



REGAL RESOURCES INC.
RESPONSIBLE EXPLORATION & DEVELOPMENT

NOTICE OF ANNUAL GENERAL MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

FOR THE

ANNUAL GENERAL MEETING OF SHAREHOLDERS

TO BE HELD AT 3 P.M.

ON AUGUST 6, 2020

AT PINNACLE HOTEL HARBOURFRONT
BALLROOM 1, 1133 W HASTINGS STREET
VANCOUVER, BRITISH COLUMBIA V6E 3T3

REGAL RESOURCES INC.

**With a registered office at
2600 – 1066 West Hastings St.
Vancouver, BC V6E 3X1**

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of the shareholders of Regal Resources Inc. (the “**Company**”) will be held on August 6, 2020 at 3:00 p.m. (Pacific Time), at the Pinnacle Hotel Harbourfront, Ballroom 1, 1133 W Hastings St., Vancouver, BC V6E 3T3, Vancouver, British Columbia, for the following purposes:

1. to receive the (i) audited consolidated financial statements for the years ended July 31, 2019, 2018, 2017, 2016 and 2015, together with the auditor’s report thereon, and (ii) the unaudited interim financials for the 9 month period ended April 30, 2020;
2. to fix the number of directors at three (3) for the ensuing year;
3. to elect directors as nominated by management for the ensuing year;
4. to appoint Smythe LLP, Chartered Accountants, as auditor for the Company for the ensuing year and authorize the directors to determine the remuneration to be paid to the auditor; and
5. to transact such other business as may properly be put before the Meeting.

The Board of Directors has fixed June 29, 2020 as the Record Date for the determination of shareholders entitled to notice of, and to vote at, the Meeting and at any adjournment thereof.

The specific details of the matters proposed to be put before the Meeting are set forth in the Circular accompanying and forming part of this Notice.

All registered shareholders are entitled to attend and vote at the Meeting in person or by proxy. Shareholders who are unable to attend the Meeting in person are requested to date and sign the enclosed form of instruction of proxy and to return it to **Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th floor, Toronto, Ontario, M5J 2Y1**, not less than 48 hours (exclusive of Saturdays, Sundays and Holidays) before the Meeting. If a Shareholder does not deliver a proxy in accordance with these instructions or to the presiding officer of the general meeting, then the Shareholder will not be entitled to vote at the Meeting by proxy. You may also vote by telephone or via the Internet. To vote by telephone, in Canada and the United States only, call 1-866-732-8683 from a touch tone phone. When prompted, enter your Control Number listed on the proxy and follow the voting instructions. To vote via the Internet, go to www.investorvote.com and enter your Control Number listed on the proxy and follow the voting instructions on the screen.

Non-registered Shareholders who receive this Notice and Circular from their broker or other intermediary should complete and return the proxy or voting instruction form in accordance with the instructions provided with it. Failure to do so may result in the shares of the non-registered Shareholders not being eligible to be voted at the Meeting. A Circular, a form of proxy, voting instruction form and financial statements request form accompany this notice.

DATED at Vancouver, British Columbia, the 29th day of June, 2020.

ON BEHALF OF THE BOARD

(signed) “*Gregory M. Thomas*”

Gregory M. Thomas

REGAL RESOURCES INC.

INFORMATION CIRCULAR

This Information Circular (the “**Circular**”), unless otherwise indicated, contains information as at June 29, 2020.

No person has been authorized to give any information or to make any representation in connection with the matters being considered herein other than those contained in this Circular and, if given or made, such information or representation should be considered or relied upon as not having been authorized. This Circular does not constitute an offer to sell, or a solicitation of an offer to acquire, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer of proxy solicitation. Neither the delivery of this Circular nor any distribution of securities referred to herein shall, under any circumstances, create any implication that there has been no change in the information set forth herein since the date of this Circular.

Information contained in this Circular should not be construed as legal, tax or financial advice. Shareholders of the Company (“**Shareholders**”) are urged to consult their own professional advisors in connection with the matters considered in this Circular.

CURRENCY

Unless otherwise indicated herein, references to “\$”, “C\$” or “Canadian dollars” are to Canadian dollars.

GENERAL PROXY INFORMATION

This Information Circular is furnished in connection with the solicitation of Proxies by the management of Regal Resources Inc. (the “**Company**”) for use at the Annual General Meeting (the “**Meeting**”) of Shareholders to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting, and at any adjournment thereof. The solicitation of proxies will be primarily by mail, but proxies may also be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation.

RECORD DATE AND QUORUM

The board of directors (the “**Board**”) of the Company has fixed the record date for the Meeting as the close of business on June 29, 2020 (the “**Record Date**”). Shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote their common shares of the Company (“**Common Shares**”) at the Meeting, except to the extent that any such Shareholder transfers any Common Shares after the Record Date and the transferee of those Common Shares establishes that the transferee owns the Common Shares and demands, not less than ten (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 only such transferee shall be entitled to vote such Common Shares at the Meeting.

Under the Company’s articles, the quorum for the transaction of business at the Meeting consists of one or more persons, present in person or by proxy, who, in the aggregate, hold at least 1/20 (5%) of the issued Common Shares entitled to be voted at the Meeting.

APPOINTMENT AND REVOCATION OF PROXIES

Registered Shareholders

Registered Shareholders may vote their Common Shares by attending the Meeting in person or by completing the enclosed proxy. Registered Shareholders should deliver their completed proxies to **COMPUTERSHARE INVESTOR SERVICES INC. (the “Transfer Agent”), Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1** in accordance with the instructions on the proxy, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting, otherwise the shareholder will not be entitled to vote at the Meeting by proxy.

Registered Shareholders may also vote by telephone or via the Internet. To vote by telephone, in Canada and the United States only, call 1-866-732-8683 from a touch tone phone. When prompted, enter your Control Number listed on the proxy and follow the voting instructions. To vote via the Internet, go to www.investorvote.com and enter your Control Number listed on the proxy and follow the voting instructions on the screen.

The persons named in the proxy are proxyholders nominated by management. A Shareholder has the right to appoint a person other than the nominees of management named in the enclosed instrument of proxy to represent the Shareholder at the Meeting. To exercise this right, a Shareholder must insert the name of its nominee in the blank space provided. A person appointed as a proxyholder need not be a Shareholder of the Company.

A registered Shareholder may revoke a proxy by:

- (a) signing a proxy with a later date and delivering it at the place and within the time noted above;
- (b) signing and dating a written notice of revocation (in the same manner as the proxy is required to be executed, as set out in the notes to

the proxy) and delivering it to the Transfer Agent at the address indicated above, at any time up to and including at least three (3) business days preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used, or to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof;

- (c) attending the Meeting or any adjournment thereof and registering with the scrutineer as a shareholder present in person, whereupon such proxy shall be deemed to have been revoked; or
- (d) in any other manner provided by law.

Beneficial Shareholders

The information set forth in this section is of significant importance to many shareholders, as many shareholders do not hold their Common Shares in the Company in their own name. Shareholders holding their Common Shares through banks, trust companies, securities dealers or brokers, trustees or administrators of self-administered RRSP's, RRIF's, RESP's and similar plans or other persons (any one of which is herein referred to as an "Intermediary") or otherwise not in their own name (such shareholders herein referred to as "Beneficial Shareholders") should note that only proxies deposited by Shareholders appearing on the records maintained by the Company's transfer agent as registered Shareholders will be recognized and allowed to vote at the Meeting. If a Shareholder's Common Shares are listed in an account statement provided to the Shareholder by a broker, in all likelihood those Common Shares are not registered in the shareholder's name and that shareholder is a Beneficial Shareholder. Such Common Shares are most likely registered in the name of the shareholder's broker or an agent of that broker. In Canada the vast majority of such Common Shares are registered under the name of CDS & Co., the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms. Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted at the Meeting at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting Common Shares for the broker's clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting.

Regulatory policies require Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Beneficial Shareholders have the option of not objecting to their Intermediary disclosing certain ownership information about themselves to the Company (such Beneficial Shareholders are designated as non-objecting beneficial owners, or "NOBOs") or objecting to their Intermediary disclosing ownership information about themselves to the Company (such Beneficial Shareholders are designated as objecting beneficial owners, or "OBOs").

The Company can request and obtain a list of their NOBOs from intermediaries via their transfer agents, pursuant to National Instrument 54-101 – *Communication with Beneficial Owners of Securities of Reporting Issuers* ("NI 54-101") and the Company can use this NOBO list for distribution of proxy-related materials directly to NOBOs.

With respect to OBOs, the voting instruction form supplied to you by your Intermediary will be similar to the Proxy provided to the Registered Shareholders by the Company. However, its purpose is limited to instructing the Intermediary on how to vote on your behalf. Most Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge") in the United States and in Canada. Broadridge mails a voting instruction form in lieu of a Proxy provided by the Company. The voting instruction form will name the same persons as the Company's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the voting instruction form. The completed voting instruction form must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a voting instruction form from Broadridge, you cannot use it to vote Common Shares directly at the Meeting – the voting instruction form must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the Common Shares voted.** In accordance with the requirements of NI 54-101, the Company has distributed copies of the meeting materials to the clearing agencies and Intermediaries for onward distribution to OBOs. However, the Company does not intend to pay for intermediaries to forward to OBOs the meeting materials. As a result, an OBO will not receive the meeting materials unless the OBO's Intermediary assumes the cost of delivery.

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your Intermediary, you, or person designated by you, may attend at the Meeting as proxyholder for your Intermediary and vote your Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Common Shares as proxyholder for you Intermediary, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your Intermediary in accordance with the instructions provided by such Intermediary, well in advance of the Meeting.

These materials are being sent to both Registered and Beneficial Shareholders. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from your Intermediary.

By choosing to send these materials to you directly, the Company (and not your Intermediary) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the enclosed voting

materials.

Only Registered Shareholders have the right to revoke a Proxy. Beneficial Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective Intermediaries to revoke the Proxy on their behalf.

Voting by Proxyholder

If you have the right to vote by proxy, the proxyholder named therein will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. In the absence of any instructions in the proxy, the proxy confers discretionary authority on the proxyholder with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the proxy, it is intended that the proxyholder will vote the Common Shares represented by the proxy in favour of the motions proposed to be made at the Meeting.

Management is not currently aware of any other matters that could come before the Meeting.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

The Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of each of the following persons in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors:

- (a) each person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year;
- (b) each proposed nominee for election as a director of the Company; and
- (c) each associate or affiliate of any of the foregoing.

VOTING SHARES AND PRINCIPAL SHAREHOLDERS

The authorized capital of the Company consists of an unlimited number of Common Shares, and an unlimited number of Preferred shares without par value ("**Preferred Shares**"). As of the date of this Circular, 48,521,958 Common Shares and Nil Preferred Shares were issued and outstanding. All Common Shares in the capital of the Company are of the same class and each carries the right to one vote.

To the knowledge of the directors and executive officers of the Company, as of the date hereof, there are no beneficial owners or persons exercising control or direction over Company carrying more than 10% of the outstanding voting rights.

To the knowledge of the directors and executive officers of the Company, as of the date hereof, the current directors and executive officers of the Company, as a group, owned beneficially, directly or indirectly, or exercised control or direction over 3,125,500 Common Shares, representing 6.4% of the outstanding Common Shares.

CEASE TRADE AND DELISTING FROM THE CSE

On May 18, 2012, the British Columbia Securities Commission (the "**BCSC**") issued a cease trade order (the "**2012 CTO**") on all securities of the Company pending the Company filing new or amended technical reports on its mineral exploration properties in accordance with the *Securities Act* (British Columbia) and applicable regulations. The 2012 CTO was revoked by the BCSC on July 10, 2012, upon filing of the required documents by the Company. On December 15, 2015 the BCSC issued a cease trade order (the "**2015 CTO**") on all securities of the Company for failure to file comparative financial statements and management's discussion and analysis for its financial year ended July 31, 2015 in accordance with National Instrument 51-102 – *Continuous Disclosure Obligations*. On April 25, 2016, the Common Shares were delisted from the Canadian Securities Exchange (the "**CSE**"). During this period, Gregory Thomas served as President, Chief Executive Officer and a director of the Company, and Tony Louie served as a director of the Company. **Neither Messrs. Thomas or Louie are standing for election as a director of the Company at the Meeting.**

Removal of the 2015 CTO and a subsequent relisting of the Company's common shares on the CSE will be matters for the elected Board to consider following the Meeting. If the directors put forth in this Circular are elected as directors at the Meeting, it is the intention of such individuals to pursue the removal of the 2015 CTO and relisting of the Company's shares on the CSE as soon as practicable, subject to consultation with applicable securities regulators.

ELECTION OF DIRECTORS

Management of the Company proposes to nominate the persons listed below for election as directors to hold office until the next annual meeting or until his successor is appointed, unless his office is earlier vacated in accordance with the *Business Corporations Act* (British Columbia) (the “BCBCA”) and the articles of the Company. None of the incumbent directors are standing for re-election.

The following table sets forth certain information concerning management’s nominees for election as directors, including the approximate number of Common Shares beneficially owned, directly or indirectly, by each of them, or over which they exercise control or direction.

Name and Jurisdiction Residence	Principal Occupation or Employment in last Five Years	Director Since	Number of Common Shares Beneficially Owned or Controlled ⁽²⁾ and percentage of total issued and outstanding
Matt Sauder ⁽¹⁾ Vancouver, British Columbia Canada	Principal and founder, Mycroft Holdings Ltd. (2013 – present)	Nominee	166,667 Shares 0.0034%
Derek Daly ⁽¹⁾ Vancouver, British Columbia Canada	Senior Vice President (2017 – present), VP Western Canada (2016-2017) and VP Central Sales & Operations (2015-2016) of Bissett Fasteners Ltd.	Nominee	Nil 0%
Martin Carsky ⁽¹⁾ Vancouver, British Columbia Canada	Executive Vice President, Mycroft Holdings Ltd. (2014 – present); Managing Partner (2015-2018) and President and Co- Owner (2018 – present) of Bissett Fasteners Ltd.	Nominee	Nil 0%

Notes:

- (1) Proposed Member of the Audit Committee.
- (2) Includes Common Shares beneficially owned or controlled by each nominee. Information as to Common Shares beneficially owned, not being within our knowledge, has been furnished by the respective individual and/or been extracted from the register of shareholdings maintained by our transfer agent.

You may: (i) vote your Common Shares for the election of all of the nominees; (ii) vote for some of these nominees and withhold your votes for others; or (iii) withhold all of the votes attaching to your Common Shares. The Company has not, as of yet, adopted a majority voting policy for election of directors at uncontested shareholder meetings at which directors are to be elected.

If there are more nominees for election as directors than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be elected.

Orders, Penalties and Bankruptcies

To the knowledge of the Company and other than as set forth below with respect to Mr. Carsky, none of the foregoing nominees for director of the Company:

- (a) is, at the date of this Circular, or has been, within ten years before the date of this Circular, a director, chief executive officer (“CEO”) or chief financial officer (“CFO”) of any company (including the Company) that:
 - (i) was subject of a cease trade or an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an “order”) and that was issued while the proposed director was acting in the capacity as director, CEO or CFO; or
 - (ii) was subject to an order that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity of director, CEO or CFO;
- (b) is, at the date of this Circular, or has been, within ten years before the date of this Circular, a director or executive officer of any company (including the Company), that, while that person was acting in that 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 was 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) was, within ten years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Martin Carsky, a director nominee, was Chief Executive Officer and a director of Pro-Trans Ventures Inc. (“PTV”) until his resignation on July 10, 2014. Mr. Carsky’s resignation resulted from PTV’s agreement with a lender to accelerate the enforcement of the lender’s security in order to transfer the assets of PTV to the lender. The lender further agreed that the acceleration of the enforcement of its security was in full satisfaction of the lender’s debt and agreed to assume the majority of PTV’s then current liabilities. Effective September 9, 2014, the BCSC announced a cease trade order on the securities of PTV for failure to file interim financial statements for the period ended June 30, 2014 and associated management discussion and analysis.

EXECUTIVE COMPENSATION

A. Summary of Executive Compensation

The following tables provide a summary of the compensation awarded to, earned by, paid to, or accrued and payable to, each Named Executive Officer (as such term is defined in Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*) (“NEOs”) during our three most recently completed fiscal years ended on July 31, 2019, 2018 and 2017.

Table of Compensation Excluding Compensation Securities

Name and position	Fiscal Year ended July 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	All other compensation (\$)	Total Compensation (\$)
Gregory M Thomas, CEO, President and Director ⁽¹⁾	2019	193,400	-	-	-	-	193,400 ⁽²⁾
	2018	310,000	-	-	-	-	310,000
	2017	240,000	-	-	-	-	240,000
Tony Louie, CFO and Director ⁽³⁾	2019	49,030	-	-	-	-	49,030 ⁽⁴⁾
	2018	49,030	-	-	-	-	49,030 ⁽⁴⁾
	2017	49,030	-	-	-	-	49,030 ⁽⁴⁾

Notes:

- (1) Mr. Thomas has been the President of the Company since January 21, 2010, and the Chief Executive Officer of the Company since June 28, 2010, and he was the Chief Financial Officer of the Company from March 23, 2010 until June 28, 2010.
- (2) Mr. Thomas was entitled to aggregate compensation in the amount of \$240,000 for the fiscal year ended July 31, 2019. Subsequent to July 31, 2019, Mr. Thomas agreed to forgive \$46,600 of accrued and unpaid compensation which was recorded as a reduction to management fees so that the net fees paid to Mr. Thomas during the fiscal year ended July 31, 2019 totaled \$193,400. Mr. Thomas reduced his compensation for the fiscal year that commenced August 1, 2019 to \$50,000 per annum.
- (3) Mr. Tony Louie has been the Chief Financial Officer of the Company since January 1, 2015.
- (4) Mr. Louie was entitled to compensation in the amount of \$120,000 per fiscal year for each of the fiscal years ended July 31, 2017, 2018 and 2019. Subsequent to July 31, 2019 Mr. Louie agreed to forgive \$212,910 of accrued and unpaid compensation which was recorded as a reduction to management fees so that total fees paid to Mr. Louie for services provided from fiscal 2017 through fiscal 2019 was \$147,090 (such amount was pro-rated over the three fiscal years in the above table).

Pursuant to the 2015 CTO, the securities of the Company remain cease traded. Accordingly, no securities based compensation was issued for the fiscal year ended July 31, 2019.

Compensation Securities

Name and position	Type of Compensation Security	Number of Compensation Securities	Date of Issue/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
None	N/A	-	N/A	-	-	-	N/A

During the fiscal year ended July 31, 2015, the Company granted a total of 820,000 incentive stock options to purchase Common Shares to a former director, and a consultant of the Company. These options expire in September 2020. Pursuant to the 2015 CTO, the securities of the Company remain cease traded. Accordingly, no incentive stock options were granted or have been exercised from July 31, 2015 to the date of this Circular.

As of July 31, 2019, there are no outstanding compensation securities held by current officers or directors of the Company. No compensation securities, including options to purchase Common Shares, have been granted by the Company since July 31, 2015. No compensation securities were exercised in the fiscal year ended July 31, 2019.

Exercise of Compensation Securities by Directors and NEOs

Name and position	Type of Compensation Security	Number of Underlying Securities Exercised	Exercise Price of Security (\$)	Date of Exercise	Closing Price of Security or underlying Security on Date of Exercise (\$)	Difference between Exercise Price and Closing Price on Date of Exercise (\$)	Total Value on Exercise Date (\$)
None	N/A	-	-	N/A	-	-	-

B. Compensation Discussion And Analysis

The purpose of this Compensation Discussion and Analysis is to provide information about the Company's executive compensation objectives and processes and to discuss compensation decisions relating to NEOs of the Company listed in the summary compensation tables above. During the fiscal year ended July 31, 2019, the following individuals were the Company's only NEOs in accordance with applicable securities legislation:

- Gregory M. Thomas, President (since January 21, 2010), Chief Executive Officer (since June 28, 2010);
- Tony Louie, CFO (Since January 1, 2015);

Subsequent to July 31, 2019, Mr. Thomas agreed to lower his annual salary to \$50,000 and to forgive \$46,600 of accrued and unpaid compensation, and Mr. Louie agreed to forgive \$212,910 of accrued and unpaid compensation. Compensation reductions and forgiveness by the Company's NEOs are designed to offer better financial viability to the Company in an effort to address the Company's liquidity challenges and signaling their commitment to the Company by allowing the Company the flexibility to allocate these funds to other objectives, such as the engagement of an auditor and commencing the process to remove the 2015 CTO and a possible relisting of the Common Shares on the CSE.

1. *Compensation Objectives and Principles*

The Company is a junior natural resource exploration company engaged in the acquisition, exploration and evaluation of mineral properties. The Company has no significant revenues from operations and have, since inception, operated with limited financial resources. As a result, the Board has to consider not only the financial situation of the Company at the time of determining executive compensation, but also the estimated financial situation of the Company in the mid- and long-term. An important element of executive compensation is that of incentive stock options, which do not require cash expenditures by the Company. The Company, however, is not permitted under the terms of the 2015 CTO to issue such securities. To the extent the Company is able to apply and have the 2015 CTO removed, it expects to use incentive stock options in the future as a component of executive compensation. Additional information about the Company and its operations is available in the audited consolidated financial statements of the Company for the years ended July 31, 2019, 2018, 2017, 2016 and 2015, available on the Company's website at www.regalres.com.

The primary goal of the Company's executive compensation program is to attract and retain the key executives necessary for the Company's long term success, to encourage executives to further the development of the Company and its operations, and to motivate skilled and experienced executives. The key element of the Company's executive compensation is base salary.

2. *Compensation Process*

The Board determines the compensation granted to all executive officers. The Board is also responsible for reviewing from time to time the recommendations respecting compensation for other officers of, or consultants to, the Company to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining compensation, the Board considers, among other factors: (i) recruiting and retaining executives critical to the Company success and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and shareholders; and (iv) rewarding performance, both on an individual basis and with respect to the Company's operational objectives in general.

During the fiscal years ended July 31, 2015 through 2019, the Board did not retain or engage a compensation consultant or advisor to assist them in determining compensation for any of the Company's executive officers or directors, as the cost of such an engagement was determined to exceed its benefit.

3. *Option Based Awards*

The Company is presently not permitted to issue any securities in accordance with the 2015 CTO. To the extent the Company is able to apply and have the 2015 CTO removed, it may choose to issue incentive stock options in the future. Long-term incentives in the form of options to purchase Common Shares are intended to align the interests of our directors and executive officers with those of our shareholders, to provide a long term incentive that rewards these individuals for their contribution to the creation of shareholder value, and to reduce the cash compensation the Company would otherwise have to pay. The Company's Stock Option Incentive Plan is administered by the Board. To the extent the Company

decides to issue new stock options in the future, it will first seek all required approvals in accordance with applicable law, including shareholder approval where required.

See also “Executive Compensation – Summary of Executive Compensation – Compensation Securities”.

4. *Benefits and Perquisites*

NEOs do not receive any benefits or perquisites that are not generally available to all of our officers and employees.

5. *Bonus Incentive Compensation*

The Board will consider from time to time executive bonus compensation dependent upon the Company achieving its strategic objectives and milestones, provided sufficient cash resources are available, at the time, for the grant of bonuses. The Board approves executive bonus compensation dependent upon compensation levels and based on recommendations of the Chief Executive Officer.

No bonuses have been granted since July 31, 2015.

6. *Risks Associated with Regal Resources’ Compensation Practices*

The Board has considered the implications of the risks to the Company associated with decisions regarding compensation of its executive officers. Compensation of executive officers is determined by negotiation between the Board and the individual, or at the discretion of the Board as such compensation relates to any bonus or incentive/performance based awards. Compensation of the Company’s executive officers is not based on quantitative performance criteria. Accordingly, the Board is of the view that there is no material risk of the Company’s executive officers or directors taking, as a result of compensation process or potential, inappropriate or excessive risks during the performance of their duties that are reasonably likely to have a material adverse effect on the Company or its business and operations.

7. *Hedging by Executive Officers or Directors*

The Company has not, as yet, adopted a policy restricting its executive officers and directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted or awarded as compensation or held, directly or indirectly, by executive officers or directors. As of the date of this Circular, entitlement to grants of incentive stock options under 2013 Plan is the only equity security compensation awarded by the Company to its executive officers and directors.

8. *Value Vested or Earned During the Year*

Current NEOs of the Company hold nil Common Share purchase options as of the date of the Circular. No incentive stock option or other securities based awards were granted or vested to NEOs during the years ended July 31, 2015 through July 31, 2019.

9. *Pension Plan Benefits and Deferred Compensation Plans*

The Company does not offer any pension plan benefits or deferred compensation plans to its NEOs.

10. *Termination and Change of Control Benefits*

The Company is not a party to any contract, agreement, plan or arrangement that provides for payments to its NEOs at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company, or a change in a Named Executive Officer’s responsibilities.

If elected at the Meeting, the proposed director nominees put forth in this Circular, expect to replace Greg Thomas in his role of Chief Executive Officer of the Company and he is therefore not expected to continue as a Named Executive Officer of the Company. His compensation for the current fiscal year is \$50,000 and entitlement to any additional compensation, if any, in connection with his departure has not been determined. Any decision by the Company to re-engage Mr. Thomas in an advisory role and compensation therefor will be at the discretion of the elected Board.

11. *Management Contracts*

The Company has no management agreements or arrangements under which the management functions of the Company and its subsidiary are performed other than by the Company’s directors and executive officers.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out, as of the end of the most recently completed financial year, all required information with respect to compensation plans under which equity securities of the Company are authorized for issuance:

Plan Category	Number of Securities to be issued upon exercise of outstanding options, warrants and rights (a)	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)
Equity compensation plans previously approved by security holders	820,000	\$0.15	6,152,627
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total:	820,000	\$0.15	6,152,627

All securities noted in the above table are granted under the 2013 Plan and are exercisable to acquire Common Shares.

2013 Stock Option Incentive Plan

On April 9, 2013, the Board adopted the current incentive stock option plan (the “**2013 Plan**”), which reserves for issuance 20% of the then issued and outstanding Common Shares, being a maximum of 6,972,627 Common Shares. Concurrently, the Board also terminated its prior 10% rolling stock option plan (the “**Prior Plan**”). Upon adoption of the 2013 Plan, all options outstanding under the Prior Plan became governed by the 2013 Plan and the Prior Plan was terminated. The Company is presently not permitted to issue any securities in accordance with the 2015 CTO. To the extent the Company is able to apply and have the 2015 CTO removed, it may choose to issue incentive stock options.

As of the date of this Circular, there are 820,000 options outstanding under the 2013 Plan entitling the holders thereof to acquire an aggregate 820,000 Common Shares. An additional 6,152,627 options are eligible for grant under the 2013 Plan. The outstanding options are set to expire in September 2020 and it is unlikely the 2015 CTO will be removed prior to such expiry.

The 2013 Plan is administered by the Board and provides for the grants of options, at the discretion of the Board, to directors, officers, employees and consultants of the Company (each an “**Eligible Person**”).

The exercise price of options granted under the 2013 Plan is to be determined by the Board, provided that such price shall not be lower than the Fair Market Value (as defined in the 2013 Plan) of the underlying Common Shares on the date of grant. If the Common Shares are listed on the CSE at the time of such grant, the exercise price of options shall not be lower than the Fair Market Value of the Option Shares on the date of grant of the Option.

The term of any options granted under the 2013 Plan are fixed by the Board upon grant and the expiry of such options may not exceed ten years from the grant date. Should an Eligible Person cease to qualify as an Eligible Person under the 2013 Plan prior to expiry of their options, such options will remain exercisable for a period of time determined by the Board in accordance with the 2013 Plan up to a maximum of six (6) months at the time of grant.

The 2013 Plan also provides for adjustments to outstanding options in the event of any disposition of substantially all of the assets of the Company, dissolution or any merger, amalgamation or consolidation of the Company, with or into any other company, or the merger, amalgamation or consolidation of any other company with or into the Company.

The Board may, at their discretion at the time of any grant, impose a schedule over which period of time options will vest and become exercisable by the optionee.

Subject to the approval of any stock exchange on which the Company’s securities may be listed and applicable laws, the Board may amend, suspend or terminate the terms of the 2013 Plan or any portion thereof at any time, provided that the Board of Directors may not do any of the following without obtaining, within 12 months either before or after the Board’s adoption of a resolution authorizing such action, shareholder approval, and, where required, Disinterested Shareholder Approval (as defined in the 2013 Plan), or by the written consent of the holders of a majority of the securities of the Company entitled to vote:

1. increase the aggregate number of Common Shares that may be issued under the 2013 Plan;
2. materially modify the requirements as to the eligibility for participation in the 2013 Plan that would have the potential of broadening

or increasing insider participation;

3. add any form of financial assistance or any amendment to a financial assistance provision that is more favourable to participants under the 2013 Plan;
4. add a cashless exercise feature, payable in cash or securities, which does not provide for a full deduction of the number of underlying securities from the 2013 Plan reserve; and
5. materially increase the benefits accruing to participants under the 2013 Plan.

However, the Board may amend the terms of the 2013 Plan to comply with the requirements of any applicable regulatory authority without obtaining shareholder approval, including:

1. amendments of a housekeeping nature to the 2013 Plan;
2. a change to the vesting provisions of a security or the 2013 Plan; and
3. a change to the termination provisions of a security or the 2013 Plan which does not entail an extension beyond the original expiry date.

CORPORATE GOVERNANCE

A. Board Composition

At the Meeting, Shareholders will be asked to approve an ordinary resolution setting the number of directors of the Board at three (3) directors, all three (3) of whom will be independent. The definition of independence used by the Company is that used by the Canadian Securities Administrators, which is set out in section 1.4 of National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”). A director is independent if he has no direct or indirect material relationship to the Company. A “material relationship” is a relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of the director’s independent judgment. Certain types of relationships are by their very nature considered to be material relationships and are specified in section 1.4 of NI 52-110.

The Board believes that the principal objective of the Company is to generate economic returns with the goal of maximizing shareholder value, and that this is to be accomplished by the Board through its stewardship of the Company. In fulfilling its stewardship function, the Board’s responsibilities will include strategic planning, appointing and overseeing management, succession planning, risk identification and management, environmental oversight, communications with other parties and overseeing financial and corporate issues. Directors are involved in the supervision of management.

Pursuant to the BCBCA, directors must declare any interest in a material contract or transaction or a proposed material contract or transaction. Further, the independent members of the Board of Directors meet independently of management members when warranted.

The Board of Directors is satisfied that the directors are not constrained in their access to information, in their deliberations or in their ability to satisfy the mandate established by law to supervise the business and affairs of Regal Resources.

B. Other Directorships

None of the proposed directors of the Company are directors of any other reporting issuer.

C. Orientation and Continuing Education

The Company has not yet developed an official orientation or training program for new directors. Through discussions and meetings with other directors and with officers and employees, newly elected or appointed directors will be provided with a thorough description of our business, properties, assets, operations and strategic plans and objectives. Orientation activities will be tailored to the particular needs and experience of each individual director and the overall needs of the Board.

Management of the Company endeavours to provide a continuous flow of information to the Board for continuing education purposes relating to the Company’s business and operations, as well as information and other initiatives intended to keep the Board abreast of new developments and challenges that Regal Resources may face.

D. Ethical Business Conduct

The Board conducts itself with high business and moral standards. The Board has found that the fiduciary and other duties placed on individual directors by the BCBCA and by common law, are sufficient to ensure that the Board of Directors operates independently of management and in the best interests of the Company and our shareholders.

E. Compensation

The Board has not established a Compensation Committee. The Board as a whole is responsible for reviewing the adequacy and form of compensation paid to the Company's executives and key employees and ensuring that such compensation realistically reflects the responsibilities and risks of such positions. In fulfilling its responsibilities, the Board evaluates the performance of the Chief Executive Officer and other senior management in light of corporate goals and objectives and makes recommendations with respect to compensation levels based on such evaluations.

See also "Executive Compensation – Compensation Discussion and Analysis".

F. Board Committees

The Board has established one committee, the Audit Committee. See also "Audit Committee".

G. Assessments

The Board of Directors does not formally review the contributions of individual directors; however, our directors believe that the Board's current size facilitates regular informal discussion and evaluation of members' contributions within that framework on a continuing basis.

AUDIT COMMITTEE

A. General

The Audit Committee is a standing committee of the Board, the primary function of which is to assist the Board in fulfilling its financial oversight responsibilities, which will include monitoring the quality and integrity of the Company's financial statements and the independence and performance of the Company's external auditor, acting as a liaison between the Board and the Company's external auditor, reviewing the financial information that will be publicly disclosed and reviewing all audit processes and the systems of internal controls management that the Board have established.

B. Audit Committee Charter

The Board has adopted an Audit Committee Charter, which sets out the Audit Committee's mandate, organization, powers and responsibilities. The text of our Audit Committee Charter is attached as Appendix A to this Circular.

C. Composition of Audit Committee

As the securities of the Company are not listed on the Toronto Stock Exchange, the Acquis NEO Exchange Inc. a U.S. marketplace, or a marketplace outside of Canada and the United States of America, it is categorized as a "venture issuer". As a result, the Company is exempt from the requirements of Part 3 (Composition of the Audit Committee) of NI 52-110.

The members of the Company's Audit Committee for the year ended July 31, 2019 and as of the date of this Circular are Tony Louie and Gregory Thomas (collectively, the "2019 Audit Committee"). For the fiscal year ended July 31, 2019, no independent members sat on the Company's audit committee.

All members of the 2019 Audit Committee members are considered to be financially literate, in that each has the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Regal Resources' financial statements.

Following the Meeting and subject to the election of the proposed director nominees described herein, the Audit Committee is expected to consist of the following three (3) directors. Also indicated is whether they are "independent" and "financially literate".

Name of Member	Independent ⁽¹⁾	Financially Literate ⁽²⁾
Matt Sauder	Yes	Yes
Derek Daly	Yes	Yes
Martin Carsky	Yes	Yes

Notes:

- (1) A member of the Audit Committee is independent if the member has no direct or indirect "material relationship" with the Company. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. An executive officer of the Company, such as the President, or an immediate family member of an executive officer is deemed to have a material relationship with the Company.
- (2) A member of the Audit Committee is financially literate if he has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

D. Relevant Education and Experience

All of the members and proposed members of the Audit Committee have gained their education and experience by participating in the management of private and publicly traded companies. The education, current and past experience of each Audit Committee member and proposed member that is relevant to the performance of his responsibilities as an Audit Committee member is summarized below:

Matt Sauder

Matt Sauder is a skilled business leader and entrepreneur with over 30 years of experience in the manufacturing and distribution sectors. In 2013, Mr. Sauder founded Mycroft Holdings Ltd. and since that time Mycroft has expanded to include three subsidiary companies operating out of 10 separate locations and generating in excess of \$50 million in annual revenue. In addition, Mr. Sauder also serves on two boards including his position as Chair of the Audit Committee of Metrie Canada Ltd. Mr. Sauder is involved in a number of charities and has participated in an Executive Development program at the University of Chicago Booth School of Business.

Martin Carsky

Martin Carsky is an accomplished executive and director with a broad base of experience spanning the manufacturing, technology, service and mining industries. Prior to his involvement with Bissett Fasteners Ltd. in a number of different roles, including acting as its current President, Mr. Carsky gained exceptional mining industry expertise in his capacity as President of Great Panther Mining Ltd. from May 2011 to May 2013. In addition, Mr. Carsky serves on the Board of a privately held alcohol beverage company as well as on the advisory board of Mycroft Holdings. Mr. Carsky holds a Bachelor of Science from the University of British Columbia and holds the designation of Chartered Accountant. He is also a graduate of the ICD-Rotman Directors Education Program and has received his ICD.D designation.

Derek Daly

Derek Daly is Senior Vice President of Bissett Fasteners Ltd. and has over 20 years of experience in both distribution and manufacturing, with a specific expertise in developing and executing on acquisition turn-around strategies. Prior to relocating to Canada, Mr. Daly has spent most of his career in the United States working for Metrie Ltd., and also worked in Japan and most recently in Canada. Mr. Daly is a results driven executive leader. Mr. Daly holds a Bachelor of Business Administration from Bishop's University.

Audit Committee Members not seeking re-election

Tony Louie

Mr. Tony Louie has been a self-employed business consultant since September 2009, prior to which he was a Global Service Account Manager (from October 2000 to September 2009) with Cisco Systems Inc., a worldwide leader in networking that transforms how people connect, communicate and collaborate, and an Account Manager (July 1996 to October 2000) with TELUS, a Canadian television, internet and telephone service provider. Mr. Louie earned a Master's degree in business administration from Simon Fraser University in 2004.

Gregory Thomas

Greg Thomas has been the President of the Regal Resources since January 21, 2010, and the Chief Executive Officer since June 28, 2010. Mr. Thomas was the President of P2P Health Systems Inc., a TSX Venture Exchange listed issuer focused on the development and sale of peer-to-peer streaming technology and telehealth software for long-distance medical diagnosis; and from February 2003 to May 2006 he was the President of Alluvion Developments Inc., a Vancouver-based private company involved in the development and sales of video conferencing software. From October 1997 to September 2002, Mr. Thomas was the Vice President, Business Development and a director of Black Bull Resources Inc., a mineral exploration company trading on the TSX Venture Exchange. Mr. Thomas has completed the Canadian Securities Course and in 1988 was previously a registered representative of the then Investment Dealers Association of Canada. If elected at the Meeting, the proposed director nominees put forth in this Circular, expect to replace Greg Thomas in his role of Chief Executive Officer of the Company and he is therefore not expected to continue as a Named Executive Officer of the Company.

E. Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

F. Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemption in section 2.4 (De Minimis Non-audit Services) of NI 52-110 or an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions) of NI 52-110.

G. External Auditor Service Fees

Fees billed by our auditor, Smythe Ratcliffe LLP, for services rendered and related to the fiscal years ended July 31, 2019, 2018, 2017 and 2016

are as follows:

Financial Year Ending	Audit Fees ⁽¹⁾	Audit Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾	Total Fees
July 31, 2019 ⁽⁵⁾	\$60,000	Nil	Nil	Nil	\$60,000
July 31, 2018	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) The aggregate fees billed by the Company's auditor for audit fees.
- (2) The aggregate fees billed for assurance and related services by the Company's auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the "Audit Fees" column.
- (3) The aggregate fees billed for professional services rendered by the Company's auditor for tax compliance, tax advice and tax planning.
- (4) The aggregate fees billed for professional services other than those listed in the other three columns.
- (5) On account of audited financial statements prepared by Smythe LLP for the fiscal years ended July 31, 2015, 2016, 2017, 2018 and 2019.

No other fees were billed by the Company's auditors in connection with any audit related or other services provided during the two most recently completed fiscal years.

H. Pre-Approval Policies And Procedures For Non-Audit Services

The Company's Audit Committee Charter provides that the Audit Committee review and pre-approve any non-audit services to be provided to the Company by its independent auditor. The Audit Committee has not, as of the date of this Circular, adopted a policy governing the provision of these services.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date of this Circular, a \$100,000 loan made by the Company to Greg Thomas, a director of the Company and its then President and Chief Executive Officer, on July 12, 2011, with simple interest calculated at 10% per annum, remains outstanding. The loan is due on demand. As of June 29, 2020, the loan had an outstanding balance of \$189,641 including accrued interest of \$89,641. The loan is secured by a promissory note from Mr. Thomas in favour of the Company and does not relate to the purchase of securities. As of the date of this Circular, no amount of principal or interest owing under the loan has been forgiven by the Company, but the Company may look to offset such indebtedness against sums advanced by Mr. Thomas to the Company or are owing in accrued but unpaid compensation.

No other director, executive officer or employee or former director, executive officer or employee of the Company, nor any nominee for election as a director of the Company, nor any associate of any such person, was indebted to the Company nor was any indebtedness to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

A. Aggregate Indebtedness

The following table provides a summary of the aggregate indebtedness of directors and executive officers as at June 29, 2020:

Aggregate Indebtedness (\$)		
Purpose	To the Company or its Subsidiaries	To Another Entity
Share Purchases	Nil	Nil
Other	\$189,641	Nil

B. Indebtedness of Directors and Executive Officers under (1) Securities Purchase and (2) Other Programs

Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs					
Name and Principal Position	Involvement of Company or Subsidiary	Largest Amount Outstanding during most recently completed financial year	Amount outstanding as at June 29, 2020	Security for Indebtedness	Amount Forgiven During Most Recently Completed Financial Year
Securities Purchase Programs					
N/A	N/A	N/A	N/A	N/A	N/A
Other Programs					
Greg Thomas	Director, President, CEO	\$180,575	\$189,641	Promissory Note	Nil

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

On August 29, 2012, the Company borrowed \$900,000 by way of a debenture (the “**Debenture**”) from Erika Gardner, the Mother-in-Law of Greg Thomas, a director of the Company and its President and Chief Executive Officer. The Debenture bears interest at 12% per annum, payable quarterly, for a term of three years, convertible in whole or in part by the holder into units of the Company at the conversion price of \$0.10 per unit, each unit to be comprised of one Common Share and one non-transferable warrant exercisable for a period of two years from the date of conversion at an exercise price of \$0.20 per Common Share. The Company may prepay the principal sum under the Debenture in whole or in part, together with all the interest accrued and unpaid to the date of payment, at any time without notice, bonus or penalty. The Debenture is secured by a floating charge security interest in all of the Company’s present and after acquired personal property, and a first fixed charge against the Company’s mineral property interest. The Debenture is transferable and assignable by the lender. The Debenture holder may accelerate repayment of up to \$150,000 on 30 days’ notice. As of the fiscal year ended July 31, 2019, there was \$900,000 principal and \$325,845, of accrued interest due and payable by the Company to the Debenture holder. The Debentures are currently past maturity and continue to accrue interest.

During fiscal years ended July 31, 2019 and July 31, 2019, the Company borrowed an aggregate of \$53,445 and \$90,000, respectively, from Greg Thomas in order to meet certain working capital requirements. These advances, totaling \$143,445 were made without terms of repayment or security and are non-interest bearing.

As of the date of this Circular, the Company currently owes an aggregate of Cdn.\$104,504.79 and US\$650 to Matt Sauder, a director nominee of the Company. These funds have been used for ongoing expenditures incurred in connection with the preparation of financial statements, the engagement of the Company’s auditor, legal fees, and other activities related or incidental to the removal of the 2015 CTO. The advances provided by Mr. Sauder bear interest at a rate of 5% per annum from the date of each advance and are payable on demand, with no security. As of the date of this Circular accrued interest is approximately Cdn.\$1,950.

Except as otherwise disclosed herein, no informed person or proposed nominee for election as a director, or any associate or affiliate of any of the foregoing, has or has had any material interest, direct or indirect, in any transaction or proposed transaction since the commencement of the Company’s most recently completed financial year, which has materially affected or will materially affect the Company or any of its subsidiaries, other than as disclosed by the Company during the course of the year or as disclosed herein.

PARTICULARS OF MATTERS TO BE ACTED UPON

A. Financial Statements

The comparative audited financial statements of the Company for the previous five fiscal years ended July 31, 2019, 2018, 2017, 2016 and 2015 and the report of the auditor thereof will be presented to the Shareholders at the Meeting for their review and consideration. The audited financial statements and the report of the auditor can be found on the Company’s website at www.regalres.com. The Company will also provide unaudited financial statements for the 9 month period ending April 30, 2020.

B. Number of Directors

The Board currently consists of two (2) directors. The term of office for each of the present directors of the Company expires at the Meeting. It is proposed that the number of directors to be elected at the Meeting, for the ensuing year, be fixed at three (3). At the Meeting, the shareholders will be asked to consider and, if thought fit, approve an ordinary resolution fixing the number of directors to be elected at the Meeting, at three (3).

To be approved, the resolution requires the affirmative vote of a majority of the votes cast on the resolution. In the absence of instructions to the contrary, proxies given pursuant to the solicitation by the management of the Company will be voted **FOR** the reduction to the size of the Board.

C. Election of Directors

The directors of the Company are elected annually and hold office until the next annual general meeting of the Shareholders or until their successors are elected. The management of the Company proposes to nominate the persons listed in the section entitled "Election of Directors" for election as directors of the Company to serve until their successors are elected or appointed. Management of the Company recommend that Shareholders vote in favour of the management nominees.

To be approved, the resolution requires the affirmative vote of a majority of the votes cast on the resolution. In the absence of instructions to the contrary, proxies given pursuant to the solicitation by the management of the Company will be voted **FOR** the nominees listed in this Circular. Management does not contemplate that any of such nominees will be unable to serve as directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies in favour of management designees will be voted for another nominee in their discretion unless the shareholder has specified in his proxy that his shares are to be withheld from voting in the election of directors. Each director elected will hold office until the next annual Meeting of Shareholders or until his successor is duly elected, unless his office is earlier vacated in accordance with the Articles or By-Laws of the Company.

See also "Election of Directors".

D. APPOINTMENT OF AUDITORS

Shareholders will be requested to appoint Smythe LLP, Chartered Professional Accountants of Vancouver, British Columbia as auditors of the Company to hold office until the next annual meeting of shareholders and to authorize the Board to fix their remuneration and the terms of their engagement. Smythe LLP has been the auditor of the Company since June 2007. Management of the Company recommend that Shareholders vote in favour of the appointment of Smythe LLP as the Company's auditor for the ensuing year.

To be approved, the resolution requires the affirmative vote of a majority of the votes cast on the resolution. In the absence of instructions to the contrary, proxies given pursuant to the solicitation by the management of the Company will be voted **FOR** the appointment of Smythe LLP, Chartered Professional Accountants as auditors of the Company to hold office until the next annual meeting of shareholders and the authorization of the Board to fix the auditors' remuneration and the terms of their engagement, unless the shareholder has specified in a proxy that his, her or its Common Shares are to be withheld from voting in respect thereof.

OTHER BUSINESS

While management of the Company is not aware of any business other than that mentioned in the Notice of Meeting to be brought before the Meeting for action by the shareholders, **it is intended that the proxies hereby solicited will be exercised upon any other matter or proposal that may properly come before the Meeting, or any adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.**

APPENDIX A

REGAL RESOURCES INC.

(the “Company”)

AUDIT COMMITTEE CHARTER

1. Mandate

The audit committee will assist the board of directors (the “Board”) in fulfilling its financial oversight responsibilities. The audit committee will review and consider in consultation with the auditors the financial reporting process, the system of internal control and the audit process. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership as well and the company’s business, operations and risks.

2. Composition

The Board will appoint from among their membership an audit committee after each annual general meeting of the shareholders of the Company. The audit committee will consist of a minimum of three directors.

2.1 Independence

A majority of the members of the audit committee must not be officers, employees or control persons of the Company.

2.2 Expertise of Committee Members

Each member of the audit committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the committee. At least one member of the committee must have accounting or related financial management expertise. The Board shall interpret the qualifications of financial literacy and financial management expertise in its business judgment and shall conclude whether a director meets these qualifications.

3. Meetings

The audit committee shall meet in accordance with a schedule established each year by the Board, and at other times that the audit committee may determine. The audit committee shall meet at least annually with the Company’s Chief Financial Officer and external auditors in separate executive sessions.

4. Roles and Responsibilities

The audit committee shall fulfill the following roles and discharge the following responsibilities:

4.1 External Audit

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor’s report, including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures. In carrying out this duty, the audit committee shall:

- (a) recommend to the Board the external auditor to be nominated by the shareholders for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company;
- (b) review (by discussion and enquiry) the external auditors’ proposed audit scope and approach;
- (c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;
- (d) review and recommend to the Board the compensation to be paid to the external auditors; and
- (e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors’ assertion of their independence in accordance with professional standards.

4.2 Internal Control

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Company. In carrying out this duty, the audit committee shall:

- (a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Company; and
- (b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

4.3 Financial Reporting

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

General

- (a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and
- (b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

Annual Financial Statements

- (c) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;
- (d) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and
- (e) review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

Interim Financial Statements

- (f) review and approve the interim financial statements prior to their release to the public; and
- (g) review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

Release of Financial Information

- (h) where reasonably possible, review and approve all public disclosure, including news releases, containing financial information, prior to its release to the public.

4.4 Non-Audit Services

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Company or any subsidiary of the Company shall be subject to the prior approval of the audit committee.

Delegation of Authority

- (a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

De-Minimis Non-Audit Services

- (b) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:

- (i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or
- (ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

- (c) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:
 - (i) the pre-approval policies and procedures are detailed as to the particular service;
 - (ii) the audit committee is informed of each non-audit service; and
 - (iii) the procedures do not include delegation of the audit committee's responsibilities to management.

4.5 Other Responsibilities

The audit committee shall:

- (a) establish procedures for the receipt, retention and treatment of complaints received by the company regarding accounting, internal accounting controls, or auditing matters;
- (b) establish procedures for the confidential, anonymous submission by employees of the company of concerns regarding questionable accounting or auditing matters;
- (c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;
- (d) review the policies and procedures in effect for considering officers' expenses and perquisites;
- (e) perform other oversight functions as requested by the Board; and
- (f) review and update this Charter and receive approval of changes to this Charter from the Board.

4.6 Reporting Responsibilities

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

5. Resources and Authority of the Audit Committee

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to:

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the audit committee; and
- (c) communicate directly with the internal and external auditors.

6. Guidance – Roles & Responsibilities

The following guidance is intended to provide the Audit Committee members with additional guidance on fulfilment of their roles and responsibilities on the committee:

6.1 Internal Control

- (a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;

- (b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown; and
- (c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

6.2 Financial Reporting General

- (a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements; and
- (b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks; and
- (c) understand industry best practices and the Company's adoption of them.

Annual Financial Statements

- (d) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Company reports or trades its shares;
- (e) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;
- (f) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;
- (g) consider management's handling of proposed audit adjustments identified by the external auditors; and
- (h) ensure that the external auditors communicate all required matters to the committee.

Interim Financial Statements

- (i) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;
- (j) meet with management and the auditors, either telephonically or in person, to review the interim financial statements; and
- (k) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:
 - (i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;
 - (ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financial statements are consistent with changes in the company's operations and financing practices;
 - (iii) generally accepted accounting principles have been consistently applied;
 - (iv) there are any actual or proposed changes in accounting or financial reporting practices;
 - (v) there are any significant or unusual events or transactions;
 - (vi) the Company's financial and operating controls are functioning effectively;
 - (vii) the Company has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and
 - (viii) the interim financial statements contain adequate and appropriate disclosures.

6.3 *Compliance with Laws and Regulations*

- (l) periodically obtain updates from management regarding compliance with this policy and industry “best practices”;
- (m) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements;
and
- (n) review the findings of any examinations by securities regulatory authorities and stock exchanges.

6.4 *Other Responsibilities*

- (o) review, with the company’s counsel, any legal matters that could have a significant impact on the company’s financial statements.