Regalpoint Resources Ltd

ACN 122 747 342

ANNUAL REPORT
30 JUNE 2011

REGALPOINT RESOURCES LTD
(ACN 122 727 342)

CORPORATE DIRECTORY

DIRECTORS	Shane L. Stone (Chairman) Nicholas Burn (Chief Executive Officer) Simon Trevisan (Executive Director) Richard Lockwood (Non-Executive Director) Robert Pett (Non-Executive Director) Ian Murchison (Non-Executive Director)
COMPANY SECRETARY	Fleur Hudson
REGISTERED AND PRINCIPAL OFFICE	Level 14 191 St Georges Terrace PERTH WA 6000 Telephone: (08) 9424 9320 Facsimile: (08) 9321 5932 Website: www.regalpointresources.com.au Email: info@regalpointresources.com
AUDITORS	BDO Audit (WA) Pty Ltd 38 Station Street Subiaco WA 6008
SHARE REGISTRY	Security Transfer Registrars Pty Ltd 770 Canning Highway Applecross WA 6153 Telephone: (08) 9315 2333 Facsimile: (08) 9315 2233
Home Exchange	Australian Securities Exchange Ltd Exchange Plaza 2 The Esplanade PERTH WA 6000 **ASX Code: RGU; RGUO**

REGALPOINT RESOURCES LTD
(ACN 122 727 342)

CORPORATE DIRECTORY

Solicitors	Minter Ellison Level 49, Central Park 152-158 St Georges Terrace Perth WA 6000
Bankers	St George Bank Limited Level 1, Westralia Plaza 167 St Georges Terrace Perth WA 6000

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Letter to Shareholders

Dear Shareholder

It is with pleasure that we provide you with Regalpoint Resources Limited's first Annual Report since completing its initial public offering.

Regalpoint Resources Ltd was established with the strategy and purpose of applying the best available science to pursue exploration opportunities for uranium and other commodities within proven and emerging mineral provinces in Australia. Regalpoint has accumulated a large portfolio of prospective exploration ground based on the study performed for it by the Centre for Exploration Targeting. The strategy of applying science to identify uranium prospective ground in particular was based on the recognition that uranium exploration had been neglected creating an opportunity to acquire highly prospective projects through pegging rather than acquisition.

In the relatively short period since completion of the IPO the Company has been progressing the hard work of on ground exploration to mature the projects in its portfolio for uranium and other commodities, notably gold at its Rum Jungle project in the Northern Territory. Exploration is now proceeding through the next phases, not only at the Rum Jungle, but also at the Company's other key projects particularly at Paroo Range, Lake Gregory and Lyons/Curbur. The Company looks forward to receiving ongoing results as its efforts in relation to each of its projects proceed.

I wish to thank you for supporting the IPO and enabling this Company to pursue the next stage of its strategy. The IPO was completed at a very difficult time for the sector with the fall out of the tragedy in Japan affecting market sentiment severely despite there being no significant change in the longer term outlook for uranium demand or the still anticipated growth to come from China and other rapidly developing economies.

Finally, I would like to thank my fellow Board members and the CEO Nicholas Burn for their efforts particularly during the difficult period and the immediate aftermath of the Fukushima disaster.

Yours faithfully

Hon. Shane L. Stone AC PGDK QC FACE FAIM FAICD

Chairman

Operations Report

Exploration Summary

During the 2010-11 year activities were focussed on the IPO process and generation of targets within the prospective Regalpoint portfolio. Exploration in this period was directed at acquiring airborne geophysical data to generate priority targets in the greenfields projects and to assess the potential for commodities such as gold and copper within the extensive land holdings.

The primary objective is to create shareholder wealth through the discovery of new ore bodies by systematically exploring the highly prospective tenement portfolio. Our exploration strategy is to focus on opportunities to locate higher grade uranium deposits and other economic minerals via strong technical assessment of conceptual and generated targets. Since listing the Company has initiated ground activities including ground and helicopter reconnaissance, geochemical sampling, interpretation of airborne radiometric data, acquisition of airborne electromagnetic TEMPEST survey and RC drilling on various principal projects in the portfolio.

Priority targets at Rum Jungle, Paroo Range, Pollock Hills and Lyons Curbur are currently being explored and the Lake Gregory, Gum Creek, Mt Walters and Walling Rock projects are in the final stages of drill preparation.

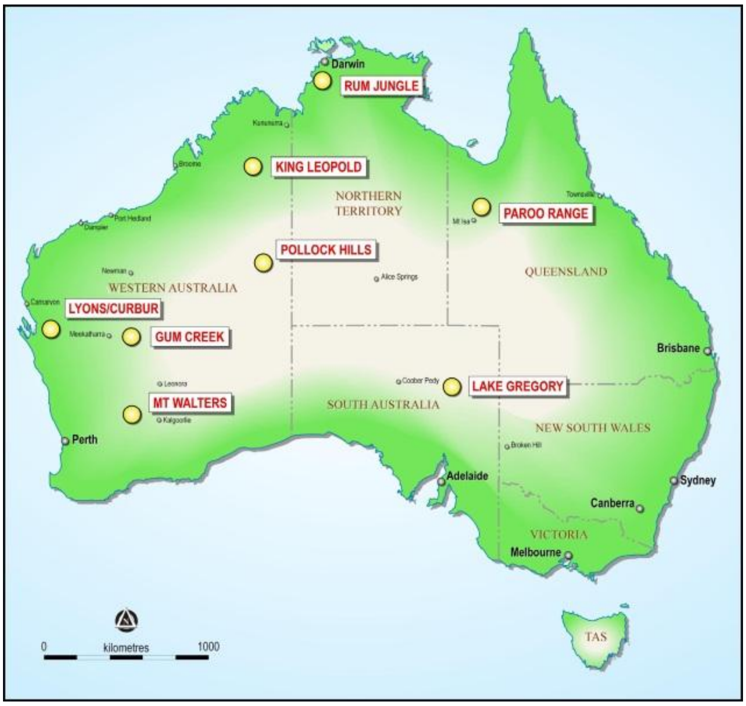
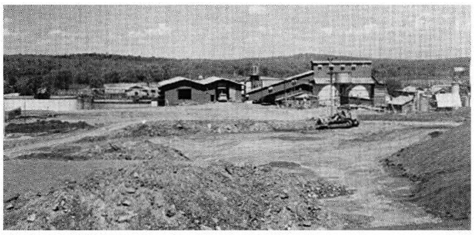


Fig. 1 *Principal Regalpoint projects in Australia*

Rum Jungle (NT)

The Rum Jungle Project is located 80km south of Darwin and is prospective for gold, base metal and unconformity style uranium mineralisation within the Archaean Rum Jungle Complex. In the area surrounding our Rum Jungle Project there is historic mining at Rum Jungle (uranium), and Woodcutters (lead, zinc) and existing resources at Browns (copper, cobalt, base metals), Mt Fitch (uranium) and Geolsec (phosphate) all of which strongly support our prospectivity model of the Rum Jungle Mineral Field.

Initial targets in the Rum Jungle project area include the Highlander gold prospect and the Whites Formation-Coomalie Dolostone unconformity.


Rum Jungle. Section of treatment plant

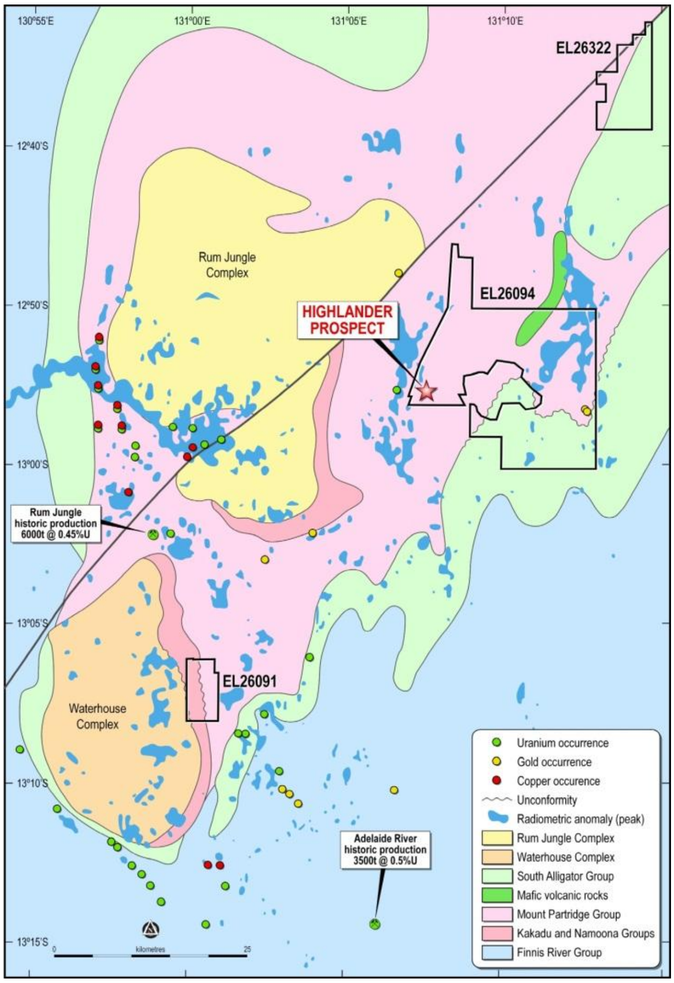


Fig. 2 *Rum Jungle Project*

i. Highlander Gold Prospect

Contained within the Rum Jungle Project is a gold-in-soil zone exceeding 800m in length and open to the north in EL26094. Historic shallow RC drilling identified potentially ore-grade material presenting an early target for follow-up exploration.

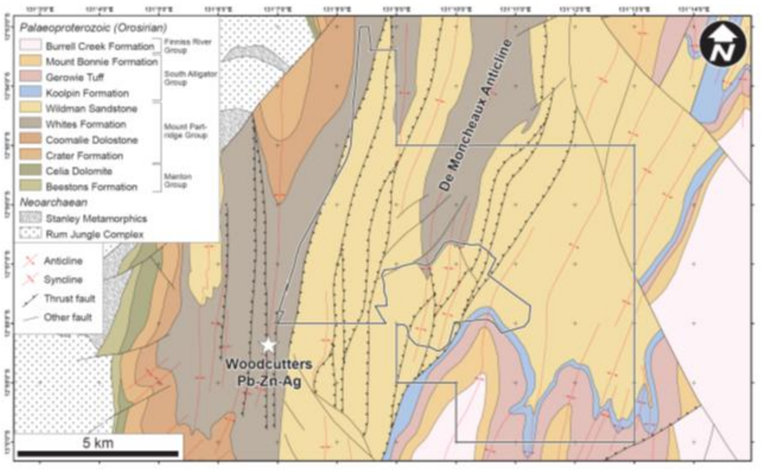


Fig. 3 *Highlander Project Geology*

The Highlander prospect is mapped as a thrust fault structural corridor located at the contact of the Whites Formation and overlying Wildman Siltstone.

Follow-up drilling by Nicron Resources of the historic geochemical anomaly comprised 24 shallow RC percussion holes. Summary results are listed below:

- HLRC001: 3m @ 4.92 g/t Au, including 1m @ 14.5 g/t Au
- HLRC004: 1m @ 1.22 g/t Au
- HLRC007: 9m @1.88 g/t Au
- HLRC008: 9m @ 1.85 g/t Au
- HLRC010: 3m @ 1.41 g/t Au
- HLRC011: 4m @ 1.44 g/t Au
- HLRC012: 8m @ 1.13 g/t Au
- HLRC013: 6m @ 1.31 g/t Au
- HLRC016: 4m @ 1.76 g/t Au and 5m @ 1.69 g/t Au
- HLRC017: 2m @ 1.63 g/t Au
- HLRC020: 3m @ 1.39 g/t Au and 5m @ 0.96 g/t Au
- HLRC021: 3m @ 1.37 g/t Au and 6m @ 0.63 g/t Au
- HLRC022: 2m @ 1.08 g/t Au and 3m @ 2.90 g/t Au
- HLRC023: 4m @ 0.44 g/t Au

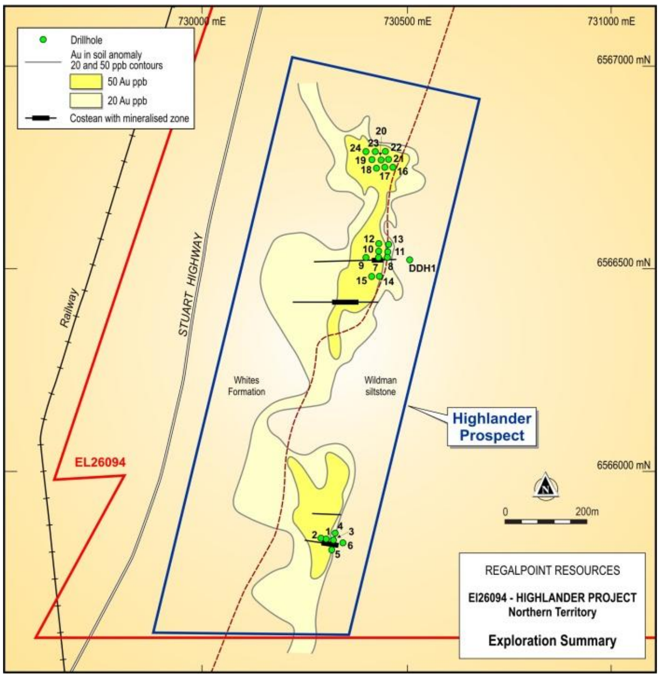


Fig. 4 *Highlander Prospect Historical Exploration Summary*

Verification of this gold anomaly by independent geologists CSA Global reported encouraging results from trenching with values of 75m @ 0.33 g/t Au, 50m @ 0.41 g/t Au and 5m @ 0.46 g/t Au from the northern Highlander prospect.

An initial limited RC drill program was commenced in the September quarter to evaluate the depth extent and historical drill results of this earlier work. Drilling intersected quartz veining and sulphides at the fault boundary with review and assessment of the prospect and results to be undertaken by CSA prior to a second drill phase.

Their preliminary advice is that the drilling has intersected a coherent zone of anomalous gold-arsenic mineralisation with mineralisation spatially related to zones of quartz-sulphide veining and marginal sulphidic alteration. The tenor of mineralisation is equivalent to the historic drilling and further drilling to define higher grade shoots in structural settings as well as along strike to the north is recommended by CSA.

Fig. 5 *Highlander drilling 2011*

Geochemical sampling and mapping of the Highlander tenement has been undertaken to assess the potential along the Highlander – Flaming Fury structural trend as well as other areas within the project area. Preliminary results suggest that Au – As anomalism is located along the northern trend and in other areas of the tenement.

ii. Uranium

The Rum Jungle tenements are located in an area which is prospective for unconformity style uranium mineralisation. Field investigation and radon sampling targeting the Whites Formation - Coomalie Dolostone contact beneath thin cover to identify potential drill targets has been undertaken in the Eva Valley (EL26091) and Harrison Dam (EL26322) projects.

The radon survey collection period is near completion and results will be interpreted following laboratory analysis in Canada.

Paroo Range (QLD)

Regalpoint's Paroo Range project comprises two tenements, EPM16923 and application EPM16980, located approximately 30km north-northeast of Mt Isa. The project area lies within the Western Fold succession of the Mt Isa Block. This region hosts numerous base-metal and uranium deposits and occurrences within meta-basalts and volcanoclastics of the Eastern Creek Volcanics.

The Company is encouraged by the project's potential to host metasomatitic style uranium mineralisation similar to the adjacent Skal and Valhalla resources of Paladin Energy and Isa North resources of Deep Yellow Ltd. Deep Yellow have recently upgraded their total Queensland region resource base (Isa North & Isa West) to 4.7 million tonnes at 460ppm for 4.8Mlbs U3O8 at a 300ppm cutoff[1]. The projects of Paladin Energy/Summit Resources at Valhalla, Valhalla North, Skal and Isa North are located in a similar geological setting of albitised basalts with interbedded metasediments mineralised along east-west and north-south structures in Eastern Creek Volcanics. Their overall JORC compliant mineral resource in the Mount Isa projects now includes 130.3 Mlb of U3O8 at 0.07% U3O8[2].

1 Deep Yellow Limited. ASX Release 08 July 2011. Successful exploration programme grows Queensland resource base.
2 Paladin Energy Limited website: www.paladinenergy.com.au. Resource Status Mount Isa Region

Operations Report continued

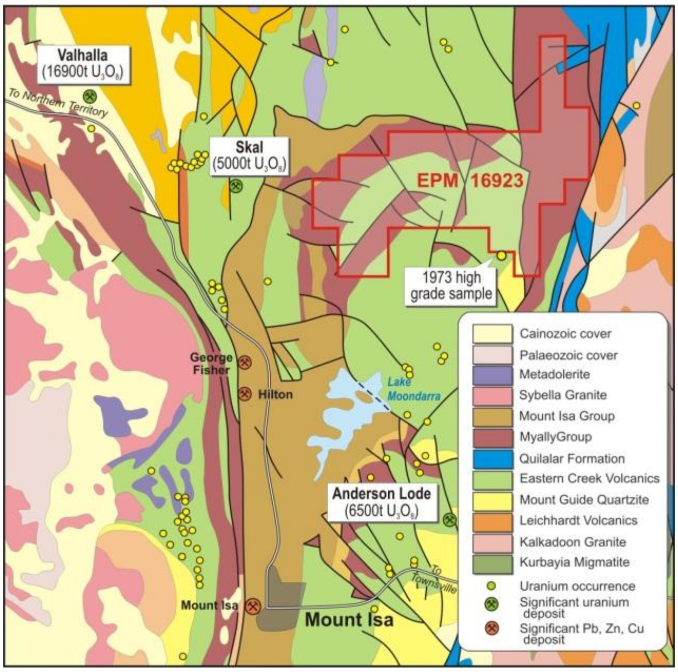


Fig. 6 *Geology and location of Paroo Range project*

The Company has completed a detailed airborne magnetic and radiometric survey over the project earlier this year. This airborne survey resulted in the identification by the Company's geophysical consultants of several radiometric targets related to N-NW trending primary and secondary structural settings for inspection.

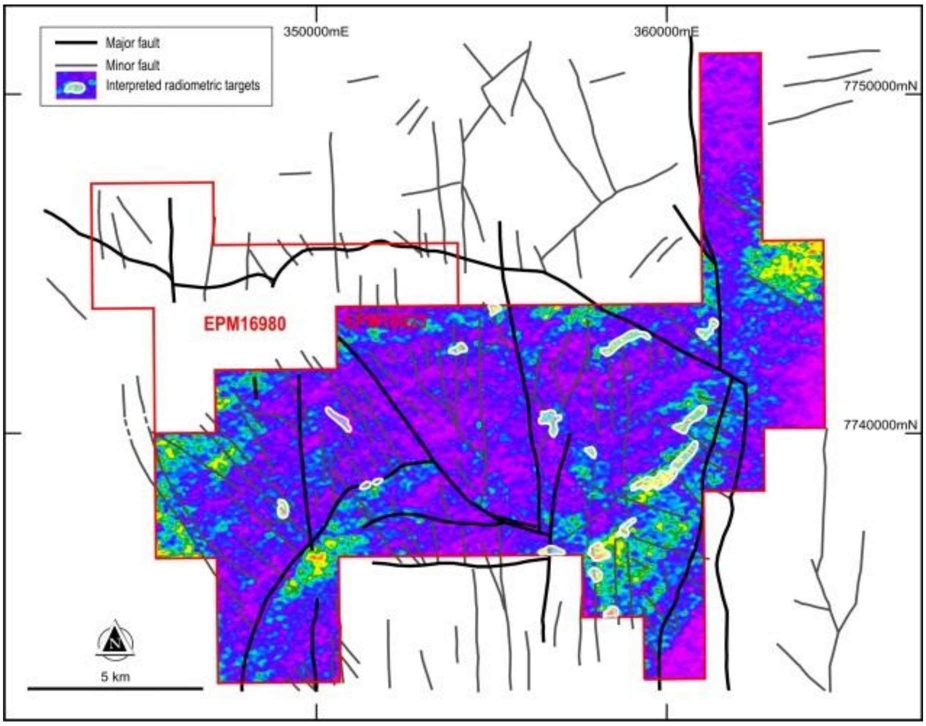


Fig. 7 *Paroo uranium channel radiometrics with interpreted structures and target zones*

Fig. 8 *Helicopter reconnaissance 2011*

Preliminary observations from a helicopter reconnaissance programme have identified strong haematitic alteration of meta-basalts of the Eastern Creek Volcanics at three of the inspected exploration target areas.

Spectrometer measurement of radiometric targets has returned very encouraging uranium results including:

Anomaly 1 **1138 ppm eU and 696 ppm eU**
Anomaly 3 **111 ppm eU**
Anomaly 4 **91 ppm eU**

Follow up systematic geochemical exploration of these prospects and the other anomalies is proposed following receipt of confirmatory laboratory analysis of the samples.

Lake Gregory (SA)

The Company has two exploration licences covering 1,384km^2 located approximately 150km north-west of the Beverley and North Beverley mines and the radiogenic Mt Painter Complex.

The Lake Gregory Project is considered to be prospective for sedimentary sandstone-hosted deposits such as those present at the Chu-Saryssu Province in Kazakhstan and similar mineralisation style to the Beverley and North Beverley uranium mines in the neighbouring Lake Frome Basin. Sandstone deposits represent a large proportion of the world's known uranium resources and include the Powder River Basin in Wyoming, Colorado and the Tim Mersoi Basin in Niger.

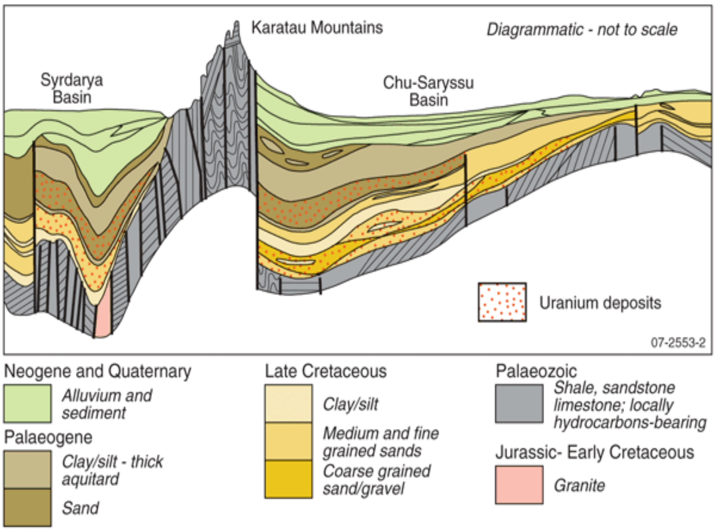


Fig. 9 *Cross-section of Chu-Saryssu and Syrdarya basins (looking northwest) (Yazhikov 1996).*

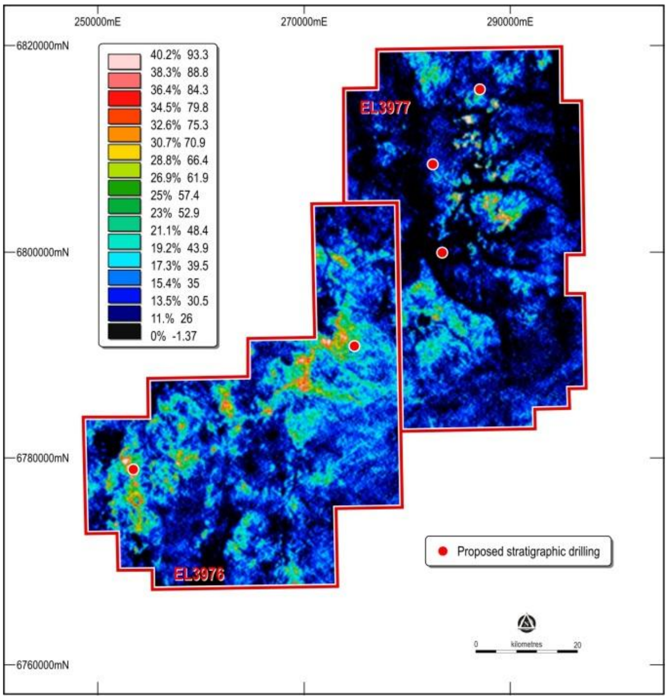


Fig. 10 *Uranium channel radiometrics of Lake Gregory project with proposed drill targets*

Access to the project area has been restricted by the record rainfall in the region and the recent flood events in Queensland. Traditional owner approvals have now been received from the Dieri People with the SA regulatory approvals process underway. The Company anticipates being able to commence stratigraphic drilling of the Cretaceous sediments in November 2011.

Gum Creek (WA)

The Gum Creek Project comprises three granted exploration licences covering 658km^2. The project is interpreted to cover a thinly covered 55km long section of palaeochannel draining the same source rocks as the nearby BHP Billiton Yeelirrie deposit and is highly prospective for surficial uranium mineralisation.

Fig. 11 *Gum Creek Project*

A Program of Works application has been approved by the WA Department of Mines and Petroleum with the Company anticipating being able to commence drill testing in the coming quarter. Heritage survey approvals are expected shortly.

King Leopold (WA)

The Company has seven exploration licences covering over 2800 km^2 in its King Leopold Project in the Kimberley region of Western Australia. This project is considered to be prospective for unconformity and sandstone-hosted uranium mineralisation and also has the potential of vein-related mineralisation in the basal Speewah Group sandstones and Whitewater Volcanics overlying the igneous Hooper Complex.

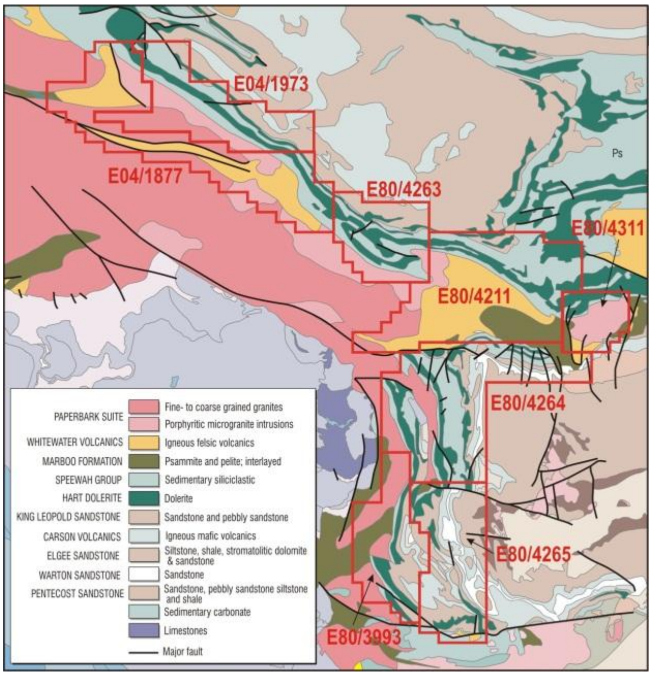


Fig. 12 *Geology and location of King Leopold project*

The Company completed a detailed airborne magnetic and radiometric survey over the northern project area earlier this year. This airborne survey resulted in the identification by independent geophysical consultants of numerous radiometric targets related to varying structural settings at the unconformity surface and within the basal sandstones.

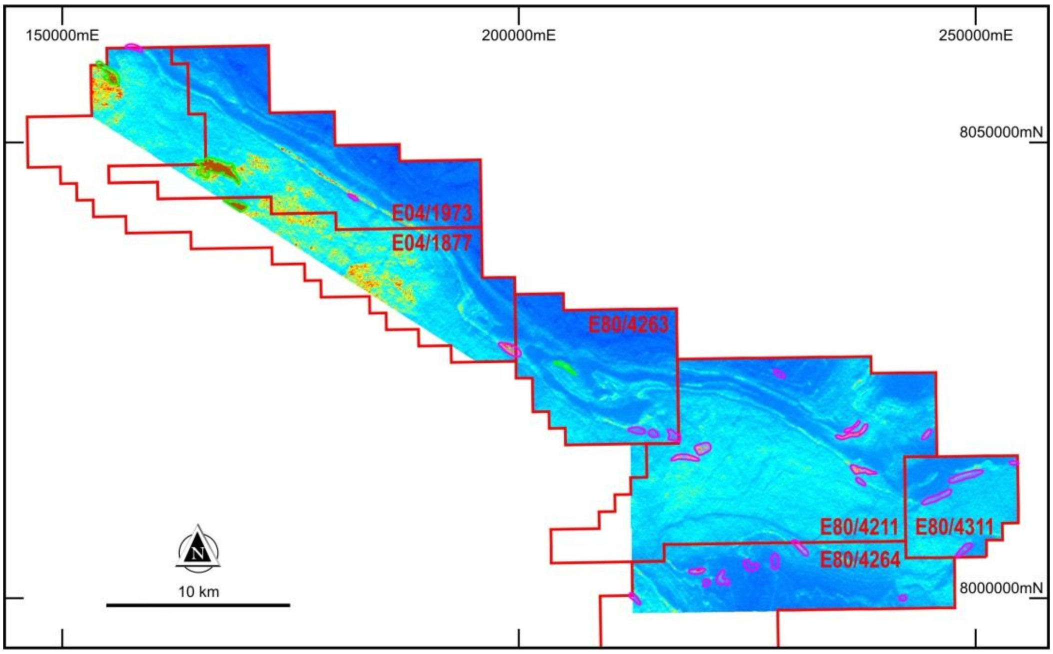


Fig. 13 *King Leopold uranium channel radiometrics and target zones*

Helicopter reconnaissance and field investigation is scheduled to commence in the next quarter. The prospectivity of King Leopold for other economic mineral commodities will be assessed in conjunction with this survey.

Mt Walter (WA)

The Company has six exploration licences covering 1,025km^2 in its Mount Walters Project in Western Australia. This project area is located 100km west of Kalgoorlie and is considered to be prospective for lignite-hosted uranium mineralisation in the palaeochannel system, similar in style to the Mulga Rocks uranium deposit, or redox controlled sediment hosted mineralisation.

A program of works application has been lodged with the WA Department of Mines and Petroleum with the Company anticipating being able to commence drill testing in November 2011.

Pollock Hills (WA)

The Pollock Hills project is located 850km west of Alice Springs near the NT/WA border. The suggested model for the area is that uranium is sourced from the Mt Webb Granite and Pollock Hills Volcanics, transported through the Redbank Fault system, and deposited into reduced environments in the overlying Bitter Springs Formation.

A detailed airborne magnetic and radiometric survey over the project area was undertaken earlier in the year. This airborne survey is currently being interpreted by company consultants to identify areas of interest for the initial field investigation.

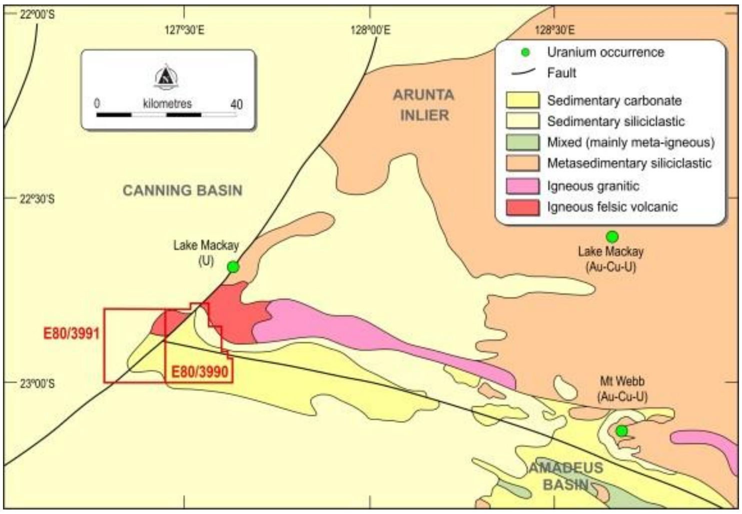


Fig. 14 *Geology and location of Pollock Hills project*

Access to the project area is being finalised with representatives of the Kiwirrkurra People for this initial field investigation and sampling phase in October 2011.

Lyons Curbur (WA)

The Company has approximately 4,100km^2 in 11 exploration licences in its Lyons/Curbur project. These conceptual projects contain all of the essential ingredients for sandstone-hosted uranium deposits and the exploration targets are analogous to the Manyingee (Paladin Energy), Bennet Well (Cauldron Energy) and Carley Bore (Energia Minerals) deposits located in the Carnarvon palaeodrainage system.

A regional scale airborne TEMPEST electromagnetic survey has been completed over a portion of the project area to assist with palaeochannel definition and future drill targeting. Data from this survey is undergoing final interpretation by geophysicists 'Resource Potentials'.

Field checking and evaluation of the EM survey results is currently underway as well as an assessment of the outcropping Gascoyne Complex basement to the east. The vein unconformity mineralisation model between the Gascoyne Complex and the Lyons group sediments is applicable where the graphitic and carbonaceous sequence of the Morrisey Metamorphics trend into the Company's tenements.

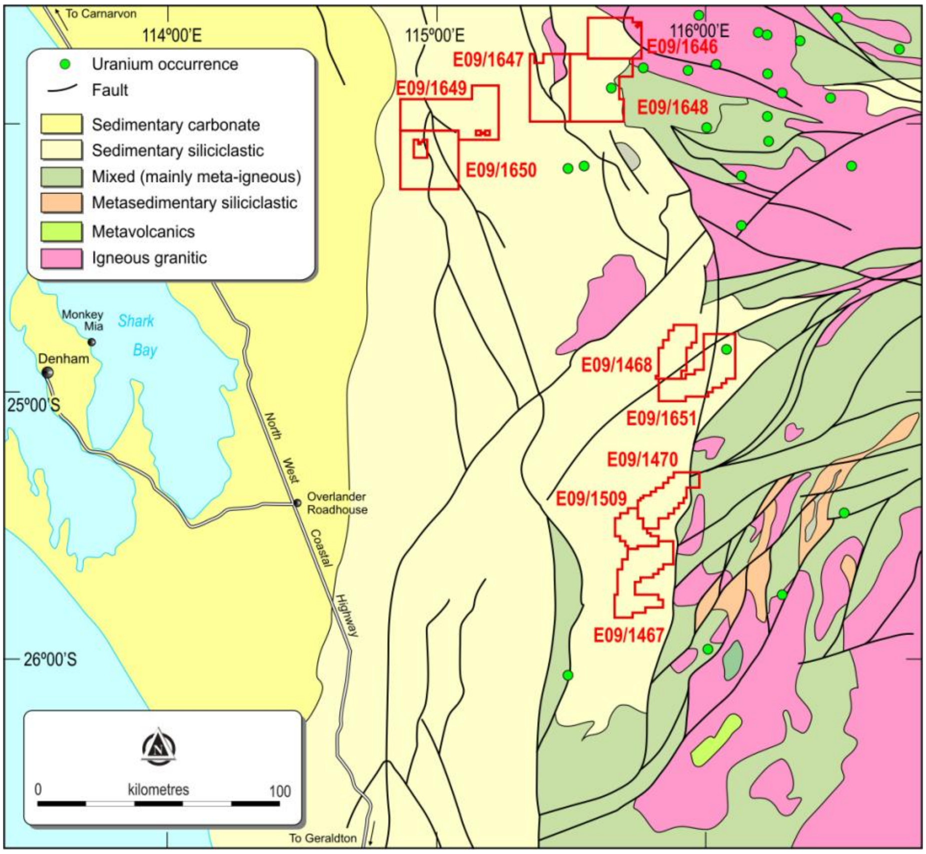


Fig. 15 *Simplified geology and location of Lyons Curbur project*

In addition to its key and supporting projects outlined above, the Company has a number of other projects comprising both applications and granted tenements in Western Australia and Queensland. Regalpoint continues to progress exploration of its early stage projects at:

Balfour Downs (WA)

Initial geological reconnaissance, ground radiometric survey and rock chip sampling was undertaken on E46/804 (Balfour Downs), located 150km east of Newman subsequent to the year end.

The tenement covers a window in the Bangemall Formation where they expose an outcrop of Fortescue Formation rocks that wrap around the Billinooka Inlier. Potential for unconformity and vein style mineralisation as well as other economic mineralisation is being investigated.

Leichardt River (Qld)

Leichardt River project comprises two tenements EPM16625-26 (approximately 400km^2) covering a sequence of Cretaceous shales/siltstones overlying the Leichardt Metamorphics of the Mt Isa Block.

The project area is located 200km north of Mt Isa and is considered prospective for roll front sandstone hosted uranium mineralisation in the basal Gilbert River Formation as well as potential for copper mineralisation in the Leichardt Metamorphics.

Walling Rock (WA)

This project is located approximately 50km to the north of the Mount Walters Project in Western Australia. This project area (four exploration licences, 598km^2) is also considered to be prospective for sediment-hosted uranium mineralisation in the north-draining palaeochannel system.

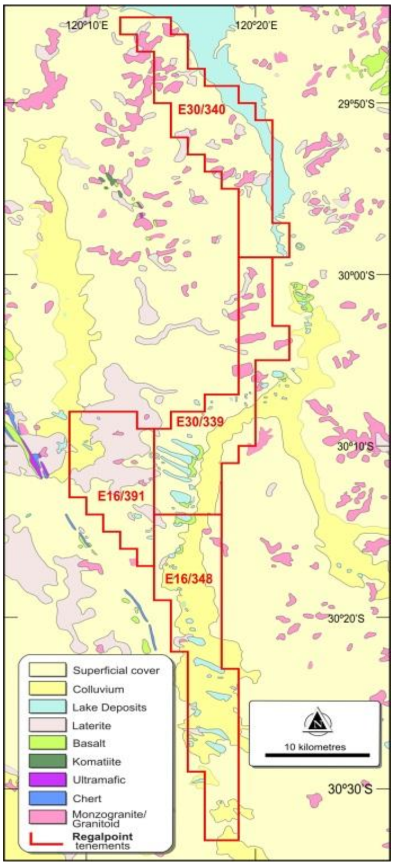


Fig.16 *Simplified geology and location of Walling Rock project*

A Program of Works application has been lodged with the WA Department of Mines and Petroleum with the Company anticipating being able to commence drill testing later in 2011.

Paterson (WA)

Located only 10km along strike from the Nifty copper mine and south of the Kintyre deposit, the Paterson project (three applications, 560km^2) is considered prospective for Kintyre-style uranium mineralisation. The Company has an agreement with Ausgold Limited to acquire the non-uranium rights and fund exploration on E45/3037 conditional upon the tenement being granted by November 2012.

Peters Creek (Qld)

The Peters Creek project (three applications EPM16502-3 & 16510) is located 50km southeast of the Westmoreland uranium deposits and is prospective for Westmoreland style, palaeochannel and sandstone hosted uranium mineralisation beneath a thin cover of Quaternary and Tertiary sediments.

N. Burn

Nicholas Burn
Chief Executive Officer

The information in this report that relates to Exploration results is based on information compiled by Mr Nick Burn who is a member of the Australian Institute of Geoscientists. Mr Burn is a full-time employee of Regalpoint Resources Ltd. Mr Burn has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Burn consents to the inclusion in this report of the matters based on their information in the form and context in which it appears.

The Directors present their report together with the financial report of Regalpoint Resources Limited (**Company**) for the financial year ended 30 June 2011 and the auditor's report thereon.

DIRECTORS

The names and details of the Directors in office during the financial year and until the date of this report are set out below. Directors have been in office the entire period unless otherwise stated.

- Shane L. Stone (Chairman)
- Nicholas Burn (Chief Executive Officer – appointed 04/01/2011)
- Malcolm Castle (Chief Executive Officer – resigned 30/11/2010)
- Simon Trevisan (Executive Director)
- Richard Lockwood (Non-Executive Director)
- Robert Pett (Non-Executive Director)
- Ian Murchison (Non-Executive Director)

BOARD OF DIRECTORS

Hon Shane L. Stone AC PGDK QC FACE FAIM FAICD – Non-Executive Chairman
Mr Stone is Chairman of the WPS Financial Group of Companies. He is also the Executive Chairman of the APAC Group consulting to companies operating in the Asia-Pacific Region. He is an alumnus of the Australian National University, Melbourne Law School, Adelaide and Sturt Universities and a Fellow of the Australian Institute of Management and Australian Institute of Company Directors. He is also a Fellow and Life Member of the Australian College of Educators. Mr Stone has a strong background in the export of Australian commodities. He has at various times acted an independent director to various public and private companies. He formerly served as Chief Minister of the Northern Territory, Minister for Mines and Energy and Federal President of the Liberal Party of Australia. He was a barrister prior to his entry into politics. In 2006 he was made a Companion of the Order of Australia in the Queen's Birthday Honours list. Mr Stone has also received national awards from Indonesia and Malaysia. His not-for-profit activities include the Australian Children's Television Foundation, Defence Reserves Support Council, and the Order of Australia Association of which he is the National President.

Mr Stone is the Chairman of the Share Trading Committee and a member of the Audit and Risk Committee and Nomination and Remuneration Committee.

Nicholas Burn BSc.(Hons), MBA, MAIG – Chief Executive Officer and Executive Director
Mr Burn has 25 years' geological experience, including extensive uranium and gold exploration and development work in the Northern Territory, Western Australia and South Australia. His experience includes managing the exploration and pre-feasibility study of the Bigrlyi uranium deposit and the discovery of a number of other uranium resources.

He is a member of the Australian Institute of Geoscientists with a Bachelor of Science with Honours degree from the University of Adelaide. His Honours thesis was on palaeochannel-hosted uranium mineralisation, north-western Eyre Peninsula, SA. Mr Burn also has a Master of Business Administration (MBA) from Charles Sturt University, NSW and is a member of the Australian Institute of Company Directors.

Simon Trevisan B Econ, LLB (Hons), MBT – Executive Director
Mr Trevisan is the managing director of the Transcontinental Group of Companies and for the past 15 years and has been responsible for managing Transcontinental Group's mining and oil & gas investments and property development projects. Mr Trevisan has been involved in the promotion and management of a number of public companies, including Mediterranean Oil & Gas plc, an AIM listed Oil & Gas Company with production and a substantial oil discovery in Italy. He was executive chairman of ASX-listed gold explorer Aurex Consolidated Ltd until its takeover by TerraGold Mining Ltd and a founding investor and director of Ausgold Limited. He has a Bachelor of Economics and a Bachelor of Laws (UWA) and a Masters Degree in Business and Technology from the University of New South Wales. Mr Trevisan initially practised as a solicitor with Allens Arthur Robinson Legal Company firm, Parker and Parker, in the corporate and natural resources practice groups and later acted as General Counsel to a group of public companies involved in the mining and exploration sectors. Mr Trevisan is currently an executive director of Ausgold Ltd.

Mr Trevisan is the Chairman of the Nomination and Remuneration Committee and a member of the Share Trading Committee and Audit and Risk Committee.

Richard Lockwood – Director
Mr Lockwood has 35 years' experience in mining, mining investment and stockbroking. Formerly a mining investment partner for Hoare Govett and McIntosh Securities, he was involved in the development and financing of several gold and base metals projects in Europe, Australia and Africa.

Mr Lockwood is currently a Senior Fund Manager for City Natural Resources High Yield Trust, New City High Yield Trust, Geiger Counter Limited and Golden Prospect Precious Metals. He is also currently a non-executive director of Kalahari Minerals Ltd, Ausgold Ltd and Indochina Minerals Ltd.

Robert Pett BA(Hons), MA(Econ), FAICD, Minerals Economist – Director
Mr Pett is a minerals economist with over 29 years' experience in exploration and mining of gold and other metals. During that period he has overseen the successful exploration, development financing and operation of a number of mining projects worldwide. These include gold and nickel mines in Australia and gold mines in East and West Africa, a number evolving from grass roots discoveries, as well as numerous exploration projects. He holds a Masters Degree from Queens University Canada. Mr Pett was a chairman of Ausgold Limited and a director of Brazilian Metal Group Limited.

Ian Murchison B.Comm., FCA, Dipl Naut Sc. – Director
Mr Murchison is an Investment Director and a founding shareholder of Perth-based private equity fund manager Foundation Capital. Foundation Capital was established in 1994 and has invested institutional funds of over $125 million, primarily in Western Australia. Mr Murchison is a Fellow of the Institute of Chartered Accountants and was a founding partner of Sothertons Chartered Accountants. Mr Murchison is the alternate director to Mr Simon Trevisan at Ausgold Limited, director of Austwide Distributors Pty Ltd and Skill Hire Pty Ltd.

Mr Murchison is the Chairman of the Audit and Risk Committee and a member of the Share Trading Committee and Nomination and Remuneration Committee.

COMPANY SECRETARY

Fleur Hudson BA, LLB, LLM (Disp. Res.)
Fleur Hudson has a Bachelor of Arts, a Bachelor of Laws and Master of Laws degrees. Fleur has been a director of Transcontinental Group since 2009 and was appointed as Company Secretary of Regalpoint Resources Limited in 2011. Prior to that, Fleur has practiced as a solicitor with international law firms in Perth and in London since 1998. As a solicitor, Fleur has advised large national and international companies with respects to a variety of civil construction, infrastructure and commercial issues.

DIRECTORS' SHAREHOLDINGS

The following table sets out each director's relevant interest in shares and options of the Company as at the date of this report:

Director	Number Shares	Number Options
Shane Stone[1]	1,034,207	838,155
Robert Pett[2]	1,875,717	1,406,788
Simon Trevisan[3]	17,207,982	12,905,987
Richard Lockwood[4]	2,688,457	2,110,093
Ian Murchison[5]	4,539,460	3,404,595
Nicholas Burn[6]	10,000	12,500

Note 1: Relevant Interest as a beneficiary of S & J Stone Pty Ltd (Stone Family Superannuation Fund).
Note 2: Relevant interest as director and controlling shareholder of Batterbury Holdings Pty Ltd.
Note 3: Relevant interest as director and controlling shareholder of Transcontinental Investments Pty Ltd.
Note 4: Indirect interest as beneficial holder of shares held by Nefco Nominee Pty Ltd.
Note 5: Interest as controlling shareholder of Tenalga Pty Ltd.
Note 6: Interest as beneficiary of Rosslee Holdings Pty Ltd (N & P Burn Superannuation Fund A/c).

DIRECTORS' REMUNERATION

Information about the remuneration of directors is set out in the Remuneration Report of this Directors' Report, on page 18 to 21.

SHARE OPTIONS GRANTED TO DIRECTORS
During the financial year, there were no options issued to the directors of the Company as part of their remuneration.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the financial year comprised of mineral exploration in Australia.

There were no other significant changes in the nature of the Company activities during the financial year.

OPERATING RESULTS

The Company's net loss after providing for income tax for the year ended 30 June 2011 amounted to $180,442 (2010: $848,165). At 30 June 2011, the Company has $4,828,563 between cash and cash equivalents and a held to maturity financial asset in the form of a $4 millio, 3 month term deposit with Westpac - St George Bank a AA rated Australian trading bank.

DIVIDENDS PAID OR RECOMMENDED

The directors of the Company do not recommend the payment of a dividend in respect of the current financial year ended 30 June 2011.

REVIEW OF OPERATIONS

The Company's operations are discussed in the Operations Report on Page 2.

The Company was admitted to the Official List of ASX during the year. The listing was preceded by an initial public offer of 25,000,000 shares at an issue price of 20 cents each to raise $5,000,000 and 31,250,000 free attaching options to subscribe for further shares exercisable at 20 cents and expiring 31 March 2014 on the basis of five attaching options for every four shares subscribed.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

All significant changes in the state of affairs of the Company during the year are discussed in detail in the Operations Report.

The Company was admitted to the Official List of ASX Limited ("ASX") on 30 May 2011 and official quotation of its shares on the ASX commenced on 30 May 2011.

The Company's total assets increased from $2,072,283 to $8,238,560 during the financial year. The increase in net assets principally comprised:

a) an increase in exploration and evaluation expenditure (including prepayment exploration costs) of $1,292,257 as a result of the acquisition of a portfolio of mineral exploration tenements located in Australia; and
b) an increase in cash assets of $4,783,281 principally from capital raisings completed during the year.

Fully paid ordinary shares issued during the year were as follows:

The fully paid ordinary shares at 31 December 2010 18,000,000 were consolidated on a basis of 0.78:1 to become 14,040,000 shares;
The issue of 22,315,280 fully paid ordinary shares on conversion of shareholder loans to equity;
The issue of 6,250,000 fully paid ordinary shares at $0.16 each to raise $1,000,000;
The issue of 25,000,000 fully paid ordinary shares at $0.20 each to raise $5,000,000.

Total shares on issue at 30 June 2011 are 67,605,280.

AFTER REPORTING DATE EVENTS

There are no post balance date events at the reporting date.

LIKELY DEVELOPMENTS

The Company will continue to pursue its main objective of developing interests in exploration projects.

ENVIRONMENTAL ISSUES

The Company's exploration and mining activities are governed by a range of environmental legislation. As the Company is still in the development phase of its interests in exploration projects, it is not yet subject to the public reporting requirements of environmental legislation. To the best of the directors' knowledge, the Company has adequate systems in place to ensure compliance with the requirements of the applicable environmental legislation and is not aware of any breach of those requirements during the financial year and up to the date of the Directors' Report.

DIRECTORS' MEETING

During the financial year, 6 meetings (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors Meetings		Remuneration Committee *		Audit Committee **	
	Number Eligible to attend	Number Attended	Number Eligible to attend	Number Attended	Number Eligible to attend	Number Attended
Director						
Shane Stone	6	4	-	-	-	-
Nicholas Burn	5	2	-	-	-	-
Simon Trevisan	6	6	-	-	-	-
Richard Lockwood	6	4	-	-	-	-
Robert Pett	6	3	-	-	-	-
Ian Murchison	6	6	-	-	-	-
Malcolm Castle (1)	1	1	-	-	-	-

* During the financial year Mr Trevisan was chairman of the Remuneration Committee and Mr Stone and Mr Murchison were members.

** During the financial year Mr Murchison was chairman of the Audit Committee and Mr Stone and Mr Trevisan were members.

(1) Mr Castle was the director of Regalpoint Resources Limited during the financial year and resigned on 30 November 2010.

OPTIONS TO BE ISSUED TO THE NOMINEE OF THE CHIEF EXECUTIVE OFFICER OF THE COMPANY

At the date of this report, the principal terms and conditions of the options to be issued to the nominee of Mr Burn, the Chief Executive Officer of the Company, upon the later of the Company's admission to the Official List and the date that a waiver from Listing Rule 7.16 is granted by ASX, are as follows:

1) 1,700,000 options (in total) to be issued immediately and exercisable on the following time schedule:
   a) 700,000 options exercisable from completion of a successful IPO at 20 cents each;
   b) 500,000 options exercisable from the first anniversary of Mr Burn's appointment as CEO of the Company at 25 cents each;
   c) 500,000 options exercisable from six months after the first anniversary of Mr Burn's appointment as CEO of the Company at 25 cents each; and
2) 300,000 options exercisable at 25 cents each to be issued if the Company establishes a JORC resource within 2 years of the IPO.

If Mr Burn becomes entitled to the options in paragraph (2) above because the Company has established a JORC resource then the exercise period of the options listed in paragraph (1) above will be deemed to commence from the establishment of the JORC resource.

Subject to any requirements of the ASX the options will expire 5 years from the date of the IPO. This term may be reduced to 6 months should Mr Burn cease employment with the Company.

Entitlement is subject to shareholder approval.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Entity or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

INDEMNIFICATION OF OFFICERS AND AUDITORS

(a) Indemnification
The Company has agreed to indemnify the current directors and company secretary of the Company against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as directors and company secretary of the Company, except where the liability arises out of conduct involving a lack of good faith.

The agreement stipulates that the Company will meet to the maximum extent permitted by law, the full amount of any such liabilities, including costs and expenses.

(b) Insurance premiums
The Company paid a premium during the year in respect of a director and officer liability insurance policy, insuring the directors of the Company, the company secretary, and all executive officers of the Company against a liability incurred as such a director, secretary or executive officer to the extent permitted by the *Corporations Act 2001*. During the period ended 30 June 2011, the Company paid insurance premiums in respect of Directors' and Officers' Liability Insurance for Directors and Officers of the Company. The liabilities insured are damages and legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the Directors and Officers in their capacity as Directors and Officers of the Company. On 10 March 2011, the Company paid an insurance premium of $11,430 covering the period from 02 March 2011 to 02 March 2012 (2010: Nil).

NON-AUDIT SERVICES

The Board of Directors, in accordance with advice from the audit committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

During the financial year, BDO Corporate Finance (WA) Pty Ltd, a related entity of BDO Audit (WA) Pty Ltd, the Company's auditor, performed certain other services in addition to their statutory duties.

The Board and the Audit and Risk Committee have considered the non-audit services provided during the financial year by the auditor and are satisfied that the provision of those non-audit services during the financial year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the followings reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Company; and
- the non-audit services provided do not undermine the general principals relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Details of the amount paid to the auditor of the Company, BDO Audit (WA) Pty Ltd and its related practices for audit and non-audit services provided during the financial year are set out below. In addition, amount paid to other auditors for the statutory audit have been disclosed:

	2011	2010
	$	$
Services other than statutory audit:		
Other Services	-	9,833
Independent accountant's report for inclusion in a prospectus (BDO Corporate Finance (WA) Pty Ltd)	15,185	-
Tax compliance services (BDO Tax (WA) Pty Ltd)	12,920	5,661

AUDITORS INDEPENDENCE DECLARATION

The auditor's independence declaration as required under S.307C of the Corporations Act 2001 for the year ended 30 June 2011 has been received and can be found on page 28.

REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each director of Regalpoint Resources Limited and for the executives receiving the highest remuneration. This Remuneration Report outlines the director and executive remuneration arrangements of the Company and has been audited in accordance with the requirements by section 308(3C) of the *Corporations Act 2001* and the *Corporations Regulations 2001*.

For the purposes of this report, key management personnel of the Company are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Remuneration Policy

The remuneration policy of Regalpoint Resources Limited has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the economic entity's financial results. The Board of Regalpoint Resources Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the economic entity, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for Board members and senior executives of the economic entity is as follows:

- The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the remuneration committee and approved by the Board after seeking professional advice from independent external consultants where necessary.
- The Board reviews executive packages annually by reference to the economic entity's performance, executive performance and comparable information from industry sectors.

The performance of executives is measured against criteria agreed with each executive and is based predominantly on the forecast growth of the economic entity's profits and shareholders' value. All bonuses and incentives must be linked to predetermined performance criteria. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and options, and can recommend changes to the committee's recommendations. Any changes must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth. Executives are also entitled to participate in employee share and option arrangements.

Company performance, shareholder wealth and director and executive remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. Each year the Board reviews Directors remuneration and will consider the issue options as part of the director's remuneration to encourage the alignment of personal interest and shareholder interests.

Key Management Personnel Remuneration Policy

The Board's policy for determining the nature and amount of remuneration of key management for the economic entity is as follows:

The remuneration structure for key management personnel is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Company. The contracts for service between the Company and key management personnel are on a continuing basis, the terms of which are not expected to change in the immediate future. There is no scheme to provide retirement benefits, other than statutory superannuation.

The employment conditions of key management personnel are formalised in contracts of employment. The Company may terminate an employment contract without cause by providing 3 months written notice or making payment in lieu of notice, based on the individual's annual salary. Termination payments are generally not payable on resignation or dismissal for serious misconduct. In the case of serious misconduct the Company can terminate employment at any time, and options not exercised before or on the date of termination will lapse.

The remuneration committee determines the proportion of fixed and variable compensation for each key management personnel. Please see the table below for the details of the nature and amount of each major element of remuneration for each key management personnel of the Company during the year:

Key Management Personnel Remuneration

2011 Key Management Person	Short-term Benefits		Post-employment Benefits	Share-based payment			
Directors	**Salary $**	**Other Fees $**	**Superannuation $**	**Equity $**	**Options (a) $**	**Total $**	**Performance Related %**
Director							
Shane Stone	15,000	-	1,350	-	-	16,350	-
Nicholas Burn	96,048	-	8,644	-	-	104,692	100%
Robert Pett	2,661	-	240	-	-	2,901	-
Richard Lockwood	2,661	-	-	-	-	2,661	-
Simon Trevisan (1)	-	51,290	-	-	-	51,290	-
Ian Murchison (2)	-	2,661	-	-	-	2,661	-
Malcolm Castle (3)	79,167	-	7,125	-	-	86,292	50%
	195,537	**53,951**	**17,359**	**-**	**-**	**266,847**	
Specified Executives							
Fleur Hudson	-	-	-	-	-	-	-

(a) *The fair value of the options are calculated at the date of grant using the Black-Scholes model and allocated to each reporting period over the period from grant date to vesting date. The value disclosed is the portion of the fair value of the options allocated to this reporting period. In valuing the options, market conditions have been taken into account.*

(1) Mr Trevisan has not received remuneration from the Company for the year ended 30 June 2011. Regalpoint Resources Ltd has an agreement with Transcontinental Investments Pty Ltd as disclosed in Note 13 which is a director related entity (Simon Trevisan) which charged a management and administrative fee for office space and services, accounting and administration services totalling $51,290 were paid to Transcontinental Investments Pty Ltd, of which Mr Trevisan is a director and beneficiary.

(2) Mr Murchison received director fees of $2,661 paid to Exert Pty Ltd, of which Mr Murchison is a director.

(3) Mr Castle was the director of Regalpoint Resources Limited during the financial year and resigned on 30 November 2010.

2010 Key Management Person	Short-term Benefits		Post-employment Benefits	Share-based payment			
Directors	**Salary $**	**Other Fees $**	**Superannuation $**	**Equity $**	**Options (a) $**	**Total $**	**Performance Related %**
Director							
Simon Trevisan (1)	-	120,000	-	-	-	120,000	-
Malcolm Castle (2)	78,826	-	7,094	-	-	85,920	50%
	78,826	**120,000**	**7,094**	**-**	**-**	**205,920**	

(a) The fair value of the options are calculated at the date of grant using the Black-Scholes model and allocated to each reporting period over the period from grant date to vesting date. The value disclosed is the portion of the fair value of the options allocated to this reporting period. In valuing the options, market conditions have been taken into account.

(1) Mr Trevisan has not received remuneration from the Company for the year ended 30 June 2010. Regalpoint Resources Ltd has an agreement with Transcontinental Investments Pty Ltd as disclosed in Note 13 which is a director related entity (Simon Trevisan) which charged a management and administrative fee for office space and services, accounting and administration services totalling $120,000 were paid to Transcontinental Investments Pty Ltd, of which Mr Trevisan is a director and shareholder.

(2) Mr Castle joined the Regalpoint Resources Limited Board on 04 January 2010 and was a director of the Company for the year ended 30 June 2010.

Options issued as part of remuneration for the year ended 30 June 2011

Options are issued to directors and executives as part of their remuneration. The options are not issued based on performance criteria, but are issued to directors and executives of Regalpoint Resources Limited to increase goal congruence between executives, directors and shareholders.

Options to be issued as a Remuneration

At the date of this report, the principal terms and conditions of the options to be issued to the nominee of Mr Burn, the Chief Executive Officer of the Company, upon the later of the Company's admission to the Official List and the date that a waiver from Listing Rule 7.16 is granted by ASX, are as follows:

1) 1,700,000 options (in total) to be issued immediately and exercisable on the following time schedule:
   a) 700,000 options exercisable from completion of a successful IPO at 20 cents each;
   b) 500,000 options exercisable from the first anniversary of Mr Burn’s appointment as CEO of the Company at 25 cents each;
   c) 500,000 options exercisable from six months after the first anniversary of Mr Burn’s appointment as CEO of the Company at 25 cents each; and
2) 300,000 options exercisable at 25 cents each to be issued if the Company establishes a JORC resource within 2 years of the IPO.

If Mr Burn becomes entitled to the options in paragraph (2) above because the Company has established a JORC resource then the exercise period of the options listed in paragraph (1) above will be deemed to commence from the establishment of the JORC resource.

Subject to any requirements of the ASX the options will expire 5 years from the date of the IPO. This term may be reduced to 6 months should Mr Burn cease employment with the Company.

In addition, subject to compliance or waiver of Listing Rule 7.16 Mr Burn (or his nominee) will be issued a further 300,000 options, which will vest immediately, if the Company establishes a JORC-compliant resource prior to 30 December 2012. These options will be exercisable at 25 cents each. The other terms of the options will be the same as set out in section 9.6(b).

Mr Burn has directed the Company to issue the Options to his spouse, Patricia Burn.

Entitlement is subject to shareholder approval.

Shares Issued on Exercise of Compensation Options

There were no compensation options exercised by directors or key management personnel during the year ended 30 June 2011.

This is the end of the Audited Remuneration Report.

Signed in accordance with a resolution of the Board of Directors

Simon Trevisan

Executive Director

Dated at Perth, Western Australia, this 29th of September 2011

Corporate Governance Statement

The Board of Directors is responsible for the overall corporate governance of the Company and the Entity, and is committed to the principles underpinning best practice in corporate governance, applied in a manner that meets ASX standards and best addresses the Directors' accountability to shareholders.

However, whilst the Company will endeavour to comply with all of the guidelines under the ASX Corporate Governance Recommendations, the Board consider that the Company is not currently of a size, nor are its affairs of such complexity, to justify the additional expense of compliance with all recommendations. The Board will consider on an ongoing basis its corporate governance procedures and whether they are sufficient given the Company's nature of operations and size.

This statement outlines the main corporate governance practices in place throughout the financial year, which comply with the ASX Corporate Governance Council recommendations, unless otherwise stated.

The Company's corporate governance policies are available on the Company's website:
http://www.regalpointresources.com.au/company/company-structure.

Unless disclosed below, all the best practice recommendations of the ASX Corporate Governance Council have been applied for the entire financial year ended 30 June 2011.

Board Composition

When determining whether a Non-Executive Director is independent the director must not fail any of the following materiality thresholds:

- less than 10% of Company shares are held by the director and any entity or individual directly or indirectly associated with the director;
- is employed, or has previously been employed in an executive capacity by the Company or another Company member, and there has not been a period of at least three years between ceasing such employment and serving of the Board;
- has been a material professional adviser or a material consultant to the Company or another Company member within the last three years, or an employee materially associated with the service provided;
- no sales are made to or purchases made from any entity directly or indirectly associated with the director; and
- none of the directors income or the income of an individual or entity directly or indirectly associated with the director is derived from a contract with any member of the economic entity other than income derived as a director of the entity.

The Board currently comprises four Non-Executive Directors, of which Mr Shane L. Stone, Mr Richard Lockwood, Mr Ian Murchison and Mr Robert Pett are considered independent.

The skills, experience and expertise relevant to the position of each director who is in office at the date of the annual report is detailed in the Directors' Report.

The membership of the Board, its activities and composition is subject to periodic review. The criteria for determining the identification and appointment of a suitable candidate for the Board shall include the quality of the individual, experience and achievement, credibility within the Company's scope or activities, intellectual ability to contribute to the Board's duties and ability to undertake Board duties and responsibilities.

Role of the Board

The management and control of the business is vested in the Board. The Board's primary responsibility is to oversee the Company's business activities and management for the benefit of shareholders. The Board strives to create shareholder value and ensure that shareholders' funds are safeguarded.

The key responsibilities to the Board include:

- setting objectives, goals and strategic direction with management with a view to maximising shareholder value;
- overseeing the financial position and monitoring the business and affairs of the Company;
- establishing corporate governance, ethical, environmental and health and safety standards;
- ensuring significant business risks are identified and appropriately managed; and
- ensuring the composition of the Board is appropriate, selecting directors for appointment to the Board and reviewing the performance of the Board and the contributions of individual directors.

The Board has delegated responsibilities and authorities to management to enable management to conduct the Company's day to day activities. Matters which are not covered by these delegations, such as approvals which exceed certain limits, require Board approval.

Audit and Risk Committee

The names and qualifications of those appointed to the Audit and Risk Committee and their attendance at meetings of the committee are included in the Directors' Report. For further information regarding the Audit and Risk Committee please refer to the Audit and Risk Committee Charter.

Nomination and Remuneration Committee

The names of all the members of the Nomination and Remuneration Committee and their attendance at meetings of the committee are detailed in the Directors' Report.

The amount of remuneration for all directors and executives, including all monetary and non-monetary components, are detailed in the Directors' Report under the heading Key Management Personnel Remuneration. Shares given to executives are valued as the difference between the market price of those shares and the amount paid by the executive. Options are valued using the Black-Scholes methodology.

The Board expects that the remuneration structure implemented will result in the Company being able to attract and retain the best executives to run the economic entity. It will also provide executives with the necessary incentives to work to grow long-term shareholder value.

For further information regarding the Nomination and Remuneration Committee please refer to the Nomination and Remuneration Committee Charter.

Share Trading Policy

With respect to share dealings and disclosures, the Company's Share Trading Policy regarding "Restricted Persons" (including the directors, executives and employees) dealing in its securities states the following:

- Consistent with the legal prohibitions on insider trading contained in the *Corporations Act 2001*, all Restricted Persons are prohibited from trading in the Company's securities (and any financial products issued or created over or in respect of the Company's securities) while in possession of unpublished price sensitive information.
- Restricted Persons are required to receive clearance from the Board's Share Trading Committee and the Chairman prior to:
  (a) undertaking any transaction in Company securities; or
  (b) entering into a margin loan facility in relation to their shareholding.
- If a Restricted Person is considered to possess unpublished price sensitive information, they will be precluded from making a security transaction until 1 trading day after the time of public release of that information.
- As required by the ASX Listing Rules, the Company will notify the ASX of all transactions of securities in the Company conducted by a director of the Company.

The Company has a formally appointed Share Trading Committee to ensure that the Share Trading Policy is properly followed. At the date of this document, the members of the Share Trading Committee are Mr Stone, Mr Trevisan and Mr Murchison.

For further information regarding the Share Trading Committee please refer to the Share Trading Committee Charter and the Share Trading Policy.

Independent Professional Advice

Each Director has the right to access all relevant Company information, and may seek independent professional advice at the Company's expense, in connection with their duties and responsibilities. The Director must first obtain the prior written approval of a non-executive director, not to be unreasonably withheld, before consulting with an advisor suitably qualified in the relevant field. A copy of the advice received by the Directors must be made available to all other members of the Board.

Compliance to Best Practice Recommendations

The Board of Directors of Regalpoint Resources Limited is responsible for the corporate governance of the Company. The Board guides and monitors the business activities and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable. The Company has adopted systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

This Corporate Governance Statement sets out the Company's current compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Recommendations**). The Recommendations are not mandatory. However, the Company will be required to provide a statement in its future annual reports disclosing the extent to which the Company has followed the Recommendations.

Item	RECOMMENDATION	COMMENT
1.	***Lay solid foundations for management and oversight***	
1.1	Formalise and disclose the functions reserved to the Board and those delegated to management.	The Company complies with this Recommendation.
1.2	Companies should disclose the process for evaluating the performance of senior executives.	The Board will monitor the performance of senior management, including measuring actual performance of senior management against planned performance.
1.3	Companies should provide the information indicated in the *Guide to reporting on Principle 1.*	Due to the current size of the Company and its activities the Company does not currently comply with Recommendations 1.1 and 1.2. However, as stated, the Board will diligently monitor the performance of senior management, including measuring actual performance of senior management against planned performance.
2.	***Structure the Board to add value***	
2.1	A majority of the Board should be independent directors.	The Board has assessed the independence of the non-executive directors and the chairman using defined criteria of independence and materiality consistent with the guidance and commentary for Recommendation 2.1. The Company is at variance with Recommendations 2.1 and 2.2 in that the majority of directors are not independent. The Board has determined that the composition of the current Board represents the best mix of directors that have an appropriate range of qualifications and expertise, can understand and competently deal with current and emerging business issues and can effectively review and challenge the performance of management. Furthermore, each individual member of the Board is satisfied that whilst the Company may not comply with Recommendations 2.1 and 2.2, all directors bring an independent judgement to bear on Board decisions.
2.2	The chairperson should be an independent director.	The Company's Chairman is The Honourable Shane Stone.
2.3	The roles of chairperson and Chief executive officer should not be exercised by the same individual.	The Company's Managing Director is Mr Nicholas Burn.

Item	RECOMMENDATION	COMMENT
2.4	The Board should establish a nomination committee.	The Board has established a Nomination and Remuneration Committee. The Nomination and Remuneration Committee is comprised of: • Mr Simon Trevisan (Chair); • Mr Ian Murchison; and • The Honourable Shane Stone. The Company is at variance with Recommendation 2.4, in that, the Nomination and Remuneration Committee does not consist of a majority of independent directors. The Board considers that this composition is appropriate given the current size of the Company.
2.5	Companies should disclose the process for evaluating the performance of the Board, its committees and individual directors	The performance of the Board, its committees and individual directors will be evaluated in accordance with a performance evaluation process. When appointed to the Board, a new director will receive an induction appropriate to their experience. Directors may participate in continuing education to update and enhance their skills and knowledge from time to time, as considered appropriate.
2.6	Provide the information indicated in *Guide to Reporting on Principle 2.*	Directors are entitled to request and receive such additional information as they consider necessary to support informed decision-making. The Board also has a policy under which individual directors and Board committees may obtain independent professional advice at the Company's expense in relation to the execution of their duties, after consultation with the Managing Director.
3.	***Promote ethical and responsible decision-making***	
3.1	Establish a code of conduct and disclose the code or a summary as to the code as to: (a) the practices necessary to maintain confidence in the Company's integrity; (b) the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; and (c) the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.	The Company complies with this Recommendation.
3.2	Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the Board to establish measurable objectives for achieving gender diversity for the Board to assess annually both the objectives and progress in achieving them	The Company adopted a Diversity Policy in July 2011. The Diversity Policy is available on the Company's website.
3.3	Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the Board in accordance with the diversity policy and progress towards achieving them.	The Company will disclose this information in its future annual reports.
3.4	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the Board.	The Company will disclose this information in its future annual reports.
3.5	Provide the information indicated in *Guide to Reporting on Principle 3.*	The Company's Diversity Policy is publicly available on the Company's website.
4.	***Safeguard integrity in financial reporting***	
4.1	The Board should establish an audit committee.	The Board has established an Audit and Risk Committee. The Audit Committee consists of three members being: • Mr Ian Murchison (Chair); • Mr Simon Trevisan; and • The Honourable Shane Stone.

Item	RECOMMENDATION	COMMENT
4.2	Structure the audit committee so that it consists of: (a) only non-executive directors; (b) a majority of independent directors; (c) an independent chairperson, who is not chairperson of the Board; and (d) at least three members.	The Company is at variance with Recommendation 4.2, in that, the Audit and Risk Committee does not consist of a majority of independent directors. The Board considers that this composition is appropriate given the current size of the Company. Further, the Board considers that the Audit and Risk Committee is of a sufficient size and possesses sufficient technical expertise to discharge its mandate effectively.
4.3	The audit committee should have a formal charter.	The Audit and Risk Committee Charter is publicly available on the Company's website.
4.4	Provide the information indicated in *Guide to Reporting on Principle 4.*	The following material will be included in the corporate governance statement in the Company's annual reports: • the names and qualifications of those appointed to the Audit and Risk Committee and their attendance at meetings of the committee; • the number of meetings of the Audit and Risk Committee; • explanation of any departures from Recommendations 4.1, 4.2, 4.3 or 4.4. The following material is publicly available on the Company's website: • the Audit and Risk Committee Charter.
5.	***Make timely and balanced disclosure***	
5.1	Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance.	The Company complies with this Recommendation.
5.2	Provide the information indicated in *Guide to Reporting on Principle 5.*	Due to the current size of the Company and its activities the Company does not currently comply with Recommendation 5.2. However, the Board will diligently monitor activities to ensure disclosure requirements are met.
6.	***Respect the rights of shareholders***	
6.1	Design and disclose a communications strategy to promote effective communication with shareholders and encourage effective participation at general meetings.	The Company complies with this Recommendation. The Company places a high priority on communication with Shareholders and is aware of the obligations it has under the Corporations Act and the Listing Rules to keep the market fully informed of information which is not generally available and which may have a material effect on the price or value of the Company's securities.
6.2	Provide the information indicated in *Guide to Reporting on Principle 6.*	The Company complies with this Recommendation. The Company regularly and promptly provides all relevant information on the Company's website pertaining to all announcements made to the market and related information, all notices of meetings, explanatory texts and prospectuses and all financial reports as announced.
7.	***Recognise and manage risk***	
7.1	The Board or appropriate Board committee should establish policies on risk oversight and management.	The Company has established an Audit and Risk Committee which is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal controls.
7.2	The Board should require management to design and implement the risk management and internal control system to manage the Company's material business risks and report to it on whether those risks are being managed effectively. The Board should disclose that management has reported to it as to the effectiveness of the Company's management of its business risks.	The Company's risk management framework is supported by the Board of Directors, management and the Audit and Risk Committee. The Board is responsible for approving and reviewing the Company's risk management strategy and policy. Management are responsible for monitoring that appropriate processes and controls are in place to effectively and efficiently manage risk.

Item	RECOMMENDATION	COMMENT
7.3	The Chief executive officer (or equivalent) and the Chief financial officer (or equivalent) should state to the Board in writing that: (a) the statement given in accordance with Recommendation 4.1 (the integrity of financial statements) is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and (b) the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.	The Company has received this assurance from Executive Director Mr Trevisan.
7.4	Provide the information indicated in *Guide to Reporting on Principle 7.*	The Company will continue to recognise and manage risk in accordance with the methods referred to above and will explain any departures from Recommendations 7.1, 7.2 and/or 7.3 in its future reports if necessary.
8.	***Remunerate fairly and responsibly***	
8.1	The Board should establish a remuneration committee.	The Board has established a Nomination and Remuneration Committee.
8.2	Structure the remuneration committee so that it consists of: (a) a majority of independent directors; (b) an independent chairperson; and (c) at least three members.	The Nomination and Remuneration Committee has delegated responsibilities in relation to the Company's remuneration policies which reflect the matters set out in the commentary and guidance for Recommendation 8.1.Further details of the Nomination and Remuneration Committee is set out at point 2.4. The Company is at variance with Recommendation 8.2, in that, the Audit and Risk Committee does not consist of a majority of independent directors. The Board considers that this composition is appropriate given the current size of the Company. Further, the Board considers that the Audit and Risk Committee is of a sufficient size and possesses sufficient technical expertise to discharge its mandate effectively.
8.3	Clearly distinguish the structure of non-executive directors' remuneration from that of executives.	The structure of non-executive directors' remuneration is clearly distinguished from that of executives. Total remuneration for all non-executive directors is not to exceed $240,000 per annum. Neither the non-executive directors nor the executives of the Company receive any retirement benefits, other than superannuation.
8.4	Provide the information indicated in *Guide to Reporting on Principle 8.*	The following material will be included in the corporate governance statement in the Company's annual reports: • the names of the members of the Nomination and Remuneration Committee and their attendance at meetings of the committee; • the existence and terms of any schemes for retirement benefits, other than superannuation, for non-executive directors; • an explanation of any departures from Recommendations 8.1, 8.2, 8.3 or 8.4. The Company's Nomination and Remuneration Committee Charter and the Company's Share Trading Policy are publicly available on the Company's website.

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38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

29 September 2011

Regalpoint Resources Limited
The Board of Directors
Level 14, 191 St Georges Terrace
Perth, WA 6000

Dear Sirs,

DECLARATION OF INDEPENDENCE BY CHRIS BURTON TO THE DIRECTORS OF REGALPOINT RESOURCES LIMITED

As lead auditor of Regalpoint Resources Limited for the year ended 30 June 2011, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

C Burton

Chris Burton
Director

BDO

BDO Audit (WA) Pty Ltd
Perth, Western Australia

Statement of Comprehensive Income

FOR YEAR ENDED 30 JUNE 2011

	Notes	2011 $	2010 $
Revenue from continuing operations		61,257	6,325
Accounting expense		(44,366)	(27,774)
Legal expenses		(3,429)	(25,885)
Corporate and administrative expenses		(61,662)	(47,169)
Management and Service fees		(41,032)	(120,000)
Depreciation and amortisation expenses		(5,345)	(9,874)
Impairment of exploration expenditure write off		(105,015)	(123,239)
Research and development (CET) write off		-	(380,410)
Tenements administration expenses		(5,178)	(36,663)
Other expenses from ordinary activities		(38,519)	(83,476)
LOSS BEFORE INCOME TAX		(243,289)	(848,165)
Income tax benefit	4	62,847	-
NET LOSS FOR THE PERIOD		**(180,442)**	**(848,165)**
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**(180,442)**	**(848,165)**
Total comprehensive income for the year is attributable to ordinary equity holders of the entity			
Owner of Regalpoint Resources Limited		(180,442)	(848,165)
Basic loss (cents per share)		0.06	2.36

The statement of comprehensive income is to be read in conjunction with the accompanying notes.

Statement of Financial Position

AS AT 30 JUNE 2011

	Notes	2011 $	2010 $
CURRENT ASSETS			
Cash and cash equivalents	5	4,828,563	45,282
Trade and other receivables	6	118,852	25,823
TOTAL CURRENT ASSETS		4,947,415	71,105
NON-CURRENT ASSETS			
Property, plant and equipment	7	10,532	12,822
Exploration and evaluation expenditure	8	3,209,647	1,800,717
Prepayment of exploration and evaluation expenditure	8	70,966	187,639
TOTAL NON-CURRENT ASSETS		3,291,145	2,001,178
TOTAL ASSETS		8,238,560	2,072,283
CURRENT LIABILITIES			
Trade and other payables	9	104,690	571,450
Loan and borrowings		-	2,088,168
TOTAL CURRENT LIABILITIES		104,690	2,659,618
TOTAL LIABILITIES		104,690	2,659,618
NET ASSETS		**8,133,870**	**(587,335)**
EQUITY			
Contributed Equity	10	9,758,246	856,599
Accumulated Losses	11	(1,624,376)	(1,443,934)
TOTAL EQUITY		**8,133,870**	**(587,335)**

The statement of financial position is to be read in conjunction with the accompanying notes.

Statement of Changes in Equity

	Contributed Equity $	Option Reserve $	Accumulated Losses $	Total $
BALANCE AT 01 JULY 2009	**856,599**	**-**	**(595,769)**	**260,830**
Total comprehensive income for the year	-	-	(848,165)	(848,165)
Transactions with equity holders in their capacity as equity holders:				
Shares issued during the year	-	-	-	-
BALANCE AT 30 JUNE 2010	**856,599**	**-**	**(1,443,934)**	**(587,335)**
BALANCE AT 01 JULY 2010	**856,599**	**-**	**(1,443,934)**	**(587,335)**
Total comprehensive income for the year	-	-	(180,442)	(180,442)
Transactions with equity holders in their capacity as equity holders:				
Shares issued during the year from the conversion of shareholders' loan	3,433,119	-	-	3,433,119
6,250,000 shares at 16 cents issued	1,000,000	-	-	1,000,000
25 million shares at 20 cents issued	5,000,000	-	-	5,000,000
Share issue costs	(531,472)	-	-	(531,472)
BALANCE AT 30 JUNE 2011	**9,758,246**	**-**	**(1,624,376)**	**8,133,870**

The statement of changes in equity is to be read in conjunction with the accompanying notes.

Statement of Cash Flows

FOR THE PERIOD ENDED 30 JUNE 2011

	Notes	2011 $	2010 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(295,098)	(135,315)
Income tax received		62,847	255,029
Interest received		61,257	6,325
NET CASH FLOWS USED IN OPERATING ACTIVITIES	12	**(170,994)**	**126,039**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(3,056)	(1,613)
Payments for exploration and evaluation expenditure		(1,479,114)	(748,939)
Prepayments for exploration and evaluation expenditure		70,966	19,000
NET CASH FLOWS USED IN INVESTING ACTIVITIES		**(1,411,204)**	**(731,552)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the issue of share capital (net)		5,468,528	-
Proceeds from borrowings		896,951	615,951
Repayment of borrowings		-	-
NET CASH PROVIDED BY FINANCING ACTIVITIES		**6,365,479**	**615,951**
NET INCREASE/(DECREASE) IN CASH HELD		**4,783,281**	**10,438**
Cash and cash equivalents at beginning of period		**45,282**	**34,844**
CASH AT END OF FINANCIAL YEAR	5	**4,828,563**	**45,282**

The statement of cash flows is to be read in conjunction with the accompanying notes.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The primary accounting policies adopted in the preparation of the financial statements are set out below and should be read in conjunction with the Prospectus. These policies will consistently apply to all years presented, unless otherwise stated.

(a) General Information

Regalpoint Resources Limited (**Company**) is a public company listed on the Australian Securities Exchange (clicker: RGU), incorporated in Australia and operating in Australia. The financial report of the Company for the financial year ended 30 June 2011 comprises the Company. The address of the Company's registered office is Level 14, 191 St Georges Terrace Perth WA 6000, Australia. The Company is primarily involved in the exploration of minerals.

(b) Statement of compliance

The financial report is a general-purpose financial report which has been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations and other requirements of the law. The financial report also complies with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standard Board.

(c) Basis of Preparation

The accounting policies set out below have been consistently applied to all years presented.

Reporting Basis and Conventions

The financial report has been prepared on an accrual basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The Directors have prepared the financial report on a going concern basis, as there are reasonable grounds to believe that the Company will be able to meet any obligations or liabilities as and when they become due and payable and no additional funding is required.

The financial statements were approved by the Board of Directors on 28 September 2011.

Financial Statement Presentation

In the financial year ended 30 June 2011, all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2010 have been reviewed. It has been determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the operations of the entity and, therefore, no change is necessary to the accounting policies.

The Entity has adopted the following new mandatory Standards issued by the AASB.

AASB 101 prescribes the contents and structure of the financial statements. Changes reflected in this financial report include:

- the replacement of income statement with statement of comprehensive income, items of income and expense not recognised in profit or loss are now disclosed as components of 'other comprehensive income'. In this regard, such items are no longer reflected as equity movements in the statement of changes in equity; and
- other financial statements are renamed in accordance with the Standard.

The Company has adopted AASB 8 Operating Segments from 1 July 2010 whereby segment information is presented using a "management approach", i.e. segment information is provided on the same basis as information for internal reporting purposes. Operating segments are now reported in a manner consistent with the internal reporting to the Chief operating decision maker ("CODM"), which has been identified by the Company as the Chief Executive Officer and other members of the Board of Directors.

(d) Significant Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are outlined below:

i) Significant Accounting Judgements

Exploration Expenditure
The write-off and carrying forward of exploration acquisition costs is based on an assessment of an area of interest's viability and/or the existence of economically recoverable reserves. Information may come to light in a later period which results in the asset being written off as it is not considered viable.

ii) Significant Accounting Estimates and Assumptions

Estimation of Useful Lives of Assets
The estimation of the useful lives of assets has been based on historical experience. The condition of the assets is assessed at least once per year and considered against the remaining useful life.

***iii)* Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the entity.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes assumptions concerning the future. All judgments, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. The resulting accounting estimates will, by definition, seldom equal the related actual results. The judgments, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts and assets and liabilities within the next financial year are discussed below.

Impairment of Assets
At each reporting date the Group assesses whether there is any indication that individual assets are impaired. Where impairment indicators exist, recoverable amount is determined and impairment losses are recognised in the statement of comprehensive income where the asset's carrying value exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where it is not possible to estimate recoverable amount for an individual asset, recoverable amount is determined for the cash-generating unit to which the asset belongs.

Going Concern
The financial statements have been prepared on the going concern basis. As at 30 June 2011 the Company has incurred a net loss of $180,442 and cash outflows from operating activities of $170,994. The Entity had net assets of $8,133,870 and continues to incur expenditure on its exploration tenements drawing on its cash balances. At 30 June 2011, the Group has approximately $4,828,563 in cash and cash equivalents including the held to maturity financial asset.

(e) Income Tax Expenses or Benefit

The income tax expense or benefit (revenue) for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for all temporary differences, between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. Exceptions are made for certain temporary differences arising on initial recognition of an asset or a liability if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit. Deferred tax assets are only recognised for deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities, associates and interests in joint ventures where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future. Current and deferred tax balances relating to amounts recognised directly in equity are also recognised directly in equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(f) Cash and Cash Equivalents

“Cash and Cash Equivalents” includes cash at bank and in hand, deposits held at call with financial institutions, other short-term highly liquid deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(g) Trade and Other Receivables

Trade debtors are recognised as the amount receivable and are due for settlement within 30 days from the end of the month in which services were provided. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off against the receivable directly unless a provision for impairment has previously been recognised.

A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Loans granted are recognised at the amount of consideration given or the cost of services provided to be reimbursed.

(h) Revenue Recognition

Revenues are recognised at fair value of the consideration received net of the amount of GST.

Interest
Revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

(i) Comparatives Figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy. The values are included as a consequence of AASB 101 *Presentation of Financial Statements*.

(j) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

(k) Trade and Other Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the entity. Trade accounts payable are normally settled within 60 days.

(l) Loans and Borrowings

Loans are recognised at their principal amount, subject to set-off arrangements. Borrowing costs are recognised as an expense when incurred.

(m) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flow on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authorities are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(n) Employee Benefits

Wages and Salaries, Annual Leave and Sick Leave
Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the statement of financial position date are recognised in respect of employees' services rendered up to statement of financial position date and measured at amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when leave is taken and measured at the actual rates paid or payable. Liabilities for wages and salaries are included as part of Other Payables and liabilities for annual and sick leave are included as part of Employee Benefit Provisions.

Long Service Leave
Liabilities for long service leave are recognised as part of the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees to the statement of financial position date using the projected unit credit method. Consideration is given to expect future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using national government bond rates at the statement of financial position date with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(o) Exploration and Evaluation Expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Exploration and evaluation expenditure encompasses expenditures incurred by the Company in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

Exploration and evaluation expenditure incurred by the Company is accumulated for each area of interest and recorded as an asset if:

(i) the rights to tenure of the area of interest are current; and

(ii) at least one of the following conditions is also met:

(iii) the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and

(iv) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the areas of interest are continuing.

For each area of interest, expenditure incurred on the exploration of tenements throughout Australia is capitalised, classified as tangible or intangible, and recognised as an exploration and evaluation asset. Exploration and evaluation assets are measured at cost at recognition. A provision for unsuccessful exploration and evaluation is created against each area of interest by means of a charge to the statement of comprehensive income. The recoverable amount of each area of interest is determined on a bi-annual basis and the provision recorded in respect of that area adjusted so that the net carrying amount does not exceed the recoverable amount. For areas of interest that are not considered to have any commercial value, or where exploration rights are no longer current, the capitalised amounts are written off against the provision and any remaining amounts are charged against profit. Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

(p) Impairment of Assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Financial Assets
A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Non-Financial Assets
The carrying amounts of the non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset of the Company that generates cash flows that largely are independent from other assets and companies. Impairment losses are recognised in the statement of comprehensive income. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (Company of units) on a pro rata basis.

(q) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

Plant & Equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	11 - 33%
Motor vehicles	20%

(r) Intangibles

Goodwill
Goodwill and goodwill on consolidation are initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Negative goodwill arising on an acquisition is recognised directly in profit and loss.

Patents and trademarks
Patents and trademarks are recognised at cost of acquisition. Patents and trademarks have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Patents and trademarks are amortised over their useful life.

Research and development
Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably. Development costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project.

(s) Financial Instruments

Recognition
Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through profit and loss
A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial Liabilities
Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Derivative Instruments
Derivative instruments are measured at fair value. Gains and losses arising from changes in fair value are taken to the income statement unless they are designated as hedges.
Regalpoint Resources Limited designates certain derivatives as either;
i) hedges of the fair value of recognised assets or liabilities or a firm commitment; or
ii) hedges of highly probably forecast transactions (cash flow hedges).

At the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions is documented. Assessments, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items, are also documented

(i) Fair value hedge
Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedge asset or liability that are attributable to the hedged risk.

(ii) Cash flow hedge
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is deferred to a hedge reserve in equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement. Amounts accumulated in the hedge reserve in equity are transferred to the income statement in the periods when the hedged item will affect profit or loss.

Fair Value
Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment
At each reporting date, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the income statement.

(t) Segment Reporting

Operating segments are now reported in a manner that is consistent with the internal reporting to the Chief operating decision maker (**CODM**), which has been identified by the Company as the Board of directors.

Change in Accounting Policy
The Entity adopted AASB 8 *Operating Segments* from 1 July 2009. AASB 8 replaces AASB 114 *Segment Reporting*. The new standard requires a "management approach" under which segment information is presented on the same basis as that used for internal reporting purposes. This has resulted in an increase in the number of reportable segments presented. In addition, the segments are reported in a manner that is consistent with the internal reporting provided to the CODM. Comparatives for 2009 have been restated.

(u) Rounding of Amounts

The Company is of a kind referred to in Class Order 98/100, issued by ASIC, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with that Class Order to the nearest dollar.

(v) New Accounting Standards and Interpretations

Australian Accounting Standards and Interpretations that have recently issued or amended but are not yet effective have not been adopted by the entity for the year ended 30 June 2011. These are outlined in the table below.

AASB reference	Title	Summary	Application date of standard	Impact on financial report	Application date for Company
AASB 9 (issued December 2009)	Financial Instruments (AASB 2009-11)	Amendments to the requirements for classification and measurement and derecognition of financial assets and financial liabilities	Periods beginning on or after 01 January 2013	Due to the recent release of these amendments and that adoption is only mandatory for the 30 June 2014 year end, the entity has not yet made an assessment of the impact of these amendments.	01 January 2013
AASB 2010-3 Interpretation 19 (issued December 2009)	Extinguishing Financial Liabilities with Equity Instruments	Equity instruments issued to a creditor to extinguish all or part of a financial liability are 'consideration paid' to be recognised at the fair value of the equity instruments issued, unless their fair value cannot be measured reliably, in which case they are measured at the fair value of the debt extinguished. Any difference between the carrying amount of the financial liability extinguished and the 'consideration paid' is recognised in profit or loss.	Periods beginning on or after 01 July 2011	These amendments are unlikely to have any impact on the entity as the entity has not undertaken any debt for equity swaps.	01 July 2011
AASB 2010-4	Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101, AASB 134 and Interpretation 13]	Emphasises the interaction between quantitative and qualitative AASB 7 disclosures and the nature and extent of risks associated with financial instruments. Clarifies that an entity will present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes to the financial statements.	Periods beginning on or after 01 January 2011	These amendments are unlikely to have any impact on the entity	01 July 2011
AASB 2010-5	Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133,134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]	This Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRS by the IASB.	Periods beginning on or after 01 January 2011	These amendments have no major impact on the requirements of the amended pronouncements on the entity	01 July 2011

AASB reference	Title	Summary	Application date of standard	Impact on financial report	Application date for Company
AASB 2010-6 [AASB 1 & AASB 7]	Amendments to Australian Accounting Standards Disclosures on Transfers of Financial Assets	Amendments made to AASB 7 Financial Instruments: will affect particularly entities that sell, factor, securities, lend or otherwise transfer financial assets to other parties	Periods beginning on or after 01 July 2011	The amendment is not expected to have any significant impact on the Company's disclosure therefore not expected to have any impact on the Company's financial statements	01 July 2011
AASB 2010-8	Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets	Amendments made to AASB 112 requires the measurement of deferred tax assets or liabilities to reflect the tax consequences that would follow from the way management expects to recover or settle the carrying amount of the relevant assets or liabilities that is through use or through sale.	Periods beginning on or after 01 January 2012	These amendments are unlikely to have any impact on the entity	01 July 2012
AASB 124 (Revised)	Related Party Disclosures (December 2009)	The revised AASB 124 simplifies the definition of a related party, clarifying its intended meaning and eliminating inconsistencies from the definition, including: (a) a subsidiary and an associate with the same investor as related parties of each other (b) Entities significantly influenced by one person and entities significantly influenced by a close member of the family of that person are no longer related parties of each other (c) The definition now identifies that, whenever a person or entity has both joint control over a second entity and joint control or significant influence over a third party, the second and third entities are related to each other A partial exemption is also provided from the disclosure requirements for government-related entities. Entities that are related by virtue of being controlled by the same government can provide reduced related party disclosures.	Periods beginning on or after 01 January 2011	These amendments are unlikely to have any impact on the entity during the financial year	01 July 2011

AASB reference	Title	Summary	Application date of standard	Impact on financial report	Application date for Company
IFRS 13	Fair Value Measurement	IFRS 13 establishes a single source of guidance under IFRS for determining the fair value of assets and liabilities. IFRS 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to determine fair value under IFRS when fair value is required or permitted by IFRS. Application of this definition may result in different fair values being determined for the relevant assets. IFRS 13 also expands the disclosure requirements for all assets or liabilities carried at fair value. This includes information about the assumptions made and the qualitative impact of those assumptions on the fair value determined.	Periods beginning on or after 01 July 2013	These amendments are unlikely to have any impact on the entity during the financial year	01 July 2013

2. FINANCIAL RISK MANAGEMENT

(a) Overview

The Company have exposure to the following risks from their use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk and the management of capital.

Regalpoint Resources' risk management framework is supported by the Board, management and the Audit and Risk Committee. The Board is responsible for approving and reviewing the Company's risk management strategy and policy. Management is responsible for monitoring that appropriate processes and controls are in place to effectively and efficiently manage risk. The Audit and Risk Committee is responsible for identifying, monitoring and managing significant business risks faced by the Company and considering the effectiveness of its internal control system. Management and the Audit and Risk Committee report to the Board.

The Board has established an overall Risk Management Policy which sets out the Company's system of risk oversight, management of material business risks and internal control.

The entity's hold the following financial instruments

	2011 $	2010 $
FINANCIAL ASSETS		
Held to maturity investments	4,000,000	-
Cash and cash equivalents	828,563	45,282
Trade and other receivables	118,852	25,823
	4,947,415	**71,105**
FINANCIAL LIABILITIES		
Trade and other payable	104,690	571,450
	104,690	**571,450**

(b) Financial Risk Management Objectives

The overall financial risk management strategy focuses on the unpredictability of the finance markets and seeks to minimise the potential adverse effects on financial performance and protect future financial security.

(c) Credit Risk

Credit risk is the risk of financial loss to the entity if counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's cash and cash equivalents, deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. For the Company it arises from receivables and cash held due from subsidiaries.

The entity does not hold any credit derivatives to offset its credit exposure.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates.

	2011 $	2010 $
Trade receivables		
*Counterparties without external credit rating **		
Group 1	11,733	1,806
Group 2	107,119	24,017
	118,852	**25,823**
Cash at bank and short-term bank deposits		
AA	813,245	-
AA	15,318	45,282
	828,563	45,282
Held to maturity investments		
AA	4,000,000	-
	4,000,000	**-**

* Group 1 – new customers (less than 6 months).
Group 2 – existing customers (more than 6 months) with no defaults in the past.

Exposure to credit risk
The carrying amount of the entity's financial assets represents the maximum credit exposure. The entity's maximum exposure to credit risk at the reporting date was:

	2011 $	2010 $
Cash and cash equivalents	828,563	45,282
Trade and other receivables	118,852	25,823
Held to maturity investments	4,000,000	-
	4,947,415	**71,105**

(d) Liquidity Risk

Liquidity risk arises from the financial liabilities of the entity and the entity's subsequent ability to meet their obligations to repay their financial liabilities as and when they fall due.

The following are the contractual maturities of financial liabilities on an undiscounted basis, including estimated interest payments. Cash flows for liabilities without fixed amount or timing are based on conditions existing at year end.

Trade and other payables	104,690	571,450
	104,690	**571,450**

Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Board has determined an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and continuously monitoring budgeted and actual cash flows and matching the maturity profiles of financial assets, expenditure commitments and liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

The following are contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting arrangements:

	Carrying Amount	Contractual Cash Flows	6 Months or less	6 - 12 Months	1 – 2 Years	2-5 Years
	$	$	$	$	$	$
2011						
Trade and other payables	(104,690)	(104,690)	(104,690)	-	-	-
2010						
Trade and other payables	(571,450)	(571,450)	(123,450)	(448,000)	-	-

(e) Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and commodity prices will affect the entity's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return.

Foreign Currency Risk
The entity has not been exposed to currency risk on transactions that are denominated in a currency other than the respective functional currencies, primarily the Australian dollar (AUD).

The Board does not consider the Company or the entity is materially exposed to changes in foreign exchange rates. As a result, the entity does not currently seek to mitigate its foreign currency exposures. The Board believes the balance date risk exposures are representative of the risk exposure inherent in financial instruments.

Interest Rate Risk
The entity's exposure to interest rates primarily relates to the entity's cash and cash equivalents and held to maturity investments. The entity manages market risk by monitoring levels of exposure to interest rate risk and assessing market forecasts for interest rates.

Profile
At the reporting date the interest rate profile of the Company's and the entity's interest bearing financial instruments was:

Variable Rate Instruments

	2011 $	2010 $
Financial Assets	4,828,563	45,282
Financial Liabilities	-	-
	4,828,563	**45,282**

The Entity manages its interest rate risk by monitoring available interest rates while maintaining an overriding position of security whereby the majority of cash and cash equivalents are held in AA- rated bank accounts. The Entity's exposure to interest rate risk and effective weight average interest rate by maturing periods is set out in tables below:

	Weighted Average Effective Interest Rate	Floating Interest Rate	Maturing within 1 Year	*Non- Interest Bearing*	*Total*
	2011	**2011**	**2011**	**2011**	**2011**
Financial Assets	**%**	**$**	**$**	**$**	**$**
Cash and cash equivalents	4.50	328,563	500,000	-	828,563
Trade and other receivables		-	-	118,852	118,852
Held to maturity investments	5.83	4,000,000	-	-	4,000,000
Total Financial Assets		**4,328,563**	**500,000**	**118,852**	**4,947,415**
Financial Liabilities					
Trade and other payables	-	-	-	104,690	104,690
Total Financial Liabilities		-	-	**104,690**	**104,690**

Other Market Price Risk
The entity is involved in the exploration and development of mining tenements for minerals. Should the Company successfully progress to a producer, revenues associated with mineral sales and the ability to raise funds through equity and debt, will have some dependence upon commodity prices.

Cash Flow Sensitivity Analysis for Variable Rate Instruments
A change of 100 basis points in interest rates at reporting date would have increased/ (decreased) equity and profit or loss by the amounts shown below. The Board assessed a 100 basis point movement as being reasonably possible based on forward treasury rate projections. This analysis assumes that all other variables remain constant.

A change of 100 basis points in interest rates would have increased or decreased the entity's profit or loss by $48,286.

	+1% (100 basis points)	**-1% (100 basis points)**
	2011	**2011**
	$	$
Cash and cash equivalents	8,286	(8,286)
Held to maturity investments	40,000	(40,000)
	48,286	(48,286)

3. SEGMENT INFORMATION

Operating segments are reported in a manner that is consistent with the internal reporting to the Chief Operating Decision Maker ("CODM"), which has been identified by the Company as the Chief Executive Officer and other members of the Board of Directors.

Management has determined that the entity has only one reportable segment, being mineral exploration in Australia. As the entity is focused on mineral exploration, the Board monitors the entity based on actual versus budgeted exploration expenditure incurred by area of interest. This internal reporting framework is the most relevant to assist the Board with making decisions regarding the entity and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date.

Segment information provided to the executive management committee for the year ended 30 June 2011 is as follows:

30 June 2011	**Segments Australia**	**Total**
Revenue from external sources	-	-
Reportable segment profit/(loss)	(110,193)	(110,193)
Reportable segment assets	3,280,613	3,280,613

30 June 2010	**Segments Australia**	**Total**
Revenue from external sources	-	-
Reportable segment profit/(loss)	(540,312)	(540,312)
Reportable segment assets	1,988,356	1,988,356

	30 June 2011	**30 June 2010**
Reconciliation of reportable segment loss to the statement of comprehensive income		
Reportable segment profit / (loss)	(110,193)	(540,312)
Other profit / (loss)		
• Interest revenue	61,257	6,325
• Depreciation and amortisation	(5,345)	(9,874)
• Corporate and administration	(61,662)	(47,169)
• Management and service fee	(41,032)	(120,000)
• Accounting expenses	(44,366)	(27,774)
• Legal expenses	(3,429)	(25,885)
• Other expenses	(38,519)	(83,476)
• Income tax benefit	62,847	-
Profit / (Loss) after income tax benefit	(180,442)	(848,165)

There is no reportable segments' liabilities to be allocated based on the operations of the segment. The reconciliation of segments' assets to total assets and segments' liabilities to total liabilities are referred in the Statement of Financial Position as at 30 June 2011.

4. INCOME TAX BENEFIT

	2011 $	2010 $
Income tax benefit (R & D Tax Offset)	62,847	-

Tax Rates

The potential tax benefit in respect of tax losses not brought into account has been calculated at 30%

	2011 $	2010 $
Numerical reconciliation between tax expenses and pre-tax net loss		
Income tax benefit at the beginning of the year	-	-
Loss before income tax expense	(243,289)	(791,205)
Income tax benefit calculated at rates noted above	(72,987)	(237,362)
Tax effect on amounts which are not tax deductible	83	50,359
R & D expenditure offset received	62,847	-
Movement in deferred tax asset not brought to account	72,904	187,003
Income tax benefit	**62,847**	-
Deferred tax assets not brought to account		
Unused tax losses	4,356,220	2,669,233
Timing differences	(2,826,483)	(2,032,970)
Tax at 30%	**458,921**	**190,879**

The benefit for tax losses will only be obtained if:

(a) the Company derives future assessable income of a nature and an amount sufficient to enable the benefit from the deductions for the losses to be realised;

(b) the Company continues to comply with the conditions for deductibility imposed by Law; and

(c) no changes in tax legislation adversely affect the ability of the Company to realise these benefits.

5. CASH AND CASH EQUIVALENTS

Cash at bank	828,563	12,037
Short-term bank deposits	4,000,000	33,245
	4,828,563	**45,282**

6. TRADE AND OTHER RECEIVABLES

CURRENT		
Trade debtors	11,733	-
Other debtors	107,119	25,823
Income tax receivables	-	-
	118,852	**25,823**

7. PROPERTY, PLANT & EQUIPMENT

	Plant & Equipment 2011	Plant & Equipment 2010
Balance 1 July 2010	12,822	21,082
Additions	3.055	1,613
Disposals	-	-
Depreciation for the year	(5,345)	(9,873)
Carrying value at 30 June 2011	**10,532**	**12,822**
At 30 June 2011		
At cost	28,619	25,563
Accumulated depreciation	(18,087)	(12,741)
Net carrying amount	**10,532**	**12,822**

8. EXPLORATION AND EVALUATION EXPENDITURE

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

	2011 $	2010 $
Exploration, evaluation and development costs carried forward in respect of areas of interest (net of amounts written off)	3,280,613	1,988,356
Reconciliation		
Carrying amount at the beginning of the year	1,988,356	1,481,715
Expenditure during the year – exploration	1,326,306	748,939
Prepayment exploration expenditure during the year	70,966	187,639
Expenditure written off	(105,015)	(429,937)
Carrying amount at the end of the year	**3,280,613**	**1,988,356**

9. TRADE AND OTHER PAYABLES

Trade creditors and accruals	104,690	571,450
Payables to shareholders	-	2,088,168
	104,690	**2,659,618**

10. CONTRIBUTED EQUITY

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

Contributed equity as at 01 July 2010	856,599	856,599
Share issued during the year from conversion of shareholders' loan	3,433,119	-
6,200,000 Ordinary shares issued at 16 cents per shares	1,000,000	-
25,000,000 Ordinary shares issued fully paid on 30 May 2011 at 20 cents per shares	5,000,000	-
Less: Share issued cost	(531,472)	-
Balance at end of the year	**9,758,246**	**856,599**

(a) Movements of Share capital during the year

Date	Detail	No. of shares	Issue price $	No. of free attaching options	Amount $
31.12.2010	Opening Balance	18,000,000	-	-	856,599
	Consolidation of shares on issue 0.78:1	(3,960,000)	-	-	-
31.12.2010	Conversion of shareholders' loan to equity	22,315,280	-	27,266,448	3,433,199
13.05.2011	Share issued during the year	6,250,000	0.16	7,812,500	1,000,000
30.05.2011	Share issued on 30 May 2011 on listing	25,000,000	0.20	31,250,000	5,000,000
	Less: Transaction costs arising on share issue	-	-	-	(531,472)
		67,605,280		**66,328,948**	**9,758,326**

(b) Ordinary shares

The holder of ordinary shares is entitled to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

(c) Options

During or since the end of the year, the entity granted the following free attaching options over unissued ordinary shares:

Class	Expiry Date	Exercise Price	Date Granted	Number of Options
Bonus Options	31 March 2014	$0.20	30 May 2011	66,328,988

11. ACCUMULATED LOSSES

	2011 $	2010 $
Accumulated loss at the beginning of the year	(1,443,934)	(595,769)
Net profit/(loss) attributable to shareholders	(180,442)	(848,165)
Accumulated loss at end of the year	**(1,624,376)**	**(1,443,934)**

12. CASH FLOW INFORMATION

Reconciliation of cash flow from operations activities with the loss from continuing operation after income tax:

<u>Non-cash flows in profit from ordinary activities</u>		
Net (Loss) after Income Tax	(180,442)	(848,165)
Depreciation & Amortisation	5,345	9,874
Employee option expense	-	-
Impairment	-	-
<u>Changes in assets & liabilities net of purchase & disposal of Subsidiaries</u>		
(Increase) / Decrease in receivables	(83,102)	-
(Increase) / Decrease in income tax	-	255,114
Increase / (Decrease) in creditor & accruals	87,205	709,216
Cash flow from Operating Activities	**(170,994)**	**126,039**

13. COMMITMENTS

The commitment expenditure at reporting date is as follow:

Remuneration Commitment

By letter dated 30 December 2010 (as varied) between the Company and Nicholas Burn, the Company confirmed the appointment of Mr Burn as Chief Executive Officer of the Company effective from 4 January 2011.

The appointment was on the following terms:

(i) annual salary of $180,000 (plus 9% superannuation), to be reviewed within six months of Mr Burn's appointment. Mr Burn's remuneration package will then be reviewed at the end of each calendar year thereafter;
(ii) subject to compliance or waiver of Listing Rule 7.16 issue of 1.7 million options to Mr Burn (or his nominee) with the terms set out in section 9.6(b); and
(iii) appointment to the Board with immediate effect.

All outstanding options will be exercisable immediately upon the Company establishing a JORC-compliant resource on any tenements held by the Company.

In addition, subject to compliance or waiver of Listing Rule 7.16 Mr Burn (or his nominee) will be issued a further 300,000 options, which will vest immediately, if the Company establishes a JORC-compliant resource prior to 30 December 2012. These options will be exercisable at 25 cents each. The other terms of the options will be the same as set out in section 9.6(b).

Mr Burn has directed the Company to issue the Options to his spouse, Patricia Burn.

Management Fees Commitment

Regalpoint Resources Limited has entered into an agreement between Transcontinental Investments Pty Ltd trading as the Transcontinental Group (**Transcontinental Group**) and the Company dated 14 February 2011, the Company agreed to retain Transcontinental Group to provide administration services to the Company on the terms and conditions set out in the agreement.

Administration services include all administration and management services and guidance including:

(i) administrative, management, corporate, advisory and other similar services;
(ii) management of third party professional and expert services including legal and audit and investment banking, independent technical expert and other services required to conduct an IPO and list on a stock exchange;
(iii) head office support services including provision of office space for the Company's CEO and one other Company appointee, shared access to Transcontinental Group's office IT and telecommunications equipment and access to third party provided communications systems and support;
(iv) company secretarial, administrative support, accounting, payroll business analysis and recruitment and employee administration services; and
(v) other administration services as may be requested from time to time by the Company's Board of directors and as agreed by Transcontinental.

Under the agreement the Company must pay a monthly fee of $20,000 (plus GST) to Transcontinental Group plus reimbursement for certain costs, expenses and liabilities incurred and/or paid by Transcontinental Group on behalf of the Company.

The initial term of the agreement is two years from the date the Company is listed on the ASX and thereafter on the same terms unless and until the agreement is terminated on six months' written notice from either party.

Subject to certain notice requirements, the agreement may also be terminated in certain circumstances, including material and substantial breach of the agreement, grave misconduct or willful neglect in the discharge of a party's duties and responsibilities under the agreement or where one party to the agreement is placed under administration, a receiver or manager is appointed or has an order made for it to be wound up.

Simon Trevisan (a director of the Company) is a director and shareholder of Transcontinental Group.

	2011 $	2010 $
Not later than one year	240,000	-
Later than one year but not later than five year	220,000	-
Later than five year	-	-
TOTAL	460,000	-

Tenements Commitment

The expenditure required to maintain exploration tenements in which the entity has an interest in:

Not later than one year	480,976	-
Later than one year but not later than five year	1,823,906	-
Later than five year	364,781	-
TOTAL	**2,669,663**	**-**

14. LOSS PER SHARE

The calculation of basic loss per share at 30 June 2011 was based on the loss attributable to ordinary shareholders of $180,442 (2010: $848,165) and a weighted average number of ordinary shares outstanding during the year of 30,138,318 (2010: 36,000,000).

Basic loss per share	0.06	2.36
a) Reconciliation of earnings to operating loss		
Loss attributable to ordinary shareholders		
Loss after tax	(180,442)	(848,165)
Loss used in the calculation of EPS	**(180,442)**	**(848,165)**

b) Weighted average number of ordinary shares (WANOS)	**Number 2011**	**Number 2010**
Balance at beginning of year	18,000,000	36,000,000
Effect on adjustment on 0.78:1 shares	(1,974,575)	(18,000,000)
Effect on placement on conversion of shareholder loan to equity	11,127,071	-
Effect on share issued on 13 May 2011	839,041	-
Effect on share issued on 30 May 2011	2,191,781	-
	30,183,318	**18,000,000**

15. AUDITOR'S REMUNERATION

During the year the following fees were paid or payable for services provided by the auditor of the entity and its related parties:.

	2011 $	2010 $
Remuneration of the auditor for :		
BDO Audit (WA) Pty Ltd		
- Auditing or reviewing the financial report	19,500	16,253
BDO Corporate Finance Pty Ltd		
- Corporate services (Independent accountant's report for inclusion in a prospectus)	15,185	-
BDO Tax (WA) Pty Ltd		
- Tax compliance services	12,920	5661
- Other service	-	9,883
Balance at the end of period	**47,605**	**31,797**

16. CONTINGENT LIABILITIES

The Board is not aware of any circumstances or information which leads them to believe there are any material contingent liabilities outstanding as at 30 June 2011.

17. RELATED PARTY DISCLOSURES

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

(a) *Key Management Personnel*
Disclosures relating to key management personnel are set out in Note 18.

(b) *Transactions with related parties:*

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transaction occurred with related parties for the year ended 30 June 2011:

	2011	**2010**
Tax consolidation legislation	$	$
Income tax benefit	-	-
Share-based payments	-	-
Employees share option	-	-
Other transactions		
Remuneration paid to directors	-	-
Management Fee to Transcontinental Investments	51,290	120,000

The amount of $448,000 relating to trade payables outstanding to Transcontinental Investments Pty Ltd as at 30 June 2010 was converted to a loan on 31/12/2010 and then subsequently converted to shares on 17 January 2011 as specified on the next page.

The aggregate amount recognised during the year relating to key management personnel and their related parties were as follows:

Director	**Transaction**	**Transactions Value for the Year Ended 30 June**		**Balance Outstanding as at 30 June**	
		2011	**2010**	**2011**	**2010**
Simon Trevisan (Director and controlling shareholder of Transcontinental Investments Pty Ltd)	Office space and equipment rent, company secretarial and accounting fees	51,290	120,000	-	-

Notes in relation to the table of related party transactions:

A company associated with Mr Trevisan provides office space, office equipment and supplies and corporate management and administration services in connection with the operations of the Company and amounts are payable on a monthly basis.

Corporate administration services include those services necessary for the proper administration of a small public company, including:

1) company secretarial and accounting, corporate governance and reporting and administration support,

management of the Company's website, management of third party professional and expert service providers including legal, accounting, tax, audit and investment banking, independent technical expert and other services associated with proper administration of a listed public company;

2) operating, marketing, strategic and financial activities required in relation to the Company's Australian mining and exploration projects; and

3) provision of A grade office space in a central business district office for the Company's main corporate office including use of IT, photocopying and other office equipment and supplies.

The Company must pay a monthly fee of $20,000 (plus GST) to Transcontinental Investments plus reimbursement each month for certain costs, expenses and liabilities incurred and/or paid by Transcontinental Investments on behalf of the Company during the month.

Capitalisation of Shareholders' Loan amount to allot issued fully paid ordinary share at $0.12 per share recognised during the year relating to key management personnel and their related parties were as follows:

Allotted	**Loan amount ($)**	**No. of shares to be issued**	**No. of shares to be issued converted to 0.78:1**
Transcontinental Investments Pty Ltd [1]	1,761,409	14,678,408	11,449,158
Tenalga Pty Ltd [2]	1,029,679	8,580,658	6,692,913
Batterbury Holdings Pty Ltd [3]	215,325	1,794,375	1,399,613
Nefco Nominees Pty Ltd [4]	215,325	1,794,375	1,399,613
Denis Rakich ATF Rakich Retirement Fund	170,589	1,421,575	1,108,828
Agricola Nominees Pty Ltd [5]	16,293	135,775	105,905
Shane L. Stone [6]	24,500	204,167	159,250

Note 1: Simon Trevisan was a director and controlling shareholder of Transcontinental Investments Pty Ltd.
Note 2: Ian Murchison was a director and controlling shareholder of Tenalga Pty Ltd.
Note 3: Robert Pett was a director and controlling shareholder of Batterbury Holdings Pty Ltd.
Note 4: Richard Lockwood was indirect interest as beneficial holder of shares held by Nefco Nominee Pty Ltd.
Note 5: Malcolm Castle was a director and sole shareholder of Agricola Mining Consultants Pty Ltd and resigned on 30 November 2010.
Note 6: Shane L. Stone was a beneficiary of Stone Family Superannuation Fund (S & J Stone Pty Ltd).

18. KEY MANAGEMENT PERSONNEL DISCLOSURE

Directors

Names and positions held of key management personnel in office at anytime during the financial year are:

Shane L. Stone	(Chairman)
Nicholas Burn	(Chief Executive Officer – appointed 04/01/2011)
Malcolm Castle	(Chief Executive Officer – resigned 30/11/2010)
Simon Trevisan	(Executive Director)
Richard Lockwood	(Non-Executive Director)
Robert Pett	(Non-Executive Director)
Ian Murchison	(Non-Executive Director)

Other Key Management Personnel

Ian Murchison	(Company Secretary)
Fleur Hudson	(Company Secretary – appointed 06/05/2010)

Key Management Personnel Compensation

The key management personnel compensation disclosed below represents an allocation of the key personnel's estimated compensation in relation to their services rendered to the Company.

The individual directors and executive compensation comprised as at 30 June 2011. The details are contained in the Remuneration Report in the Directors' Report set out on pages 18 to 21.

Directors	2011 $	2010 $
Shane L. Stone	16,350	-
Nicholas Burn (appointed 04/01/2011)	104,692	-
Malcolm Castle (resigned 30/11/2010)	86,292	85,920
Richard Lockwood	2,661	-
Robert Pett	2,901	-
Ian Murchison	2,661	-
	215,557	**85,920**

<u>Equity instruments disclosure relating to Key Management Personnel</u>

Shareholdings:

Number of shares held by Parent Entity Directors and other key management personnel of the Company, including their personally related parties, are set out below.

2011 Name	Balance at the start of the year	Allotment during the year	Received during the year on the exercise of options	Other changes during the year	Balance at the end of the year
Directors of Regalpoint Resources Limited Ordinary Shares					
Shane L. Stone[1]	1,034,207	-	-	-	1,034,207
Nicholas Burn [2]	-	-	-	10,000	10,000
Simon Trevisan[3]	17,207982	-	-	-	17,207,982
Richard Lockwood[4]	2,688,457	-	-	-	2,688,457
Robert Pett[5]	1,875,717	-	-	-	1,875,717
Ian Murchison[6]	4,539,460	-	-	-	4,539,460
Other key management personnel of Regalpoint Resources Limited Ordinary Shares					
Fleur Hudson[7]	-	-	-	150,000	150,000

Note 1: Relevant Interest as a beneficiary of S & J Stone Pty Ltd (Stone Family Superannuation Fund).
Note 2: Relevant Interest as beneficiary of Rosslee Holdings Pty Ltd (N & P Burn Superannuation Fund A/c).
Note 3: Relevant interest as director and controlling shareholder of Transcontinental Investments Pty Ltd.
Note 4: Indirect interest as beneficial holder of shares held by Nefco Nominee Pty Ltd.
Note 5: Relevant interest as director and controlling shareholder of Batterbury Holdings Pty Ltd.
Note 6: Interest as controlling shareholder of Tenalga Pty Ltd.
Note 7: 50% Interest under own name and Jeremy Hudson – 50% indirect interest as a Spouse of Fleur Hudson.

Option Holdings:

The numbers of options over ordinary shares in the Company held during the financial year by each director of Regalpoint Resources Limited and other key management personnel of the entity, including their personally related parties, are set out below.

2011 Name	Balance at the start of the year	Granted as compensation	Exercised	Other changes during the year	Balance at the end of the year
Directors of Regalpoint Resources Limited Option Holdings					
Shane L. Stone[1]	838,155	-	-	-	838,155
Nicholas Burn[2]	-	-	-	12,500	12,500
Simon Trevisan[3]	12,905,987	-	-	-	12,905,987
Richard Lockwood[4]	2,110,093	-	-	-	2,110,093
Robert Pett[5]	1,406,788	-	-	-	1,406,788
Ian Murchison[6]	3,404,595	-	-	-	3,404,595
Other key management personnel of Regalpoint Resources Limited Option Holdings					
Fleur Hudson[7]	-	-	-	187,500	187,500

Note 1: Relevant Interest as a beneficiary of S & J Stone Pty Ltd (Stone Family Superannuation Fund).

Note 2: Relevant Interest as beneficiary of Rosslee Holdings Pty Ltd (N & P Burn Superannuation Fund A/c).
Note 3: Relevant interest as director and controlling shareholder of Transcontinental Investments Pty Ltd.
Note 4: Indirect interest as beneficial holder of shares held by Nefco Nominee Pty Ltd.
Note 5: Relevant interest as director and controlling shareholder of Batterbury Holdings Pty Ltd.
Note 6: Interest as controlling shareholder of Tenalga Pty Ltd.
Note 7: 50% Interest under own name and Jeremy Hudson – 50% indirect interest as a Spouse of Fleur Hudson.

Individual Key Management Personnel Compensation Disclosures
Information regarding individual key management personnel compensation and some equity instruments disclosures as permitted by Corporations Regulations 2M.3.03 are provided in the Remuneration Report section of the Directors' Report on pages 18 to 21.

Other Key Management Personnel Transactions with the Company
A number of key management personnel or their related parties hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. A number of those entities transacted with the Company during the year. The terms and conditions of those transactions were no more favorable than those available or, which might reasonably be expected to be available, on similar transactions to unrelated entities on an arm's length basis.

19. EVENTS AFTER REPORTING DATE

There are no post balance date events at the reporting date.

20. RETIREMENT BENEFIT OBLIGATIONS

Superannuation
The Company contributes to a non-company sponsored superannuation fund. Contributions are made to an accumulation fund and are at least the minimum required by the law. There is no reason to believe that funds would not be sufficient to pay benefits as vested in the event of termination of the fund on termination of employment of each employee

Directors Declaration

In the opinion of the directors of Regalpoint Resources Limited:

a) the financial statements and notes set out on pages 29 to 57 accordance with the *Corporations Act 2001*, including::

   (i) giving a true and fair view of the Company's and the Entity's financial position as at 30 June 2011 and of their performance, for the financial year ended on that date; and

   (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001.

(b) the financial report also complies with International Financial Reporting Standards as disclosed in note 1; and

(c) there are reasonable grounds to believe that Regalpoint Resources Limited will be able to pay its debts as and when they become due and payable.

(d) The directors have been given the declarations required by Section 295A of the Corporations Act 2001 by the financial officer for the financial year ended 30 June 2011.

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

Simon Trevisan

Executive Director
Dated at Perth, Western Australia, this 29th of September 2011

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Australia

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF REGALPOINT RESOURCES LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Regalpoint Resources Limited, which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the company at the year's end.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1(b), the directors also state, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Regalpoint Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of Regalpoint Resources Limited is in accordance with the *Corporations Act 2001*, including:

    (i) giving a true and fair view of the entity's financial position as at 30 June 2011 and of its performance for the year ended on that date; and

    (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1(b).

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2011. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Regalpoint Resources Limited for the year ended 30 June 2011 complies with section 300A of the *Corporations Act 2001*.

BDO Audit (WA) Pty Ltd

BDO Audit

C Burton

Chris Burton
Director

Perth, Western Australia
Dated this 29th day of September 2011

ASX Additional Information

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is as at 31 August 2011.

(a) Distribution of equity securities as at 31 August 2011:

Listed Fully Paid Ordinary Shares	Number of Holders	Number of Shares
1 - 1,000	1	10
1,001 - 5,000	4	17,500
5,001 - 10,000	118	1,176,250
10,001 - 100,000	222	7,150,073
100,001 - and over	48	59,261,447
Total	**393**	**67,605,280**

(b) Top twenty equity holders at 31 August 2011:

	Listed Fully Paid Ordinary Shares	Number of Shares	Percentage of Shares
1	TRANSCONTINENTAL INVESTMENTS PTY LTD	17,207,982	25.45%
2	HSBC CUSTODY NOMINEES AUSTRALIA LTD	6,625,000	9.80%
3	BEDFORD INVESTMENTS PTY LTD	6,055,551	8.96%
4	NEFCO NOMINEES PTY LTD	4,960,457	7.34%
5	TENALGA PTY LTD	4,539,460	6.71%
6	BATTERBURY HLDGS PTY LTD	1,875,717	2.77%
7	NATIONAL NOMINEES LTD	1,260,417	1.86%
8	ANCESTRAL PTY LTD	1,226,839	1.81%
9	BRAHMA FINANCE BVI LTD	1,200,000	1.78%
10	RAH STC PTY LTD	1,160,000	1.72%
11	RAKICH DENIS IVAN	1,005,673	1.49%
12	ARREDO PTY LTD	1,000,000	1.48%
13	S & J STONE PTY LTD	909,207	1.34%
14	TALEX INV PTY LTD	900,000	1.33%
15	J P MORGAN NOMINEES AUSTRALIA LTD	700,000	1.04%
16	FGL ASSET MANAGEMENT LTD	700,000	1.04%
17	SHERTIM INVESTMENT PTY LTD	625,239	0.92%
18	CHIFLEY PORTFOLIOS PTY LTD	535,000	0.79%
19	LEE PHILLIP	500,000	0.74%
20	ACTIONETTE PTY LTD	500,000	0.74%
		53,486,542	**79.12%**

(c) Top twenty option holders at 31 August 2011:

	Listed Options Holders	Number of Shares	Percentage of Shares
1	TRANSCONTINENTAL INVESTMENTS PTY LTD	12,905,987	19.46%
2	HSBC CUSTODY NOMINEES AUSTRALIA LTD	8,281,250	12.49%
3	BEDFORD INVESTMENTS PTY LTD	4,776,038	7.20%
4	NEFCO NOMINEES PTY LTD	4,388,132	6.62%
5	TENALGA PTY LTD	3,404,595	5.13%
6	BATTERBURY HOLDINGS PTY LTD	2,148,437	3.24%
7	NATIONAL NOMINEES LTD	1,500,000	2.26%
8	ANCESTRAL PTY LTD	1,406,788	2.12%
9	BRAHMA FINANCE BVI LTD	1,250,000	1.88%
10	RAH STC PTY LTD	1,204,255	1.82%
11	RAKICH DENIS IVAN	1,125,000	1.70%
12	ARREDO PTY LTD	951,379	1.43%
13	S & J STONE PTY LTD	875,000	1.32%
14	TALEX INV PTY LTD	875,000	1.32%
15	J P MORGAN NOMINEES AUSTRALIA LTD	1,450,000	2.19%
16	FGL ASSET MGNT LTD	681,905	1.03%
17	SHERTIM INVESTMENT PTY LTD	668,750	1.01%
18	CHIFLEY PORTFOLIOS PTY LTD	625,000	0.94%
19	LEE PHILLIP	625,000	0.94%
20	ACTIONETTE PTY LTD	625,000	0.94%
		49,767,516	**75.04%**

(d) Substantial shareholders

The names of the substantial shareholders who have notified the Company in accordance with section 671B of the Corporation Act 2001 are:

	Number of Shares	Percentage of Ordinary Shares
Transcontinental Investments Pty Ltd	17,207,982	25.45%
Tenalga Pty Ltd	4,539,460	6.71%
Bedford Investments Pty Ltd	6,055,551	8.96%

(e) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

Schedule of Mineral Licence Interests

State	Lease	Lease Status	Grant Date	Project	Current Percentage of Interest
Western Australia Tenements					
WA	E04/1973	Application		King Leopold	0%
WA	E45/3035	Application		Paterson	0%
WA	E45/3036	Application		Paterson	0%
WA	E45/3037	Application		Paterson	0%
WA	E69/2867	Application		Marymia	0%
WA	E04/1877	Granted	26/10/2009	King Leopold	100%
WA	E09/1467	Granted	28/07/2009	Curbur	100%
WA	E09/1468	Granted	28/07/2009	Curbur North	100%
WA	E09/1470	Granted	28/07/2009	Curbur	100%
WA	E09/1509	Granted	28/07/2009	Curbur	100%
WA	E09/1646	Granted	4/10/2010	Lyons River	100%
WA	E09/1647	Granted	4/10/2010	Lyons River	100%
WA	E09/1648	Granted	4/10/2010	Lyons River	100%
WA	E09/1649	Granted	4/10/2010	Lyons River	100%
WA	E09/1650	Granted	4/10/2010	Lyons River	100%
WA	E09/1651	Granted	16/09/2010	Curbur North	100%
WA	E15/1000	Granted	18/03/2008	Mount Walters	100%
WA	E15/1001	Granted	18/03/2008	Mount Walters	100%
WA	E15/1002	Granted	20/05/2008	Mount Walters	100%
WA	E16/348	Granted	18/03/2008	Walling Rock	100%
WA	E16/391	Granted	9/07/2010	Walling Rock	100%
WA	E30/339	Granted	28/03/2008	Walling Rock	100%
WA	E30/340	Granted	30/05/2008	Walling Rock	100%
WA	E46/804	Granted	23/06/2010	Balfour Downs	100%
WA	E51/1235	Granted	11/02/2008	Gum Creek	100%
WA	E51/1236	Granted	11/02/2008	Gum Creek	100%
WA	E53/1340	Granted	20/02/2008	Gum Creek	100%
WA	E69/2432	Granted	23/07/2008	Tomkinson Range	100%
WA	E77/1458	Granted	6/08/2008	Mount Walters	100%
WA	E77/1670	Granted	26/03/2010	Mount Walters	100%

Schedule of Mineral Licence Interests

Western Australia Tenements					
WA	E77/1671	Granted	1/02/2010	Mount Walters	100%
WA	E80/3990	Granted	20/11/2008	Pollock Hill	100%
WA	E80/3991	Granted	20/11/2008	Pollock Hill	100%
WA	E80/3993	Granted	30/09/2010	King Leopold	100%
WA	E80/4211	Granted	14/12/2009	King Leopold	100%
WA	E80/4263	Granted	15/03/2010	King Leopold	100%
WA	E80/4264	Granted	1/03/2011	King Leopold	100%
WA	E80/4265	Granted	1/03/2011	King Leopold	100%
WA	E80/4311	Granted	27/07/2010	King Leopold	100%
South Australia Tenements					
SA	EL3976	Granted	5/11/2007	Lake Gregory	100%
SA	EL3977	Granted	5/11/2007	Lake Gregory	100%
Queenland Tenements					
QLD	EPM16428	Application		Featherbed	0%
QLD	EPM16502	Application		Peters Creek	0%
QLD	EPM16503	Application		Peters Creek	0%
QLD	EPM16510	Application		Peters Creek	0%
QLD	EPM16980	Application		Paroo Range	0%
QLD	EPM16426	Granted	31/05/2011	Featherbed	100%
QLD	EPM16431	Granted	19/05/2008	Kitchen Creek	100%
QLD	EPM16435	Granted	19/05/2008	Warby	100%
QLD	EPM16625	Granted	6/07/2009	Leichhardt River	100%
QLD	EPM16626	Granted	22/02/2010	Leichhardt River	100%
QLD	EPM16836	Granted	6/08/2009	Gregory Range	100%
QLD	EPM16923	Granted	18/12/2009	Paroo Range	100%
Northern Territory Tenements					
NT	EL26098	Application		Adelaide River	0%
NT	EL26091	Granted	26/11/2007	Cameron Downs	100%
NT	EL26094	Granted	6/05/2008	Rum Jungle	100%
NT	EL26322	Granted	30/06/2008	Harrison Dam	100%