ABN 28 009 174 761

www.regisresources.com

Level 1
1 Alvan Street
Subiaco WA 6008 Australia

PO Box 862
Subiaco WA 6904 Australia

P 08 9442 2200
F 08 9442 2290

18 January 2013

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

# Regis Upgrades Rosemont Gold Project Resources and Reserves

## Rosemont Gold Resources Increase to 1.7 Million Ounces

## Rosemont Gold Reserves Increase to 664,000 Ounces

## Highlights

- Updated resource (reported in accordance with JORC code) at the Rosemont Gold Project estimated at **33.2 Mt at 1.62 g/t Au for 1.73 million ounces of gold,** an increase of **655,000 ounces**.
- **Updated Ore Reserve at Rosemont** (reported in accordance with JORC code) estimated at **12.0 Mt at 1.72 g/t Au for 664,000 ounces of gold (177,000 oz increase on previous).**
- **These upgrades increase Regis' gold resources to 10.2 million ounces and gold Reserves to 3.0 million ounces** (all reported in accordance with JORC code)**.**
- Rosemont is located 10 kilometers north-west of Regis' recently commissioned Garden Well Gold Project.
- The significant increase in the Rosemont resource is the result of the definition of mineralised extensions to the existing ore zone both north and south of the previous resource.
- The increase in the Reserve relates only to the northern extension, where drilling density is sufficient to allow estimation of reserves. The southern resource extension will be infill drilled over the next year with the expectation of increased ore block confidence and further additions to the Rosemont reserve in due course.
- The magnitude of the updated Reserve at Rosemont confirms the significance of the project to Regis and further underpins the current development of the project with production forecast to commence in the September 2013 quarter.
- Once operational the project is expected to produce in the order of 80,000 ounces of gold per annum over a minimum 8 year mine life.

## Updated Mineral Resource Estimate – Rosemont

The board of Regis Resources Limited is pleased to announce an updated resource (reported in accordance with JORC code) for the Rosemont Gold Deposit of 1.73 million ounces of contained gold. Rosemont is 100% owned by Regis and is located within 10 kilometres north west of the recently completed Garden Well Gold Project.

The Rosemont gold deposit was discovered in the 1980s and was partially mined as a shallow oxide open pit by Aurora Gold Limited in the early 1990s. Reported production was 222kt at 2.65g/t for 18,600 ounces of gold. The remaining resource at Rosemont has been held outright by Regis since 2006.

Regis completed 17,465 metres of infill RC drilling in 2012 with the aim of converting Inferred resources to Indicated category at the northern extremity of the Rosemont deposit. Regis then commissioned independent geological consultants EGRM Consulting Pty Ltd to conduct a re-estimation of its 2011 (1.08 million ounce) mineral resource estimate. This estimate was completed using the Multiple Indicator Kriging estimation technique on a block size of 20 m x 20 m x 5 m. Based on the Multiple Indicator Kriging, a selective mining estimate above a 0.5 g/t Au cut-off was generated to replicate a SMU size of 5 m x 5 m x 2.5 m.

The updated resource is as follows:

| Category | Tonnes (Millions) | Gold Grade (g/t) | Contained Gold (Ounces) |
|---|---|---|---|
| Indicated | 18.9 | 1.64 | 996,400 |
| Inferred | 14.3 | 1.60 | 737,100 |
| | **33.2** | **1.62** | **1,733,500** |

Notes: Estimation parameters follow in Appendix 2 to this announcement
Rounded to two significant figures. Rounding errors may occur.

In the estimation study by EGRM Consulting Pty Ltd it was observed that the mineralized quartz dolerite continues south of the known resource from the previous study, although with sparse drilling coverage. This southern portion of the quartz dolerite was included in the current study and added significant Inferred resources. The area will be the focus of infill drilling in early 2013 with the aim of reducing the drill spacing down to 40m by 40m, allowing evaluation for a further increase in the reserves.

Total Regis gold resources (reported in accordance with JORC code) now stand at 10.2 million ounces (refer Appendix 2).

## Updated Ore Reserve - Rosemont

The board of Regis Resources Limited is pleased to announce an updated ore reserve (reported in accordance with JORC code) at Rosemont of 664,000 ounces of contained gold. The breakdown of the Reserve is as follows:

| Category | Tonnes (Millions) | Gold Grade (g/t) | Contained Gold (Ounces) |
|---|---|---|---|
| Proven | 0 | 0 | 0 |
| Probable | 12.0 | 1.72 | 664,000 |
| | **12.0** | **1.72** | **664,000** |

Notes: 0.5 g/t Au lower cut off grade. Rounded to two significant figures.

The updated reserve has been estimated after completion of an open pit mining and Carbon in Leach extraction reserve study which included:

- Pit optimisation using wall angles based on geotechnical drill holes, independent geotechnical advice;
- 100% mining recovery and 10% mining dilution with a gold grade of 0.45 g/t;
- Bulk densities and metallurgical parameters from test work;
- Mining costs based on indicative contractor quotation;
- Milling and other operating costs based on current known operating costs adapted for ore type and metallurgy.

Key results of the reserve study include:

| **Physical** | |
|---|---|
| Total pit volume (bcm) | 34,224,025 |
| Stripping ratio – tonnes (waste:ore) | 5.53 |
| Ore (tonnes) | 12,008,905 |
| Gold grade (g/t) | 1.72 |
| Contained gold - ounces | 664,200 |
| Milling recovery | 95% |
| Recovered gold (ounces) | 630,990 |
| | |
| **Operating Costs & Surplus** | |
| Mining cost (A$/tonne) | A$24.00 |
| Milling/ administration cost (A$/tonne) | A$9.63 |
| **Total operating cost per tonne (A$/tonne)*** | **A$33.63** |
| **Total operating cost per ounce (A$/oz)*** | **A$640** |
| Operating surplus (after pre-strip mining but pre royalties and tax)[#] | A$438 million |

* before royalties [#] using a gold price of A$1,400/oz

In addition to the operating costs above there is a capital mining cost of approximately $42 million to mine a 10.5 million bcm overburden pre-strip in the first 20 metres below surface.

This reserve has been estimated to a maximum depth of 235 metres below surface, with in excess of 80% of the contained gold within 150 metres of surface. The pit optimisation was completed using a A$1,200 per ounce gold price. The operating surplus at the current spot price (A$1,594) increases from the base case (A$1,400 gold price) of A$438 million to A$560 million.

Total Regis gold reserves (reported in accordance with JORC code) now stand at 3.0 million ounces as detailed in Appendix 3.

**Project Development**

This reserve estimation are based on the development of a satellite gold operation to the recently completed Garden Well Gold project. Regis will shortly commence construction of a 1.5 million tonne per annum crushing grinding and pumping operation at the Rosemont project site. This plant will produce a crushed and milled ore product which will be piped in a slurry form back to the Garden Well processing facility (distance of 10 kilometres) for leaching in the Garden Well CIL circuit. Construction costs for the processing plant and pipeline are expected to be in the order of $40-45 million.

Gold production at Rosemont is expected to commence in the September 2013 quarter and to ramp up to the full forecast 80,000 ounces per annum rate thereafter.

Further enquiries should be directed to Mr Mark Clark, Managing Director.

Yours sincerely
**Regis Resources Limited**

Mark Clark
Managing Director

## APPENDIX 1
## Estimation Parameters for the Rosemont Gold Resource

- The Rosemont gold mineral resource consists of Archaean aged oxide and fresh rock gold mineralisation hosted within quartz vein stockworks within a quartz dolerite unit which has intruded the fractionated Bandya Sill along the Bandya Shear Zone. The mineralisation is associated with quartz (+/- carbonate +/- pyrite +/- galena) veins. The shear zone and lithological units trend northwest and dip subvertically to the east. The gold mineralisation is buried below 8m of alluvial hardpan.
- The mineral resource is based on historical drilling by Ashton/Aurora and Johnson's Well Mining and recent drilling by Regis, and includes: 9 AC holes for 305m, 770 RC holes for 103,285m, and 126 Diamond holes for 35,493m.
- The resource has been drilled to 500 vertical metres, mainly on a 40m x 40m drill pattern.
- Sampling includes RC and AC face sample bit methods. Not all intervals were sampled, however suspected mineralised zones were sampled at 1m intervals. RC samples were then reduced to 2 to 3kg using a three stage riffle splitter. Aircore sample weights vary from 1.5 to 2kg.
- Wireline drilling was used to retrieve HQ and NQ2 core samples. Core samples were collected as half or quarter core.
- All drill collars were surveyed.
- Downhole surveys were taken for the bulk of both Diamond and RC drill holes (78%).
- QA-QC procedures included inserting duplicate QA-QC samples every 20$^{th}$ sample, a blank or standard every 25$^{th}$ sample, and repeat (check) assays by the laboratory. Assay method investigations were carried out to determine the optimal method of analysis: Fire Assay, Screen Fire Assay, and Leachwell. 104 mineralised core samples were submitted for inter-laboratory checks.
- All resource assays by 50g Fire Assay method with AAS finish at Analabs or Australian Laboratory Services (ALS), Kalgoorlie for historical drilling, and Kalassay (Kalgoorlie) or MinAnalytical (Perth) for recent Regis drilling.
- Dry bulk densities used for the mineral resource were based on diamond core measurements from 19 diamond drill holes; Analabs measurements of RC pulps on 5 RC holes; and gamma/gamma down-hole log measurements of 11 drill holes. Mean bulk densities were calculated at 1.96 t/m$^3$ for oxide, 2.35 t/m$^3$ for transition, and 2.76 t/m$^3$ for fresh rock. Regis applied a more conservative figure of 1.75 t/m$^3$ for the oxide zone. Two recently completed diamond drill holes by Regis on the Northern lode had 60 bulk density measurements taken which were consistent with the bulk density values used by Regis in this resource.
- Oxidation boundaries were wireframed and included in modelling.
- Drill hole samples have been composited to 2m intervals for resource estimations.
- 15 mineralisation solids were interpreted and composite grade distributions within these zones assessed to determine high grade cuts that should be applied. A high grade cut of 50 g/t Au was used for the main oxide zone and fresh rock zones. A second high grade cut of 25 g/t Au was applied for the northern fresh rock zone and oxide zone. Two of the three minor zones had high grade cuts of 15 g/t Au and 12 g/t Au, with the third minor zone having no high grade cut applied.
- The block model has been generated with Datamine. Blocks 20m (east) x 20m (north) x 5m (elevation) were defined and Multiple Indicator Kriging (MIK) was used to estimate the block grades within the resource boundary to a maximum vertical depth of 500 vertical metres.

## APPENDIX 2
## JORC COMPLIANT GOLD RESOURCES (INCLUSIVE OF RESERVES)

| | Measured | | | Indicated | | | Inferred | | | Total Resources | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Project** | **Million Tonnes** | **Grade g/t** | **Gold KOz** | **Million Tonnes** | **Grade g/t** | **Gold KOz** | **Million Tonnes** | **Grade g/t** | **Gold KOz** | **Million Tonnes** | **Grade g/t** | **Gold KOz** | **Cut-off Grade g/t** |
| **Garden Well** | | | | 44.7 | 1.33 | 1,914 | 17.2 | 1.17 | 644 | 61.9 | 1.29 | 2,558 | 0.5 |
| **Moolart Well** | | | | | | | | | | | | | |
| Laterite | 6.4 | 1.35 | 279 | 1.0 | 0.90 | 29 | 0.3 | 0.88 | 8 | 7.7 | 1.28 | 316 | 0.5 |
| Oxide/ Transitional | 1.1 | 1.30 | 48 | 15.3 | 0.96 | 476 | 23.4 | 0.78 | 588 | 39.8 | 0.87 | 1,112 | 0.4 |
| Fresh | | | | 0.3 | 1.68 | 14 | 4.1 | 1.48 | 196 | 4.4 | 1.49 | 210 | 1.0 |
| Low Grade | 3.0 | 0.42 | 40 | 17.7 | 0.48 | 273 | 48.5 | 0.49 | 767 | 69.2 | 0.49 | 1,080 | 0.3 |
| Stockpiles | 0.1 | 1.49 | 5 | | | | | | | 0.1 | 1.49 | 5 | 0.5 |
| **Total Moolart Well** | **10.6** | **1.08** | **372** | **34.3** | **0.72** | **792** | **76.3** | **0.64** | **1,559** | **121.2** | **0.70** | **2,723** | |
| **Rosemont** | | | | 18.9 | 1.64 | 996 | 14.3 | 1.60 | 737 | 33.2 | 1.62 | 1,733 | 0.5 |
| **Erlistoun** | 2.3 | 1.92 | 143 | 3.0 | 1.88 | 179 | | | | 5.3 | 1.90 | 322 | 0.5 |
| **Satellite Deposits** | | | | | | | | | | | | | |
| Dogbolter | | | | | | | 0.9 | 2.91 | 87 | 0.9 | 2.91 | 87 | 1.0 |
| King John (Princess) | | | | | | | 0.7 | 3.19 | 72 | 0.7 | 3.19 | 72 | 1.0 |
| Russells Find | | | | | | | 0.4 | 3.86 | 55 | 0.4 | 3.86 | 55 | 1.0 |
| Baneygo | | | | | | | 0.8 | 1.67 | 43 | 0.8 | 1.67 | 43 | 0.5 |
| Reichelts Find | | | | 0.1 | 3.69 | 17 | | | | 0.1 | 3.69 | 17 | 1.0 |
| Petra | | | | | | | 0.4 | 3.12 | 42 | 0.4 | 3.12 | 42 | 2.0 |
| **Total Satellites** | | | | **0.1** | **3.69** | **17** | **3.2** | **2.83** | **299** | **3.3** | **2.87** | **316** | |
| **Total Duketon** | **12.9** | **1.23** | **515** | **101** | **1.20** | **3,898** | **111** | **0.91** | **3,239** | **224.9** | **1.06** | **7,652** | |
| Regis share | | | | | | | | | | | | 6,975 | |
| McPhillamys | | | | 41.3 | 1.27 | 1,685 | 16.1 | 1.57 | 815 | 57.4 | 1.36 | 2,500 | 0.5 |
| **Total Regis** | **12.9** | **1.23** | **515** | **142.3** | **1.22** | **5,583** | **127.1** | **0.99** | **4,054** | **282.3** | **1.12** | **10,152** | |

Notes – all resources other than Rosemont and McPhillamys quoted at 30/6/12.
Tonnes and Ounces are rounded, rounding errors may occur.
MT = million tonnes, g/t = gold grade in grams per tonne, koz = thousands of ounces

## APPENDIX 3
## JORC COMPLIANT GOLD RESERVES

| | Proven | | | Probable | | | Total Reserves | | | Cut-off |
|---|---|---|---|---|---|---|---|---|---|---|
| **Project** | **Million Tonnes** | **Grade g/t** | **Gold KOz** | **Million Tonnes** | **Grade g/t** | **Gold KOz** | **Million Tonnes** | **Grade g/t** | **Gold KOz** | **Grade g/t** |
| **Garden Well** | | | | 35.3 | 1.46 | 1,660 | 35.3 | 1.46 | 1,660 | 0.6 |
| **Moolart Well** | | | | | | | | | | |
| Laterite | 6.1 | 1.35 | 263 | 0.7 | 0.98 | 22 | 6.8 | 1.31 | 285 | 0.5 |
| Other Oxide/Transitional (i) | 0.8 | 1.44 | 37 | 0.1 | 1.41 | 2 | 0.9 | 1.44 | 39 | 0.5 |
| Stirling Oxide/Transitional | | | | 3.1 | 1.43 | 144 | 3.1 | 1.43 | 144 | 0.4 |
| Stirling Fresh | | | | 0.1 | 1.84 | 3 | 0.1 | 1.84 | 3 | 0.4 |
| Stockpiles | 0.1 | 1.49 | 5 | | | | 0.1 | 1.49 | 5 | 0.5 |
| **Total Moolart Well** | **7.0** | **1.36** | **305** | **4.0** | **1.36** | **171** | **11.0** | **1.36** | **476** | |
| **Rosemont** | | | | 12.0 | 1.72 | 664 | 12.0 | 1.72 | 664 | 0.5 |
| **Erlistoun** | 1.3 | 2.34 | 95 | 1.4 | 2.37 | 108 | 2.7 | 2.36 | 203 | 0.7 |
| **Total Reserves** | **8.3** | **1.51** | **400** | **52.7** | **1.53** | **2,603** | **61.0** | **1.53** | **3,003** | |

Notes – all reserves other than Rosemont quoted at 30/6/12.
Tonnes and Ounces are rounded, rounding errors may occur.
MT = million tonnes, g/t = gold grade in grams per tonne, koz = thousands of ounces.
(i) Other Oxide/Transitional comprises Lancaster, Mid Pit South and Mid Pit North.

## Qualification Statements

The information in this report relating to wireframe interpretation, geostatistical modelling calculations and Mineral Resources has been prepared by Mr Brett Gossage who is a member of the Australasian Institute of Mining and Metallurgy. Mr Gossage has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Gossage is the principal of EGRM Consulting and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The technical information in this report that relates to Ore Reserves of the Rosemont gold deposit is based on information compiled by Mr Glenn Williamson who is a member of the Australasian Institute of Mining and Metallurgy. Mr Williamson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the mining method undertaken to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Williamson is a director and full time employee of Mining Resources Pty Ltd and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The other technical information in this report has been reviewed and approved by Mr Morgan Hart who is a member of the Australasian Institute of Mining and Metallurgy. Mr Hart has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Morgan Hart is a director and full time employee of Regis Resources Ltd and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.