



## **REGULUS AND PACHAMAMA ANNOUNCE SIGNING OF ARRANGEMENT AGREEMENT**

**February 23, 2012, (Waterdown, Ontario) – Regulus Resources Inc. ("Regulus", REG TSX.V) and Pachamama Resources Ltd. ("Pachamama", PMA TSX.V) are pleased to announce, further to the press release dated February 8, 2012, the signing of an arrangement agreement dated February 22, 2012 (the "Arrangement Agreement") that provides for a merger of the two companies (the "Merger"). Regulus and Pachamama each own a 50% interest in the Rio Grande copper-gold porphyry project in Salta Province, Argentina.**

### **Merger Terms**

The Arrangement Agreement provides that the Merger will be based on the relative valuations of Regulus and Pachamama as agreed to by management of the two companies. Most of the value of each company is derived from its respective 50% interest in the Rio Grande project. The parties have confirmed an exchange ratio of 0.815 shares of Regulus for each share of Pachamama.

### **Pachamama Board Approval and Fairness Opinion**

The approval of Pachamama shareholders will be required as a condition to completing the Merger. Shareholders will be asked to approve the Merger at a meeting (the "**Meeting**") to be held on or about April 30, 2012. Based on a number of factors, including receipt of a verbal fairness opinion from Raymond James Ltd. that the Merger is fair, from a financial point of view, to Pachamama shareholders, the Board of Directors determined that the Merger was in the best interests of Pachamama and recommends that Pachamama shareholders vote in favour of approving the Merger at the Meeting.

Subject to all required shareholder, court, TSX Venture Exchange and regulatory approvals, closing of the Merger is expected to occur shortly after the Meeting, but no later than May 31, 2012.

### **Lock-Ups**

Each of the directors and officers of Pachamama have entered into lock-up agreements to irrevocably support the Merger, which represent 15% of the issued and outstanding shares of Pachamama.

### **About Regulus Resources Inc.**

Regulus Resources Inc. (REG TSX.V) is a mineral exploration company formed in December, 2010 in connection with the sale of Antares to First Quantum Minerals Ltd. (FM TSX). Regulus is currently exploring the Rio Grande copper-gold porphyry project in Salta Province of NW Argentina on a 50/50 joint-venture basis with Pachamama.

### **About Pachamama Resources Ltd.**

Pachamama is a mineral exploration company which was formed in October 2008 as a spin-out from Mansfield Minerals Inc (MDR TSX:V). The principle asset of the company is its 50% interest in the Rio Grande copper-gold porphyry project in Salta Province Argentina. The company has the same management team as Mansfield Minerals Inc.

**For Further Information, please contact:**

**Regulus Resources Inc.**

Wayne Hewgill, P.Ge, President / CEO / Director  
Phone: +1 778 438-2481  
Mobile +1 604 961-0033

John Black, Director  
Phone: +1 720 514-9036  
Mobile: +1-303 618-7797

**Pachamama Resources Ltd.**

John Leask, President  
Phone : 604 681-4462

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

*All of Regulus' exploration programs and pertinent disclosure of a technical or scientific nature are prepared by, or under the direct supervision of, Wayne Hewgill, P.Ge, and Regulus' President, who serves as Regulus' qualified person (QP) under the definitions of National Instrument 43-101.*

*All of Pachamama's exploration programs and pertinent disclosure of a technical or scientific nature are prepared by, or under the direct supervision of, John M. Leask, P.Eng., President and CEO of Pachamama, who serves as Pachamama's qualified person (QP) under the definitions of National Instrument 43-101.*

*Regulus' security, chain of custody and quality control is described on their website and can be reviewed at: <http://www.regulusresources.com/BestPractices/SamplingMethodologies.aspx>*

**Forward-Looking Information**

*Certain statements regarding Regulus and Pachamama, including management's assessment of future plans and operations, may constitute forward-looking statements under applicable securities laws and necessarily involve known and unknown risks and uncertainties, most of which are beyond Regulus' and Pachamama's control. Often, but not always, forward-looking statements or information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.*

*Specifically, and without limitation, all statements included in this press release that address activities, events or developments that either Regulus or Pachamama expect or anticipate will or may occur in the future, including the proposed merger as described herein, and management's assessment of future plans and operations and statements with respect to the completion of the anticipated drilling program, may constitute forward-looking statements under applicable securities laws and necessarily involve known and unknown risks and uncertainties, most of which are beyond Regulus' and Pachamama's control. These risks may cause actual financial and operating results, performance, levels of activity and achievements to differ materially from those expressed in, or implied by, such forward-looking statements. Although Regulus and Pachamama believe that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct*

*Regulus and Pachamama do not undertake any obligation to publicly update or revise any forward-looking statements other than required by applicable securities law.*