

## Dividend Distribution Approvals

March 28, 2017

Final approvals have been received from both the Toronto Venture Exchange, TSX.V and the Financial Industry Regulatory Authority (FINRA) to complete the distribution of Regi U.S., Inc. common shares to Reg Technologies, Inc., shareholders of Record Date November 18<sup>th</sup>, 2016.

The distribution process will commence April 4 and should be completed within a week.

Shares Distribution Process:

**All Beneficial Shareholders** (i.e. those who already have their REG shares in a Banking or Brokerage account) will be notified by their Broker about how their shares will be deposited. Please contact your Broker directly for clarification of their process. **DO NOT CONTACT NATCO, only your Broker.**

**All Registered Shareholders** (i.e. those that hold Share Certificates previously managed by Computershare) will receive, via Mail, a Direct Registration Statement listing shares held by NATCO in Book Entry Form. Individuals may call NATCO directly at (775) 322-0626 or e-mail [info@natco.org](mailto:info@natco.org) to:

- Request transfer of their shares to another location
- Request traditional Paper Certificates, mailed to verified address
- Remain in an individual Registered Shareholders account (Book Entry Form) at NATC for later handling. These account holders will receive Direct Registration Statements ref. their account holdings.
- There are some individuals who have moved with no forwarding address, or trusts that are not managed, where all available contact information is outdated. State Escheatment Laws require turning over shares to the state of last known residence if we are unable to locate the shareholders that have been deemed lost. If you have not received the recent Shareholders newsletter or proxy voting material, there is a good chance your address is unknown. Please contact NATCO to verify your address immediately.

**Restricted Shares:** Management decided to issue these Regi U.S., Inc. shares with a Restrictive Legend, pursuant to requirements of the Securities Exchange Commission, (SEC) Rule 506 under “Regulation D” of the Securities Act of 1933. After the requirements of “Regulation D” are met, Regi will pay for the restrictive legend to be removed. Once removed, all new Regi shares will be free trading.

**Watch this web site for date when the “Restrictive Legend” will be removed from these shares and then become free trading.**

**Taxable Event:**

**We are not tax advisors; any information offered here is for discussion with your tax advisor.**

The receipt of Regi U.S. shares as a “Dividend in Kind” may be a taxable event. There are two aspects to this event: a) receipt of shares of Regi U.S. as a “dividend in kind”, and b) a (capital) loss in Reg Technologies, which will have no value after distribution of its assets and no longer trading.

**However, this empty Shell may be of some value to another company wanting a registered company in Canada.** We currently do not have an offer but will keep the original Reg Technologies shareholders informed if one materializes. Make sure your tax advisor is aware of this situation. The Company, **Reg Technologies, Inc. has been delisted from the TSX.V.**

This “dividend in kind” may be considered a “Return on Capital.” This would mean that one’s cost basis may be lowered by the value received.

Receipt of this Dividend in Kind does not eliminate one’s Reg Technologies shares. Reg Technologies was not merged with Regi U.S., nor was it a consolidation or was the Dividend the result of Reg Technologies liquidation. One’s Reg Technologies shares still exist, although they are valueless. These shares cannot be sold, but they can be abandoned or written off as worthless, creating possible capital loss that can be recognized this calendar year. However, remember that your “cost basis” may be lowered by the value of the Regi U.S. shares received.

Please consult your Tax Advisor for definitive rules and tax application.

Further updates and continual progress on our RadMax technology is available on our web site, [radmaxtech.com](http://radmaxtech.com).

Wishing you all a Happy Spring.

Paul W. Chute  
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