

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-K

(Mark One)

ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended April 30, 2017

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File No. 0-23920

REGI U.S., Inc.

(Exact name of registrant in its Charter)

Oregon
(State or Other Jurisdiction of
incorporation or organization)

91-1580146
(I.R.S. Employer
Identification No)

7520 N Market St., #10, Spokane, WA. 99217

(Address of Principal Executive Offices)

(509) 474-1040

Registrant's telephone number

(Former Name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Exchange Act: NONE

Securities registered pursuant to Section 12(g) of the Exchange Act:

Title of each class

Name of each Exchange on which registered:

Common

OTC Markets

Indicate by check mark if the issuer is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act: Yes No

Indicate by check mark if the issuer is not required to file reports pursuant to Section 13 or 15(d) of the Act: Yes No

Indicate by check mark whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

(1) Yes No (2) Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company]

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes] No [X]

ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Not applicable

APPLICABLE ONLY TO CORPORATE ISSUERS

The number of shares issued and outstanding of the issuer's common stock, no par value, as of October 31, 2017 was 85,814,690 and 84,986,959, respectively.

State the aggregate market value of the voting and non-voting common equity computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter: \$2,950,137 as of October 31, 2016.

DOCUMENTS INCORPORATED BY REFERENCE

None

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FORWARD LOOKING STATEMENTS

THIS ANNUAL REPORT ON FORM 10-K, INCLUDING EXHIBITS THERETO, CONTAINS FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF SECTION 27A OF THE SECURITIES ACT OF 1933, AS AMENDED, AND SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. THESE FORWARD-LOOKING STATEMENTS ARE TYPICALLY IDENTIFIED BY THE WORDS “ANTICIPATES”, “BELIEVES”, “EXPECTS”, “INTENDS”, “FORECASTS”, “PLANS”, “FUTURE”, “STRATEGY”, OR WORDS OF SIMILAR MEANING. VARIOUS FACTORS COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE EXPRESSED IN THE FORWARD-LOOKING STATEMENTS, INCLUDING THOSE DESCRIBED IN “RISK FACTORS” IN THIS FORM 10-K. WE ASSUME NO OBLIGATION TO UPDATE THESE FORWARD-LOOKING STATEMENTS TO REFLECT ACTUAL RESULTS, CHANGES IN ASSUMPTIONS, OR CHANGES IN OTHER FACTORS, EXCEPT AS REGULATED BY LAW.

As used in this annual report, the terms “we”, “us”, “our”, the “Company” and “REGI” mean REGI U.S., Inc., unless otherwise indicated.

The Company files annual reports and furnishes other information with the SEC. You may read and copy any document that we file at the SEC’s Public Reference Room at 100 F Street, NE., Washington, DC 20549, on official business days during the hours of 10 a.m. to 3 p.m. You may obtain information on the operation of the Public Reference Room by calling the Commission at 1-800-SEC-0330. The Commission maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the Commission at (<http://www.sec.gov>). The Company also files information with the Canadian Securities Administrators via SEDAR (www.sedar.com). The Company’s website is located at www.radmaxtech.com

PART I

ITEM 1. BUSINESS

General

We were organized under the laws of the State of Oregon on July 27, 1992 as Sky Technologies, Inc. On August 1, 1994, our name was officially changed by a vote of a majority of our shareholders to REGI U.S., Inc.

On September 16, 2016, REGI entered into an asset purchase agreement (the “APA”) with Reg Technologies Inc. (“Reg Tech”), a British Columbia public company whose common stock was listed on TSX Venture Exchange to purchase all of the assets of Reg Tech, a company with a common director and CEO with REGI. An aggregate of 51,757,119 unregistered common shares of our company were issued as consideration for the asset purchase. The transaction was closed on February 17, 2017 upon TSX Venture Exchange approval.

Prior to the APA, REGI and Reg Tech had been engaged in the business of developing and commercially exploiting an improved axial vane type rotary engine known as the Rand Cam/Direct Charge Engine (the “RC/DC Engine”) with the marketing and intellectual rights in the U.S. held by REGI and the worldwide marketing and intellectual rights, other than in the U.S., held by Reg Tech. Upon closing the APA, REGI owns the worldwide rights to the technologies.

We will need to raise additional capital in the future beyond any amount currently on hand and which may become available as a result of debt and/or equity financing, including the exercise of options which are currently outstanding, in order to fully implement our intended plan of operations.

Business of the Company

Overview and History

We are engaged in the business of developing and building improved axial vane-type rotary devices for civilian, commercial and government applications. The Company owns the worldwide intellectual and marketing rights to the RadMax[®] technology. Our vision is to develop advanced devices that reduce carbon footprint, reduce device size, weight and parts count, and increase fuel and manufacturing efficiencies. We intend to develop and market these devices in cooperation with industry and government partners. We are focused on creating new, disruptive technologies that are more efficient, compact and cost-effective than those currently available.

On July 27th, 2016, REGI undertook a reorganization, naming its wholly owned subsidiary, RadMax Technologies, Inc. (“RadMax”) as its DBA for marketing and technology image.

From our headquarters in Spokane, WA, we are working with engineering consultants around North America to develop these devices. Our goal is to license RadMax technology and/or participate in joint ventures to manufacture RadMax products for specific applications. Examples of market segments that could benefit from our technology include (but are not limited to) transportation, aerospace, air conditioning and refrigeration, oil and gas production and distribution, power generation, marine, and military markets.

Based upon work performed on concept test stands and prototype models, we believe that the RadMax[®] technology holds significant potential in a number of applications ranging from improving the efficiency of air conditioning and natural gas distribution systems to transportation locomotion and power generation. In addition to its potential use as prime mover, the RadMax[®] technology design is being employed in the development of several types of compressors, pumps, and gas expanders.

To date, several prototypes of different RadMax[®] devices have been tested, Additional prototype development and testing is continuing. We believe that such work will continue until commercially feasible designs are completed. However, there is no assurance at this time that such commercially feasible designs will ever be perfected, or will become profitable. If a commercially feasible design is perfected, we expect to derive revenues from licensing the RadMax[®] technology. However, there is no assurance at this time that revenues will ever be received from licensing the technology even if it does prove to be commercially feasible.

We believe that multi-markets exist for practical rotary devices which can be produced at competitive prices, and can provide a good combination of energy utilization efficiency, power density and flexibility.

Based on market potential, we believe RadMax[®] technology is well suited for application to both internal and external combustion engines, pumps, compressors and gas expanders. RadMax[®] technology can be scaled to most size requirements. This flexibility allows us to consider applications in many large industries and markets.

Products and Projects

RadMax® Engine

We believe that the RadMax® internal combustion engine can achieve improved fuel and mechanical efficiencies when compared to other types of internal combustion engines based on the inherent efficient design and thermodynamic characteristics of the engine. A higher expansion than compression ratio is possible with the RadMax® internal combustion engine resulting in better fuel efficiency.

Various prototype RadMax® engines for both compression-ignition (diesel) and spark-ignition (gasoline) configurations have been built ranging from 10 to over 300 horsepower. Characterized by high torque, compact size, and a high horsepower-to-weight ratio, RadMax® engines are well suited as a prime mover for various transportation, and power generation applications.

Long service life, low power-to-weight ratio, and increasing environmental concerns and regulations are prompting a second look at the viability of gas turbine engines for more mainstream applications. A gas turbine engine's optimized combustion produces fewer total emissions than internal-combustion engines. However, their lower operating efficiencies and higher operating and capital costs are impediments to their increased use.

A RadMax® external combustion turbine engine incorporating RadMax®'s higher efficiency, positive displacement compressors and gas expanders, coupled with an optimized external combustor, can significantly improve fuel and energy extraction efficiency over existing gas turbine engines. Having true "any fuel" capability, the RadMax® turbine engine would be well suited for hybrid engine and power generation applications.

To bring RadMax® engines from concept to reality, a considerable number of expensive steps and milestones must be achieved before market acceptance. These steps included conceptual drawings, prototype development, and testing for critical mechanical, fuel efficiency, and emissions performance. These steps are currently beyond our resource and expertise capabilities, and we are actively seeking co-development partners to move further engine development forward.

RadMax® Pump

The RadMax® positive-displacement pump is an extraordinarily energy efficient pump that pairs the high volume capacity of a positive-displacement pump with the simplicity and cost advantages of a centrifugal pump. Because of its efficient, high-volume output, the RadMax® pump is well suited for fire protection; water and flood control; irrigation; marine; water treatment; oil and gas industry down hole and subsea; industrial processes; heavy industry and construction; and portable pump applications.

The Company has actively pursued the development of the RadMax® pump for various applications with industry manufacturers. Commercialization requires tooling to significantly reduce the cost of the pump in a production environment. Further development of the RadMax® pump is currently on hold until additional end user interest is established.

RadMax® Compressor

The RadMax® positive-displacement compressor acts as both a positive-displacement and a centrifugal compressor, incorporating the advantages of each. Because of its unique design, a RadMax compressor is able to utilize the volumetric energy of a positive-displacement compressor and the kinetic energy of a centrifugal compressor to pressurize a gas. This results in an exceptionally energy efficient device.

Several RadMax[®] compressor prototype designs have been tested in the past for various automotive air conditioning and commercial applications. Because RadMax[®] technology allows for efficient higher compression ratios, a new compressor prototype is being designed and built for the next generation of low density refrigerants. Commercialization requires tooling to significantly reduce the cost of the compressor in a production environment. We are currently seeking a co-development partner to further the development of the compressor for specific applications.

RadMax[®] Rotary Gas Expander

The RadMax[®] gas expander is a positive-displacement device that is uniquely able to capture both kinetic and pressure-volume energy and convert it to rotational power in gas pressure differential applications. This power can then be used to drive other devices such as compressors and electrical generators. Additional efficiency can be gained by incorporating electric power generation directly into the gas expander.

The RadMax[®] gas expander is primarily being developed to replace less efficient devices such as air conditioning system free gas expansion valves and mechanical throttling valves which are not able to capture available pressure energy. The RadMax[®] gas expander is also used as the turbine component in the RadMax[®] turbine engine.

We are currently designing and building prototype devices targeted for the natural gas distribution and air conditioning industries which can significantly reduce electric power requirements. We will be actively soliciting co-development industry partners later this year to further develop and commercialize these products.

Patents

As at April 30, 2017 and the date of this report, we have the following patents:

- RA41-001 (CA) – 2,496,157
- RA41-002 (US) – 7,896,630 B2, and
- RA41-007 (CA) – 2,672,332

Recent Developments

Since July, 2016 the new management team has reorganized the company and expanded our research efforts with the addition of a director for business development and multiple mechanical and electrical engineers as well as engineers and technicians experienced in oil and gas distribution systems, refrigeration, material sciences, military applications, technical mechanical design and manufacturing.

We purchased all assets of Reg Tech with the issuance of 51,757,119 shares of our common stock, increasing our ownership in the intellectual and marketing rights to the RadMax[®] technology from US only to worldwide. Reg Tech then distributed all these shares to its shareholders of record as dividends. This consolidation of ownership to the technology better enables the focused research and development efforts.

We have elected to use our wholly owned Washington state based company RadMax Technologies, Inc. as our marketing name and public image.

The asset purchase also resulted in our ownership of 26% of the issued and outstanding common shares of Minewest Silver and Gold Inc. (“Minewest”), a British Columbia company engaged in the business of acquisition and exploration of mineral properties. Minewest owns a 70% interest subject to a 10% Net Profits Interest in mining property in British Columbia. As at the date the asset purchase and the date of this report, Minewest is inactive due to lack of funding.

We have engaged the services of a Spokane, WA patent law firm to assist us manage our growing patent and trademark applications. In addition to our active patents, we are seeking re-assignment to the company of three inactive patents previously miss-assigned, filing two full new patents, multiple provisional patents and working on the basis for others as we ramp up our engineering development program.

The Company’s 375 diesel engine prototype has gone through extensive testing with mechanical and compression results proving the basis of our technology and gives us a high rate of confidence going forward.

We have completed the mechanical design of a demonstration gas expander. Currently we are part way through the assemblage and testing commenced in June 2017. This device will incorporate multiple new engineering designs, mechanisms and improvements resulting from our diesel engine testing program.

Our prototype low density refrigerant compressor has also finished mechanical design with preliminary technical drawings underway. We are awaiting completion of our Expander and funding before further prototype development.

Preliminary design work has been done on a 50 (+-) hp gas engine, however, engineering time and funding are needed before further development.

We have built and successfully tested a miniature fluid pump. Our goal was to test the time, effort and expense of building small scale prototypes in 3-D printed composites. From start of design to finished testing was less than one month.

Other devices are conceptually laid out, but additional engineering and funding are required to move forward.

An additional step up in our prototype development has been the addition of multiple 3-D composite printers, a Vertical C&C metal Milling machine, and access to a full metal machine shop owned by one of our engineers. Producing multiple prototype components at the same time has improved our build time and material component selections.

Our marketing and business development to date has received interest from aerospace companies, international refrigeration manufacturers, major natural gas distribution and utility companies, oil and natural gas service business and others eager to learn of our technology and business opportunities. To date, we have no signed agreements, although we are conducting ongoing discussions with them.

During the year ended April 30, 2017, we constructed our web site <http://www.radmaxtech.com>, focusing on our new business model and detailing our RadMax Technology and how it applies to multiple industrial demands for efficiency, size, weight, and performance output.

In order to finance the expanded research and development and increasing administrative support, the company has established a Senior Secured Convertible Loan Program. As at April 30, 2017 we have raised \$781,635 and settled old debt of \$741,941 at a loss of \$13,244 with the issuance of the convertible loans. From April 30, 2017 to the date of the report we raised another \$757,852 with the issuance of the convertible loans.

Competition and Alternative Technologies

We currently face and will continue to face competition in the future from established companies engaged in the business of developing, manufacturing and marketing related products to our RadMax technology devices. While not a highly competitive businesses in terms of numbers of competitors with comparable devices, the business of developing new technology and attempting to either license or produce them is nonetheless difficult because most existing producers are large, well financed companies which are very concerned about maintaining their market position. Such competitors are already well established in the market and have substantially greater resources than us. For these reasons we are more inclined to licenses our technology rather than be directly engaged in manufacturing. The development of our business and its ability to maintain its competitive and technical position will continue to depend upon our ability to attract and retain qualified scientific, engineering, and managerial personnel.

Our guiding marketing strategy is to develop RadMax[®] technology products for applications that are either looking for a solution, or where our product offers significant advantages over existing products. We do not wish to develop “me too” products that that will automatically face substantial acceptance and pricing pressure in the marketplace. This strategy implies that our co-development industry partners will most likely be new or smaller, less dominant players in a particular market looking for new products to strengthen their position, rather than a dominant market player.

The RadMax[®] internal combustion engine faces more competitive obstacles than the RadMax[®] pump, compressor, and gas expander due to both the size of the market and strength of competing companies, and consumer expectations for reliability, performance, regulation compliance, and low cost. This infers that the technical and economic advantages threshold for RadMax[®] engines is high and must be met for the engine technology to be successful in the market place.

Except for the Wankel rotary engine built by Mazda of Japan, no competitor, that we are aware of, presently produces in a commercial quantity any rotary engine similar to the engines we are developing. The Wankel rotary engine is similar only in that it is a rotary engine rather than a reciprocating piston engine. Even though RadMax[®] internal engines may be more fuel efficient, smaller, quieter, and cost less to produce than existing engines, without substantially greater financial resources than is currently available to us. It is very possible that we may not be able to adequately compete in the engine business.

We also believe that strong competition can be expected in the engine market with new patents being taken out by competitors on a continuous basis, and that we may have a time advantage over some of the products in niche markets we may enter. However, there is no way to accurately determine or predict whether this situation is or will continue to be true.

To a somewhat lesser extent, similar competition also exists in the pump, compressor, and gas expander markets which may utilize RadMax[®] technology in their products. Like engine manufacturers, many of these companies have substantially greater resources for research, development and manufacturing than us. It is possible that our competitors may succeed in developing technologies and products that are more effective or commercially acceptable. However, we believe there are potentially more opportunities in these markets for RadMax[®]’s technical and efficiency advantages to provide unique and superior solutions for specific applications.

Technology development is taking place on many fronts and competitors may have, unknown to us, a product or products under development which may be technologically superior to ours which may be more acceptable to the market.

Environmental Matters

Laws and regulations relating to protection of the environment have not had a material impact on our business.

Availability of Raw Materials

Since we are not in production and there are no plans at this time for us to enter the actual manufacturing business, raw materials are not of present concern. At this time, however, there does not appear to be any foreseeable problem with obtaining any materials or components, which may be required in the manufacture of its potential products.

Marketing Strategy

We intend to pursue the development of our RadMax[®] Technology by entering into licensing and/or joint venture arrangements with other larger companies, which have the financial resources to maximize the potential of the technology. We have no current plans to become actively involved in either manufacturing or marketing any device which may ultimately develop to the point of becoming a commercial product.

Our current objective is to complete and test the RadMax[®] Expander and Compressor. Based on successful testing, the prototypes will be used for presentation purposes to potential license and joint venture partners.

Based on successful testing of the RadMax[®] prototypes, we expect to have joint venture or license agreements finalized, which would result in royalties to us. However, there is no assurance that the tests will be successful or that we will ever receive any such royalties.

Dependence on Certain Commercial Agreements

We do not have any material agreements upon which we are dependent.

Royalty Payments

No royalties have been awarded in relationship to our currently active patents.

Research and Development

We contract with individuals to perform the research and development work.

Employees

During the year ended April 30, 2017 we did not have any employees; engineering and administrative functions were performed by contractors.

Item 1A. RISK FACTORS

The risks and uncertainties described below are not the only ones facing us. Additional risks and uncertainties may also adversely impact and impair our business. If any of the following risks actually occur, our business, results of operations, or financial condition would likely suffer. In such case, the trading price of our common stock could decline, and you may lose all or part of your investment.

We face risks related to general domestic and global economic conditions.

We rely on our ability to raise capital through the sale of our securities. However, the current uncertainty arising out of domestic and global economic conditions poses a risk to the economies in which we operate. Our ultimate success will depend upon our ability to raise additional capital or to have other parties bear a portion of the required costs to further develop or exploit the potential market for our products.

We are a development stage enterprise .

We are a development stage enterprise and are subject to all of the attendant business risks associated with a development stage enterprise, including constraints on financial and personnel resources, lack of established credit facilities, and uncertainties regarding product development and future revenues. We will continue to be subject to all the risks attendant to a development stage enterprise for the foreseeable future, including competition, complications and setbacks in the development program, and the need for additional capital.

We have reported losses in each year since its inception. At April 30, 2017, we had an accumulated deficit of \$21,058,170 in accordance with US GAAP. Our history consists almost entirely of development of technologies funded entirely from the sale of our Common Stock or debts from related parties in the absence of revenues. We anticipate that it will continue to incur substantial additional operating losses for at least the next 12 months and expects cumulative losses to increase as our development efforts expand.

Although we anticipate receiving future revenues from licensing of our technology or joint ventures. we have received no revenues from sales of any of the products under development. There can be no assurance as to when or if we will be able to develop significant sources of revenue or whether our operations will become profitable, even if we are able to commercialize any product. See “Operating and Financial Review and Prospects,” and Notes to Financial Statements.

We have no assurance that we will be able to develop a commercially feasible product .

We have no assurance at this time that a commercially feasible design will ever be perfected, or if it is, that it will become profitable. Our profitability and survival will depend upon our ability to develop a technically and commercially feasible product which will be accepted by end users. The RadMax[®] which we are developing must be technologically superior or at least equal to other devices that competitors offer and must have a competitive price/performance ratio to adequately penetrate its potential markets. If we are not able to achieve this condition or if we do not remain technologically competitive, we may be unprofitable and our investors could lose their entire investment. There can be no assurance that we or potential licensees will be able to achieve and maintain end user acceptance of our engine.

We will require additional financing and we may not be able to secure the financing necessary to continue our development and operations .

There is no assurance that we will be able to secure the financing necessary to continue our development and operations. Our expectations as to the amount of funds needed for development and the timing of the need for these funds is based on our current operating plan, which can change as a result of many factors, and we could require additional funding sooner than anticipated. Our cash needs may vary materially from those now planned because of results of development or changes in the focus and direction of our development program, competitive and technological advances, results of laboratory and field testing, requirements of regulatory agencies and other factors.

We have no commercial credit facility or other Industry based committed sources of capital. To the extent capital resources are insufficient to meet future capital requirements, we will have to raise additional funds to continue our development and operations. There can be no assurance that such funds will be available on favorable terms, or at all. To the extent that additional capital is raised through the sale of equity or convertible debt securities, the issuance of such securities could result in dilution to our shareholders. If adequate funds are not available, we may be required to curtail operations significantly or to obtain funds on unattractive terms. Our inability to raise capital would have a material adverse effect on us.

We have a history of losses and expect to incur significant losses for the foreseeable future.

We expect to incur significant losses for the foreseeable future and cannot be certain when or if we will achieve profitability. Failure to become and remain profitable will adversely affect the value of our Common Shares and our ability to raise capital and continue operations.

We have a history of operating losses, and an accumulated deficit, as of April 30, 2017, of \$21,058,170 . Our ability to generate revenues and profits is subject to the risks and uncertainties encountered by development stage companies.

Our future revenues and profitability are unpredictable. We currently have no signed contracts that will produce revenue and we do not have an estimate as to when we will be entering into such contracts. Furthermore, we cannot provide assurance that management will be successful in negotiating such contracts.

We have no assurance that our products will receive market acceptance .

Our profitability and survival will depend upon our ability to develop a technically and commercially feasible product which will be accepted by end users. The RadMax[®] technology which we are developing must be technologically superior or at least equal to other products our competitors offer and must have a competitive price/performance ratio to adequately penetrate our potential markets.

Our officers lack experience to manufacture or market our products .

Assuming we are successful in developing RadMax[®] devices, we presently have no proven ability either to manufacture them. There is no assurance that we will be able to profitably manufacture and market engines.

Our auditors have indicated that our losses raise substantial doubt about our ability to continue a going concern .

The report of our independent auditors with respect to our financial statements included in this Form 10-K includes a “going concern” qualification, indicating that our losses and deficits in working capital and shareholders’ equity raise substantial doubt about our ability to continue as a going concern. See Notes to Audited Financial Statements.

We are dependent upon certain members of our staff, the loss of which could adversely affect our business.

We are dependent on certain members of our management and engineering staff, the loss of services of one or more of whom could adversely affect our business. The loss of any of these key individuals could hamper the successful development of RadMax[®] technology. Our present officers and directors have other full or part-time interests unrelated to our business. Some officers and directors will be available to participate in management decisions on a part-time or as-needed basis only. We do not have “key man” life insurance on such officers and currently have no plans to obtain such insurance. Our success also depends on our ability to attract and retain additional skilled employees and advisors.

We are dependent upon consultants and outside manufacturing facilities .

Since our present limited financial plans do not provide for an increase in technical staff or the establishment of manufacturing facilities, we will be primarily dependent on others to perform these functions and to provide the requisite expertise and quality control. There is no assurance that such persons or institutions will be available when needed at affordable prices. It will likely cost more to have independent companies do research and manufacturing than for us to handle these resources.

Our business may suffer if we are unable to adequately protect our intellectual property .

Our business depends on the protection of our intellectual property and may suffer if we are unable to adequately protect our intellectual property. The success of our business depends on our ability to patent all our technology devices. Currently, we have been granted several U.S. Patents. We cannot provide assurance that our patents will not be invalidated, circumvented or challenged, that the rights granted under the patents will give us competitive advantages or that our patent applications will be granted.

Our devices and planned applications may contain product errors which could adversely affect our operations.

Our planned applications may contain errors or defects, especially when first introduced, or when new versions are released. Our products may not be free from errors after commercial release has occurred. Any errors that are discovered after such commercial release could result in loss of revenue or delay in market acceptance, diversion of development resources, damage to our reputation, increased service and warranty costs and liability claims. Any defects in these products could adversely affect the operation of and market for our products, reduce revenue, increase costs and damage our reputation.

Our competition possesses greater technical resources and market recognition than us and there is no assurance that we will be able to compete effectively with these companies.

While not a highly competitive business in terms of numbers of competitors, the business of developing engines of a new design and attempting to either license or produce them is nonetheless difficult because most producers are large, well financed companies which are very concerned about maintaining their market position. These companies possess greater technical resources and market recognition than us, and have management, financial and other resources not yet available to us. Existing technology are likely to be perceived by many customers as superior or more reliable than any new product until it has been in the marketplace for a period of time. There is no assurance that we will be able to compete effectively with these companies.

Market prices for our products may decline in the future which would have a material adverse effect on our business, financial condition and results of operations.

We anticipate that market prices for our main products may decline in the future due to increased competition. We expect significant competition among local and international companies, including from new entrants, may continue to drive equipment prices lower. We also expect that there may be increases in promotional spending by companies in our industry which would also contribute to increasing movement of customers between competitors. Such increased competition and the resulting decline of market prices for our products would have a material adverse effect on our business, financial condition and results of operations.

New technology or refinement of existing technology could render our RadMax Technology products less attractive or obsolete.

New technology or refinement of existing technology could render our products less attractive or obsolete. Our success depends in part upon its ability to anticipate changes in technology and industry standards and to successfully develop and introduce new and improved devices on a timely basis. There is no assurance that we will be able to do so. Accordingly, if we are unable to adapt to changing technologies and to adapt our product to evolving industry standards, our business will be adversely affected.

Product liability claims asserted against us in the future could hurt our business.

Product liability claims asserted against us in the future could hurt our business. If a customer suffers damage from our products, the customer could sue us on product liability or related grounds, claim damages for data loss or make other claims. We currently do not carry product liability insurance. While we have not been sued on product liability grounds to date, a successful product liability or related claim brought against us could harm our business.

Our success may be dependent on the timing of new product introductions and lack of market acceptance for our new products.

Our future success may be dependent on the success of our products and services. The success of our business depends on a variety of factors, including:

- the quality and reliability of our products and services;
- our ability to develop new products and services superior to that of our competitors;
- our ability to establish licensing relationships and other strategic alliances;
- our pricing policies and the pricing policies of our competitors;
- our ability to introduce new products and services before our competitors;
- our ability to successfully advertise our products and services; and
- general economic trends.

We may be affected by other factors which may have an adverse effect on our business.

Our areas of business may be affected from time to time by such matters as changes in general economic conditions, changes in laws and regulations, taxes, tax laws, prices and costs, and other factors of a general nature which may have an adverse effect on our business.

There is only a limited public market for our common shares on the OTCQB Venture Market and those markets are extremely volatile.

There is only a limited public market for our common shares on the OTCQB Venture Market and there is a risk that a broader or more active public trading market for our common shares will never develop, or be sustained, or that current trading levels will not be sustained.

The market price for our common shares on the OTCQB Venture Market has been and we anticipate will continue to be extremely volatile and subject to significant price and volume fluctuations in response to a variety of external and internal factors. This is especially true with respect to emerging companies such as ours. Examples of external factors, which can generally be described as factors that are unrelated to the operating performance or financial condition of any particular company, include changes in interest rates and worldwide economic and market conditions, as well as changes in industry conditions, such as regulatory and environment rules, and announcements of technology innovations or new products by other companies. Examples of internal factors, which can generally be described as factors that are directly related to our consolidated financial condition or results of operations, would include release of reports by securities analysts and announcements we may make from time-to-time relative to our operating performance, advances in technology or other business developments.

Because we have a limited operating history and no profits to date, the market price for the common shares is more volatile than that of a seasoned issuer. Changes in the market price of the common shares, for example, may have no connection with our operating results or prospects. No predictions or projections can be made as to what the prevailing market price for the common shares will be at any time, or as to what effect, if any, that the sale of shares or the availability of common shares for sale at any time will have on the prevailing market price.

You will be subject to the penny stock rules to the extent our stock price on the OTCQB Venture Market is less than \$5.00 .

Since the common shares are not listed on a national stock exchange or quoted on the OTC Market within the United States, trading in the common shares on the OTCQB Venture Market is subject, to the extent the market price for the common shares is less than \$5.00 per share, to a number of regulations known as the "penny stock rules". The penny stock rules require a broker-dealer to deliver a standardized risk disclosure document prepared by the SEC, to provide the customer with additional information including current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction, monthly account statements showing the market value of each penny stock held in the customer's account, and to make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. To the extent these requirements may be applicable they will reduce the level of trading activity in the secondary market for the common shares and may severely and adversely affect the ability of broker-dealers to sell the common shares.

You should not expect to receive dividends in the foreseeable future.

We intend to retain any future earnings to finance our business and operations and any future growth. Therefore, we do not anticipate paying any cash dividends in the foreseeable future.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

We own no properties.

ITEM 3. LEGAL PROCEEDINGS

We are not a party to any legal proceedings or litigation, nor are we aware that any litigation is presently being threatened or contemplated against us or any officer, director or affiliate.

ITEM 4. MINESAFETY DISCLOSURES

Not Applicable

PART II**ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES****Market Information**

There is a limited public market for our common stock which currently trades on the OTCQB Venture Board under the symbol "RGUS" where it has been traded since September 21, 1994. The common stock has traded between \$0.01 and \$6.75 per share since that date.

The following table sets forth the high and low closing prices for our common stock as reported on the Venture Board for the quarters presented. These quotations reflect inter-dealer prices, without retail mark-up, mark-down or commissions, and may not reflect actual transactions.

	High \$	Low \$
Quarter ended April 30, 2015	0.08	0.06
Quarter ended July 31, 2015	0.11	0.07
Quarter ended October 31, 2015	0.15	0.08
Quarter ended January 31, 2016	0.08	0.05
Quarter ended April 30, 2016	0.06	0.02
Quarter ended July 31, 2016	0.02	0.01
Quarter ended October 31, 2016	0.15	0.02
Quarter ended January 31, 2017	0.11	0.05
Quarter ended April 30, 2017	0.25	0.06

The following table shows the high and low closing prices of our stock traded on the OTC Board during the most recent 10 months, for each month as follows:

	High	Low
December, 2016	\$ 0.090	\$ 0.050
January, 2017	\$ 0.100	\$ 0.048
February, 2017	\$ 0.085	\$ 0.060
March, 2017	\$ 0.090	\$ 0.070
April, 2017	\$ 0.250	\$ 0.080
May, 2017	\$ 0.121	\$ 0.190
June, 2017	\$ 0.200	\$ 0.151
July, 2017	\$ 0.190	\$ 0.151
August, 2017	\$ 0.190	\$ 0.140
September, 2017	\$ 0.200	\$ 0.130

Holders

As of October 31, 2017, there were 84,986,959 shares of common stock outstanding, held by 804 shareholders of record. 827,731 shares of common stock were held by Rand Energy Group Inc., the Company's 51% owned subsidiary.

Transfer Agent

Our transfer agent is Nevada Agency and Transfer Company, 50 West Liberty Street, Suite 880 Reno, Nevada 89501; Phone: 775-322-0626; Fax: 775-322-5623.

Dividends

To date we have not paid any dividends on our common stock and do not expect to declare or pay any dividends on our common stock in the foreseeable future. Payment of any dividends will be dependent upon future earnings, if any, our financial condition, and other factors as deemed relevant by our Board of Directors.

Securities authorized for issuance under equity compensation plans.

The Company is authorized to issue up to 150,000,000 shares of common stock, without par value. Each share of Common Stock is entitled to one vote on all matters submitted for shareholder approval.

Recent Sales of Unregistered Securities

During the year ended April 30, 2017, the Company issued 51,757,119 unregistered common shares of our common stock as consideration for the asset purchase agreement with Reg Tech. The shares were distributed to Reg Tech shareholders of record as dividend.

During the year ended April 30, 2017, 314,050 shares of our unregistered common stock were issued for conversion of convertible promissory note of \$30,000 and its accrued interest of \$1,405 at \$0.10 per share.

During May, 2017, 155,000 shares of our unregistered common stock were issued for options exercised at \$0.10 per share.

During June, 2017, 350,000 shares of our unregistered common stock were issued to directors and officers of the Company.

From June to September, 2017, 55,892 and 403,323 shares of the Company's common stock were issued for convertible promissory notes at \$0.08 and \$0.10 per share respectively.

ITEM 6. SELECTED FINANCIAL DATA.

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Overview

The following discussion should be read in conjunction with audited financial statements of the Company and unaudited consolidated financial statements of our company and the related notes that appear elsewhere in this annual report.

The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below and elsewhere in this annual report, particularly in the section entitled "Risk Factors".

The audited financial statements of the Company are stated in U.S. dollars and are prepared in accordance with United States generally accepted accounting principles.

Plan of Operations

We are a company engaged in the business of developing and commercially exploiting an improved axial vane type rotary technology known as RadMax[®].

Our early engineering and development work have not yet produced revenues and we have a working capital deficit. We have incurred net losses to April 30, 2017 totaling \$21,058,170 and further losses are expected until we complete a licensing agreement with a manufacturer and reseller. At April 30, 2017, we had working capital deficiency of \$220,721. These factors raise substantial doubt about our ability to continue as a going concern. Our ability to emerge from the development stage with respect to our planned principal business activity is dependent upon our successful efforts to raise additional funds or develop a market for our products.

Results of Operations

Results of operations for the year ended April 30, 2017 compared to the year ended April 30, 2016

The asset purchase agreement with Reg Tech closed on February 17, 2017 is accounted for as reverse merger recapitalization with Reg Tech considered to be the accounting acquirer. In accordance with reverse merger accounting, results of operations include those of Reg Tech from May 1, 2016 to February 17, 2017 and those of REGI US from February 18, 2017 to April 30, 2017, the prior year results of operations are those of Reg Tech.

Upon the new management's reorganization efforts starting from the second half of July, 2016 the Company expanded its research and development efforts and the administrative support with the increased success in financing the required expenditures. As a result, research and development expenses increased from \$41,037 in 2016 to \$136,168 in 2017, and general and administrative expenses increased from \$108,424 in 2016 to \$158,135 in 2017.

During the year ended April 30, 2017 we raised \$781,635 and settled debt of \$741,941 with related parties at a loss of \$13,244 with the issuance of secured convertible loans, for which we recorded interest expense of \$16,312 from February 17, 2017 to April 30, 2017. From February 17, 2017 to April 30, 2017 we also recorded interest expense of \$360 on a promissory note issued by REGI to Terry Resources Corp. during the year ended April 30, 2012. During the year ended April 30 2016 Reg Tech recorded gain on debt settlement of \$5,007 and recorded the impairment of receivable from REGI of \$1,107,570 because in fiscal 2016 there was no certainty of collecting the amount from REGI.

Our basic and diluted loss per share was \$0.01 for 2017 and \$0.03 for 2016.

LIQUIDITY AND CAPITAL RESOURCES

During the year ended April 30, 2017, we financed our operations through the issuances of Senior Secured Convertible Loans.

The total amount owed to related parties is \$77,560 representing 26.07% of our current liabilities as of April 30, 2017. This funding was necessary with a downturn in the financial market to complete the RadMax[®] engine and place the Company in a position to attain future profit.

The balances owed to related parties are non-interest bearing, unsecured and repayable on demand. Our affiliated companies have indicated that they will not be demanding repayment of these funds during the next fiscal year and will advance, or pay expenses on behalf of the Company if further funds are needed.

As of April 30, 2017, we had a working capital deficiency of \$220,721. We will raise additional funds from equity and debt financing.

The audited consolidated financial statements have been prepared assuming that the Company will continue as a going-concern. As discussed in Note 3 to the consolidated financial statements, the Company has no revenues and limited capital, which together raise substantial doubt about its ability to continue as a going-concern. Management plans in regard to these matters are also described in Note 3. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

We have been successful in the past in acquiring capital through the issuance of shares of our Common Stock, and through advances from related parties.

We anticipate that our cash requirements for the fiscal year ending April 30, 2018 will be around \$1,500,000.

Research and development costs are identified as Engineer design, prototype fabrication, and labor expense, and are estimated to be \$650,00 over the next 6 months.

Off-Balance Sheet Arrangements

As of April 30, 2017 and the date of this report, we have had no off-balance sheet arrangements, including any outstanding derivative financial statements, off-balance sheet guarantees, interest rate swap transactions or foreign currency contracts. We do not engage in trading activities involving non-exchange traded contracts.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK.

Pursuant to Item 305(e) of Regulation S-K (§ 229.305(e)), the Company is not required to provide the information required by this Item as it is a "smaller reporting company," as defined by Rule 229.10(f)(1).

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Our consolidated financial statements are stated in United States dollars and are prepared in accordance with United States Generally Accepted Accounting Principles.

The following consolidated financial statements are filed as part of this annual report:

– Reports of Independent Registered Public Accounting Firms	F-1
– Consolidated Balance Sheets as of April 30, 2017 and 2016	F-3
– Consolidated Statements of Operations and Comprehensive Loss for the Years Ended April 30, 2017 and 2016	F-4
– Consolidated Statements of Stockholders' Deficit for the Years Ended April 30, 2017 and 2016	F-5
– Consolidated Statements of Cash Flows for the Years Ended April 30, 2017 and 2016	F-6
– Notes to the Consolidated Financial Statements	F-7

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders
REGI U.S., Inc.
Spokane, WA

We have audited the accompanying consolidated balance sheet of REGI U.S., Inc and its subsidiaries (collectively, the “Company”) as of April 30, 2017, and the related consolidated statements of operations and comprehensive loss, stockholders’ deficit, and cash flows for the year then ended. These consolidated financial statements are the responsibility of the entity’s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of REGI U.S., Inc. and its subsidiaries as of April 30, 2017, and the consolidated results of their operations and their cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the consolidated financial statements, the Company has suffered recurring losses from operations and has a net capital deficiency that raises substantial doubt about its ability to continue as a going concern. Management’s plans in regard to these matters are also described in Note 3. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ MaloneBailey, LLP
www.malonebailey.com
Houston, Texas
October 31, 2017

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A CHAN AND COMPANY LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To: the Board of Directors and Stockholders of
Reg Technologies Inc.

We have audited the accompanying consolidated balance sheets of Reg Technologies Inc. (the “Company”) as of April 30, 2016 and 2015, and the related consolidated statements of operations, stockholders’ deficit, and cash flows for the years ended April 30, 2016 and 2015. These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have, nor was we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that my audits provide a reasonable basis for my opinion.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of April 30, 2016 and 2015, and the results of its operations and its cash flows for the years ended April 30, 2016 and 2015 in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the financial statements, the Company has incurred losses in developing its business, and further losses are anticipated. The Company requires additional funds to meet its obligations and the costs of its operations. These factors raise substantial doubt about the Company’s ability to continue as a going concern. Management’s plans in this regard are described in Note 3. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Chartered Professional Accountants

Burnaby, British Columbia

August 18, 2017

REGI U.S., Inc.
Consolidated Balance Sheets

	<u>April 30, 2017</u>	<u>April 30, 2016</u>
	\$	\$
ASSETS		
Current Assets:		
Cash and cash equivalent	67,818	43
Taxes receivable	-	2,465
Prepaid expenses	8,987	-
Total current assets	<u>76,805</u>	<u>2,508</u>
Furniture and equipment, net	14,279	-
Total Assets	<u>91,084</u>	<u>2,508</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Accounts payable and accrued liabilities	219,966	115,811
Due to related parties	77,560	97,746
Total current liabilities	<u>297,526</u>	<u>213,557</u>
Long-term Liabilities:		
Convertible promissory notes, net of unamortized discount of \$12,944	636,539	-
Convertible promissory notes – related parties, net of unamortized discount of \$9,888	877,449	-
Total long-term liabilities	<u>1,513,988</u>	<u>-</u>
Total liabilities	1,811,514	213,557
Stockholders' Deficit:		
Common stock, 150,000,000 shares authorized, no par value, 84,850,475 and 51,757,119 shares issued, respectively		
84,022,744 and 51,757,119 shares outstanding, respectively	19,641,632	20,835,112
Accumulated deficit	(21,058,170)	(20,733,958)
Accumulated other comprehensive loss	(358,675)	(337,621)
Total REGI U.S., Inc. stockholders' deficit	<u>(1,775,213)</u>	<u>(236,467)</u>
Non-controlling interest	54,783	25,418
Total stockholders' deficit	<u>(1,720,430)</u>	<u>(211,049)</u>
Total Liabilities and Stockholders' Deficit	<u>91,084</u>	<u>2,508</u>

The accompanying notes are an integral part of these consolidated financial statements.

REGI U.S., Inc.
Consolidated Statements of Operations and Comprehensive Loss

	Year Ended April 30, 2017 \$	Year Ended April 30, 2016 \$
Operating Expenses:		
General and administration	158,135	108,424
Research and development	136,168	41,037
Loss from operations	(294,303)	(149,461)
Other income (expense):		
Interest income	-	231
Interest expense	(16,672)	-
Gain (loss) on settlement of debt	(13,244)	5,007
Write-off of receivable from REGI US	-	(1,107,570)
Total other income (expense)	(29,916)	(1,102,332)
Net loss before non-controlling interest	(324,219)	(1,251,793)
Net (income) loss attributable to non-controlling interest	7	(9,600)
Net loss attributable to REGI U.S., Inc.	(324,212)	(1,261,393)
Loss per share – basic and diluted	(0.01)	(0.03)
Weighted average number of common shares outstanding – basic and diluted	58,080,545	49,329,670
Comprehensive loss:		
Net loss	(324,219)	(1,251,793)
Translation adjustments	8,318	(106,183)
Comprehensive loss	(315,901)	(1,357,976)
Comprehensive income attributable to non-controlling interest	(29,365)	(15,036)
Comprehensive loss attributable to REGI U.S., Inc.	(345,266)	(1,373,012)

The accompanying notes are an integral part of these consolidated financial statements.

REGI U.S., Inc.
Consolidated Statements of Cash Flows

	Year ended April 30, 2017 \$	Year Ended April 30, 2016 \$
Cash flows from operating activities		
Net loss	(324,219)	(1,251,793)
Adjustments to reconcile loss to net cash used in operating activities:		
Amortization of debt discount	773	-
Loss (gain) on debt settlement	13,244	(5,007)
Unrealized loss on foreign exchange	-	6,772
Depreciation expense	1,198	-
Service settled with promissory notes	38,442	-
Service settled with promissory notes – related party	40,000	-
Write-off of receivable from REGI US	-	1,107,569
Changes in non-cash working capital items:		
Taxes receivable	(396)	(951)
Prepaid expenses	(6,987)	20,081
Accounts payable and accrued liabilities	(21,886)	21,791
Due to related parties	50,535	73,495
Net cash used in operating activities	(209,296)	(28,043)
Cash flows from investing activities		
Cash received from reverse merger	10,753	-
Advances to REGI	-	(105,141)
Net cash provided by (used in) investing activities	10,753	(105,141)
Cash flows from financing activities		
Issuance of convertible promissory notes	258,000	-
Net cash provided by financing activities	258,000	-
Foreign exchange effect	8,318	(12,243)
Increase (decrease) in cash	67,775	(145,427)
Cash and cash equivalent, beginning	43	145,470
Cash and cash equivalent, ending	67,818	43
Non-cash items		
Discount on convertible promissory notes for beneficial conversion features	18,872	-
Related party debt settled with convertible promissory notes	741,941	-
Shares issued for note conversion	31,405	-
Reverse merger recapitalization	1,254,510	-
Supplemental Disclosures		
Interest paid	-	-
Income taxes paid	-	-

The accompanying notes are an integral part of these consolidated financial statements.

REGI U.S., Inc.
Consolidated Statements of Stockholders' Deficit

	Common Shares #	Treasury Shares #	Capital \$	Deficit \$	Accumulated Other Comprehensive income \$	Total Stockholders' equity (deficit) \$	Non- controlling Interest \$	Total Equity (Deficit) \$
Balance – April 30, 2015	51,757,119	–	20,835,112	(19,472,565)	(226,003)	1,136,544	10,382	1,146,926
Net comprehensive income (loss)	–	–	–	(1,261,393)	(111,618)	(1,373,011)	15,036	(1,357,975)
Balance – April 30, 2016	51,757,119	–	20,835,112	(20,733,958)	(337,621)	(236,467)	25,418	(211,049)
Foreign currency translation	–	–	–	–	(21,054)	(21,054)	29,372	8,318
Recapitalization adjustment	32,779,306	(827,731)	(1,243,757)	–	–	(1,243,757)	–	(1,243,757)
Shares issued for debt conversion	314,050	–	31,405	–	–	31,405	–	31,405
Beneficial conversion feature	–	–	18,872	–	–	18,872	–	18,872
Net loss	–	–	–	(324,212)	–	(324,212)	(7)	(324,219)
Balance – April 30, 2017	84,850,475	(827,731)	19,641,632	(21,058,170)	(358,675)	(1,775,213)	54,783	(1,720,430)

The accompanying notes are an integral part of these consolidated financial statements.

REGI U.S., Inc.
Notes to Consolidated Financial Statements

1. Nature of Business

REGI U.S., Inc. (“we”, “our”, the “Company”, “REGI”) has been engaged in the business of developing and building improved axial vane-type rotary devices for civilian, commercial and government applications with the marketing and intellectual rights in the U.S. Effective February 17, 2017 REGI purchased the worldwide marketing and intellectual rights, other than in the U.S., from Reg Technologies, Inc. (“Reg Tech”), a British Columbia company. No revenue has been derived to date and REGI’s planned principal operations have not commenced.

REGI formed a wholly-owned subsidiary, Rad Max Technologies, Inc., on April 10, 2007 in the State of Washington.

Effective February 17, 2017 REGI purchased all of Reg Tech’s assets including all rights to the technology with the issuance of 51,757,119 shares of REGI’s common stock.

Asset Purchase Agreement

On September 16, 2016, REGI entered into an asset purchase agreement (the “APA”) with Reg Tech, a public company whose common stock was listed on TSX Venture Exchange to purchase all of the assets of Reg Tech, a company with a common director and CEO with REGI with the issuance of 46,173,916 unregistered common shares of our Company. The APA was amended on February 14, 2017 to increase the consideration shares to an aggregate of 51,757,119 unregistered common shares of our Company and to amend the list of the assets purchased. The shares are issued as of the date of this report. The Amended APA is attached as an exhibit to this report. The transaction was closed on February 17, 2017 upon TSX Venture Exchange approval.

The transaction is accounted for as a reverse merger recapitalization wherein Reg Tech is considered to be the accounting acquirer. The prior year results of operations and cash flows are those of Reg Tech for all periods presented.

Upon closing of the asset purchase agreement, all assets of Reg Tech except GST receivable were transferred from Reg Tech to REGI. In addition, upon closing of the APA, all assets, liabilities, and equity instruments of REGI were incorporated into the surviving company. The net adjustment to additional paid in capital for the asset purchase was a decrease of \$1,243,757. The net cash received from the reverse merger was \$10,753.

The following table summarizes the assets and liabilities of REGI U.S. on February 17, 2017:

Cash	\$	10,753
Prepaid		2,000
Furniture and equipment, net		15,477
Accounts payable and accrued liabilities		(217,043)
Due to related parties		(843,703)
Convertible promissory notes		(351,586)
Convertible promissory notes – related parties		(118,874)
Net assets	\$	<u>(1,5 02,976)</u>

The following table summarizes the assets and liabilities of Reg Tech on February 17, 2017 that were not assumed in the transaction:

Accounts payable and accrued liabilities	\$	(86,736)
Due to related parties		(172,483)
Net Liabilities	\$	<u>(259,219)</u>

2. Significant Accounting Policies

Principles of consolidation

These financial statements include the accounts of the Company, its wholly owned subsidiary RadMax Technologies, Inc., and its 51% owned subsidiary Rand Energy Group Inc. (“Rand”), which ownership was purchased from Reg Tech effective February 17, 2017.

All significant inter-company balances and transactions have been eliminated upon consolidation.

The financial statements of the Company have been prepared in accordance with U.S. generally accepted accounting principles.

Investment in associates

Investments in which the Company has the ability to exert significant influence but does not have control are accounted for using the equity method whereby the original cost of the investment is adjusted annually for the Company’s share of earnings, losses and dividends during the current year.

As part of the APA the Company purchased from Reg Tech and owns 26.1% of equity interest in Minewest Silver and Gold Inc. (“Minewest”), a British Columbia company. Minewest owns a 70% interest subject to a 10% Net Profits Interest in mining property in British Columbia. As at the date of the asset purchase and the date of this report, Minewest is inactive due to lack of funding. As a result, the assets were impaired and no transactions are recorded for Minewest during the year ended April 30, 2017.

Risks and uncertainties

The Company operates in an emerging industry that is subject to market acceptance and technological change. The Company's operations are subject to significant risks and uncertainties, including financial, operational, technological and other risks associated with operating an emerging business, including the potential risk of business failure.

Cash and cash equivalents

Cash and cash equivalents include highly liquid investments with original maturities of three months or less.

Property, plant and equipment

Property and equipment are stated at cost, which includes the acquisition price and any direct costs to bring the asset into use at its intended location, less accumulated amortization.

Depreciation of property and equipment is calculated using the straight-line method to write off the cost, net of any estimated residual value, over their estimated useful lives of the assets as follows: Office equipment 5 years and electronic equipment 2 years. Depreciation of office equipment is included in general and administrative expenses; Depreciation of research equipment is included in research and development expense. During the year ended April 30, 2017 depreciation of \$1,198 was recorded on the research equipment.

Financial instruments

Fair Value

The carrying values of cash and cash equivalents, amounts due to related parties and accounts payable approximate their fair values because of the short-term maturity of these financial instruments.

ASC Topic 820, "Fair Value Measurements and Disclosures," requires disclosure of the fair value of financial instruments held by the Company. ASC Topic 825, "Financial Instruments," defines fair value, and establishes a three-level valuation hierarchy for disclosures of fair value measurement that enhances disclosure requirements for fair value measures. The three levels of valuation hierarchy are defined as follows:

- Level 1 inputs to the valuation methodology are quoted prices for identical assets or liabilities in active markets.
- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Interest Rate Risk

The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and liabilities.

Credit Risk

The Company's financial asset that is exposed to credit risk consists primarily of cash. To manage the risk, cash is placed with major financial institutions.

Currency Risk

The Company's functional currency is the Canadian dollar for Reg Tech and US dollar for REGI and the reporting currency is the US dollar.

Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate prevailing at the balance sheet date. Gains and losses arising on translation or settlement of foreign currency denominated transactions or balances are included in the determination of income. Foreign currency transactions are primarily undertaken in US dollars. The Company has not, to the date of these consolidated financial statements, entered into derivative instruments to offset the impact of foreign currency fluctuations.

For reporting purposes assets and liabilities with Canadian dollar as functional currency are translated into US dollar at the period end rates of exchange, and the results of the operations are translated at average rates of exchange for the period. The resulting translation adjustments are included in accumulated other comprehensive income in shareholders' equity.

Income taxes

Deferred income taxes are reported for timing differences between items of income or expense reported in the consolidated financial statements and those reported for income tax purposes in accordance with ASC 740, "Income Taxes", which requires the use of the asset/liability method of accounting for income taxes. Deferred income taxes and tax benefits are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases, and for tax losses and credit carry-forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The Company provides for deferred taxes for the estimated future tax effects attributable to temporary differences and carry-forwards when realization is more likely than not.

Basic and diluted net loss per share

Basic EPS is computed by dividing net income (loss) available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible debt using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive.

Stock-based compensation

The Company accounts for stock based compensation in accordance with FASB ASC 718 which establishes the accounting treatment for transactions in which an entity exchanges its equity instruments for goods or services. Under the provisions of FASB ASC 718, share-based payment compensation is measured at the grant date, based on the fair value of the award, and is recognized as an expense over the requisite service period (generally the vesting period). The Company accounts for share-based payments to non-employees in accordance with FASB ASC 505-50.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from these estimates. The Company regularly evaluates estimates and assumptions related to useful life and recoverability of long-lived assets, stock-based compensation and deferred income tax asset valuation allowances. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities, and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

Research and development costs

Research and development costs are expensed as incurred.

Related Parties

In accordance with ASC 850 "Related Party Disclosure", a party is considered to be related to the Company if the party directly or indirectly or through one or more intermediaries, controls, is controlled by, or is under common control with the Company. Related parties also include principal owners of the Company, its management, members of the immediate families of principal owners of the Company and its management and other parties with which the Company may deal with if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests.

Recent accounting pronouncements

The Company has implemented all new accounting pronouncements that are in effect and that may impact its financial statements. The Company does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

3. Going Concern

The Company incurred net losses of \$324,219 for the year ended April 30, 2017 and has a working capital deficit of \$220,721 and an accumulated deficit of \$21,058,170 at April 30, 2017. These factors raise substantial doubt about the ability of the Company to continue as a going concern. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. As a result, the Company's consolidated financial statements as of April 30, 2017 and for the year ended have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business.

The Company also receives interim support from related parties and plans to raise additional capital through debt and/or equity financings. There is no assurance that any of these activities will be successful. There continues to be insufficient funds to provide enough working capital to fund ongoing operations for the next twelve months.

4. Secured Convertible Promissory Notes

As of April 30, 2017, REGI has outstanding senior secured convertible promissory notes (the "Convertible Notes") of \$877,449 (net of unamortized discount of \$9,888) issued to related parties and \$636,539 (net of unamortized discount of \$12,944) issued to non-related parties. As of February 17, 2017, REGI has outstanding senior secured convertible promissory notes of \$118,874 (net of unamortized discount of \$3,278) issued to related parties and \$351,586 (net of unamortized discount of \$1,455) issued to non-related parties. During the period from February 17, 2017 to April 30, 2017, the Company issued convertible notes for cash proceeds of \$258,000, services debt provided by non-related parties for \$38,442, service debt provided by related parties for \$40,000 and recorded loss on settlement of debt for \$13,244 as \$741,941 of related payables are settled for \$755,185 of convertible notes. The Convertible Notes are secured against all assets of the Company, repayable two years after the issuance, bearing simple interest rate of 10% during the term of the notes and simple interest rate of 20% after the due date. As of April 30, 2017, \$755,185, \$15,500, \$573,635, \$60,000 and \$132,500 of the promissory notes are convertible at any time on or after ninety days from the issuance date into the Company's common stocks at \$0.755, \$0.12, \$0.10, \$0.09 and \$0.08 per share respectively.

The Company analyzed the conversion option in the notes for derivative accounting treatment under ASC Topic 815, "Derivatives and Hedging," and determined that the instrument does not qualify for derivative accounting.

The Company determined that the conversion option was subject to a beneficial conversion feature and recorded a total beneficial conversion feature of \$18,872, and amortization of the beneficial conversion feature of \$773 as interest expense from February 18, 2017 to April 30, 2017.

5. Related Parties

Amounts due to related parties are unsecured, non-interest bearing and due on demand. Related parties consist of the directors and officers and a former director of REGI and companies controlled or significantly influenced by these parties. As of April 30, 2017, there was \$77,560 due to related parties. As of April 30, 2016, there was \$97,746 due to related parties.

6. Stockholders' Equity

a) Common Stock

On January 6, 2017, the Company's annual and special meeting of stockholders approved the amendment to the Company's articles that increased the authorized common shares from 100,000,000 to 150,000,000.

On September 16, 2016, the Company entered into the APA with Reg Tech to purchase all of the assets of Reg Tech. An aggregate of 51,757,119 unregistered common shares of our company were issued as consideration for the asset purchase.

During the year ended April 30, 2017 related party convertible promissory note of \$30,000 and its accrued interest of \$1,405 were converted into 314,050 shares REGI's common stock at \$0.10 per share.

Treasury Shares

At April 30, 2017, Rand Energy owned 827,731 shares of the Company's common stock which have been deducted from the total shares outstanding.

There was no common stock transaction during the year ended April 30, 2016.

b) Common Stock Options and Warrants

On August 12, 2016, REGI granted an aggregate of 3,700,000 common stock options for services. These options vest upon grant, expire on July 20, 2021 and are exercisable at the following prices:

Options	Exercise price
900,000	\$ 0.10
600,000	\$ 0.20
550,000	\$ 0.35
450,000	\$ 0.50
350,000	\$ 0.75
350,000	\$ 1.00
250,000	\$ 1.25
250,000	\$ 1.50
3,700,000	

On January 1, 2017, REGI granted an aggregate of 3,500,000 common stock options for services. These options vest upon grant, expire on January 1, 2022 and are exercisable at the following prices:

Options	Exercise price
2,500,000	\$ 0.10
300,000	\$ 0.20
300,000	\$ 0.35
300,000	\$ 0.50
100,000	\$ 0.75
3,500,000	

A summary of REGI's stock option activities for the years ended April 30, 2017 and 2016 are as follows:

	Year Ended April 30, 2017		Year Ended April 30, 2016	
	Options	Weighted Average Exercise Price	Options	Weighted Average Exercise Price
Outstanding at beginning of period	1,938,000	\$ 0.15	2,488,000	\$ 0.15
Granted	7,200,000	0.36	-	-
Expired	-	-	(50,000)	0.10
Forfeited	-	-	(500,000)	0.17
Outstanding at end of period	9,138,000	0.31	1,938,000	0.15
Exercisable at end of period	7,684,500	\$ 0.34	484,500	\$ 0.15

The weighted average remaining contractual life of the options was 3.61 and 1.5 years at April 30, 2017 and 2016 respectively.

At April 30, 2017, the Company had \$28,740 of total unrecognized compensation cost related to non-vested stock options and warrants, which will be recognized over future periods. The intrinsic value of “in the money” exercisable options at April 30, 2017 and April 30, 2016 was \$145,580 and \$Nil, respectively.

A summary of REGI’s common stock warrant activity for the years ended April 30, 2017 and April 30, 2016 is as follows:

	Year Ended April 30, 2017		Year Ended April 30, 2016	
	Warrants	Weighted Average Exercise Price	Warrants	Weighted Average Exercise Price
Outstanding at beginning of period	200,000	\$ 0.25	1,709,333	\$ 0.19
Expired	(200,000)	0.25	(1,509,333)	0.19
Outstanding at end of period	0	0.25	200,000	0.25
Exercisable at end of period	0	\$ 0.25	200,000	\$ 0.25

At April 30, 2017, there were no warrants outstanding. At April 30, 2016, the weighted average remaining contractual life of the outstanding warrants was 0.85 years. The intrinsic value of “in the money” exercisable warrants at April 30, 2017 and April 30, 2016 was \$Nil and \$Nil, respectively.

7. Commitments

Pursuant to a letter of understanding dated December 13, 1993 between REGI, Rand and Reg (collectively called the grantors) and West Virginia University Research Corporation (“WVURC”), the grantors have agreed that WVURC shall own 5% of all patented technology with regards to RC/DC Engine technology and will receive 5% of all net profits from sales, licenses, royalties or income derived from the patented technology. To date, no sales have been accrued and no royalties have been accrued or paid.

Pursuant to an agreement dated August 20, 1992, REGI acquired the U.S. rights to the original RC/DC Engine from Rand. REGI will pay Rand and the original owner a net profit royalty of 5% and 1%, respectively. To date no sales have been accrued and no royalties have been accrued or paid.

8. Income Taxes

The Company uses the liability method, where deferred tax assets and liabilities are determined based on the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities for financial and income tax reporting purposes.

During the post-reverse merger period of February 18, 2017 through April 30, 2017, the Company incurred a net loss, and, therefore, had no tax liability. The cumulative net operating loss carry-forward is approximately \$267,672 for the year ended April 2017 and will begin expiring in 2037. Section 382 of the Internal Revenue Code generally imposes an annual limitation on the amount of net operating loss carryforwards that may be used to offset taxable income when a corporation has undergone significant changes in its stock ownership. The \$267,672 estimate of net operating loss carry-forward is calculated after we consider the effect of Section 382.

Deferred tax assets consist of the tax effect of NOL carry-forwards. The Company has provided a full valuation allowance on the deferred tax assets because of the uncertainty regarding its realizability. Deferred tax assets consist of the following:

The composition of REGI’s deferred tax assets at April 30, 2017 and 2016 is as follows:

	April 30,	
	2017	2016
Net operating loss carry forward	\$ 267,672	\$ -
Deferred tax asset	\$ 93,685	\$ -
Less: Valuation allowance	(93,685)	-
Net deferred tax asset	\$ -	\$ -

9. Subsequent Event

Subsequent to April 30, 2017, convertible loans of \$757,852 were issued. The convertible notes are secured against all assets of the Company, repayable two years after the issuance, bearing simple interest rate of 10% during the term of the notes and simple interest rate of 20% after the due date. \$717,852 and \$40,000 of the promissory notes are convertible at any time on or after ninety days from the issuance date into the Company’s common stocks at \$0.10 and \$0.12 per share respectively.

During May 2017, 155,000 shares were issued for options exercised at \$0.10 per share.

During June 2017, 350,000 shares were issued to directors and officers of the Company.

From June to September 2017, 55,892 and 403,323 shares of the Company’s common stock were issued for convertible promissory notes at \$0.08 and \$0.10 per share respectively, and \$8,652 was repaid for convertible loan redemption.

ITEM 9: CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A: CONTROLS AND PROCEDURES

(a) Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports that we file with the SEC under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our principal executive and financial officers, as appropriate, to allow for timely decisions regarding required disclosure. As required by SEC Rule 15d-15(b), we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report.

Based upon that evaluation, management has concluded that our current disclosure controls and procedures were not effective as of April 30, 2017. The conclusion that our disclosure controls and procedures were not effective was due to the presence of material weaknesses in internal control over financial reporting as identified below. Management anticipates that disclosure controls and procedures will not be effective until the material weaknesses are remediated. Our Company intends to remediate the weaknesses as set out below:

- There is a lack of sufficient accounting staff due to the size of the Company, resulting in a lack of segregation of duties necessary for an effective internal control system.
- There is a lack of control processes which provide for multiple levels of supervision and review.

(b) Management's Annual Report on Internal Control over Financial Reporting

Internal control over financial reporting refers to the process designed by, or under the supervision of, our Chief Executive Officer and Chief Financial Officer, and effected by our board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles, and includes those policies and procedures that:

- (1) Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorization of our management and directors; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisitions, use or disposition of our assets that could have a material effect on the financial statements.

Internal control over financial reporting cannot provide absolute assurance of achieving financial reporting objectives because of its inherent limitations. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper management override. Because of such limitations, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk. Management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company.

Management has used the framework set forth in the report entitled *Internal Control-Integrated Framework* published by the Committee of Sponsoring Organizations of the Treadway Commission, known as COSO (2013 edition), to evaluate the effectiveness of our internal control over financial reporting.

Based on this assessment the management concludes that our internal control system is ineffective and material weakness are noted due to lack of segregation of duties. There is also a lack of control processes in place which provide for multiple levels of supervision and review in key areas.

(c) Changes in Internal Control over Financial Reporting

During the year ended April 30, 2017, there were no changes in the Company’s internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

ITEM 9B. OTHER INFORMATION.

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Directors and Executive Officers

The following table sets forth the name and position of each of our Executive Officers and Directors:

<u>Name</u>	<u>Position</u>
Paul Chute	Director, President and Chief Executive Officer
Paul Porter	Director and VP Engineering
Jin Liu	Director
Shaojun Zhang	Director
Susanne Robertson	Director
Victoria Huang	Chief Financial Officer

Business Experience, Principal Occupation of Directors and Family Relationships

The following individuals served as directors and executive officers of our company during the year ended April 30, 2017.

Paul Chute – Director, President and Chief Executive Officer

Mr. Chute has a lifetime of experience in making development stage companies successful, serving as both CFO and CEO of both private and public companies. Mr. Chute's strong belief in the potential of the RadMax technology has led him to come out of recent retirement to move the companies forward and focus on refining, testing and marketing the RadMax Engine. Mr. Chute was appointed a director and the Chief Executive Officer of the Company on July 17, 2016. Mr. Chute also serves as a director and the Chief Executive Officer of Reg Technologies Inc. Mr. Chute has his Bachelor of Science degree in accounting and his MBA degree. Mr. Chute expects to devote 100% of his time to the joint operations of Reg Technologies Inc. and REGI, US.

Paul Porter – Director

Mr. Porter was appointed a director in August, 2013. Mr. Porter had served as our Chief Engineer prior to his appointment. Mr. Porter has extensive experience as an expert mechanical engineer in the manufacturing and designing of seals. Mr. Porter was the founder and President of JetSeal, Inc., a manufacturing engineering tool and producing design firm. JetSeal, Inc. was sold to Heico Corp. (HEI) an aerospace company in the late 1990's when the company was under Porter's ownership. Prior, he was a manufacturing manager for Parker Seal Group, a Fortune 500 Company.

Victoria Huang – Chief Financial Officer

Ms. Huang was appointed the Chief Financial Officer on July 17, 2016. Ms. Huang is a chartered accountant of British Columbia and has her First Class Honours Degree in Finance and Accounting. Ms. Huang was an auditor of Canadian and US public companies and has been a consultant for the Company since 2010. Ms. Huang expects to devote 40% of her time to the operations of the Company.

Susanne M. Robertson – Director, former Chief Financial Officer

Mrs. Robertson was appointed a director of our company since January 6, 2017. She was a director of Reg Tech. She is also a director of Linux Gold Corp., Minewest Silver and Gold Inc. and Teryl Resources Corp. Mrs. Robertson resigned as the Chief Financial Officer on July 17, 2016.

Jina Liu - Director

Ms. Liu was appointed as a director of the Company on January 6, 2017. She is currently the President of Canada-China Federation of Entrepreneurs. Canada-China Federation of Entrepreneurs is mainly focused on building bridges for cooperation and communication for both Chinese and Canadian entrepreneurs, contributing to the promotion of Canada-China economic cooperation and development. Previously, Ms. Liu served as the Executive President of SinoCann Entrepreneurs Association, the Vice President of Canada China Environmental Technology Development Association, and the Honorary President of Canada & China Association of Educators.

Mr. Shaojun Zhang - Director

Mr. Zhang was appointed as a director of the Company on January 6, 2017. Mr. Zhang has been the Chairman of China Zhongling Hangke New Energy Group Limited (“Zhongling”) since February 2012. Zhongling is an organization engaged in research and development of new energy solutions. Prior thereto, Mr. Zhang was the CEO of the Natural Brand Strategy Network, based in Beijing, China, from January 2007. From January 2003 to January 2007, Mr. Zhang was the President of Jun Xin Mining Group based in Guangxi, China.

John G. Robertson – Director and CEO and President, resigned on July 17, 2016

James L. Vandeberg – Director, resigned on August 2, 2016

Thomas Robertson, - Directors, directorship terminated on January 6, 2017

Involvement in certain legal proceedings

Our directors, executive officers and control persons have not been involved in any of the following events during the past ten years:

- (1) filed a petition under the federal bankruptcy laws or any state insolvency law, nor had a receiver, fiscal agent or similar officer appointed by a court for the business or present of such a person, or any partnership in which he was a general partner at or within two years before the time of such filing, or any corporation or business association of which he was an executive officer within two years before the time of such filing;
- (2) was convicted in a criminal proceeding or named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses);
- (3) was the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining him from or otherwise limiting the following activities: (i) acting as a futures commission merchant, introducing broker, commodity trading advisor, commodity pool operator, floor broker, leverage transaction merchant, associated person of any of the foregoing, or as an investment advisor, underwriter, broker or dealer in securities, or as an affiliated person, director of any investment company, or engaging in or continuing any conduct or practice in connection with such activity; (ii) engaging in any type of business practice; (iii) engaging in any activity in connection with the purchase or sale of any security or commodity or in connection with any violation of federal or state securities laws or federal commodity laws;
- (4) was the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any federal or state authority barring, suspending or otherwise limiting for more than 60 days the right of such person to engage in any activity described above under this Item, or to be associated with persons engaged in any such activity;
- (5) was found by a court of competent jurisdiction in a civil action or by the Securities and Exchange Commission to have violated any federal or state securities law and the judgment in subsequently reversed, suspended or vacate;
- (6) was found by a court of competent jurisdiction in a civil action or by the Commodity Futures Trading Commission to have violated any federal commodities law, and the judgment in such civil action or finding by the Commodity Futures Trading Commission has not been subsequently reversed, suspended or vacated;

- (7) was the subject of, or a party to, any Federal or State judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of: (i) any Federal or State securities or commodities law or regulation; or (ii) any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order; or (iii) Any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity;
- (8) was the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act (15 U.S.C. 78c(a)(26))), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act (7 U.S.C. 1(a)(29))), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

Term of Office

The term of office of the current directors are expected to continue until new directors are elected or appointed at an annual meeting of shareholders.

Committees of the Board and Financial Expert

Audit Committee

The Company currently does not have an audit committee.

Our Board of Directors believes that due to our small size it is not necessary to have such committees as the functions of such committees are performed by the Board of Directors.

Code of Ethics

The Company's board of directors is committed to encouraging and promoting a culture of ethical business conduct and integrity throughout the Company. In order to achieve this objective, efforts are made to the implementation, monitoring and enforcement of the Company's Code of Business Conduct and Ethics ("Code"). This is accomplished by: (a) taking prompt action against violations of the Code; ensuring employees and consultants are aware that they may discuss their concerns with their supervisor or directly to the Compliance Officer; the Compliance Officer reporting suspected fraud or securities law violations for review by the Audit Committee and reporting same to the Board of Directors. The Company distributes to each new director, officer, employee and consultant the Company's Code.

No waivers of any provision of this Code of Business Conduct and Ethics may be made except by the Board of Directors. Any waiver or amendment shall be reported as required by law or regulation. There have been no waivers of the Code since its implementation.

A copy of the Code is available from the Company on written request, and the text of the code of business conduct and ethics was filed as an exhibit to our form 10-K for the year ended April 30, 2011 and posted on the Company's website at www.regtech.com.

Assessments

The board of directors is ultimately responsible for the stewardship of the Company, which means that it oversees the day-to-day management delegated to the President and Chief Executive Officer and the other officers of the Company. The board is charged with the responsibility of assessing the effectiveness of itself, its committee(s) and the contributions of individual directors.

The Corporate Governance Policy was constituted by the board of directors to assist the Board and its officers, employees, and consultants to fulfill fundamental issues including: (a) the regular assessment of the Company's approach to corporate governance issues; (b) ensuring that such approach supports the effective functioning of the Company with a view to the best interests of the Company's shareholders and effective communication between the board of directors and management of the Company; and (c) the process, structure and effective system of accountability by management to the board of directors and by the board to the shareholders, in accordance with applicable laws, regulations and industry standards for good governance practices. A copy of the Corporate Governance Policy is available on our website at www.regtech.com.

Compliance with Section 16(a) of the Securities Exchange Act of 1934

Section 16(a) of the Exchange Act requires our executive officers and directors and persons who own more than 10% of a registered class of our equity securities to file with the SEC initial statements of beneficial ownership, reports of changes in ownership and annual reports concerning their ownership of our common stock and other equity securities, on Forms 3, 4 and 5 respectively. Executive officers, directors and greater than 10% shareholders are required by the SEC regulations to furnish us with copies of all Section 16(a) reports that they file.

Based solely on our review of the copies of such forms received by us, or written representations from certain reporting persons, we believe that all filing requirements applicable to our officers, directors and greater than 10% beneficial owners were complied with.

STATEMENT OF EXECUTIVE COMPENSATION

The Company is required, under applicable securities legislation in Canada, to disclose to its Shareholders details of compensation paid to its directors and officers. The following fairly reflects all material information regarding compensation paid by the Company to its directors and officers, which information has been disclosed to the Company's Shareholders in accordance with applicable Canadian law.

Executive Compensation

Compensation Discussion and Analysis

The Company's executive officers make recommendations to the board of directors regarding compensation policies and the compensation of senior officers. The Company does not have a Compensation Committee. The compensation of the senior executives comprises two components; namely, a base salary or consulting fees and the grant of stock options pursuant to the Company's stock option plan which is more particularly outlined below under the *Option-based Awards* section. These forms of compensation are chosen to attract, retain and motivate the performance of selected directors, officers, employees or consultants of the Company of high caliber and potential. Each senior executive is employed for his or her skills to perform specific tasks and the base salary and number of options is fixed accordingly.

Summary Compensation Table

Named Executive Officer mean the Chief Executive Officer (“CEO”), the Chief Financial Officer (“CFO”) or any individual acting in a similar capacity or function, regardless of the amount of compensation of that individual and each of the Company’s two most highly compensated executive officers, other than the CEO and CFO, or three two highly compensated individuals acting in similar capacities, who were serving as executive officers, or in a similar capacity, at the end of the most recent financial year and whose compensation exceeds \$100,000, and such individuals who would be an NEO but for the fact that they were not serving as an executive officer or in a similar capacity at the end of that financial year.

During the Company’s last completed financial year ended April 30, 2017, the Company had two Named Executive Officers: Mr. Paul Chute, CEO and Ms. Victoria Huang, CFO.

The following table (presented in accordance with Item 402 of Regulation S-K – Executive Compensation) sets forth all annual, long term and other compensation for services in all capacities to the Company and its subsidiaries payable to the NEOs for the three financial years ended April 30, 2017, 2016 and 2015 (to the extent required by the Regulations) in respect of the Named Executive Officers:

Name and Principal Position	Year Ended April 30	Salary (\$)	Bonus (\$)	Share-based Awards (\$)	Option-Based Awards (\$) ⁽⁶⁾	Non-equity incentive plan compensation		Pension value (\$)	All other Compensation (\$) ⁽²⁾	Total compensation (\$)
						Annual incentive plans (\$)	Long-term incentive plans (\$)			
<i>Paul, Chute</i>	2017	82,000	Nil	Nil	58,194	Nil	Nil	Nil	Nil	140,194
<i>CEO (1)</i>	2016	NA	NA	NA	NA	NA	NA	NA	NA	NA
	2015	NA	NA	NA	NA	NA	NA	NA	NA	NA
<i>Victoria Huang</i>	2017	62,000	Nil	Nil	29,259	Nil	Nil	Nil	Nil	91,259
<i>CEO</i>	2016	NA	NA	NA	NA	NA	NA	NA	NA	NA
	2015	NA	NA	NA	NA	NA	NA	NA	NA	NA
<i>John G. Robertson,</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<i>CEO (2)(3)</i>	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	22,500	22,500
	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	30,000	30,000
<i>James Vandenberg</i>	2017	NA	NA	NA	NA	NA	NA	NA	NA	NA
<i>Former</i>	2016	NA	NA	NA	NA	NA	NA	NA	NA	NA
<i>CFO (4)</i>	2015	Nil	Nil	Nil	Nil	NA	NA	NA	NA	NA
<i>Susanne Robertson,</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<i>Former</i>	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<i>CFO (5)</i>	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) Mr. Paul Chute is also a director and did not receive compensation in that capacity.

(2) Mr. Robertson was also a director and did not receive compensation in that capacity.

(3) Access Information Services, Inc., a Washington corporation which is owned and controlled by the Robertson Family Trust, accrued \$2,500 per month for management services until January 31, 2016. Mr. Robertson was a trustee of the Robertson Family Trust.

(4) Mr. Vandenberg resigned as the CFO of the Company on November 11, 2014. He was also a director until August 2, 2016 and did not receive compensation in that capacity.

(5) Mrs. Robertson was appointed as the CFO of the Company on November 11, 2014 and resigned on July 17, 2016.

(6) The valuation of the fair value of the options at the time of the grant is based on the Black Scholes model and includes the following assumptions; weighted average risk free rate, weighted average expected life, expected volatility and dividend yield.

Narrative Discussion

The Company does not have a share-based award plan other than the stock option plan referred to above. The Company also does not have a pension plan or a long term incentive plan. Other than John Robertson, as described below in the *Narrative Description – Directors* reported in the *Directors' Compensation* table below, no directors, who were not NEO's of the Company were compensated during the financial year ended April 30, 2017 for services in their capacity as directors.

A management fee was payable, but accrued to Access Information Inc., a company controlled by Mr. Robertson. Other than as herein set forth, the Company did not pay any compensation to its directors or Named Executive Officers.

Employment Contracts and Termination of Employment

In Accordance with Mr. Paul Chute's management agreement with the Company, Mr. Chute received \$7,000 per month from July 1 to December 31, 2016 and \$10,000 per month from January 1 to April 30, 2017.

In Accordance with Ms. Victoria Huang's management agreement with the Company, Ms. Huang received \$5,000 per month from July 1 to December 31, 2016 and \$8,000 per month from January 1 to April 30, 2017.

Refer also to the *Compensation Discussion and Analysis* section above.

Incentive Plan Awards

Narrative Discussion

As reported above under the *Summary Compensation Table*, the Company does not have a share-based award plan or a long term incentive plan. Information with respect to the grant of stock options is more particularly described above in the *Option-based Awards* and *Compensation Discussion and Analysis* sections.

Outstanding Option-Based Awards and Share-Based Awards

The grant of option-based awards to the senior executives is determined by the recommendation of executive officers to the board of directors pursuant to the terms of the stock option plan referred to below. Previous grants of option-based awards are taken into account when considering new grants.

The options are always granted at or above market price. The valuation of the fair value of the options at the time of the grant is based on the Black Scholes model and includes the following assumptions: weighted average risk free rate, weighted average expected life, expected volatility and dividend yield.

The following table sets out the option-based awards that were outstanding as at April 30, 2017:

Name	Option-based Awards				Stock-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Paul	150,000	\$ 0.10	All expire on	6,000	Nil	Nil
Chute	150,000	\$ 0.20	July 20, 2021	Nil	Nil	Nil
	125,000	\$ 0.35		Nil	Nil	Nil
	125,000	\$ 0.50		Nil	Nil	Nil
	100,000	\$ 0.75		Nil	Nil	Nil
	100,000	\$ 1.00		Nil	Nil	Nil
	125,000	\$ 1.25		Nil	Nil	Nil
	125,000	\$ 1.50		Nil	Nil	Nil
Victoria	\$ 0.10	\$ 0.10	All expire on	4,000	Nil	Nil
Huang	\$ 0.20	\$ 0.20	July 20, 2021	Nil	Nil	Nil
	\$ 0.35	\$ 0.35		Nil	Nil	Nil
	\$ 0.50	\$ 0.50		Nil	Nil	Nil
	\$ 0.75	\$ 0.75		Nil	Nil	Nil
	\$ 1.00	\$ 1.00		Nil	Nil	Nil

Incentive Plan Awards – value vested or earned during the year

Pension Plan Benefits

As reported under the *Summary Compensation Table*, the Company does not maintain a Pension Plan for its employees and therefore no benefits were received.

Termination of Employment or Change of Control

Other than as described in the *Narrative Discussion* section under the *Summary Compensation Table*, the Company has no plans or arrangements with respect to remuneration received or that may be received by the Named Executive Officers during the Company's most recently completed financial year or current financial year in view of compensating such officers in the event of termination of employment (as a result of resignation, retirement, change of control, etc.) or a change in responsibilities following a change of control, where the value of such compensation exceeds \$100,000 per executive officer.

DIRECTOR COMPENSATION

Director Compensation Table

The following table sets forth all compensation provided to the directors for the year ended April 30, 2017.

Name	Year Ended 30-Apr	Salary (\$)	Share-based Awards (\$)	Option-Based Awards (\$) ⁽⁶⁾	Annual incentive plans (\$)	Long-term incentive plans (\$)	Pension value (\$)	All other compensation (\$)	Total compensation (\$)
Paul Porter (4) (5)	2017	Nil	Nil	58,194	Nil	Nil	Nil	Nil	58,194
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	NA	NA	NA	NA	NA	NA	NA	NA
Paul Chute	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	NA	NA	NA	NA	NA	NA	NA	NA
	2015	NA	NA	NA	NA	NA	NA	NA	NA
Susanne Robertson	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	NA	NA	NA	NA	NA	NA	NA	NA
	2015	NA	NA	NA	NA	NA	NA	NA	NA
Jina Liu	2017	Nil	Nil	19,561	Nil	Nil	Nil	Nil	19,561
	2016	NA	NA	NA	NA	NA	NA	NA	NA
	2015	NA	NA	NA	NA	NA	NA	NA	NA
Shaojun Zhang	2017	Nil	Nil	88,025	Nil	Nil	Nil	Nil	88,025
	2016	NA	NA	NA	NA	NA	NA	NA	NA
	2015	NA	NA	NA	NA	NA	NA	NA	NA
John G. Robertson, CEO(1)(2)	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
James Vandenberg, CFO(3)	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

The Company does not have a share-based award plan for the directors other than the stock option plan, details of which are provided below under *Outstanding Option-Based Awards, Share-Based Awards and Non-equity Incentive Plan Compensation*. The Company also does not have a pension plan or a non-equity incentive plan for its directors.

- (1) Mr. Porter provides research and development services for the Company and receives consulting fees in that capacity.
- (2) Mr. Chute is also the CEO of the Company and receives compensation in that capacity. See "Executive Compensation"
- (3) Mr. Robertson and Mr. Vandeger were also NEO's of the Company. See "Executive Compensation".
- (4) The valuation of the fair value of the options at the time of the grant is based on the Black Scholes model and includes the following assumptions; weighted average risk free rate, weighted average expected life, expected volatility and dividend yield.

Narrative Description

Directors of the Company who are also NEOs are not compensated for their services in their capacity as directors, although directors of the Company are reimbursed for their expenses incurred in connection with their services as directors.

Information with respect to grants of options to the directors is reported below under the *Narrative Description* in the section below entitled *Outstanding Option-Based Awards, Share-Based Awards and Non-equity Incentive Plan Compensation*.

Other than as described above, no directors of the Company were compensated by the Company during the financial year ended April 30, 2017 for services as consultants or experts.

Option-Based Awards, Share-Based Awards and Non-equity Incentive Plan Compensation for Directors

As disclosed under the *Director Compensation Table*, the Company does not have a share-based award plan, a pension plan or a non-equity incentive plan for its directors.

Option-based awards to the directors are granted pursuant to the terms of the Company's stock option plan. The options are always granted at market price. The valuation of the fair value of the options at the time of the grant is based on the Black Scholes model and includes the following assumptions; weighted average risk free rate, weighted average expected life, expected volatility and dividend yield.

Directors generally receive a grant of stock options upon their appointment.

The following table shows at April 30, 2017 the options held by the directors and former directors who served during the year ended April 30, 2017:

Name	Option-based Awards				Stock-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested** (\$)
John G. Robertson	500,000	\$ 0.20	April 11, 2018	Nil	375,000	Nil
James Vandenberg	200,000	\$ 0.20	April 11, 2018	Nil	150,000	Nil
Paul Porter	55,000	\$ 0.10	April 11, 2018	\$ 2,200	Nil	Nil
	150,000	\$ 0.10	July 20, 2021	\$ 6,000	Nil	Nil
	150,000	\$ 0.20	July 20, 2021	Nil	Nil	Nil
	125,000	\$ 0.35	July 20, 2021	Nil	Nil	Nil
	125,000	\$ 0.50	July 20, 2021	Nil	Nil	Nil
	100,000	\$ 0.75	July 20, 2021	Nil	Nil	Nil
	100,000	\$ 1.00	July 20, 2021	Nil	Nil	Nil
	125,000	\$ 1.25	July 20, 2021	Nil	Nil	Nil
	125,000	\$ 1.50	July 20, 2021	Nil	Nil	Nil
Jina Liu	400,000	\$ 0.10	January 1, 2022	\$ 16,000	Nil	Nil
Shaojun Zhang	1,800,000	\$ 0.10	January 1, 2022	\$ 72,000	Nil	Nil

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS**Securities Authorized for Issuance under Equity Compensation Plans**

EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth information about our common stock that may be issued upon the exercise of options, warrants and rights under all of our equity compensation plans as of April 30, 2017.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders:			
1993 Stock Option Plan (as amended December 5, 2000) and 2007 Stock Option Plan	1,938,000	\$ 0.15	2,562,000
2016 Stock Option Plan	7,200,000	\$ 0.36	Nil
Equity compensation plans not approved by security holders	N/A	N/A	N/A

The Company had a Stock Option Plan to issue up to 2,500,000 shares to certain key directors and employees, approved April 30, 1993 and amended December 5, 2000. On April 12, 2007 the Company approved the 2007 Stock Option Plan to issue up to 2,000,000 shares to certain key directors and employees. Pursuant to the Plans, the Company has granted stock options to certain directors, consultants and employees.

All options granted by the Company under the 2000 Plan have the following exercise schedule:

- (i) Up to 25% of the option may be exercised at any time during the term of the option, such initial exercise is referred to as the “First Exercise”.
- (ii) The second 25% of the option may be exercised at any time after 90 days from the date of First Exercise, such second exercise is referred to as the “Second Exercise”.
- (iii) The third 25% of the option may be exercised at any time after 90 days from the date of Second Exercise, such third exercise is referred to as the “Third Exercise”.
- (iv) The fourth and final 25% of the option may be exercised at any time after 90 days from the date of the Third Exercise.
- (v) The options expire sixty months from the date of grant.

All options granted by the Company under the 2007 Plan have the following exercise schedule:

- (i) Up to 25% of the option may be exercised 90 days after the grant of the option.
- (ii) The second 25% of the option may be exercised at any time after 1 year and 90 days after the grant of the option.
- (iii) The third 25% of the option may be exercised at any time after 2 years and 90 days after the grant of the option.
- (iv) The fourth and final 25% of the option may be exercised at any time after 3 years and 90 days after the grant of the option.
- (v) The options expire 60 months from the date of grant.

On August 12, 2016, the Company approved the 2016 Stock Option Plan to issue up to 5,000,000 shares to certain key directors and employees. Pursuant to the Plans, the Company has granted stock options to certain directors, consultants and employees. This Stock Option Plan was amended to issue up to 8,000,000 shares.

All options granted by the Company under the 2016 Plan vested immediately.

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth, as of October 31, 2017, our outstanding common stock owned of record or beneficially by each person who owned of record, or was known by us to own beneficially, more than 5% of our common stock and the name and shareholdings of each Executive Officer and Director and all Executive Officers and Directors as a group. A person is deemed to be the beneficial owner of securities that can be acquired by such person within 60 days from the date of this report upon the exercise of warrants or options. Each beneficial owner's percentage ownership is determined by assuming that options that are held by such person and which are exercisable within 60 days from the date are exercised.

Name	Shares Owned	Percentage of Shares Owned
Susanne Robertson, Director	10,004,312	11.66%
Shaojun Zhang, Director	10,890,000	12.69%
Paul Chute, Director and CEO	1,586,107	1.85%
Paul Porter, Director	387,763	0.45%
Victoria Huang, CFO	25,100	0.03%
ALL EXECUTIVE OFFICERS & DIRECTORS AS A GROUP	<u>22,893,282</u>	<u>26.68%</u>

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Transactions with related parties

On September 16, 2016, REGI entered into an asset purchase agreement (the "APA") with Reg Tech, a public company whose common stock was listed on TSX Venture Exchange to purchase all of the assets of Reg Tech, a company with a common director and CEO with REGI. An aggregate of 51,757,119 unregistered common shares of our company were issued as consideration for the asset purchase. The transaction was closed on February 17, 2017 upon TSX Venture Exchange approval.

Upon closing of the asset purchase agreement, all assets of Reg Tech except GST receivable were transferred from Reg Tech to REGI. In addition, upon closing of the APA, all assets, liabilities, and equity instruments of REGI were incorporated into the surviving company. The net adjustment to additional paid in capital for the asset purchase was a decrease of \$1,243,757. The net cash received from the reverse merger was \$10,753.

Related Party Transactions for the Year Ended April 30, 2017

We entered into the following contracts with related parties. Related parties consist of companies controlled or significantly influenced by the Officers of the Company.

On March 31, 1994, we entered into a management agreement with Access Information Services, Inc., a Washington corporation, which is owned and controlled by the Robertson Family Trust. A management fee of \$2,500 per month is accrued for the provision of certain management, administrative, and financial services. The agreement was terminated upon Mr. John Robertson's resignation as the CEO and director of the Company. \$22,500 were accrued for the year ended April 30, 2017.

Related party transactions incurred during the normal course of the Company's operations and are measured at the exchange amount, which is the amount agreed between the related parties.

During the year ended April 30, 2017 changes to the amounts owed to/by related parties are as follows:

	April 30, 2016	(Repayment)/ Loan in Year	April 30, 2017
	\$	\$	\$
Due to Minewest	2,937	4,780	7,717
Due to Linux Gold Corp.	(191)	-	(191)
Due to IAS Energy, Inc.	7,431	-	7,431
Due to Reg Technologies and its subsidiary Rand Energy Group Inc.	1,201,622	(1,201,622)	-
Due to SMR Investments Ltd.	58,637	(58,637)	-
Due to John Robertson	64,268	(64,268)	-
Due to Information Highway Inc.	18,792	-	18,792
Due to JGR Petroleum	105,947	(105,947)	-
Due to KLR Petroleum Inc.	13,244	(13,244)	-
Due to Teryl Resources Corp.	27,890	1,440	29,330
Due to Access Information Inc.	291,328	(291,328)	-
Due to Rainbow Networks	21,000	(21,000)	-
Due to Imaging Tech	69,900	(69,900)	-
Due to Paul Porter	34,071	(28,975)	5,096
Due to Paul Chute	-	(380)	(380)
Due to Victoria Huang	-	9,765	9,765
	<u>1,916,876</u>	<u>(1,839,316)</u>	<u>77,560</u>

Related parties are the officers of the Company, companies with common directors or owners, and companies indirectly controlled by directors or officers of the Company.

We do not have written agreements relating to related party advances. The balances are non-interest bearing, unsecured and due on demand per verbal agreements with these related parties.

Director Independence

Our common stock is traded on the OTC Market.. A director is not considered to be independent if he or she is also an executive officer or employee of the company. The majority of the members of our board of directors are independent.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES.

The following table discloses accounting fees and services which we paid to our auditor, MaloneBailey LLP, Certified Public Accountants during fiscal 2017 and 2016:

Type of Services Rendered	2017	2016
(a) Audit and Quarter Review Fees	\$ 44,100	14,800
(b) Audit-Related Fees	\$ -	\$ -
(c) Tax Fees	\$ -	\$ -

In the table above, and the disclosure below, “audit fees” are fees billed by the Company’s external auditor MaloneBailey LLP, Certified Public Accountants for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements. “Tax fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditor for products and services not included in the foregoing categories.

Audit Fees

The aggregate fees billed by MaloneBailey LLP, Certified Public Accountants for professional services rendered for the audit of our annual financial statements and review of financial statements included in our Form 10-Qs or services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for the fiscal years ended April 30, 2017 and 2016, were \$44,100 and \$14,800 respectively.

All Other Fees

For the fiscal years ended April 30, 2017 and 2016, the aggregate fees billed by MaloneBailey LLP, Certified Public Accountants, as applicable, for products and services other than the services set out above, were \$Nil and \$Nil, respectively.

Pre-Approval Policies and Procedures

The Board of Directors pre-approves all engagements with the Company’s auditors prior to performance of services by them.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.

<u>Number</u>	<u>Description</u>	
3.1	Articles of Incorporation	(1)
3.2	Article of Amendment changing name to REGI U.S., Inc.	(2)
3.3	By-laws	(1)
3.4	Articles of Amendment Increasing Authorized Capital to 50,000,000 December 2003	(7)
3.5	Articles of Amendment Increasing Authorized Capital to 100,000,000 May 2007	(8)
4.1	Specimen Share Certificate	(1)
4.2	Specimen Warrant Certificate	(1)
10.1	Consulting Agreement, dated December 1, 1999, between REGI U.S., Inc. and Patrick Badgley	(3)
10.2	Special Service Proposal, dated December 21, 1999, between REGI U.S. and ColTec, Inc.	(3)
10.3	Agreement between ColTec and REGI dated October 2000	(4)
10.4	Agreement between REGI and Advanced Ceramics Research dated March 20, 2002	(5)
10.5	License Agreement between Rand Energy Group, Inc., and Reg Technologies, Inc. REGI U.S., Inc. and Radian Incorporated made as of April 24, 2002	(5)
10.6	Agreement between REGI U.S., Inc. and Rotary Power Generation, Incorporated made as of April 22, 2002	(6)
10.7	Amendment to Agreement between REGI U.S., Inc. and Rotary Power Generation, Incorporated made as of April 2, 2003	(6)
10.8	Management Agreement with Access Information Services, Inc., dated January 2, 1993 in the name of Sky Technologies, Inc. (the Company's previous name)	(9)
10.9	Engagement Letter with The Otto Law Group, dated August 4, 2004	(9)
10.10	Project Cost Sharing Agreement with Reg Technologies Inc.	(9)
10.11	Amended Asset Purchase Agreement	(11)
14.1	Code of Business Conduct and Ethics	(10)
21.1	List of Subsidiaries	(7)
23.1	Consent of Independent Auditors (Malone Bailey LLP)	(11)
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	(11)
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	(11)
32.1	Certification of Chief Executive Officer (Principal Executive Officer), pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	(11)
32.2	Certification of Chief Chief Financial Officer (Principal Financial Officer), pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	(11)

- (1) Incorporated by reference from Form 10-SB Registration Statement filed April 26, 1994.
- (2) Incorporated by reference from 10-Q Report for the quarter ended 7-30-94.
- (3) Incorporated by reference from our 10-KSB for the fiscal year ended April 30, 2000.
- (4) Incorporated by reference from our 10-KSB for the fiscal year ended April 30, 2001
- (5) Incorporated by reference from our 10-KSB for the fiscal year ended April 30, 2002
- (6) Incorporated by reference from our 10-KSB for the fiscal year ended April 30, 2003
- (7) Incorporated by reference from our 10-KSB for the fiscal year ended April 30, 2007
- (8) Incorporated by reference from our 10-KSB for the fiscal year ended April 30, 2008
- (9) Incorporated by reference from our Form 10-K Amendment for the fiscal year ended April 30, 2010 filed on May 13, 2011
- (10) Incorporated by reference from our Form 10-K for the fiscal year ended April 30, 2011 filed on August 15, 2011
- (11) Incorporated herein

SIGNATURES

In accordance with Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report or amendment to be signed on its behalf by the undersigned, thereunto duly authorized.

REGI U.S., INC.

By: */s/“Paul Chute”*

Paul Chute, President
Chief Executive Officer and Director

Dated: October 31, 2017

AMENDED AND RESTATED ASSET PURCHASE AGREEMENT

THIS AGREEMENT made as of the 14th day of February, 2017.

BETWEEN:

REGI U.S. , a corporation pursuant to the laws of the State of Oregon.

(the “ **Purchaser** ”)

AND:

REG TECHNOLOGIES INC ., a corporation pursuant to the laws of the Province of British Columbia.

(the “ **Vendor** ”)

WHEREAS:

- A. the Vendor operates a business of developing and building an improved axial vane-type rotary engine known as the RadMax® rotary technology (the “ **Technology** ”) used in the design of lightweight and high efficiency engines, compressors and pumps;
- B. the Purchaser wishes to acquire and the Vendor wishes to sell, transfer, convey, assign, and deliver, on the terms and conditions set forth in this Agreement, all of Vendor’s legal and beneficial rights, title and interests in and to and under all Assets (as defined below) (the “ **Acquisition** ”), including all past and future income, royalties, damages and payments due (including, rights to damages and payments for past, present or future infringements or misappropriations) with respect thereto, in each case, of the Vendor in all countries relating to such Assets (collectively, the “ **Purchased Assets** ”), free and clear of all Encumbrances (as defined below); and
- C. the Vendor is listed on the TSX Venture Exchange (the “ **Exchange** ”) and the Transaction (as defined below) may result in the de-listing of the Vendor from the Exchange.

In consideration of the undertakings of the parties, their mutual promises and covenants, and other valuable consideration as provided, the parties, intending to be legally bound, hereby agree as follows:

1. – INTERPRETATION

1.1 Definitions

In this Agreement and in the schedules, the following terms and expressions will have the following meanings:

- (a) “ **Agreement** ” means this asset purchase agreement and all instruments amending it; “ **hereof** ”, “ **hereto** ” and “ **hereunder** ” and similar expressions mean and refer to this Agreement and not to any particular Article, Section, or other subdivision; “ **Article** ”, “ **Section** ” or other subdivisions of this Agreement followed by a number means and refers to the specified Article, Section or other subdivision of this Agreement;



- (b) “ **Acquisition** ” has the meaning ascribed thereto in the Recitals;
- (c) “ **Assets** ” means all assets of the Vendor including, but not limited to, the Patents listed in Schedule A hereto and all continuations, continuations-in-part, divisionals, patent cooperation treaty equivalents, and foreign counterparts of the Patents listed in Schedule A hereto;
- (d) “ **Assessment** ” shall include a reassessment or additional assessment and the term “ **assessed** ” shall be interpreted in the same manner;
- (e) “ **Business Day** ” means any day other than a Saturday, a Sunday or a statutory holiday in the Province of British Columbia or any other day on which the principal chartered banks located in the City of Vancouver are not open for business during normal banking hours;
- (f) “ **Closing** ” means the completion of the Transaction pursuant to this Agreement at the Closing Time;
- (g) “ **Closing Date** ” means the date this Agreement is entered into as shown on the first page of the Agreement;
- (h) “ **Closing Time** ” means 10:00 am in the City of Vancouver on the Closing Date or such other time on the Closing Date as the Parties may agree upon as the time at which the Closing shall take place;
- (i) “ **Consent** ” means a license, permit, approval, consent, certificate, registration or authorization (including, without limitation, those made or issued by a Regulatory Authority, in respect of a Contract, or otherwise);
- (j) “ **Consideration Shares** ” has the meaning ascribed in Section 2.2;
- (k) “ **Contract** ” means any agreement, understanding, indenture, contract, lease, deed of trust, license, option, instrument or other commitment, whether written or oral;
- (l) “ **Technology** ” means the axial vane-type rotary engine known as the RadMax® rotary technology;
- (m) “ **Disclosure Documents** ” has the meaning ascribed in Section 3.2 (10);
- (n) “ **Encumbrances** ” means mortgages, charges, pledges, security interests, liens, encumbrances, actions, claims, demands and equities of any nature whatsoever or howsoever arising and any rights or privileges capable of becoming any of the foregoing;
- (o) “ **Exchange** ” has the meaning ascribed in the recitals hereto;
- (p) “ **ITA** ” means the *Income Tax Act* (Canada);
- (q) “ **Law** ” or “ **Laws** ” means all requirements imposed by statutes, regulations, rules, ordinances, by-laws, decrees, codes, policies, judgments, orders, rulings, decisions, approvals, notices, permits, guidelines or directives of any Regulatory Authority;

- (r) “ **Licensed Patents** ” means all Licensed Patents and Know How listed in Schedule B hereto and all continuations, continuations-in-part, divisionals, patent cooperation treaty equivalents, and foreign counterparts of the Licensed Patents listed in Schedule B hereto;
- (s) “ **Loss** ” and “ **Losses** ” mean any and all demands, claims, actions or causes of action, assessments, losses, damages, liabilities, costs, and expenses, including without limitation, interest, penalties, fines and reasonable attorneys, accountants and other professional fees and expenses, but excluding damages for lost profits or lost business opportunities and excluding any indirect, consequential or punitive damages suffered by the Purchaser or the Vendor;
- (t) “ **Patents** ” means any United States, Canadian or foreign patents and applications (including provisional applications), patents issuing from such applications, certificates of invention or any other grants by any court, administrative agency or commission or other federal, state, provincial, county, local or foreign governmental authority, instrumentality, agency commission or subdivision thereof, including the U.S. Patent and Trademark Office, Canadian Intellectual Property Office and the European Patent Office, for the protection of inventions, or foreign equivalents of any of the foregoing;
- (u) “ **Parties** ” means the Vendor and the Purchaser and any other person that may become a party to this Agreement, and Party means any one of them;
- (v) “ **person** ” includes any individual, corporation, partnership, firm, joint venture, syndicate, association, trust, government, governmental agency and any other form of entity or organization;
- (w) “ **Purchased Assets** ” has the meaning ascribed thereto in Recital B;
- (x) “ **Purchase Price** ” has the meaning ascribed in Section 2.2;
- (y) “ **Transaction** ” means the Acquisition and the ancillary transactions contemplated by this Agreement including the Change of Business of the Purchaser;
- (z) “ **Transaction Disclosure Document** ” means the document describing the Transaction, required to be distributed to the Purchaser’s shareholders and filed with the Exchange pursuant to Exchange Policy 5.2, being either (i) an information circular on Exchange Form 3D1 if approval of the Purchaser’s shareholders is being sought at a special meeting, or (ii) a filing statement on Exchange Form 3D2 if shareholder approval is sought by way of consent resolution;
- (aa) “ **U.S. Securities Act** ” means the *United States Securities Act of 1933, as amended* ;
- (bb) “ **Regulatory Authority** ” means any government, regulatory or administrative authority, agency, commission, utility or board (federal, provincial, municipal or local, domestic or foreign) having jurisdiction in the relevant circumstances and any person acting under the authority of any of the foregoing and any judicial, administrative or arbitral court, authority, tribunal or commission having jurisdiction in the relevant circumstances;
- (cc) “ **Reporting Jurisdictions** ” means British Columbia and Alberta;

- (dd) “ **Securities Laws** ” means the securities laws, regulations, rules, rulings and orders and the blanket rulings and policies and written interpretations of, and multilateral or national instruments adopted by, the securities regulators and the policies and rules of any applicable stock exchange or quotation or stock reporting system, including the Exchange;
- (ee) “ **SEDAR** ” means System for Electronic Document Analysis and Retrieval, the mandatory electronic document filing and retrieval system for Canadian public companies;
- (ff) “ **Special Meeting** ” means the meeting of the Purchaser’s shareholders to be called and held to consider the Transaction, if required by the Exchange;
- (gg) “ **Transaction** ” means the purchase and sale of the Purchased Assets and all other transactions contemplated by this Agreement; and

1.2. Best Knowledge

Any reference herein to “ **the best knowledge** ” of the Vendor will be deemed to mean the actual knowledge of the directors of the Vendor, together with the knowledge which they would have had if they had conducted a diligent inquiry into the relevant subject matter.

1.3. Currency

Unless otherwise indicated, all references to dollar amounts in this Agreement are expressed in Canadian currency.

1.4. Governing Law

This Agreement shall be exclusively governed by and construed and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of the Canada applicable therein. The Parties hereby irrevocably attorn to the exclusive jurisdiction of the courts of Province of British Columbia with respect to any matter arising under or related to this Agreement.

1.5. Interpretation Not Affected by Headings

The division of this Agreement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.6. Number and Gender

In this Agreement, unless the context otherwise requires, any reference to gender shall include both genders and words importing the singular number shall include the plural and vice-versa.

1.7. Time of Essence

Time is of the essence of this Agreement.

1.8. Severability

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.

1.9. Calculation of Time Periods

Where a time period is expressed to begin or end at, on or with a specified day, or to continue to or until a specified day, the time period includes that day. Where a time period is expressed to begin after or to be from a specified day, the time period does not include that day. Where anything is to be done within a time period expressed after, from or before a specified day, the time period does not include that day. If the last day of a time period is not a Business Day, the time period shall end on the next Business Day.

1.10. Statutory Instruments

Unless otherwise specifically provided in this Agreement, any reference in this Agreement to any Law shall be construed as a reference to such Law as amended or re-enacted from time to time or as a reference to any successor thereto.

1.11. Incorporation of Schedules

The following are the schedules attached to and incorporated by reference into this Agreement:

Schedule A

Assets

2. – PURCHASE AND SALE

2.1. Purchased Assets

On the terms and subject to the fulfilment of the conditions of this Agreement, the Vendor agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase from the Vendor at the Closing Time on the Closing Date, all of the Purchased Assets.

2.2. Purchase Price

The aggregate purchase price (the “Purchase Price”) payable by the Purchaser to the Vendor for the Purchased Assets shall be the allotment and issuance of 54,501,819 common shares in the capital of the Purchaser (collectively, the “Consideration Shares”).

2.3. Payment of Purchase Price

At the Closing Time, the Purchaser will issue 54,501,819 Consideration Shares to the Vendor.

2.4. Transfer Taxes

The Purchaser shall be liable for and shall pay all federal and provincial sales taxes and all other taxes, duties, fees or other like charges of any jurisdiction properly payable in connection with the transfer of the Purchased Assets by the Vendor to the Purchaser.

2.5. Securities Laws Compliance

(1) The Parties hereto acknowledge that the issuance of the Consideration Shares by the Purchaser to the Vendor as contemplated herein is being made pursuant to an exemption from the registration and prospectus requirements of applicable securities laws pursuant to the U.S. Securities Act.



- (2) The Vendor confirms to and covenants with the Purchaser that:
- (a) it will comply with all requirements of applicable securities laws in connection with the issuance to it of the Consideration Shares and the resale of any of the Consideration Shares;
 - (b) the Consideration Shares have not been registered under the U.S. Securities Act of 1933 or the securities laws of any State of the United States and that the Purchaser does not intend to register the Consideration Shares under the Securities Act of 1933, or the securities laws of any State of the United States and has no obligation to do so; and
 - (c) the Vendor is not a U.S. Person and is acquiring the Consideration Shares for its own account and not with a view to its distribution within the meaning of Section 2(11) the U.S. Securities Act. The Vendor is either an “accredited investor” as that term is defined in Rule 501 of Regulation D of the U.S. Securities Act, or is acquiring the Consideration Shares pursuant to section 4(2) of the U.S. Securities Act in a “private” offering and has the ability to bear the economic risk in connection with the consummation of the transactions contemplated by this Agreement, including a complete loss of future revenue related to the Consideration Shares.
- (3) Upon the issuance of the Consideration Shares to the Vendor and until such time as is no longer required under applicable securities laws, the certificates representing the Consideration Shares will bear legends in substantially the following form:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THIS SECURITY BEFORE [THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE DISTRIBUTION DATE]”

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”). THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT IF APPLICABLE, (C) INSIDE THE UNITED STATES (1) PURSUANT TO THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (2) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE LAWS AND REGULATIONS GOVERNING THE OFFER AND SALE OF SECURITIES, AND THE HOLDER, PRIOR TO SUCH SALE PURSUANT TO (C)(1) OR (2), HAS FURNISHED TO THE CORPORATION AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE CORPORATION. PROVIDED THAT IF THE CORPORATION IS A “FOREIGN ISSUER” AS THAT TERM IS DEFINED BY REGULATION S OF THE U.S. SECURITIES ACT AT THE TIME OF SALE, A NEW CERTIFICATE BEARING NO RESTRICTIVE LEGEND, DELIVERY OF WHICH WILL CONSTITUTE “GOOD DELIVERY”, MAY BE OBTAINED FROM THE TRANSFER AGENT, UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN FORM SATISFACTORY TO THE CORPORATION AND ITS TRANSFER AGENT, TO THE EFFECT THAT THE SALE OF THE SECURITIES REPRESENTED HEREBY IS BEING MADE IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT. IN ADDITION, HEDGING TRANSACTIONS INVOLVING THE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE 1933 ACT.

- (4) The Vendor acknowledges that the Exchange may impose an escrow or voluntary pooling requirement on the Consideration Shares held by the Vendor and the Vendor agrees to escrow or pool any shares required by the Exchange.

3. – REPRESENTATIONS AND WARRANTIES

3.1. Representations and Warranties of the Vendor

The Vendor hereby makes the following representations and warranties to the Purchaser and acknowledges that the Purchaser is relying on such representations and warranties in entering into this Agreement and completing the Transaction:

- (1) **Incorporation and Existence of the Vendor** . The Vendor is a corporation incorporated and existing under the laws of the Province of British Columbia.
- (2) **Corporate Power** . The Vendor has the corporate power and authority to own or lease its property and to carry on its business as now being conducted by it.
- (3) **Options** . Except for the Purchaser's right in this Agreement and as disclosed in the Purchaser's public filings with the Securities and Exchange Commission, no person has any option, warrant, right, call, commitment, conversion right, right of exchange or other agreement or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an option, commitment, conversion right, right of exchange or other agreement for the purchase from the Vendor of any of the Purchased Assets.
- (4) **Validity of Agreement** .
- (a) The Vendor has all necessary corporate power to own the Purchased Assets and to enter into and perform its obligations under this Agreement, and the Vendor has all necessary corporate power to enter into and perform its obligations under any other agreements or instruments to be delivered or given by it pursuant to this Agreement.
- (b) The Vendor's execution and delivery of, and performance of its obligations under, this Agreement and the consummation of the Transaction have been duly authorized by all necessary corporate action on the part of the Vendor.
- (c) This Agreement or any other agreements entered into pursuant to this Agreement to which the Vendor is a party constitute legal, valid and binding obligations of the Vendor enforceable against it in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency and other laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.
- (5) **No Violation** . The execution and delivery of this Agreement by the Vendor, the consummation of the Transaction and the fulfilment by the Vendor of the terms, conditions and provisions hereof will not (with or without the giving of notice or lapse of time, or both):

- (a) contravene or violate or result in a material breach or a material default under or give rise to a right of termination, amendment or cancellation or the acceleration of any obligations of the Vendor under:
- (i) any applicable law;
 - (ii) any judgment, order, writ, injunction or decree of any Regulatory Authority having jurisdiction over the Vendor;
 - (iii) its Articles of Incorporation or any resolutions of the board of directors or shareholders of the Vendor;
 - (iv) any Consent held by the Vendor or necessary to the ownership of the Purchased Assets; or
 - (v) the provisions of any Contract to which the Vendor is a party or by which it is, or any of its properties or assets are, bound; or
- (b) result in the creation or imposition of any Encumbrance on any of the Purchased Assets.
- (6) **Regulatory and Contractual Consents** . To the knowledge of the Vendor, there is no requirement to make any filing with, give any notice to or obtain any Consent from any Regulatory Authority as a condition to the lawful consummation of the Transaction. There is no requirement under any Contract to which the Vendor is a party or by which the Vendor is bound to make any filing with, give any notice to, or to obtain the Consent of, any party to such Contract relating to the Transaction.
- (7) **No Material Adverse Change** . Since the Annual Statement Date, no material adverse change has occurred in any of the assets, business, financial condition, earnings, results of operations or prospects of the Business nor has any other event, condition, or state of facts occurred or arisen which might have a material adverse effect on the assets, business, financial condition, earnings, results of operations or prospects of the Business.
- (8) **Compliance with Laws** . The Vendor has complied, in all material respects, with all Laws applicable to the Purchased Assets.
- (9) **Assets**. Schedule A is a complete and accurate list of all Assets, pertaining to the Technology, underlying the Purchased Assets;
- (10) **Licensed Patents**. Schedule B is a complete and accurate list of all Licensed Patents, pertaining to the Technology.
- (11) **Title to Assets and Licensed Patents** . The Vendor has good and marketable title to the Assigned and Licensed Patents. The Assets and Licensed Patents are free and clear of all Encumbrances and restrictions of transfer. There are no actions, suits, claims or proceedings threatened, pending or in progress on the part of any named inventor of the Patents relating in any way to the Assets and Vendor has not received notice of (and Vendor is not aware of any facts or circumstances which could reasonably be expected to give rise to) any other actions, suits, investigations, claims or proceedings threatened, pending or in progress relating in any way to the Patents.

- (12) **Full Disclosure.** No representation or warranty by the Vendor in this Agreement and no statement contained in any certificate or other document furnished or to be furnished to the Purchaser pursuant to this Agreement contains any untrue statement of a material fact, or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances in which they are made, not misleading.
- (13) **Reporting Issuer.** The Vendor is a reporting issuer in good standing in the Reporting Jurisdictions and its common shares are posted and listed for trading on the Exchange. The Purchaser is not in material default under the Securities Laws of the Reporting Jurisdictions. No orders suspending the sale or ceasing the trading of any securities issued by the Purchaser have been issued by any Regulatory Authority, and no proceedings for such purpose are pending or, to the knowledge of the Purchaser, threatened.
- (14) **Consents .** Other than the Exchange Approval and Shareholder Approval, there is no requirement for the Vendor to make any filing with, give any notice to or obtain any Consent from any Regulatory Authority as a condition to the lawful consummation of the Transaction.

3.2. Representations and Warranties of the Purchaser

The Purchaser hereby makes the following representations and warranties to the Vendor and acknowledges that the Vendor is relying on such representations and warranties in entering into this Agreement and completing the Transaction:

- (1) **Incorporation and Existence .** The Purchaser has been duly incorporated and organized and is a valid and subsisting company under the laws of the State of Oregon, and is duly qualified to carry on business in the State of Oregon and in each other jurisdiction, if any, wherein the carrying out of the activities contemplated makes such qualifications necessary.
- (2) **Capitalization.** As at the date of this Agreement, the Purchaser has 32,779,298 common shares and no common share purchase warrants issued and outstanding exempt as disclosed in the Purchaser's public filings with the Securities and Exchange Commission as of the date of this Agreement.
- (3) **Reporting Issuer.** The Purchaser is a reporting issuer in good standing in the United States and its common shares are posted and quoted for trading on the OTCQB. The Purchaser is not in material default under the Securities Laws of the United States. No orders suspending the sale or ceasing the trading of any securities issued by the Purchaser have been issued by any Regulatory Authority, and no proceedings for such purpose are pending or, to the knowledge of the Purchaser, threatened.
- (4) **Validity of Agreement .**
- (a) The Purchaser has all necessary corporate power to own the Purchased Assets. The Purchaser has all necessary corporate power to enter into and perform its obligations under this Agreement and any other agreements or instruments to be delivered or given by it pursuant to this Agreement.

- (b) The execution, delivery and performance by the Purchaser of this Agreement and the consummation of the Transaction have been duly authorized by all necessary corporate action on the part of the Purchaser.
- (c) This Agreement or any other agreements entered into pursuant to this Agreement to which the Purchaser is a party constitute legal, valid and binding obligations of the Purchaser, enforceable against the Purchaser in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency and other laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.
- (5) **No Violation** . The execution and delivery of this Agreement by the Purchaser, the consummation of the Transaction and the fulfilment by the Purchaser of the terms, conditions and provisions hereof will not (with or without the giving of notice or lapse of time, or both):
- (a) contravene or violate or result in a breach or a default under or give rise to a right of termination, amendment or cancellation or the acceleration of any obligations of the Purchaser, under:
- (i) any applicable Law;
 - (ii) any judgment, order, writ, injunction or decree of any Regulatory Authority having jurisdiction over the Purchaser;
 - (iii) the Articles, Notice of Articles or any resolutions of the board of directors or shareholders of the Purchaser;
 - (iv) any Consent held by the Purchaser; or
 - (v) the provisions of any Contract to which the Purchaser is a party or by which it is, or any of its properties or assets are, bound.
- (6) **Brokers** . Except for finders that may receive finder's fees in connection with the Post-Closing Financing in accordance with Exchange policies, the Purchaser has not engaged any broker or other agent in connection with the Transaction and, accordingly, there is no commission, fee or other remuneration payable to any broker or agent who purports or may purport to have acted for the Purchaser.
- (7) **Consideration Shares** . The Consideration Shares to be issued hereunder will, upon issue and delivery, be validly issued as fully-paid and non-assessable shares in the capital of the Purchaser, free of all restrictions on trading other than those required by applicable securities law or by the Exchange as set out in Section 2.5 hereof.
- (8) **Exchange Listing**. The Purchaser shall use its commercially reasonable efforts to maintain the listing on the Exchange of the common shares in the capital of the Purchaser for a period of at least 24 months after the Closing Date.
- (9) **Public Disclosure**. The Purchaser has filed all forms, reports, documents and information required to be filed by it, whether pursuant to applicable securities laws or otherwise, with the Exchange (or one of its predecessors) or the applicable securities regulatory authorities (the "**Disclosure Documents**"). As of the time the Disclosure Documents were filed with the applicable securities regulators and on EDGAR: (i) each of the Disclosure Documents complied in all material respects with the requirements of the applicable securities laws; and (ii) none of the Disclosure Documents contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(10) **Financial Statements.** The financial statements of the Purchaser contained in the Disclosure Documents: (i) complied as to form in all material respects with the published rules and regulations under the applicable securities laws; (ii) were reported in accordance with United States generally accepted accounting principles or International Financial Reporting Standards, as the case may be; and (iii) present fairly the consolidated financial position of the Purchaser and its subsidiaries, if any, as of the respective dates thereof and the consolidated results of operations of the Purchaser for the periods covered thereby.

(11) **Material Change/Material Fact.** There is no “material fact” or “material change” (as those terms are defined in applicable securities legislation) in the affairs of the Corporation that has not been generally disclosed to the public.

3.3. **Survival of Covenants, Representations and Warranties of the Vendor**

To the extent that they have not been fully performed at or prior to the Closing Time, and unless otherwise provided, the covenants, representations and warranties of the Vendor contained in this Agreement and any agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement shall survive the Closing and shall continue for the benefit of the Purchaser for a period of 2 years notwithstanding such Closing, nor any investigation made by or on behalf of the Purchaser or any knowledge of the Purchaser, except that the representations and warranties set out in Section 3.1(1) to and including 3.1(4) and the corresponding representations and warranties set out in the certificates to be delivered pursuant to Section 6.1, shall survive the Closing and continue in full force and effect without limitation of time.

3.4. **Survival of Covenants, Representations and Warranties of the Purchaser**

To the extent that they have not been fully performed at or prior to the Closing Time, and unless otherwise provided, the covenants, representations and warranties of the Purchaser contained in this Agreement and in any agreement, instrument, certificate or other document delivered pursuant to this Agreement shall survive the Closing and shall continue for the benefit of the Vendor for a period of 2 years notwithstanding such Closing, nor any investigation made by or on behalf of the Vendor or any knowledge of the Vendor, except that the representations and warranties set out in Sections 3.2(1) and 3.2(4), and the corresponding representations and warranties set out in the certificates to be delivered pursuant to Section 6.2, shall survive the Closing and shall continue in full force and effect without limitation of time.

4. – COVENANTS

4.1. **Exchange Approval**

The Purchaser shall use its commercially reasonable efforts to obtain the Exchange Approval. If requested by the Purchaser, the Vendor shall assist the Purchaser with obtaining such approval by providing additional information or documentation as may be required by the Exchange.

4.2. **Shareholder Approval and Transaction Document**

If required pursuant to the Exchange Approval, the Vendor shall convene and conduct a special meeting of the Vendor’s shareholders as soon as reasonably practicable for the purpose of considering and approving the Transaction (the “**Special Meeting**”). Whether or not the Vendor is required to hold the Special Meeting, the Vendor shall prepare and complete, in consultation with the Purchaser, the Transaction Document required by the Exchange, and the Vendor shall cause the Transaction Document to be filed and sent to shareholders of the Vendor in accordance with applicable Law in order to obtain the approval of the Vendor’s shareholders at the Special Meeting or by way of consent resolution, as may be permitted by the Exchange. Each of the Vendor and the Purchaser will:

- (a) ensure that all information provided by it or on its behalf that is contained in the Transaction Document does not contain any misrepresentation or any untrue statement of a material fact or omit to state a material fact required to be stated in the Transaction Document and necessary to make any statement that it contains not misleading in light of the circumstances in which it is made; and
- (b) promptly notify the other party if, at any time before Closing, it becomes aware that the Transaction Document contains a misrepresentation, an untrue statement of material fact, omits to state a material fact required to be stated in those documents that is necessary to make any statement it contains not misleading in light of the circumstances in which it is made or that otherwise requires an amendment or a supplement to those documents.

4.3. Maintenance of Corporate Status

Prior to Closing and for a period of a least 24 months after the Closing Date, the Purchaser shall use its commercially reasonable efforts to remain a corporation validly subsisting under the laws of its jurisdiction of existence, licensed, registered or qualified as an extra-provincial or foreign corporation in all jurisdictions where the character of its properties owned or leased or the nature of the activities conducted by it make such licensing, registration or qualification necessary and shall carry on its business in the ordinary course and in compliance in all material respects with all applicable laws, rules and regulations of each such jurisdiction.

5. – CONDITIONS

5.1 Mutual Conditions Precedent

The respective obligations of the parties hereto to consummate the transactions contemplated hereby are subject to the satisfaction, on or prior to the Closing Time, of the following conditions any of which may be waived by the mutual consent of such parties without prejudice to their rights to rely on any other or others of such conditions:

- (a) the Exchange shall have conditionally accepted the Transaction and the Transaction shall have been approved by the shareholders of the Purchaser in accordance with the requirements of the Exchange; and
- (b) the Consideration Shares to be issued upon the completion of the Transaction shall have been accepted for listing by the Exchange, subject only to the Purchaser fulfilling the Exchange's listing requirements.



5.2 Conditions to the Obligations of the Purchaser

Notwithstanding anything herein contained, the obligation of the Purchaser to complete the transactions provided for herein will be subject to the fulfillment of the following conditions at or prior to the Closing Time:

- (a) The representations and warranties of the Vendor contained in this Agreement shall be true and accurate on the date hereof and at the Closing Time with the same force and effect as though such representations and warranties had been made as of the Closing Time (regardless of the date as of which the information in this Agreement or in any Schedule or other document made pursuant hereto is given).
- (b) The Vendor shall have complied with all covenants and agreements herein agreed to be performed or caused to be performed by them at or prior to the Closing Time.
- (c) The Vendor shall have delivered to the Purchaser a certificate in a form satisfactory to the Purchaser confirming that the facts with respect to each of the representations and warranties of the Vendor are as set out herein and remain true at the Closing Time and that the Vendor has performed each of the covenants required to be performed by it hereunder.
- (d) No order, decision or ruling of any court, tribunal or regulatory authority having jurisdiction will have been made, and no action or proceeding will be pending or threatened which, in the opinion of counsel to the Purchaser, is likely to result in an order, decision or ruling:
 - (i) to disallow, enjoin, prohibit or impose any limitations or conditions on the Transaction or the transactions contemplated hereby; or
 - (ii) to impose any limitations or conditions which may have an adverse effect on the Purchased Assets.
- (e) All consents, approvals authorizations of any governmental or regulator authority or person whose consent to the Transaction is required to be obtained in order to carry out the transactions contemplated hereby in compliance with all laws and agreements binding upon the parties hereto will have been obtained.

The conditions contained in this Section 5.2 are inserted for the exclusive benefit of the Purchaser and may be waived in whole or in part by the Purchaser at any time. The Vendor acknowledges that the waiver by the Purchaser of any condition or any part of any condition will constitute a waiver only of such condition or such part of such condition, as the case may be, and will not constitute a waiver of any covenant, agreement, representation or warranty made by the Vendor herein that corresponds or is related to such condition or such part of such condition, as the case may be. If any of the conditions contained in this Section 5.2 are not fulfilled or complied with in all material respects as herein provided, the Purchaser may, at or prior to the Closing Time at its option, rescind this Agreement by notice in writing to the Vendor and in such event the Purchaser will be released from all obligations hereunder and, unless the condition or conditions which have not been fulfilled are reasonably capable of being fulfilled or caused to be fulfilled by the Vendor, then the Vendor will also be released from all obligations hereunder.

5.3 Conditions to the Obligations of the Vendor

Notwithstanding anything herein contained, the obligations of the Vendor to complete the transactions provided for herein will be subject to the fulfillment of the following conditions at or prior to the Closing Time:

- (a) The representations and warranties of the Purchaser contained in this Agreement or in any documents delivered in order to carry out the transactions contemplated hereby will be true and accurate on the date hereof and at the Closing Time with the same force and effect as though such representations and warranties had been made as of the Closing Time (regardless of the date as of which the information in this Agreement or any such Schedule or other document made pursuant hereto is given).
- (b) The Purchaser shall have complied with all covenants and agreements herein agreed to be performed or caused to be performed by it at or prior to the Closing Time.
- (c) The Purchaser shall have delivered to the Vendor a certificate confirming that the facts with respect to each of the representations and warranties of the Purchaser are as set out herein at the Closing Time and that the Purchaser has performed each of the covenants required to be performed by it hereunder.
- (d) There shall have been no material adverse change in the business of the Purchaser.
- (e) No order, decision or ruling of any court, tribunal or regulatory authority having jurisdiction will have been made, and no action or proceeding will be pending or threatened which, in the opinion of counsel to the Vendor, is likely to result in an order, decision or ruling:
 - (i) to disallow, enjoin, prohibit or impose any limitations or conditions on the Transaction or the transactions contemplated hereby; or
 - (ii) to impose any limitations or conditions which may have an adverse effect on the business of the Purchaser.
- (f) All consents, approvals and authorizations of any governmental or regulatory authority or person whose consent to the Transaction is required to be obtained in order to carry out the transactions contemplated hereby in compliance with all laws and agreements binding upon the parties hereto will have been obtained.
- (g) The Purchaser shall issue and deliver to the Vendor the Consideration Shares in compliance with all applicable securities laws.

The conditions contained in this Section 5.3 hereof are inserted for the exclusive benefit of the Vendor and may be waived in whole or in part by the Vendor at any time. The Purchaser acknowledges that the waiver by the Vendor of any condition or any part of any condition will constitute a waiver only of such condition or such part of such condition, as the case may be, and will not constitute a waiver of any covenant, agreement, representation or warranty made by the Vendor herein that corresponds or is related to such condition or such part of such condition, as the case may be. If any of the conditions contained in this Section 5.3 hereof are not fulfilled or complied with as herein provided, the Vendor may, at or prior to the Closing Time at its option, rescind this Agreement by notice in writing to the Purchaser and in such event the Vendor will be released from all obligations hereunder and, unless the condition or conditions which have not been fulfilled are reasonably capable of being fulfilled or caused to be fulfilled by the Purchaser, then the Purchaser will also be released from all obligations hereunder.

6. -CLOSING

6.1. Vendor Deliveries

At the Closing Time, the Vendor shall deliver to the Purchaser the following in form and substance satisfactory to the Purchaser:

- (a) the certificate of the Vendor contemplated in Section 5.2;
- (b) an opinion from the Vendor's IP legal counsel addressed to the Purchaser in form and substance satisfactory to the Purchaser, relating to the Purchased Assets;
- (c) certified copy of the resolution of the directors and the shareholders of the Vendor authorizing the execution and delivery of this Agreement and the performance by the Vendor of the terms of the Agreement;
- (d) all documentation and other evidence reasonably requested by the Purchaser in order to establish the due authorization and consummation of the Transaction, including the taking of all corporate proceedings by the boards of directors and shareholders of the Vendor required to effectively carry out the obligations of the Vendor pursuant to this Agreement; and
- (e) a duly completed and executed patent assignment and any other documentation necessary or reasonably required to transfer the Purchased Assets to the Purchaser with a good and marketable title, free and clear of all Encumbrances whatsoever.

6.2. Purchaser Deliveries

At the Closing Time, the Purchaser shall deliver to the Vendor the following in form and substance satisfactory to the Vendor:

- (a) the certificate of the Purchaser contemplated in Section 5.3;
- (b) certificates representing the Consideration Shares;
- (c) if necessary, a copy of a letter from the Exchange approving the Transaction;
- (d) a certified copy of the resolution of the directors of the Purchaser authorizing the execution and delivery of this Agreement and the performance by the Purchaser of the terms of the Agreement including without limitation the allotment and issuance of the Consideration Shares; and
- (e) all documentation and other evidence reasonably requested by the Vendor in order to establish the due authorization and consummation of the Transaction, including the taking of all corporate proceedings by the boards of directors and shareholders of the Purchaser required to effectively carry out the obligations of the Purchaser pursuant to this Agreement.

6.3. Place of Closing

The Closing shall take place at the Closing Time at the offices of the Purchaser or at such other place as the Purchaser and the Vendor may agree upon in writing.

7. – INDEMNIFICATION

7.1. Purchaser Indemnity

The Purchaser will indemnify, defend, and hold harmless the Vendor from, against, for, and in respect of any and all Losses asserted against, relating to, imposed upon, or incurred by the Vendor by reason of, resulting from, based upon or arising out of (i) any misrepresentation, misstatement or breach of warranty of the Purchaser contained in or made pursuant to this Agreement or any certificate or other instrument delivered pursuant to this Agreement; or (ii) the breach or partial breach by the Purchaser of any covenant or agreement of the Purchaser made in or pursuant to this Agreement or any certificate or other instrument delivered pursuant to this Agreement.

7.2. Vendor Indemnity

The Vendor will indemnify, defend, and hold harmless the Purchaser from, against, for, and in respect of any and all Losses asserted against, relating to, imposed upon, or incurred by the Purchaser by reason of, resulting from, based upon or arising out of (i) any misrepresentation, misstatement or breach of warranty of Vendor contained in or made pursuant to this Agreement or any certificate or other instrument delivered pursuant to this Agreement; or (ii) the breach or partial breach by the Vendor of any covenant or agreement of the Vendor made in or pursuant to this Agreement or any certificate or other instrument delivered pursuant to this Agreement.

8. - ARBITRATION

8.1. Reasonable Commercial Efforts to Settle Disputes

If any controversy, dispute, claim, question or difference (a “ **Dispute** ”) arises with respect to this Agreement or its performance, enforcement, breach, termination or validity, the Parties to the Dispute will use all commercially reasonable efforts to settle the Dispute. To this end, they will consult and negotiate with each other in good faith and understanding of their mutual interests to reach a just and equitable solution satisfactory to all such Parties.

8.2. Arbitration

Except as is expressly provided in this Agreement, if the Parties do not reach a solution pursuant to Section 8.1 within a period of 15 Business Days following the first notice of the Dispute by any Party to the other party(ies) to the Dispute, then upon written notice by any Party to the other party(ies) to the Dispute, the Dispute will be submitted to non-binding arbitration in accordance with the provisions of the *Commercial Arbitration Act* (British Columbia), based upon the following:

- (1) the arbitration tribunal will consist of one arbitrator appointed by mutual agreement of such Parties, or in the event of failure to agree within 10 Business Days following delivery of the written notice to arbitrate, any such Party may apply to a judge of the British Columbia Supreme Court to appoint an arbitrator. The arbitrator will be qualified by education and training to pass upon the particular matter to be decided;



- (2) the arbitrator will be instructed that time is of the essence in the arbitration proceeding and, in any event, the arbitration award must be made within 30 days of the appointment of the arbitrator;
- (3) after written notice is given to refer any Dispute to arbitration, the Parties to the Dispute will meet within 15 Business Days of delivery of the notice to arbitrate and will negotiate in good faith to agree upon the rules and procedures for the arbitration, in an effort to expedite the process and otherwise ensure that the process is appropriate given the nature of the Dispute and the values at risk, failing which, the rules and procedures for the arbitration will be finally determined by the arbitrator;
- (4) the arbitration will take place in Vancouver, British Columbia;
- (5) except as otherwise provided in this Agreement or otherwise decided by the arbitrator, the fees and other costs associated with the arbitrator will be shared equally by the Parties to the Dispute and each Party to the Dispute will be responsible for its own costs;
- (6) the arbitration award will be given in writing, will provide reasons for the decision, and will be final and binding on the Parties, not subject to any appeal, and will deal with the question of costs of arbitration and all related matters;
- (7) judgment upon any award may be entered in any court having jurisdiction or application may be made to the Court for a judicial recognition of the award or an order of enforcement, as the case may be;
- (8) all Disputes referred to arbitration (including without limitation the scope of the agreement to arbitrate, any statute of limitations, conflict of laws rules, tort claims and interest claims) will be governed by the substantive law of British Columbia and the federal laws of Canada applicable therein; and
- (9) the Parties to the Dispute agree that the arbitration will be kept confidential and that the existence of the proceeding and any element of it (including any pleadings, briefs or other documents submitted or exchanged, any testimony or other oral submissions and any awards) will not be disclosed beyond the arbitrator, the Parties to the Dispute, their counsel and any person necessary to the conduct of the proceeding, except as may lawfully be required in judicial proceedings relating to the arbitration or otherwise.

9. – GENERAL

9.1. Confidentiality

The Purchaser covenants and agrees that, except as otherwise authorized by the Vendor and until the Closing, neither the Purchaser nor its representatives, agents or employees will disclose to third parties, directly or indirectly, any confidential information or confidential data relating to the Vendor or the Business discovered or received by the Purchaser or its representatives, agents or employees as a result of the Vendor making available to the Purchaser and its representatives, agents or employees the information requested by them in connection with the Transaction.

9.2. Collection of Personal Information

The Vendor acknowledges and consents to the fact that the Purchaser may be required to collect its personal information which may be disclosed by the Purchaser to:

- (a) the Exchange or securities regulatory authorities;
- (b) the Purchaser's registrar and transfer agent;
- (c) Canadian tax authorities; and
- (d) authorities pursuant to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada).

By executing this Agreement, the Vendor is deemed to be consenting to the foregoing collection, use and disclosure of such personal information and to the retention of such personal information for as long as permitted or required by law or business practice. The Vendor hereby consents to the foregoing collection, use and disclosure of such personal information for such purposes only. The Vendor also consents to the filing of copies or originals of any of the documents described herein as may be required to be filed with the Exchange or any securities regulatory authority in connection with the transactions contemplated hereby. An officer of the Purchaser is available to answer questions about the collection of personal information by the Purchaser.

9.3. Notices

(1) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in person, transmitted by facsimile or similar means of recorded electronic communication or sent by registered mail, charges prepaid, addressed as follows:

(a) if to the Vendor:

Reg Technologies Inc.
Suite 500 – 666 Burrard Street
Vancouver, British Columbia V6C 3P6
Attention: Paul Chute
Email: pwci@regtech.com

(b) if to the Purchaser:

REGI U.S.
7520 N Market St. #10
Spokane, WA, 99217
Attention: Paul Chute
Email: pchute@radmaxtech.com

Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted (or, if such day is not a Business Day, on the next following Business Day) or, if mailed, on the third Business Day following the date of mailing; provided, however, that if at the time of mailing or within three Business Days thereafter there is or occurs a labour dispute or other event that might reasonably be expected to disrupt the delivery of documents by mail, any notice or other communication hereunder shall be delivered or transmitted by means of recorded electronic communication as described.

(2) Any Party may at any time change its address for service from time to time by giving notice to the other Parties in accordance with this Section 9.3.

9.4. Public Announcements and Disclosure

The Parties shall consult with each other before issuing any press release or making any other public announcement with respect to this Agreement or the Transaction and, except as required by any applicable Law or stock exchange having jurisdiction, no Party shall issue any such press release or make any such public announcement without the prior written consent of the others, which consent shall not be unreasonably withheld or delayed. Prior to any such press release or public announcement, none of the Parties shall disclose this Agreement or any aspect of the Transaction except to its board of directors, its senior management, its legal, accounting, financial or other professional advisors, any financial institution contacted by it with respect to any financing required in connection with the Transaction and counsel to such institution, or as may be required by any applicable Law or stock exchange having jurisdiction.

9.5. Assignment

The rights of the Purchaser hereunder are not assignable without the written consent of the Vendor. The rights of the Vendor hereunder are not assignable without the written consent of the Purchaser.

9.6. Commercially Reasonable Efforts

The Parties acknowledge and agree that, for all purposes of this Agreement, an obligation on the part of any Party to use its “commercially reasonable efforts” to obtain any waiver, Consent or other document shall not require such Party to make any payment to any person for the purpose of procuring the same, other than payments for amounts due and payable to such person, payments for incidental expenses incurred by such person and payments required by any applicable law or regulation.

9.7. Expenses

Unless otherwise provided, each of the Vendor and the Purchaser shall be responsible for the expenses (including fees and expenses of legal advisers, accountants and other professional advisers) incurred by them, respectively, in connection with the negotiation and settlement of this Agreement and the completion of the Transaction. In the event of termination of this Agreement, the obligation of each Party to pay its own expenses will be subject to any rights of such Party arising from a breach of this Agreement by another Party.

9.8. Further Assurances

Each of the Parties shall promptly do, make, execute, deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other Parties may reasonably require from time to time after Closing at the expense of the requesting Party for the purpose of giving effect to this Agreement and shall use reasonable efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement.

9.9. Entire Agreement

This Agreement, including all Schedules, constitutes the entire agreement between the Parties with respect to the subject matter and supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral including without limitation, the Letter of Intent. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter except provided in this Agreement. No reliance is placed by any Party on any warranty, representation, opinion, advice or assertion of fact made by any Party or its directors, officers, employees or agents, to any other Party or its directors, officers, employees or agents, except to the extent that it has been reduced to writing and included in this Agreement.

9.10. Waiver, Amendment

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless executed in writing by the Party to be bound. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

9.11. Rights Cumulative

The rights and remedies of the Parties are cumulative and not alternative.

9.12. Counterparts

This Agreement may be executed in any number of counterparts, and/or by facsimile or e-mail transmission of Adobe Acrobat files, each of which shall constitute an original and all of which, taken together, shall constitute one and the same instrument. Any Party executing this Agreement by fax or Adobe Acrobat file shall, immediately following a request by any other Party, provide an originally executed counterpart of this Agreement provided, however, that any failure to so provide shall not constitute a breach of this Agreement.

IN WITNESS WHEREOF this Agreement has been executed by the Parties.

REGI U.S.

Per: /s/ Paul Chute, President
Paul Chute, President

REG TECHNOLOGIES INC.

Per: /s/ Paul Chute, President
Paul Chute, President



SCHEDULE A

THE ASSETS

Canadian Patent No. 2,496,157 for VANE-TYPE ROTARY APPARATUS WITH SPLIT VANES

Canadian Patent No. 2,672,332 for A ROTARY DEVICE

2,744,700 common shares of REGI U.S., Inc.

1,530,000 common shares of Rand Energy Group Inc.; Rand Energy Group Inc. owns 588,567 common shares of REGI U.S., Inc.

3,287,737 common shares of Minewest Silver & Gold, Inc.

A handwritten signature in black ink, appearing to be 'D. ...', is located in the upper right corner of the page.

**Certification of Chief Executive Officer pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Paul Chute, certify that:

1. I have reviewed this annual report on Form 10-K for the fiscal year ended April 30, 2017 of REGI U.S., INC. (the “company”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the company’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the company’s internal control over financial reporting that occurred during the company’s most recent fiscal quarter (the company’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the company’s internal control over financial reporting; and
5. The company’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company’s auditors and the audit committee of the company’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company’s internal control over financial reporting.

Date: October 31, 2017

/s/ “Paul Chute”

Paul Chute, Chief Executive Officer

**Certification of Chief Financial Officer pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Victoria Huang, certify that:

1. I have reviewed this annual report on Form 10-K for the fiscal year ended April 30, 2017 of REGI U.S., INC. (the “company”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the company’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the company’s internal control over financial reporting that occurred during the company’s most recent fiscal quarter (the company’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the company’s internal control over financial reporting; and
5. The company’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company’s auditors and the audit committee of the company’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company’s internal control over financial reporting.

Date: October 31, 2017

/s/ “Victoria Huang”

Victoria Huang, Chief Financial Officer

**Certification of Chief Executive Officer pursuant to
Title 18, United States Code, Section 1350, as adopted pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

I, Paul Chute, Chief Executive Officer of REGI U.S., Inc., certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the best of my knowledge:

1. The Annual Report on Form 10-K of REGI U.S., Inc., for the year ended April 30, 2017 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of REGI U.S., Inc.

Richmond, BC, Canada

by: /s/ "Paul Chute"

Paul Chute
Chief Executive Officer

**Certification of Chief Financial Officer pursuant to
Title 18, United States Code, Section 1350, as adopted pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

I, Victoria Huang, Chief Financial Officer of REGI U.S., Inc., certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the best of my knowledge:

1. The Annual Report on Form 10-K of REGI U.S., Inc., for the year ended April 30, 2017 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of REGI U.S., Inc.

Richmond, BC, Canada

by: /s/ "Victoria Huang"

Victoria Huang
Chief Financial Officer
