Exploration Licence

EL26091

Annual Report for the Period

26 November 2010 to 25 November 2011

Distribution

Department of Resources, NT

Regalpoint Resources Ltd

Project Name:	Cameron Downs
Tenement Number:	EL 26091
Tenement Operator:	Regalpoint Resources Ltd
Tenement Holder:	Regalpoint Resources Ltd
Report Type:	Annual
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Author:	Nick Burn
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SUMMARY / ABSTRACT

Location: The Cameron Downs project is located approximately 6 km south of Batchelor.

Geology: The licence area is situated in the Rum Jungle mineral field. It straddles the boundary between granites of the Late Archaean Rum Jungle Dome and (meta-) sedimentary successions of the Palaeoproterozoic Pine Creek Orogen.

Work done: Work completed over the tenement during the reporting period comprised:

- Uranium prospectivity assessment by CSA Global
- Production of prospectus for Regalpoint Resources' IPO
- GIS data compilation
- Ground reconnaissance
- Radon survey
- EM targeting
- Landholder consultation
- MMP preparation

Recommendations: Following the IPO process, a ground geological mapping and radon survey was undertaken to identify radiometric anomalies below the thin cover. A strong radon anomaly was identified and it is planned to be drill tested in the next year following landholder negotiation. Further infill radon surveys will also be undertaken.

CONTENTS

INTRODUCTION

This report describes exploration activities for uranium undertaken by Regalpoint Resources Ltd (Regalpoint) over EL26091 between the 26th November 2010 and 25th November 2011. The Project area is located approximately 10km south of Batchelor and 90km south of Darwin, within the Rum Jungle Complex of the Northern Territory (Figure 1).

The project area is closely located relative to power and water infrastructure. The project may be accessed south from Batchelor via the sealed Eva Valley Rd and then local freehold property tracks.

1. TENURE

Tenement details are shown below.

Table 1 Tenement Details – Cameron Downs Project

Tenement	Holder	Date Granted	Original Area (Blocks)	Current Area (Blocks)
EL26091	Regalpoint Resources Ltd	26/11/07	4	1

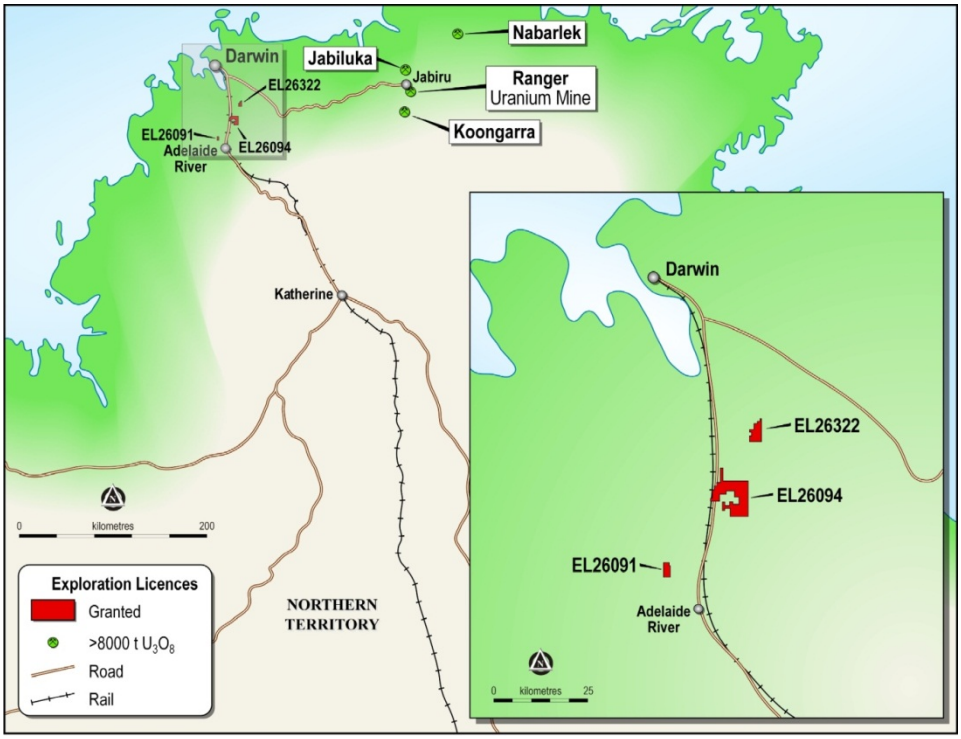

Figure 1 EL26091 Tenement Location – Cameron Downs

2. GEOLOGY AND MINERALISATION

The Cameron Downs project is located in the Rum Jungle mineral field, Pine Creek Orogen. According to Lally (2002) and Lally and Bajwah (2006), the oldest known rocks in the Rum Jungle mineral field are schist and banded ironstone of the Stanley Metamorphics that during the period 2,535 to 2,525 Ma were intruded by granites of the Rum Jungle Complex.

These Archaean rocks are exposed in the Rum Jungle and Waterhouse domes, two domical inliers in the central portion of the Rum Jungle mineral field. The Rum Jungle complex is unconformably overlain by Palaeoproterozoic basin-fill sedimentary rocks of the Manton, Mount Partridge, South Alligator and Finniss River Groups. These groups form part of the Pine Creek Orogen.

Multiple folding and faulting events affected the Rum Jungle mineral field from 1880 to 1760 Ma. Early NW-directed thrusts were overprinted by tight to isoclinal N-trending folds, accompanied by upper greenschist facies metamorphism. Open folding and kinking was the distal expression of granite emplacement to the east and southeast. Retrograde lower greenschist facies metamorphism accompanied regional-scale, NW-trending strike-slip faulting.

Haematitic quartzite breccia, siltstone and sandstone of the Geolsec Formation (a palaeo-regolith?) unconformably overlie rocks of the Mount Partridge Group and postdate the Pine Creek orogeny.

Uranium and polymetallic base metal mineralisation occurs in Mount Partridge group sediments around the margins of the Archaean domes and is associated with faults (e.g., Lally, 2002; Lally and Bajwah, 2006).

EL 26091 straddles the boundary between granites of the Late Archaean Waterhouse Dome and sedimentary successions of the Palaeoproterozoic Pine Creek Orogen. The latter include the:

Beetsons Formation (Manton Group): coarse, poorly sorted, massive feldspathic sandstone or arkose, vein quartz pebble conglomerate, and planar cross-bedded coarse-medium feldspathic sandstone that were deposited in a fluviatile environment.

Celia Dolomite (Manton Group): silicified dolostone, dolostone and magnesite that were deposited in an intertidal environment.

Crater Formation (Mount Partridge Group): poorly sorted, arkosic coarse sandstone, BIF conglomerate of poorly sorted pebble- to boulder-sized clasts of haematitic, banded iron formation and vein quartz within a quartz haematite sand matrix, and well sorted, arkosic coarse sandstone, thin quartz pebble conglomerate, shale, siltstone and sandstone that were deposited in a fluviatile environment.

Coomalie Dolostone (Mount Partridge Group): intertidal, stromatolitic dolostone and magnesite with minor interbeds of calcareous metapelite and para-amphibolite.

Whites Formation (Mount Partridge Group): inter- to subtidal, fine-grained commonly pyritic calcareous and carbonaceous argillite, and minor quartzite, calcarenite and para-amphibolite.

The licence area covers a section of the contact zone between the Coomalie Dolostone and overlying Whites Formation. Most of the uranium deposits in the Rum Jungle mineral field are hosted by the Whites Form or Coomalie Dolostone and are located at or close to the contact between these rock formations.

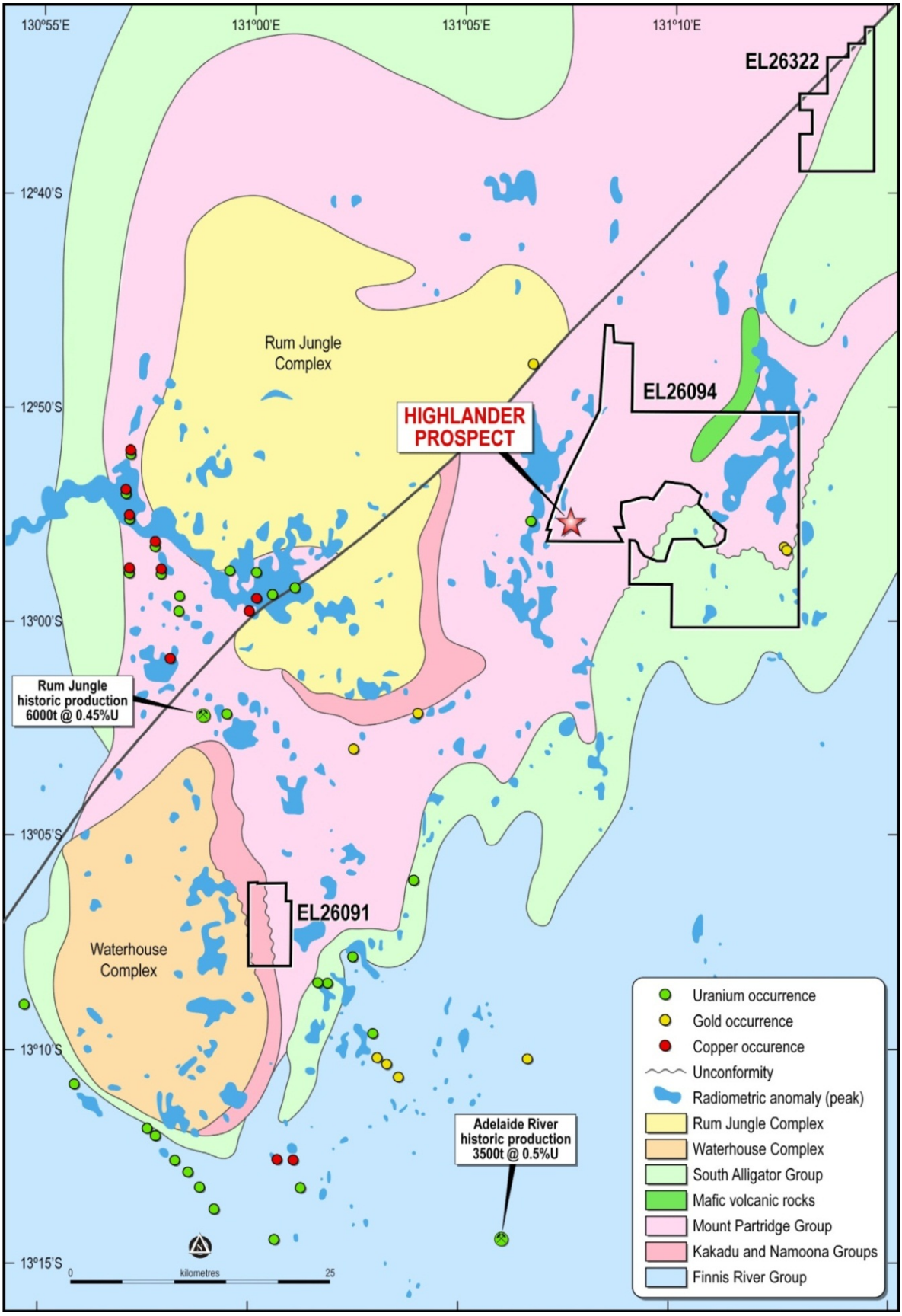

Figure 2 Rum Jungle Geology

3. PREVIOUS EXPLORATION

Previous exploration activities include the following:

1977 to 1982 (relevant licence: EL 1181): International Mining Corporation and Marathon Petroleum Australia carried out a comprehensive exploration programme that included a photogeological study, airborne magnetic and radiometric surveys, ground emanometry, track-etch survey, soil sampling, IP and resistivity work, ground magnetics and spectrometer grid surveys, geological mapping and drilling. The drilling located uranium mineralisation in three areas but the detected uranium occurrences proved to be low grade and discontinuous in nature.

1984 to 1986 (relevant licence: EL 4772): Idemitsu Minerals Australia carried out stratigraphic and structural modelling, ground magnetic and radiometric surveys, geological mapping, helicopter-borne EM and radiometric surveys and drilling.

1990 to 1999 (relevant licence: EL 6640): Exploration by Compass Resources and JV partners Guardian Resources and Billiton Australia Gold (later Acacia Resources) focused on the advanced polymetallic Area 55 prospect.

1995 to 1996 (relevant licence: EL 8475): Nicron Resources targeted gold and Woodcutters-type base metals deposits with a programme of soil sampling, RAB drilling, 1:10,000-scale geological mapping, and a detailed airborne magnetic and radiometric survey over the southern part of EL 8457.

Most of this work appears to have been undertaken outside the boundaries of Regalpoint's EL 26091.

4. WORK COMPLETED

EL 26091 is one of 77 available areas that were considered prospective based on the outcomes of a 1.5 year-long research project on uranium mineralising systems and Australia-wide uranium prospectivity analysis. This project was funded by Regalpoint and undertaken by the Centre for Exploration Targeting ("CET"), a joint venture between the University of Western Australia and Curtin University of Technology.

The overall results of this major scientific study greatly advanced Regalpoint's understanding of uranium mineralising processes and the prospectivity of its exploration licence areas, including EL 26091.

GIS Compilation

CSA Global Pty Ltd ("CSA") have undertaken a desktop review of the principal projects, as suggested by RGU, assessing the uranium fundamentals and prospectivity of each project, and recommending work programmes to advance each project.

All available open file geological and geophysical data was compiled into a GIS database for interpretation, targeting and determining exploration priorities.

A copy of the GIS database is attached in Appendix 1.

Radon Survey

A ground reconnaissance survey and placement of AlphaTrack cups for measuring soil radon concentrations was carried out over EL26091. The aim of the program was to evaluate the uranium potential of the tenement and place AlphaTrack cups over suitable lithological formations that may host uranium mineralisation.

Ground reconnaissance and geological mapping was also undertaken over the tenement in areas where the geological setting is likely to host uranium mineralisation.

AlphaTrack cups surveys are a method of measuring radon (a daughter product of the decay of uranium to lead) soil gas concentrations by detecting the alpha particles emitted from the decay of radon to the next element in the decay series. If the radon in the soil gas decays

next to a plastic film in the cup the alpha particle leaves a track in the film which can be seen under a microscope and thus can be counted. If the film is exposed for an extended period of time sufficient tracks accumulate in the film such that the concentration of radon in the soil gas can be measured by counting the number of tracks on the film. The results are reported as tracks per square millimetre (T/mm2)

The cups were placed in a hole dug by a mattock to 30cm depth in the soil and a paper cap made from newspaper was placed over the cup to help seal the hole. The holes were refilled and a place marker placed on top. Where the soil at the base of the hole was damp newspaper was placed below the cup to prevent moisture developing in the cup which could form dew on the film, blocking the soil gas from the film. A record was taken of the exact hole location, the nature of the soil, its dampness, the date of placement and depth (this was always at 30 cm depth).

The cups were retrieved in September 2011 and sent to AlphaTrack in Vancouver, Canada for processing to determine the radon gas soil concentration in the project areas.

Based on the AlphaTrack results received and on communication with Sean McDowell of AlphaTrack in Vancouver, Canada the following is evident:

- .The average value is 407 T/mm2 with a minimum of 117 T/mm2 and a maximum of 927 T/mm2. One of the cups (Cup 110) was not properly exposed and so it is not included in the average value.
- In general 2-3 times background would be regarded as anomalous. Based on a factor of 2, AlphaTrack cups 118 is anomalous
- The cup (118) with the highest radon response has the lowest radiometric response. This clearly indicates that the radon is coming from a source below the hole in which the cup was buried and is not related to uranium mineralization in the hole.

The background level over the Coomalie dolomite is below 280 T/mm2 and the average over the Whites Formation is about 575 T/mm2 .

Anomalous readings occur at sample site 18 (cup 118) with 927 tracks over an average of 280 T/mm2 which is 3.3 times background.

Sample location data and results are tabled in Appendix 3.

EM Interpretation

Regionally, the Tempest data are surprisingly anomaly-rich. Conductors were outlined in channel images, and also picked out anomalies on a line by line basis. The rating of point anomalies is based on potential to represent a buried conductor, rather than on EM amplitude.

The area to the SE of EL26091 appears to contain several different conductors under cover. See Appendix 2 for regional EM anomaly location data and images.

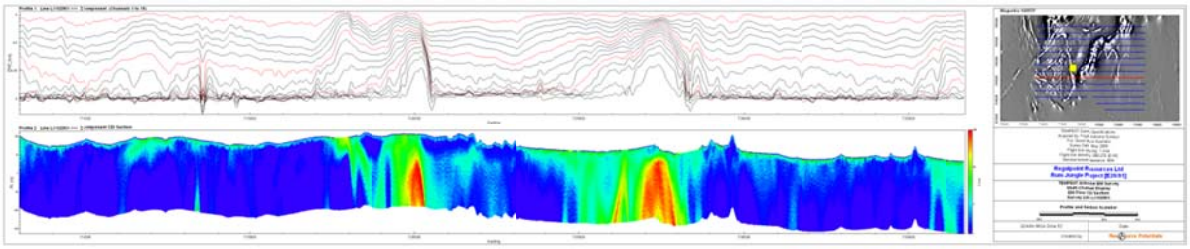

Figure Regional EM Section

Over EL26091, there is a potential weak conductor located directly to the east of the magnetic unit, and possibly plunging to the SE under cover. A double peak anomaly is centred on 717550E on L1002101 (N line), and a weaker anomaly is located at 718500E on line L1102801 (S line). This may the same conductor just deeper on the southern line. The anomalies follow a SE trending feature in the magnetic image.

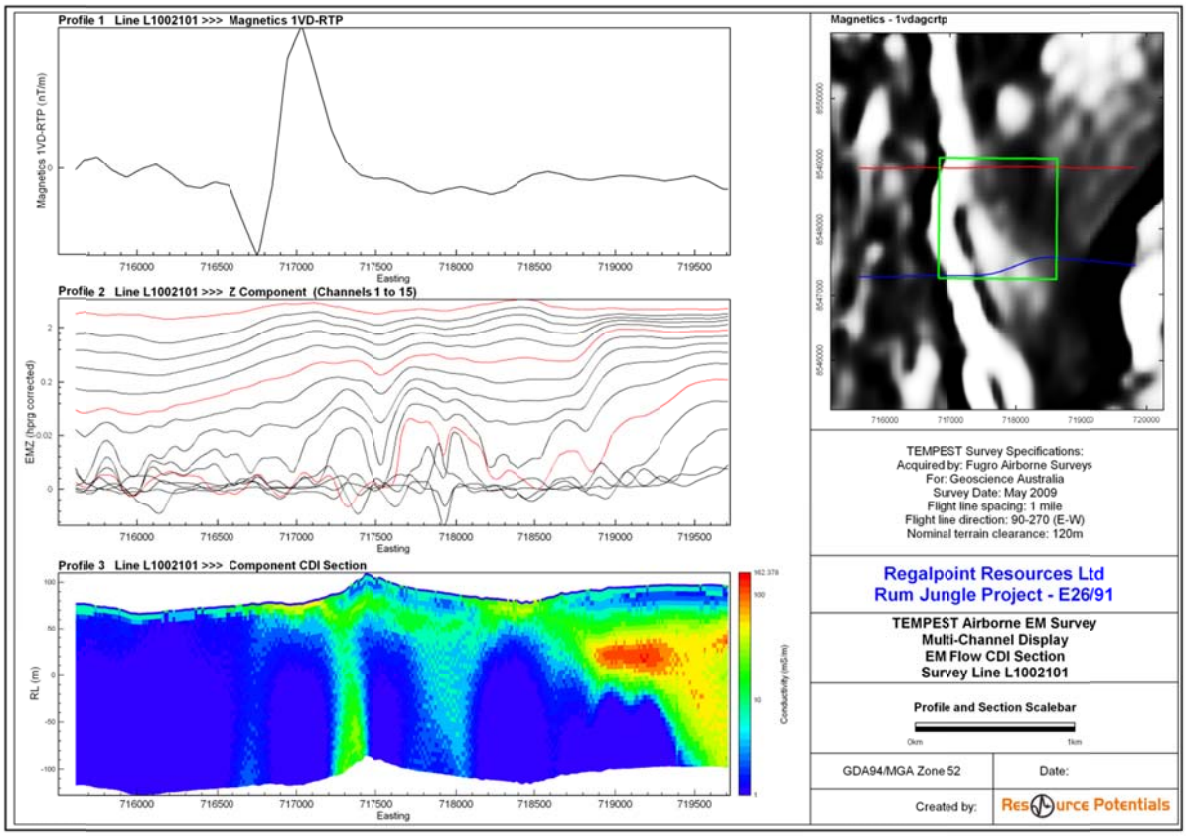

Figure EL26091 EM Section

5. CONCLUSIONS AND RECOMMENDATIONS

Extensive data compilation, geophysical interpretation and radon surveying has identified a strong radon target buried under cover which requires drill investigation.

The radon target is associated with the highly prospective Coomalie Dolostone – Whites Formation unconformity, similar in geological setting to the historic Rum Jungle South resource and other prospects in the region.

The recommended exploration is further infill radon surveying and diamond drill testing of the radon anomaly, subject to successful landholder negotiation.

6 REFERENCES

Lally, J.H., 2002: Stratigraphy, structure and mineralisation, Rum Jungle Mineral Field, Northern Territory. Northern Territory Geological Survey Record, v. 5, 21 p.

Lally, J.H., and Bajwah, Z.U., 2006: Uranium deposits of the Northern Territory. Northern Territory Geological Survey Record, v. 20, 87 p.