Aldebaran Resources Inc.

(the "Company")

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED DECEMBER 31, 2018

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim condensed consolidated financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim condensed consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these interim condensed consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Aldebaran Resources Inc.
Interim Condensed Consolidated Statements of Financial Position
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	December 31, 2018	June 30, 2018
Assets		
Current		
Cash	$ 11,875,470	$ 1
Receivables	74,309	-
Prepaid expenses	63,473	-
	12,013,252	1
Property and equipment	694	-
Exploration and evaluation assets (Note 5)	53,724,367	-
Total Assets	$ 65,738,313	$ 1
Liabilities and Shareholder's Equity		
Current		
Accounts payable and accrued liabilities	$ 14,419	$ -
Due to related party (Note 8)	3,609	-
Decomissioning liability (Note 6)	425,949	-
	443,977	-
Shareholder's Equity		
Share capital (Note 7)	65,769,385	1
Deficit	(475,049)	-
	65,294,336	1
Total Liabilities and Shareholder's Equity	$ 65,738,313	$ 1

Nature and continuance of operations (Note 1)

Approved by the Board of Directors:

"John Black" Director

"Mark Wayne" Director

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

Aldebaran Resources Inc.
Interim Condensed Consolidated Statements of Operations and Comprehensive Income (Loss)
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Three months ended December 31, 2018	Six months ended December 31, 2018
EXPENSES		
Accounting and audit	$ 17,128	$ 109,228
Amortization	198	198
Bank charges and interest	2,494	2,494
Consulting	759,461	759,461
Insurance	3,288	3,288
Investor relations	-	394
Legal	(483,680)	15,920
Office	18,537	18,537
Shareholder reporting	-	16,982
Transfer agent and filing fees	90,540	115,540
	(407,966)	(1,042,042)
OTHER ITEMS		
Gain on foreign exchange	566,993	566,993
Net income (loss) and comprehensive income (loss) for the period	$ 159,027	$ (475,049)
Basic and diluted income (loss) per common share	$ 0.00	$ (0.02)
Weighted average number of common shares outstanding	56,539,230	28,269,615

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

Aldebaran Resources Inc.
Interim Condensed Consolidated Statements of Equity
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Deficit	Total
Balance, June 7, 2018 (Inception)	-	$ -	$ -	$ -
Incorporation	1	1	-	1
Balance, June 30, 2018	1	1	-	1
Incorporation share cancelled	(1)	(1)	-	(1)
Shares issued for cash	31,250,000	39,177,000	-	39,177,000
Share issuance costs		(1,626,268)	-	(1,626,268)
Shares issued pursuant to spin-out of assets	30,331,534	18,198,920	-	18,198,920
Shares issued for exploration and evaluation assets	15,449,555	9,269,733	-	9,269,733
Shares issued for consulting fees	604,870	750,000	-	750,000
Loss for the period		-	(475,049)	(475,049)
Balance, December 31, 2018	77,635,959	$ 65,769,385	$ (475,049)	$ 65,294,336

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

Aldebaran Resources Inc.
Interim Condensed Statements of Cash Flows
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)
For the six months ended December 31, 2018

		2018
Cash Flows from Operating Activities		
Net loss for the period	$	(475,049)
Items not affecting cash:		
Amortization		198
Consulting fees		750,000
Foreign exchange		2,478
Changes in non-cash working capital items:		
Accounts receivable		(66,805)
Prepaid expenses		(62,388)
Accounts payable and accrued liabilities		3,409
Due to related party		3,609
Net cash provided by operating activities		155,452
Cash Flows from Financing Activities		
Proceeds from issuance of shares		39,177,000
Share issuance costs		(1,626,268)
Cash transferred from Regulus pursuant to spin-out of assets		192,867
Net cash provided by financing activities		37,743,599
Cash Flows from Investing Activities		
Exploration and evaluation assets and decommissioning liability		(26,023,582)
Net cash used in investing activities		(26,023,582)
Change in cash for the period		11,875,469
Cash, beginning of period		1
Cash, end of period	$	11,875,470

Supplemental disclosures with respect to cash flows

During the period ended December 31, 2018, the Company:

- Issued 30,331,534 shares at a fair value of $18,198,920 pursuant to the spin-out of assets.
- Issued 15,449,555 shares at a fair value of $9,269,733 for exploration and evaluation assets.
- Issued 604,870 shares at a fair value of $750,000 for consulting fees.

Expressed in Canadian Dollars

1. NATURE AND CONTINUANCE OF OPERATIONS

Aldebaran Resources Inc. ("Aldebaran" or the "Company") was incorporated on June 7, 2018 under the laws of Canada Business Corporations Act as part of a plan of arrangement (the "Arrangement") to reorganize Regulus Resources Inc. ("Regulus"). The Company's business activity is the acquisition and exploration of exploration and evaluation properties (Note 4). The Company's head office is located at Suite 2300 – 1177 West Hastings Street, Vancouver, BC V6E 2K3, Canada.

As at December 31, 2018 the Company had working capital of $11,569,275. Management recently completed a financing in the Company to provide it with sufficient capital for the next 12 months or longer. The Company has no source of operating cash flows and as such the Company's ability to continue as a going concern is contingent on its ability to monetize assets or obtain additional financing. There can be no assurance that the Company will be able to obtain adequate financing or that the terms of such financing will be favourable.

On November 2, 2018, the Company closed the spin-out of its Argentinian subsidiaries from Regulus Resources Inc. (Note 2).

These unaudited interim condensed consolidated financial statements were authorized by the audit committee and by the board of directors of the Company on February 28, 2019.

2. PLAN OF ARRANGEMENT

During the period ended December 31, 2018, Aldebaran completed the spin-out from Regulus by way of a statutory plan of arrangement under the *Business Corporations Act* (Alberta) (the "Plan of Arrangement") wherein Regulus transferred its Argentine subsidiaries to Aldebaran in exchange for 30,331,534 common shares ("Aldebaran Shares") of Aldebaran, which have been distributed to Regulus shareholders on the basis of one Aldebaran Share for each three Regulus common shares.

The fair value of the Argentine subsidiaries contributed pursuant to the Plan of Arrangement consisted of the following:

	Regulus Argentina S.A.	Minera El Toro S.A.	Total
Assets:			
Cash	$ 174,821	$ 18,046	$ 192,867
Accounts receivable and prepaid expenses	2,525	6,064	8,589
Equipment	740	139	879
Exploration and evaluation assets	482,448	430,607	913,055
Total assets	660,534	454,856	1,115,390
Liabilities:			
Accounts payable and accrued liabilities	11,010	-	11,010
Decomissioning liability	171,530	251,927	423,457
Total liabilities	182,540	251,927	434,467
Fair value of Argentine subsidiaries contributed	**$ 477,994**	**$ 202,929**	**$ 680,923**

The Plan of Arrangement resulted in an increase of share capital amounting to $18,198,920 ($680,923 fair value of Argentine subsidiaries and $17,517,997 net contribution from spin-out assets). The net contribution from the spin-out assets distributed was based on a share price of Aldebaran of $0.60 per share multiplied by the total number of shares issued, 30,331,534, less the fair value of the Argentina subsidiaries. The $0.60 price was based on the trading price of the shares in the first few weeks after the Company listed for trading on the TSX Venture Exchange.

The Company incurred $1,626,268 of transactions costs related to the Plan of Arrangment which was classified as share issuance costs.

3. BASIS OF PREPARATION

Statement of compliance to International Financial Reporting Standards

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting.

These condensed interim consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The unaudited condensed interim consolidated financial statements are presented in Canadian dollars unless otherwise noted.

The preparation of these unaudited interim condensed financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the interim condensed financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments which have the most significant effect on the amounts recognized in the interim condensed financial statements:

Functional currencies

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of the Company and its subsidiaries was determined by conducting an analysis of the consideration factors identified in IAS 21, the Effects of Changes in Foreign Exchange Rates. The functional currency of each entity is disclosed below under "Foreign Exchange".

Impairment of exploration and evaluation assets

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgment and a number of estimates and interpretations. Determining whether to test for impairment of exploration and evaluation assets requires management's judgment, and consideration of whether the period for which the Company has the right to explore in the specific area has expired or will expire in the near future, and is not expected to be renewed; substantive expenditure on further exploration and evaluation of mineral resources in a specific area is neither budgeted nor planned; exploration for and evaluation of mineral resources in a specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area; or sufficient data exists to indicate that, although a development in a specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Hyperinflation in Argentina

IAS 29 does not establish an absolute rate at which hyperinflation is deemed to arise, however it does provide characteristics of an economic environment of a country which indicate hyperinflation. Management applied judgement in determining that there were sufficient characteristics in Argentina to consider its economy hyperinflationary during the period presented.

Estimates

Significant estimates, made by management, about the future and other sources of estimation uncertainty at the end of the reporting period that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made relate to, but are not limited to, the following:

3. BASIS OF PREPARATION (cont'd…)

Carrying value and recoverability of exploration and evaluation assets

The carrying amount of Company's exploration and evaluation assets does not necessarily represent present or future values and the Company's exploration and evaluation assets have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development and upon future profitable production or disposition of the mineral properties. Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could affect management's assessment of the overall viability of its properties or to the likelihood of generating future cash flows necessary to recover the carrying value of the Company's exploration and evaluation assets.

To the extent that any of management's assumptions change there could be a significant effect on the Company's future financial position, operating results and cash flows.

Income taxes

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development or commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets and deferred income tax provisions or recoveries could be affected.

Decommissioning costs

Upon retirement of the Company's exploration and evaluation assets, decommissioning costs will be incurred by the Company. Estimates of these costs are subject to uncertainty associated with the method, timing and extent of future decommissioning activities. The liability, the related asset and the corresponding expense are affected by estimates with respect to the costs and timing of decommissioning.

Basis of consolidation

These unaudited interim condensed consolidated financial statements include the financial statements of the Company and the entities controlled by the Company (Note 8). Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the unaudited interim condensed consolidated financial statements from the date that control commences until the date that control ceases. All intercompany transactions and balances have been eliminated.

Foreign exchange

The functional currency is the currency of the primary economic environment in which the entity operates and is determined for each entity within the Company. The functional currency for the entities within the Company are: the Canadian dollar (the Company) and the Argentine peso ("A-Peso") (Regulus Argentina S.A. and Minera El Toro S.A).

The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates.*

Transactions in currencies other than the entities' functional currency are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities of an entity that are denominated in foreign currencies are translated at the rate of exchange at the consolidated statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the consolidated statements of operations and comprehensive loss.

4. SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives or assets acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statements of financial position at fair value with changes in fair value recognized in the statement of operations and comprehensive loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the statement of operations and comprehensive loss.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment the amount of the loss is removed from equity and recognized in the statement of operations and comprehensive loss.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statements of financial position at fair value with changes in fair value recognized in the statement of operations and comprehensive loss.

Other financial liabilities - This category includes amounts due to related parties and accounts payables and accrued liabilities which are recognized at amortized cost.

The Company has classified its cash as fair value through profit and loss. The Company’s receivables are classified as loans and receivables. The Company’s long-term investments are classified as available-for-sale. The Company’s accounts payable and accrued liabilities and due to related parties are classified as other financial liabilities.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Exploration and evaluation assets

Costs related to pre-exploration are expensed as incurred while costs related to the acquisition, exploration and development of exploration and evaluation assets are capitalized by property until the commencement of commercial production. Each of the Company's exploration and evaluation assets is considered to be a cash generating unit. If commercially profitable ore reserves are developed, capitalized costs of the related property are reclassified as mining assets and amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition, exploration and development costs are not recoverable over the estimated economic life of the property, the property is abandoned or management deems there to be an impairment in value the property is written down to its net realizable value.

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the exploration and evaluation assets. If payments received exceed the capitalized cost of the exploration and evaluation assets, the excess is recognized as income in the year received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development and future profitable production or proceeds from the disposition thereof.

Cash

Cash is comprised of cash on deposit.

Impairment

At the end of each reporting period the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but not to an amount that would exceed the original carrying amount in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Loss per share

Basic loss per share is calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities which affect neither accounting nor taxable loss as well as differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the consolidated statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Comprehensive income (loss)

Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in net profit such as unrealized gains or losses on available-for-sale investments, and foreign currency gains or losses related to translation of the financial statements of foreign operations. The Company's comprehensive income (loss) and components of other comprehensive income are presented in the statements of comprehensive income (loss) and the statements of changes in equity.

New Accounting Standards Issued But Not Yet Effective

IFRS 16 – Leases

IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The IASB issued IFRS 16, Leases, in January 2016, which replaces the current guidance in IAS 17. Under IAS 17, lessees were required to make a distinction between a finance lease and an operating lease. IFRS 16 requires lessees to recognize a lease liability reflecting future lease payments and a "right-of-use asset" for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted, but only in conjunction with IFRS 15. The Company has not yet completed the process of assessing the impact of IFRS 16 will have on its condensed interim financial statements, or whether to early adopt this new requirement.

New Accounting Standards Adopted During The Period

IFRS 9 – Financial Instruments ("IFRS 9")

In July 2014, the IASB issued the final version of IFRS 9 which replaces IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on an entity's business model and the contractual cash flow of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument. IFRS 9 amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in other comprehensive income, and guidance on financial liabilities and derecognition of financial instruments. The Company adopted IFRS 9 on July 1, 2018 retrospectively and no differences of any significance have been noted in relation to the adoption of the standard.

Expressed in Canadian Dollars

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

IFRS 15 – Revenue from Contracts with Customers ("IFRS 15")

In May 2014, IASB issued IFRS 15 to replace IAS 18 – Revenue, which establishes a new single five-step control-based revenue recognition model for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The amended standard was adopted on July 1, 2018 and did not have an impact on the condensed interim financial statements.

5. EXPLORATION AND EVALUATION ASSETS

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mining properties. The Company has investigated title to its exploration and evaluation assets and, to the best of its knowledge, title to its property is in good standing.

The exploration and evaluation assets in which the Company has an interest are located in Argentina and the Company is therefore relying on title opinions by legal counsel who are basing such opinions on the laws of Argentina.

	December 31, 2018	Inception and June 30, 2018
Altar project, Argentina	$ 35,079,246	$ -
Rio Grande, Argentina	12,968,687	-
Other Argentina properties	5,676,434	-
	$ 53,724,367	$ -

	Altar Project, Argentina	Rio Grande, Argentina	Other Properties, Argentina	Total
Acquisition costs:				
Balance, Inception and June 30, 2018	$ -	$ -	$ -	$ -
Additions	28,858,233	1,653	229,914	29,089,800
Balance, December 31, 2018	28,858,233	1,653	229,914	29,089,800
Deferred exploration costs:				
Balance, Inception and June 30, 2018	-	-	-	-
Additions:				
Contribution from spinout assets	-	12,775,269	5,423,651	18,198,920
Consulting	64,039	28,636	22,869	115,544
Drilling and related costs	4,424,223	-	-	4,424,223
Exploration advances	1,732,751	163,129	-	1,895,880
Balance, December 31, 2018	6,221,013	12,967,034	5,446,520	24,634,567
Total exploration and evaluation assets	$ 35,079,246	$ 12,968,687	$ 5,676,434	$ 53,724,367

Expressed in Canadian Dollars

5. EXPLORATION AND EVALUATION ASSETS (cont'd…)

During the period ended December 31, 2018, the Company completed the spin-out from Regulus by way of a statutory plan of arrangement under the *Business Corporations Act* (Alberta) (the "Arrangement") and entered into a joint venture and option agreement (the "JV Agreement") with Stillwater Canada LLC, an indirect subsidiary of Sibanye Gold Limited, trading as Sibanye-Stillwater ("Sibanye-Stillwater"), to acquire up to an 80% interest in the Altar Copper-Gold project in San Juan Province, Argentina ("Altar" or the "Altar Project"). The Altar Project is a copper-gold porphyry deposit located in San Juan Province, Argentina. The Altar Project consists of eight mining concessions, two exploration permits and nine mining rights of way (servidumbres). It also includes an option on five adjacent Rio Cenicero concessions.

The consideration to acquire an initial 60% interest comprises:

- an upfront cash payment of US$15 million to Stillwater Canada LLC, which was paid upon closing of the Arrangement (paid);
- the issuance of 19.9% of the Aldebaran Shares to Stillwater Canada LLC upon closing of the Arranegment (issued);
- Aldebaran's commitment to fund the next US$30 million of expenditures on the Altar Project over five (5) years, inclusive of 2018 drilling that was conducted between February and May of 2018, with a minimum of US$3 million each year.

Aldebaran has the right to earn an additional 20% interest in the Altar Project by spending an additional US$25 million over a three-year period following Aldebaran's acquisition of the initial 60% interest.

During the period ended December 31, 2018, the Company advanced $1,732,751 of exploration and evaluation costs related to the project.

6. DECOMISSIONING LIABILITY

Although the ultimate amount of the decommissioning liability is uncertain, the best estimate of these obligations is based on information currently available. Significant closure activities include land rehabilitation, demolition of buildings and other costs. The following table presents the aggregate carrying amount of the obligation associated with the retirement of the mineral property interests.

	December 31, 2018	Inception and June 30, 2018
Asset retirement obligation – from spin-out (Note 2)	$ 423,457	$ -
Foreign exchange movement	2,492	-
Asset retirement obligation – end of year/period	$ 425,949	$ -

The total amount of estimated undiscounted cash flows required to settled the Company's estimated obligation is $425,949 as at December 31, 2018, which has been discounted using a credit adjusted rate of 10% and an inflation rate of 2%. The present value of the decommissioning liabilities may be subject to change based on management's estimates, changes in remediation technology or changes to applicable laws and regulations. The decommissioning liability relates to the Company's Argentinean properties. The decommissioning liability is expected to be settled at various dates which are currently expected to extend up to 2022.

7. SHARE CAPITAL

Authorized: unlimited common shares without par value. All issued shares are fully paid.

During the six months ended December 31, 2018, the Company:

a) Issued 30,331,534 common shares at a fair value of $18,198,920 as per the Plan of Arrangement whereby Regulus transferred its Argentine subsidiaries to Aldebaran (Note 2).

Expressed in Canadian Dollars

7. SHARE CAPITAL (cont'd…)

b) Closed a financing of 31,250,000 common shares at $1.25 per share for proceeds of $39,177,000.

c) Issued 15,449,555 common shares at a fair value of $9,269,733 as per the JV Agreement whereby Sibanye-Stillwater granted the Company an option to acquire up to an 80% interest in the Altar Project (Note 5).

d) Issued 604,870 common shares at a fair value of $750,000 for consulting fees.

The Company has a stock option plan in place under which it is authorized to grant options to directors, officers, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the option price of any common share in respect of which an option may be granted under the stock option plan shall be fixed by the Board of Directors but shall be not less than the minimum price permitted by the Exchange. There were no stock options outstanding at December 31, 2018.

8. RELATED PARTY TRANSACTIONS

The interim condensed consolidated financial statements include the financial statements of the Company and its subsidiaries listed in the following table:

Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest	Principal Activity
Regulus Argentina S.A.	Argentina	100%	Mineral exploration
Minera El Toro S.A.	Argentina	100%	Mineral exploration

The Company owes $3,609 of expenses to Regulus Resources Inc., a company with common directors and management which spun-out during the period ended December 31, 2018.

9. FINANCIAL AND CAPITAL RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's receivables, accounts payable and accrued liabilities, and due to related parties approximate carrying value, which is the amount recorded on the consolidated statements of financial position. The Company's other financial instruments, cash, and long-term investments, under the fair value hierarchy, are based on level one quoted prices in active markets for identical assets or liabilities.

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Company's cash is held at large Canadian financial institutions in interest-bearing accounts. The Company has no investment in asset backed commercial paper.

The Company's receivables consist mainly of tax credits due from the governments of Canada. As such, the Company does not believe it is subject to significant credit risk.

9. FINANCIAL AND CAPITAL RISK MANAGEMENT (cont'd…)

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2018, the Company had a cash balance of $11,875,470 to settle current liabilities of $443,977. Management believes that it has sufficient funds to meet its current liabilities as they become due.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

The Company has cash balances. The interest earned on the cash balances approximates fair value rates, and the Company is not at a significant risk to fluctuating interest rates.

b) Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash, receivables and accounts payable that are denominated in US$ and A-Peso. A 10% fluctuation in the US$ and A-Peso does not have a significant affect on accumulated other comprehensive loss for the period.

c) Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and development of its exploration and evaluation assets, acquire additional mineral property interests and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes components of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents and investments.

The Company currently is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management.

Aldebaran Resources Inc.

(the "Company")

Management's Discussion and Analysis

For the six months ended December 31, 2018

General

The following Management Discussion and Analysis ("MD&A") of Aldebaran Resources Inc. (the "Company" or "Aldebaran") has been prepared by management, in accordance with the requirements of National Instrument 51-102 ("NI 51-102") as of February 28, 2019 and should be read in conjunction with the unaudited interim condensed consolidated financial statements for the six months ended December 31, 2018 and the related notes contained therein which have been prepared under International Financial Reporting Standards ("IFRS"). The following should be read in conjunction with the audited annual financial statements for the year ended June 30, 2018 and all other disclosure documents of the Company. The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company. The Company is presently a "Venture Issuer" as defined in NI 51-102. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com and the Company's website at www.aldebaranresources.com.

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting currency of the Company, unless specifically noted.

Management of Aldebaran is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company's Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The board's audit committee meets with management quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

Description of Business and Overview

Aldebaran was incorporated on June 7, 2018 by Regulus Resources Inc. ("Regulus") under the laws of *Business Corporations Act* (Alberta) to participate in an arrangement with Regulus whereby Regulus agreed to spin out its Argentine mining properties to Aldebaran. The Company's business activity is the acquisition and exploration of exploration and evaluation properties. The Company's head office is located at Suite 2300 – 1177 West Hastings Street, Vancouver, BC V6E 2K3, Canada. The Company issued one common share to Regulus upon incorporation. The common shares have no par value and the number of authorized common shares is unlimited.

Significant Events

As at the date of this report, the Company:

a) Completed the spin-out from Regulus by way of a statutory plan of arrangement under the *Business Corporations Act* (Alberta) (the "Arrangement") wherein Regulus transferred its Argentine subsidiaries to Aldebaran in exchange for 30,331,534 common shares ("Aldebaran Shares") of Aldebaran, which have been distributed to Regulus shareholders on the basis of one Aldebaran Share for each three Regulus common shares.

b) Entered into a joint venture and option agreement (the "JV Agreement") with Stillwater Canada LLC, an indirect subsidiary of Sibanye Gold Limited, trading as Sibanye-Stillwater ("Sibanye-Stillwater"), to acquire up to an 80% interest in Peregrine Metals Ltd. ("Peregrine"), a wholly-owned subsidiary of Sibanye-Stillwater, that owns the Altar Copper-Gold project in San Juan Province, Argentina ("Altar" or the "Altar Project").

c) Completed a financing ("Financing") with certain investment funds managed by Route One Investment Company L.P. (such funds, collectively, "Route One"), whereby Route One subscribed in the aggregate for 31,250,000 Aldebaran Shares at a price of US$0.96 per share for total proceeds of US$30 million.

d) Issued an aggregate of 15,449,555 Aldebaran Shares to Sibanye-Stillwater, representing 19.9% of the issued and outstanding Aldebaran Shares, and made an upfront cash payment of US$15 million to Sibanye-Stillwater, all in accordance with the JV Agreement.

Exploration and Evaluation Assets Review

This review has been prepared by John Black, CEO and Director of the Company.. The scientific and technical data contained in the section has been reviewed and approved by Dr. Kevin B. Heather, BSc (Hons), MSc, PhD, FAusIMM, Chief Geological Officer of the Company, who serves as a qualified person (QP) under the definitions of National Instrument 43-101.

Following completion of the Arrangement, Aldebaran beneficially owns all of Regulus' interests in Argentina mining properties including the Rio Grande copper-gold-silver project (the "Rio Grande Project") and certain other earlier stage mineral exploration projects. Aldebaran has also entered into the JV Agreement to earn up to an 80% interest in the Altar Project.

Altar Project

As part of the Arrangement, Aldebaran entered into the JV Agreement, which provides Aldebaran the right to earn up to an 80% interest in the Altar Project.

The consideration to acquire an initial 60% interest comprises:

- an upfront cash payment of US$15 million to Stillwater Canada LLC, which was paid upon closing of the Arrangement (paid);
- the issuance of 19.9% of the Aldebaran Shares to Stillwater Canada LLC, which were issued upon closing of the Arrangement (issued);
- Aldebaran's commitment to fund the next US$30 million of expenditures on the Altar Project over five (5) years, inclusive of 2018 drilling that was conducted between February and May of 2018, with a minimum of US$3 million each year.

Aldebaran has the right to earn an additional 20% interest in the Altar Project by spending an additional US$25 million over a three-year period following Aldebaran's acquisition of the initial 60% interest.

The Altar Project is located in San Juan Province, Argentina approximately 10 km from the Chile-Argentina border and approximately 180 km west of the city of San Juan.. Altar hosts a large porphyry copper-gold system with mineralization currently defined in three distinct zones – Altar East, Altar Central and the recently discovered QDM-Radio Porphyry zone, about 3 km to the west of Altar Central. Mineralization at all of these porphyry deposits is associated with Miocene intrusive centers emplaced into Miocene volcanic rocks and is dominantly copper or copper-molybdenum. Altar is noteworthy for having relatively higher gold grades associated with the copper mineralization compared to the aforementioned nearby porphyry systems.

The Altar Project was first explored and drilled by CRA/Rio Tinto (7 holes – 2,841 m) in 1995-2004. Peregrine Metals, a Canadian exploration company, subsequently optioned the property from Rio Tinto in 2005. Peregrine expanded the property and completed 56,761 m of drilling in 146 drill holes from 2005-2011 to define an initial mineral resource estimate at Altar Central and Altar East. In October 2011, Stillwater Canada LLC acquired Peregrine Metals for approximately US$490 million and in the subsequent period of 2012-2013 completed an additional 38,380 m of drilling in 80 holes to further define estimated mineral resources at Altar Central and Altar East. In 2016, Stillwater spent an additional US$4MM on 4,893m of drilling in 8 holes which led to the discovery of the QDM-Radio Cu-Au porphyry system. In 2017 Sibanye Gold purchased Stillwater to form Sibanye-Stillwater. During 2016 an additional US$1.7MM was spent on 5,630m of drilling (7 holes) focusing on the QDM-Radio porphyry area. In 2018, Sibanye-Stillwater completed an additional 4,923m of deeper drilling (3 drill holes + 1 extension) in a cost sharing agreement with Regulus Resources on behalf of Aldebaran Resources.

The Altar Project is the subject of a technical report dated effective August 16, 2018 as amended September 28, 2018, titled "Estimated Mineral Resources, Altar Project, San Juan Province, Argentina" (the "Altar Project Technical Report"), and prepared by John M. Marek of Independent Mining Consultants, Inc. of Tuscon, AZ and Stanford T. Foy, CPG and Qualified Person for Sibanye-Stillwater. The Altar Project Technical Report, which contains detailed disclosure on the Altar Project, has been filed on SEDAR under the Aldebaran SEDAR profile at www.sedar.com. The report includes drilling up to and including the drilling completed in 2017, however does not include the 2018 drilling.

The cutoff grades are presented in terms of Net Smelter Return (NSR) which reflects the combined benefit of producing copper, gold, and silver. The qualified person for the estimation of the mineral resource was John Marek of Independent Mining Consultants, Inc. Substantial metal price or production cost changes could materially change the estimated mineral resources in either a positive or a negative direction. Detailed testing and design of the process facility and concentrate handling facilities could have a positive or negative material impact on the resources at Altar.

Altar Mineral Resources[1]
December 31, 2013 - Updated to July 1, 2018

		Mineral Resources at 4.67 NSR Cutoff							Contained Metal		
Classification	Cutoff Grade NSR $/t	Ore Ktonnes	NSR $/t	Total Cu %	Sulfide Cu %	Gold Gm/t	Silver Gm/t	Arsenic %	Sulfide Cu Million Lbs	Gold Ozs x 1000	Silver Ozs x 1000
Measured	$4.67	995,001	$15.90	0.358	0.340	0.083	0.96	0.028	7,458	2,655	30,710
Indicated	$4.67	1,048,899	$14.09	0.312	0.305	0.065	0.90	0.023	7,053	2,192	30,351
Measured + Indicated	$4.67	2,043,900	$14.97	0.334	0.322	0.074	0.93	0.025	14,511	4,847	61,061
Inferred	$4.67	555,951	$12.88	0.283	0.279	0.060	0.87	0.022	3,420	1,072	15,551

Total Material of ore and waste in the Altar Cone: 8,041,551 ktonnes

Quebrada de La Mina, Mineral Resources[1]

		Mineral Resources at 13.17 NSR Cutoff				Contained Metal	
Classification	Cutoff Grade NSR $/t	Ore Ktonnes	NSR $/t	Gold Gm/t	Silver Gm/t	Gold Ozs x 1000	Silver Ozs x 1000
Measured	$13.17	10,911	$27.94	0.930	3.49	326	1,224
Indicated	$13.17	2,623	$21.24	0.720	5.94	61	501
Measured + Indicated	$13.17	13,534	$26.64	0.889	3.96	387	1,725
Inferred	$13.17	603	$23.80	0.730	7.87	14	153

Total Material of ore and waste in the QDM Cone: 39,776 ktonnes

Total Altar and Quebrada de La Mina, Mineral Resources[1]

		Mineral Resources							Contained Metal		
Classification	Cutoff Grade NSR $/t	Ore Ktonnes	NSR $/t	Total Cu %	Sulfide Cu %	Gold Gm/t	Silver Gm/t	Arsenic %	Sulfide Cu Million Lbs	Gold Ozs x 1000	Silver Ozs x 1000
Measured	4.67 at	1,005,912	$16.03	0.354	0.336	0.092	0.99	0.028	7,458	2,981	31,935
Indicated	Altar	1,051,522	$14.11	0.311	0.304	0.067	0.91	0.023	7,053	2,253	30,852
Measured + Indicated	13.17 at QDM	2,057,434	$15.05	0.332	0.320	0.079	0.95	0.025	14,511	5,234	62,786
Inferred		556,554	$12.89	0.283	0.279	0.061	0.88	0.022	3,420	1,087	15,703

Notes:
1. The resource statement is included within a floating cone defined with the following metal prices: $2.75/lb Copper, $1,179/oz Gold, $22.79/oz Silver
2. Copper and Arsenic grades are in percent of dry weight.
3. Gold and Silver grades are in grams per metric tonne.
4. Sulfide copper reflects the estimated grade of copper that could be processed by sulfide flotation.
5. There are no mineral reserves at Altar or QDM at this time.
6. Gold and Silver contained are in Thousands of Troy Ounces.
7. Weighted average grade calculations may not balance due to rounding.

Rio Grande Project

The Rio Grande Project is owned 100% by Aldebaran and is located in the Altiplano of northwest Argentina at elevations between 3,700 m and 4,700 m above sea level. The property is located approximately 260 km west of the city of Salta and 40 km east of the Chilean border.

Exploration work has been carried out on the property since the discovery of the deposit in 1999. Regulus and its predecessor companies have worked on the property since 2004. To date, 129 holes totaling approximately 74,201 m have been drilled on the Property. An initial Mineral Resource estimate was prepared in 2012.

The mineral resource was updated in a report entitled "Technical Report on the Rio Grande Project, Salta State, Argentina" with an effective date of August 17, 2018, prepared by Sean D. Horan, P.Geo of Roscoe Postle Associates Inc. ("RPA") of Toronto, Ontario (the "Rio Grande Technical Report"). The entire Rio Grande Report may be obtained through the SEDAR website at www.sedar.com on the Aldebaran SEDAR profile.

RPA updated the Rio Grande mineral resource estimate based on the information available to August 17, 2018. Mineral Resources are based on a potential open pit scenario with a combination heap leaching and flotation envisaged for the processing of oxide, transition, and sulphide material types.

The Mineral Resource estimate prepared by RPA for the Rio Grande Project as of August 17, 2018 is summarized in the table below. Canadian Institute of Mining, Metallurgy and Petroleum for Mineral Resources and Mineral Reserves dated May 10, 2014 (CIM (2104) definitions) were followed for Mineral Resources.

Rio Grande Project
Summary of Mineral Resources – August 17, 2018

Class/Oxidation	Tonnes (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Cu (Mlb)	Au (koz)	Ag (Moz)
Indicated							
Oxide	46.4	0.27	0.33	2.5	274.2	492	3.8
Transition	24.6	0.36	0.41	4.4	194.3	323	3.5
Indicated Total	**71.0**	**0.30**	**0.36**	**3.2**	**468.6**	**815**	**7.3**
Inferred							
Oxide	32.4	0.21	0.27	2.6	153.3	281	2.7
Transition	8.6	0.29	0.34	3.5	55.1	93	1.0
Inferred Total	**41.0**	**0.23**	**0.28**	**2.8**	**208.4**	**375**	**3.6**

Notes:
1. CIM (2014) definitions were followed for Mineral Resources.
2. Mineral Resources are estimated at a NSR cut-off grade of US$8.00/t for Oxide, US$12.00/t for Transition and US$7.50/t for Sulphide. No sulphide material was captured in resource shell.
3. Mineral Resources are estimated using a long-term gold price of US$1,400 per ounce and copper price of US$3.50 per pound.
4. Bulk density is 2.41 t/m^3 oxide, 2.50 t/m^3 oxide, and 2.62 t/m^3 sulphide.
5. Numbers may not add due to rounding.
6. Mineral Resources are reported within a preliminary open pit resource shell.

RPA is not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant factors that could materially affect the Mineral Resource estimate.

Other Properties

In addition to the Rio Grande Project, Aldeberan acquired five other Argentine projects and mineral rights covering approximately 28,000 hectares from Regulus in connection with the Arrangement. No material resources have been dedicated to these early stage properties since they were acquired by Regulus. These early stage properties are summarized below:

Property	Location	Ownership	Hectares
Aguas Calientes	Jujuy Province, Argentina	100%	2,700
Catua	Jujuy Province, Argentina	100%	900
El Camino	Salta Province, Argentina	100%	4,100
La Frontera	Catamarca Province, Argentina	100%	1,200
Oscara	Salta Province, Argentina	100%	19,004
Total			27,904

Summary of Quarterly Results

	December 31, 2018	September 30, 2018	June 30, 2018	As at date of incorporation June 7, 2018
Total Revenues	$Nil	$Nil	$Nil	$Nil
Net Income (Loss)	$159,027	$(634,076)	$Nil	$Nil
Total Assets	$65,738,313	$44,664	$1	$1
Long Term Liabilities	$Nil	$Nil	$Nil	$Nil
Dividends	$Nil	$Nil	$Nil	$Nil

During the three months ended December 31, 2018, the Company capitalized $53,688,204 of exploration and evaluation costs and incurred $759,461 of consulting fees.

During the three months ended September 30, 2018, the Company capitalized $36,163 of exploration and evaluation costs and incurred $499,600 of legal fees. During the period ended December 31, 2018, the Company reallocated the $499,600 legal fees to share issuance costs in relation to the Plan of Arrangement.

Results of Operations

Results of Operations for the Six Months Ended December 31, 2018

During the six months ended December 31, 2018, loss from operating activities was $475,049. The Company was incorporated on June 7, 2018 therefore there is no comparable information for the same period of the prior year. The significant costs incurred during the six months ended December 31, 2018 include $109,228 of accounting and audit fees, $759,461 of consulting fees and $115,540 of transfer agent and filing fees most of which are in relation to the spin-out with Regulus. The Company also recorded a gain on foreign exchange of $566,993 in the period.

Results of Operations for the Three Months Ended December 31, 2018

During the three months ended December 31, 2018, income from operating activities was $159,027. The Company was incorporated on June 7, 2018 therefore there is no comparable information for the same period of the prior year. The significant costs incurred during the three months ended December 31, 2018 include $759,461 of consulting fees and $90,540 of transfer agent and filing fees most of which are in relation to the spin-out with Regulus. The Company also recorded a gain on foreign exchange of $566,993 in the period and reallocated $581,548 of legal fees to share issuance costs in relation to the Plan of Arrangement.

Liquidity and Capital Resources

Cash at December 31, 2018 totaled $11,875,470. Working capital at December 31, 2018 was $11,569,275 compared to working capital of $1 as at June 30, 2018. Exploration and evaluation of assets at December 31, 2018 totaled $53,724,367 compared to $Nil as at June 30, 2018.

During the six months ended December 31, 2018, the Company completed a financing with certain investment funds managed by Route One Investment Company L.P. whereby Route One subscribed in the aggregate for 31,250,000 Aldebaran Shares at a price of US$0.96 per share for total proceeds of US$30 million.

As at the date of this report the Company has sufficient working capital to continue operations for at least the next 12 months.

The ability of the Company to recover the costs it has incurred to date on its exploration and evaluation assets is dependent upon the Company being able to finance its exploration and development expenditures and to resolve any environmental, regulatory or other constraints which may hinder the successful exploitation or disposal of its exploration and evaluation assets. To date, the Company has not earned revenues and is considered to be in the exploration stage.

Share Capital

The Company's authorized capital consists of an unlimited number of common shares without par value.

During the six months ended December 31, 2018, Regulus transferred its Argentine subsidiaries to Aldebaran in exchange for 30,331,534 common shares of Aldebaran, which have been distributed to Regulus shareholders on the basis of one Aldebaran common share for each three Regulus common shares held as of the close of business on September 28, 2018.

In addition, Aldebaran completed the previously described financing with certain investment funds managed by Route One Investment Company L.P. whereby Route One subscribed in the aggregate for 31,250,000 Aldebaran shares at a price of US$0.96 per share for total proceeds of US$30 million.

Aldebaran has also issued an aggregate of 15,449,555 Aldebaran common shares to Sibanye-Stillwater, representing 19.9% of the issued and outstanding Aldebaran shares, and made an upfront cash payment of US$15 million to Sibanye-Stillwater, all in accordance with the JV Agreement.

There are currently 77,635,959 Aldebaran shares issued and outstanding. A summary of the prior share issuances is presented below.

	Number of Aldebaran Shares	Percentage of Aldebaran Shares
Aldebaran Shares issued to Regulus shareholders pursuant to Arrangement	30,331,534	39.1%
Aldebaran Shares issued pursuant to the Financing	31,250,000	40.3%
Aldebaran Shares issued to Stillwater Canada LLC	15,449,555	19.9%
Aldebaran Shares issued for a financial advisory fee	604,870	0.8%
Total	77,635,959	100%

Related Party Transactions

As at December 31, 2018, the Company owed Regulus, a company related by common directors and officers, $3,609 for expense reimbursements (June 30, 2018 - $Nil).

Amounts due to related parties have no specific terms of repayment, are unsecured, and have no interest rate.

Key Management Personnel:

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Risks and Uncertainties

The Company is engaged in the acquisition and exploration and evaluation of mineral property assets. These activities involve significant risks which careful evaluation, experience and knowledge may not, in some cases eliminate the risk involved. The commercial viability of any material deposit depends on many factors not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure. Government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a mineral deposit.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Annual losses are expected to continue until the Company has an interest in an exploration and evaluation asset that produces revenues. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon the continued support of its shareholders, obtaining additional financing and generating revenues sufficient to cover its operating costs. The Company's accompanying condensed consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying condensed consolidated financial statements.

Any forward-looking information in this MD&A is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the Company and other factors.

Disclosure For Venture Issuers Without Significant Revenue

An analysis of the material components of the Company's general and administrative expenses and exploration and evaluation assets of the Company is disclosed in the interim condensed consolidated financial statements for the period ended December 31, 2018 to which this MD&A relates.

Investor Relations

In January 2019, the Company executed an agreement with Ms. Laura Brangwin to provide investor relations services to the Company (the "IR Agreement"). Ms. Brangwin is paid USD$2,500 per month and her agreement provides for the grant of 50,000 stock options of the Company under the terms and conditions of the Company's Stock Option Plan. Ms. Brangwin does not own any shares of Aldebaran.

Financial and Capital Risk Management

Please refer to the December 31, 2018 interim condensed consolidated financial statements on www.sedar.com.

Recent Accounting Policies

Please refer to the December 31, 2018 interim condensed consolidated financial statements on www.sedar.com.

Financial Instruments

Please refer to the December 31, 2018 interim condensed consolidated financial statements on www.sedar.com.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

There are no proposed transactions that have not been disclosed herein.

Internal Controls Over Financial Reporting

Changes in Internal Control over Financial Reporting ("ICFR")

In connection with National Instrument 52-109, Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109") adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issue Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI52-109.

Management's Responsibility for Financial Statements

Information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future value for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements. Management maintains a system of internal controls to provide reasonable assurances that the Company's assets are safeguarded and to facilitate the preparation of relevant and timely information.

Other MD&A Requirements

Additional information relating to the Company's operations and activities can be found by accessing the Company's news releases and filings on SEDAR at www.sedar.com.

Forward Looking Statements

Information set forth in this MD&A may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about the timing and completion of the Arrangement are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration; fluctuations in commodity prices; title matters; environmental liability claims and insurance; reliance on key personnel and the potential for conflicts of interest among certain officers or directors with certain other projects. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company's documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies the Company is bound. Investors are cautioned against attributing undue certainty to forward-looking statements.

The users of this information, including but not limited to investors and prospective investors, should read it in conjunction with all other disclosure documents provided including but not limited to all documents filed on SEDAR (www.SEDAR.com).