

HIGHLIGHTS

MOOLART WELL OPERATIONS

- Gold production of 26,189 ounces for the quarter (Mar 11 qtr: 22,005 oz).
- Cash cost of production A\$525 per ounce prior to royalties (Mar 11 qtr: A\$545/oz).
- Annualised throughput rate of 2.54 mtpa (27% above design) for the quarter.

GARDEN WELL GOLD PROJECT DEFINITIVE FEASIBILITY STUDY

- DFS completed and board approval granted for development of the project.
- The plant design is based on a nominal 4.0mtpa throughput utilising a three stage crushing circuit, a scrubber and a single ball mill followed by gravity and carbon in leach circuits.
- Key operating and financial results of the DFS include:

Total gold production	1.57 million ounces
Average annual gold production	180,000 ounces
Year 1 gold production	247,000 ounces (cash cost less than A\$400/oz)
Capital cost	A\$109 million
Cash operating cost (life of mine, pre royalties)	A\$555 per ounce

- Key financial results (at A\$1,400/oz gold price) of the DFS include:

Revenue	A\$2.2 billion
Net cash flow (after capex, before tax)	A\$1.1 billion
NPV @ 6% (after capex, before tax)	A\$750 million
IRR	143%
Payback period	7 months

- Project development to commence on site in July 2011 and commercial production forecast to commence early in the September 2012 quarter.
- Development of the Garden Well Gold Project will take Regis total gold production to around 350,000 ounces for fiscal year 2012/13. This will elevate Regis in to the mid-tier of world gold producers.

HIGHLIGHTS (CONTINUED)

EXPLORATION

- Significant infill and extensional drill results from RC and diamond drilling completed at the Garden Well deposit in the March 2011 quarter including:

23 metres @ 1.87g/t gold from 231 to 254m	37 metres @ 1.87g/t gold from 351 to 388m
21 metres @ 2.30g/t gold from 224 to 245m	13 metres @ 3.12g/t gold from 292 to 305m

- Significant drill results from RC drilling at the Anchor deposit including:

11 metres @ 3.92g/t gold from 53 to 64m	9 metres @ 12.34g/t gold from 54 to 63m
6 metres @ 34.5g/t gold from 41 to 47m	8 metres @ 81.92g/t gold from 37 to 45m

The drilling at the Anchor deposit is aimed at substantiating a small tonnage, high grade mining inventory to add incremental mill feed to the nearby Moolart Well processing plant.

CORPORATE

- Gold sales of 28,329 ounces at a delivered price of A\$1,408 per ounce (Mar 11: 19,805 oz at A\$1,386 /oz).
- Cashflow from the Moolart Well gold mine operation for the quarter was \$18.6 million (Mar 11: \$15.9m).
- Cash and gold bullion on hand at 30 June 2011 was \$33.9 million (Mar11: \$27.9m) after expenditure during the quarter of \$7.0 million (YTD: \$9.6m) on development of the Garden Well project.
- Finance facility secured for the development of the Garden Well Gold Project.

MOOLART WELL OPERATIONS

Production

Moolart Well Gold Mine operating results for the June 2011 quarter were as follows:

	Jun 2011	Mar 2011	Dec 2010
Ore mined (tonnes)	619,239	598,048	500,663
Ore milled (tonnes)	636,058	580,495	475,296
Head grade (g/t)	1.44	1.28	1.68
Recovery (%)	89	92	93
Total production (ounces)	26,189	22,005	23,851
Cash cost per ounce (A\$/oz) – pre royalties	A\$525	A\$545	A\$450
Cash cost per ounce (A\$/oz) – incl royalties	A\$593	A\$599	A\$514

Regis completed its third full quarter of production from the Moolart Well Gold Mine in the June 2011 quarter, producing 26,189 ounces of gold at a pre-royalty cash cost of production of A\$525 per ounce. Gold production for the full year ended 30 June 2011 was 80,918 ounces after commissioning of the processing plant in July 2010 and the first gold pour on 31 August 2010.

Ore milled during the quarter was 636,058 tonnes. This equates to an annualised throughput rate of approximately 2.54 million tonnes, 27% above the 2.0mtpa name plate capacity of the plant.

The Company's forecast gold production for the year ended June 2012 is between 95,000 - 105,000 ounces at a cash cost of production before royalties of \$540 - \$590 per ounce.

Mining

During the quarter 274,000 bcm of ore and 1.21 bcm of waste were mined from the Moolart Well open pits for a total material movement of 1.48 million bcm. Of the total material mined, 902,000 bcm was mined from laterite pits and 578,000 bcm was early stage mining from the Lancaster and Mid-Pit South oxide deposits.

The ore mined to reserve reconciliation was negative for the quarter by 1,082 ounces (3.7%). Actual mining generated 619,239 tonnes of ore at 1.43g/t for 28,394 ounces compared to the reserve of 506,691 tonnes at 1.81g/t for 29,476 ounces. Actual mining for the quarter returned lower grade due partly to the mining of additional lower grade ore (as defined by grade control) from outside the reserve areas and partly due to mining dilution in the reserve areas mined.

The reconciliation to reserve (-3.7%) for the quarter was within operational tolerance and follows a positive reconciliation of 13.7% in the prior quarter. Further, the majority of the negative reconciliation for the quarter was associated with the mining of a known depletion zone at the top of the Lancaster oxide deposit. Indications are that the reconciliation should improve as mining progresses past this zone which averages approximately 10 metres thick.

GARDEN WELL – DFS AND DEVELOPMENT

Background

The Garden Well project is 100% owned by Regis and is located 35 kilometres south of the Moolart Well processing plant where construction was completed in the September 2010 quarter and gold production is ongoing.

Definitive Feasibility Study

During the quarter Regis completed the Definitive Feasibility Study (DFS) in to the development of the Garden Well Gold Project.

The results of the DFS are summarised below:

Operating Parameters

The results of the DFS show a robust project with the following parameters:

Mining		
Ore mined	bcm	13,074,000
Waste mined	bcm	45,690,000
Stripping ratio	w/o	3.49
Milling		
Tonnes milled	Tonnes	35,061,000
Grade	g/t	1.46
Recovery	%	95
Recovered gold	Ounces	1,568,046
Annual throughput	Tonnes	4,000,000
Project life		
Mine life	years	9
Max annual production	ounces	(yr 1) 247,000
Average annual production	ounces	180,000

Mining will be conducted using truck and shovel excavation methods. The plant design is based on a nominal 4.0mtpa throughput utilising a three stage crushing circuit, a scrubber and a single ball mill followed by gravity and carbon in leach circuits. This is a robust and well proven configuration, which in management's prior operating experience, has the capacity to exceed the nominal throughput rating. The recently built Moolart Well processing plant is currently operating at in excess of 2.5mtpa compared to its nameplate throughput rating of 2.0mtpa.

The forecast gold production of 247,000 ounces at a cash cost of less than A\$400/oz in the first year of operation is a reflection of the higher grade nature of the oxide zone of the deposit (down to 80 metres below surface) which will be mined early in the project mine life. This high early production enhances the NPV and payback of the project.

Operating Costs

The DFS reported the following forecast operating costs for the Garden Well Gold Project:

Operating costs	
Cash Costs	A\$/oz
Mining	328
Milling	195
Laboratory	2
Administration	30
Total Cash Costs	555
	A\$/oz
Other Operating Costs	
Rehabilitation	4
Royalties	72
Total other operating costs	76
Total Operating Costs	631

The cash cost of operation, at A\$555 per ounce, is \$17 per ounce (approx \$27 million gross cost) lower than the cash cost of A\$572 per ounce reported in the Company's ASX announcement of the most recent mining reserve on 31 March 2011. This is due to the necessity to spend approximately \$27 million of the operating mining costs prior to commencement of gold production in mid 2012. This early stage mining will facilitate the removal of overburden waste material in the open pit, building of an ore stockpile for start up operations and provision of suitable material for TSF construction.

Capital Costs

The DFS forecast the following capital costs for the development of the Garden Well Gold Project:

Capital Costs	
	A\$'000
Construction Overheads	12,722
Primary & Secondary Crushing	16,284
Grinding, Scrubbing & Tertiary Crushing	23,069
Leaching, Adsorption & Desorption	12,977
Reagents	1,446
Services (Power & Water)	4,910
Tailings Storage	2,242
Infrastructure	21,772
Capital Spares	1,421
First Fills	942
EPCM	9,735
Owners Costs	300
Pre-Production - Mine and Plant	1,640
Total Capital Cost	109,461

Operating and capital costs have been forecast using current third party pricing, the significant operating experience of management, current operating costs at Regis' Moolart Well Gold Mine and input from external engineering consultants Mintrex.

Construction and other development activities will be managed in house by Regis. This is the same approach as was used very successfully in the development of the Moolart Well Gold Mine in 2009/10. This approach contributed to the timely and highly cost effective delivery of that project and is expected to achieve a similar result at Garden Well.

Financial Analysis

A summary of the financial results of the Garden Well Gold Project DFS is shown below:

Financial Analysis (gold price US\$1,250, aud:usd 0.90)		
Revenue	\$'000	2,195,000
Net cash flow (after capex, before tax)	\$'000	1,051,000
NPV @ 6% (after capex, before tax)	\$'000	750,000
IRR	%	143
Payback period	Months	7

The financial analysis shows that the project is expected to be very robust and highly profitable. The internal rate of return of 143% and capital payback of 7 months are testament to the high quality of the project.

Funding

The development of the project will be funded through a combination of internal cash-flow from Regis' Moolart Well operations and an extension of the existing corporate debt facility (as outlined in the Corporate section of this report). The board does not envisage any requirement for the Company to issue any further equity to fund the development.

Development Timetable

The timetable under which the development of the project is scheduled to proceed is as follows:

Commence construction	September 2011 quarter
Mill delivery and commencement of installation	March 2012 quarter
Commissioning and first gold production	September 2012 quarter

The development schedule forecasts an eleven month construction period. This should see commercial gold production commencing early in the September 2012 quarter.

Resource & Reserve Update

The current resource at Garden Well has only included deeper RC and diamond drilling completed up until the end of December 2010.

A 31 hole diamond drilling programme was completed in the March 2011 quarter with a view to extending the resource envelope to around 270 metres depth for the balance of the strike length at Garden Well. A recalculation of the resource to include this more recent drilling is underway and is expected to be completed shortly. This updated resource will also be used to re-estimate the mining reserve.

EXPLORATION

Garden Well Gold Deposit

Regis completed a sustained programme of drilling to define the gold mineralisation at the Garden Well deposit during the March 2011 quarter. Final RC and diamond assay results from this programme were received during the June 2011 quarter and are reported below. No drilling was completed during the June 2011 quarter as the focus in the short term moved to studies aimed at updating the resource and reserve estimations

Drilling to date has been designed to test the extent of mineralisation both along strike and at depth and also increasing the drilling density in the known body of the mineralisation for resource estimation. Further RC and diamond drilling is planned in the September and December 2011 quarters to test the southern extensions and depth potential of the deposit.

RC Drilling

Assay results were received for the remaining 7 RC drill holes (RRLGDRC174-180) of the 28 hole programme completed in the March 2011 quarter. A total of 180 RC holes (RRLGDRC001-180), for 38,361 metres have now been drilled at Garden Well on 40 metre spaced east-west traverses over a north-south strike distance of 1,200 metres from 6912080mN to 6913280mN. This RC drilling and the deeper diamond drilling has defined the gold mineralisation down to a vertical depth of 300 metres in some areas of the deposit.

Highlights from the last seven holes of the programme include:

- GDRC174: 20 metres @ 1.10g/t gold from 176 to 196 metres.
- GDRC174: 20 metres @ 1.32g/t gold from 205 to 225 metres.
- GDRC174: 23 metres @ 1.87g/t gold from 231 to 254 metres.
- GDRC177: 17 metres @ 1.01g/t gold from 183 to 200 metres.
- GDRC177: 20 metres @ 1.17g/t gold from 234 to 254 metres.
- GDRC179: 21 metres @ 2.30g/t gold from 224 to 245 metres.
- GDRC180: 24 metres @ 1.28g/t gold from 245 to 269 metres.

All of these results are outside the current Reserve or Resource estimate envelopes.

RC drilling will continue with a focus on defining the southern extent of gold mineralisation south of 6912440mN where the deposit is still open along strike and down dip. A further 40 RC holes are planned to fully define the gold mineralised zone at the south end over a strike distance of 520 metres from 6911920mN to 6912440mN.

Diamond Drilling

Assay results were received for the remaining 14 diamond holes (RRLGDDD026, 028, 034, 037, and 040 to 049) of the 31 hole diamond programme drilled in the March 2011 quarter. A total of 44 diamond holes for 17,050 metres have been drilled at Garden Well. All diamond holes were drilled into the fresh rock zone to test for gold mineralisation below

the current depth of RC and diamond drilling. The drilling has tested the fresh rock zone on 40 metre sections from 220 - 300 metres vertical depth from 6912440 to 6912840mN. Some deeper holes have tested mineralisation down to 350 metres vertical depth on selected sections.

These diamond holes continue to confirm the intense north-northwest trending shear zone with strong silica-dolomite-fuchsite-pyrite-arsenopyrite alteration in the fresh rock gold mineralised zone. The holes also confirm the continuation of two of the higher grade zones with greater than 2.0g/t gold mineralisation over 20 to 30 metre widths within the 960 metre north-south strike length of fresh rock gold mineralisation defined to date. No further drilling has been conducted to date on the third higher grade zone located south of 6912440mN.

Highlights from the last 14 holes of the programme include:

- GDDD026: 12.33 metres @ 1.59g/t gold from 399 to 411.33 metres.
- GDDD034: 11 metres @ 2.44g/t gold from 358 to 369 metres.
- GDDD037: 8.49 metres @ 2.52g/t gold from 327.51 to 336 metres.
- GDDD037: 12.44 metres @ 4.11g/t gold from 352.68 to 365.12 metres.
- GDDD040: 37 metres @ 1.87g/t gold from 351 to 388 metres.
- GDDD043: 39.28 metres @ 1.59g/t gold from 218.372 to 257.58 metres.
- GDDD045: 13 metres @ 3.12g/t gold from 292 to 305 metres.
- GDDD045: 10.55 metres @ 1.53g/t gold from 321 to 331.55 metres.
- GDDD046: 14.5 metres @ 1.02g/t gold from 204.5 to 219 metres.
- GDDD046: 13.46 metres @ 1.16g/t gold from 245 to 258.46 metres.
- GDDD047: 6.07 metres @ 1.98g/t gold from 216.93 to 223 metres.

All of these results are outside the current Reserve or Resource estimates envelopes.

The diamond drilling programme confirms the continuation of mineralisation below the current Reserve open pit design. A further ten diamond holes are planned south of 6912440mN to test the depth extent of the third higher grade zone down to 300 metre vertical depth and the southern limits of gold mineralisation at Garden Well on 40 metre spaced east-west traverses.

Anchor Gold Deposit

The Anchor gold deposit is part of the Duketon Gold Project and is located 6 kilometres south of the Moolart Well gold plant on a mining permit acquired from a third party in early 2010. This deposit was reported to have been mined by an earlier tenement holder in 2000/01 in an open pit to a depth of approximately 25 metres. Reported production was 29,000 tonnes at 26g/t for approximately 24,000 ounces of gold. No JORC compliant resource was available at the time of Regis' acquisition.

RC drilling by Regis commenced at Anchor to test for gold mineralisation under the current open pit and also along strike north and south of the pit. A total of 19 holes (RRLANRC001-019) were drilled for 1,896 metres.

The RC programme was also designed to confirm the acquired drilling database including hole locations, grades and hole geometry. Seven of the holes drilled by Regis twinned historical (non Regis) holes and results of these holes to date have confirmed the integrity of the database.

Results for the first 14 RC holes were returned during the quarter with very encouraging results, including:

- ANRC007: 6 metres @ 4.48g/t gold from 63 to 69 metres.
- ANRC008: 11 metres @ 3.92g/t gold from 53 to 64 metres.
- ANRC009: 6 metres @ 34.5g/t gold from 41 to 47 metres.
- ANRC012: 5 metres @ 5.17g/t gold from 65 to 70 metres.
- ANRC015: 9 metres @ 12.34g/t gold from 54 to 63 metres.
- ANRC021: 8 metres @ 81.92g/t gold from 37 to 45 metres.

Holes 007, 008, 012 and 015 are located under the existing open pit. Hole 009 is located immediately south of the open pit and hole 021 immediately north of the open pit.

Further RC drilling is planned in the next quarter at Anchor north and south of the existing open pit. The potential size of the deposit is constrained by its narrow structure widths and limited strike extent. However, the drilling at the Anchor deposit is aimed at substantiating a small tonnage, high grade mining inventory to add incremental mill feed to the nearby Moolart Well processing plant.

Regional Gold Exploration

Moolart Well – Garden Well Corridor

Regional gold exploration between the Moolart Well and Garden Well gold deposits commenced during the June 2011 quarter. A number of high priority targets were identified under barren palaeochannel cover over the north-south gold mineralised structure between the Moolart Well and Garden Well deposits. These targets are being drill tested by Aircore drilling. The targets are located at Rojo, Westport, German Well, Dogbolter, Anchor and Butcher Well. Another target was identified at Campervan 3.5 kilometres east of the main GW to MW gold corridor.

A total of 123 Aircore holes for 7,622 metres were completed during the quarter. A summary of Aircore drilling completed during the quarter is shown below:

Prospect	No. of holes	Metres
Rojo	17	1,062
Westport	5	116
German Well	6	457
Campervan	14	1,124
Dogbolter	13	861
Butcher Well	19	1,327
Anchor	49	2,675
	123	7,622

Assay results for most holes are pending. The only results received to date were from Rojo and Westport. No significant gold anomalism was defined at either location.

Gum Well Corridor

Numerous gold exploration targets have been identified under shallow palaeochannel cover in the Gum Well to Houtanoui corridor over a 20 to 30km north-northwest strike orientation northwest of Rosemont and Garden Well. The gold bearing shear zone hosting the Baneygo and Rosemont deposits is largely under the palaeochannel cover and has very limited effective drilling to test the shear zone.

Soil sampling of this corridor has commenced and will continue over the next few months with a view to defining Aircore drill targets for testing in the December 2011 quarter.

CORPORATE

Financing Facility - Garden Well Gold Project

Subsequent to the end of the quarter the Company executed an agreement with Macquarie Bank Limited to extend the existing financing facility to cover the funding requirements for the development of the Garden Well Gold Project.

The key features of the facilities are as follows:

- **Debt facility of \$80 million (\$30m already drawn down).**
- **Hedging facility of up to 300,000 ounces of gold.**
- **Performance bond facility of \$15 million.**

The debt facility has been provided in two tranches. The first tranche is for \$60 million of which \$30 million was drawn down in 2010 for the development of the Moolart Well project. The second tranche is for \$20 million and is effectively a standby facility. Current cash-flow modelling indicates that draw down of tranche two will not be required. It is not expected that drawdown of the tranche one facility will be required until the March 2012 quarter

The loan amortisation schedule requires full repayment of the debt facility by December 2015 however given the strong forecast cash flows from the combined Garden Well and Moolart Well operations, the board anticipates earlier repayment.

No further gold hedging is required in order to draw down the tranche one debt facility.

Gold Sales & Hedging

At the end of the quarter the Company had a total hedging position of 198,247 ounces, being 118,750 ounces of flat forward contracts with a delivery price of A\$1,340 per ounce and 79,497 ounces of spot deferred contracts with a price of A\$1,434 per ounce. Since the end of the quarter the delivery dates of the flat forward contracts referred to above have been deferred to match the extended repayment dates of the new debt facility and as a result the delivery price has increased from A\$1,340/oz to A\$1,401/oz.

During the June 2011 quarter, Regis sold 28,329 ounces of gold at an average price of A\$1,408 per ounce (Mar 11 qtr: 19,805 ounces at A\$1,386 per ounce).

Cash Position

As at 30 June 2011 Regis had \$33.9 million in cash and bullion holdings (Mar 2011: \$27.9m) and had drawn down the project loan facility to \$30.4 million (unchanged from 31 March 2011). Cashflow from the Moolart Well gold mine operation for the quarter was \$18.6 million (Mar 2011: \$15.9m). Expenditure during the quarter on the development of the Garden Well project amounted to \$7.0 million (Mar 2011: \$2.6m).

A copy of the Company's Mining Exploration Entity Quarterly (Appendix 5B) report in accordance with Listing Rule 5.3 is attached.

CORPORATE DIRECTORY

Regis Resources Ltd

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Directors

Mr Mark Clark (Managing Director)
 Mr Morgan Hart (Executive Director)
 Mr Nick Giorgetta (Non Executive Chairman)
 Mr Mark Okeby (Non Executive Director)
 Mr Ross Kestel (Non Executive Director)

Company Secretary and CFO

Mr Kim Massey

Share Registry

Computershare Ltd
 GPO Box D182
 Perth WA 6840
 Shareholder Enquiries: 1300 557 010 (local) +613 9415 4000 (international)

ASX Listed Securities (as at 30 June 2011)

Security	Terms	Code	No. Quoted
Ordinary Shares		RRL	432,072,718
Options	Expiry 31 Jan2014 Exercise price \$0.50	RRLO	7,115,680
Options	Expiry 31 Oct 2012 Exercise price \$1.00	RRLOB	3,398,553
Options	Expiry 31 April 2012 Exercise price \$2.00	RRLOA	2,576,611

COMPLIANCE

The 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.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Regis Resources Limited

ABN

28 009 174 761

Quarter ended ("current quarter")

30 June 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	39,884	101,419
1.2 Payments for:		
(a) exploration & evaluation	(4,117)	(17,247)
(b) development*	(7,021)	(34,187)
(c) production	(16,318)	(49,210)
(d) administration	(798)	(3,669)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	261	667
1.5 Interest and other costs of finance paid	(709)	(2,485)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)		
- R&D rebate received	-	294
Net Operating Cash Flows	11,182	(4,418)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(949)	(2,534)
1.9 Proceeds from sale of:		
(a) prospects	80	80
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(869)	(2,454)
1.13 Total operating and investing cash flows (carried forward)	10,313	(6,872)

* includes capitalised pre-production expenditure for the period.

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

		Current quarter \$A'000	Year to date (12 months) \$A'000
1.13	Total operating and investing cash flows (brought forward)	10,313	(6,872)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	698	9,470
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	15,488
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)		
	- Share issue costs	-	(58)
	- Finance lease payments	(60)	(179)
Net financing cash flows		638	24,721
Net increase (decrease) in cash held		10,951	17,849
1.20	Cash at beginning of quarter/year to date	16,439	9,541
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter*	27,390	27,390

* Not included is gold on hand at end of quarter of 4,520oz at \$1,439.04 for \$6.5 million.

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	141
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
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+ See chapter 19 for defined terms.

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	45,000	30,358
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	2,500
4.2 Development	10,000
4.3 Production	16,000
4.4 Administration	900
Total	29,400

* Does not include any receipts from operations. The Duketon Gold Project is forecast to be cashflow positive in the September quarter.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	27,390	16,439
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)**		27,390	16,439

** Not included is gold on hand at end of quarter of 4,520oz at \$1,439.04 for \$6.5 million. (Previous quarter: 8,332oz at \$1,376.37/oz for \$11.5 million)

+ See chapter 19 for defined terms.

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	E38/1070	Surrendered	100%	0%
	E38/1075	Surrendered	100%	0%
	E38/1135	Surrendered	100%	0%
	E38/1412	Surrendered	100%	0%
	P38/3250	Withdrawn	100%	0%
	P38/3353	Surrendered	100%	0%
	P38/3374	Surrendered	100%	0%
6.2 Interests in mining tenements acquired or increased	G38/26	Granted	100%	100%
	P38/3914	Granted	100%	100%
	P38/3928	Granted	100%	100%

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3)	Amount paid up per security (see note 3)
7.1 Preference securities (description)	-	-	-	-
7.2 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 *Ordinary securities	432,072,718	432,072,718	-	-
7.4 Changes during quarter				
(a) Increases through issues	273,833 498,470 150,000	273,833 498,470 150,000	\$0.5000 \$1.0000 \$0.4205	\$0.5000 \$1.0000 \$0.4205
(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5 *Convertible debt securities	-	-	-	-

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

	Total number	Number quoted	Issue price per security (see note 3)	Amount paid up per security (see note 3)
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	
7.7 Options (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date</i>
	7,115,680	7,115,680	\$0.5000	31 Jan. 2014
	2,576,611	2,576,611	\$2.0000	30 Apr. 2012
	3,398,553	3,398,553	\$1.0000	31 Oct. 2012
	40,000	-	\$1.1165	31 Oct. 2011
	442,500	-	\$0.8885	15 Jun. 2012
	142,500	-	\$0.9509	15 Jun. 2012
	10,000,000	-	\$0.7665	21 Dec. 2013
	90,000	-	\$0.1348	4 Feb. 2014
	2,000,000	-	\$0.4205	30 Jun. 2014
	2,600,000	-	\$1.0000	29 Sep. 2014
	1,100,000	-	\$2.2300	29 Apr. 2015
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	273,833	273,833	\$0.5000	31 Jan. 2014
	498,470	498,470	\$1.0000	31 Oct. 2012
	150,000	150,000	\$0.4205	30 Jun. 2014
7.10 Expired during quarter	25,000*	-	\$1.0000	29 Sep. 2014
7.11 Debentures (totals only)	-	-		
7.12 Unsecured notes (totals only)	-	-		

* Represents employee options cancelled upon employee's termination.

Compliance statement

- This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: 
(Director/Company secretary)

Date: 22 July 2011

Print name: Kim Massey

+ See chapter 19 for defined terms.

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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