



**NOTICE OF MEETING
AND
MANAGEMENT INFORMATION CIRCULAR
FOR
ANNUAL GENERAL MEETING OF SHAREHOLDERS OF
REGULUS RESOURCES INC.**

TO BE HELD ON MARCH 20, 2024

DATED AS OF FEBRUARY 9, 2024

REGULUS RESOURCES INC.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

(the “Notice of Meeting”)

TO: THE SHAREHOLDERS OF REGULUS RESOURCES INC.

TAKE NOTICE that the annual general meeting (the “**Meeting**”) of the shareholders of Regulus Resources Inc. (the “**Corporation**”) will be held at the offices of Dentons Canada LLP, 15th Floor Bankers Court, 850 – 2nd Street S.W., Calgary, Alberta T2P 0R8 on the 20th day of March, 2024 at 11:30 a.m. (Calgary time) for the following purposes:

1. to receive and consider the financial statements of the Corporation for the years ended September 30, 2023 and September 30, 2022, and the applicable auditors’ reports thereon;
2. to fix the number of directors to be elected at the Meeting at seven (7) members;
3. to consider and, if thought appropriate, to pass an ordinary resolution electing seven (7) directors of the Corporation;
4. to consider and, if thought appropriate, to pass an ordinary resolution appointing the auditors of the Corporation and authorizing the directors to fix their remuneration as such;
5. to consider and if thought appropriate, to pass, with or without variation, an ordinary resolution approving the Corporation’s share option plan, all as more particularly described in the accompanying Information Circular – Proxy Statement of the Corporation dated February 9, 2024 (the “**Information Circular**”); and
6. to transact such further and other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The specific details of the matters proposed to be put before the Meeting are set forth in the Information Circular which accompanies and forms part of this Notice of Meeting.

Shareholders of the Corporation who are unable to attend the Meeting in person are requested to date and sign the enclosed instrument of proxy (the “Instrument of Proxy”) and to mail it to or deposit it with Olympia Trust Company, our transfer agent. To be valid, the Instrument of Proxy must be dated, completed, signed and deposited with Olympia Trust Company by: (i) mail to PO Box 128, STN M, Calgary, Alberta T2P 2H6, Attn: Proxy Dept; (ii) email at proxy@olympiustrust.com; (iii) facsimile at (403) 668-8307; or (iv) online at <https://css.olympiustrust.com/pxlogin>, entering the 12-digit control number found on your Instrument of Proxy, or as otherwise indicated in the instructions contained in the Instrument of Proxy. In order to be valid and acted upon at the Meeting, Instruments of Proxy must be received at the aforesaid address or fax not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment thereof. Shareholders are cautioned that using mail to transmit proxies is at each Shareholder’s risk.

The Board of Directors of the Corporation has fixed the record date for the Meeting at the close of business on February 9, 2024 (the “**Record Date**”). Shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote those shares included in the list of shareholders entitled to vote at the Meeting prepared as at the Record Date, unless any such Shareholder transfers shares after the Record Date and the transferee of those shares, having produced properly endorsed certificates evidencing such shares or having otherwise established that he or she owns such shares, demands, not later than 10 days before the Meeting, that the transferee’s name be included in the list of shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such shares at the Meeting.

DATED this 9th day of February, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "*John E. Black*"

John E. Black

Chief Executive Officer

REGULUS RESOURCES INC.

INFORMATION CIRCULAR – PROXY STATEMENT

for the Annual General Meeting of Shareholders
to be held on March 20, 2024

This Information Circular – Proxy Statement (the “**Information Circular**”) is furnished in connection with the solicitation of proxies by the management of Regulus Resources Inc. (the “**Corporation**” or “**Regulus**”) for use at the Annual General Meeting (the “**Meeting**”) of the holders (“**Shareholders**”) of common shares (“**Common Shares**”) of the Corporation to be held on the 20th day of March, 2024 at 11:30 a.m. (Calgary time) at the offices of Dentons Canada LLP, 15th Floor Bankers Court, 850 – 2nd Street S.W., Calgary, Alberta, and at any adjournment thereof, for the purposes set forth in the Notice of Annual General Meeting of Shareholders (the “**Notice of Meeting**”) accompanying this Information Circular.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The board of directors of the Corporation (the “**Board**”) has fixed the record date for the Meeting at the close of business on February 9, 2024 (the “**Record Date**”). Shareholders of the Corporation of record as at the Record Date are entitled to receive notice of the Meeting and to vote those shares included in the list of Shareholders entitled to vote at the Meeting prepared as at the Record Date, unless any such Shareholder transfers shares after the Record Date and the transferee of those shares, having produced properly endorsed certificates evidencing such shares or having otherwise established that he or she owns such shares, demands, not later than 10 days before the Meeting, that the transferee’s name be included in the list of Shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such shares at the Meeting.

Unless otherwise stated, the information contained in this Information Circular is given as at February 9, 2024.

Appointment of Proxyholder

Shareholders may wish to vote by proxy whether or not the Shareholders are able to attend the Meeting in person.

The instrument appointing a proxy shall be in writing and shall be executed by the Shareholder or the Shareholder’s attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

The persons named in the enclosed instrument of proxy (the “Instrument of Proxy”) are directors and officers of the Corporation or legal counsel of the Corporation. Each Shareholder has the right to appoint a proxyholder other than the persons designated, who need not be a Shareholder, to attend and to act for the Shareholder at the Meeting. To exercise such right, the names of the nominees of management of the Corporation should be crossed out and the name of the Shareholder’s appointee should be legibly printed in the blank space provided in the Instrument of Proxy or by completing and delivering another suitable form of proxy.

Shareholders may submit the Instrument of Proxy by:

- (a) Completing, dating and signing the Instrument of Proxy or some other suitable form of proxy and returning it to the Corporation’s transfer agent, Olympia Trust Company (“**Olympia**”), by (i) mail to PO Box 128, STN M, Calgary, Alberta T2P 2H6, Attn: Proxy Dept; (ii) facsimile at (403) 668-8307; (iii) email at proxy@olympiatrust.com; or
- (b) Using the internet through Olympia’s website at <https://css.olympiatrust.com/pxlogin>, entering the 12-digit control number found on your Instrument of Proxy.

In all cases Shareholders' votes must be received not later than 11:30 am (Calgary time) on March 18, 2024 or not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for the holding of the Meeting or any adjournment thereof.

The website or telephone may be used to appoint a proxy holder to attend and vote on a Shareholder's behalf at the Meeting and to convey a Shareholder's voting instructions. Please note that if a Shareholder appoints a proxy holder and submits their voting instructions and subsequently wishes to change their appointment, a Shareholder may resubmit their proxy and/or voting direction, prior to the deadline noted above. When resubmitting a proxy, the most recently submitted proxy will be recognized as the only valid one, and all previous proxies submitted will be disregarded and considered as revoked, provided that the last proxy is submitted by the deadline noted above.

Beneficial Holders of Shares

The information set forth in this section is provided to beneficial holders of Common Shares who do not hold their Common Shares in their own name ("**Beneficial Shareholders**"). Beneficial Shareholders should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of shares can be recognized and acted upon at the Meeting. If shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then in almost all cases those shares will not be registered in the Beneficial Shareholder's name on the records of the Corporation. Such shares will more likely be registered under the name of the Beneficial Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominees for many Canadian brokerage firms). Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, the broker/nominees are prohibited from voting shares for their clients. The Corporation does not know for whose benefit the shares registered in the name of CDS & Co. are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically provides a scannable voting request form or applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the voting request forms or proxy forms to Broadridge. Often Beneficial Shareholders are alternatively provided with a toll-free telephone number to vote their shares or website address where shares can be voted. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction request or a proxy with a Broadridge sticker on it cannot use that instruction request or proxy to vote Common Shares directly at the Meeting as the proxy must be returned as directed by Broadridge well in advance of the Meeting in order to have the shares voted. Accordingly, it is strongly suggested that Beneficial Shareholders return their completed instructions or proxies as directed by Broadridge well in advance of the Meeting.**

If you are a Beneficial Shareholder your nominee should send you a voting instruction form or proxy form along with this Information Circular. The Corporation has elected to pay for the delivery of our proxy-related materials to objecting Beneficial Shareholders.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his or her broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Beneficial Shareholders who have not objected to their intermediary disclosing certain ownership information about themselves to the Corporation are referred to as non-objecting beneficial owners or "**NOBOs**". Those Beneficial Shareholders who have

objected to their intermediary disclosing ownership information about themselves to the Corporation are referred to as objecting beneficial owners or “**OBOs**”. The Corporation through the services of Olympia, will send the Instrument of Proxy and other proxy-related materials directly to NOBOs. OBOs, however, will instead receive a voting instruction form or other form of proxy from an intermediary pursuant to NI 54-101 (as defined below).

Notice and Access

The Corporation has elected to use the “notice-and-access” provisions (“**Notice and Access**”) of National Instrument 54-101 *Communications with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) to distribute the Notice of Meeting, Information Circular, Instrument of Proxy, and other proxy-related materials (the “**Meeting Materials**”) to registered Shareholders of the Corporation and Beneficial Shareholders, other than those Shareholders with existing instructions on their accounts to receive printed materials or those Shareholders that request printed Meeting Materials.

Notice and Access allows issuers to post electronic versions of certain meeting materials online, via SEDAR+ and one other website, rather than mailing paper copies of such meeting materials to Shareholders. The Corporation has adopted this alternative means of delivery in order to further its commitment to environmental sustainability and to reduce its printing and mailing costs.

Notwithstanding Notice and Access, the *Business Corporations Act* (Alberta) (“**ABCA**”) requires the Corporation to deliver a paper copy of the Meeting Materials to a registered Shareholder unless such registered Shareholder provides written consent to electronic delivery. In order to ensure compliance with the ABCA, registered Shareholders who have not yet consented to electronic delivery will be mailed a paper copy of the Meeting Materials.

The Corporation has posted the Meeting Materials, and its audited financial statements and management’s discussion and analysis for the year ended September 30, 2023, under its profile at www.sedarplus.com and on its website regulusresources.com.

Revocability of Proxy

A Shareholder who has submitted a proxy may revoke it at any time prior to the exercise thereof. If a person who has given a proxy attends personally at the Meeting at which such proxy is to be voted, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or the Shareholder’s attorney authorized in writing deposited either at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof, and upon either of such deposits, the proxy is revoked.

Persons Making the Solicitation

The solicitation is made on behalf of the management of the Corporation. The costs incurred in the preparation and mailing of the Instrument of Proxy, Notice of Meeting and this Information Circular will be borne by the Corporation. In addition to solicitation by mail, proxies may be solicited by personal interviews, telephone or other means of communication and by directors, officers and employees of the Corporation, who will not be specifically remunerated therefor.

Exercise of Discretion by Proxy

The Common Shares represented by proxy in favour of management nominees shall be voted on any ballot at the Meeting and, where the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares shall be voted on any ballot in accordance with the specification so made.

In the absence of such specification, the Common Shares will be voted in favour of the matters to be acted upon. The persons appointed under the Instrument of Proxy furnished by the Corporation are conferred with discretionary authority with respect to amendments or variations of those matters specified in the Instrument of Proxy and Notice of

Meeting. At the time of printing this Information Circular , management of the Corporation knows of no such amendment, variation or other matter.



Shareholders can access the Meeting Materials on the Corporation’s website at www.regulusresources.com or under the Corporation’s SEDAR+ profile at www.sedarplus.com.

Shareholders with questions about Notice and Access may contact Olympia at (833) 684-1546 or cssinquiries@olympiatrust.com

MATTERS TO BE ACTED UPON AT THE MEETING

Receipt of the Financial Statements and Auditors’ Report

At the Meeting, Shareholders will receive and consider the financial statements of the Corporation for the years ended September 30, 2023 and September 30, 2022 and the auditors’ reports thereon. No formal action is required or proposed to be taken at the Meeting with respect to the financial statements.

Fixing the Number of Directors

At the Meeting, it is proposed that the number of directors to be elected at the Meeting to hold office until the next annual general meeting of the Corporation or until their successors are elected or appointed, subject to the articles of amalgamation or by-laws of the Corporation, be set at seven (7). There are presently seven (7) directors of Regulus, each of whom will retire from office at the Meeting. Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favour of setting the number of directors to be elected at the Meeting at seven (7)

Election of Directors

Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favour of an ordinary resolution fixing the number of directors to be elected at the Meeting at seven (7) members and in favour of the election as directors of the seven (7) nominees hereinafter set forth:

John E. Black	Fernando Pickmann
Mark Wayne	Michael McClelland
John M. Leask	Anna Tudela
Adam Burley	

The names and residence of the persons nominated for election as directors, the number of voting securities of the Corporation beneficially owned or controlled or directed, directly or indirectly, the offices held by each in the Corporation, the period served as director and the principal occupation and background of each are set forth below.

Name, Province and Country of Residence	Director Since⁽¹⁾	Principal Occupation (for last 5 years)	Common Shares Beneficially Owned
John E. Black ⁽⁴⁾ Denver, USA	Oct 15, 2010	Chief Executive Officer of the Corporation since May 2012. Chief Executive Officer of Aldebaran Resources Inc. (“ Aldebaran ”) since June 2018.	3,496,553
Mark Wayne ⁽²⁾⁽³⁾ Alberta, Canada	Oct 15, 2010	Chief Financial Officer of the Corporation since December 2010. Chief Financial Officer of Aldebaran since June 2018. Investment Advisor, iA Private Wealth Inc., an investment dealer, since January 2005.	3,294,944 ⁽⁵⁾

Name, Province and Country of Residence	Director Since⁽¹⁾	Principal Occupation (for last 5 years)	Common Shares Beneficially Owned
John M. Leask ⁽²⁾ British Columbia, Canada	May 16, 2012	Professional Geological Engineer. Director of Highway 50 Gold Corp. since July 2008; director of Goldrock Mines Corp. (formerly named Mansfield Minerals Inc.) from June, 1998 to December, 2014.	1,100,539 ⁽⁶⁾
Fernando Pickmann ⁽⁴⁾ Lima, Peru	Sep 30, 2014	President and COO of the Corporation since September 30, 2014 and Partner, Gallo Barrios Pickmann Abogados (law firm) from 2010 to 2017 when it merged with Dentons to become Dentons Gallo Barrios Pickmann Abogados of which he is Partner.	1,393,102
Anna Tudela ⁽³⁾ British Columbia, Canada	Oct 19, 2020	Independent Consultant since 2020; director of GunPoint Explorations Ltd. since October 2021; director of GoldMining Inc. since May 2023; former director of Sabina Gold & Silver Corp from January 2021 to April 2023; former Vice President, Diversity, Regulatory Affairs and Corporate Secretary at Goldcorp from 2005 to 2019.	Nil
Michael McClelland ⁽²⁾⁽³⁾ British Columbia, Canada	Apr 13, 2021	Chief Financial Officer of August Gold Corp. since Oct 2020; Chief Financial Officer of Titan Mining Corporation since March 2018. Chief Financial Officer of Bisha Mining Share Company from February 2016 to March 2018. Mine General Manager of the Wharf Mine at Goldcorp Inc. from April 2013 to January 2015.	Nil
Adam Burley United Kingdom	Mar 21, 2023	CEO & President of Nuton LLC, a Rio Tinto venture.	Nil

Notes:

- (1) Indicates the dates on which each director initially became a director of Regulus or its predecessors, as applicable.
- (2) Member of the Corporation's Audit Committee. Mr. McClelland is Chair.
- (3) Member of the Corporation's Compensation Committee. Ms. Tudela is Chair
- (4) Member of the Health, Safety, Environment & Community Relations Committee.
- (5) Mr. Wayne owns 56,800 Common Shares through Unicus Funds Ltd., a private company controlled by Mr. Wayne. The remaining 3,238,144 Common Shares are held personally by Mr. Wayne.
- (6) Mr. Leask owns 74,239 Common Shares through Rangefront Exploration Corp., a private company controlled by Mr. Leask. The remaining 1,026,300 Common Shares are held personally by Mr. Leask.

The information as to Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, is based upon the information furnished to Regulus by the respective nominees. As at the date hereof, the directors and officers of the Corporation, and their associates and affiliates, as a group own or control, directly or indirectly, 13,639,290 Common Shares or 10.95% of the issued and outstanding Common Shares.

Majority Voting for Directors

The Board has adopted a majority voting policy stipulating that if the votes in favour of the election of a director nominee at a Shareholders' meeting represent less than a majority of the Common Shares voted and withheld, the nominee will submit their resignation promptly after the meeting, for the Board's consideration. The Board's decision to accept or reject the resignation offer will be disclosed to the public within 90 days of the applicable Shareholders' meeting. The nominee will not participate

in any Board deliberations on the resignation offer unless there are not at least three directors who did not receive a majority withheld vote. The policy does not apply in circumstances involving contested director elections.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No proposed director is as at the date hereof, or has been:

- (a) within 10 years of the date hereof, a director or chief executive officer or chief financial officer of any company, including the Corporation, that:
 - (i) while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
 - (ii) was subject to an event that resulted in such company, after the director or executive officer ceased to be a director chief executive officer or chief financial officer of the company, being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer;
- (b) within 10 years of the date hereof, a director or executive officer of any company, including the Corporation, that, while that person was acting in their capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

In addition, no proposed director has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

Appointment of Auditors

Unless otherwise directed, it is management's intention to vote the proxies in favour of an ordinary resolution to re-appoint the firm of Davidson & Company LLP, Chartered Accountants to serve as auditors of the Corporation until the next annual meeting of the Shareholders and to authorize the directors to fix their remuneration as such. Davidson & Company LLP has been the Corporation's auditors since May 2012.

Approval of the Corporation's Share Option Plan

The Corporation currently has a share option plan (the "**Option Plan**"), which provides for the rolling grant of options equal to up to 10% of the issued and outstanding Common Shares. The Shareholders of the Corporation previously approved the Option Plan during the annual general and special meeting held on March 21, 2023.

In order to comply with recent updates made to TSX Venture Exchange ("**TSXV**") Policy 4.4 – *Security Based Compensation*, the Corporation has made certain non-material amendments to its existing Option Plan. At the Meeting, Shareholders will be

asked to approve the Option Plan in its amended form, a copy of which is attached hereto as Schedule “A”, and which was approved by the Board on January 3, 2024 and by the TSXV on November 3, 2023.

The following resolution, with or without variation, will be placed before Shareholders in order to approve and ratify adoption of the Option Plan:

“RESOLVED THAT:

1. the amended share option plan of the Corporation, which provides for the rolling grant of options to acquire up to 10% of the number of issued and outstanding Common Shares of the Corporation, be and the same is hereby ratified, confirmed and approved;
2. all unallocated stock options under the amended option plan, as amended from time to time, be and hereby are approved; and
3. any one director or officer of the Corporation be and is hereby authorized and directed to do all things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution.”

The Board unanimously recommends that Shareholders ratify, confirm and approve the Option Plan by voting in favour of the resolution to be submitted to the Meeting. A copy of the Option Plan is attached as Schedule “A” to this Information Circular.

OTHER MATTERS COMING BEFORE THE MEETING

The Board knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matter properly comes before the Meeting, the Common Shares represented by proxy solicited hereby will be voted on such matter in accordance with the best judgement of the person or persons voting the proxy.

INFORMATION CONCERNING THE CORPORATION

Voting Securities and Principal Holders of Voting Securities

As at February 9, 2024, there were 124,508,818 Common Shares issued and outstanding, each such share carrying the right to one vote at the Meeting. A quorum for the transaction of business at the Meeting will be present if there are not less than two persons present at the Meeting holding or representing by proxy not less than 5% of the shares entitled to be voted at the Meeting. The Board has fixed the Record Date at the close of business on February 9, 2024.

To the knowledge of the directors and executive officers of the Corporation as at the date hereof, no person or company beneficially owned or controlled or directed, directly or indirectly, voting securities of the Corporation carrying more than 10% of the voting rights attached to any class of voting securities of the Corporation other than as set forth below.

Name	Number of Common Shares	Percent of Outstanding
Route One Investment Company, L.P.	27,155,751 ⁽¹⁾⁽²⁾	21.81%
Nuton LLC ⁽³⁾	20,058,974	16.11%

Note:

- (1) The Corporation understands that each of Route One Fund I, L.P., Route One Fund II, L.P. and Route One Offshore Master Fund, L.P. (collectively, the “**Route One Funds**”) each hold Common Shares and are each controlled by Route One Investment Company, L.P.
- (2) The Route One Funds are all comingled investment vehicles with a large number of underlying investors.
- (3) Nuton LLC is a Rio Tinto venture.

STATEMENT OF EXECUTIVE COMPENSATION

The Corporation is a venture issuer and is disclosing the compensation of its directors and named executive officers (“**Named Executive Officers**” or “**NEOs**”) for the Corporation’s financial year ended September 30, 2023 pursuant to National Instrument 51-102 - *Continuous Disclosure Obligations* in accordance (“**NI 51-102**”) with Form 51-102F6V - *Statement of Executive Compensation – Venture Issuers*.

Compensation Discussion and Analysis

Executive Compensation Principles

Our compensation program is based on a “pay-for-performance” philosophy which supports the Corporation’s commitment to delivering performance for its Shareholders. Our compensation policies are founded on the principle that compensation should be aligned with Shareholders’ interests, while also recognizing that Regulus’ corporate performance is dependent upon the retainment of highly trained, experienced and committed executive officers, employees and directors who have the necessary skill sets, education, experience and personal qualities required to manage our business. Our program also recognizes that the various components thereof must be sufficiently flexible to adapt to unexpected developments in the mineral exploration industry and the impact of internal and market-related occurrences from time to time.

Our executive compensation program is comprised of the following principal components: (a) base salary; (b) short-term incentive compensation comprised of discretionary cash bonuses; and (c) long-term incentive compensation comprised of share options. See “*Stock Options and Other Compensation Securities – Option Plan*” below. Together, these components support our long-term growth strategy and are designed to address the following key objectives of our compensation program:

- ➔ *align executive compensation with Shareholders’ interests;*
- ➔ *attract and retain highly-qualified management; and*
- ➔ *focus performance by linking incentive compensation to the achievement of business objectives and financial and operational results.*

The aggregate value of these principal components and related benefits, is used as a basis for assessing the overall competitiveness of the Corporation’s executive compensation package. When determining executive compensation, including the assessment of the competitiveness of the Corporation’s compensation program, management and the Compensation Committee (the “**Compensation Committee**”) of the Board reviews the compensation practices of companies in its selected peer group. These companies compete with Regulus for executive talent, operate in a similar business environment and are of similar size, scope and complexity.

The Corporation’s peer group for these purposes is comprised of similar companies that are exploring and/or developing mining projects, primarily in foreign jurisdictions, and that have market capitalizations roughly similar to that of the Corporation.

The Corporation’s compensation program is primarily designed to reward performance and, accordingly, the performance of both the Corporation, as well as the individual performance of executive officers during the year in question, are examined by the Compensation Committee in conjunction with setting executive compensation packages. The Compensation Committee does not set specific performance objectives in assessing the performance of the Chief Executive Officer (“**CEO**”) and other executive officers; rather the Compensation Committee uses its experience and judgment in determining an overall compensation package for the CEO and other executive officers. Some of the factors looked at by the Compensation Committee in assessing the performance of the Corporation and its executive officers are as follows: (a) exploration successes; (b) additions to mineral resources; (c) ability to raise capital as required; (d) compliance with legal and regulatory requirements; and (e) ability to raise the profile of the Corporation within the investment community. The Corporation weighs and reviews its performance for all of the above relative to its goals and objectives and in relation to the performance of its industry peer group.

Elements of our Executive Compensation Program

Each element of the Corporation's executive compensation program is described in more detail below.

Base Salaries

The base salary component is intended to provide a fixed level of competitive pay that reflects each executive officer's primary duties and responsibilities. It also provides a foundation upon which performance-based incentive compensation elements are assessed and established. The Corporation intends to pay base salaries to its executive officers, including the CEO, that are in the range of those for similar positions within our selected peer group. For our executive officers, base salaries are currently below the average of our comparison peer group but are considered to be high enough to accomplish the intended objectives. Salaries of the executive officers, including that of the CEO, are reviewed annually by the Compensation Committee.

Short Term Incentive Compensation – Discretionary Cash Bonuses

In addition to base salaries, the Corporation has a discretionary bonus plan pursuant to which the Board, upon recommendation of the Compensation Committee, may award annual cash bonuses to executive officers. The annual cash bonus element of the executive compensation program is designed to reward both corporate and individual performance during the Corporation's last completed financial year. It is the Compensation Committee's philosophy that an individual bonus should be tied primarily to that individual's contribution to corporate performance. In addition, the discretionary bonus plan is intended to help ensure that overall executive cash compensation (i.e. salary and bonus) is comparable to the average cash compensation of executives at peer surveyed companies during the year in question. The amount of the bonus paid is not set in relation to any formula or specific criteria but is the result of a subjective determination of the Corporation's and the individual's performance. The Compensation Committee has not established strict predetermined quantitative performance criteria linked to the payment of bonuses.

Long Term Incentive Compensation – Stock Options

Executive officers, along with all of Regulus' officers, directors, employees, contractors and other service providers, are eligible to participate in the Option Plan. The Option Plan and the Common Shares reserved thereunder have been approved by the Shareholders. The Option Plan promotes an ownership perspective among executives, encourages the retention of key executives and provides an incentive to enhance Shareholder value by furthering the Corporation's success. As with most companies in the Corporation's peer group, options form an integral component of the total compensation package provided to the Corporation's executive officers. Participation in the Option Plan rewards overall corporate performance, as measured through the price of the Common Shares. In addition, the Option Plan enables executives to develop and maintain a significant ownership position in the Corporation.

Options to purchase Common Shares ("**Options**") are normally awarded by the Board upon the commencement of an individual's employment with the Corporation based on the level of responsibility within the Corporation. Additional grants may be made periodically to ensure that the number of Options granted to any particular individual is commensurate with the individual's level of ongoing responsibility within the Corporation. In considering additional grants, we evaluate the number of Options an individual has been granted, the exercise price and value of the Options and the term remaining on those Options. See "*Stock Options and Other Compensation Securities – Option Plan*" below for a description of the detailed terms of our Option Plan.

Compensation Governance

Role and Composition of the Compensation Committee

Regulus' executive compensation program is administered by the Compensation Committee. During the year ended September 30, 2023, the Compensation Committee was comprised of Anna Tudela (Chair), Mark Wayne, John and Michael McClelland, and Raymond Jannas (until March 21, 2023). Each of Ms. Tudela, Messrs. Jannas and McClelland are "independent" for the purposes of National Policy 58-201 – *Corporate Governance Guidelines* ("NP 58-201"). Mr. Wayne is not considered to be "independent" for the purposes of NP 58-201 as he is currently the Chief Financial Officer ("CFO") of the Corporation. The following table sets forth the relevant education and experience of each member of the Compensation Committee that enables such member to make decisions on the suitability of Regulus' compensation policies and practice:

<u>Name and municipality of residence</u>	<u>Relevant Education and Experience</u>
Anna Tudela Vancouver, British Columbia	Director of GunPoint Explorations Ltd. since October 2021; director of GoldMining Inc. since May 2023; former director of Sabina Gold & Silver Corp from January 2021 to April 2023; former Vice President, Diversity, Regulatory Affairs and Corporate Secretary at Goldcorp from 2005 to 2019.
Mark Wayne Calgary, Alberta	Chief Financial Officer of the Corporation since incorporation and Chief Financial Officer of Aldebaran Resources Inc. since its incorporation. Investment Advisor, iA Private Wealth Inc., an investment dealer, since January 2005. Mr. Wayne has served as a director and officer of a number of other publicly listed mineral exploration companies and as a member of several other compensation committees of public companies.
Raymond Jannas ⁽¹⁾ Santiago, Chile	Ph.D. from Harvard University and over 30 years of experience in business development, mining geology and exploration with public companies.
Michael McClelland ⁽²⁾ Vancouver, British Columbia	CPA, CA, Chief Financial Officer of August Gold Corp. since Oct 2020; Chief Financial Officer of Titan Mining Corporation since March 2018. Chief Financial Officer of Bisha Mining Share Company from February 2016 to March 2018. Mine General Manager of the Wharf Mine at Goldcorp Inc. from April 2013 to January 2015.

Note:

- (1) Mr. Jannas retired as director on March 21, 2023.
- (2) Mr. McClelland was appointed to the Compensation Committee on March 21, 2023.

Compensation Committee Mandate

The Compensation Committee's mandate includes reviewing and making recommendations to the Board in respect of compensation matters relating to our executive officers, employees and directors, including the NEOs which are identified in the "*Director and NEO Compensation*" below. Without limiting the generality of the foregoing, the Compensation Committee has the following duties:

- (a) to review the compensation philosophy and remuneration policy for employees of Regulus and to recommend to the Board changes to improve Regulus' ability to recruit, retain and motivate employees;
- (b) to consider the implications and the risks associated with Regulus' compensation policies and practices;
- (c) to review and recommend to the Board the retainer and fees (if any) to be paid to members of the Board, members of committees of the Board, and chairs of the various committees of the Board;

- (d) to review and approve corporate goals and objectives relevant to the compensation of the CEO, evaluate the CEO's performance in light of those corporate goals and objectives, and determine (or make recommendations to the Board with respect to) the CEO's compensation level based on such evaluation;
- (e) to recommend to the Board with respect to non-CEO officer compensation including to review management's recommendations for proposed stock option and other incentive compensation plans and equity based plans for non-CEO officer compensation and make recommendations in respect thereof to the Board;
- (f) to administer the Option Plan and, if applicable, other incentive plans approved by the Board in accordance with its terms including recommending to the Board (and if delegated authority thereunder, approve) the grant of stock options in accordance with the terms of the Option Plan;
- (g) to determine and recommend for approval of the Board bonuses to be paid to officers and employees of Regulus and its subsidiaries, as applicable, and to establish targets or criteria for the payment of such bonuses, if appropriate; and
- (h) review the disclosure as to compensation matters included in the Information Circular of Regulus as mandated by applicable securities laws including, without limitation, this Compensation Discussion and Analysis, prior to Regulus publicly disclosing the same.

The Compensation Committee is required to be comprised of at least three directors, or such greater number as the Board may determine from time to time. The majority of the members of the Compensation Committee are required to be independent; as such term is defined for this purpose under applicable securities requirements. Pursuant to the mandate and terms of reference of the Compensation Committee, meetings of the Compensation Committee are to take place at least one time per year and at such other times as the Chair of the Compensation Committee may determine.

Compensation Consultant or Advisor

At no time in the previous two completed financial years of Regulus has a compensation consultant or advisor been formally retained by Regulus to assist the Board or the Compensation Committee to determine the compensation of the directors or executive officers of Regulus.

Risk Implications Associated with Compensation Policies and Practices

The Compensation Committee has considered the implications of the risks associated with Regulus' compensation policies and practices and has determined that there are no significant areas of risk because of the discretionary nature of such policies and practices. This determination was based on a number of factors, including, without limitation: that Regulus' compensation policies and practices are generally uniform throughout the organization and there are no significant differences in compensation structure among the senior executives; Regulus attempts to achieve a balance between cash and equity compensation which is based both on individual and corporate performance, both financial and non-financial; and stock options, which make up a significant portion of a Named Executive Officer's total compensation, generally vest over a period of two years, which acts to mitigate against the potential for inappropriate short-term risk taking. However, as elements of the discretionary compensation of the executive officers, such as the bonus plan, may be based, at least partially, on the performance of Regulus over the short term, such policies may cause executive officers to make decisions favouring the short term results of Regulus rather than making decisions based on the best interests of Regulus over the long term. The ability of the Compensation Committee to consider other factors such as personal contributions to corporate performance and non-financial based elements of corporate performance allows the Compensation Committee to consider whether executive officers have attempted to bolster short-term results at the expense of the long term success of Regulus in determining executive compensation.

Director and NEO Compensation

During the Corporation's financial years ended September 30, 2023 and September 30, 2022, the Corporation's named executive officers were: (i) John E. Black, CEO; (ii) Fernando Pickmann, President and Chief Operating Officer ("COO"); (iii) Mark Wayne, CFO; and (iv) Dr. Kevin B. Heather, Chief Geological Officer ("CGO").

The directors of the Corporation for the financial years ended September 30, 2023 and September 30, 2022 were: John M. Leask, Michael McClelland, Anna Tudela, Raymond Jannas and Michael McClelland:

The following table provides information regarding the annual compensation paid to or earned by the Corporation's NEOs and directors for the financial years ended September 30, 2023 and September 30, 2022.

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of all Other Compensation ⁽¹⁾ (\$)	Total Compensation (\$)
John E. Black CEO and Director	2023	236,047 ⁽²⁾	Nil	Nil	Nil	236,047
	2022	224,353 ⁽²⁾	Nil	Nil	Nil	224,353
Fernando Pickmann President, COO and Director	2023	236,047 ⁽³⁾	Nil	Nil	Nil	236,047
	2022	224,353 ⁽³⁾	Nil	Nil	Nil	224,353
Mark Wayne CFO and Director	2023	75,000 ⁽⁴⁾	Nil	Nil	Nil	75,000
	2022	75,000 ⁽⁴⁾	Nil	Nil	Nil	75,000
Kevin B. Heather CGO	2023	202,326 ⁽⁵⁾	Nil	Nil	Nil	202,326
	2022	192,303 ⁽⁵⁾	Nil	Nil	Nil	192,303
John M. Leask Director	2023	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil
Michael McClelland Director	2023	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil
Anna Tudela Director	2023	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil
Raymond Jannas ⁽⁶⁾ Director	2023	N/A	N/A	N/A	N/A	N/A
	2022	Nil	Nil	Nil	Nil	Nil
Adam Burley ⁽⁷⁾ Director	2023	Nil	Nil	Nil	Nil	Nil
	2022	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) The value of perquisites received by each of the Named Executive Officers, including property or other personal benefits provided to the Named Executive Officers that are not generally available to all employees, were not in the aggregate greater than: (a) \$15,000, if the NEO's total salary for the financial year is \$150,000 or less; or (b) \$50,000 or 10% of the NEO's total salary for the financial year is greater than \$150,000 but less than \$500,000.
- (2) Represents consulting fees of US\$14,583.33 per month paid to a private corporation controlled by Mr. Black for his position of CEO of the Corporation.
- (3) Represents consulting fees of US\$14,583.33 per month paid to Mr. Pickmann for his position as President and COO of the Corporation.
- (4) Represents consulting fees of \$6,250.00 per month paid to a private corporation controlled by Mr. Wayne for his position of CFO of the Corporation.

- (5) Represents consulting fees of US\$12,500.00 per month paid to a private corporation controlled by Dr. Heather for his position of CGO of the Corporation.
- (6) Mr. Jannas retired as director on March 21, 2023.
- (7) Mr. Burley was appointed director on Mar 21, 2023.

External Management Companies

The Corporation has not engaged the services of an external management company to provide executive management services to the Corporation, directly or indirectly.

Stock Options and Other Compensation Securities

Other than the Option Plan, the Corporation does not have any share-based award plans, non-equity long-term incentive plans, or any defined benefit or contribution pension plans for its directors or NEOs.

NEO and Director Outstanding Option-Based Awards

The following table sets forth for each person who was a Named Executive Officer and director all option-based awards outstanding at the year ended September 30, 2023.

Name	Type of Compensation Security	No. of Compensation Securities, No. of Underlying Securities, and % of Class ⁽¹⁾	Date of Issue or Grant	Issue, Conversion, or Exercise Price (\$)	Closing Price of Security or Underlying Security on Date of Grant (\$)	Closing Price of Security or Underlying Security at Year End (\$)	Expiry Date
John E. Black CEO and Director	Options	650,000 ⁽²⁾ (5.71%)	Feb 6, 2023	1.02	0.83	0.80	Feb 6, 2028
	Options	200,000 ⁽³⁾ (1.76%)	Jun 29, 2020	0.86	0.86	0.80	Jun 29, 2025
	Options	950,000 ⁽³⁾ (8.35%)	Feb 4, 2019	1.60	1.58	0.80	Feb 4, 2024
Fernando Pickmann President, COO and Director	Options	650,000 ⁽²⁾ (5.71%)	Feb 6, 2023	1.02	0.83	0.80	Feb 6, 2028
	Options	200,000 ⁽³⁾ (1.76%)	Jun 29, 2020	0.86	0.86	0.80	Jun 29, 2025
	Options	950,000 ⁽³⁾ (8.35%)	Feb 4, 2019	1.60	1.58	0.80	Feb 4, 2024
Mark Wayne CFO and Director	Options	650,000 ⁽²⁾ (5.71%)	Feb 6, 2023	1.02	0.83	0.80	Feb 6, 2028
	Options	200,000 ⁽³⁾ (1.76%)	Jun 29, 2020	0.86	0.86	0.80	Jun 29, 2025
	Options	950,000 ⁽³⁾ (8.35%)	Feb 4, 2019	1.60	1.58	0.80	Feb 4, 2024

Name	Type of Compensation Security	No. of Compensation Securities, No. of Underlying Securities, and % of Class ⁽¹⁾	Date of Issue or Grant	Issue, Conversion, or Exercise Price (\$)	Closing Price of Security or Underlying Security on Date of Grant (\$)	Closing Price of Security or Underlying Security atz Year End (\$)	Expiry Date
Kevin B. Heather CGO	Options	650,000 ⁽²⁾ (5.71%)	Feb 6, 2023	1.02	0.83	0.80	Feb 6, 2028
	Options	200,000 ⁽³⁾ (1.76%)	Jun 29, 2020	0.86	0.86	0.80	Jun 29, 2025
	Options	950,000 ⁽³⁾ (8.35%)	Feb 4, 2019	1.60	1.58	0.80	Feb 4, 2024
John M. Leask Director	Options	100,000 ⁽²⁾ (0.88%)	Feb 6, 2023	1.02	0.83	0.80	Feb 6, 2028
	Options	50,000 ⁽³⁾ (0.44%)	Jun 29, 2020	0.86	0.86	0.80	Jun 29, 2025
	Options	200,000 ⁽³⁾ 1.76%	Feb 4, 2019	1.60	1.58	0.80	Feb 4, 2024
Raymond Jannas ⁽⁴⁾ Director	Options	100,000 ⁽²⁾ (0.88%)	Feb 6, 2023	1.02	0.83	0.80	Feb 6, 2028
	Options	50,000 ⁽³⁾ (0.44%)	Jun 29, 2020	0.86	0.86	0.80	Jun 29, 2025
	Options	200,000 ⁽³⁾ 1.76%	Feb 4, 2019	1.60	1.58	0.80	Feb 4, 2024
Anna Tudela Director	Options	100,000 ⁽²⁾ (0.88%)	Feb 6, 2023	1.02	0.83	0.80	Feb 6, 2028
	Options	200,000 ⁽³⁾ (1.76%)	Oct 19, 2020	1.49	1.43	0.80	Oct 19, 2025
Michael McClelland Director	Options	100,000 ⁽²⁾ (0.88%)	Feb 6, 2023	1.02	0.83	0.80	Feb 6, 2028
	Options	200,000 ⁽³⁾ (1.76%)	Apr 13, 2021	0.89	0.90	0.80	Apr 13, 2026
Adam Burley ⁽⁵⁾ Director	Options	Nil	N/A	N/A	N/A	0.80	N/A

Notes:

(1) Percentage based on 11,375,000 Options outstanding at September 30, 2023.

(2) Options are 25% vested.

(3) Options are 100% vested.

(4) Mr. Jannas retired as director on March 21, 2023.

(5) Mr. Burley was appointed director on Mar 21, 2023.

Exercise of Option-Based Awards

There have been no exercises of option-based awards for any NEO or director of the Corporation during the years ended September 30, 2023 and September 30, 2022.

Option Plan

The Corporation has an Option Plan which permits the granting of Options to directors, officers, employees, consultants and other service providers (“**Optionees**”) of the Corporation and its subsidiaries. As described above, the Corporation is presenting the Option Plan for Shareholder approval at the Meeting, which includes minor amendments, including those required to comply with TSXV Policy 4.4 – *Securities Based Compensation*. The Option Plan is intended to afford persons who provide services to Regulus an opportunity to obtain an increased proprietary interest in Regulus by permitting them to purchase Common Shares and to aid in attracting as well as retaining and encouraging the continued involvement of such persons with Regulus. The Option Plan is administered by the Board.

Under the Option Plan, the total number of Common Shares issuable pursuant to Options outstanding at any time under the Option Plan and all other Security Based Compensation Arrangements (as such term is defined in the Option Plan) shall not exceed 10% of the aggregate number of Common Shares which are outstanding from time to time. Options that are cancelled, terminated or expired prior to exercise of all or a portion thereof shall result in the Common Shares that were reserved for issuance thereunder being available for a subsequent grant of Options pursuant to the Option Plan. As the Option Plan is a rolling plan, the issuance of additional Common Shares by the Corporation or the exercise of Options will also give rise to additional availability under the Option Plan.

The maximum number of Common Shares reserved for issuance pursuant to all Security Based Compensation Arrangements of Regulus: (i) to any one Optionee in a 12 month period shall not exceed 5% of the number of Outstanding Securities (as such term is defined in the Option Plan), unless the Corporation has obtained disinterested Shareholder approval; (ii) to Insiders (as a group) at any time shall not exceed 10% of the number of Outstanding Securities, unless the Corporation has obtained disinterested Shareholder approval; (iii) to Insiders (as a group) within any 12 month period shall not exceed 10% of the Outstanding Securities, unless the Corporation has obtained disinterested Shareholder approval; (iv) to any one Consultant (as such term is defined in the policies of the TSXV) in any 12 month period under all Security Based Compensation Arrangements shall not exceed 2% of the number of Outstanding Securities; and (v) to anyone providing Investor Relations Activities (as such term is defined in the policies of the TSXV) in any 12 month period shall not exceed 2% of the Outstanding Securities. In addition, the maximum number of Common Shares issuable at any time pursuant to Options to directors of Regulus that are not officers or employees of Regulus shall be limited to 1% of the issued and Outstanding Securities. Options granted under the Option Plan are not assignable.

Options granted pursuant to the Option Plan have a term not exceeding five years from the date of grant and vest in such manner as determined by the Board. In the absence of any specific determination to the contrary by the Board, Options will vest and be exercisable as to one third on each of the first, second and third anniversaries of the date of grant.

The exercise price of the Options granted pursuant to the Option Plan is determined by the Board at the time of grant, provided that the exercise price shall not be less than the closing trading price of the Common Shares on the TSXV (or such stock exchange on which the Common Shares may be listed) on the last trading day immediately preceding the date of grant.

In the event that an Optionee ceases to be a director, officer employee of or service provider to Regulus or a subsidiary of Regulus for any reason, including without limitation, resignation, dismissal or otherwise but excluding death, the Optionee may, prior to the expiry date of the Options and within 90 days from the date of ceasing to be a director, officer employee or service provider, exercise any Options which are vested within such period, after which time any outstanding Options shall terminate. In the event of death of the Optionee, any outstanding Options shall vest immediately and shall terminate on the date that is 90 days following the Optionee’s death.

The Board may not, without prior approval of Shareholders, or, if applicable, disinterested Shareholder approval and prior acceptance by the TSXV, TSX, or such other stock exchange as the Common Shares may be listed for trading: (i) make any amendment to the Option Plan to increase the percentage of Common Shares issuable on exercise of outstanding Options at any time, subject to disinterested Shareholder approval; (ii) reduce the exercise price or extending the term of any outstanding Options held by Insiders, subject to Shareholder approval; (iii) extend the term of any outstanding Options beyond the original expiry date of such Option; (iv) make any amendment to increase the maximum limit on the number of securities that may be

issued to Insiders, subject to disinterested Shareholder approval; (v) make any amendment to increase the maximum number of Common Shares issuable on exercise of Options to directors who are not officers or employees of the Corporation; (vi) make any amendment to the Option Plan that would permit an Optionee to transfer or assign Options to a new beneficial Optionee other than in the case of death of the Optionee; or (vii) amend the restrictions on amendments that are provided in the Option Plan. Subject to restrictions set out above, the Board may amend or discontinue the Option Plan and Options granted thereunder at any time, without Shareholder approval, provided that any amendment to the Option Plan that requires approval of any stock exchange on which the Common Shares are listed for trading may not be made without approval of such stock exchange. In addition, no amendment to the Option Plan or Options granted pursuant to the Option Plan may be made without the consent of the Optionee if it adversely alters or impairs any Option previously granted to such Optionee.

The policies of the TSXV require that the Option Plan be approved every year by Shareholders. See “*Matters to be Acted Upon at the Meeting – Approval of the Corporation’s Share Option Plan*”.

Pension Plan Benefits

The Corporation does not have in place any pension plan or similar benefit program that provides for payments or benefits at, following or in connection with retirement.

Termination and Change of Control Benefits

The Corporation has entered into consulting agreements with each of John Black, Fernando Pickmann, Mark Wayne and Kevin B. Heather (the “**Consulting Agreements**”).

The Consulting Agreements continue on a month-to-month basis until terminated by the applicable consultant or the Corporation. The consultants are entitled to participate in the Option Plan and also agree to keep the Corporation’s information confidential during the term of the Consulting Agreements and indefinitely after the Consulting Agreements are terminated so long as such information remains confidential. The Consulting Agreements may be terminated by Regulus at any time if the applicable consultant fails to provide the services described within the applicable Consulting Agreement or upon 12 months payment in any other event, and may also be terminated by the applicable consultant at any time if Regulus fails to perform its obligations as described in the applicable Consulting Agreement. Additionally, following a Change of Control (as defined in the applicable Consulting Agreement), the applicable consultant has the right to voluntarily terminate its services under the applicable Consulting Agreement for any reason within 60 days following the effective date of a Change of Control and will be entitled to a lump sum payment calculated by multiplying the Consulting Fee (as defined in the applicable Consulting Agreement) by 24. In addition, any stock options granted to the applicable consultant will accelerate and vest on the consultant’s voluntary termination date following the Change of Control. If any of the Consulting Agreements are terminated for any reason other than a Change of Control, there is no automatic resulting acceleration of, or any other benefit relating to, any Options held by the executive officer.

If the Consulting Agreements were terminated by Regulus (other than for failure to provide the services outlined in the Consulting Agreement), at September 30, 2023, the termination payment payable thereunder to Messrs. Black, Pickmann and Wayne and Dr. Heather would have been US\$175,000, US\$175,000, \$75,000 and US\$150,000, respectively. If the Consulting Agreements were terminated by Regulus at September 30, 2023 following a Change of Control, the termination payment payable thereunder to Messrs. Black, Pickmann and Wayne and Dr. Heather would have been US\$350,000, US\$350,000, \$150,000 and US\$300,000, respectively.

Director Compensation

Other than the grant of Options as set forth under the section titled “*NEO and Director Outstanding Option-Based Awards*”, no director compensation was paid or issued during the years ended September 30, 2023, September 30, 2022. The Board intends to review directors’ compensation from time to time as considered appropriate having regard to current trends in directors’ compensation and compensation data for directors of issuers of comparative size to Regulus. Regulus does not

currently pay any cash compensation to its directors. Members of the Board are entitled to Options granted pursuant to the Option Plan. The Corporation reimburses directors for all reasonable expenses incurred in order to attend meetings.

Securities Authorized for Issuance Under Equity Compensation Plans

The following sets forth information in respect of securities authorized for issuance under the equity compensation plans as at September 30, 2023:

Plan Category	Number of securities to be issued upon exercise of outstanding Options, warrants and rights (a)⁽²⁾	Weighted average exercise price of outstanding Options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)⁽²⁾
Equity compensation plans approved by securityholders ⁽¹⁾	11,375,000 Options	\$1.28	1,075,882 Options
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	11,375,000 Options	\$1.28	1,075,882 Options

Notes:

- (1) The Option Plan authorizes the issuance of Options entitling the holders to acquire, in the aggregate, up to 10% of the Common Shares from time to time. See “*Stock Options and Other Compensation Securities – Option Plan*”.
- (2) Based on the number of outstanding Common Shares as at September 30, 2023.

Indebtedness of Directors and Executive Officers

No director, executive officer, employee or former executive officer, director or employee of the Corporation or any of its subsidiaries, or any associate of any such director, officer or employee is, or has been at any time since the beginning of the most recently completed financial year of the Corporation, indebted to the Corporation or any of its subsidiaries in respect of any indebtedness that is still outstanding, nor, at any time since the beginning of the most recently completed financial year of the Corporation has, any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

AUDIT COMMITTEE

The following sets forth the disclosure required by Form 52-110F2 – *Disclosure by Venture Issuers (“52-110F2”)* under National Instrument 52-110 – *Audit Committees (“NI 52-110”)*.

Audit Committee Mandate

The text of the mandate of the audit committee of the Corporation (the “**Audit Committee**”) is attached hereto as Schedule “B”.

Composition of the Audit Committee

The members of the Audit Committee as at September 30, 2023 were Michael McClelland (Chair), Mark Wayne and John M. Leask. Messrs. McClelland and Leask are independent within the meaning ascribed thereto in NI 52-110. Mr. Wayne is not independent pursuant to NI 52-110 as he is the Chief Financial Officer of the Corporation.

Relevant Education and Expertise

The following is a brief description of the education and experience of each member of our Audit Committee that is relevant to the performance of his responsibilities as an Audit Committee member:

<u>Name and Place of Residence</u>	<u>Independent⁽¹⁾</u>	<u>Financially Literacy⁽²⁾</u>	<u>Relevant Education and Experience</u>
Michael McClelland Vancouver, British Columbia	Yes	Yes	Chief Financial Officer of August Gold Corp. since October 2020; Chief Financial Officer of Titan Mining Corporation since March 2018; former Chief Financial Officer of Bisha Mining Share Company from February 2016 to March 2018. Mine General Manager of the Wharf Mine at Goldcorp Inc. from April 2013 to January 2015, and prior to that was the Director of Finance, Canada and USA of Goldcorp Inc. from June 2010 to April 2013.
Mark Wayne Calgary, Alberta	No	Yes	Chief Financial Officer of the Corporation since incorporation and Chief Financial Officer of Aldebaran since its incorporation. Investment Advisor, iA Private Wealth Inc., an investment dealer, since January 2005. Chartered Financial Analyst and LL.B. Director, officer and audit committee member of several public companies for a number of years.
John M. Leask North Vancouver, British Columbia	Yes	Yes	Bachelor of Applied Science in Geological Engineering from the University of British Columbia and a Professional Geological Engineer. Director, officer and audit committee member of junior public companies for a number of years.

Notes:

(1) As defined in section 1.4 of NI 52-110.

(2) As defined in section 1.6 of NI 52-110.

Audit Committee Oversight

Since the commencement of the Corporation's most recently completed financial year, each recommendation of the Audit Committee to nominate or compensate the external auditors has been adopted by the Board.

Reliance on Certain Exemptions

The Corporation does not rely on any of the exemptions set forth in Section 5 of 52-110F2.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services other than a requirement that the Audit Committee approve all non-audit services provided by the Corporation’s auditors. The Corporation’s auditors did not provide any material non-audit services to the Corporation for the periods ending September 30, 2023 and September 30, 2022.

External Auditor Service Fees

The following is a summary of the fees paid to the Corporation’s auditor, Davidson & Company LLP, for external audit and other services for the years ended September 30, 2023 and September 30, 2022:

Nature of Services	Fees Paid to the Auditor in the Year Ended September 30, 2023	Fees Paid to the Auditor in the Year Ended September 30, 2022
Audit Fees ⁽¹⁾	\$65,945	\$55,671
Audit-Related Fees ⁽²⁾	\$Nil	\$Nil
Tax Fees ⁽³⁾	\$Nil	\$Nil
All Other Fees ⁽⁴⁾	\$Nil	\$Nil
Total	\$65,945	\$55,671

Notes:

- (1) “Audit Fees” include fees necessary to perform the annual audit. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, international financial reporting standards transition consulting, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) “All Other Fees” include all other non-audit services.

CORPORATE GOVERNANCE PRACTICES

The following sets forth the disclosure required by Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)* (“**58-101F2**”) under National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”).

Board of Directors

Four of the Corporation’s seven board members are independent. The Board has determined that John M. Leask, Michael McClelland, Anna Tudela and Adam Burley are independent. John E. Black is not considered independent as he is the Chief Executive Officer of the Corporation, Fernando Pickmann is not considered independent as he is the President and Chief Operating Officer of the Corporation and Mark Wayne is not considered independent as he is the Chief Financial Officer of the Corporation.

The Board believes it can function independently of management. If determined necessary or appropriate, at the end of or during each meeting of the Board or the committees thereof, the members of management of the Corporation and the non-independent directors of the Corporation who are present at such meeting may be asked to leave the meeting in order for the independent directors to meet. In addition, other meetings of the independent directors may be held from time to time if required.

Directorships

The following directors on the Board are presently directors of other issuers that are reporting issuers:

<u>Name</u>	<u>Name of Reporting Issuer</u>
Mark Wayne	Aldebaran Resources Inc.
John E. Black	Aldebaran Resources Inc., Chakana Copper Corp.
Anna Tudela	Gunpoint Exploration Ltd., GoldMining Inc.
John M. Leask	Highway 50 Gold Corp.

Orientation and Continuing Education

No formal education program currently exists for the orientation of new directors and existing directors. While the Corporation does not currently have a formal orientation program for new directors, new directors are provided with access to all background documents in respect of the Corporation, including all corporate records, prior Board materials and a presentation is made by management to new directors respecting the nature and operations of the Corporation's business. Existing directors are also expected to provide orientation and education to new members on an informal and ad hoc basis.

As noted above, no formal continuing education program currently exists for the directors of the Corporation; however, the Corporation encourages directors to attend, enrol or participate in courses and/or seminars dealing with financial literacy, corporate governance and related matters. Each director of the Corporation has the responsibility for ensuring that he maintains the skill and knowledge necessary to meet his obligations as a director.

Ethical Business Conduct

The Board has adopted a Code of Business Conduct and Ethics (the "Code") applicable to all members of the Corporation, including directors, officers and employees. Each director, officer and employee of has been provided with a copy of the Code and, in addition, a copy of the Code has been filed on SEDAR+ at www.sedarplus.ca. All employees are provided with a copy of the Code upon commencement of employment. The Board monitors compliance with the Code by requiring each of the senior officers of the Corporation to affirm in writing on an annual basis his or her agreement to abide by the Code, as to his or her ethical conduct and in respect of any conflicts of interest.

Nomination of Directors

The Board as a whole is responsible for recommending suitable candidates for nominees for election or appointment as director, and recommending the criteria governing the overall composition of the Board and governing the desirable characteristics for directors. In making such recommendations, the Board is to consider: (i) the competence and skills that the Board considers to be necessary for the Board, as a whole, to possess; (ii) the competence and skills that the Board considers each existing director to possess; (iii) the competencies and skills that each new nominee will bring to the boardroom; and (iv) whether or not each new nominee can devote sufficient time and resources to his or her duties as a member of the Board.

The Board is also to review on a periodic basis the composition of the Board to ensure that an appropriate number of independent directors sit on the Board, and analyze the needs of the Board and recommend nominees who meet such needs.

Compensation

See "Information Concerning the Corporation – Statement of Executive Compensation" for a summary of the steps that are taken to determine compensation for the directors and senior officers of the Corporation.

Other Board Committees

There are no committees of the Board other than the Audit Committee, the Compensation Committee and the Health, Safety, Environment & Community Relations Committee (see “*Matters to be Acted Upon at the Meeting – Election of Directors*”).

Assessments

The Corporation has not commenced a formal process of assessing the Board and its committees or the individual directors. To date, the Board has satisfied itself that the Board, its committees and individual directors are performing effectively through informal discussions.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed herein or set out below, to the knowledge of management of the Corporation, there were no material interests, direct or indirect, of directors or executive officers of the Corporation, of any Shareholder who beneficially owns or controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares, or any other Informed Person (as defined in NI 51-102) or any known associate or affiliate of such persons, in any transaction since the commencement of the most recently completed financial year of the Corporation or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

During the years ended September 30, 2023, a law firm at which Mr. Fernando Pickmann was a partner was paid or accrued \$104,969 for legal services.

Adam Burley, a director of the Corporation, is the CEO and President of Nuton LLC. On January 27, 2023 Nuton LLC purchased 20,058,974 Common Shares of the Corporation at a price of \$1.02 per Common Share (the “**Nuton Financing**”), resulting in Nuton LLC holding 16.11% of the issued and outstanding Common Shares as at that date. In connection with the Nuton Financing, the Corporation entered into a collaboration agreement with Nuton LLC dated January 27, 2023, pursuant to which Nuton LLC was granted certain investor rights, including allowing it to maintain its equity interest in the Corporation if it maintains said interest above 10%, and providing one board nomination right.

Interest of Certain Persons or Companies in Matters to be Acted Upon

Management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or nominee for director, or executive officer of the Corporation or anyone who has held office as such since the beginning of the Corporation’s last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting other than the election of directors.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR+ at www.sedarplus.ca. Financial information in respect of the Corporation and its affairs is provided in the Corporation’s annual audited comparative consolidated financial statements for the years ended September 30, 2023 and September 30, 2022 and each related management’s discussion and analysis. Copies of the Corporation’s financial statements and related management discussion and analysis are available upon request from Megan Cameron-Jones, Corporate Secretary of the Corporation, (604) 685-6800 or megan.cameron-jones@regulusresources.com.

SCHEDULE "A"

REGULUS RESOURCES INC. SHARE OPTION PLAN

1. Purpose of Plan

The purpose of this plan (the "**Plan**") is to develop the interest of officers, directors and employees of, and consultants and Service Providers to, Regulus Resources Inc. and its subsidiaries (collectively, the "**Corporation**") in the growth and development of the Corporation by providing them with the opportunity through share options to acquire an increased proprietary interest in the Corporation.

2. Administration

The Plan shall be administered by the Board of Directors of the Corporation, or if appointed, by a special committee of Directors appointed from time to time by the Board of Directors of the Corporation (such committee, or if no such committee is appointed, the Board of Directors of the Corporation, is hereinafter referred to as the "**Committee**") pursuant to rules of procedure fixed by the Board of Directors.

3. Granting of Options

Subject to this Section 3, the Committee may from time to time designate directors, officers, employees, consultants and Service Providers of the Corporation (or in each case their personal holding companies) (collectively, the "**Optionees**"), to whom options ("**Options**") to purchase common shares ("**Common Shares**") of the Corporation may be granted, and the number of Common Shares to be optioned to each, provided that:

- (a) the total number of Common Shares issuable pursuant to Options outstanding at any time under the Plan and all other Security Based Compensation Arrangements shall not exceed 10% of the aggregate number of Common Shares of the Corporation outstanding, subject to adjustment as set forth herein, and further subject to the applicable rules and regulations of all regulatory authorities to which the Corporation may be subject, including the TSX Venture Exchange (the "**TSX Venture**") or the Toronto Stock Exchange (the "**TSX**") or such other stock exchange as the Common Shares may be listed for trading;
- (b) the maximum number of Common Shares reserved for issuance pursuant to all Security Based Compensation Arrangements in any 12 month period, to any one Optionee shall not exceed 5% of the Outstanding Securities, unless the Company has obtained disinterested shareholder approval;
- (c) the maximum number of Common Shares reserved for issuance to Insiders (as a group) at any time pursuant to all Security Based Compensation Arrangements shall not exceed 10% of the number of Outstanding Securities, unless the Company has obtained disinterested shareholder approval;
- (d) if the Common Shares are listed on the TSX Venture, the maximum number of Common Shares reserved for issuance to Insiders (as a group), within any 12 month period, under all Security Based Compensation Arrangements, shall not exceed 10% of the number of Outstanding Securities, unless the Company has obtained disinterested shareholder approval;
- (e) if the Common Shares are listed on the TSX Venture, the aggregate number of Common Shares reserved for issuance to any one Consultant (as such term is defined in the policies of the TSX Venture) in any 12 month period, under all Security Based Compensation Arrangements, shall not exceed 2% of the number of Outstanding Securities;
- (f) if the Common Shares are listed on the TSX Venture, the aggregate number of Common Shares reserved for issuance pursuant to Options to all Optionees employed to provide Investor Relations Activities (as such term

is defined in the policies of the TSX Venture) in any 12 month period shall not exceed 2% of the number of Outstanding Securities;

- (g) if the Common Shares are listed on the TSX Venture, a grant of Options pursuant to this Plan shall constitute a representation by the Corporation that the Optionee is a bona fide Employee, Consultant or Management Company Employee (as such terms are defined in the policies of the TSX Venture) and
- (h) the maximum number of Common Shares issuable at any time pursuant to outstanding Options granted to directors of the Corporation who are not officers or employees of the Corporation shall be limited to 1% of the issued and Outstanding Securities;

The Common Shares that are reserved for issuance on exercise of Options granted pursuant to this Plan that are cancelled, terminated or expired in accordance with terms of the Plan prior to the exercise of all or a portion thereof shall be available for a subsequent grant of Options pursuant to this Plan to the extent of any Common Shares issuable thereunder that are not issued under such cancelled, terminated or expired Options.

4. Vesting

The Committee may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, provided that the Options shall not vest on more favourable terms than one-third of the total number of Options granted on the date of grant and on each of the first and second anniversaries of the date of grant. In the absence of any determination by the Committee as to vesting, vesting shall be as to one third on each of the first, second and third anniversaries of the date of grant. For greater certainty, the Committee may, in its sole discretion, accelerate the vesting of Options following their initial grant.

5. Exercise Price

The exercise price (the “**Exercise Price**”) of any Option shall be fixed by the Committee when such Option is granted, provided that such price shall not be less than the Market Price (as such term is defined in the policies of the TSX Venture) of the Common Shares or the closing price of the Common Shares on the TSX (or such other principal stock exchange on which the Common Shares may then trade) on the last trading date immediately prior to the date of grant, or such other price as may be determined under the applicable rules and regulations of all regulatory authorities to which the Corporation may be subject, including the TSX Venture or the TSX or such other stock exchange as the Common Shares may be listed for trading, provided that if the Common Shares are not then listed and posted for trading on the TSX Venture or TSX or any other principal stock exchange the Exercise Price shall be determined by the Committee in its sole discretion acting reasonably and in good faith.

6. Option Terms

The period during which an Option is exercisable shall, subject to the provisions of the Plan requiring acceleration of rights of exercise, not be in excess of five years from the date of grant. Each Option shall, among other things, contain provisions to the effect that the Option shall be personal to the Optionee and shall not be assignable or transferable other than in the case of death of the Optionee. In addition, each Option shall provide that:

- (a) upon the death of the Optionee, the Option shall vest immediately and shall terminate on the date that is 90 days following the date of death of the Optionee (the “**Termination Date**”); and
- (b) if the Optionee shall no longer be a director or officer of, be in the employ of, or be providing ongoing management or consulting services to, the Corporation, the Option shall terminate on the earlier of the expiry date of the Option and the expiry of the period (the “**Termination Date**”) not in excess of 90 days prescribed by the Committee at the time of grant, following the date that the Optionee ceases to be a director, officer or employee of the Corporation, or ceases to provide ongoing management or consulting services to, the Corporation, as the case may be;

provided that the number of Common Shares that the Optionee (or his heirs or successors) shall be entitled to purchase until the Termination Date shall be the number of Common Shares which the Optionee was entitled to purchase on the date of death or the date the Optionee ceased to be an officer, director or employee of, or ceased providing ongoing management or consulting services to, the Corporation, as the case may be. In addition, such Option may, subject to the terms thereof and any other terms of the Stock Option Plan, be extended by the Board of Directors to be exercised up to one year after departure of the participant from Regulus (for any reason other than termination for cause), or until the expiry date of the Option, if earlier.

If the normal expiry date of any Option falls within any Blackout Period or within 10 business days (being a day other than a Saturday, Sunday or other than a day when banks in Calgary, Alberta are not generally open for business) following the end of any Blackout Period (the “**Restricted Options**”), then the Expiry Date of such Restricted Options shall, without any further action, be extended to the date that is 10 business days following the end of such Blackout Period. The foregoing extension applies to all Options whatever the date of grant and shall not be considered an extension of the term of the Options as referred to in Section 15 hereof.

7. Exercise of Option

Subject to the provisions of the Plan, an Option may be exercised from time to time by delivery to the Corporation at its head office, or such other place as may be specified by the Corporation, of a written notice of exercise specifying the number of Common Shares with respect to which the Option is being exercised and accompanied by payment in full of the purchase price of the Common Shares then being purchased by cash, certified cheque or bank draft.

8. Mergers, Amalgamation and Sale

If the Corporation shall become merged (whether by plan of arrangement or otherwise) or amalgamated within or with another corporation or shall sell the whole or substantially the whole of its assets and undertakings for shares or securities of another corporation, the Corporation shall, subject to this Section 8 and subject to prior approval of the TSX Venture, make provision that, upon exercise of an Option during its unexpired period after the effective date of such merger, amalgamation or sale, the Optionee shall receive such number of shares of the continuing successor corporation in such merger or amalgamation or the securities or shares of the purchasing corporation as the Optionee would have received as a result of such merger, amalgamation or sale if the Optionee had purchased the shares of the Corporation immediately prior thereto for the same consideration paid on the exercise of the Option and had held such shares on the effective date of such merger, amalgamation or sale and, upon such provision being made, the obligation of the Corporation to the Optionee in respect of the Common Shares subject to the Option shall terminate and be at an end and the Optionee shall cease to have any further rights in respect thereof.

9. No Rights as a Shareholder

An Optionee shall not have any of the rights or privileges of a shareholder of the Corporation in respect of any Common Shares issuable upon exercise of an Option until certificates representing such Common Shares have been issued and delivered.

10. Cessation of Employment

For the purposes of this Plan and all option agreements, unless otherwise provided in the applicable option agreement, an Optionee shall be deemed to have ceased to be a Service Provider and an Optionee shall be deemed to have terminated or resigned from employment or consulting arrangement with the Corporation or any of its subsidiaries, as applicable, for the purposes hereof on the first to occur of such termination or resignation or the date (as determined by the Board of Directors) that the Optionee ceases in the active performance of all of the regular duties of the Optionee’s job, which includes the carrying on of all of the usual and customary day-to-day duties of the job for the normal and scheduled number of hours in each working day, unless the foregoing is a result in a leave of absence (“**Leave**”) approved for this purpose by the Committee or senior officer to whom such Service Provider reports; the foregoing to apply whether or not adequate or proper notice of termination shall have been provided by and to the Corporation or its subsidiaries, as applicable, in respect of such termination of

employment or consulting arrangement. If the Optionee shall take a Leave, the Committee may, in its sole discretion, also modify or change the vesting of any Options granted to such Optionee to take into account the period of the Leave.

11. Termination of Option in the Event of Take-Over Bid

In the event a take-over bid (as defined in the *Securities Act* (Alberta)), which is not exempt from the take-over bid requirements of Part 14 of the *Securities Act* (Alberta) (or its replacement or successor provisions) shall be made for the Common Shares of the Corporation, the Corporation may in the agreement providing for the grant of Options herein provide that the Corporation may require the disposition of the Optionee and the termination of any obligations of the Corporation to the Optionee in respect of any Options granted by paying to the Optionee in cash the difference between the exercise price of unexercised Options and the fair market value of the securities to which the Optionee would have been entitled upon exercise of the unexercised Options on such date, which determination of fair market value shall be conclusively made by the Committee, subject to approval by the stock exchanges upon which the Common Shares are then listed, if required by such exchanges. Upon payment as aforesaid, the Options shall terminate and be at an end and the Optionee shall cease to have any further rights in respect thereof.

12. Alterations in Shares

In the event, at any time or from time to time, that the share capital of the Corporation shall be consolidated or subdivided prior to the exercise by the Optionee, in full, of any Option in respect of all of the shares granted or the Corporation shall pay a dividend upon the Common Shares by way of issuance to the holders thereof of additional Common Shares, Options with respect to any shares which have not been purchased at the time of any such consolidation, subdivision or stock dividend shall be proportionately adjusted so that the Optionee shall from time to time, upon the exercise of an Option, be entitled to receive the number of shares of the Corporation the Optionee would have held following such consolidation, subdivision or stock dividend if the Optionee had purchased the shares and had held such shares immediately prior to such consolidation, subdivision or stock dividend. Upon any such adjustments being made, the Optionee shall be bound by such adjustments and shall accept the terms of such Options in lieu of the Options previously outstanding.

13. Option Agreements

A written agreement will be entered into between the Corporation and each Optionee to whom an Option is granted hereunder, which agreement will set out the number of Common Shares subject to Option, the Exercise Price, provisions as to vesting (if applicable) and expiry, and any other terms approved by the Committee, all in accordance with the provisions of this Plan. The agreement will be in such form as the Committee may from time to time approve, or authorize the officers of the Corporation to enter into, and may contain such terms as may be considered necessary in order that the Option will comply with this Plan, any provisions respecting Options in the income tax or other laws in force in any country or jurisdiction of which the person to whom the Option is granted may from time to time be a resident or citizen, and the rules of any regulatory body having jurisdiction over the Corporation.

14. Regulatory Authorities Approvals

The Plan shall be subject to the approval, if required, of any stock exchange on which the Common Shares are listed for trading. Any Options granted prior to such approval shall be conditional upon such approval being given, and no such Options may be exercised unless such approval, if required, is given.

15. Amendment or Discontinuance of the Plan

The Committee may not, without the prior approval of the holders of Common Shares, or, if applicable, disinterested shareholder approval and prior acceptance of the TSX Venture, TSX or such other stock exchange as the Common Shares may be listed for trading: (i) make any amendment to the Plan to increase the percentage of Common Shares issuable on exercise of outstanding Options at any time pursuant to Section 3(a) hereof, subject to disinterested shareholder approval; (ii) reduce the exercise price or extending the term of any outstanding Options held by Insiders, subject to disinterested shareholder

approval; (iii) extend the term of any outstanding Option beyond the original expiry date of such Option; (iv) make any amendment to increase the maximum limit on the number of securities that may be issued to Insiders pursuant to Sections 3(b), (c), subject to disinterested shareholder approval, or (d) hereof; (v) make any amendment to Section 3(e) to increase the maximum number of Common Shares issuable on exercise of Options granted to directors who are not officers or employees of the Corporation; (vi) make any amendment to the Plan that would permit an Optionee to transfer or assign Options to a new beneficial Optionee other than in the case of death of the Optionee; or (vii) amend this Section 15. The Committee may not, without the prior approval of the disinterested holders of Common Shares, reduce the exercise price of any outstanding Options held by Insiders.

Except as restricted by the foregoing, the Committee may amend or discontinue the Plan or Options granted thereunder at any time without shareholder approval provided that any amendment to the Plan that requires approval of any stock exchange on which the Common Shares are listed for trading may not be made without approval of such stock exchange. In addition, no amendment to the Plan or Options granted pursuant to the Plan may be made without the consent of the Optionee, if it adversely alters or impairs any Option previously granted to such Optionee under the Plan.

16. Hold Period

In addition to any resale restrictions imposed under applicable securities laws, if required by the TSX Venture or the TSX or any other regulatory authority, Options granted under the Plan and Common Shares issued on exercise of such Options may be required to be legended evidencing that the Options and the Common Shares issued upon exercise of the Options are subject to a hold period or restricted period as required by the TSX Venture or the TSX or other applicable regulatory authority and the Optionee by accepting the Option agrees to comply therewith.

17. Common Shares Duly Issued

Common Shares issued upon the exercise of an Option granted hereunder will be validly issued and allotted as fully paid and non-assessable upon receipt by the Corporation of the Exercise Price therefore in accordance with the terms of the Option, and the issuance of Common Shares thereunder will not require a resolution or approval of the Board of Directors of the Corporation.

18. Prior Plans

This Plan shall come into force and effect on ratification approval by shareholders of the Corporation or its predecessor corporations and, if necessary, approval of any stock exchange on which the Common Shares are listed for trading and entirely replaces and supersedes prior share option plans enacted by the Board of Directors of the Corporation, or its predecessor corporations.

19. Tax Withholding

The Corporation shall have the power and the right to deduct or withhold, or require an Optionee to remit to the Corporation, the required amount to satisfy federal, provincial, and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of the Plan, including the grant or exercise of Options granted under the Plan. With respect to required withholding, the Corporation shall have the irrevocable right to, and the Optionee consents to, the Corporation setting off any amounts required to be withheld, in whole or in part, against amounts otherwise owing by the Corporation to the Optionee (whether arising pursuant to the Optionee's relationship as a director, officer or employee of the Corporation or as a result of the Optionee providing services on an ongoing basis to the Corporation or otherwise), or may make such other arrangements satisfactory to the Optionee and the Corporation. In addition, the Corporation may elect, in its sole discretion, to satisfy the withholding requirement, in whole or in part, by withholding such number of Common Shares as it determines are required to be sold by the Corporation, as trustee, to satisfy the withholding obligation net of selling costs. The Optionee consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Common Shares and acknowledges and agrees that the Corporation does not accept responsibility for the price obtained on the sale of such Common Shares.

20. No Guarantees Regarding Tax Treatment

Optionees (or their beneficiaries) shall be responsible for all taxes with respect to any Options under the Plan, whether arising as a result of the grant or exercise of Options or otherwise. The Board of Directors and the Corporation make no guarantees to any person regarding the tax treatment of Options or payments made under the Plan and none of the Corporation, nor any of its employees or representatives shall have any liability to an Optionee with respect thereto.

21. Definitions

- (a) “**Blackout Period**” means the period of time when, pursuant to any policies of the Corporation, any securities of the Corporation may not be traded by certain persons as designated by the Corporation, including any holder of an Option.
- (b) “**insider**”, “**associate**”, “**affiliate**” have the meanings ascribed thereto in the *Securities Act* (Alberta).
- (c) “**Insider**” means an insider of the Corporation and any person who is an associate or an affiliate of an insider of the Corporation.
- (d) “**Outstanding Securities**” at the time of any share issuance or grant of Options means the aggregate number of Common Shares that are outstanding immediately prior to the share issuance or grant of Options in question on a non-diluted basis, or such other number as may be determined under the applicable rules and regulations of all regulatory authorities to which the Corporation may be subject, including the TSX Venture, the TSX or such other stock exchange as the Common Shares may be listed for trading.
- (e) “**Security Based Compensation Arrangements**” means (i) stock option plans for the benefit of employees, Insiders, Service Providers or any one of such groups; (ii) individual stock options granted to employees, Service Providers or Insiders if not granted pursuant to a plan previously approved by the Corporation’s shareholders; (iii) stock purchase plans where the Corporation provides financial assistance or where the Corporation matches the whole or a portion of the securities being purchased; (iv) stock appreciation rights involving issuances by the Corporation of securities from treasury; (v) any other compensation or incentive mechanism involving the issuance or potential issuances of securities of the Corporation; and (vi) security purchases from treasury by an employee, Insider or Service Provider which is financially assisted by the Corporation by any means whatsoever; provided that Security Based Compensation Arrangements shall not include any warrants of the Corporation outstanding on the effective date of this Plan.
- (f) “**Service Provider**” means a person or company engaged by the Corporation to provide services for an initial, renewable or extended period of twelve months or more.

22. Effective Date

This Plan has been amended and is effective as of _____, 2023.

SCHEDULE “B”

AUDIT COMMITTEE MANDATE

Role and Objective

The Audit Committee (the “**Committee**”) is a committee of the board of directors (the “**Board**”) of Regulus Resources Inc. (the “**Corporation**”) to which the Board has delegated its responsibility for the oversight of the nature and scope of the annual audit, the oversight of management’s reporting on internal accounting standards and practices, the review of financial information, accounting systems and procedures, financial reporting and financial statements and has charged the Committee with the responsibility of recommending, for approval of the Board, the audited financial statements, interim financial statements and other mandatory disclosure releases containing financial information.

The primary objectives of the Committee are as follows:

1. To assist directors in meeting their responsibilities (especially for accountability) in respect of the preparation and disclosure of the financial statements of the Corporation and related matters;
2. To provide better communication between directors and external auditors;
3. To enhance the external auditor’s independence;
4. To increase the credibility and objectivity of financial reports; and
5. To strengthen the role of the outside directors by facilitating in depth discussions between directors on the Committee, management and external auditors.

Membership of Committee

1. The Committee will be comprised of at least three (3) directors of the Corporation or such greater number as the Board may determine from time to time and the majority members of the Committee shall be “independent” (as such term is used in National Instrument 52-110 — Audit Committees (“NI 52-110”) unless the Board determines that the exemption contained in NI 52-110 is available and determines to rely thereon.
2. The Board of Directors may from time to time designate one of the members of the Committee to be the Chair of the Committee.
3. All of the members of the Committee must be “financially literate” (as defined in NI 52-110) unless the Board determines that an exemption under NI 52-110 from such requirement in respect of any particular member is available and determines to rely thereon in accordance with the provisions of NI 52-110.

Mandate and Responsibilities of Committee

It is the responsibility of the Committee to:

1. Oversee the work of the external auditors, including the resolution of any disagreements between management and the external auditors regarding financial reporting.
2. Satisfy itself on behalf of the Board with respect to the Corporation’s internal control systems:
 - identifying, monitoring and mitigating business risks; and
 - ensuring compliance with legal, ethical and regulatory requirements.

3. Review the annual and interim financial statements of the Corporation and related management's discussion and analysis ("MD&A") prior to their submission to the Board for approval. The process should include but not be limited to:
 - reviewing changes in accounting principles and policies, or in their application, which may have a material impact on the current or future years' financial statements;
 - reviewing significant accruals, reserves or other estimates such as the ceiling test calculation;
 - reviewing accounting treatment of unusual or non-recurring transactions;
 - ascertaining compliance with covenants under loan agreements;
 - reviewing disclosure requirements for commitments and contingencies;
 - reviewing adjustments raised by the external auditors, whether or not included in the financial statements;
 - reviewing unresolved differences between management and the external auditors; and
 - obtain explanations of significant variances with comparative reporting periods.
4. Review the financial statements, prospectuses, MD&A, annual information forms ("AIF") and all public disclosure containing audited or unaudited financial information (including, without limitation, annual and interim press releases and any other press releases disclosing earnings or financial results) before release and prior to Board approval. The Committee must be satisfied that adequate procedures are in place for the review of the Corporation's disclosure of all other financial information and will periodically assess the accuracy of those procedures.
5. With respect to the appointment of external auditors by the Board:
 - recommend to the Board the external auditors to be nominated;
 - recommend to the Board the terms of engagement of the external auditor, including the compensation of the auditors and a confirmation that the external auditors will report directly to the Committee;
 - on an annual basis, review and discuss with the external auditors all significant relationships such auditors have with the Corporation to determine the auditors' independence;
 - when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change; and
 - review and pre-approve any non-audit services to be provided to the Corporation or its subsidiaries by the external auditors and consider the impact on the independence of such auditors. The Committee may delegate to one or more independent members the authority to pre-approve non-audit services, provided that the member(s) report to the Committee at the next scheduled meeting such pre-approval and the member(s) comply with such other procedures as may be established by the Committee from time to time.
6. Review with external auditors (and internal auditor if one is appointed by the Corporation) their assessment of the internal controls of the Corporation, their written reports containing recommendations for improvement, and management's response and follow-up to any identified weaknesses. The Committee will also review annually with the external auditors their plan for their audit and, upon completion of the audit, their reports upon the financial statements of the Corporation and its subsidiaries.
7. Review risk management policies and procedures of the Corporation (i.e. hedging, litigation and insurance).

8. Establish a procedure for:
 - the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
 - the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
9. Review and approve the Corporation's hiring policies regarding partners and employees and former partners and employees of the present and former external auditors of the Corporation.

The Committee has authority to communicate directly with the internal auditors (if any) and the external auditors of the Corporation. The Committee will also have the authority to investigate any financial activity of the Corporation. All employees of the Corporation are to cooperate as requested by the Committee.

The Committee may also retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling their responsibilities at such compensation as established by the Committee and at the expense of the Corporation without any further approval of the Board.

Meetings and Administrative Matters

1. At all meetings of the Committee every question shall be decided by a majority of the votes cast. In case of an equality of votes, the Chairman of the meeting shall be entitled to a second or casting vote.
2. The Chair will preside at all meetings of the Committee, unless the Chair is not present, in which case the members of the Committee that are present will designate from among such members the Chair for purposes of the meeting.
3. A quorum for meetings of the Committee will be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Committee will be the same as those governing the Board unless otherwise determined by the Committee or the Board.
4. Meetings of the Committee should be scheduled to take place at least four times per year. Minutes of all meetings of the Committee will be taken. The Chief Financial Officer will attend meetings of the Committee, unless otherwise excused from all or part of any such meeting by the Chairman.
5. The Committee will meet with the external auditor at least once per year (in connection with the preparation of the year-end financial statements) and at such other times as the external auditor and the Committee consider appropriate.
6. Agendas, approved by the Chair, will be circulated to Committee members along with background information on a timely basis prior to the Committee meetings.
7. The Committee may invite such officers, directors and employees of the Corporation as it sees fit from time to time to attend at meetings of the Committee and assist in the discussion and consideration of the matters being considered by the Committee.
8. Minutes of the Committee will be recorded and maintained and circulated to directors who are not members of the Committee or otherwise made available at a subsequent meeting of the Board.
9. The Committee may retain persons having special expertise and may obtain independent professional advice to assist in fulfilling its responsibilities at the expense of the Corporation.
10. Any members of the Committee may be removed or replaced at any time by the Board and will cease to be a member of the Committee as soon as such member ceases to be a director. The Board may fill vacancies on the Committee by appointment from among its members. If and whenever a vacancy exists on the Committee, the remaining members

may exercise all its powers so long as a quorum remains. Subject to the foregoing, following appointment as a member of the Committee, each member will hold such office until the Committee is reconstituted.

11. Any issues arising from these meetings that bear on the relationship between the Board and management should be communicated to the Board of Directors by the Committee Chair.

