $1,084,000 in the half-year, and had a net working capital surplus of $2,936,000 as at 31 December 2008. The financial report has been prepared on a going concern basis of accounting which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The going concern basis of accounting assumes the ability of the Group to be able to meet its contracted lease commitments, fixed costs and minimum tenement expenditure requirements.

The ability of the Group to raise project funding is dependent on a number of factors. These include the commercial viability of the Duketon Gold Project, the on-going results of exploration activity and the availability of funding from global equity and debt markets.

The Directors believe the going concern basis to be appropriate and the reasons for this judgement are as follows:

- The company has sufficient cash reserves to meet contracted tenement commitments and fixed costs until June 2010, assuming most leases are retained and tenure is maintained on these tenements;
- The Group is actively evaluating options for the funding of the development of the Duketon Gold Project to enable the commencement of gold production and generation of a positive cash flow within the next 18 months;
- The company expects its Definitive Feasibility Study for the Duketon Gold Project to be completed by 31 March 2009. Completion of this will enable advanced discussions with banking groups to determine the funding appetite for the project. Initial discussions indicate a strong interest in financing the project;
- A current mandate exists with a major broking house for a further raising of equity; and
- The Group is currently in discussions and negotiations with leading international investment banks for the raising of equity for the development of the Duketon Gold Project.

Whilst the Directors recognise that the credit markets have changed, the Group has no reason to expect that normal credit and operating lease facilities will not continue to be provided by suppliers and the Group expects to be able to meet its operational commitments. There are no contingent liabilities which could have a material effect on the Group's financial position other than as outlined in Note 11.

If after June 2010 upon expiration of the cash reserves the Group is unable to obtain funding to undertake the development of the Duketon Gold Project, and thereby recover the carrying value of the asset, it is unlikely that the Group will be able to realise the value of assets recognised on the balance sheet at 31 December 2008, including amounts capitalised as exploration and evaluation assets.

Having considered all of the above, the Directors are confident that the Group will be able to access funding as required for the foreseeable future (defined as 12 months from the date of signing this interim financial report), to enable the Group to meet its debts as and when they fall due.

Regis Resources Limited
Directors' Declaration

In the opinion of the Directors of Regis Resources Limited ("the Company"):

1. The interim financial statements and notes are in accordance with the Corporations Act 2001 including:

   (a) giving a true and fair view of the financial position of the Group as at 31 December 2008 and of its performance, as represented by the results of its operations and cash flows for the half-year ended on that date; and

   (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; 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 for the reasons set out in Note 13 to the interim financial statements for the half-year ended 31 December 2008.

Signed in accordance with a resolution of the Directors and dated this 19th day of February 2009.

D A Walker
Director

Independent auditor's review report to the members of Regis Resources Limited

Report on the financial report

We have reviewed the accompanying interim financial report of Regis Resources Limited, which comprises the consolidated interim balance sheet as at 31 December 2008, income statement, statement of changes in equity and cash flow statement for the interim period ended on that date, a statement of accounting policies and other explanatory notes 1 to 13 and the directors' declaration set out on pages 7 to 16 of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the interim period.

Directors' responsibility for the interim financial report

The directors of the company are responsible for the preparation and fair presentation of the interim financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the interim financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of Interim and Other Financial Reports 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 interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2008 and its performance for the interim period ended on that date: and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Regis Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

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 is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2008 and of its performance for the interim period ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Significant uncertainty regarding financial guarantee liability

Without qualification to the conclusion expressed above, we draw attention to the following matter. As set out in note 11 to the interim financial report, the Group has an obligation under a financial guarantee to a third party. The Directors have assessed that it is not probable that any amount will be payable in respect of the guarantee and accordingly no provision for any liability that may result has been made in the financial report. Because of the inherent difficulties in obtaining objective evidence to support an accounting estimate of this nature, there is significant uncertainty as to whether the Group will be required to meet its obligations under the guarantee.

KPMG

KPMG

Tony Romeo
Partner

Melbourne

19 February 2009