MANAGEMENT INFORMATION CIRCULAR

(containing information as at May 7, 2024 unless otherwise stated)

For the Annual General and Special Meeting of Shareholders to be held on Tuesday, June 25, 2024

SOLICITATION OF PROXIES

This Information Circular (this "**Circular**") is furnished in connection with the solicitation of proxies by the Management of Regency Silver Corp. (the "**Company**"), for use at the annual general and special meeting (the "**Meeting**") of the shareholders ("**Shareholders**") of the Company to be held at 10:00 a.m. (PST) on **Tuesday, June 25, 2024**, at Suite 1100 – 570 Granville Street, Vancouver, BC time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof.

The enclosed instrument of proxy (the "**Proxy**") is solicited by the management of the Company. The solicitation will be primarily by mail, however, proxies may be solicited personally or by telephone by the regular officers and employees of the Company. The cost of solicitation will be borne by the Company.

NOTICE AND ACCESS PROCESS

The Company will utilize the notice and access mode ("Notice and Access") provided for under amendments to National Instrument 54-101 for the delivery of the Information Circular, audited financial statements and management's discussion and analysis for the financial year ended December 31, 2023 (collectively, the "Circular and Financials") to Shareholders for the Meeting. The Company has adopted this alternative means of delivery in order to further its commitment to environmental sustainability and to reduce its printing and mailing costs.

Under Notice and Access, instead of receiving printed copies of the Circular and Financials, Shareholders receive a notice ("Notice and Access Notice") with information on the Meeting date, location and purpose, as well as information on how they may access the Circular and Financials electronically.

Shareholders with existing instructions on their account to receive printed materials and those Shareholders with addresses outside of Canada and the United States will receive a printed copy of the Circular and Financials with the Notice and Access Notice.

We strongly encourage Shareholders to vote their common shares prior to the Meeting by proxy, prior to the proxy cut-off which is forty eight (48) hours (excluding Saturday, Sundays and holidays) prior to the time of the Meeting, or adjournment thereof.

APPOINTMENT AND REVOCATION OF PROXIES

Appointment of Proxy

Registered shareholders are entitled to vote at the Meeting. A shareholder is entitled to one vote for each common share that such shareholder holds on the record date of May 7, 2024 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting. **Shareholders will be able to vote electronically if present at the meeting; however, the Company urges shareholders to complete, date and sign the form of proxy and deposit it with the Company's transfer agent, Computershare Investor Services Inc., 510 Burrard Street, 2nd Floor, Vancouver, BC V6C 3B9 by mail or fax, no later than forty-eight (48) hours (excluding Saturday, Sundays and holidays) prior to the time of the Meeting, or adjournment thereof.**

The persons named as proxyholders (the "**Designated Persons**") in the enclosed form of proxy are directors and/or officers of the Company.

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.

TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE'S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER'S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.

In order to be voted, the completed form of proxy must be received by the Company's transfer agent, Computershare Investor Services Inc. (the "**Transfer Agent**") at their offices located at 510 Burrard St., 2nd Floor, Vancouver, BC, V6C 3B9 by mail or fax not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

A proxy may not be valid unless it is dated and signed by the shareholder who is giving it or by that shareholder's attorney-in-fact duly authorized by that shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual shareholder or joint shareholders, or by an officer or attorney- in-fact for a corporate shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarial certified copy thereof, must accompany the form of proxy.

Revocation of Proxies

A shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that shareholder or by that shareholder's attorney-in-fact authorized in writing or, where the shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

VOTING BY PROXY

A shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the common shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. If the shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the common shares represented will be voted or withheld from the vote on that matter accordingly. **The common shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the common shares will be voted accordingly.**

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY AND FOR THE NOMINEES OF THE COMPANY'S BOARD OF DIRECTORS FOR DIRECTORS AND AUDITOR.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the common shares on any matter, the common shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

Voting Thresholds Required for Approval

In order to approve a motion proposed at the Meeting, the affirmative vote of not less than one-half of the votes cast will be required (an "**Ordinary Resolution**") unless the motion requires a special resolution (a "**Special Resolution**"), in which case the affirmative vote of not less than two-thirds of the votes cast will be required. In the event a motion proposed at the Meeting requires disinterested Shareholder approval, common shares held by Shareholders of the Company who are also "insiders", as such term is defined under applicable securities laws, will be excluded from the count of votes cast on such motion.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set out in this section is of significant importance to those shareholders who do not hold shares in their own name. Shareholders who do not hold their shares in their own name (referred to in this Information Circular as "Beneficial Shareholders") should note that only proxies deposited by shareholders whose names appear on the records of the Company as the registered holders of common shares can be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those common shares will not be registered in the shareholder's name on the records of the Company. Such common shares will more likely be registered under the names 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., being the registration name for The Canadian Depository for Securities Limited (which acts as nominee for many Canadian

brokerage firms and in the United States, under the name Cede & Co., as nominee for The Depository Trust Company which acts as depository for many U.S. brokerage firms). **Beneficial Shareholders should ensure that instructions respecting the voting of their common shares are communicated to the appropriate person well in advance of the Meeting.**

Regulatory polices 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").

In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company has elected to send the notice of meeting, this Information Circular and a request for voting instructions (a "**VIF**"), instead of a proxy (the notice of Meeting, Information Circular and VIF or proxy are collectively referred to as the "**Meeting Materials**") directly to the NOBOs and indirectly through Intermediaries to the OBOs. The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to OBOs.

Meeting Materials sent to Beneficial Shareholders are accompanied by a VIF, instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a Beneficial Shareholder is able to instruct the Intermediary (or other registered shareholder) how to vote the Beneficial Shareholder's shares on the Beneficial Shareholder's behalf. For this to occur, it is important that the VIF be completed and returned in accordance with the specific instructions noted on the VIF.

The majority of Intermediaries now delegate responsibility for obtaining instructions from Beneficial Shareholders to Broadridge Investor Communication Solutions ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable VIF, mails these VIFs to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, usually by way of mail, the Internet or telephone. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting by proxies for which Broadridge has solicited voting instructions. A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote shares directly at the Meeting. The VIF must be returned to Broadridge (or instructions respecting the voting of shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the shares voted. If you have any questions respecting the voting of shares held through an Intermediary, please contact that Intermediary for assistance.

In either case, the purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the shares which they beneficially own. A Beneficial Shareholder receiving a VIF cannot use that form to vote common shares directly at the Meeting. Beneficial Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered. Should a Beneficial Shareholder who receives a VIF wish to attend the Meeting or have someone else attend on their behalf, the Beneficial Shareholder may request a legal proxy as set forth in the VIF, which will grant the Beneficial Shareholder or their nominee the right to attend and vote at the Meeting.

Only registered shareholders have the right to revoke a proxy. A Beneficial Shareholder who wishes to change its vote must, at least seven days before the Meeting, arrange for its Intermediary to revoke its VIF on its behalf.

All references to shareholders in this Information Circular are to registered shareholders, unless specifically stated otherwise.

The Company is sending proxy-related materials indirectly to non-objecting beneficial owners of the Shares using Notice and Access.

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, 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 the intermediary holding on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) 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 request for voting instructions.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

No director or executive officer of the Company or any proposed nominee of Management of the Company for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, since the beginning of the Company's last financial year in matters to be acted upon at the Meeting, other than the election of directors, the appointment of auditors and the confirmation of the Stock Option Plan.

RECORD DATE, VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares without par value. As of the record date, May 7, 2024, a total of 99,125,495 common shares were issued and outstanding. Each common share carries the right to one vote at the Meeting.

Only registered shareholders as of the record date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, common shares carrying more than 10% of the voting rights attached to the outstanding common shares of the Company.

NUMBER OF DIRECTORS

The Articles of the Company provide for a board of directors of no fewer than three directors and no greater than a number as fixed or changed from time to time by majority approval of the shareholders.

At the Meeting, shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at four (4). The number of directors will be approved if the affirmative vote of the majority of common shares present or represented by proxy at the Meeting and entitled to vote are voted in favour to set the number of directors at four (4).

ELECTION OF DIRECTORS

At present, the directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal. In the absence of instructions to the contrary, the enclosed Form of Proxy will be voted for the nominees listed in the Form

of Proxy, all of whom are presently members of the Board of Directors (the "**Board**").

We currently have four (4) directors, all of whom are standing for re-election at the Meeting.

Management of the Company proposes to nominate the persons named in the table below for election by the shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name **Province, Country of Residence and Position(s) with the Company**	**Periods During which Nominee has Served as a Director and/or Officer**	**Principal Occupation, Business or Employment for Last Five Years**	**Number of Common Shares Owned** [(1)]
Bruce Bragagnolo BC, Canada Executive Chairman and Director	Director since March 23, 2017; Executive Chairman since March 23, 2017	Mr. Bragagnolo is the Executive Chairman of Regency Silver Corp. He was the co-founder and past CEO of both Timmins Gold Corp., a company listed on the NYSE-MKT and TSX and Silvermex Resources Inc., a company formerly listed on the TSX. Most recently, Mr. Bragagnolo has been the Executive Chairman of Pharmex Life Sciences Inc and the CEO of Great Southern Gold Corp., both of which are private companies.	7,111,501
Gijsbert Groenewegen[(2)] Florida, US President, Chief Executive Officer and Director	Director since October 26, 2017; President since January 1, 2020; CEO since September 28, 2020	Mr. Groenewegen is the President and Chief Executive Officer of Regency Silver Corp. He is the managing director of Silver Arrow Partners, a London/Amsterdam based consulting firm focusing on the mining sector.	5,000,000
Michael Thomson[(2)] Alberta, Canada Director	Director since May 15, 2020	Mr. Thomson is the President of Independent Capital Partners Inc., a corporate finance advisory firm that focuses on IPO or "going public" transactions.	2,000,000
Michael Tucker[(2)] BC, Canada Director	Director since November 25, 2020	Mr. Tucker is the CEO of Perseverance Metals Inc. He was Vice president, Exploration for Karus Gold from 2020-2022 and Interim CEO for 2023. He was the Exploration Manager for Balmoral Resources Limited from 2015 to May 2020.	250,000

Notes:

(1) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at May 7, 2024

(2) Member of the Audit Committee.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the Designated Persons intend to exercise discretionary authority to vote the common shares represented by proxy for the election of any other persons as directors.

Cease Trade Orders

Other than as disclosed below, no director or executive officer of the Company, is or has been, within the ten years preceding the date of this Information Circular, a director, chief executive officer, chief financial officer of any company that:

(a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes of this Information Circular, an "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to an exemption under securities legislation, and such order was in effect for a period of more than 30 consecutive days.

Bankruptcies

To the knowledge of management of the Company, no director or executive officer of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, is or has been, with the ten years preceding the date of this Information Circular:

(a) a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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 made a proposal under any legislation relating to bankruptcies or insolvency; or

(b) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the individual.

Penalties or Sanctions

To the knowledge of management of the Company, no director or officer of the Company, or any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company has:

(a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

To the knowledge of management of the Company, no director or officer of the Company, or any

shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company or a personal holding company of any such persons has, within the ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of a director or officer.

STATEMENT OF EXECUTIVE COMPENSATION

For the purpose of this Circular:

"**CEO**" means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

"**CFO**" means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

"**Director**" means an individual who acted as a director of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

"**equity incentive plan**" means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of IFRS 2 *Share-Based Payments*;

"**NEO**" or "**named executive officer**" means each of the following individuals:

(a) CEO;

(b) a CFO;

(c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than $150,000, as determined in accordance with subsection 1.3(6) of National Instrument 51-102 – Continuous Disclosure Obligations ("NI 51-102"), for that financial year; and

(d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year.

"**option-based award**" means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features.

Statement of Executive Compensation

The following information regarding executive compensation is presented in accordance with *National Instrument Form 51-102F6V – Statement of Executive Compensation* and sets forth compensation for each of the NEOs and Directors of the Company for each of the three most recently completed financial years as December 31, 2023 and 2022. Unless otherwise noted, all dollar figures are expressed Canadian dollars.

Table of Compensation Excluding Compensation Securities							
Name and position	**Year**	**Salary, consulting fee, retainer or commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of all other compensation ($)**	**Total compensation ($)**
Gijsbert Groenewegen(1) President, CEO and Director	2023	120,000	-	-	-	-	120,000
	2022	102,500	35,000	-	-	111,391	281,891
Bruce Bragagnolo (2) Executive Chairman and Director	2023	120,000	-	-	-	-	120,000
	2022	122,500	50,000	-	-	111,391	332,391
Michael Thomson (3) Director	2023	34,500	-	-	-	-	34,500
	2022	32,500	7,500	-	-	111,391	151,391
Michael Tucker (4) Director	2023	120,000	-	-	-		
	2022	79,500	15,000	-	-	42,968	137,468
Mathew Lee (5) CFO	2023	48,000	-	-	-	-	48,000
	2022	45,500	7,500	-	-	33,432	86,432

Notes:

(1) Mr. Groenewegen was appointed as the CEO of the Company on September 28, 2020. Mr. Groenewegen is also the President of the Company since January 1, 2020. He has been a director of the Company since October 16, 2017.

(2) Mr. Bragagnolo was appointed as the Executive Chairman and director of the Company on March 23, 2017.

(3) Mr. Thomson was appointed a director of the Company on May 15, 2020.

(4) Mr. Tucker was appointed a director of the Company on November 25, 2020.

(5) Mr. Lee was appointed as the CFO of the Company on July 29, 2020.

Stock Options and other Compensation Securities

The following table sets out all compensation securities granted or issued to each NEO and Director by the Company during the financial year ended December 31, 2023.

Compensation Securities							
Name and Position	**Type of compensation security**	**Number of compensation securities, number of underlying securities and percentage of class**	**Date of issue or grant** (mm/dd/yy)	**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** (mm/dd/yy)
Gijsbert Groenewegen President, CEO and Director	Stock Options	250,000	01/16/2023	$0.30	$0.26	$0.29	01/16/28
Bruce Bragagnolo Executive Chairman and Director	Stock Options	250,000	01/16/2023	$0.30	$0.26	$0.29	01/16/28
Michael Thomson Director	Stock Options	250,000	01/16/2023	$0.30	$0.26	$0.29	04/26/27

Compensation Securities							
Name and Position	**Type of compensation security**	**Number of compensation securities, number of underlying securities and percentage of class**	**Date of issue or grant** (mm/dd/yy)	**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** (mm/dd/yy)
Michael Tucker Director	Stock Options	200,000	01/16/2023	$0.30	$0.26	$0.29	01/16/28
Mathew Lee CFO	Stock Options	100,000	01/16/2023	$0.30	$0.26	$0.29	01/16/28

Exercise of Compensation Securities by Directors and NEOs

There are presently 9,790,000 Options outstanding under the Option Plan, of which 3,300,000 Options are held directly and indirectly by NEOs and directors of the Company. NEO and Directors of the Company did not exercise any compensation securities of the Company during the year ended December 31, 2023.

Stock Option Plan

The Company has adopted a stock option plan (the "**Option Plan**") pursuant to which the Board may grant options (the "**Options**") to purchase Common Shares of the Company to NEOs, directors and employees of the Company or affiliated corporations and to consultants retained by the Company.

The purpose of the Option Plan is to attract, retain, and motivate NEOs, directors, employees and other service providers by providing them with the opportunity, through options, to acquire an interest in the Company and benefit from the Company's growth. Under the Option Plan, the maximum number of Common Shares reserved for issuance, including Options currently outstanding, is equal to 10% of the Shares outstanding from time to time (the "**10% Maximum**"). The 10% Maximum is an "evergreen" provision, meaning that, following the exercise, termination, cancellation or expiration of any Options, a number of Common Shares equivalent to the number of options so exercised, terminated, cancelled or expired would automatically become reserved and available for issuance in respect of future Option grants.

The number of Common Shares which may be the subject of Options on a yearly basis to any one person cannot exceed 5% of the number of issued and outstanding Shares at the time of the grant. Options may be granted to any employee, officer, director, consultant, affiliate or subsidiary of the Company exercisable at a price which is not less than the market price of common shares of the Company on the date of the grant. The directors of the Company may, by resolution, determine the time period during which any option may be exercised (the "**Exercise Period**"), provided that the Exercise Period does not contravene any rule or regulation of such exchange on which the Common Shares may be listed. All Options will terminate on the earliest to occur of (a) the expiry of their term; (b) the date of termination of an optionee's employment, office or position as director, if terminated for just cause; (c) 90 days (or such other period of time as permitted by any rule or regulation of such exchange on which the Common Shares may be listed) following the date of termination of an optionee's position as a director or NEO, if terminated for any reason other than the optionee's disability or death; (d) 30 days following the date of termination of an optionee's position as a consultant engaged in investor relations activities, if terminated for any reason other than the optionee's disability, death, or just cause; and (e) the date of any sale, transfer or assignment of the Option.

Options are non-assignable and are subject to early termination in the event of the death of a participant or in the event a participant ceases to be a NEO, director, employee, consultant, affiliate, or subsidiary of the Company, as the case may be. Subject to the foregoing restrictions, and certain other restrictions set out in the Option Plan, the Board is authorized to provide for the granting of Options and the exercise and method of exercise of options granted under the Option Plan.

See: "*Approval of Stock Option Plan – Summary of Stock Option Plan*".

Employment, Consulting and Management Agreements

Management functions of the Company are not, to any substantial degree, performed other than by directors or NEOs of the Company.

On June 1, 2020 the Company entered into a management consulting agreement with Bruce Bragagnolo pursuant to which Mr. Bragagnolo agreed to provide management services to the Company (the "**Bragagnolo Agreement**"). The Bragagnolo Agreement provides for the payment of $10,000 per month commencing June 1, 2020 for services provided. The Company is required to reimburse Mr. Bragagnolo for reasonable expenses incurred by him in connection with providing the services under the Bragagnolo Agreement. In the event of termination of the Bragagnolo Agreement without cause or a change of control of the Company, Mr. Bragagnolo will be entitled to receive a severance payment equal to 12 months of management fees.

On July 1, 2020, the Company entered into a management consulting agreement with Gijsbert Groenewegen pursuant to which Mr. Groenewegen agreed to provide management services to the Company (the "**Groenewegen Agreement**"). The Groenewegen Agreement provides for the payment of $10,000 per month for services provided. The Company is required to reimburse Mr. Groenewegen for reasonable expenses incurred by him in connection with providing the services under this agreement. In the event of termination of the Groenewegen Agreement without cause or a change of control of the Company, Mr. Groenewegen will be entitled to receive a severance payment equal to 12 months of management fees.

On July 27, 2020, the Company entered into an independent consultant agreement with Manning Lee Management Ltd. ("**Manning**") and Mathew Lee for the provision of financial consulting services to the Company (the "**Lee Agreement**"). The Lee Agreement provided for the payment of $2,500 per month. On June 1, 2022, the Lee Agreement was amended to provide for the payment of $4,000 per month. Manning will be entitled to a severance payment of 4 months of consulting fees in the event of early termination of the Lee Agreement without cause.

Mr. Michael Tucker is paid $10,000 per month for providing geological services and acting as the Company's qualified person.

There are no other employment or management contracts between the Company and the above-named executive officers other than disclosed herein or in the financial statements.

Oversight and Description of Director and Named Executive Officer Compensation

The determination of director and NEO compensation and how and when such compensation is to be determined is subject to the consideration of the Board, as disclosed in more detail below under "Corporate Governance". During the financial year ended December 31, 2023, the Company did not provide any compensation to its NEO and directors except for the stock option grants described herein.

Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN

The following table sets forth information with respect to all compensation plans under which equity securities are authorized for issuance as of December 31, 2023:

Equity Compensation Plan Information			
Plan Category	**Number of securities to be issued upon exercise of outstanding options, warrants and rights**	**Weighted-average exercise price of outstanding options, warrants and rights**	**Number of securities remaining available for future issuance under equity compensation plans excluding securities reflected in column (a)**
	(a)	(b)	(c)
Equity compensation plans approved by securityholders[(1)]	18,374,034	$0.25	122,549
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
TOTAL	**18,374,034**	**$0.25**	**122,549**

(1) *Represents the Option Plan of the Company, which reserves a number of common shares equal to 10% of the then outstanding common shares from time to time for issue pursuant to stock options or incentive securities. For further information on the Option Plan, refer to the heading "Approval of Stock Option Plan".*

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, executive officers, employees of the Company, the proposed nominees for election to the Board, or their respective associates or affiliates, are or have been indebted to the Company since the beginning of the most recently completed financial year of the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

None of the persons who were directors or executive officers of the Company or a subsidiary at any time during the Company's last completed financial year, the proposed nominees for election to the Board, any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding common shares of the Company, nor the associates or affiliates of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect the Company.

MANAGEMENT CONTRACTS

Except as disclosed herein, the Company is not a party to a Management Contract whereby management functions are to any substantial degree performed other than by the directors or executive officers of the Company.

CORPORATE GOVERNANCE

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practice*s, the Company is required to disclose its corporate governance practices as follows:

Board of Directors

The Board of Directors is currently comprised of four (4) members. The definition of independence used by the Board of Directors is that used by the Canadian Securities Administrators. A director is independent if he has no "material relationship" with the Company. A "material relationship" is a relationship which could, in view of the Board of Directors, be reasonably expected to interfere with the exercise of a director's independent judgement. Certain types of relationships are by their nature considered to be material relationships. The Board of Directors has determined that: (i) Mr. Thomson and Mr. Tucker are independent directors; and, (ii) Mr. Bragagnolo and Mr. Groenewegen are not independent by virtue of being the Company's Executive Chairman and Chief Executive Officer and President, respectfully.

Directorships

The following current directors of the Company are directors and/or officers of other reporting issuers:

Name of Director	Name of Other Reporting Issuer	Exchange
Bruce Bragagnolo	Inca One Gold Corp.	TSXV
	AsiaBaseMetals Inc.	TSXV
	Mantra Exploration Inc.	TSXV
Michael Thomson	Panorama Capital Corp.	TSXV

Orientation and Continuing Education

The Board of Directors provides an overview of the Company's business activities, systems and business plan to all new directors. New director candidates have free access to any of the Company's records, employees or senior management in order to conduct their own due diligence and will be briefed on the strategic plans, long-term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing policies of the Company. The directors are encouraged to update their skills and knowledge by taking courses and attending professional seminars.

Ethical Business Conduct

The Board of Directors has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board of Directors in which the director has an interest have been sufficient to ensure that the Board of Directors operates independently of management and in the best interests of the Company.

Nomination of Directors

The Board of Directors is responsible for identifying individuals qualified to become new directors and recommending new director nominees for the next annual meeting of shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the required time, show support for the Company's mission and strategic objectives, and a willingness to serve.

Compensation

The Board of Directors conducts reviews with regard to the compensation of the directors and the Chief Executive Officer once a year. To make its recommendations on such compensation, the Board of Directors takes into account the types of compensation and the amounts paid to directors and officers of comparable publicly traded Canadian companies.

Other Board Committees

The Board of Directors has no other committees other than the Audit Committee.

Assessments

The Board of Directors regularly monitors the adequacy of information given to directors, communications between the board and management and the strategic direction and processes of the Board and its committees.

PARTICULARS OF MATTERS TO BE ACTED UPON

Presentation of Financial Statements

The audited consolidated financial statements of the Company for the year ended December 31, 2023 (the "**Financial Statements**"), together with the auditor's report (the "**Auditor's Report**") thereon will be presented to Shareholders at the Meeting, but no vote thereon is required. The Financial Statements, Auditor's Report and management's discussion and analysis (the "**MD&A**") for the year ended December 31, 2023 are available under the Company's profile on SEDAR+ at www.sedarplus.ca. The Notice of Meeting to Shareholders, this Circular, Request for Financial Statements and form of proxy will be available from Computershare Investor Services Inc. located at 2nd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9, or the Company's head office located at Suite 1100 – 570 Granville Street, Vancouver, British Columbia, V6C 3P1.

Appointment and Remuneration of Auditor

Shareholders will be asked to approve the re-appointment of Manning Elliott LLP as the auditor of the Company to hold office until the next Annual General Meeting of the Shareholders at remuneration to be fixed by the Board of Directors. Manning Elliott LLP have been the Company's auditors since February 22, 2021.

In the absence of instructions to the contrary, the Proxyholders intend to vote the Common Shares represented by each Proxy, properly executed, FOR appointing Manning Elliott LLP as the Company's independent auditor for the ensuing year, and FOR authorizing the Board to fix the auditor's pay.

Fixing the Number of Directors

The Board of Directors presently consists of four directors and Management proposes, and the persons named in the accompanying form of proxy intend to vote in favour of fixing the number of directors for the ensuing year at four. Although Management is nominating four individuals to stand for election, the names of further nominees for directors may come from the floor at the Meeting.

In the absence of instructions to the contrary, the Proxyholders intend to vote the Common Shares represented by each Proxy, properly executed, FOR fixing the number of Directors at four for the ensuing year.

Approval of Stock Option Plan

At the Meeting, Shareholders will be asked to consider, and if deemed appropriate, approve with or without variation an ordinary resolution to approve the Company's incentive stock option plan attached hereto as Schedule "B" (the "**Option Plan**").

In accordance with the rules and policies of the TSX Venture Exchange (the "**TSX-V**"), shareholders must each year approve the Option Plan.

Summary of Stock Option Plan

The number of Common Shares reserved for issuance under the Option Plan at any time is equal to 10% of the number of common shares issued and outstanding at any time. Directors, officers, employees and consultants of the Company and its subsidiaries are eligible to participate in the Option Plan. Options granted to these participants shall have an expiry date not exceeding ten years from the date of grant, after which they cease to be exercisable.

Subject to the conditions disclosed in the Plan, the Board determines the manner in which an option shall vest and become exercisable. The Option Plan provides that the number of Common Shares reserved for issuance:

(a) to any one person, within any 12 month period, will not exceed 5% of the issued and outstanding Common Shares at the time of the grant;

(b) to any one consultant, within any 12 month period, will not exceed 2% of the issued and outstanding Common Shares at the time of the grant;

(c) in aggregate to persons conducting investor relations activities, within any 12 month period, will not exceed 2% of the issued and outstanding Common Shares at the time of the grant; and

(d) in aggregate to insiders will not exceed 10% of the issued and outstanding Common Shares at the time of the grant and in aggregate will not exceed, within any 12 month period, 10% of the issued and outstanding Common Shares at the time of the grant.

Options are exercisable only by the participant to whom they are granted and may not be assigned or transferred. Notwithstanding this restriction, upon the death of a participant, the participant's legal representatives, heirs, executors and administrators may exercise the participant's options for a period ending no later than the earlier of the option expiry date and 12 months after the participant's death.

Subject to the discretion of the Board, where a person ceases to be an eligible participant under the Option

Plan, other than by reason of death or in the event of termination for cause, options granted to participants shall cease to be exercisable on the earlier of the expiry date and 90 days after the date of termination or, if the participant was involved in investor relations activities, the options shall cease to be exercisable on the earlier of the expiry date and 30 days after the date of termination. Subject to the discretion of the Board, if a participant is terminated for cause, all options received shall terminate and cease to be exercisable upon such termination. Subject to obtaining any required approval from the Exchange, shareholders or participants, as the case may be, the Company may amend the Option Plan or the terms of any option granted thereunder in accordance with the terms of the Option Plan. Disinterested shareholder approval is required for certain amendments, including any reduction in the exercise price of an option held by a participant.

The Board is of the view that it is in the best interests of the Company to approve the Option Plan, which will enable the Board to grant options to Eligible Persons as a means of rewarding positive performance and providing incentive to attract and retain personnel to effectively manage the affairs of the Company.

Recommendation

The Company is of the view that the Option Plan provides the Company with the flexibility necessary to attract and maintain the services of senior management and other employees in competition with other companies in the mining industry and recommends that shareholders vote in favour of the Option Plan.

Shareholder Approval

The Company is asking its Shareholders to vote affirmatively on the following ordinary resolution to approve the renewal of the Option Plan (the "**Option Plan Resolution**"):

"**BE IT RESOLVED THAT**, subject to regulatory approval, the Option Plan, in substantially the form attached as Schedule "B" to the Company's management information circular dated May 7, 2024, be and is hereby approved, together with all options granted thereunder as at the date hereof, and that the Board of Directors be and they are hereby authorized, without further shareholder approval, to carry out the intent of this resolution."

The Board recommends that shareholders vote for the Option Plan Resolution. In the absence of contrary instructions, the persons named in the enclosed form of proxy intend to vote for the Option Plan Resolution.

The discretionary authority granted by the enclosed proxy will be used by management to approve any amendments to the above resolution acceptable to it.

OTHER MATTERS

As of the date of this circular, management knows of no other matters to be acted upon at this Annual General and Special Meeting. However, should any other matters properly come before the Meeting, the shares represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the shares represented by the proxy.

AUDIT COMMITTEE DISCLOSURE

Audit Committee Charter

The Charter of the Company's audit committee is attached to the Information Circular as Schedule "A".

Audit Committee Members

Gijsbert Groenewegen, Michael Thomson and Michael Tucker are the members of the Audit Committee. Messrs. Thomson and Tucker are considered by the Board to be "independent" and all three of the Audit Committee members have 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 the Company's financial statements.

Relevant Education and Experience

All of the Audit Committee members are persons with varying experience in financial matters; each has an understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, internal controls and procedures necessary for financial reporting, which has been garnered from working in their individual fields of endeavour.

Michael Thomson, Director

Mr. Thomson has nearly 40 years of experience in the securities industry, as a lawyer, regulator, investment banker and entrepreneur. Mr. Thomson has been the President and principal of Independent Capital Partners Inc., a corporate finance consulting and advisory company since May 1998. He is also past independent director of the Lil'Wat Business Corporation, the business arm of the Mt. Currie (Pemberton) First Nations Band.

Mr. Thomson is currently also a director of Panorama Capital Corp. (TSXV: PANO.P).

Michael Thomson has been the founder or co-founder of a number of capital pool companies that have completed arm's length business combinations and Qualifying Transactions with various private companies.

Mr. Thomson attained a Bachelor of Law degree from the University of Ottawa in 1983.

Michael Tucker, Director

Mr. Tucker (P.Geo) is currently the CEO of Perseverance Metals Inc. He was Vice-President, Exploration for Karus Gold Corp. from 2020-2022 and interim CEO for 2023. He was the Exploration Manager for Balmoral Resources Limited from 2015 to May 2020.

Mr. Tucker completed a BSc in Geology from Laurentian University as well as a MSc in Geological Sciences from the University of British Columbia.

Gijsbert Groenewegen, President, Chief Executive Officer and Director

Mr. Groenewegen is the President and Chief Executive Officer of the Company. He is the managing director of Silver Arrow Partners, a London/Amsterdam based consulting firm focusing on the mining sector. He was a co-founder of the Gold Arrow Fund (2006-2011), which was a London/New York based hedge fund focusing on gold/silver companies. Mr. Groenewegen was also the co-founder of The Europe Company, an agency brokerage firm, founded in 1991, that was sold to Jefferies Inc in 2000. Before co-founding The Europe Company between 1989-1991, he was the head of Benelux research for Baring Securities in London, U.K.

Mr. Groenewegen completed a Master of Law at the University of Amsterdam and University of Leiden.

He is a Doctor of Juridical Science.

Pre-Approved Policies and Procedures for Non-audit Services

The Company's Audit Committee Charter provides that the Audit Committee pre-approve all non-audit services to be provided to the Company by our external auditor.

External Auditor Service Fees

The table that follows sets out the aggregate fees billed by the Company's external auditor, Manning Elliott LLP, for services rendered to the Company during the financial years ended December 31, 2023 and December 31, 2022.

	Fiscal period ended December 31, 2023	**Fiscal period ended December 31, 2022**
Audit Fees	$90,000	$65,000
Non-Audit Related Fees	-	-
Tax Fees	$7,000	$6,500
Other	$1,080	-

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed fiscal year ended December 31, 2023, has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board.

Reliance on Exemptions and Exemptive Relief

As the Company is a "venture issuer" pursuant to relevant securities legislation, we are relying on the exemption in Section 6.1 of National Instrument 52-110 — *Audit Committees* ("**NI 52-110**") from the Audit Committee composition requirements of Part 3 and the reporting obligations of Part 5 of NI 52-110.

At no time since the commencement of the Company's most recently completed fiscal year ended December 31, 2023, has the Company relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-Audit Services) or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca. Copies of the Company's Financial Statements and Management Discussion and Analysis may be obtained without charge upon request from the Company's office located at Suite 1100 - 570 Granville Street, Vancouver, British Columbia, V6C 3P1.

APPROVAL OF THE BOARD

The contents of this Circular and the sending thereof to the Shareholders of the Company have been approved by the Board of Directors.

DATED this 7th day of May, 2024.

BY ORDER OF THE BOARD OF DIRECTORS

"Bruce Bragagnolo"

Bruce Bragagnolo
Executive Chairman and Director

SCHEDULE "A"

AUDIT COMMITTEE CHARTER

A. OVERVIEW AND PURPOSE

The Audit Committee (the Committee) is responsible to the Board of Directors (the Board). The Committee approves, monitors, evaluates, advises or makes recommendations to the Board, in accordance with this charter, on matters affecting the external audit and the financial reporting and accounting control policies and practices of the Company. In addition, the Committee has oversight responsibility with respect to management's duties regarding financial risks encountered by the Company as set out in subparagraph C.2. (a) below.

B. MEMBERSHIP AND ATTENDANCE AT MEETINGS

1. The members of the Committee shall consist of a minimum of three "financially literate" (as defined by National Instrument 52-110, *Audit Committees*) directors, appointed by the Board.

2. Unless exempted by National Instrument 52-110, *Audit Committees* or other applicable securities legislation, a majority of the members of the Committee shall be "independent" (as defined by National Instrument 52-110, *Audit Committees*).

3. The Board will designate the chair of the Committee (the "Chair").

4. Attendance by invitation at all or a portion of Committee meetings is determined by the Chair or its members and would normally include the Chief Financial Officer of the Company, the auditor, and such other corporate officers, advisors, or support staff as may be deemed appropriate.

C. DUTIES AND RESPONSIBILITIES OF THE AUDIT COMMITTEE

1. **Financial Accountability**

   a. To review, and recommend to the Board for approval, the annual audited financial statements.

   b. To review, and recommend to the Board for approval, the following public disclosure documents:

      i. the financial content of the annual report, if applicable;

      ii. the annual management information circular and proxy materials;

      iii. the annual information form, if applicable; and

      iv. management's discussion and analysis section of the Company's quarterly and annual reports.

   c. To review, and recommend to the Board for approval, the quarterly financial statements and the quarterly press release, if applicable, on earnings of the Company, which require approval by the Board prior to public disclosure thereof.

   d. To review, and recommend to the Board for approval, all financial statements, reports of a financial nature, and the financial content of prospectuses or any other reports which require

approval by the Board prior to submission thereof to the shareholders, any regulatory authority, or the public.

e. To review any report of management which accompanies published financial statements (to the extent such a report discusses the financial position or operating results) for consistency of disclosure with the financial statements themselves.

f. To review and assess, in conjunction with management and the external auditor:

   i. the appropriateness of accounting policies and financial reporting practices used by the Company;

   ii. any significant proposed changes in financial reporting and accounting policies and practices to be adopted by the Company;

   iii. any new or pending developments in accounting and reporting standards that may affect or impact on the Company;

   iv. identification of the Company's principal financial risks and uncertainties and the systems to manage such risks and uncertainties;

   v. the integrity (including without limitation, the effectiveness) of the Company's disclosure controls and procedures, internal control and management information systems; and

   vi. the key estimates and judgments of management that may be material to the financial reporting of the Company.

g. To periodically assess and be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the Company's financial statements, MD&A and annual and interim earnings press releases, as applicable.

h. To assess the performance and consider the annual appointment of external auditors for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, for recommendation to the Board for ultimate recommendation for appointment by the shareholders.

i. To recommend to the Board the compensation of external auditors.

j. To review the terms of the annual external audit engagement including, but not limited to, the following:

   i. staffing;

   ii. objectives and scope of the external audit work;

   iii. materiality limits;

   iv. audit reports required;

   v. areas of audit risk;

vi. timetable; and

vii. the proposed fees.

k. To pre-approve all non-audit services to be provided to the Company or its subsidiary entities by its external auditors or the external auditors of the Company's subsidiary entities. If and when applicable, to delegate to one or more independent members of the Committee the authority to pre- approve non–audit services provided that such pre-approval by one or more independent members with such authority, shall be presented to the Committee at its first scheduled meeting following such pre-approval. All pre-approvals shall be made according to the pre-approval policies and procedures specified for each particular non-audit service.

l. To review the fees paid to the external auditors or its affiliates for non-audit services, and consider the impact on the independence of the external audit work.

m. To oversee the work of the external auditors engaged for the purposes of preparing or issuing an audit report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditors regarding financial reporting.

n. To review with the external auditors the results of the annual audit examination including, but not limited to the following:

i. any difficulties encountered, or restrictions imposed by management, during the annual audit;

ii. any significant accounting or financial reporting issues;

iii. the auditor's evaluation of the Company's system of internal accounting controls, procedures and documentation;

iv. the post-audit or management letter containing any findings or recommendations of the external auditor including management's response thereto and the subsequent follow-up to any identified internal accounting control weaknesses; and

v. any other matters which the external auditors should bring to the attention of the Committee.

o. To meet with the external auditors, at least annually or as requested by the auditors, without management representatives present; and to meet with management, at least annually, without the external auditors present.

p. To obtain reasonable assurance, by discussions with and reports from management and the external auditors, that the accounting systems are reliable and that the system of internal controls is effectively designed and implemented.

q. To annually request the external auditor to provide its views on the quality (not just the acceptability) of the Company's annual and interim financial reporting. Such quality assessment should encompass judgments about the appropriateness, aggressiveness or conservatism of estimates and elective accounting principles, or methods and judgments about the clarity of disclosures.

r. When there is to be a change in auditor, review all issues related to the change, including the information to be included in the notice of change of auditor called for under applicable securities legislation and the rules and policies of applicable exchanges, and the planned steps for an orderly transition.

s. To review any litigation, claim or other contingency, including tax assessments, that could have a material effect upon the financial position or operating results of the Company, and the manner in which these matters have been disclosed in the financial statements.

t. To review the internal control and approval policies and practices concerning the expenses of the officers of the Company, including the use of the Company's assets.

u. To review any claims of indemnification pursuant to the Articles of the Company.

v. To review, and recommend to the Board for approval, the management report to be included in the annual report to shareholders.

w. To request such information and explanations in regard to the accounts of the Company as the Committee may consider necessary and appropriate to carry out its duties and responsibilities.

x. To request that the Chief Executive Officer and Chief Financial Officer or persons who perform functions similar to them, report on issues which are the subject of any Certificates to be signed and filed in accordance with applicable securities regulations by the Chief Executive Officer and Chief Financial Officer or persons who perform functions similar to them; and to review such report.

y. To establish procedures for:

   i. the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

   ii. the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

z. To review and approve the Company's hiring policies regarding employees and former employees of the present and former external auditors of the Company.

2. **Risk Management**

a. To oversee the Company's management to ensure that management discharges its responsibility to identify and mitigate financial risks faced by the Company.

3. **General Responsibilities**

a. To consider any other matters which, in the opinion of the Committee or at the request of the Board, would assist the directors to meet their responsibilities.

b. To review annually the terms of reference for the Committee and to recommend any required changes to the Board.

c. To provide reports and minutes of meetings to the Board.

D. MEETINGS

1. Regular meetings of the Committee are held at least four times each year.

2. Meetings may be called by the Chair or by a majority of the Committee members, and usually in consultation with the management of the Company.

3. Meetings are chaired by the Committee Chair or, in the Chair's absence, by a member chosen by the Committee from among themselves.

4. A quorum for the transaction of business at any meeting of the Committee is a majority of Committee members.

5. The Secretary of the Company shall provide for the delivery of notices, agendas and supporting materials to the Committee members at least five (5) days prior to the date of the meeting, except in unusual circumstances.

6. Meetings may be conducted with members present, or by telephone or other communications facilities which permit all persons participating in the meeting to hear or communicate with each other.

7. A written resolution signed by all Committee members entitled to vote on that resolution at a meeting of the Committee is as valid as one passed at a Committee meeting.

8. The Secretary of the Company shall be the secretary for the Committee and keep a record of minutes of all meetings of the Committee.

9. Minutes of the meetings of the Committee, prepared in draft, shall be distributed by the Secretary of the Company to all members of the Committee within seven (7) working days of each meeting, and shall be submitted for approval at the next regular meeting of the Committee.

E. AUTHORITY OF THE AUDIT COMMITTEE

1. The Audit Committee shall have the authority to:

    a. engage independent counsel and other advisors as it determines necessary to carry out its duties;

    b. to set and pay the compensation for any advisors employed by the Committee; and

    c. to communicate directly with the internal (if any) and external auditors.

SCHEDULE "B"

REGENCY SILVER CORP.

STOCK OPTION PLAN

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STOCK OPTION PLAN

ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Definitions

As used herein, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the meanings set forth below:

(a) "Administrator" means, such director or other senior officer or employee of the Company as may be designated as Administrator by the Board from time to time;

(b) "Award Date" means the date on which the board awards a particular Option;

(c) "Board" means the board of directors of the Company, or any committee thereof which the board of directors of the Company has delegated the power to administer and grant options under this Plan;

(d) "Cause" means:

(i) "Cause" as such term is defined in the written employment agreement, if any, between the Company and Employee; or

(ii) in the event there is no written employment agreement between the Company and the Employee or "Cause" is not defined in the written employment agreement between the Company and the Employee, the usual meaning of just cause under the common law or the laws of British Columbia;

(e) "Company" means **Regency Silver Corp.**;

(f) "Consultant" means an individual, other than a Director, Employee or Management Company Employee, that

(i) is engaged to provide on a *bona fide* basis consulting, technical, management or other services to the Company or to an affiliated entity of the Company, other than services provided in relation to a distribution;

(ii) provides the services under a written contract between the Company or the affiliated entity and the individual or a consultant company or consultant partnership of the individual;

(iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an affiliated entity of the Company; and

(iv) has a relationship with the Company or the affiliated entity that enables the individual to be knowledgeable about the business and affairs of the Company;

(g) "consultant company" means a Consultant that is a company;

(h) "consultant partnership" means, for an individual consultant, a partnership of which the individual consultant is an employee or partner;

(i) "Director" means a director, senior officer or Management Company Employee of an issuer, or of an unlisted company seeking a listing on the Exchange, or a director, senior officer or Management Company Employees of an issuer's or an unlisted company's subsidiaries.

(j) "Employee" means an individual who:

(i) is considered an employee under the *Income Tax Act* (Canada) (i.e. for whom income tax, employment insurance and CPP deductions must be made at source);

(ii) works full-time for the Company or a subsidiary of the Company providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or

(iii) works for the Company or a subsidiary of the Company on a continuing and regular basis for a minimum amount of time per week (the number of hours should be disclosed in the submission) providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source;

(k) "Exercise Notice" means the notice respecting the exercise of an Option, in the form set out as Schedule "B" hereto, duly executed by the Option Holder;

(l) "Exercise Period" means the period during which a particular Option may be exercised and is the period from and including the Award Date through to and including the Expiry Date;

(m) "Exercise Price" means the price at which an Option may be exercised as determined in accordance with paragraph 3.5;

(n) "Expiry Date" means the date determined in accordance with paragraph 3.3 and after which a particular Option cannot be exercised;

(o) "Insider" has the meaning given to it in the TSX Company Manual;

(p) "Investor Relations Activities" means any activities, by or on behalf of the Company or shareholder of the Company, that promote or reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:

(i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company;

(A) to promote the sale of products or services of the Company; or

(B) to raise public awareness of the Company;

that cannot reasonably be considered to promote the purchase or sale of securities of the Company;

(ii) activities or communications necessary to comply with the requirements of:

(A) applicable Securities Laws;

(B) requirements of the TSX or the by-laws, rules or other regulatory instruments of any other self regulatory body or exchange having jurisdiction over the Company; or

(iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:

(A) the communication is only through the newspaper, magazine or publication, and

(B) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer;

(q) "Management Company Employee" means an individual employed by an entity providing management services to the Company which are required for the ongoing successful operation of the business enterprise of the Company but excluding an individual or entity engaged in Investor Relations Activities;

(r) "Market Price" means the Volume Weighted Average Trading Price of the Company's common shares for the five trading days immediately preceding the Award Date, on the TSX or the exchange having jurisdiction over the Company;

(s) "Option" means an option to acquire Shares, awarded to a Director, Employee, Consultants and Management Company Employees pursuant to the Plan;

(t) "Option Certificate" means the certificate, in the form set out as Schedule "A" hereto, evidencing an Option;

(u) "Option Holder" means a Director, Employee, Consultant or Management Company Employee or former Director, Employee, Consultant or Management Company Employee who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person;

(v) "Plan" means this stock option plan;

(w) "Personal Representative" means:

(i) in the case of a deceased Option Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and

(ii) in the case of an Option Holder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Option Holder;

(x) "Regulatory Authorities" means all stock exchanges and other organized trading facilities on which the Company's Shares are listed and all securities commissions or similar securities regulatory bodies having jurisdiction over the Company;

(y) "Securities Laws" means securities legislation, securities regulations and securities rules, as amended, and the policies, notices, instruments and orders in force from time to time that are applicable to the Company;

(z) "Share" or "Shares" means, as the case may be, one or more common shares without par value in the capital stock of the Company;

(aa) "Termination Date" means:

(i) in the case of the resignation of the Option Holder as an Employee of the Company, the date that the Option Holder provides notice of his or her resignation as an Employee of the Company to the Company; or

(iii) in the case of the termination of the Option Holder's employment with the Company by the Company for any reason other than death, the date that the Company provides notice of termination of the Option Holder's employment to the Option Holder; or

(iii) in the case of the termination of the written contract of the Option Holder to provide consulting services to the Company, the date that one of the parties to the written contract provides notice of termination of the written contract to the other party;

(bb) "TSX" means the TSX Venture Exchange; and

(cc) "Volume Weighted Average Trading Price" means the volume weighted average trading price of the listed securities calculated by dividing the total value by the total volume of securities traded fro the relevant period. With approval of the Regulatory

Authorities, internal crosses and certain other special terms trades may be excluded from the calculation.

1.2 Choice of Law

The Plan is established under, and the provisions of the Plan shall be subject to and interpreted and construed in accordance with, the laws of the Province of British Columbia.

1.3 Headings

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

ARTICLE 2
PURPOSE AND PARTICIPATION

2.1 Purpose

The purpose of the Plan is to provide the Company with a share-related mechanism to attract, retain and motivate qualified Directors, Employees, Consultants and Management Company Employees, to reward such of those Directors, Employees, Consultants and Management Company Employees as may be awarded Options under the Plan by the Board from time to time for their contributions toward the long term goals of the Company and to enable and encourage such Directors, Employees, Consultants and Management Company Employees to acquire Shares as long term investments.

2.2 Participation

(a) The Board shall, from time to time and in its sole discretion, determine those Directors, Employees, Consultants and Management Company Employees, if any, to whom Options are to be awarded.

(b) The Board may only grant options to a Director, Employee, Consultant and Management Company Employee if such Director, Employee, Consultant and Management Company Employee is a bona fide Director, Employee, Consultant and Management Company Employee of the Company or a subsidiary of the Company.

(c) The Board may, in its sole discretion, grant the majority of the Options to Insiders of the Company, however, the number of Shares issued to Insiders in any 12 month period and issuable to Insiders at any time under the Plan, together with any securities of the Company under any other security-based compensation arrangements, must equal less than 10% of the issued and outstanding shares of the Company.

(d) In no case will an individual be granted an Option where the number of Shares that may be purchased pursuant to that Option in any 12 month period exceed 5% of the Company's issued and outstanding share capital over that period.

(e) In no case will any one Consultant be granted Options where the number of Shares that may be purchased pursuant to those Options in any 12 month period exceeds 2% of the Company's issued and outstanding share capital at the date of grant.

(f) In no case will the aggregate number of Shares that may be purchased pursuant to Options granted to Employees and Consultants conducting Investor Relations Activities exceed 2% of the Company's issued and outstanding share capital in any 12 month period.

2.3 Notification of Award

Following the approval by the Board of the awarding of an Option, the Administrator shall notify the Option Holder in writing of the award and shall enclose with such notice the Option Certificate representing the Option so awarded.

2.4 Copy of Plan

Each Option Holder, concurrently with the notice of the award of the Option, shall be provided with a copy of the Plan. A copy of any amendment to the Plan shall be promptly provided by the Administrator to each Option Holder.

2.5 Limitation

The Plan does not give any Option Holder that is a Director the right to serve or continue to serve as a Director of the Company, does not give any Option Holder that is an Employee the right to be or to continue to be employed by the Company, does not give any Option Holder that is a Consultant the right to be or to continue to be retained as a Consultant for the Company and does not give any Option Holder that is a Management Company Employee the right to be or to continue to be employed as a Management Company Employee of the Company.

ARTICLE 3
TERMS AND CONDITIONS OF OPTIONS

3.1 Board to Issue Shares

The Shares to be issued to Option Holders upon the exercise of Options shall be authorized and unissued Shares the issuance of which shall have been authorized by the Board.

3.2 Number of Shares

Subject to adjustment as provided for in paragraph 3.8 of this Plan, the number of Shares which will be available for purchase pursuant to Options granted under this Plan will not exceed 10% of the issued and outstanding common shares of the Company at the Award Date. If any Option is exercised, expires or otherwise terminates for any reason, the number of Shares in respect of which the Option was exercised, expired or terminated shall again be available for the purposes of the Plan.

All options outstanding under the Company's previous stock option plans will be transferred to the Plan and become options outstanding under the Plan.

3.3 Term of Option

Subject to paragraph 3.4, the Expiry Date of an Option shall be the date so fixed by the Board at the time the particular Option is awarded, provided that such date shall be no later than the tenth (10th) anniversary of the Award Date of such Option or such later date as allowed by the policies of the TSX. Notwithstanding the foregoing, if the date so fixed by the Board at the time the particular Option is awarded falls within a "blackout period" during which the Company prohibits the Optionees from exercising their stock option, the Expiry Date of such Option shall be extended to a date that is ten (10) business days after the expiry of the blackout period.

3.4 Termination of Option

Subject to such other terms or conditions that may be attached to Options granted hereunder, an Option Holder may exercise an Option in whole or in part at any time or from time to time during the Exercise Period. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of 4:30 p.m. local time in Vancouver, British Columbia on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date established pursuant to paragraph 3.3 and the date established, if applicable, in subparagraphs (a) to (c) below:

(a) Death of Option Holder

In the event that the Option Holder should die while he or she is still an Insider (if he or she holds his or her Option as Insider), an Employee (if he or she holds his or her Option as an Employee), a Consultant (if he or she holds his or her Option as a Consultant), or a Management Company Employee (if he or she holds his or her Option as a Management Company Employee), the Expiry Date shall be the first anniversary of the Option Holder's date of death.

(b) Ceasing to hold Office

In the event that the Option Holder holds his or her Option as a Director or officer of the Company and such Option Holder ceases to be a Director or officer of the Company other than by reason of death, the Expiry Date of the Option shall be, unless otherwise provided for in the Option Certificate, the 90th day following the date the Option Holder ceases to be a Director or officer of the Company unless the Option Holder ceases to be a Director or officer of the Company as a result of:

(i) ceasing to meet the qualifications set forth in the British Columbia Business Corporations Act; or

(ii) his or her removal as a Director or officer of the Company pursuant to the British Columbia Business Corporations Act; or

(iii) an order made by any Regulatory Authority having jurisdiction to so order;

in which case the Expiry Date shall be the date the Option Holder ceases to be a Director or officer of the Company.

(c) Ceasing to be an Employee, Consultant or Management Company Employee

In the event that the Option Holder holds his or her Option as an Employee, Consultant or Management Company Employee of the Company and such Option Holder ceases to be an Employee, Consultant or Management Company Employee of the Company other than by reason of death, unless otherwise provided in the Option Certificate, the Expiry Date of the Option shall be the 30th day following the Termination Date unless the Option Holder ceases to be:

(i) an Employee or Consultant or Management Company Employee of the Company as a result of termination for Cause; or

(ii) an Employee or Consultant or Management Company Employee of the Company as a result of an order made by any Regulatory Authority having jurisdiction to so order;

in which case the Expiry Date shall be the Termination Date.

Notwithstanding anything contained herein, in no case will an Option be exercisable later than the Expiry Date of such Option established pursuant to paragraph 3.3.

3.5 Exercise Price

The price at which an Option Holder may purchase a Share upon the exercise of an Option shall be as set forth in the Option Certificate issued in respect of such Option and in any event shall not be less than the Market Price of the Company's Shares as of the Award Date. Disinterested shareholder approval will be obtained for any reduction in the exercise price if the Option Holder is an Insider of the Company at the time of the proposed amendment.

Notwithstanding anything else contained herein, in no case will the Market Price be less than the minimum prescribed by each of the organized trading facilities as would apply to the Award Date in question.

3.6 Additional Terms

Subject to all applicable Securities Laws of all applicable Regulatory Authorities, the Board may attach other terms and conditions to the grant of a particular Option, such terms and conditions to be referred to in a schedule attached to the Option Certificate. These terms and conditions may include, but are not necessarily limited to, the following:

(a) providing that an Option expires on a date other than as provided for herein;

(b) providing that a portion or portions of an Option vest after certain periods of time or upon the occurrence of certain events, or expire after certain periods of time or upon the occurrence of certain events;

(c) providing that an Option be exercisable immediately, in full, notwithstanding that it has vesting provisions, upon the occurrence of certain events, such as a friendly or hostile takeover bid for the Company; and

(d) providing that an Option issued to, held by or exercised by an Option Holder who is a citizen or resident of the United States of America, and otherwise meets the statutory requirements, be treated as an "Incentive Stock Option" as that term is defined for purposes of the United States of America Internal Revenue Code of 1986, as amended.

3.7 Assignment of Options

Options may not be assigned or transferred, provided however that the Personal Representative of an Option Holder may, to the extent permitted by paragraph 4.1, exercise the Option within the Exercise Period.

3.8 Adjustments

If prior to the complete exercise of an Option the Shares are consolidated, subdivided, converted, exchanged or reclassified or in any way substituted for (collectively the "Event"), an Option, to the extent that it has not been exercised, shall be adjusted by the Board in accordance with such Event in the manner the Board deems appropriate. No fractional shares shall be issued upon the exercise of the Options and accordingly, if as a result of the Event, an Option Holder would become entitled to a fractional share, such Option Holder shall have the right to purchase only the next lowest whole number of shares and no payment or other adjustment will be made with respect to the fractional interest so disregarded. Without limiting the generality of the foregoing, any share capital adjustments other than a consolidation or subdivision of Shares shall require the prior approval of the TSX.

3.9 Vesting

Options granted to Directors, Employees and Consultants, other than Consultants engaged in Investor Relations Activities, will vest fully upon the expiry of the hold period of four months from the Award Date, unless otherwise approved by the relevant Regulatory Authorities.

Options granted to Employees engaged in Investor Relations Activities will vest in stages over a minimum period of 12 months with no more than one-quarter of the Options vesting in any three month period. In addition, no Options granted to persons engaged in Investor Relations Activities shall be subject to acceleration without the prior approval of the TSX.

3.10 Resale Restrictions

In addition to any resale restrictions under Securities laws, the Option and any Shares issued upon exercise of the Option may be subject to a hold period of four months from the Award Date of the Option in accordance with the requirements of the TSXV Corporate Finance Manual. The Option, and the Shares, if applicable, may bear the following legend:

> *Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until* ***[insert expiry date of hold period]****.*

ARTICLE 4
EXERCISE OF OPTION

4.1 Exercise of Option

An Option may be exercised only by the Option Holder or the Personal Representative of the Option Holder. An Option Holder or the Personal Representative of an Option Holder may exercise an Option in whole or in part at any time or from time to time during the Exercise Period up to 4:30 p.m. local time in Vancouver, British Columbia on the Expiry Date by delivering to the Administrator an Exercise Notice, the applicable Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate Exercise Price of the Shares to be purchased pursuant to the exercise of the Option.

4.2 Issue of Share Certificates

As soon as practicable following the receipt of the Exercise Notice, the Administrator shall cause to be delivered to the Option Holder a certificate for the Shares so purchased. If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate surrendered, the Administrator shall forward a new Option Certificate to the Option Holder concurrently with delivery of the Share Certificate for the balance of Shares available under the Option.

4.3 Condition of Issue

The Options and the issue of Shares by the Company pursuant to the exercise of Options are subject to the terms and conditions of this Plan and compliance with the rules and policies of all applicable Regulatory Authorities to the granting of such Options and to the issuance and distribution of such Shares, and to all applicable Securities Laws. The Option Holder agrees to comply with all Securities Laws and agrees to furnish to the Company any information, reports or undertakings required to comply with, and to fully cooperate with, the Company in complying with such Securities Laws.

ARTICLE 5
ADMINISTRATION

5.1 Administration

The Plan shall be administered by the Administrator on the instructions of the Board. The Board may make, amend and repeal at any time and from time to time such regulations not inconsistent with the Plan as it may deem necessary or advisable for the proper administration and operation of the Plan and such regulations shall form part of the Plan. The Board may delegate to the Administrator or any Director or Employee of the Company such administrative duties and powers as it may see fit.

5.2 Interpretation

The interpretation by the Board of any of the provisions of the Plan and any determination by it pursuant thereto shall be final and conclusive and shall not be subject to any dispute by any Option Holder. No member of the Board or any person acting pursuant to authority delegated by it hereunder shall be liable for any action or determination in connection with the Plan made or taken in good faith and each member of the Board and each such person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Company.

ARTICLE 6
AMENDMENT AND TERMINATION

6.1 Amendment

The Board may from time to time amend the Plan without shareholder approval, for the purpose of meeting any changes in any relevant law, rule or regulation applicable to the Plan, any Option or the Shares, or for any other purpose which may be permitted by all relevant laws, regulations, rules and policies provided always that any such amendment shall not alter the terms or conditions of any Option or impair any right of any Option Holder pursuant to any Option awarded prior to such amendment. All other amendments will require shareholder approval and any amendment to extend the term of an Option held by an Insider of the Company shall require disinterested shareholder approval in accordance with the policies of the TSX.

6.2 Approvals

(a) This Plan and any amendments hereto are subject to all necessary approvals of the applicable Regulatory Authorities.

(b) This Plan is subject to Directors' and shareholders' approval on institution of the Plan and every three years after institution.

6.3 Termination

The Board may terminate the Plan at any time provided that such termination shall not alter the terms or conditions of any Option or impair any right of any Option Holder pursuant to any Option awarded prior to the date of such termination which shall continue to be governed by the provisions of the Plan.

6.4 Agreement

The Company and every Option awarded hereunder shall be bound by and subject to the terms and conditions of this Plan. By accepting an Option granted hereunder, the Option Holder has expressly agreed with the Company to be bound by the terms and conditions of this Plan.

SCHEDULE "A"

WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL _____ .

REGENCY SILVER CORP.
Stock Option Plan
Option Certificate

This Certificate is issued pursuant to the provisions of the **Regency Silver Corp.** (the "Company") Stock Option Plan (the "Plan") and evidences that _____ is the holder (the "Option Holder") of an option (the "Option") to purchase up to _____ common shares (the "Shares") in the capital stock of the Company at a purchase price of Cdn. $_____ per Share. Subject to the provisions of the Plan:

(a) the Award Date of this Option is _____; and

(b) the Expiry Date of this Option is _____.

This Option may be exercised at any time and from time to time from and including the Award Date through to and including up to 4:30 local time in Vancouver, British Columbia on the Expiry Date by delivery to the Administrator of the Plan an Exercise Notice, in the form provided in the Plan, together with this Certificate and a certified cheque or bank draft payable to "**Regency Silver Corp.**" in an amount equal to the aggregate of the Exercise Price of the Shares in respect of which this Option is being exercised.

This Certificate and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan, the terms and conditions of which the Option Holder hereby expressly agrees with the Company to be bound by. This Certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail.

This Option is also subject to the terms and conditions contained in the schedules, if any, attached hereto.

The foregoing Option has been awarded this ____ day of _____, _____.

REGENCY SILVER CORP.

Per:

_____
Administrator
Regency Silver Corp.
Stock Option Plan

OPTION CERTIFICATE - SCHEDULE

The additional terms and conditions attached to the Option represented by this Option Certificate are as follows:

1. the right to take up [25% of the Option Shares] Shares shall vest on [the day that is three months following the date of the Option Certificate].

2. the right to take up [25% of the Option Shares] Shares shall vest on [the day that is six months following the date of the Option Certificate].

3. the right to take up [25% of the Option Shares] Shares shall vest on [the day that is nine months following the date of the Option Certificate].

4. the right to take up [25% of the Option Shares] Shares shall vest on [the day that is twelve months following the date of the Option Certificate].

REGENCY SILVER CORP.

Per:

_____

Administrator
Regency Silver Corp.
Stock Option Plan

SCHEDULE "B"

REGENCY SILVER CORP.
STOCK OPTION PLAN

NOTICE OF EXERCISE OF OPTION

TO: The Administrator, Stock Option Plan
REGENCY SILVER CORP.

The undersigned hereby irrevocably gives notice, pursuant to the **REGENCY SILVER CORP.** (the "Company") Stock Option Plan (the "Plan"), of the exercise of the Option to acquire and hereby subscribes for **(cross out inapplicable item):**

(a) all of the Shares; or

(b) _____ of the Shares;

which are the subject of the Option Certificate attached hereto.

The undersigned tenders herewith a certified cheque or bank draft **(circle one)** payable to "**REGENCY SILVER CORP.**" in an amount equal to the aggregate Exercise Price of the aforesaid shares and directs the Company to issue the certificate evidencing said shares in the name of the undersigned to be mailed to the undersigned at the following address:

_____

_____

_____

_____

DATED the _____ day of _____, _____.

_____
Signature of Option Holder

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