



29 April 2016

**QUARTERLY ACTIVITIES REPORT**  
**For the period ended 31 March 2016**

**COMPANY OVERVIEW**

- Regalpoint Resources Limited (**Company** or ASX:RGU) currently holds projects in Queensland and Northern Territory, which are prospective for uranium and gold.
- RGU has recently entered into a strategic alliance with Impact Investment Partners (**Impact**) to focus on energy and utility infrastructure co-investment and collaboration with Indigenous communities.
- The Company's strategic objective is to evaluate and develop its assets and to create shareholder value through the discovery of economic mineral deposits, and to leverage the growing demand for low carbon energy (uranium) and infrastructure growth in Northern Australia.

**SUMMARY**

During the quarter the Company continued to maintain its portfolio of core uranium and gold projects, and actively seek new complementary opportunities with the potential to create near-term value for shareholders. On 14 March 2016 the Company announced that it had entered into a strategic alliance with Impact Investment Partners Pty Ltd (**Impact**), a specialist investment and asset manager, to focus on energy and utility infrastructure co-investment and collaboration with Indigenous communities.

The Company also announced a \$2 million capital raising via a 3 for 1 renounceable rights issue @\$0.01 (with 1 free attaching option for every 2 shares subscribed) (**Rights Issue** or **Offer**) with Patersons Securities Limited (**Patersons**) retained as lead manager and to underwrite the Offer. The Rights Issue was subsequently fully underwritten by Patersons and closed on 18 April 2016.

**Impact Alliance**

RGU and Impact signed a memorandum of understanding (**MOU**) to form a strategic alliance to pursue complementary business opportunities for both groups (**Alliance**). RGU has a core portfolio of strategic uranium projects in northern Australia and has been actively seeking new project opportunities to complement its existing business and create near term value for shareholders. Impact is a specialist investment and asset manager with close links to various indigenous groups in Australia.

In particular, the Alliance will focus on energy and utility infrastructure opportunities involving co-investment and collaboration with Indigenous communities. The MOU contemplates that the Alliance will:

- seek to strategically position to leverage on the growing demand for low carbon and renewable energy alternatives;
- investigate growth opportunities in northern Australia, including, the technical feasibility and commerciality of new projects in the "clean energy" space;
- establish a management/operations committee comprised of representatives from each of RGU and Impact who will seek to manage and implement the objectives;
- work collaboratively to determine how they can together advance, or leverage off, RGU's existing project operations; and
- examine business opportunities where social investment principals, and in particular Indigenous economic development offers value to the stakeholders.

Impact currently has multiple work streams underway in the Northern Territory and Western Australia and is targeting at least one completed transaction during 2016.

In conjunction with the Alliance arrangements and subject to the completion of the Rights Issue (which has now occurred) and finalisation of formal documentation, RGU will provide a loan (which may be convertible into equity) to Impact to enable it to progress the Alliance objectives. An initial loan of up to \$500,000 will be provided, and subject to progress of the business plan and any necessary regulatory approvals, RGU may provide additional loan funds of up to \$500,000. The Alliance will be subject to governance arrangements, budget and controls, and key milestones, which will be outlined in the formal documentation (currently under preparation).

As consideration for entering into the Alliance and the provision of the loan, Impact will grant to RGU:

- 10% of the fully paid ordinary shares in the capital of Impact (**Impact Shares**), per \$500,000 loan value, on a fully diluted basis; and
- a 12 month option to acquire the remaining Impact Shares (80% to 90% as the case may be) at an exercise price of \$1.56m (less the value of any loan funds outstanding) to be satisfied by the issue of shares in RGU at the same issue price as the Rights Issue.

### **Rights Issue**

RGU has now completed the Rights Issue, with the key terms as follows:

- 3 new shares for every 1 share held at an issue price of \$0.01 per new share with 1 free attaching option for every 2 new shares subscribed.
- \$2.0m raising (before costs and conversion of debt/ accruals).
- 202.8m new shares issued with 101.4m options.
- Options to be exercisable at \$0.02 on or before 30 September 2018.
- All debt and accrued fees (c.\$708,000) owing to the Transcontinental Investments Pty Ltd (**TRG**)

and RGU directors were taken as equity under the Rights Issue.

## RGU MINERALS PROJECTS – PAROO RANGE (QLD) AND RUM JUNGLE (NT)

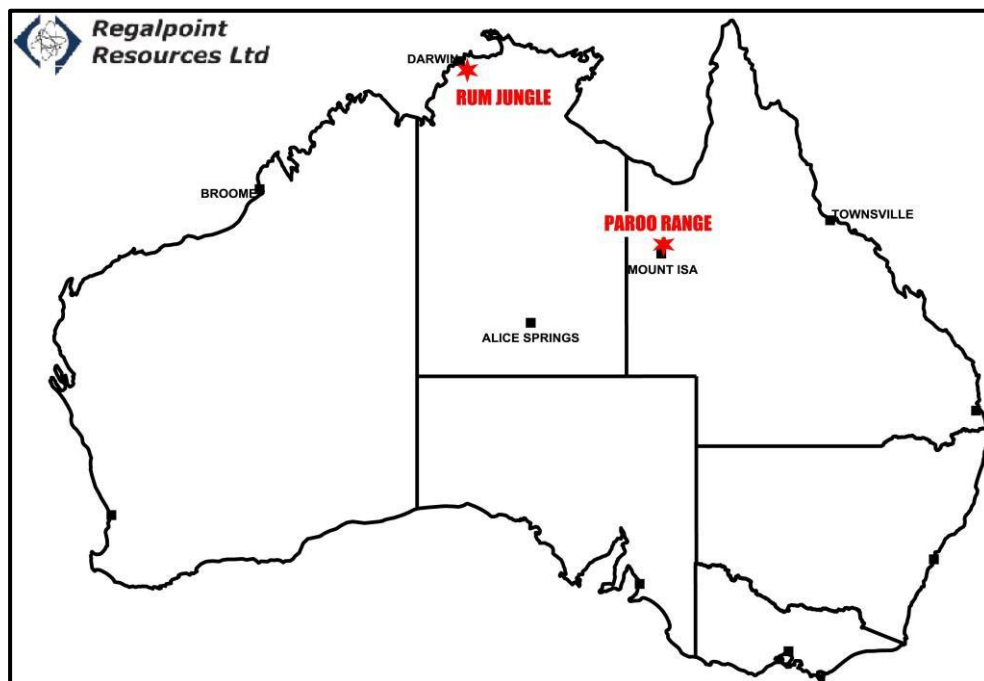
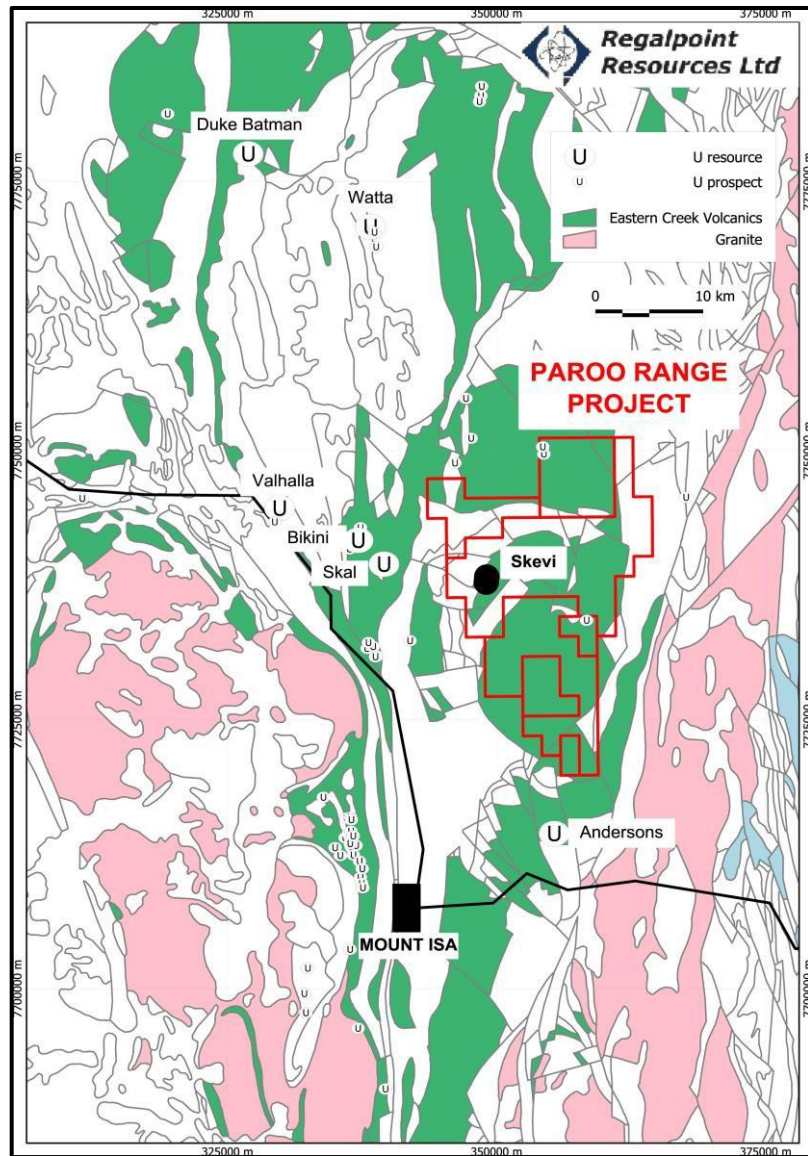


Figure 1: Location of the Regalpoint Resources projects

### PAROO RANGE, QUEENSLAND (EPM16923, 16980, 25464, 25465, 25503; RGU 100%) - URANIUM

The Company's 100 % owned Paroo Range Project covers a total of c.363 km<sup>2</sup> of granted exploration licences in the well-endowed and highly prospective Mount Isa region. Paroo Range is located only 25 km northeast of Mount Isa and is immediately adjacent to Paladin Energy's projects. 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).

RGU is targeting similar uranium resources in their Paroo Range project. The Company's 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 considered the most prospective 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 a total of 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 500 m 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.

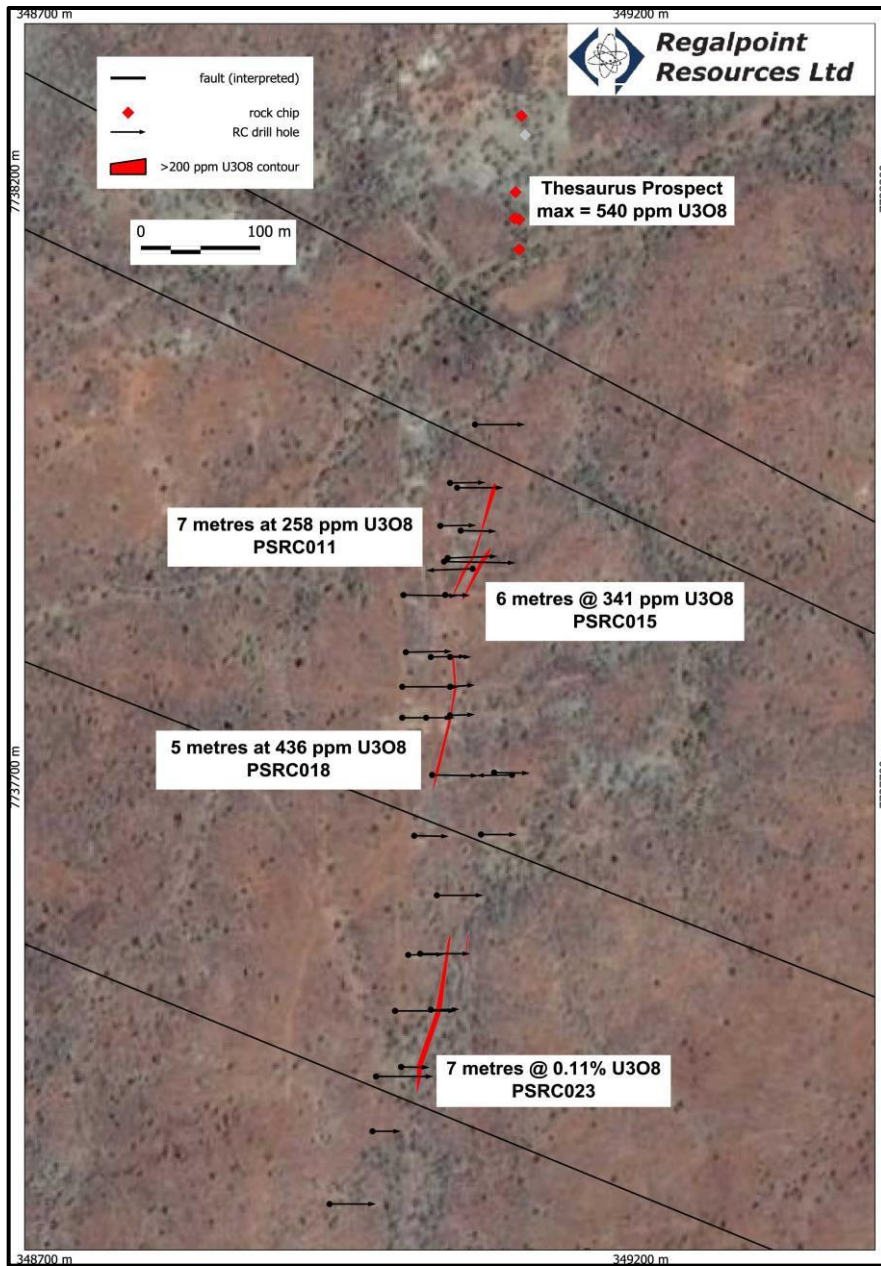
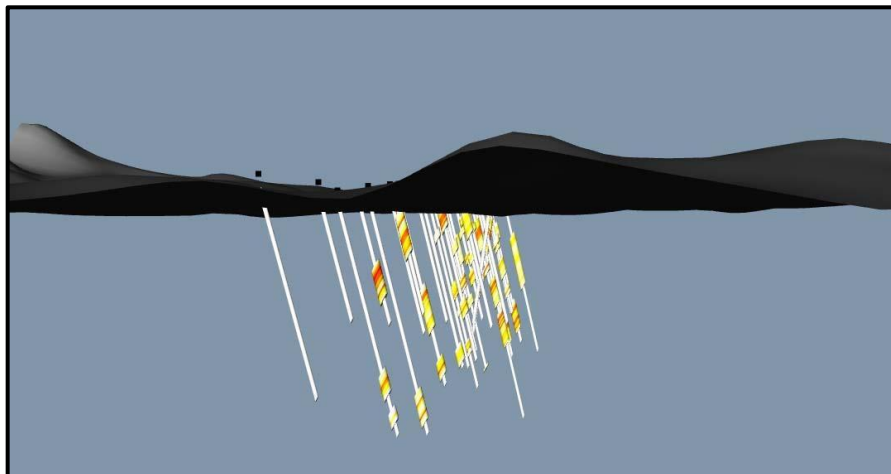


Figure 3: Uranium mineralisation at Skevi and Thesaurus



**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 U<sub>3</sub>O<sub>8</sub>)

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

No fieldwork was carried out on the Paroo Range Project during the quarter. 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 U<sub>3</sub>O<sub>8</sub>. Basic field mapping and sampling are required elsewhere in the project area.

#### **RUM JUNGLE, NORTHERN TERRITORY (EL26094; RGU 100%) – GOLD, URANIUM**

The Company's Rum Jungle Project is located about 55 km south of Darwin in the Batchelor area where there are numerous uranium, gold and base metal prospects and abandoned mines. The project comprises one granted Exploration Licence (EL26094) of approximately 28 km<sup>2</sup>.

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 6 m at 3.91 g/t gold (including 1 metres at 13.1 g/t gold; HLRC036).

No fieldwork was carried out on the Rum Jungle Project during the quarter and future drilling will target the northern extensions of the Highlander gold trend. A renewal application was lodged for the tenement and the Mine Management Program for the coming year submitted.

#### **Current Tenement Schedule – 31 March 2016**

<b>Tenement</b>	<b>Project</b>	<b>Location</b>	<b>Status</b>	<b>Area (blocks)</b>	<b>Expiry</b>	<b>Actions</b>
EL26094	Rum Jungle	NT	Granted	11	5-May-16	Renewal submitted
EPM16923	Paroo Range	QLD	Granted	49	17-Dec-17	
EPM16980	Paroo Range	QLD	Granted	12	13-Dec-16	
EPM25464	Paroo Range	QLD	Granted	16	30-Jul-19	
EPM25465	Paroo Range	QLD	Granted	28	3-Sep-19	
EPM25503	Paroo Range	QLD	Granted	12	11-Sep-19	

ENDS

Bruce McCracken, Executive Director  
 Regalpoint Resources Limited  
 Phone: +61 8 9424 9320  
 Email: [enquiry@regalpointresources.com.au](mailto:enquiry@regalpointresources.com.au)  
 Website: [www.regalpointresources.com.au](http://www.regalpointresources.com.au)

Fleur Hudson, Company Secretary  
 Regalpoint Resources Limited  
 Phone: +61 8 9424 9320  
 Email: [enquiry@regalpointresources.com.au](mailto:enquiry@regalpointresources.com.au)

## **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.

*The Exploration Results referenced herein for the Paroo Range Project were reported to the ASX on:*

- *2 November 2011 'Significant New Mineralised Zone – Paroo Range (RGU:100%)';*
- *17 July 2012 'Encouraging drill results from Paroo Range' under the 2004 JORC Code; and*
- *31 January 2014 'Quarterly activities report for the period ended 31 December 2013'*

*There have been no material changes since these results were reported.*

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

**REGALPOINT RESOURCES LIMITED**

ABN

**12 122 727 342**

Quarter ended ("current quarter")

**31 March 2016**

#### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(3)	(26)
(b) development	-	-
(c) production	-	-
(d) administration	(62)	(188)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(65)</b>	<b>(214)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans from other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(65)</b>	<b>(214)</b>

+ See chapter 19 for defined terms.



## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(65)	(214)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	64	137
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	<b>Net financing cash flows</b>	64	137
	<b>Net increase (decrease) in cash held</b>	(1)	(77)
1.20	Cash at beginning of quarter/year to date	2	78
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	1	1

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

	Current quarter \$A'000	
1.23	Aggregate amount of payments to the parties included in item 1.2	20
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	Payment of consulting fees to Executive Director.	

### Non-cash financing and investing activities

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

None

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

### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000	
3.1	Loan facilities	137	137
3.2	Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

**Estimated cash outflows for next quarter**

		\$A'000
4.1	Exploration and evaluation	20
4.2	Development	-
4.3	Production	-
4.4	Administration	30
<b>Total</b>		<b>50</b>

**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	2	2
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>2</b>	<b>2</b>

**Changes in interests in mining tenements and petroleum tenements**

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	None		
6.2	Interests in mining tenements and petroleum tenements acquired or increased	None		

+ See chapter 19 for defined terms.

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

#### Issued and quoted securities at end of current quarter


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

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	67,605,280	67,605,280		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 <b>+Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <i>(totals only)</i>				

+ See chapter 19 for defined terms.

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does /does not\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:  ..... Date: 29/04/2016  
(Company secretary)

Print name: .....Fleur Hudson.....

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

== == == == ==