

EARLY WARNING REPORT
NATIONAL INSTRUMENT 62-103

(a) The name and registered address of the Offeror:

China Zhongling Hangke New Energy Group Limited
H652, Rm B, 14/F, Wah Hen Commercial Centre
383 Hennessy Road, Wanchai, Hong Kong

(b) designation and number or principal amount of securities and the Offeror's security holding percentage in the class of securities of which the Offeror acquired ownership or control in the transaction or occurrence giving rise to the obligation to file the news release and whether it was ownership or control that was acquired in those circumstances.

On May 1, 2014, the Offeror acquired from Reg Technologies Inc. (the "Issuer") ownership of 7,700,000 common shares and 7,700,000 warrants, with each warrant entitling the holder to purchase one additional common share of the Issuer at a price of \$0.15 until May 1, 2017.

(c) The designation and number or principal amount of securities and the Offeror's securityholder percentage in the class of securities immediately after the transaction or occurrence giving rise to the obligation to file the news release.

Upon completion of the purchase, the Offeror owned a total of 9,900,000 common shares representing 19.98% of the Issuer's outstanding common shares. The Offeror also owned 9,900,000 warrants. If all of the warrants are exercised, the Offeror would hold a total of 19,800,000 common shares, representing 30.47% of the issued and outstanding common shares of the Issuer on a fully diluted basis.

(d) The designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities referred to in above paragraph over which:

(i) The Offeror, either alone or together with joint actors, has ownership and control,

See (c) above.

(ii) The Offeror, either alone or together with joint actors, has ownership but control is held by other persons or companies other than the Offeror or any joint actor,

Not applicable.

- (iii) **The Offeror, either alone or together with joint actors, has exclusive or shared control but does not have ownership.**

Not applicable.

- (e) **The name of the market in which the transaction or occurrence that gave rise to the news release took place.**

The purchase was effected by a subscription from treasury of the Issuer on a private placement basis.

- (f) **The purpose of the Offeror and any joint actors in effecting the transaction or occurrence that gave rise to the news release, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer.**

The Offeror acquired the common shares and warrants for investment purposes. Subject to compliance with applicable securities laws, the Offeror will evaluate its ownership position in the Issuer from time to time and depending upon the Issuer's business and prospectus, the financial circumstances and needs of the Offeror and future developments (including but not limited to availability of funds, alternative use of funds and general economic conditions), the Offeror may from time to time purchase common shares, warrants or other classes of securities of the Issuer, dispose of all or a portion of the common shares, warrants or other classes of securities of the Issuer it holds, or cease buying or selling common shares, warrants and/or other classes of securities of the Issuer. Any additional purchases of common shares, warrants or other classes of securities of the Issuer may be made in privately negotiated transactions, or otherwise.

- (g) **The general nature and the material terms of any agreement other than lending arrangements, with respect to securities of the reporting issuer entered into by the Offeror, or any joint actor, and the issuer of the securities or any other entity in connection with the transaction or occurrence giving rise to the news release, including agreements with respect to the acquisition, holding, disposition or voting of any securities.**

Not applicable.

- (h) **The names of any joint actors in connection with the disclosure required by Appendix E to National Instrument 62-103.**

Not applicable.

- (i) **When applicable, a description of any change in any material facts set out in a previous report under National Instrument 62-103.**

Not applicable.

DATED as of the 2nd day of May, 2014.

**CHINA ZHONGLING HANGKE NEW ENERGY
GROUP LIMITED**

Per: Signed "*Zhang Shaojun*"
Zhang Shaojun, Director