



# REGIS RESOURCES LTD



2016 FULL YEAR FINANCIAL RESULTS

# DISCLAIMER & COMPETENT PERSONS STATEMENT

This presentation contains only a brief overview of Regis Resources Limited and its associated entities ("Regis or RRL") and their respective activities and operations. The contents of this presentation, including matters relating to the geology of Regis' projects, may rely on various assumptions and subjective interpretations which it is not possible to detail in this presentation and which have not been subject to any independent verification.

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The information in this presentation that relates to Mineral Resources or Ore Reserves is extracted from the Mineral Resource and Ore Reserve Statement released to the Australian Securities Exchange on 7 July 2016 and the ASX announcement on 29 July 2016 entitled "Maiden Resource of 547,000 Ounces At Tooheys Well Gold Deposit" and for which Competent Person's consents were obtained. The Competent Person's consents remain in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original ASX announcements released on 7 July 2016 and 29 July 2016 and, in the case of estimates or Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the original ASX announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original ASX announcement.

ASX announcements are available on the Company's website at [www.regisresources.com.au](http://www.regisresources.com.au)



## STRONG FINANCIAL RESULTS

- Net profit after tax up 29% to \$111.8 million
  - Earnings per share also up 29% to 22.37cps
- Revenue up 8% to \$502.0 million
  - Slightly lower (1%) gold sales volume and 8% higher delivered gold price of \$1,600 per ounce
- EBITDA up 29% to \$234.4 million
  - EBITDA margin increased from 39.0% (FY15) to 46.7%
- Net cash from operating activities up 44% to \$204.0 million
  - Cash build<sup>1</sup> increased from \$70.3 million (FY15) to \$129.6 million

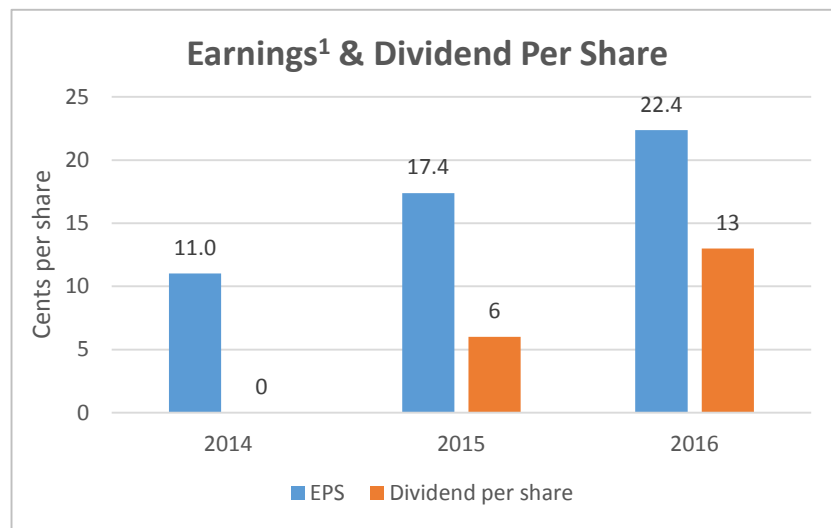
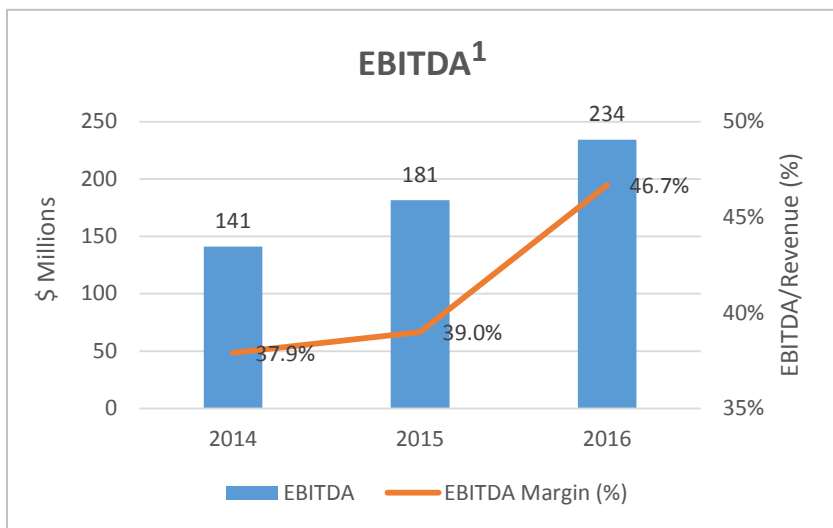
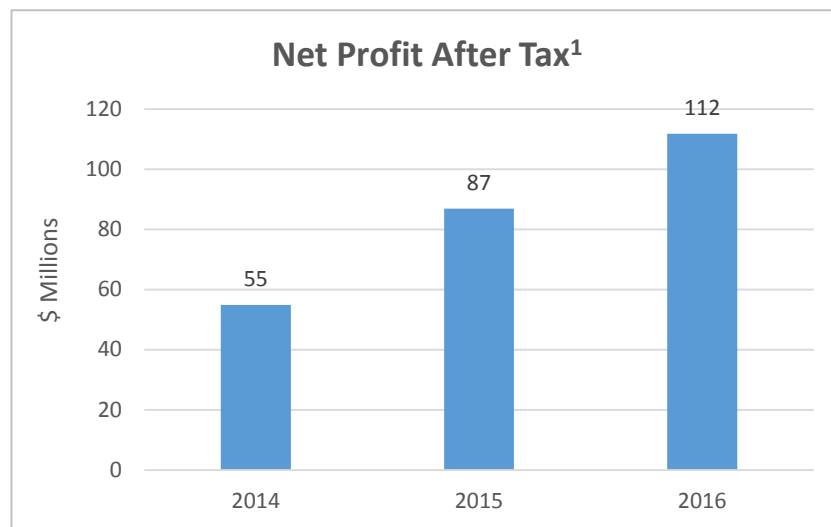
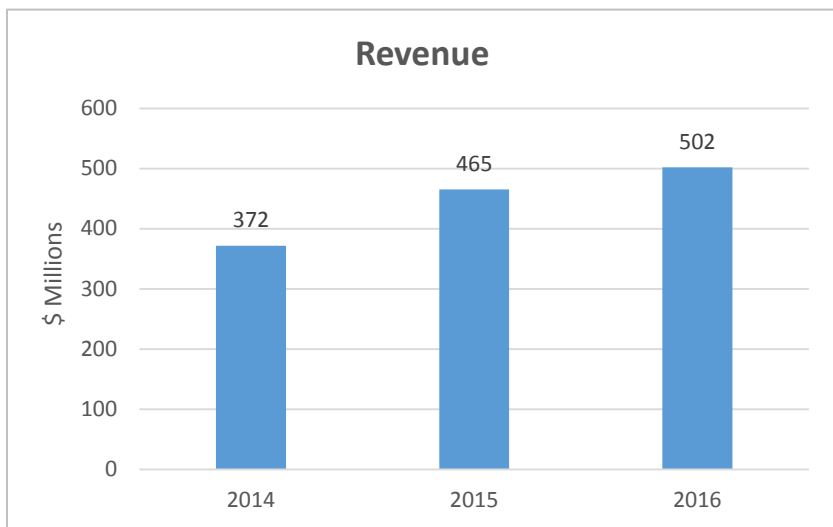
## BALANCE SHEET & CAPITAL MANAGEMENT

- Bank debt of \$20 million repaid in full during the year
  - Regis is now debt free other than normal trade creditors and leasing
- Dividends declared for FY2016 up 117% to 13.0cps (\$65.0 million)

<sup>1</sup> Cash build is the increase in cash balance + the add back of dividends, debt repayment & investments



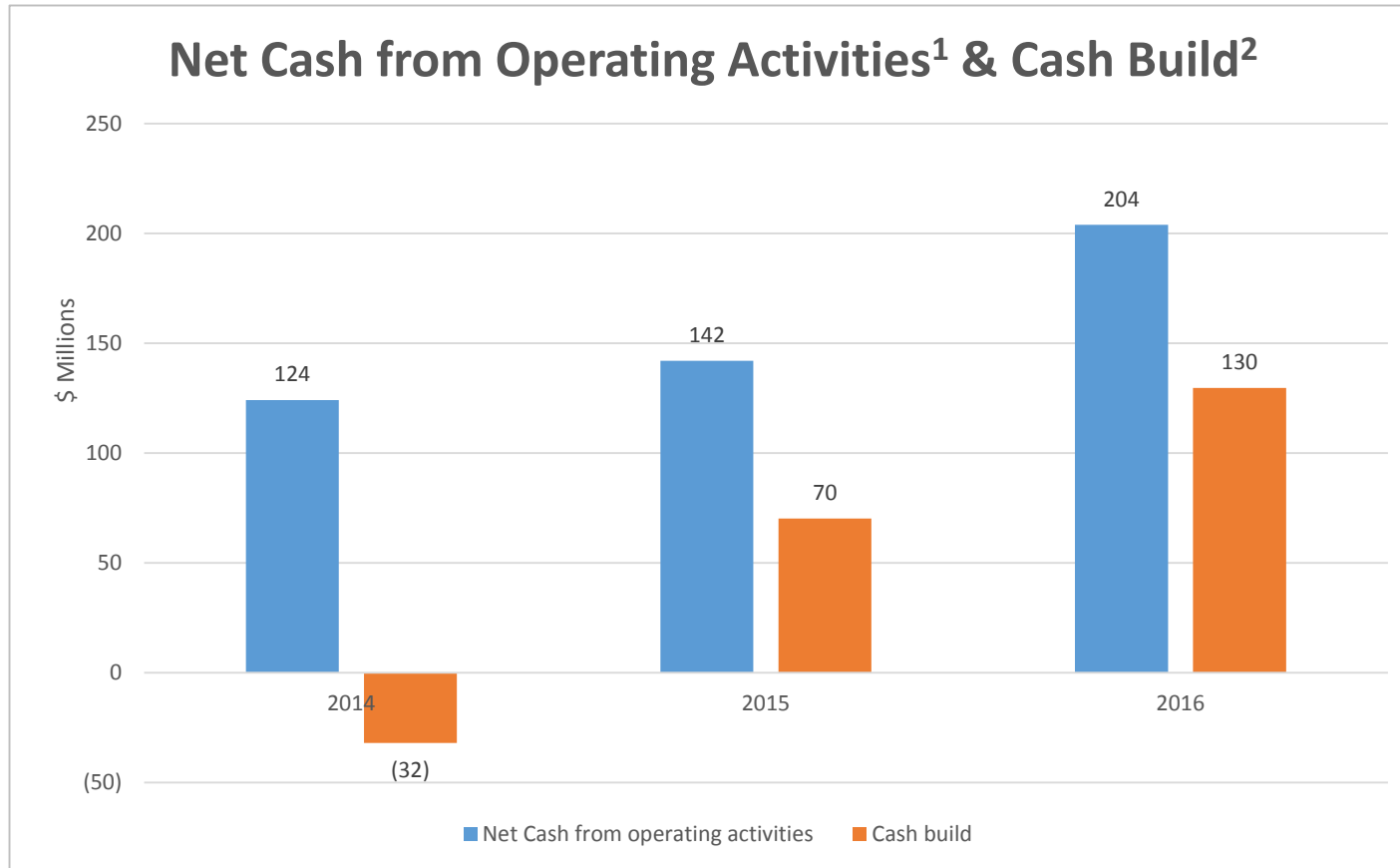
# STRONG PERFORMANCE ON ALL PROFIT MEASURES



<sup>1</sup> FY2014 NPAT, EBITDA & EPS adjusted to underlying result by excluding \$202.7m after tax impairment charge



# STRONG CASH BUILD CONTINUES



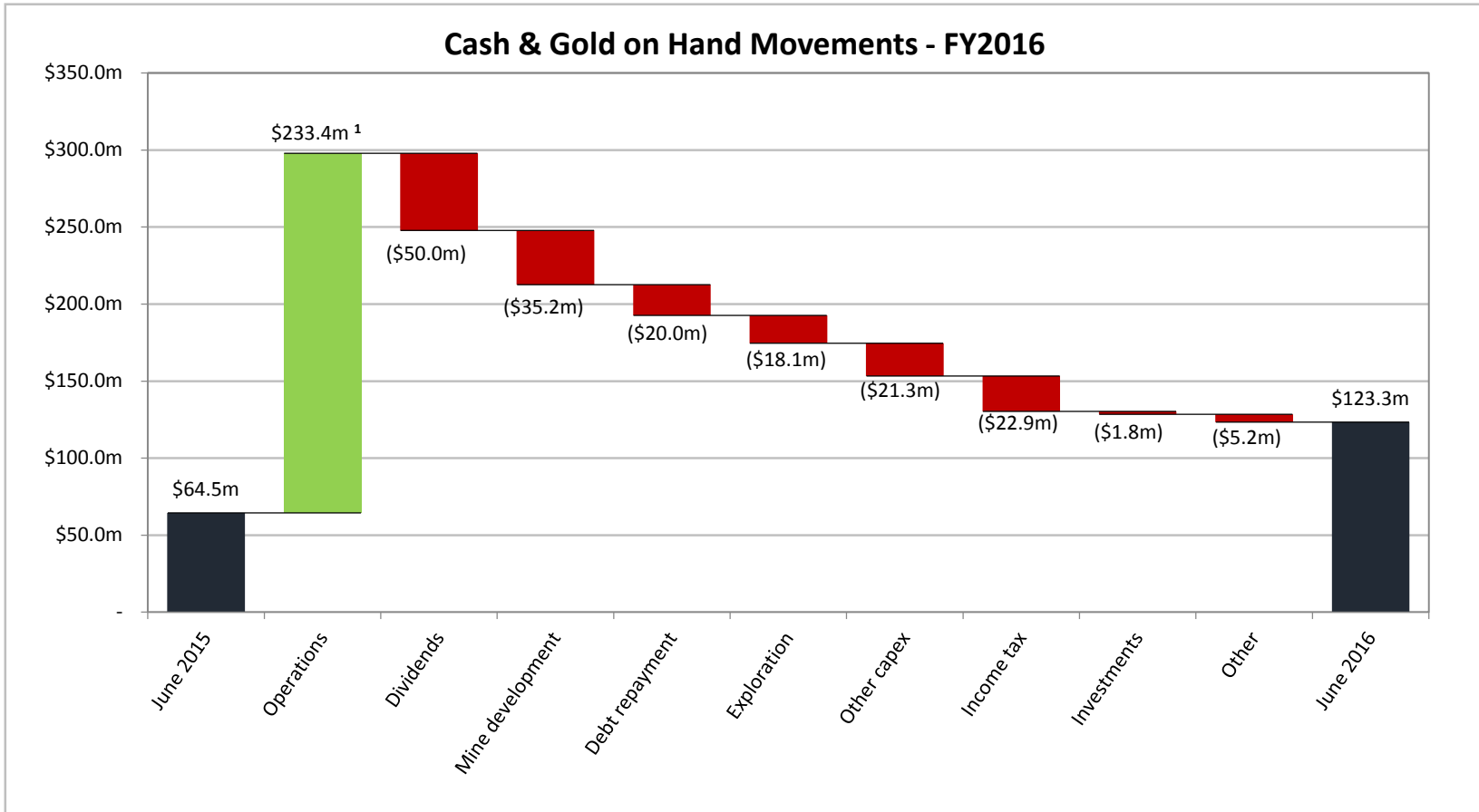
**Business generating strong operating cashflow and conversion to the balance sheet.**

<sup>1</sup> Net cash from operating activities is per the statutory Statement of Cash Flows

<sup>2</sup> Cash build is the increase in cash balance + the add back of dividends, debt repayment & investments



# CASHFLOW WATERFALL



Strong cash-flow from operations of \$233.4m for FY2016 allowed full debt repayment (\$20m) and dividend payment (\$50m).

<sup>1</sup> Operating cash flow differs from the statutory Statement of Cash Flow “net cash from operating activities” as it is quoted under the Appendix 5B classification protocol and includes movement in gold bullion on hand.



## 2016

- **Final dividend declared**                    **9 cents per share fully franked (\$45 million)**
  - Payable 31 August 2016
- **Interim dividend**    4 cps fully franked (\$20m paid February 2016)
  
- **Fully year (13cps) payout key metrics:**
  - 13% of FY16 revenue and 58% of NPAT
  - **3.3%** basic dividend yield\*
  - **4.7%** grossed up (for 100% franking) dividend yield\*

\* Based on closing share price of \$3.92 on final dividend record date 24 August 2016

## COMMITMENT TO DIVIDENDS

- **Regis has paid &/or declared 34 cps - \$170 million in dividends since 2013**
- **Regis is an Australian gold industry leader on dividend payment metrics**



# OPERATING PERFORMANCE, OUTLOOK AND RESERVE GROWTH

## OPERATIONS

- Strong operational performance at Duketon in FY2016
  - 305,084 ounces of gold produced at AISC of \$927/oz

## OUTLOOK

- FY2017 production guidance increased to 300,000-330,000 ounces at AISC \$980-1,050
- Medium term production targets increasing
  - Grade benefits of bringing satellite projects Gloster and Erlistoun in to production
  - FY18 production target 340,000-370,000 ounces

## RESERVE GROWTH

- 445,000 ounce (22%) increase in Ore Reserves in FY2016 net of depletion
  - More than replaced FY16 production and takes Reserves to 2.13Moz
  - Tooheys Well discovery to progress through resource & reserve estimation in FY2017





# REVIEW OF FY2016 OPERATIONS

## PRODUCTION ABOVE GUIDANCE & DELIVERING STRONG CASHFLOW

	FY16	FY15
Ore mined (Mbcm)	4.63	4.65
Waste mined (Mbcm)	22.62	23.70
Stripping ratio (w:o)	4.89	5.10
Ore mined (Mtonnes)	10.79	11.07
Ore milled (Mtonnes)	10.25	9.84
Head grade (g/t)	1.03	1.11
Recovery (%)	90	88
Gold production (ounces '000)	305	310
Cash cost (A\$/oz)	773	826
Cash cost inc royalty (A\$/oz)	845	891
All in Sustaining Cost (A\$/oz) <sup>1</sup>	927	994

### OPERATIONS

- FY16 production 305,084 ounces
  - Slightly lower (2%) than FY15 due to lower scheduled grade, particularly at Moolart Well
  - Above upper end of FY16 guidance of 275-305koz
  - Fifth consecutive quarter of increased production

### COSTS

- FY16 cash costs \$773/oz & AISC \$927/oz
  - Both 6% lower than FY15 - cost efficiencies continue
  - Below lower end of FY16 guidance

### OPERATING CASH-FLOW

- FY16 operating cashflow \$233.4m (FY15: \$150.9m)



<sup>1</sup> AISC calculated on a per ounce of production basis.

<sup>2</sup> operating cash flow 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.



# OPERATIONS OUTLOOK

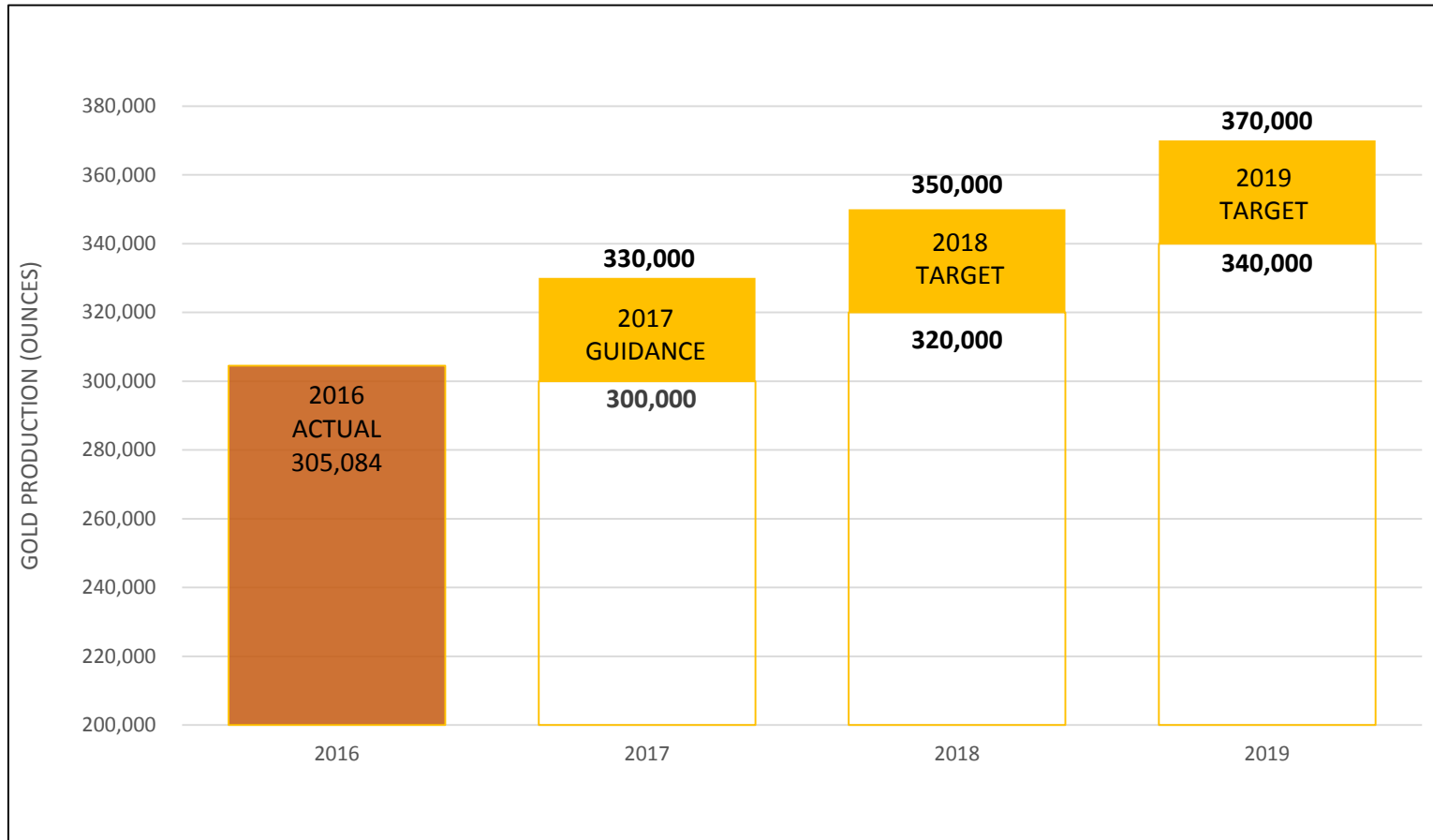
## FY2017 GUIDANCE

- Gold production            300,000 – 330,000 ounces
- Cash costs                    \$840 – \$910 per ounce
- AISC                            \$980 – \$1,050 per ounce
  
- Growth Capex:                    \$27m
  - Major components of growth capital:
    - Gloster pre-production capital            \$7m
    - Erlistoun pre-production capital        \$2m
    - Erlistoun pre-production mining        \$7m
    - Rosemont expansion mine cutback    \$7m
  
- FY17 production guidance higher than FY16 range of 275-305koz and FY2016 actual of 305koz
  - Impact of positive grade impact of new operations
  - Optimisation to steady state of current operations
  
- FY17 AISC guidance consistent with FY16 range of A\$970-A\$1,070
  - Guidance range slightly higher than FY16 actual A\$927/oz due to early waste stripping requirements of start up operations Gloster and Erlistoun.



# OPERATIONS OUTLOOK

## 2017 – 2019 DUKETON PROJECT PRODUCTION GUIDANCE & TARGETS



**Organic growth at Duketon to deliver increasing production profile over medium term**

Midpoint of cumulative 2017-2019 production guidance/target range is based on 98% Probable Ore Reserves and 2% Inferred Mineral Resources (IMR). No Exploration Targets included.

Cautionary statement: there is a low level of geological confidence associated with IMR and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.



# DUKETON RESERVE GROWTH

## RESERVES INCREASE TO 2.13Moz – MORE THAN REPLACING FY16 PRODUCTION

	Total Ore Reserve		
	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)
31 March 2015	59.1	1.06	2,006
Depleted by Mining to 31/3/16	-10.6	0.96	-326
<b>31 March 2015 Net of Depletion</b>	<b>48.5</b>	<b>1.08</b>	<b>1,680</b>
<b>31 March 2016</b>	<b>60.8</b>	<b>1.09</b>	<b>2,125</b>
Increase net of Depletion	<b>+21%</b>		<b>+22%</b>

### 445,000 ounce (22%) increase in Ore Reserves in FY2016 net of depletion:

- Maiden Ore Reserves of 226,000 ounces at Gloster and 136,000 ounces at Baneygo;
- Addition of 81,000 ounces at Rosemont through extensional drilling and improved optimisations; and
- Addition of 27,000 ounces at Moolart Well through infill drilling.

**Tooheys Well discovery to progress through resource & reserve estimation in FY2017**



# APPENDIX 1

## JORC COMPLIANT

### ORE RESERVE ESTIMATES 31 MARCH 2016

#### Group Ore Reserves

as at 31 March 2016

Gold			Proved			Probable			Total Ore Reserve			Competent Person <sup>3</sup>
Project	Type	Cut-Off (g/t) <sup>2</sup>	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	
Moolart Well <sup>1</sup>	Open-Pit	> 0.4	1.6	0.77	39	3.3	1.00	105	4.8	0.93	144	D
Garden Well <sup>1</sup>	Open-Pit	> 0.4	2.9	0.58	55	25.9	0.93	772	28.8	0.89	827	D
Rosemont <sup>1</sup>	Open-Pit	> 0.4	3.4	1.45	157	8.3	1.53	407	11.6	1.51	564	D
<b>Duketon Main Deposits</b>	Sub Total		<b>7.9</b>	<b>0.99</b>	<b>251</b>	<b>37.4</b>	<b>1.07</b>	<b>1,284</b>	<b>45.3</b>	<b>1.05</b>	<b>1,535</b>	
Gloster	Open-Pit	> 0.5	-	-	-	7.0	1.00	226	7.0	1.00	226	D
Erlistoun	Open-Pit	> 0.5	-	-	-	3.8	1.48	181	3.8	1.48	181	D
Baneygo	Open-Pit	> 0.4	-	-	-	3.6	1.16	136	3.6	1.16	136	D
Petra	Open-Pit	> 0.5	-	-	-	0.6	1.26	25	0.6	1.26	25	D
Dogbolter	Open-Pit	> 0.5	-	-	-	0.3	1.57	16	0.3	1.57	16	D
Anchor	Open-Pit	> 0.5	-	-	-	0.1	2.07	6	0.1	2.07	6	D
<b>Duketon Satellite Deposits</b>	Sub Total		<b>-</b>	<b>-</b>	<b>-</b>	<b>15.5</b>	<b>1.18</b>	<b>590</b>	<b>15.5</b>	<b>1.18</b>	<b>590</b>	
<b>Regis</b>	<b>Grand Total</b>		<b>7.9</b>	<b>0.99</b>	<b>251</b>	<b>52.9</b>	<b>1.10</b>	<b>1,874</b>	<b>60.8</b>	<b>1.09</b>	<b>2,125</b>	

#### Notes

The above data has been rounded to the nearest 100,000 tonnes, 0.01 g/t gold grade and 1,000 ounces. Errors of summation may occur due to rounding.

1. Mineral Resources and Ore Reserves are reported inclusive of ROM Stockpiles at cut-off grade of 0.4 g/t.
2. Cutoff grades vary according to oxidation and lithology domains. Refer to Group Ore Reserves Lower Cut Notes.
3. Refer to Group Competent Person Notes.



# APPENDIX 2

## JORC COMPLIANT MINERAL RESOURCES 31 MARCH 2016

### Group Mineral Resources

as at 31 March 2016

Gold			Measured			Indicated			Inferred			Total Resource			Competent Person <sup>2</sup>
Project	Type	Cut-Off (g/t)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	
Moolart Well <sup>1</sup>	Open-Pit	0.4	1.9	0.72	45	24.9	0.74	596	9.3	0.62	184	36.1	0.71	825	A
Garden Well <sup>1</sup>	Open-Pit	0.4	2.9	0.58	55	64.8	0.89	1,859	8.0	0.89	228	75.8	0.88	2,141	B
Rosemont <sup>1</sup>	Open-Pit	0.4	4.5	1.42	204	20.5	1.42	938	3.0	1.95	189	28.0	1.48	1,331	B
<b>Duketon Main Deposits</b>	<b>Sub Total</b>		<b>9.4</b>	<b>1.01</b>	<b>303</b>	<b>110.2</b>	<b>0.96</b>	<b>3,393</b>	<b>20.3</b>	<b>0.92</b>	<b>600</b>	<b>139.8</b>	<b>0.96</b>	<b>4,297</b>	
Tooheys Well <sup>3</sup>	Open-Pit	0.0	-	-	-	-	-	-	14.6	1.16	547	14.6	1.16	547	A
Gloster	Open-Pit	0.4	-	-	-	14.7	0.79	374	6.6	0.73	154	21.3	0.77	528	A
Baneygo	Open-Pit	0.4	-	-	-	9.2	0.96	283	1.9	0.95	57	11.1	0.96	340	A
Erlistoun	Open-Pit	0.4	-	-	-	5.7	1.34	247	1.1	1.00	37	6.9	1.28	284	A
Dogbolter	Open-Pit	0.4	-	-	-	3.5	1.11	128	0.5	1.02	16	4.0	1.10	144	A
Russells Find	Open-Pit	0.4	-	-	-	2.1	1.07	71	0.3	0.90	10	2.4	1.05	81	A
Petra	Open-Pit	0.4	-	-	-	1.2	1.08	42	0.1	1.09	2	1.3	1.08	44	A
King John	Open-Pit	0.4	-	-	-	-	-	-	0.8	1.56	42	0.8	1.56	42	A
Reichelts Find	Open-Pit	0.4	-	-	-	-	-	-	0.8	1.11	28	0.8	1.11	28	A
Anchor	Open-Pit	0.4	-	-	-	0.2	1.75	9	0.1	0.95	2	0.2	1.53	11	A
<b>Duketon Satellite Deposits</b>	<b>Sub Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>36.6</b>	<b>0.98</b>	<b>1,155</b>	<b>26.8</b>	<b>1.04</b>	<b>895</b>	<b>63.4</b>	<b>1.01</b>	<b>2,049</b>	
<b>Duketon</b>	<b>Total</b>		<b>9.4</b>	<b>1.01</b>	<b>303</b>	<b>146.8</b>	<b>0.96</b>	<b>4,548</b>	<b>47.1</b>	<b>0.99</b>	<b>1,495</b>	<b>203.2</b>	<b>0.97</b>	<b>6,346</b>	
<b>McPhillamys</b>	<b>Total</b>	0.4	-	-	-	<b>69.2</b>	<b>0.94</b>	<b>2,087</b>	<b>3.9</b>	<b>0.98</b>	<b>123</b>	<b>73.2</b>	<b>0.94</b>	<b>2,210</b>	B
<b>Regis</b>	<b>Grand Total</b>		<b>9.4</b>	<b>1.01</b>	<b>303</b>	<b>216.0</b>	<b>0.96</b>	<b>6,635</b>	<b>51.0</b>	<b>0.99</b>	<b>1,618</b>	<b>276.4</b>	<b>0.96</b>	<b>8,556</b>	

#### Notes

The above data has been rounded to the nearest 100,000 tonnes, 0.01 g/t gold grade and 1,000 ounces. Errors of summation may occur due to rounding.

All Mineral Resources are reported inclusive of Ore Reserves to JORC Code 2012 unless otherwise noted.

1. Mineral Resources and Ore Reserves are reported inclusive of ROM Stockpiles at cut-off grade of 0.4 g/t.

2. Refer to Group Competent Person Notes.

3. As reported 29th July 2016

