



**Regalpoint
Resources Ltd**

ACN 122 727 342

**REGALPOINT RESOURCES LIMITED
ANNUAL REPORT - 30 JUNE 2016**



CONTENTS

	PAGE
CORPORATE DIRECTORY	3
CHAIRMAN'S LETTER	4
OPERATIONAL REPORT	5
DIRECTORS' REPORT	9
CORPORATE GOVERNANCE STATEMENT	26
AUDITORS INDEPENDENCE DECLARATION	27
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	28
STATEMENT OF FINANCIAL POSITION	29
STATEMENT OF CHANGES IN EQUITY	30
STATEMENT OF CASH FLOWS	31
NOTES TO THE FINANCIAL STATEMENTS	32
DIRECTORS' DECLARATION	57
INDEPENDENT AUDIT REPORT	58
ASX ADDITIONAL INFORMATION	60
SCHEDULE OF MINERAL LICENCE INTERESTS	62

CORPORATE DIRECTORY

DIRECTORS

Hon. Shane L Stone (Non-Executive Chairman)
Ian Murchison (Non-Executive Director)
Simon Trevisan (Executive Director)
Bruce McCracken (Executive Director)
Jack Stone (Alternate 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: enquiry@regalpointresources.com.au

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

SOLICITORS

Jackson McDonald
Level 17
225 St Georges Terrace
PERTH WA 6000

BANKERS

St George Bank
Level 2, Westralia Plaza
167 St Georges Terrace
PERTH WA 6000

CHAIRMAN'S LETTER

Dear Shareholder

On behalf of the Board I enclose Regalpoint Resources Limited's Annual Report.

The prevailing economic cycle remained challenging throughout the period and access to capital to fund exploration and development programs continues to be very tight, particularly in the Uranium sector.

While the Company remains strategically positioned to benefit from a positive shift in the Uranium cycle when it comes, there is no clear indication as to when this will occur.

Within this context, the board took a strategic decision to seek additional investment opportunities with near term potential to create value for shareholders, while maintaining our core projects with minimum expenditure until the cycle turns. The non-executive directors also continued to 'park' their fees to help preserve cash while we pursued this strategy.

The Company completed a \$2m capital raising in April 2016 via an underwritten rights issue while it investigated a strategic alliance with Impact Investment Partners, a specialist investment and asset manager. This transaction did not proceed, however we continued to look for other opportunities. The Company subsequently announced the proposed acquisition of AssetOwl Pty Ltd. AssetOwl is an innovative technology company which has developed a game changing enterprise software solution for retail site management and analysis, with application to other industries.

While the acquisition of AssetOwl will result in a significant change to the nature of the Company's activities, we believe this is the right strategy for the Company with strong potential to create value for shareholders. The Company is currently in the process of executing the transaction, which requires shareholder approval and a capital raising to re-comply with the listing requirements in chapters 1 and 2 of the ASX listing rules. This is expected to be completed this calendar year.

We intend to maintain our existing Uranium projects in good standing and continue to look at the best options to maximise the value in our assets for shareholders.

Thank you for your support of the Company during the past year and we look forward to a positive year ahead.



Hon. Shane L Stone AC PGDK QC FACE FAIM FAICD F FIN
Non-Executive Chairman

OPERATIONAL REPORT

During the year the Company continued to actively seek new opportunities with the potential to create near term value for shareholders while maintaining its portfolio of core Uranium projects in Northern Australia. Available capital for exploration and development in the Uranium sector has remained tight with prevailing prices too low to justify any significant exploration programmes to be undertaken.

The Company considered a number of new opportunities, including a potential strategic alliance with Impact Investment Partners, a specialist strategic asset manager, which ultimately didn't proceed. The Company undertook a \$2 million capital raising in April 2016 via an underwritten rights issue, with all debt and accrued fees owing to Directors and the Transcontinental Group converted to equity as part of the issue.

In July 2016 the Company announced it had signed a binding terms sheet for the proposed acquisition of AssetOwl Pty Ltd, an innovative technology company which has developed a game changing enterprise software solution for retail site management and analysis, with application to other industries – refer ASX announcement on 29 July 2016. The Company is currently progressing the transaction which will result in a significant change to the nature of the Company's activities, and requires shareholder and other regulatory approvals. The company's shares remain in voluntary suspension from trading, and it is anticipated that they will remain so until the transaction completes (or is terminated). This is expected to occur in this calendar year.

The following is a summary of the Company's projects – Paroo Range (Qld) and Rum Jungle (NT).

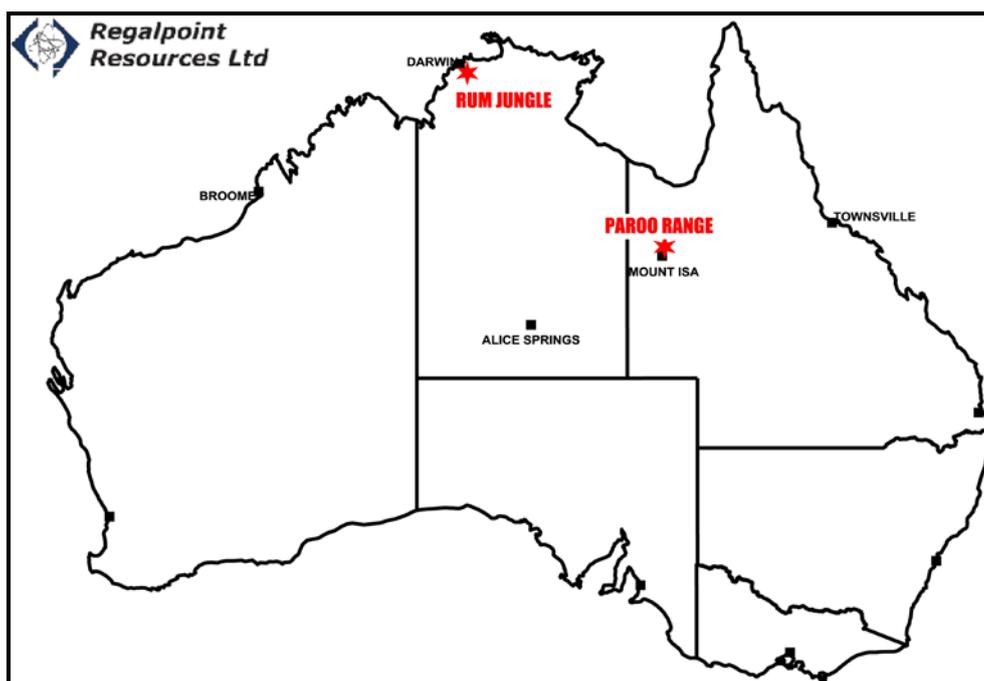


Figure 1: Location of the Regalpoint Resources projects

PAROO RANGE URANIUM PROJECT (RGU 100%) – NORTH QUEENSLAND

The Company's 100%-owned Paroo Range Project covers a total of ~363km² of granted exploration licences in the well-endowed and highly prospective Mount Isa region. Paroo Range is located only 25km northeast of Mount Isa and is immediately adjacent to Paladin Energy's projects where a global resource of 106.2 Mlb U₃O₈ Measured and Indicated and 42.2 Mlb U₃O₈ Inferred has been reported across ten deposits. Deep Yellow Limited has reported a global resource at six further deposits of 4.8 Mlb U₃O₈ Indicated and Inferred. Paladin Energy recently reported that metallurgical test-work at their Valhalla uranium deposit shows that alkaline leaching has acceptable recoveries of 80 to 90% at high temperature and pressure with normal reagent consumption. Radiometric sorting shows further encouraging results (Paladin Energy, Annual Report 2015).

OPERATIONAL REPORT

RGU is targeting similar uranium resources in their Paroo Range project. The Company's recent discovery of the high-quality Skevi Prospect demonstrates that previous exploration has not been completely effective. Other high-quality targets remain untested within the project area.

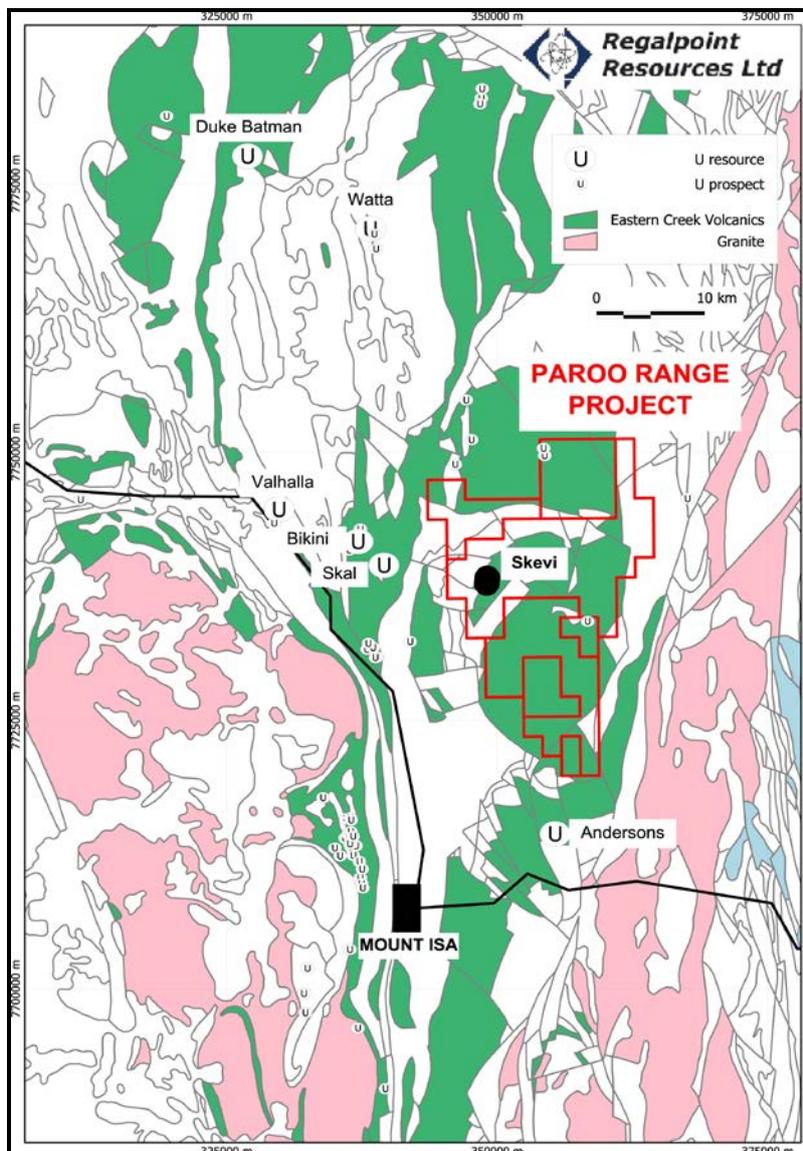


Figure 2: Known uranium prospects in Mount Isa area with exposed extent of Eastern Creek Volcanics

RGU completed a detailed airborne geophysical survey over EPM16923 and EPM16980 in December 2010 and defined thirty-one new, first-order uranium anomalies. Reconnaissance surface samples from seven of these returned anomalous uranium (>20 ppm U_3O_8). The Skevi Prospect was the stand-out with up to 0.56% U_3O_8 , though two other anomalies returned >120 ppm U_3O_8 .

Thirty-two shallow RC holes were completed at the Skevi Prospect for 2,200 metres. The drilling identified several discrete near-vertical, sub-parallel mineralised zones extending to depth. The best result was 7 metres @ 0.11% U_3O_8 , which included 1 metre @ 0.42% U_3O_8 (PSRC023). The uranium mineralisation is within a north-trending fault zone which extends for more than 500m and appears to be open in both directions where it is buried by shallow sediments. The geological setting of the uranium mineralisation at Skevi closely resembles that reported at the Skal deposit, where a series of sub-parallel, sub-vertical mineralised lenses within a fault breccia are offset by cross faults. (Regalpoint Annual Report 2013).

OPERATIONAL REPORT

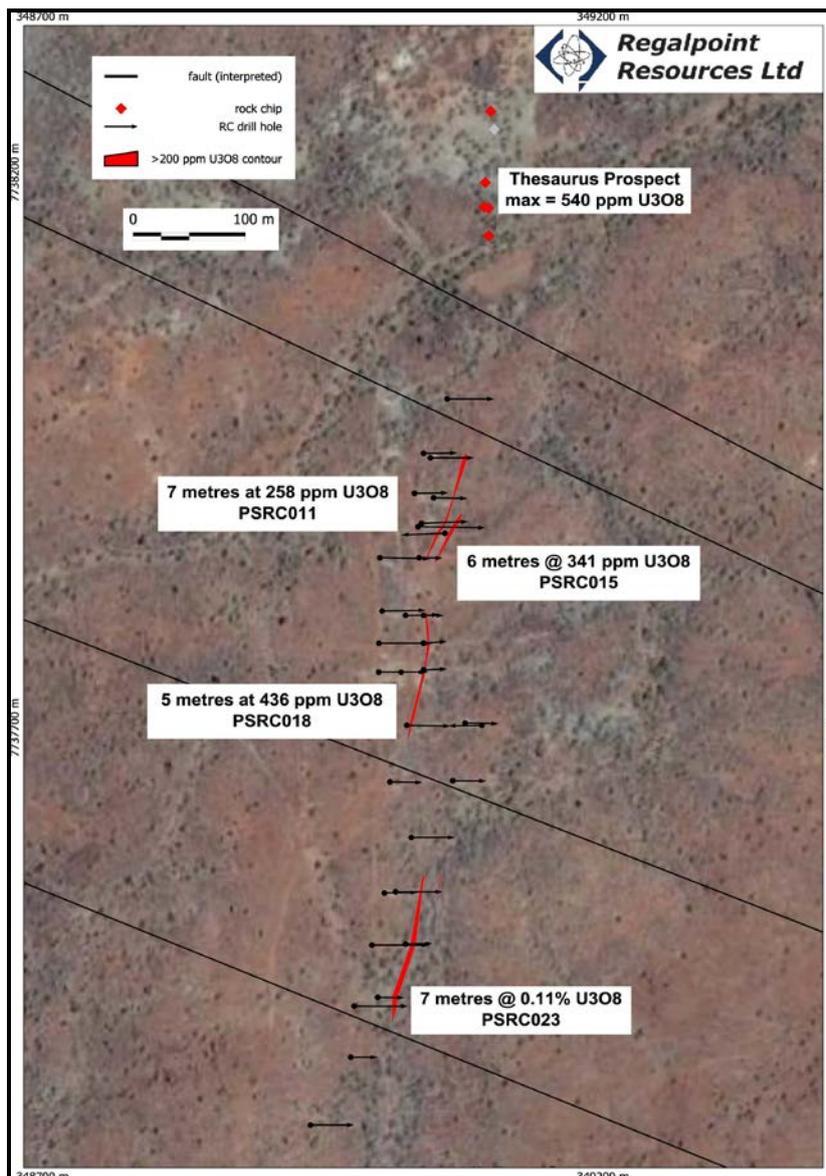


Figure 3: Uranium mineralisation at Skevi and Thesaurus

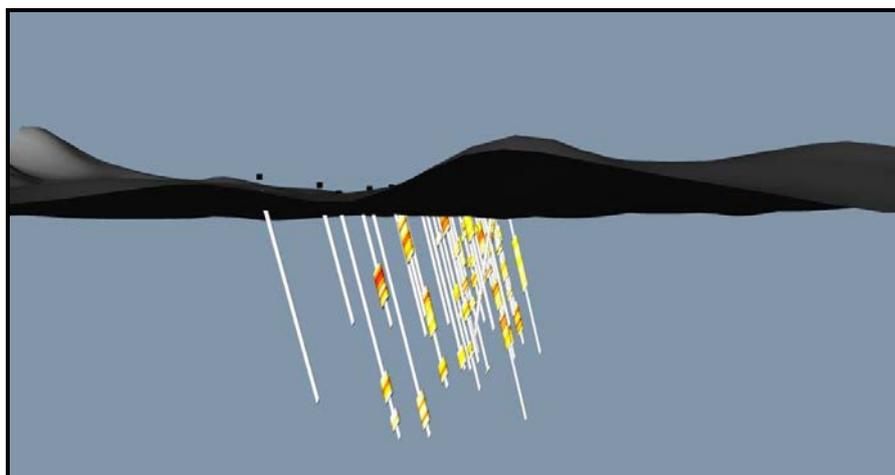


Figure 4: 3D model of Skevi looking northwest with ASTER-DEM overlay. Coloured domains show where samples were collected. Hotter colours returned higher uranium values (ie. red is >1000 ppm U₃O₈)

OPERATIONAL REPORT

In 2014, three further licences were granted covering the north and south extensions of the prospective Eastern Creek Volcanics. These new licences include a number of known uranium prospects.

Step-out drilling is planned at the Skevi Prospect to further constrain the extent of the mineralised envelope, especially to the north towards and around the Thesaurus Prospect, where surface samples returned up to 542 ppm U₃O₈. Basic field mapping and sampling are required elsewhere in the project area.

RUM JUNGLE, NT (RGU 100%) – Uranium and Gold Exploration Target

The Company's Rum Jungle Project is located about 55km south of Darwin in the Batchelor area where there is numerous uranium, gold and base metal prospects and abandoned mines. The project comprises one granted Exploration Licence (EL26094) of approximately 28km².

RGU has completed drilling, sampling and geophysical surveys within EL26094, and has confirmed that the Highlander gold prospect is a high quality target in an under-explored region. Gold is hosted in pyrite-arsenopyrite-rich quartz veins. The best drill result was 6m at 3.91 g/t gold (including 1 metre at 13.1 g/t gold; HLRC036). No fieldwork was carried out on the Rum Jungle Project during the half year and future drilling will target the northern extensions of the Highlander gold trend.

CURRENT TENEMENT SCHEDULE – 30 JUNE 2016

Tenement	Project	Location	Status	Area (blocks)	Expiry
EL26094	Rum Jungle	NT	Granted	11	5-May 2018
EPM16923	Paroo Range	QLD	Granted	49	17-Dec 2017
EPM16980	Paroo Range	QLD	Granted	12	13-Dec 2016
EPM25464	Paroo Range	QLD	Granted	16	30-Jul 2019
EPM25465	Paroo Range	QLD	Granted	28	3-Sep 2019
EPM25503	Paroo Range	QLD	Granted	12	11-Sep 2019

Competent Persons Statement

The information in this report that relates to Exploration Results and Mineral Resources of the Company has been reviewed by Malcolm Castle, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Castle has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which they are undertaking to qualify as an Expert and Competent Person as defined under the VALMIN Code and in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Castle consents to the inclusion in this report of the matters based on the information in the form and context in which they appear.

DIRECTORS' REPORT

The Directors present their report together with the financial report of Regalpoint Resources Limited (**Company**) for the financial year ended 30 June 2016 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.

- Hon. Shane L Stone (Non-Executive Chairman)
- Simon Trevisan (Executive Director)
- Bruce McCracken (Executive Director)
- Ian Murchison (Non-Executive Director)
- Jack Stone (Alternate Director appointed on 11 January 2016)

Directors have been in office the entire period unless otherwise stated.

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's activities during the financial year.

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 2016.

REVIEW OF OPERATIONS

The Company's net loss after providing for income tax for the year ended 30 June 2016 amounted to \$430,064 (2015: \$773,871) including exploration expenditure written off of \$2,626 (2015: \$413,068). At 30 June 2016, the Company has \$1,097,149 of cash and cash equivalents (2015: \$78,456).

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Subsequent to year end, the Company executed a Terms Sheet with AssetOwl to acquire 100% of the shares in AssetOwl subject to shareholder and regulatory approvals, and will undertake a consolidation of its share capital. The Company will seek to raise a minimum of \$3.0 million in new working capital.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 29 July 2016, the Company announced a Binding Terms Sheet with AssetOwl Pty Ltd; setting out the terms for the Company's proposed acquisition of 100% of the shares in AssetOwl (**Proposed Transaction**).

There were no other post reporting date events at the reporting date.

LIKELY DEVELOPMENTS

During the year, the Company executed a Terms Sheet with AssetOwl to acquire 100% of the shares in AssetOwl (**Proposed Transaction**). The Proposed Transaction will result in a significant change to the nature of the Company's activities. The Company currently focuses on mineral exploration. If the Proposed Transaction proceeds, it will acquire a software application development business.

DIRECTORS' REPORT

The Company will continue to maintain all of their current tenements interests in exploration projects in good standing and is committed to the evaluation and development of the assets, including conducting more substantive exploration works in the medium term when the Uranium market recovers.

ENVIRONMENTAL REGULATION

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.

National Greenhouse and Energy Reporting Act 2007

This is an Act to provide for the reporting and dissemination of information related to greenhouse gas emissions, greenhouse gas projects, energy production and energy consumption, and for other purposes. The Entity is not subject to the *National Greenhouse and Energy Reporting Act 2007*.

BOARD OF DIRECTORS

Hon Shane L Stone AC PGDK QC FACE FAIM FAICD F FIN – Non-Executive Chairman

Experience and Expertise

Mr Stone is Chairman of Anne Street Partners. 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 as 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, the Order of Australia Association and National Chairman of the Duke of Edinburgh's Award.

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

Other Current Directorships

Chairman of Mayfair Limited in Australia (including Anne Street Partners, QNV and subsidiaries)
Executive Chairman of the APAC Group
Deputy Chairman and Independent Non-Executive Director of Impellam plc (UK)
Chairman of Impellam subsidiaries in Australia Medacs and Commensura
Non-Executive Director of Australian Pacific Coal Limited
Sole Director of NT Resources Pty Ltd (formerly Dhupuma Resources Pty Ltd)

Former Directorships in last 3 years

Chairman of Energex Limited

Special Responsibilities

Chairman of the Share Trading Committee
Member of the Audit and Risk Committee
Member of the Nomination and Remuneration Committee

Interests in Shares and Options

15,554,207 ordinary shares and 7,260,000 option in Regalpoint Resources Limited

DIRECTORS' REPORT

Bruce McCracken B Com, LLB, MBA, GAICD - Executive Director

Experience and Expertise

Mr McCracken is an experienced business executive having spent over 20 years working across a broad range of industries based in Perth, Melbourne and Sydney, and is currently the Managing Director of mineral resource explorer BMG Resources Limited.

Mr McCracken has worked in the corporate sector as a Senior Executive with the Kirin Group-owned Lion Pty Ltd (previously Lion Nathan) and the private equity owned Amatek Group, now part of the Fletcher Building Group.

Before working in the corporate environment he was an Investment Banker based in both Perth and Melbourne in specialist corporate advisory and project finance roles, and has also practiced as a Banking and Finance Solicitor. During his time as an Investment Banker Mr McCracken worked across a broad range of corporate and financial advisory assignments, primarily in the diversified industrials and mining and resources sectors.

Mr McCracken holds Bachelor of Commerce and Bachelor of Laws degrees from the University of Western Australia, an MBA from Melbourne Business School and is a graduate of the Australian Institute of Company Directors.

Mr McCracken is a member of the Share Trading Committee.

Other Current Directorships

Managing Director of BMG Resources Limited

Former Directorships in last 3 years

None

Special Responsibilities

Member of the Share Trading Committee

Interests in Shares and Options

None

Ian Murchison B Com, FCA, Dipl Naut Sc – Non-Executive Director

Experience and Expertise

Mr Murchison is an Investment Director and a founding shareholder of Perth-based private equity fund manager Foundation Management Pty Ltd. Foundation Management 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 a Chairman of ACP Group Pty Ltd and Primary Securities 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.

Other Current Directorships

Foundation Management (WA) Pty Ltd
Chairman ACP Group Pty Ltd
Chairman Primary Securities Ltd

Former Directorships in last 3 years

Skill Hire Pty Ltd
TFS Corporation Limited
Ausgold Limited (Resigned on 4th February 2013)
Atlas South Sea Pearls Limited

Special Responsibilities

Chairman of the Audit and Risk Committee
Member of the Share Trading Committee
Member of the Nomination and Remuneration Committee

Interests in Shares and Options

10,289,460 ordinary shares and 2,875,000 option in Regalpoint Resources Limited

DIRECTORS' REPORT

Simon Trevisan B Econ, LLB (Hons), MBT – Executive Director

Experience and Expertise

Mr Trevisan is the Managing Director of the Transcontinental Group of Companies and for the past 15 years 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 Regalpoint Resources Limited and Ausgold Limited. He has a Bachelor of Economics and a Bachelor of Laws (UWA) and a Master's 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 the Chairman of the Nomination and Remuneration Committee and a member of the Share Trading Committee and Audit and Risk Committee.

Other Current Directorships

Managing Director of the Transcontinental Group
Director of Neurotech International Limited
Director of BMG Resources Limited

Former Directorships in last 3 years

Director of Ausgold Limited (Resigned on 4th February 2013)

Special Responsibilities

Chairman of the Nomination and Remuneration Committee
Member of the Share Trading Committee
Member of the Audit and Risk Committee

Interests in Shares and Options

68,831,928 ordinary shares and 25,811,973 in Regalpoint Resources Limited

Jack Stone – Alternate Director for The Hon. Shane Stone

Experience and Expertise

Mr Jack Stone is a Commerce graduate of the University of Queensland and a Graduate of the Australian Institute of Company Directors. Mr Stone is head of Realty Research at Anne Street Partners, an independently owned Australian financial planning and advisory company owned by UK based Mayfair Limited.

Mr Stone is also a director of the APAC Group of Companies and has been an active Army reservist since 2010.

Other Current Directorships

Director of the APAC Group of Companies

Former Directorships in last 3 years

None

Special Responsibilities

Alternate Director for The Hon. Shane Stone

Interests in Shares and Options

125,000 ordinary shares and 46,875 in Regalpoint Resources Limited

DIRECTORS' REPORT

COMPANY SECRETARY

Fleur Hudson BA, LLB, LLM (Disp. Res.)

Experience and Expertise

Mrs Hudson has a Bachelor of Arts, a Bachelor of Laws and Master of Laws degrees. Mrs Hudson has been a Director of Transcontinental Group since 2009 and was appointed as Company Secretary of Regalpoint Resources Limited, BMG Resources Limited and Ausgold Limited (resigning in November 2011).

Prior to that, she has practiced as a solicitor with international law firms in Perth and in London since 1998. As a solicitor, Mrs Hudson has advised large national and international companies with respect to a variety of civil construction, infrastructure and commercial issues.

Other Current Directorships

Director of the Transcontinental Group

Former Directorships in last 3 years

None

Special Responsibilities

Company Secretary

Interests in Shares and Option

150,000 ordinary shares in Regalpoint Resources Limited

DIRECTORS' MEETING

During the financial year, there were 3 Board of Director's meetings and 2 Audit Committee meetings 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
Directors						
Shane Stone	3	3	-	-	2	2
Bruce McCracken	3	3	-	-	2	2
Simon Trevisan	3	3	-	-	2	2
Ian Murchison	3	3	-	-	2	2

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

** During the financial year Mr Murchison was Chairman of the Audit Committee and the Hon. Stone and Mr Trevisan were members. There were no Share Trading Committee Meetings held during the year.

DIRECTORS' REPORT

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:

	Number Shares	Number Options
Directors		
Shane Stone ¹	15,554,207	7,260,000
Bruce McCracken	-	-
Ian Murchison ²	10,289,460	2,875,000
Simon Trevisan ³	68,831,928	25,811,973
Jack Stone ⁴	125,000	46,875
Company Secretary		
Fleur Hudson	150,000	-

1 Relevant interest as a beneficiary of S&J Stone Pty Ltd (Stone Family Superannuation Fund) and Director and controlling Shareholder of Docket Pty Ltd.

2 Interest as controlling Shareholder of Tenalga Pty Ltd.

3 Relevant interest as Director and controlling Shareholder of Transcontinental Investments Pty Ltd.

4 Jack Stone has been appointed as Alternate Director to Shane Stone on 11 January 2016.

DIRECTORS' REMUNERATION

Information about the remuneration of Directors is set out in the Remuneration Report below.

REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each Director of Regalpoint Resources Limited and for the other Key Management Personnel. This Remuneration Report outlines the Director and Executive remuneration arrangements of the Company and has been audited in accordance with the requirements of 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. The Entity presently has two Executive Directors, one Non-Executive Director and a Non-Executive Chairman.

DIRECTORS' REPORT

Key Management Personnel disclosed in the Report

Names and positions held of Parent Entity Directors and Key Management Personnel in office at any time during the financial year are:

Hon. Shane L Stone	(Non-Executive Chairman)
Simon Trevisan	(Executive Director)
Bruce McCracken	(Executive Director)
Ian Murchison	(Non-Executive Director)
Jack Stone	(Alternate Director to Hon. Shane Stone, appointed on 11 January 2016)

Other Key Management Personnel

Fleur Hudson	(Company Secretary)
--------------	---------------------

Remuneration Governance

The Remuneration and Nomination Committee provides assistance to the Board with respect to the following:

- (a) Remuneration policies and practices;
- (b) Remuneration of the Executive Officer and Executive Directors;
- (c) Composition of the Board; and
- (d) Performance Management of the Board and of the Executive Officer.

Use of Remuneration Consultants

During the year, the Company has not required or used any remuneration consultants.

Membership and Composition

The minimum number of members required on the Committee is two Directors. At least one member of the Committee must be a Non-Executive Director of the Board.

The Chair of the Committee is to be a Non-Executive Director, nominated by the Board, who may be the Chairman of the Board.

The Secretary of the Committee shall be the Company Secretary or such other person as nominated by the Board.

Executive Remuneration Policy and Framework

The Remuneration and Nomination Committee is to review and make recommendations regarding the following:

- (a) strategies in relation to executive remuneration policies;
- (b) compensation arrangements for the Executive Director, Non-Executive Directors and other senior executives as appropriate;
- (c) performance related incentive policies;

DIRECTORS' REPORT

- (d) the Company's recruitment, retention and termination policies;
- (e) the composition of the Board having regard to the skills/experience desired and skills/experience represented;
- (f) the appointment of Board members;
- (g) the evaluation of the performance of the Executive Director;
- (h) consideration of potential candidates to act as Directors; and
- (i) succession planning for Board members.

Processes

The Committee shall meet as frequently as required to undertake its role effectively and properly. A quorum for the Committee meeting is when at least two members are present. Any relevant employees may be invited to attend the Committee meetings. There were no other Committee meetings during the financial year.

The issues discussed at each Committee meeting as well as the Minutes of each meeting are reported at the next Board Meeting. The Committee Chair shall report the Committee's recommendations to the Board after each meeting.

The Committee reviews, and may recommend to the Board, any necessary action to require at least annually, and recommends any changes it considers appropriate to the Board. The Committee may undertake any other special duties as requested by the Board.

Key Management Personnel Remuneration Policy

The Board's policy for determining the nature and amount of remuneration of Key Management Personnel 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 Remuneration Committee determines the proportion of fixed and variable compensation for each Key Management Personnel.

Non-Executive Director Remuneration Policy

On appointment to the Board, all Non-Executive Directors enter into an agreement with the Company. The Letter of Appointment summarises the Board policies and terms, including remuneration, relevant to the Office of Director.

The Non-Executive Chairman does not receive additional fees for participating in or chairing committees.

Non-Executive Directors do not receive retirement allowances.

The Non-Executive Chairman and Non-Executive Directors have chosen to receive their fees by invoicing the Company. Fees provided to Non-Executive Directors are exclusive of superannuation.

The Non-Executive Directors do not receive performance-based pay.

DIRECTORS' REPORT

Fees are reviewed annually by the Board taking into account comparable roles. The current base fees were reviewed with effect from 1 July 2016. The following fees have applied:

	From 1 July 2016 (\$)	From 1 July 2015 to 30 June 2016 (\$)	From 1 July 2014 to 30 June 2015 (\$)
Base Fees			
Non-Executive Chairman	72,000	72,000	72,000
Executive Director	72,000	72,000	72,000
Non-Executive Directors	30,000	30,000	30,000

There are no other additional fees paid to Non-Executive Chairman and Non-Executive Directors for participating in the Audit Committee, Nomination Committee and Remuneration Committee.

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 of options as part of the Director's remuneration to encourage the alignment of personal interest and shareholder interests.

Performance based Remuneration

Due to the size of the Company, its current stage of activities and its relatively small number of employees, the Company has not implemented performance-based remuneration for the current year or prior years.

The Company did not have any remuneration limited to performance.

Voting and comments made at the Company's 2015 Annual General Meeting

The Company received more than 99.5% of "yes" votes on its Remuneration Report for the 2015 financial year.

The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

DIRECTORS' REPORT

Key Management Personnel Remuneration

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:

2016 Key Management Personnel	Short-term Benefits	Post-employment Benefits	Share-based payment		Balance due and payable at 30 June 2016			
	Director Fees(\$)	Superannuation (\$)	Equity (\$)	Options (\$)		Total (\$)	Total (\$)	Performance Related (%)
Directors								
Shane Stone ¹	72,000	-	-	-	72,000	24,000	-	-
Bruce McCracken ²	72,000	6,840	-	-	78,840	-	-	-
Simon Trevisan ³	-	-	-	-	-	-	-	-
Ian Murchison ⁴	30,000	-	-	-	30,000	10,000	-	-
Jack Stone ⁵	-	-	-	-	-	-	-	-
	174,000	6,840	-	-	180,840	34,000	-	-
Other Key Management Personnel								
Fleur Hudson ³	-	-	-	-	-	-	-	-

1 Mr Stone is a Director and agreed to receive the Director fees of \$6,000 per month plus GST. Total accrued director fee of \$145,200 for the period to 29 February 2016 has been converted to shares as part of the rights issue. At 30 June 2016, outstanding director fee payable to Decket Pty Ltd was \$24,000 plus GST.

2 Mr Bruce McCracken is an Executive Director and received Director Fees of \$6,000 per month plus 9.5% of statutory superannuation for the period from 1 July 2015, totalling \$72,000 plus superannuation \$6,840 for the year ended 30 June 2016.

3 Mr Trevisan and Mrs Hudson have not received remuneration from the Company for the year ended 30 June 2016. Regalpoint Resources Limited has an agreement with Transcontinental Investments Pty Ltd which is a Director related Entity (Simon Trevisan and Fleur Hudson) which charged an administrative fee for office space, telecommunications, office supplies, accounting support and business support services) were paid to Transcontinental Investments Pty Ltd, \$10,000 per month for the period from 01 July 2015 to 29 February 2016, totalling \$80,000; \$5,000 per month for the period from 01 March 2016 to 30 June 2016, totalling \$20,000 has accrued 100% of which Mr Trevisan and Mrs Hudson are Directors and beneficial Shareholders. Total accrued management fee of \$405,000 for the period to 29 February 2016 has been converted to shares as part of the right issue. At 30 June 2016, outstanding management fee payable to Transcontinental Investments Pty Ltd was \$20,000.

4 Mr Murchison is a Director and agreed to receive Director Fee of \$2,500 per month plus GST. Total accrued director fee of \$57,500 for the period to 29 February 2016 has been converted to shares as part of the rights issue. At 30 June 2016, outstanding director fee payable to Exert Pty Ltd was \$10,000 plus GST.

5 Mr Jack Stone was appointed Alternate Director to Hon. Shane Stone from 11 January 2016, and has not received remuneration from the Company for the year ended 30 June 2016.

DIRECTORS' REPORT

2015 Key Management Personnel	Short-term Benefits		Post-employment Benefits	Share-based payment		Balance due and payable at 30 June 2015			
	Salary (\$)	Other Fees (\$)	Superannuation (\$)	Equity (\$)	Options (\$)				Total (\$)
Directors									
Shane Stone ¹	72,000	-	-	-	-	72,000	72,000	-	-
Bruce McCracken ²	-	72,000	6,840	-	-	78,840	-	-	-
Simon Trevisan ³	-	-	-	-	-	-	-	-	-
Ian Murchison ⁴	-	30,000	-	-	-	30,000	30,000	-	-
	72,000	102,000	6,840	-	-	180,840	102,000	-	-
Other Key Management Personnel									
Fleur Hudson ³	-	-	-	-	-	-	-	-	-

1 Mr Stone is a Director and agreed to accrue the Director fees for the period from 01 July 2014, totalling \$72,000 for the year ended 30 June 2015.

2 Mr Bruce McCracken is an Executive Director and received Director Fees of \$6,000 per month plus statutory superannuation for the period from 1 July 2014, totalling \$72,000 plus superannuation \$6,840 for the year ended 30 June 2015.

3 Mr Trevisan and Mrs Hudson have not received remuneration from the Company for the year ended 30 June 2015. Regalpoint Resources Limited has an agreement with Transcontinental Investments Pty Ltd which is a Director related Entity (Simon Trevisan and Fleur Hudson) which charged an administrative fee for office space, telecommunications, office supplies, accounting support and business support services) were paid to Transcontinental Investments Pty Ltd, totalling \$120,000 has accrued 100% (2014: totalling \$220,000 and accrued \$115,000) of which Mr Trevisan and Mrs Hudson are Directors and beneficial Shareholders. As at 30 June 2015, total accrued management fee payable to Transcontinental Investments Pty Ltd was \$325,000.

4 Mr Murchison is a Director and agreed to accrue the Director fee for the period from 1 July 2014, totalling \$30,000 for the year ended 30 June 2015.

DIRECTORS' REPORT

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 Executives compensation comprised as at 30 June 2016.

Directors	2016 (\$)	2015 (\$)
Short-term benefits to Directors	174,000	174,000
Share-based payments to Directors	-	-
Post-employment benefits	6,840	6,840
TOTAL	180,840	180,840

SHARES UNDER OPTION

Directors	Number Options 2016	Number Options 2015
Shane Stone	7,260,000	-
Bruce McCracken	-	-
Ian Murchison	2,875,000	-
Simon Trevisan	25,811,973	-
Jack Stone	46,875	-
Company Secretary		
Fleur Hudson	-	-

Options issued as part of Remuneration for the Year ended 30 June 2016

There were no options issued to Directors and Executives as part of their remuneration during the year ended 30 June 2016.

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 2016.

Consequences of Company Performance on Shareholder Wealth

The Remuneration Committee has observed the following indices in respect of the current financial year and the previous financial year.

	2016	2015	2014	2013
Comprehensive loss attributable to owners of Regalpoint Resources Limited	(430,064)	(773,871)	(843,166)	(1,417,919)
Change in share price	\$0.00	\$0.00	\$0.01	\$0.01
Loss per share for profit from continuing operations attributable to the ordinary equity holders of the Company				
Basic loss per share (cents per share)	(0.41)	(1.14)	(1.25)	(2.10)
Diluted loss per share (cents per share)	N/A	N/A	N/A	N/A

DIRECTORS' REPORT

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

Name	Fixed Remuneration		At Risk – Short Term Incentive		At Risk – Long Term Incentive	
	2016	2015	2016	2015	2016	2015
Shane Stone	100%	100%	-	-	-	-
Bruce McCracken	100%	100%	-	-	-	-
Ian Murchison	100%	100%	-	-	-	-
Simon Trevisan	-	-	-	-	-	-

Equity instruments disclosure held by Key Management Personnel 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.

2016 Key Management Personnel	Balance at the start of the year	Rights Issue 3 for 1 share held 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	14,520,000	-	-	15,554,207
Bruce McCracken	-	-	-	-	-
Ian Murchison ²	4,539,460	5,750,000	-	-	10,289,460
Simon Trevisan ³	17,207,982	51,623,946	-	-	68,831,928
Jack Stone ⁴	31,250	93,750	-	-	125,000

Other Key Management Personnel of Regalpoint Resources Limited Ordinary Shares

Fleur Hudson ⁵	150,000	-	-	-	150,000
---------------------------	---------	---	---	---	---------

- 1 Relevant interest as a beneficiary of S & J Stone Pty Ltd (Stone Family Superannuation Fund).
Converted accrued director fees of \$145,200 as part of the rights issue for the period from 01 April 2013 to 29 Feb 2016.
- 2 Interest as controlling Shareholder of Tenalga Pty Ltd.
Converted accrued director fees of \$57,500 as part of the rights issue for the period from 01 April 2013 to 29 Feb 2016.
- 3 Relevant interest as Director and controlling Shareholder of Transcontinental Investments Pty Ltd.
Converted accrued management fees and cash loan of \$516,239.46 as part of the rights issue for the period from 01 April 2013 to 29 Feb 2016.
- 4 Jack Stone has been appointed as Alternate Director to Shane Stone.
- 5 50% of interest under own name and Jeremy Hudson - 50% of indirect interest as a spouse of Fleur Hudson.

DIRECTORS' REPORT

Option Holdings

Number of options held by Parent Entity Directors and other Key Management Personnel of the Company, including their personally related parties, are set out below.

2016 Key Management Personnel	Balance at the start of the year	Options Issued (1:2 right issued) 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 Options

Shane L. Stone	-	7,260,000	-	-	7,260,000
Bruce McCracken	-	-	-	-	-
Ian Murchison	-	2,875,000	-	-	2,875,000
Simon Trevisan	-	25,811,973	-	-	25,811,973
Jack Stone	-	46,875	-	-	46,875

Other Key Management Personnel of Regalpoint Resources Limited Options

Fleur Hudson	-	-	-	-	-
--------------	---	---	---	---	---

Note: As part of the rights issue free attaching option of 1 Option for every 2 new shares issued on 26 April 2016 will expire on 30 September 2018

LOANS TO KEY MANAGEMENT PERSONNEL

There were no loans to individual or Directors of the Company during the year ended 30 June 2016.

OTHER TRANSACTIONS WITH 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.

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 2016.

	2016 (\$)	2015 (\$)
Other transactions		
Administration Fee to Transcontinental Investments	100,000	120,000
	100,000	120,000

DIRECTORS' REPORT

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	
		2016 (\$)	2015 (\$)	2016 (\$)	2015 (\$)
Simon Trevisan* (Director and controlling Shareholder of Transcontinental Investments Pty Ltd(TRG))	Administrative fee for office space, telecommunications, office supplies, accounting support and administration and business support services	100,000	120,000	20,000	325,000

**Accrued management fee of \$405,000 was converted to shares as part of the rights issue on 26 April 2016*

Notes in relation to the table of related party transactions.

A Company associated with Mr Trevisan provides office space, office equipment, supplies, 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:

- (a) 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;
- (b) operating, marketing, strategic and financial activities required in relation to the Company's Australian mining and exploration projects; and
- (c) 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 to Transcontinental Investments Pty Ltd (TRG) plus reimbursement each month for certain costs, expenses and liabilities incurred and/or paid by TRG on behalf of the Company during the month.

From 1 July 2015 to 29 February 2016 TRG charged a monthly fee of \$10,000 for Administration Services. During the year, the accrued management fee of \$405,000 for the period to 29 February 2016 has been converted to shares as part of the rights issue on 26 April 2016 at \$0.01 per share.

From 1 March 2016 TRG agreed to charge a monthly fee of \$5,000 for Administration Services by accruing 100% of the fees without charging any interest or required payment of the full invoice on ordinary terms.

There were no other related party transactions to individual or Directors of the Company during the year ended 30 June 2016.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of the 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.

DIRECTORS' REPORT

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

INDEMNIFICATION OF DIRECTORS AND OFFICERS

(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

During the year ended 30 June 2016, the Company paid insurance premiums in respect of Directors and Officers Liability Insurance for Directors and Officers of the Company. The liabilities insured are for 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 to the extent permitted by the *Corporations Act 2001*. On 21 March 2016, the Company paid an insurance premium of \$6,960 covering the period from 2 March 2016 to 2 March 2017 (2015: \$6,960).

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*.

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's independence requirements of the *Corporations Act 2001* for the following reasons:

- (a) all non-audit services were subject to the Corporate Governance procedures adopted by the Company; and
- (b) the non-audit services provided do not undermine the general principles 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.

There were no other services provided from BDO Audit (WA) Pty Ltd during the period.

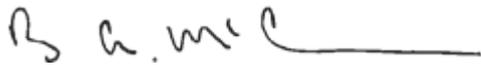
This is the end of the Audited Remuneration Report.

DIRECTORS' REPORT

AUDITORS INDEPENDENCE DECLARATION

The Auditors Independence Declaration as required under section 307C of the *Corporations Act 2001* for the year ended 30 June 2016 has been received and can be found on page 27.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

A handwritten signature in black ink, appearing to read 'B. McCracken', followed by a horizontal line extending to the right.

Bruce McCracken

Executive Director

Dated at Perth, Western Australia, this 30th September 2016

CORPORATE GOVERNANCE

The Board is responsible for the overall corporate governance of the Company, and it recognises the need for the highest standards of ethical behaviour and accountability. It is committed to administering its corporate governance structures to promote integrity and responsible decision making.

The Company's corporate governance structures, policies and procedures are described in its Corporate Governance Statement which is available on the Company's website at <http://www.regalpointresources.com.au/company/corporate-governance.html>

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF REGALPOINT RESOURCES LIMITED

As lead auditor of Regalpoint Resources Limited for the year ended 30 June 2016, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



Jarrad Prue
Director

BDO Audit (WA) Pty Ltd
Perth, 30 September 2016

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 (\$)	2015 (\$)
REVENUE	4	667	6,119
Other Income		-	-
Accounting expenses		(28,602)	(39,456)
Legal expenses		(78,681)	(4,424)
Corporate and administrative expenses		(304,745)	(303,887)
Impairment of exploration expenditure		(2,626)	(413,068)
Tenements administration expenses		(2,420)	(2,420)
Other expenses from ordinary activities		(13,657)	(16,735)
LOSS BEFORE INCOME TAX		(430,064)	(773,871)
Income tax benefit	5	-	-
LOSS FOR THE YEAR		(430,064)	(773,871)
Loss is attributable to:			
Owners of Regalpoint Resources Limited		(430,064)	(773,871)
NET LOSS FOR THE YEAR		(430,064)	(773,871)
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		(430,064)	(773,871)
Total comprehensive loss for the year is attributable to			
Owners of Regalpoint Resources Limited		(430,064)	(773,871)
Basic loss (cents per share)	16	(0.41)	(1.14)

The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2016

	Note	2016 (\$)	2015 (\$)
CURRENT ASSETS			
Cash and cash equivalents	6	1,097,149	78,456
Trade and other receivables	7	11,818	2,923
TOTAL CURRENT ASSETS		1,108,967	81,379
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	8	1,582,707	1,492,653
Prepayment of exploration and evaluation expenditure	9	-	5,273
TOTAL NON-CURRENT ASSETS		1,582,707	1,497,926
TOTAL ASSETS		2,691,674	1,579,305
CURRENT LIABILITIES			
Trade and other payables	10	78,631	482,354
TOTAL CURRENT LIABILITIES		78,631	482,354
TOTAL LIABILITIES		78,631	482,354
NET ASSETS		2,613,043	1,096,951
EQUITY			
Contributed Equity	11	11,704,402	9,758,246
Reserves	12	59,361	59,361
Accumulated Losses	13	(9,150,720)	(8,720,656)
TOTAL EQUITY		2,613,043	1,096,951

The Statement of Financial Position is to be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2016

	Contributed Equity (\$)	Option Reserve (\$)	Accumulated Losses (\$)	Total (\$)
BALANCE AT 01 JULY 2014	9,758,246	59,361	(7,946,784)	1,870,823
(loss) for the year	-	-	(773,871)	(773,871)
Total comprehensive income/(loss)	-	-	(773,871)	(773,871)
Transactions with equity holders in their capacity as equity holders:				
BALANCE AT 30 JUNE 2015	9,758,246	59,361	(8,720,656)	1,096,952
BALANCE AT 01 JULY 2015	9,758,246	59,361	(8,720,656)	1,096,952
(loss) for the year	-	-	(430,064)	(430,064)
Total comprehensive income/(loss)	-	-	(430,064)	(430,064)
Transactions with equity holders in their capacity as equity holders:				
Shares Issued during the year	2,028,159	-	-	2,028,159
Share issue cost	(82,003)	-	-	(82,003)
BALANCE AT 30 JUNE 2016	11,704,402	59,361	(9,150,720)	2,613,043

The Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 (\$)	2015 (\$)
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(218,249)	(135,339)
Interest received		667	6,119
NET CASH FLOWS USED IN OPERATING ACTIVITIES	14	(217,582)	(129,220)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration and evaluation expenditure		(92,680)	(186,669)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(92,680)	(186,669)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		1,320,013	-
Proceeds from borrowings		90,945	-
Payment of Share Issue Costs		(82,003)	-
NET CASH PROVIDED BY FINANCING ACTIVITIES		1,328,955	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS HELD		1,018,693	(315,889)
Cash and cash equivalents at beginning of period		78,456	394,345
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	6	1,097,149	78,456

The Statement of Cash Flows is to be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The primary accounting policies adopted in the preparation of the Financial Statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) General Information

Regalpoint Resources Limited (**Company**) or (**Entity**) is a public Company listed on the Australian Securities Exchange (ASX ticker: RGU), incorporated in Australia and operating in Australia. The financial report of the Company for the financial year ended 30 June 2016 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.

The Company advises that in accordance with ASX Listing Rule 4.10.19 during the financial year ended 30 June 2016 it used its cash and assets that are readily convertible to cash in a way that is consistent with its business objectives.

(b) Basis of Preparation

The financial report is a general-purpose financial report which has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. Regalpoint Resources Limited is a for profit entity for the purpose of preparing the Financial Statements.

(i) Compliance with IFRS

The Financial Statements of the Company also comply with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standard Board (IASB).

The Board of Directors' has prepared the financial report on a going concern basis, any additional funding that may be required is anticipated to be obtainable and will allow the Company to continue to fund its operations and further develop their mineral exploration and evaluation assets during the twelve month period from the date of this financial report.

The Financial Statements were approved by the Board of Directors on 30 September 2016.

(ii) Historical cost convention

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.

All amounts are presented in Australia dollars, unless otherwise noted.

(c) 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.

NOTES TO THE FINANCIAL STATEMENTS

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. During the year the Company has impaired (written off) exploration and evaluation expenditure of \$2,626 (2015: \$413,068).

(d) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Board of Regalpoint Resources Limited has assessed the financial performance and position of the Entity, and makes strategic decisions. The Board of Directors which has been identified as being the Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments.

(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 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.

NOTES TO THE FINANCIAL STATEMENTS

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 Income

Interest income is recognised 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. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

(i) Comparative 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 incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

NOTES TO THE FINANCIAL STATEMENTS

(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

Short-term Employee Benefit Obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term Employee Benefit Obligations

Liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore recognised in 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 up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

The obligations are presented as current liabilities in the Statement of Financial Position if the Entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

Termination Benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the followings dates:

- (a) when the Company can no longer withdraw the offer of those benefits; and

NOTES TO THE FINANCIAL STATEMENTS

- (b) when the Entity recognises costs for a restructuring that is within the scope of AASB 137 and involves the payment of termination benefits.

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Share-based Payments

Share-based compensation benefits are provided to employees of the Company under Employee Option Plan and an Employee Share Scheme.

The fair value of options granted by the Company under Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions.

(o) Exploration and Evaluation Expenditure

Exploration and evaluation 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:
 - (a) 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/or
 - (b) 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

NOTES TO THE FINANCIAL STATEMENTS

exploration and evaluation is created against each area of interest by means of a charge to the Statement of Profit or Loss and Other 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 Profit or Loss and Other 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 Profit or Loss and Other 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 the other assets in the unit (company of units) on a pro rata basis.

(q) 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.

NOTES TO THE FINANCIAL STATEMENTS

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.

Impairment

At each reporting date, the Entity assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

(r) Contributed Equity

Ordinary shares are classified as Equity. Mandatorily redeemable preference shares are classified as Liabilities. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(s) Earnings per share

Basic earnings per share

Basic earnings per share are calculated by dividing:

- (i) the profit or loss attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares;
- (ii) by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- (i) the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- (ii) the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS

(t) New Accounting Standards and Interpretations

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Entity for the year ended 30 June 2016. 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 <i>Financial Instruments</i> (December 2010)	AASB 139 <i>Financial Instruments: Recognition and Measurement</i>	<p>AASB 9 (December 2014) is a new Principal standard which replaces AASB 139. This new Principal version supersedes AASB 9 issued in December 2009 & 2010 and includes a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting.</p> <p>AASB 9 is effective for annual periods beginning in or after 01 January 2018. However, the Standard is available for early application. The own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments.</p> <p>The final version of AASB 9 introduces a new expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new standard requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on more timely basis.</p> <p>Amendments to AASB 9 issued in December 2013 included the new hedge accounting requirements, including changes to hedge effectiveness testing, treatment of hedging costs, risk components that can be hedged and disclosures.</p> <p>These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are:</p> <p>(a) Financial assets that are debt instruments will be classified based on:</p> <ol style="list-style-type: none"> (1) the objective of the Entity's business model for managing the financial assets; and (2) the characteristics of the contractual cash flows. <p>(b) Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income (instead of in profit or loss). Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.</p> <p>(c) Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.</p> <p>(d) Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows:</p> <p>➤ The change attributable to changes in credit risk are presented in other</p>	Periods beginning on or after 01 January 2018	<i>The Entity has not yet assessed the full impact of AASB 9 as this standard does not apply mandatorily before 1 January 2018 and the IASB is yet to finalise the remaining phases of its project to replace IAS 39 Financial Instruments: Recognition and Measurement. (AASB 139 in Australia).</i>	01 July 2018

NOTES TO THE FINANCIAL STATEMENTS

AASB reference	Title	Summary	Application date of standard	Impact on financial report	Application date for Company
		<p>comprehensive income (OCI); and</p> <ul style="list-style-type: none"> ➤ The remaining change is presented in profit or loss. <p>AASB 9 also removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognised in profit and loss.</p>			
AASB 2014-3	<i>Amendments to Australian Accounting Standards – Accounting for Acquisitions of interests in Joint Operations</i>	<p>AASB 2014-3 amends AASB 11 to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. The amendments require:</p> <ul style="list-style-type: none"> (a) The acquirer of the interest in a joint operation in which the activity constitutes a business, as defined in AASB 3 Business Combinations, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11; and (b) The acquirer to disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations. <p>This standard also makes an editorial correction to AASB 11.</p>	1 January 2016	<i>No impact as the company does not have any interests in joint operations</i>	01 July 2016
AASB 15	<i>Revenue from Contracts with Customers</i>	<p>In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers, which replaces IAS 11 Construction Contracts, IAS 18 Revenue and related interpretations (IFRIC 13 Customer Loyalty Programmed, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers and SIC-31 Revenue Barter Transactions involving Advertising Services).</p> <p>The core principle of IFRS 15 is that an Entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Entity expects to be entitled in exchange for those goods or services. An Entity recognises revenue in accordance with that core principle by applying the following steps:</p> <ul style="list-style-type: none"> (a) Step 1: Identify the contract(s) with a customer (b) Step 2: Identify the performance obligations in the contract (c) Step 3: Determine the transaction price (d) Step 4: Allocate the transaction price to the performance obligation in the contract. (e) Step 5: Recognize revenue when (or as) the Entity satisfies a performance obligation. <p>Early application of this standard permitted.</p> <p>AASB 2014-5 incorporates the consequential amendments to a number Australian Accounting Standards (including interpretations) arising from the issuance of AASB 15.</p>	1 January 2018	<i>No impact at this stage as the company does not have revenue.</i>	01 July 2018

NOTES TO THE FINANCIAL STATEMENTS

AASB reference	Title	Summary	Application date of standard	Impact on financial report	Application date for Company
AASB 16	Leases	This is the Australian equivalent of the recently released IFRS 16 Leases. It significantly reforms the lessee accounting requirements contained in its predecessor AASB 117 while making only minor changes to the lessor requirements. AASB 16 applies to financial reporting periods beginning on or after 1 January 2019 and early adoption is permitted if an entity is applying, or has already applied, IFRS 15 Revenue from Contracts with Customers at the same time. The IASB and others have published a range of resources to assist stakeholders understand and implement the new standard and these can be accessed via the IASB project page, the IASB's new Leases Implementation page (see below) and CA ANZ's Leases resources page. AASB 16 also makes a range of consequential amendments to 26 other standards and interpretations detailed in Appendix D of the standard.	1 January 2019	<i>The Entity does not apply mandatorily before 1 January 2019, and has not yet made a detailed assessment of this standard.</i>	01 July 2019
AASB 2015-1	<i>Amendments to Australian Accounting Standards – Annual improvements to Australian Accounting Standards 2012-2014 Cycle.</i>	<p>The subjects of the principal amendments to the Standards are set out below:</p> <p>AASB 5 Non-current Assets held for Sale and Discontinued Operations:</p> <ul style="list-style-type: none"> Changes in methods of disposal – where an Entity reclassifies an asset (or disposal group) directly from being held for distributions to being held for sale (or vice versa), an Entity shall not follow the guidance in paragraphs 27-29 to account for this change. <p>AASB 7 Financial Instruments: Disclosures:</p> <ul style="list-style-type: none"> Servicing contracts – clarifies how an Entity should apply the guidance in paragraph 42c of AASB 7 to a servicing contract to decide whether a servicing contract is 'continuing involvement' for the purposes of applying the disclosure requirements in paragraphs 42E-42H of AASB7. Applicability of the amendments to AASB 7 to condensed interim financial statements – clarify that the additional disclosure required by the amendments to AASB 7 Disclosure - Offsetting Financial Assets and Financial Liabilities is not specifically required for all interim periods. However, the additional disclosure is required to be given in condensed interim Financial Statements that are pre-parted in accordance with AASB 134 interim Financial Reporting when its inclusion would be required by the requirements of AASB 134. <p>AASB 119 Employee Benefits:</p> <ul style="list-style-type: none"> Discount rate: regional market issue – clarifies that the high quality corporate bonds used to estimate the discount rate for post-employment benefit obligations should be denominated in the same currency as the liability. Further it clarifies that the depth of the market for high quality corporate bonds should be assessed at the currency level. <p>AASB 134 Interim Financial Reporting:</p> <ul style="list-style-type: none"> Disclosure of information 'elsewhere in the interim financial report' - amends AASB 134 to clarify the meaning of disclosure of information 'elsewhere in the interim financial report' and to require the inclusion of a cross-reference from the interim financial statements to the location of this information. 	1 January 2016	<i>The Entity does not apply mandatorily before 1 January 2016</i>	01 July 2016

There are no other standards that are not yet effective and that are expected to have a material impact on the Entity in the current or future reporting periods.

NOTES TO THE FINANCIAL STATEMENTS

2. FINANCIAL RISK MANAGEMENT

(a) Overview

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

- (i) Credit risk
- (ii) Liquidity risk
- (iii) 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 Limited's 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 holds the following financial instruments.

	2016 (\$)	2015(\$)
FINANCIAL ASSETS		
Cash and cash equivalents	1,097,149	78,456
Trade receivables	-	2,923
	1,097,149	81,379
FINANCIAL LIABILITIES		
Trade and other payable	78,631	482,354
	78,631	482,354

(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.

NOTES TO THE FINANCIAL STATEMENTS

(c) Credit Risk

Credit risk is the risk of financial loss to the Entity if a 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, financial institutions and trade and other receivables. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

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.

	2016 (\$)	2015 (\$)
Trade receivables		
<i>Counterparties without external credit rating</i>		
Group 1 - new customers (less than 6 months)	-	2,923
Group 2 - new customers (more than 6 months) with no defaults in the past	-	-
	-	2,923
Cash at bank and short-term bank deposits		
Call Deposit (monthly short-term)	1,095,138	78,456
	1,095,138	78,456

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:

	2016 (\$)	2015 (\$)
Cash and cash equivalents	1,097,149	78,456
Trade and other receivables	-	2,923
	1,097,149	81,379

(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.

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:

NOTES TO THE FINANCIAL STATEMENTS

	Carrying Amount (\$)	Contractual Cash Flows (\$)	6 Months or less (\$)	6-12 Months (\$)	1-2 Years (\$)	2-5 Years (\$)
30 June 2016						
Trade and other payables	(78,631)	(78,631)	(78,631)	-	-	-
30 June 2015						
Trade and other payables	(482,354)	(482,354)	(482,354)	-	-	-

(e) Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and commodity prices that 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 its functional currency the Australian dollar (AUD).

The Board does not consider 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 reporting 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 Entity's interest bearing financial instruments are:

Variable Rate Instruments

	2016 (\$)	2015 (\$)
Financial Assets	1,097,149	78,456
Financial Liabilities	-	-
	1,097,149	78,456

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.

NOTES TO THE FINANCIAL STATEMENTS

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	Fixed Interest Maturing within 1 Year	Non- Interest Bearing	Total
	2016 (%)	2016 (\$)	2016 (\$)	2016 (\$)	2016 (\$)
Financial Assets					
Cash and cash equivalents	1.5	1,097,149	-	-	1,097,149
Trade and other receivables	-	-	-	-	-
Total Financial Assets	-	1,097,149	-	-	1,097,149
Financial Liabilities					
Trade and other payables	-	-	-	78,631	78,631
Total Financial Liabilities	-	-	-	78,631	78,631

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 \$10,971.

	+1% (100 basis points)	-1% (100 basis points)
	2016 (\$)	2016 (\$)
Cash and cash equivalents	10,971	(10,971)
	10,971	(10,971)

Due to their short-term nature, the carrying amounts of the current receivables, current payables and current borrowings are assumed to approximate their fair value. The Company does not have any fair value assets that required disclosure under AASB 13.

NOTES TO THE FINANCIAL STATEMENTS

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 2016 is as follows:

	Segments Australia	Total
30 June 2016		
Revenue from external sources	-	-
Reportable segment profit/(loss)	(5,046)	(5,046)
Reportable segment assets	1,582,707	1,582,707
30 June 2015		
Revenue from external sources	-	-
Reportable segment profit/(loss)	(415,488)	(415,488)
Reportable segment assets	1,497,926	1,497,926

Note: There were no segment liabilities for the year ended 30 June 2016.

(a) Other Segment Information

Segment Revenue

There is no segment revenue from external parties reported to the Executive Management Committee.

Reportable Segment Profit/(Loss)

The reportable segment expenditure included exploration expenditure written off of \$2,626 (2015: \$413,068) and expenditure from the operating segments such as segment insurance \$2,420 (2015: \$2,420).

Adjusted Profit/(Loss)

The measure excludes the effects of equity-settled share-based payments and unrealised gains/(losses) on financial instruments. Interest income and expenditure are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Company.

NOTES TO THE FINANCIAL STATEMENTS

Reconciliation of reportable segment loss to the Statement of Profit or Loss and Other Comprehensive Income

	30 June 2016 (\$)	30 June 2015 (\$)
Reportable segment profit/(loss)	(5,046)	(415,488)
Other profit/(loss)		
• Interest revenue	667	6,119
• Other income	-	-
Unallocated: Corporate expenses		
• Corporate and administration	(304,745)	(303,887)
• Accounting expenses	(28,602)	(39,456)
• Legal expenses	(78,681)	(4,424)
• Other expenses	(13,657)	(16,735)
Profit/(Loss) after income tax benefit	(430,064)	(773,871)

There are 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 2016.

4. REVENUE

	2016 (\$)	2015 (\$)
Interest received from continuing operation	667	6,119
	667	6,119

NOTES TO THE FINANCIAL STATEMENTS

5. INCOME TAX BENEFIT

	2016 (\$)	2015 (\$)
Movement in tax reconciliation		
Tax Rates		
The potential tax benefit in respect of tax losses not brought into account has been calculated at 30%.		
Numerical reconciliation between tax expenses and pre-tax net loss		
Income tax benefit at the beginning of the year	-	-
Loss before income tax expense	(430,064)	(773,871)
Income tax benefit calculated at rates noted above	(129,019)	(232,161)
Tax effect on amounts which are not tax deductible	14,013	110
Movement in deferred tax asset not brought to account	115,006	232,051
Income tax benefit	-	-
Deferred tax assets not brought to account		
Unused tax losses	10,141,929	9,637,600
Timing difference	(1,466,395)	(1,473,310)
	8,675,534	8,164,290
Tax at 30%	2,602,660	2,449,287

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.

6. CASH AND CASH EQUIVALENTS

	2016 (\$)	2015 (\$)
Cash at bank	2,011	456
Short-term bank deposits	1,095,138	78,000
	1,097,149	78,456

(a) Reconciliation to cash at the end of the year

The above figures are reconciled to cash at the end of the financial year as shown in the Statement of Cash Flows as follows:

	2016 (\$)	2015 (\$)
Balance as above	1,097,149	78,456
Balance per Statement of Cash Flows	1,097,149	78,456

NOTES TO THE FINANCIAL STATEMENTS

(b) Risk Exposure

The Company's exposure to interest rate risk is discussed in Note 2. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

(c) Terms of short term bank deposit

	2016 (\$)	2015 (\$)
Maturing within 1 to 3 months	1,095,138	78,000
	1,095,138	78,000

7. TRADE AND OTHER RECEIVABLES

	2016 (\$)	2015 (\$)
CURRENT		
Other debtors	11,818	2,923
	11,818	2,923

(a) Impaired Trade Receivable

There are no impaired trade receivables for the Company in 2016 (2015: There were no impaired trade receivables for the Company).

Ageing of trade receivable	2016 (\$)	2015 (\$)
1 to 3 months	11,818	2,923
3 to 6 months	-	-
	11,818	2,923

(b) Foreign Exchange and Interest Rate Risk

Information about the Company's exposure to foreign currency risk and interest rate risk in relation to trade and other receivables is provided in Note 2.

(c) Fair Value and Credit Risk

Due to the short-term nature of the trade receivables the carrying amount is assumed to approximate their fair value. The exposure to credit risk at the end of the reporting period is the carrying amount of each class of receivables mentioned above. Refer to Note 2 for more information on the Risk Management Policy of the Company and the credit quality of the Entity's trade receivables.

NOTES TO THE FINANCIAL STATEMENTS

8. EXPLORATION AND EVALUATION EXPENDITURE

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

	2016 (\$)	2015 (\$)
Exploration, evaluation and development costs carried forward in respect of areas of interest (net of amounts written off)	1,582,707	1,492,653
Reconciliation		
Carrying amount at the beginning of the year	1,492,653	1,725,265
Expenditure during the year – exploration	92,680	180,456
Exploration Expenditure written off during the year	(2,626)	(413,068)
Carrying amount at the end of the year	1,582,707	1,492,653

The recoverability of the carrying amount of deferred exploration and evaluation expenditure is dependent on the successful development and commercial exploitation or alternatively the sale of the respective areas of interest.

9. PREPAYMENT OF EXPLORATION AND EVALUATION EXPENDITURE

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

	2016 (\$)	2015 (\$)
Prepayment of Exploration, evaluation and development costs carried forward in respect of areas of interest (net of amounts written off)	-	5,273
Reconciliation		
Carrying amount at the beginning of the year	5,273	11,252
Exploration Expenditure during the year under application	-	-
Reallocation of Exploration Expenditure during the year	(5,273)	(5,979)
Carrying amount at the end of the year	-	5,273

10. TRADE AND OTHER PAYABLES

	2016 (\$)	2015 (\$)
Trade creditors and accruals	78,631	482,354
	78,631	482,354

NOTES TO THE FINANCIAL STATEMENTS

11. CONTRIBUTED EQUITY

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

	2016 (\$)	2015 (\$)
Opening balance at the beginning of the year	9,758,246	9,758,246
Rights issue of 202,815,848 shares at \$0.01 per share	2,028,159	-
Less: Share Issue Costs	(82,003)	
Closing balance at end of the year	11,704,402	9,758,246

(a) Movements of share capital during the year

Date	Details	No of shares	Issue price(\$)	\$
01.07.2016	Opening Balance	67,605,280		9,758,246
22.04.2016	Rights issue allotment	202,815,840	0.01	2,028,159
22.04.2016	Share Issue costs			(82,003)
Closing Balance as at 30/06/2016		270,421,120		11,704,402

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.

Options Issued

Free attaching options of 101,407,928 options for every 2 shares issued as part of the rights issue during the year ended 30th June 2016. These options are exercisable at \$0.02 each on or before 30 September 2018.

Capital Management

When managing capital, the Board's objective is to ensure the Entity continues as a going concern as well as to maintain optimal returns to Shareholders and benefits for other Stakeholders. The Board also aims to maintain a capital structure that ensures the lowest cost of capital available to the Entity.

The Board is constantly adjusting the capital structure to take advantage of favorable costs of capital or high return on assets. As the market is constantly changing Management may issue new shares, sell assets to reduce debt or consider payment of dividends to Shareholders.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position although there is no formal policy regarding gearing levels.

NOTES TO THE FINANCIAL STATEMENTS

The Entity had no formal financing and gearing policy or criteria during the year having regard to the early status of its development and low level of activity. There were no changes in the Entity's approach to capital management during the year. The Entity is not subject to any externally imposed capital requirements.

12. RESERVES

Option Reserve

The option reserve is used to record the value of the share based payments provided to employees, consultants and for options issued pursuant to any acquisitions or in exchange for services.

	2016 (\$)	2015 (\$)
Reserve at the beginning of the year	59,361	59,361
Movement during the year	-	-
Reserve at the end of the year	59,361	59,361

13. ACCUMULATED LOSSES

	2016 (\$)	2015 (\$)
Accumulated loss at the beginning of the year	(8,720,656)	(7,946,785)
Net profit/(loss) attributable to Shareholders	(430,064)	(773,871)
Accumulated loss at end of the year	(9,150,720)	(8,720,656)

14. CASH FLOW INFORMATION

	2016 (\$)	2015 (\$)
Reconciliation of cash flow from operating activities with the loss from continuing operations after income tax:		
Non-cash flows in profit from operating activities		
Net (Loss) after Income Tax	(430,064)	(773,871)
Conversion of accrued Director and Management fees to equity	617,200	-
Impairment	2,626	413,068
CHANGES IN ASSETS & LIABILITIES FROM OPERATING ACTIVITIES		
(Increase)/Decrease in receivables	(8,895)	9,112
Increase/(Decrease) in creditor & accruals	(398,449)	222,471
Cash flow from Operating Activities	(217,582)	(129,220)

Non-cash flow in profit from investing and financing activities.

During the year, there are accrued management fee of \$405,000, cash loan of \$90,945 and accrued directors' fee of \$202,700 have been converted to shares as part of the right issue on 26 April 2016.

NOTES TO THE FINANCIAL STATEMENTS

15. COMMITMENTS

The Commitment expenditure at reporting date is as follows:

Administration Services Fees Commitment

From 1 March 2016 TRG agreed to reduce the monthly fee from \$10,000 to \$5,000.

Simon Trevisan (an Executive Director of the Company) is a Director and Shareholder of the Transcontinental Group.

	2016 (\$)	2015 (\$)
Not later than one year	60,000	120,000
Later than one year but not later than five years	-	-
Later than five years	-	-
TOTAL	60,000	120,000

Tenements Commitment

The expenditure required to maintain exploration tenements in which the Entity has an interest in.

	2016 (\$)	2015 (\$)
Not later than one year	438,500	309,387
Later than one year but not later than five years	439,750	174,061
Later than five years	-	-
TOTAL	878,250	483,448

16. LOSS PER SHARE

The calculation of basic loss per share at 30 June 2016 was based on the loss attributable to ordinary Shareholders of \$430,064 (2015: \$773,871) and a weighted average number of ordinary shares outstanding during the year of 270,421,120 (2015: 67,605,280).

	2016 (\$)	2015 (\$)
Basic loss per share (cents per share)	(0.41)	(1.14)
(a) RECONCILIATION OF EARNINGS TO OPERATING LOSS		
Loss attributable to ordinary Shareholders		
Loss after tax	(430,064)	(773,871)
Loss used in the calculation of EPS	(430,064)	(773,871)
(b) WEIGHTED AVERAGE NUMBER OF SHARES USED AS THE DENOMINATOR		
Weighted average number of ordinary shares (WANOS)		
Weighted average number of ordinary shares	104,464,049	67,605,280

NOTES TO THE FINANCIAL STATEMENTS

17. 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.

	2016 (\$)	2015 (\$)
Remuneration of the Auditor for :		
BDO Audit (WA) Pty Ltd		
Auditing or reviewing the financial report	24,242	34,836
Balance at the end of year	24,242	34,836

There were no fees paid or payable to related parties to BDO Audit (WA) Pty Ltd.

18. 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 2016.

19. 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.

Key Management Personnel

The individual Directors and Executives compensation comprised as at 30 June 2016.

Directors	2016 (\$)	2015 (\$)
Short-term benefits to Directors	174,000	174,000
Post-employment benefits	6,840	6,840
Share-based payments to Directors	-	-
TOTAL	180,840	180,840

Detailed remuneration disclosures are provided in the Remuneration Report on pages 14 to 24.

Transactions with other 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 2016.

	2016 (\$)	2015 (\$)
Other transactions		
Administration Fee to Transcontinental Investments	100,000	120,000
	100,000	120,000

NOTES TO THE FINANCIAL STATEMENTS

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	
		2016 (\$)	2015 (\$)	2016 (\$)	2015 (\$)
Simon Trevisan (Director and controlling Shareholder of Transcontinental Investments Pty Ltd(TRG))	Administrative fee for office space, telecommunications, office supplies, accounting support and administration and business support services	100,000	120,000	20,000	325,000

Notes in relation to the table of related party transactions.

A Company associated with Mr Trevisan provides office space, office equipment, supplies, 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:

- (a) 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;
- (b) operating, marketing, strategic and financial activities required in relation to the Company's Australian mining and exploration projects; and
- (c) 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 to Transcontinental Investments Pty Ltd (TRG) plus reimbursement each month for certain costs, expenses and liabilities incurred and/or paid by TRG on behalf of the Company during the month.

From 1 July 2015 to 29 February 2016 TRG charge \$10,000 monthly fee for Administration Services. From 1 March 2016 TRG agreed to charge \$5,000 monthly fee for Administration Services by accruing 100% of the fees without charging any interest or required payment of the full invoice on ordinary terms.

During the year, the accrued management fee of \$405,000 for the period to 29 February 2016 has been converted to shares as part of the right issue on 26 April 2016.

There were no other related party transactions apart from the conversion of accrued director fees to shares to individual or Directors of the Company during the year ended 30 June 2016.

NOTES TO THE FINANCIAL STATEMENTS

20. LOANS TO KEY MANAGEMENT PERSONNEL

There were no loans to individual or Directors of the Company during the year ended 30 June 2016.

Disclosures relating to Key Management Personnel are set out in the Remuneration Report in the Directors' Report.

21. MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 29 July 2016, the Company announced a Binding Terms Sheet with AssetOwl Pty Ltd; setting out the terms for the Company's proposed acquisition of 100% of the shares in AssetOwl (**Proposed Transaction**).

There were no other post reporting date events at the reporting date.

22. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

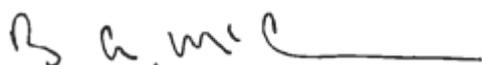
Due to their short-term nature, the carrying amounts of the current receivables, current payables and current borrowings are assumed to approximate their fair value.

DIRECTORS' DECLARATION

In the opinion of the Directors of Regalpoint Resources Limited:

- (a) the Financial Statements and Notes set out on pages 28 to 56 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2016 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*; and other mandatory professional reporting requirements.
- (b) the Financial Report also complies with International Financial Reporting Standards as disclosed in Note 1.
- (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; and
- (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 2016.

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



Bruce McCracken

Executive Director

Dated at Perth, Western Australia, this 30th September 2016

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 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and 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.

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 gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, 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 company'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 company'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 company's financial position as at 30 June 2016 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.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 14 to 24 of the directors' report for the year ended 30 June 2016. 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 2016 complies with section 300A of the Corporations Act 2001.

BDO Audit (WA) Pty Ltd



Jarrad Prue

Director

Perth, 30 September 2016

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 30 June 2016.

(a) Distribution of Equity Securities as at 30 June 2016:

Listed Fully Paid Ordinary Shares	Number of Holders	Number of Shares
1 - 1,000	8	833
1,001 - 5,000	4	15,500
5,001 - 10,000	59	578,491
10,001 - 100,000	134	4,704,550
100,001 - and over	81	265,121,746
Total	286	270,421,120

(b) Top twenty Equity holders at 30 June 2016:

Listed Fully Paid Ordinary Shares	Number of Shares	Percentage of Shares
1 Transcontinental Investments Pty Ltd	68,831,928	25.45%
2 Chesapeake Capital Ltd	26,830,207	9.92%
3 Decket Pty Ltd	15,554,207	5.75%
4 Rigi Investments Pty Limited	15,407,038	5.70%
5 Tenalga Pty Ltd	10,289,460	3.80%
6 Katana Equity Pty Ltd	8,174,979	3.02%
7 T T Nicholls Pty Ltd	8,032,287	2.97%
8 Jasper Hill Resources Pty Ltd	6,697,288	2.48%
9 Mr Murray James Mcgill &	6,067,034	2.24%
10 Bedford Investments Pty Ltd	6,055,551	2.24%
11 Cornela Pty Ltd	5,987,287	2.21%
12 M & K Korkidas Pty Ltd	5,898,980	2.18%
13 Cheetah Holdings Pty Ltd	5,749,787	2.13%
14 TECCA Pty Ltd	5,749,787	2.13%
15 Wallcliffe Cottages Pty Ltd	5,749,787	2.13%
16 Arredo Pty Ltd	5,000,000	1.85%
17 Kahala Holdings Pty Ltd	4,614,830	1.71%
18 Talex Investments Pty Ltd	4,290,000	1.59%
19 Mr Trevor Neil Hay	3,939,144	1.46%
20 Goldsmith Group Pty Ltd	3,606,851	1.33%
	222,526,432	82.29%

ASX ADDITIONAL INFORMATION

(c) Top twenty Option holders at 30 June 2016:

	Listed Fully Paid Ordinary Shares	Number of Options	Percentage of Options
1	Transcontinental Investments Pty Ltd	25,811,973	25.45%
2	Chesapeake Capital Ltd	13,415,104	13.23%
3	Rigi Investments Pty Limited	7,703,519	7.60%
4	Decket Pty Ltd	7,260,001	7.16%
5	Tenalga Pty Ltd	2,875,000	2.84%
6	Cheetah Holdings Pty Ltd	2,874,894	2.83%
7	Cornela Pty Ltd	2,874,894	2.83%
8	Jasper Hill Resources Pty Ltd	2,874,894	2.83%
9	T T Nicholls Pty Ltd	2,874,894	2.83%
10	TECCA Pty Ltd	2,874,894	2.83%
11	Wallcliffe Cottages Pty Ltd	2,874,894	2.83%
12	Alderhaus Pty Ltd	2,299,915	2.27%
13	Kahala Holdings Pty Ltd	2,299,915	2.27%
14	Mr Vincenzo Brizzi &	2,149,958	2.12%
15	M & K Korkidas Pty Ltd	2,116,493	2.09%
16	Goldsmith Group Pty Ltd	2,012,426	1.98%
17	Arredo Pty Ltd	2,000,000	1.97%
18	Mr Murray James McGill &	2,000,000	1.97%
19	Mr Trevor Neil Hay	1,477,179	1.46%
20	Occasio Holdings Pty Ltd	1,437,447	1.42%
		92,108,294	90.81%

(d) Substantial Shareholders

The names of the substantial Shareholders who have notified the Company in accordance with section 671B of the *Corporations Act 2001* are:

	Number of Shares	Percentage of Ordinary Shares
Transcontinental Investments Pty Ltd	68,831,928	25.45%
Chesapeake Capital Ltd	26,830,207	9.92%
Decket Pty Ltd	15,554,207	5.75%

(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
Queensland Tenements					
QLD	EPM16923	Granted	18/12/2009	Paroo Range	100%
QLD	EPM16980	Granted	14/12/2012	Paroo Range	100%
QLD	EPM25464	Granted	31/07/2014	Paroo Range	100%
QLD	EPM25465	Granted	04/09/2014	Paroo Range	100%
QLD	EPM25503	Granted	12/09/2014	Paroo Range	100%
Northern Territory Tenements					
NT	EL26094	Granted	6/05/2008	Rum Jungle	100%