



**Notice of Annual General Meeting and Management Information Circular**  
For the Annual General Meeting of Shareholders to be held on December 6, 2023

Dated as of November 6, 2023

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1710-1050 West Pender Street  
Vancouver, BC, V6E 3S7

## NOTICE OF ANNUAL GENERAL MEETING

**Take notice** that the annual general meeting (the “**Meeting**”) of the shareholders of TAG Oil Ltd. (the “**Company**”) will be held at the offices of the **Company**, located at 1710-1050 W. Pender Street, Vancouver, BC, on December 6, 2023, at 10:00 a.m. (PST), for the following purposes:

1. To receive the consolidated financial statements of the **Company** for its fiscal year ended March 31, 2023, and the report of the auditors thereon.
2. To elect directors to hold office until the next shareholders’ meeting of the **Company**.
3. To appoint Deloitte LLP as the auditor of the **Company** to hold office until the next shareholders’ meeting of the **Company** and to authorize the directors to fix the remuneration to be paid to the auditor.
4. To consider and, if deemed fit, approve an ordinary resolution to amend and confirm the **Company**’s stock option plan, as required annually by the policies of the TSX Venture Exchange.
5. To consider any permitted amendment to or variation of any matter identified in this notice of the **Meeting** and to transact such other business as may properly come before the **Meeting** or any adjournment thereof.

A Management Information Circular (“**Information Circular**”) accompanies and is deemed to form part of this notice of the **Meeting**. The **Information Circular** contains details of matters to be considered at the **Meeting**. Additional information is also available free of charge on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

A shareholder who is unable to attend the **Meeting** and who wishes to ensure that such shareholder’s shares will be voted at the **Meeting** is requested to complete, date and sign the enclosed form of proxy (the “**Proxy**”), or another suitable form of proxy, and deliver it in accordance with the instructions set out in the **Proxy** and in the **Information Circular**.

If you have any questions about the procedures required to qualify to vote at the **Meeting** or about obtaining and depositing the required **Proxy**, you should contact the **Company**’s transfer agent, Computershare Investor Services Inc., by fax within North America at 1-866-249-7775, outside North America at 416-263-9524, by telephone (toll free) at 1-866-732-8683 or by e-mail at [service@computershare.com](mailto:service@computershare.com).

**Dated** at Vancouver, British Columbia, November 6, 2023.

### BY ORDER OF THE BOARD OF DIRECTORS

*“Toby Pierce”*

**Toby Pierce**  
**Chief Executive Officer**



1710-1050 West Pender Street  
Vancouver, BC, V6E 3S7

## MANAGEMENT INFORMATION CIRCULAR

as at November 6, 2023

**This Management Information Circular (“Information Circular”) is furnished in connection with the solicitation of proxies by the management of TAG Oil Ltd. (“TAG” or the “Company”) for use at the annual general meeting of its shareholders (the “Meeting”) to be held on December 6, 2023, at the time and place and for the purposes set forth in the accompanying notice of the Meeting. Except where otherwise indicated, the information contained herein is stated as at November 6, 2023.**

In this Information Circular, references to “TAG Oil Ltd.,” “TAG”, “the Company”, “we” and “our” refer to TAG Oil Ltd. “Common Shares” means common shares in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name, “Registered Shareholders” means shareholders whose names appear on the records of the Company as the registered holders of Common Shares and “intermediaries” refers to brokers, investment firms, clearing houses, trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans and similar entities that own securities on behalf of Beneficial Shareholders.

### GENERAL PROXY INFORMATION

#### ***Solicitation of Proxies***

The form of proxy accompanying this Information Circular (the “**Proxy**”) is solicited by and on behalf of the management of the Company. The solicitation of Proxies will be primarily by mail, but Proxies may be solicited personally, by telephone or other means of communication and by directors, officers, and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to Beneficial Shareholders, and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

#### ***Appointment of Proxyholders***

The individuals named in the accompanying Proxy are officers of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.** The only methods by which you may appoint a person as proxy are submitting the Proxy, or other suitable form of proxy, by mail, hand delivery, fax, phone or by way of the Internet, as set out on the accompanying Proxy.

#### ***Voting by Proxyholder; Exercise of Discretion***

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly.

The Proxy confers discretionary authority on persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;

- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.**

### ***Registered Shareholders***

If you are a Registered Shareholder, you may wish to vote by Proxy whether or not you are able to attend the Meeting in person. If you submit a Proxy, you must complete, date and sign the Proxy and then return it to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), by fax within North America at 1-866-249-7775, outside North America at 416-263-9524, by phone at 1-866-732-8683, by way of the Internet at [www.investorvote.com](http://www.investorvote.com), or by mail or by hand at 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, no later than 10:00 a.m. (PST) on December 4, 2023.

### ***Beneficial Shareholders***

The following information is of importance to many shareholders of the Company who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only Proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In the U.S., the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

### ***If you are a Beneficial Shareholder:***

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

The form of proxy or voting instruction form supplied to you by your broker will be similar to the Proxy provided to Registered Shareholders of the Company. However, its purpose is limited to instructing the intermediaries on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**") in the U.S. and in Canada. Broadridge mails a voting instruction form in lieu of a Proxy provided by the Company. The voting instruction form will name the same persons as the Company's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the voting instruction form. The completed voting instruction form must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the Internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a voting instruction form from Broadridge, you cannot use it to vote Common Shares directly at the Meeting. The voting instruction form must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the Common Shares voted.**

Although, as a Beneficial Shareholder, you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Common Shares as proxyholder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on your voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, you can request in writing that your broker send you a legal proxy, which would enable you, or a person designated by you, to attend at the Meeting and vote your Common Shares.

There are two (2) kinds of Beneficial Shareholders: those who object to their name being made known to the issuers of securities which they own (called OBOs for Objecting Beneficial Owners); and those who do not object to the issuers of the securities they own knowing who they are (called NOBOs for Non-Objecting Beneficial Owners).

The Company has decided to continue to take advantage of those provisions of National Instrument 54-101, *Communication with Beneficial Owners of Securities of Reporting Issuers* (“**NI 54-101**”) that permit it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a scannable voting instruction form (the “**VIF**”) from Computershare. These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone voting and internet voting as fully described on the VIF. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the Common Shares represented by the VIFs they receive. The Company intends to pay for intermediaries to deliver the proxy related materials and related forms with respect to the Meeting to OBOs. The Company is not sending the Meeting materials to shareholders using “notice-and-access”, as defined in NI 54-101.

**NOBOs should carefully follow the instructions of Computershare, including those regarding when and where to complete the VIFs that are to be returned to Computershare.** Should a NOBO wish to vote at the Meeting in person, the NOBO must insert the name of the NOBO in the space provided and attend the Meeting and vote in person.

**NOBOs who wish to change their vote must contact Computershare to arrange to change their vote in sufficient time in advance of the Meeting.**

These shareholder materials are being sent to both Registered Shareholders and Beneficial Shareholders. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding Common Shares on your behalf.

By choosing to send these shareholder materials to you directly, the Company (and not the intermediary holding Common Shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions as specified in the request for voting instructions.

Beneficial Shareholders with questions respecting the voting of Common Shares held through a stockbroker or other financial intermediary should contact that stockbroker or other intermediary for assistance.

### ***Revocation of Proxies***

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has given a Proxy, or other suitable form of proxy, may revoke it by:

- (a) executing a Proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized attorney in writing, or, if the Registered Shareholder is a company, under its corporate seal by an officer or attorney duly authorized, and by delivering the Proxy bearing a later date or the notice of revocation to Computershare or at the head office of the Company at 1710-1050 West Pender Street, Vancouver, BC, V6E 3S7, or
- (b) at the address of the Company's Attorney for Service in British Columbia at Suite 2600, Three Bentall Centre, 595 Burrard Street, Vancouver, BC, V7X 1L3, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (c) personally attending the Meeting and voting the Registered Shareholder's Common Shares.

A revocation of a Proxy will not affect a matter on which a vote is taken before the revocation.

### **CURRENCY**

All currency amounts in this Information Circular are expressed in Canadian dollars, unless otherwise indicated.

### **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

Other than as set out herein, no director or executive officer of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors.

### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The board of directors of the Company (the "**Board**") has fixed October 27, 2023, as the record date (the "**Record Date**") for the determination of persons entitled to receive notice of, and vote at, the Meeting and any adjournment thereof. Only Registered Shareholders at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a Proxy, or other suitable form of proxy, in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company is authorized to issue an unlimited number of Common Shares without par value. As at November 6, 2023, there were 184,231,793 Common Shares without par value issued and outstanding, each carrying the right to one vote. The Company has no other classes of voting securities.

As at the date of this Information Circular, to the knowledge of the directors and executive officers of the Company, no one shareholder beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying 10% or more of the voting rights attached to all of the outstanding Common Shares of the Company.

### **QUORUM; VOTES NECESSARY TO PASS RESOLUTIONS**

The Company's Articles provide that a quorum for the transaction of business at any shareholders' meeting is two (2) shareholders or proxyholders present, representing an aggregate of at least 5% of the issued Common Shares entitled to be voted at the shareholders' meeting. If a quorum is not present within one-half hour after the time set for the commencement of the Meeting, the Meeting will be adjourned and set over for one week to the same time and place, and thereupon whatever number of Common Shares is represented at such adjournment shall constitute a quorum.

A simple majority (being 50% plus one vote) of affirmative votes cast at the Meeting is required to pass an ordinary resolution of the Company, whereas a special majority (being 66 2/3%) of affirmative votes cast at the Meeting is required to pass a special resolution of the Company. If there are more nominees for election as directors or appointment as the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed.

### COMPENSATION OF EXECUTIVE OFFICERS

Set out below are particulars of compensation paid to the following persons (the "Named Executive Officers" or "NEOs"):

- (a) the Company's Chief Executive Officer ("CEO");
- (b) the Company's Chief Financial Officer ("CFO");
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000; and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

As at March 31, 2023, the end of the most recently completed financial year of the Company, the Company had four (4) Named Executive Officers, whose name and positions held within the Company are set out under "Summary Compensation Table" below.

#### Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table (presented in accordance with National Instrument Form 51-102F6V, is a summary compensation (excluding compensation securities)) paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, to the directors and NEOs for each of the Company's two most recently completed financial years (March 31, 2022, and March 31, 2023).

Table of Compensation Excluding Compensation Securities							
Name and position	Year ended March 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Toby Pierce CEO and Director	2023	250,000	225,000	Nil	Nil	Nil	475,000
	2022	240,000	Nil	Nil	Nil	Nil	240,000
Barry MacNeil CFO	2023	186,667	75,000	Nil	Nil	Nil	261,667
	2022	180,000	Nil	Nil	Nil	Nil	180,000
Abdel (Abby) Badwi Executive Chairman and Director	2023	240,000	375,000	Nil	Nil	Nil	615,000
	2022	240,000	Nil	Nil	Nil	Nil	240,000
Suneel	2023	190,000	187,500	Nil	Nil	Nil	377,500



Gupta <i>Vice President and Chief Operating Officer</i>	2022	180,000	Nil	Nil	Nil	Nil	180,000
Keith Hill <i>Independent Lead Director</i>	2023	36,000	Nil	Nil	Nil	Nil	36,000
	2022	36,000	Nil	Nil	Nil	Nil	36,000
Shawn Reynolds <i>Director</i>	2023	Nil	Nil	Nil	Nil	Nil	Nil
	2022	Nil	Nil	Nil	Nil	Nil	Nil
Thomas Hickey <i>Director</i>	2023	36,000	Nil	Nil	Nil	Nil	36,000
	2022	36,000	Nil	Nil	Nil	Nil	36,000
Gavin Wilson <i>Director</i>	2023	36,000	Nil	Nil	Nil	Nil	36,000
	2022	36,000	Nil	Nil	Nil	Nil	36,000

### External Management Companies

No NEOs or directors of the Company provide their services through external management companies.

### Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to each director and NEO by the Company during the year ended March 31, 2023.

Table of Compensation Securities								
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities and percentage of class	Percentage of common shares outstanding	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Toby Pierce <i>CEO and Director</i>	Stock Option	1,000,000	0.64%	February 9, 2023	0.70	0.61	0.58	February 9, 2028
Barry MacNeil <i>CFO</i>	Stock Option	200,000	0.13%	February 9, 2023	0.70	0.61	0.58	February 9, 2028
Abdel (Abby) Badwi <i>Executive Chairman and Director</i>	Stock Option	1,000,000	0.64%	February 9, 2023	0.70	0.61	0.58	February 9, 2028
Suneel Gupta <i>Vice</i>	Stock Option	200,000	0.13%	February 9, 2023	0.70	0.61	0.58	February 9, 2028

<i>President and Chief Operating Officer</i>								
Keith Hill <i>Independent Lead Director</i>	Stock Option	200,000	0.13%	February 9, 2023	0.70	0.61	0.58	February 9, 2028
Shawn Reynolds <i>Director</i>	Stock Option	200,000	0.13%	February 9, 2023	0.70	0.61	0.58	February 9, 2028
Thomas Hickey <i>Director</i>	Stock Option	200,000	0.13%	February 9, 2023	0.70	0.61	0.58	February 9, 2028
Gavin Wilson <i>Director</i>	Stock Option	400,000	0.26%	February 9, 2023	0.70	0.61	0.58	February 9, 2028

The following table discloses the total amount of compensation securities held by the NEOs and directors as at the Company's financial year ended March 31, 2023:

<b>Name and Position</b>	<b>Number of Options as at March 31, 2023</b>
Toby Pierce, <i>CEO and Director</i>	1,400,000
Barry MacNeil, <i>CFO</i>	345,000
Abdel (Abby) Badwi, <i>Executive Chairman and Director</i>	2,700,000
Suneel Gupta, <i>Vice President and Chief Operating Officer</i>	1,500,000
Keith Hill, <i>Director</i>	450,000
Shawn Reynolds, <i>Director</i>	1,650,000
Thomas Hickey, <i>Director</i>	400,000
Gavin Wilson, <i>Director</i>	750,000

No compensation securities were re-priced, cancelled and replaced, had their term extended, or otherwise materially modified in the Company's financial year ended March 31, 2023.

There are no restrictions or conditions for converting, exercising, or exchanging the compensation securities.

No compensation securities were exercised by NEOs and directors during the financial year ended March 31, 2023.

Various options to purchase Common Shares ("**Options**") held by the NEOs and directors are subject to deferred vesting over three (3) years.

### **Stock Option Plans and Other Incentive Plans**

On December 19, 2008, the Company established the stock option plan (the "**Stock Option Plan**"), under which the directors were authorized to grant Options to purchase up to 10% of the Common Shares from time to time. The purpose of the Stock Option Plan is to attract and retain directors, executive officers, employees, and consultants who will be motivated to work towards ensuring the success of the Company by affording such persons with an opportunity to acquire an equity interest in the Company through the Options.

The criteria used to determine eligibility for granting options, including the term of each option and the vesting of each option is at the discretion of the Board based upon the individual's level of responsibility, performance and comparative levels of compensation and previous grants awarded. Proposed grants of Options are submitted to the Board for approval by the Company's Compensation Committee. The Board administers and has the authority to amend the Stock Option Plan, subject to applicable shareholder and regulatory approvals.

The Stock Option Plan was last approved by Shareholders at the Company's annual meeting held on December 1, 2022. The Shareholders will be required to approve the Stock Option Plan at the Company's annual meeting to be held on December 6, 2023.

The Stock Option Plan permits the issuance of up to an aggregate of 10% of the issued and outstanding Common Shares from time to time pursuant to the exercise of Options granted under the Stock Option Plan. This is a "rolling" plan as the number of Common Shares reserved for issuance pursuant to the grant Options will increase as the number of the Company's issued and outstanding Common Shares increases. Highlights of the Stock Option Plan are as follows:

1. The Stock Option Plan permits the granting of Options to officers of, employees of, consultants to and other eligible service providers ("**Optionees**") of and to the Company and its subsidiaries.
2. The maximum number of Common Shares issuable on the exercise of Options outstanding at any time is limited, in the aggregate, to 10% of the issued and outstanding Common Shares. Any increase in the issued and outstanding Common Shares (whether as a result of the exercise of Options, or otherwise) at any time will result in an increase in the number of Common Shares that may be issued on the exercise of Options and any increase in the number of Options granted, upon exercise, makes new grants available under the Stock Option Plan. Options that are cancelled, terminated or expire prior to the exercise of all of the Options or a portion thereof shall result in the Common Shares that were reserved for issuance thereunder being available for a subsequent grant of Options pursuant to the Stock Option Plan.
3. The number of Common Shares issuable pursuant to Options granted under the Stock Option Plan to all insiders at any time, and within a one (1) year period, may not exceed 10% of the issued and outstanding Common Shares. Options granted under the Stock Option Plan are not assignable.
4. Options can be exercisable for a maximum of ten (10) years from the date of the grant thereof by the Board and, subject to the terms of the Stock Option Plan, shall vest in such manner as determined by the Board. If an Option is set to expire within, or within ten (10) business days after the end of, a "black out" or similar period imposed under any insider trading policy or similar policy of the Company (but not, for greater certainty, a restrictive period resulting from the Company or its insiders being the subject of a cease trade order of a securities regulatory authority), then the end of the term of such Option shall be the tenth business day after the earlier of the end of such black out period or, provided the "black out" period has ended, the expiry date.
5. The exercise price of any Options granted will be determined by the Board at the time of grant, provided that the exercise price shall not be less than the market price, which means that: (a) if the Common Shares are listed on the Toronto Stock Exchange (the "**TSX**"), the market price shall be the closing price of the Common Shares on the TSX for the last market trading day prior to the date of the grant of the Option, (b) if the Common Shares are listed on the TSX Venture Exchange (the "**TSX-V**"), the market price shall be the closing price of the Common Shares on the TSX-V for the last market trading day prior to the date of the grant of the Option less any discount permitted by the TSX-V, (c) if the Common Shares are listed on an exchange other than the TSX or the TSX-V, the market price shall be the closing price of the Common Shares (or the closing bid, if no sales were reported) as quoted on such exchange for the last market trading day prior to the date of the grant of the Option, and (d) if the Common Shares are not listed on an exchange, the market price shall be determined in good faith by the Board.
6. The Stock Option Plan contains customary anti-dilution provisions which provide for adjustments to be made in the event of consolidations, subdivisions or any changes of the Common Shares, or in the event of a capital reorganization, reclassification or change of outstanding equity shares (other

than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, in order to prevent dilution or enlargement of the rights granted under the Stock Option Plan.

7. If an Optionee ceases to be an officer of, employee of, a consultant to or service provider to, the Company or a subsidiary of the Company for any reason, the Optionee shall have a period not in excess of ninety (90) days as prescribed at the time of grant, succeeding his or her ceasing to be an officer, employee, consultant or other service provider to exercise the Options held to the extent that the Optionee was entitled to exercise the Options at the date of such cessation. In the case of being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise the same. Generally, in the event of a merger of the Company whether by way of amalgamation or arrangement, or the sale of substantially all of the assets of the Company, any or all outstanding Options may be assumed, converted or replaced by the successor corporation (if any), which assumption, conversion or replacement will be binding on all Optionees or, in the alternative, the successor corporation may substitute equivalent Options or provide substantially similar consideration to Optionees as was provided to Shareholders (after taking into account the existing provisions of the Options). In the event of a proposed dissolution or liquidation of the Company, to the extent that an Option has not been previously exercised, the Option will terminate immediately prior to the consummation of such action, subject to the Board's discretion.
8. All Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable, subject to the case of the death of an Optionee in which case any vested Option held at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one (1) year after the date of the death of such Optionee and the date of expiration of the term otherwise applicable to such Option.
9. Without the prior approval of the Shareholders, the Board may not make any amendment that results in: (a) an increase in the number of Common Shares issuable under Options granted pursuant to the Stock Option Plan, (b) a change in the persons eligible to receive Options under the Stock Option Plan, (c) the cancellation and reissue of any Option, (d) an extension of the term of an Option granted under the Stock Option Plan benefiting an insider of the Company, or (e) Options becoming transferable or assignable other than in the case of the death of an Optionee. Subject to the restrictions set out above and the policies of the TSX-V, the Board may, without notice, at any time and from time to time amend the Stock Option Plan and the Options granted thereunder provided, however, that no such amendment of the Stock Option Plan may be made without the consent of such Optionee if such amendment would adversely affect the rights of such Optionee under the Stock Option Plan. The Board may also terminate the Stock Option Plan at any time without shareholder approval, provided that no such termination shall adversely affect the rights of any Optionee under any Option previously granted except with the consent of such Optionee.

### **Employment, Consulting, and Management Agreements**

Other than as disclosed below, the Company does not have any contracts, agreements, plans or arrangements that provides for payments to a director or NEO at, following or in connection with any termination (whether voluntary, involuntary, or constructive), resignation, retirement, a change in control of the Company or a change in an NEO's responsibilities.

On May 13, 2015, the Company entered into an executive employment agreement with Toby Pierce that provides for a salary of \$300,000 as of February 1, 2023, on an on-going basis for his services as the CEO. The compensation is not tied to performance criteria goals and no significant events have occurred during the most recently completed financial year that has significantly affected compensation. The Company is entitled to terminate the agreement at any time without cause by providing twelve (12) months' written notice to Mr. Pierce or cash paid in lieu of such notice, and upon the expiry of such notice, the agreement will terminate. In such event, Mr. Pierce will not be entitled to any payment on account of such termination, other than such amounts that are due in respect of the period ending on the date of termination (\$300,000). If any of the following events occur within the twelve (12) month period

immediately following a change of control, then, at Mr. Pierce's election, of which Mr. Pierce shall have advised the Company by notice in writing within ninety (90) days of the event occurring, the agreement would be deemed to have been terminated by the Company and the Company would, immediately upon such termination, pay to Mr. Pierce an amount equal to his base salary for twelve (12) months (\$300,000):

- (a) if the agreement is terminated by the Company without cause after such change of control;
- (b) if Mr. Pierce is placed in a position of lesser stature than that of CEO after such change of control;
- (c) if Mr. Pierce was assigned duties significantly inconsistent with the position of CEO immediately prior to such change of control;
- (d) if Mr. Pierce is assigned performance requirements or working conditions that were at variance with the performance requirements and working conditions in effect immediately preceding the change of control;
- (e) if Mr. Pierce is accorded treatment on a general basis that is in derogation of his status as CEO after such change of control; or
- (f) any requirement that the location at which Mr. Pierce is required to perform his principal duties after the change of control is outside a radius of twenty-five (25) miles from the location at which he performs such duties immediately before the change of control.

In addition, all Options held by Mr. Pierce would vest immediately and expire in ninety (90) days.

On June 1, 2015, the Company entered into an executive employment agreement with Barry MacNeil that provides for a salary of \$220,000 as of February 1, 2023, on an on-going basis for his services as the CFO. The compensation is not tied to performance criteria goals and no significant events have occurred during the most recently completed financial year that has significantly affected compensation. The Company is entitled to terminate the agreement at any time without cause by providing twelve (12) months' written notice to Mr. MacNeil or cash paid in lieu of such notice, and upon the expiry of such notice, the agreement will terminate. In such event, Mr. MacNeil will not be entitled to any payment on account of such termination, other than such amounts that are due in respect of the period ending on the date of termination (\$220,000). If any of the following events occur within the twelve (12) month period immediately following a change of control, then, at Mr. MacNeil's election, of which Mr. MacNeil shall have advised the Company by notice in writing within ninety (90) days of the event occurring, the agreement would be deemed to have been terminated by the Company and the Company would, immediately upon such termination, pay to Mr. MacNeil an amount equal to his base salary for twelve (12) months (\$220,000):

- (a) if the agreement is terminated by the Company without cause after such change of control;
- (b) if Mr. MacNeil is placed in a position of lesser stature than that of CFO after such change of control;
- (c) if Mr. MacNeil was assigned duties significantly inconsistent with the position of CFO immediately prior to such change of control;
- (d) if Mr. MacNeil is assigned performance requirements or working conditions that were at variance with the performance requirements and working conditions in effect immediately preceding the change of control;
- (e) if Mr. MacNeil is accorded treatment on a general basis that is in derogation of his status as CFO after such change of control; or
- (f) any requirement that the location at which Mr. MacNeil is required to perform his principal duties after the change of control is outside a radius of twenty-five (25) miles from the location at which he performs such duties immediately before the change of control.

In addition, all Options held by Mr. MacNeil would vest immediately and expire in ninety (90) days.

On September 1, 2020, the Company entered into an executive employment agreement with Abdel (Abby) Badwi that provides for a salary of \$240,000 as of February 1, 2021, on an on-going basis for his services as the Executive Chairman. The compensation is not tied to performance criteria goals and no significant events have occurred during the most recently completed financial year that has significantly affected compensation. The Company is entitled to terminate the agreement at any time without cause by providing three (3) months' written notice to Mr. Badwi or cash paid in lieu of such notice, and upon the expiry of such notice, the agreement will terminate. In such event, Mr. Badwi will not be entitled to any payment on account of such termination, other than such amounts that are due in respect of the period ending on the date of termination (\$60,000). If any of the following events occur within the six (6) month period immediately following a change of control, then, at Mr. Badwi's election, of which Mr. Badwi shall have advised the Company by notice in writing within ninety (90) days of the event occurring, the agreement would be deemed to have been terminated by the Company and the Company would, immediately upon such termination, pay to Mr. Badwi an amount equal to his base salary for twelve (12) months (\$240,000):

- (a) if the agreement is terminated by the Company without cause after such change of control;
- (b) if Mr. Badwi is placed in a position of lesser stature than that of Executive Chairman after such change of control;
- (c) if Mr. Badwi was assigned duties significantly inconsistent with the position of Executive Chairman immediately prior to such change of control;
- (d) if Mr. Badwi is assigned performance requirements or working conditions that were at variance with the performance requirements and working conditions in effect immediately preceding the change of control;
- (e) if Mr. Badwi is accorded treatment on a general basis that is in derogation of his status as Executive Chairman after such change of control; or
- (f) any requirement that the location at which Mr. Badwi is required to perform his principal duties after the change of control is outside a radius of twenty-five (25) miles from the location at which he performs such duties immediately before the change of control.

In addition, all Options held by Mr. Badwi would vest immediately and expire in ninety (90) days.

On September 1, 2020, the Company entered into an executive employment agreement with Suneel Gupta that provides for a salary of \$240,000 as of January 1, 2023, on an on-going basis for his services as the Vice President and Chief Operating Officer. The compensation is not tied to performance criteria goals and no significant events have occurred during the most recently completed financial year that has significantly affected compensation. The Company is entitled to terminate the agreement at any time without cause by providing three (3) months' written notice to Mr. Gupta or cash paid in lieu of such notice, and upon the expiry of such notice, the agreement will terminate. In such event, Mr. Gupta will not be entitled to any payment on account of such termination, other than such amounts that are due in respect of the period ending on the date of termination (\$60,000). If any of the following events occur within the six (6) month period immediately following a change of control, then, at Mr. Gupta's election, of which Mr. Gupta shall have advised the Company by notice in writing within ninety (90) days of the event occurring, the agreement would be deemed to have been terminated by the Company and the Company would, immediately upon such termination, pay to Mr. Gupta an amount equal to his base salary for twelve (12) months (\$240,000):

- (a) if the agreement is terminated by the Company without cause after such change of control;
- (b) if Mr. Gupta is placed in a position of lesser stature than that of Vice President and Chief Operating Officer after such change of control;
- (c) if Mr. Gupta was assigned duties significantly inconsistent with the position of Vice President and Chief Operating Officer immediately prior to such change of control;

- (d) if Mr. Gupta is assigned performance requirements or working conditions that were at variance with the performance requirements and working conditions in effect immediately preceding the change of control;
- (e) if Mr. Gupta is accorded treatment on a general basis that is in derogation of his status as Vice President and Chief Operating Officer after such change of control; or
- (f) any requirement that the location at which Mr. Gupta is required to perform his principal duties after the change of control is outside a radius of twenty-five (25) miles from the location at which he performs such duties immediately before the change of control.

In addition, all Options held by Mr. Gupta would vest immediately and expire in ninety (90) days.

## **Oversight and Description of Director and Named Executive Officer Compensation**

### ***Compensation Philosophy and Objectives***

The Company's executive compensation program is designed to attract and retain highly qualified and motivated individuals, reward performance and be competitive with the compensation arrangements of other resource companies of similar size and scope of operations. The Company's Compensation Committee considers a variety of factors when determining both compensation policies and programs and individual compensation levels. These factors include the long-term interests of the Company and its Shareholders, the overall financial and operating performance of the Company, an individual's performance and contribution towards meeting corporate objectives, an individual's responsibilities, an individual's length of service and the levels of compensation provided by industry competitors.

Accountability for decisions on executive and director remuneration is clearly within the mandate of the Compensation Committee, but management has a key role in helping support the Compensation Committee in fulfilling its obligations. For example, the CEO makes recommendations to the Compensation Committee regarding base salary adjustments, Option grants and bonus awards. Advice may also be given to the Compensation Committee by independent advisors and consultants to the Company. The Compensation Committee reviews the basis for these recommendations and can exercise its discretion in modifying any of the recommendations prior to making its recommendations to the Board. The Compensation Committee reviews executive and director compensation at least annually. The Compensation Committee is satisfied that the Company's compensation structure appropriately considers the factors relevant to the industry, the Company's performance within that industry and the individual contributions to the Company's performance made by its NEOs.

The Company's compensation structure for executive officers is primarily composed of two components – base salary/cash bonuses and Options. Note that cash bonuses are awarded on an occasional and discretionary basis and, if awarded, reflect the Compensation Committee's assessment of the immediately preceding financial year's performance. Each element of the Company's executive compensation program is described in more detail below.

During its deliberations, the Compensation Committee considered the implications and the risks associated with adopting the compensation program currently in place. The Compensation Committee does not believe that the compensation program adopted by the Company creates a material risk that the NEOs or any employee would be encouraged to take inappropriate or excessive risks and no such risks have been detected to date. The Compensation Committee will continue to include this consideration in its deliberations and believes that it and the Board will detect actions by the management or employees of the Company that constitute or would lead to inappropriate or excessive risks.

The Board believes that it has exercised effective risk management and regulatory compliance relating to its compensation policies used in determining executive compensation. Risks related to compensation are taken into consideration as part of the general review and determination of executive compensation by the Board. Inappropriate and excessive risks by executives are mitigated by regular board meetings during which financial and other information (including executive compensation) about the Company is

reviewed, and which information includes executive compensation. Interested directors declare their interest and abstain from voting on compensation matters. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

The Company does not have a policy restricting the ability of a Named Executive Officer or a director from purchasing financial instruments (including pre-paid variable forward contracts, equity swaps, collars, or units of exchange funds) that are designed to hedge or offset a decrease in the market value of equity securities (or Options in respect thereof) granted as compensation or held, directly or indirectly, by the Named Executive Officer or director. During the financial year ending March 31, 2023, none of the Named Executive Officers or directors purchased such financial instruments.

## **Compensation Elements**

### *Base Salaries/Cash Bonuses*

The base salaries payable to NEOs and other executive officers and employees are intended to remunerate them for discharging their job responsibilities and to reflect their performance over time in a manner that is reasonable in the circumstances. The Board relies on the Compensation Committee to base its recommendations on objective criteria for the immediately preceding financial year as set out in its business plan and budget, which involves the Company meeting various operational and corporate goals, as well as the salaries paid to other executive officers in the junior oil and gas industry. The Common Share price and financial performance of the Company are also considered. Although the Compensation Committee does not benchmark against any specific company or companies, it considers the overall trend of executive compensation in the junior oil and gas industry. In making its recommendations to the Board, the Compensation Committee also considers the skills and experience of the individual needed to fulfill their responsibilities. Base salaries may be increased based upon the individual's performance and contribution in respect of their specific duties or increases in median competitive pay levels.

The Company does not have a formal bonus plan, and none of the Company's NEOs and other executive officers and employees have any contractual right to cash bonuses or short-term incentive compensation. However, each year the Board, upon the recommendation of the Compensation Committee, bases its decision regarding cash bonus payments on pre-set criteria that includes the performance of the Company during the immediately preceding financial year, along with the financial condition of the Company and the state of the junior oil and gas industry. The performance of the Company is measured mainly on the attainment of the Company's pre-set objectives during the immediately preceding financial year as set out in its publicly disclosed annual business plan and budget, which involves the Company meeting various operational and corporate goals. The Company considers that performance bonus awards are an important part of their remuneration package and that associated performance targets reflect the key drivers for value creation and growth in shareholder value. Additional information on the Company's annual business plans and budgets are also available free of charge on SEDAR at [www.sedar.com](http://www.sedar.com).

### *Options*

As a junior resource company, Option grants are considered a significant component of the Company's overall compensation strategy to appropriately incentivize the Company's NEOs and other executive officers and employees in a manner that is consistent with Shareholders' interests. More specifically, Option grants, which include a vesting element to ensure retention, are long-term incentive compensation that serves to both motivate the individual toward increasing Common Share value and to enable the individual to share in the future success of the Company. Options are granted under the Stock Option Plan by the Board on the recommendation of the Compensation Committee. Options are normally awarded by the Board upon the commencement of an individual's employment with the Company, based on the level of responsibility within the Company, and additional Option grants may also be made periodically during an individual's employment to ensure that the number of Options granted to any



particular individual is proportionate with the individual's level of ongoing responsibility within the Company. When the Board considers additional Option grants, a number of factors are contemplated, including the role that the individual plays in the Company, the number of Options an individual has been granted, the exercise price and the value of the Options and the term remaining on those Options.

### **Discussion of Compensation**

On July 5, 2011, the Company commenced paying Keith Hill compensation of \$26,000 per year for his services as a non-executive director and member on various Board committees, which was increased to \$36,000 per year on November 1, 2014. On September 1, 2020, the Company commenced paying Thomas Hickey compensation of \$36,000 per year for his services as a non-executive director and member on various Board committees. The Company commenced paying Gavin Wilson compensation of \$36,000 per year for his services as a non-executive director and member on various Board committees, effective as of October 1, 2019. Abdel (Abby) Badwi, Toby Pierce, and Shawn Reynolds did not receive compensation for services provided in their capacity as directors during fiscal 2022 and 2023, including any fees for serving on the Board or Board committees thereof or for attending Board meetings. Mr. Reynolds opted for a charitable contribution to be made in lieu of a fee for services as a non-executive director and member on various Board committees in the amount of \$36,000 during fiscal 2023.

During the most recently completed fiscal years ended March 31, 2022, and March 31, 2023, the compensation awarded to the NEOs is summarized above.

### **Pension Disclosure**

The Company has not established any pension plans, defined contribution plans, or deferred compensation plans for directors and executive officers that provide for payments or benefits at, following or in connection with retirement.

### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The Company has no compensation plans under which equity securities are authorized for issuance, except for the Company's shareholder approved Stock Option Plan.

The following table sets out the equity compensation plan information as at March 31, 2023:

	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
<b>Plan Category</b>	<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
Equity compensation plans approved by securityholders	18,038,751	\$0.36	3,622,749
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
<b>Total</b>	<b>18,038,751</b>	<b>\$0.36</b>	<b>13,622,749</b>

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No director, proposed nominee for election as director, executive officer or their respective associates or affiliates, other management of the Company, employees, or former executive officers, directors or employees were indebted to the Company or its subsidiaries as at the end of the most recently completed financial year or as at the date hereof or have been indebted to the Company or its subsidiaries at any time since the beginning of the most recently completed financial year.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

An informed person is one who, generally speaking, is a director or executive officer of the Company, a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company or a 10% shareholder of the Company. To the knowledge of management of the Company, no informed person of the Company or proposed director of the Company or a subsidiary of the Company or any associate or affiliate of any informed person or proposed director had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries, other than as set out below or elsewhere in this Information Circular.

## MANAGEMENT CONTRACTS

Management functions of the Company and its subsidiaries are not, to any substantial degree, performed by anyone other than the directors or executive officers of the Company.

## AUDIT COMMITTEE

The Company is required to have an Audit Committee under the Act and pursuant to the provisions of National Instrument 52-110, *Audit Committees* ("**NI 52-110**"), which must be comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company. Pursuant to NI 52-110, the Company is required to have a written charter, which sets out the duties and responsibilities of the Audit Committee.

### Audit Committee Charter

The text of the Audit Committee's charter is attached as Appendix "A" to this Information Circular.

### Composition of Audit Committee and Independence

The Audit Committee is comprised of Shawn Reynolds (Chairman), Thomas Hickey, and Gavin Wilson.

NI 52-110 provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company and provides that a "material relationship" is a relationship which could, in the view of the Board, reasonably interfere with the exercise of the member's independent judgment. All the members of the Audit Committee are considered "independent" within the meaning of NI 52-110.

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. All the members of the Audit Committee are "financially literate" as that term is defined.

### Relevant Education and Experience

Refer to the heading "*Election of Directors - Information Regarding Management's Nominees for Election to the Board*" for information regarding the Audit Committee members' education and experience that is relevant to the performance of their responsibilities as an Audit Committee member.

### Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

## Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

- (a) the exemption in section 2.4 (De Minimis Non-Audit Services) of NI 52-110;
- (b) the exemption in subsection 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer);
- (c) the exemption in subsection 6.1.1(5) (Events Outside Control of Member);
- (d) the exemption in subsection 6.1.1(6) (Death, Incapacity or Resignation); or
- (e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

## Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

## Audit Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by De Visser Gray LLP ("**De Visser Gray**"), Deloitte LLP ("**Deloitte**"), TAG's Cyprus auditor Morison Patsalides Ltd. ("**Morison**") and TAG's New Zealand auditor BDO Spicers, Chartered Accountants and Advisors ("**BDO Spicers**"), to ensure auditor independence. Fees incurred with De Visser Gray, Deloitte, Morison and BDO Spicers for audit and non-audit services in the last two (2) fiscal years for audit fees are outlined in the following table:

Nature of Services	Fees Paid to Auditor in Year Ended March 31, 2022	Fees Paid to Auditor in Year Ended March 31, 2023
Audit Fees <sup>(1)</sup>	\$115,888	\$158,454
Audit-Related Fees <sup>(2)</sup>	\$78,925	\$78,830
Tax Fees <sup>(3)</sup>	\$7,302	\$43,850
All Other Fees <sup>(4)</sup>	Nil	Nil
Total	\$202,115	\$281,134

Notes:

- 1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of TAG's consolidated financial statements and include both the fees of the Corporation's principal auditor, De Visser Gray, Deloitte, Morison and BDO Spicers. Audit fees also include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- 2) "Audit-Related Fees" include fees for services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- 3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions and requests for rulings or technical advice from tax authorities.
- 4) "All Other Fees" include fees for all other non-audit services.

## Exemption

The Company is a "venture issuer" as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

## CORPORATE GOVERNANCE DISCLOSURE

### General

National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires issuers to disclose their corporate governance practices with respect to corporate governance guidelines that they have adopted. National Policy 58-201 *Corporate Governance Guidelines* provides guidance to issuers on corporate governance practices.

The Board understands that good corporate governance improves corporate performance and benefits all shareholders. This section sets out the Company’s approach to corporate governance and addresses the Company’s compliance with NI 58-101.

### 1. Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment and includes the holding of an executive officer position.

The Board facilitates its independent supervision over management by conducting a quarterly review of the Company’s financial statements and management discussion and analysis as well as requiring material transactions to be approved by the Board prior to the transaction taking place.

The independent members of the Board are Keith Hill, Shawn Reynolds, Thomas Hickey, and Gavin Wilson. Abdel (Abby) Badwi and Toby Pierce are not considered independent members of the Board because they are Executive Chairman and CEO, respectively. As a result, the Board currently has a majority of independent directors. The Company considers its current Board composition to be sufficient given the current state of the Company’s business, but it continues to review the composition of the Board on an annual basis.

Given the size of the Company, the current composition of the Board and the nature of activities to date, the independent members of the Board are not expected to hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. This practice will be reassessed as the Company grows. In order to facilitate open and candid discussion among independent directors, from time to time as circumstances dictate, the independent directors can request a meeting or a portion thereof to be restricted to independent directors for the purpose of discussing matters independently of management. In addition, independent directors are encouraged to remain in communication with one another between meetings as and when they deem it appropriate.

The Board has appointed Mr. Hill as independent lead director of the Board. Mr. Hill’s role as independent lead director of the Board is to provide leadership to the Company’s independent directors by encouraging a culture of ethical business conduct. Each member of the Board is encouraged to conduct a self-review to determine if they are providing an effective service regarding both the Company and its shareholders. Should it be deemed that a member of the Board is unable to effectively act on behalf of the Board or in the interests of the Company or its shareholders, the director would be encouraged to resign his or her position on the Board.

### 2. Board Mandate

The Board does not have a written mandate. The Board delineates its role and responsibilities based on the statutory and common law applicable to the Company. The Board believes its mandate is to manage the business and affairs of the Company. While day-to-day management of the Company has been delegated by the Board to executive management, the Board fulfills its responsibility for the broader stewardship of the Company’s business and affairs through its regular meetings at which members of management provide reports to the Board with respect to the Company’s business and operations, make

proposals to the Board and receive the Board's decisions for implementation. Any responsibility that has not been delegated to executive management or a Board committee remains with the full Board.

The Board believes that its approach to corporate governance is appropriate and works effectively for the Company and its shareholders and is consistent with the overall business of the Company and its stage of development.

### 3. Directorships

Toby Pierce is currently a director of other issuers that are reporting issuers (or the equivalent) in a jurisdiction or a foreign jurisdiction. Specifically, Mr. Pierce is a director of Cranstown Capital Corp. ("**Cranstown Capital**"), Gold Line Resources Ltd. ("**Gold Line**"), Wittering Capital Corp. ("**Wittering Capital**"), and Prospect Park Capital Corp. ("**Prospect Park**").

Keith Hill is currently a director of other issuers that are reporting issuers (or the equivalent) in a jurisdiction or a foreign jurisdiction. Specifically, Mr. Hill is a director of ShaMaran Petroleum Corp. ("**Shamaran Petroleum**"), Africa Energy Corp. ("**Africa Energy**"), Eco (Atlantic) Oil & Gas Ltd. ("**Eco Atlantic**"), and Africa Oil Corp. ("**Africa Oil**").

Gavin Wilson is currently a director of other issuers that are reporting issuers (or the equivalent) in a jurisdiction or a foreign jurisdiction. Specifically, Mr. Wilson is a director of PetroTal Corp. ("**PetroTal**") and Afentra PLC ("**Afentra**").

### 4. Orientation and Continuing Education

The Board provides ad hoc orientation for new directors, which generally consists of providing education regarding directors' responsibilities, corporate governance issues and committee charters. Continuing education opportunities are available to Board members as requested. On occasions where it is considered advisable, the Board will provide directors with information regarding topics of general interest, such as fiduciary duties and continuous disclosure obligations. The Board also ensures that each director is up to date with current information regarding the business of the Company, the role that the director is expected to fulfill and basic procedures and operations of the Board and its committees. Board members are also given access to management and other employees and advisors, who can answer any questions that may arise. Management also updates the Board concerning the status of the Company and, in respect of material transactions, including the review of the Company's financial statements, provides opportunities for Board review and approval by way of directors' consent resolutions.

### 5. Ethical Business Conduct

The Board is of the view that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest, are sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Nevertheless, the Company has adopted a formal written code of ethics (the "**Code of Ethics**"), which sets out the ethical and behavioural standards expected of the Company's directors, officers, employees, and contractors. These standards include integrity and objectivity, fair dealing and due care, proper use of the Company's assets, property and information and compliance with applicable laws, regulations, and rules. The Code of Ethics requires all directors, officers, and employees to promptly report potential or suspected violations of the Code of Ethics orally or in writing and, if preferred, anonymously. Concerns may be raised with the CEO or, if related to accounting or auditing matters, with the Audit Committee.

The Board satisfies itself regarding compliance with the Code of Ethics by reasonably ensuring that all directors, officers, and employees receive and become familiar with the Code of Ethics and acknowledge their support and understanding of the Code of Ethics. To ensure independent judgement, directors are required by applicable law and the Code of Ethics to promptly disclose any potential conflict of interest

that may arise and, where required by applicable law, to abstain from voting with respect to an agreement or transaction in which they have a material interest. In addition, the Code of Ethics prohibits any director or employee from retaliating or taking adverse action against anyone for raising good faith suspected conduct violations or helping to resolve a conduct concern. A copy of the Code of Ethics is available at the Company's website and may be downloaded without charge at [www.tagoil.com](http://www.tagoil.com).

## **6. Nomination of Directors**

The Nominating and Governance Committee consists of three independent directors: Thomas Hickey (Chairman), Keith Hill, and Gavin Wilson. The Nominating and Governance Committee is responsible for identifying, assessing, and making recommendations as to candidates qualified for election to the Board and Board committees, and where necessary, develops an orientation and education program for new recruits to the Board. In identifying possible nominees to the Board, the Nominating and Governance Committee considers the competencies and skills necessary for the Board as a whole, the skills of existing directors and the competencies and skills that each new nominee will bring to the Board, as well as whether or not each nominee will devote sufficient time and resources to the Board. The Nominating and Governance Committee also considers the size of the Board each year when it considers the number of directors to recommend to the shareholders for election at the shareholders' meeting of the Company, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience. In the event of a vacancy on the Board, the Nominating and Governance Committee evaluates potential candidates on the basis of factors such as their past business experience; their industry knowledge; and their ability to contribute to the success of the Company.

The Board has adopted a majority voting policy, which provides that if a director nominee has more votes withheld than are voted in favour of them, the nominee will submit their resignation promptly after the meeting for the Nominating and Governance Committee's consideration. The Nominating and Governance Committee will make a recommendation to the Board after reviewing the matter and the Board's decision to accept or reject the resignation will be disclosed to the public. The nominee will not participate in any Nominating and Governance Committee or Board deliberations considering their resignation. The policy does not apply in circumstances involving contested director elections. A copy of the majority voting policy is available at the Company's website and may be downloaded without charge at [www.tagoil.com](http://www.tagoil.com).

## **7. Compensation**

As at the date of this Information Circular, the Compensation Committee consists of Keith Hill (Chairman), Thomas Hickey, and Shawn Reynolds each of whom is independent and none of whom is an officer or employee of the Company or any of its subsidiaries. The Board believes that the Compensation Committee collectively has the knowledge, experience, and background required to fulfill its mandate. Also, it is notable that Mr. Hill has experience setting compensation for executives and that Mr. Hickey and Reynolds have knowledge of executive compensation strategies in companies of a similar size to the Company. The Compensation Committee's charter mandates that the Compensation Committee recommend to the Board the form and amount of compensation to be paid by the Company to the Company's directors for service on the Board and on the Board committees and recommend the structure of the Company's compensation programs, both for management and staff, including base salaries, perquisites and long and short-term incentive compensation, including cash bonuses and Option grants. The Compensation Committee is also mandated to review the performance of the CEO and CFO.

The Compensation Committee meets from time to time during the year for the purpose of, among other things, reviewing the overall employee and executive officer compensation program, as well as the adequacy and form of annual compensation for directors to ensure that such compensation realistically reflects the responsibilities and risks involved in being an effective director, and recommending the approval of any proposed changes to these compensation programs to the Board. The Compensation Committee makes specific recommendations to the Board on base salaries, cash bonuses and Option grants. The Compensation Committee ensures the total compensation package facilitates the attraction and retention of a strong executive management team and employees. The Board reviews all

recommendations of the Compensation Committee relating to compensation matters before final approval. The Compensation Committee did not retain a compensation consultant or advisor at any time since the beginning of the Company's most recently completed financial year to assist in determining the compensation for any of its directors, executive officers, and employees.

## **8. Other Board Committees**

The Board has no committees other than the Audit Committee, Nominating and Governance Committee, and Compensation Committee. Considering the Company's stage of development and Board composition, it considers this to be reasonable.

## **9. Assessments**

The Nominating and Governance Committee oversees a process to self-assess Board effectiveness. This assessment questions members as to their level of satisfaction with the functioning of the Board, its interaction with management and the performance of the standing committees of the Board. Board members conduct peer reviews and a self-assessment regarding their effectiveness as a Board member as part of this assessment process. To ensure the assessment process is candid, the individual assessments are returned on a confidential basis to the Chairman of the Nominating and Governance Committee with a copy to the Corporate Secretary. The results are compiled for the Nominating Committee, which then reviews and discusses the results and makes recommendations to the Board regarding any action that may be deemed necessary or advisable to ensure the Board continues to function effectively and adequately perform its mandate.

## **PARTICULARS OF MATTERS TO BE ACTED UPON**

### **1. Receive Financial Statements and Auditor's Report**

The audited consolidated financial statements and the related management discussion and analysis of the Company for the year ended March 31, 2023, and the report of the auditor on those statements will be placed before the Meeting.

The audited consolidated financial statements and the report of the auditor thereon, and the related management discussion and analysis are included in the Company's Annual Report for the fiscal year ended March 31, 2023. If the shareholder has previously requested a copy of the annual financial statements and the related management discussion and analysis, such Annual Report will have been mailed to the shareholder, or the shareholder will have received an email notification that the financial statements and the related management discussion and analysis for the fiscal year ended March 31, 2023, are available for download without charge from SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### **2. Election of Directors**

The Board presently consists of six (6) directors. At the Meeting, it is intended that six (6) directors be elected for the ensuing year. The term of office of each of the six (6) current directors will end at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) (the "**Act**"), each director elected will hold office until the conclusion of the next shareholders' meeting of the Company, or until their successor is elected or appointed.

The following table sets out the names of management's six (6) nominees for election as director, their jurisdiction of residence, the offices they hold within the Company, their principal occupations, the period of time during which each has been a director of the Company, the number of Common Shares of the Company and its subsidiaries beneficially owned by each, or over which each nominee exercises control or direction, directly or indirectly, and the nominees' membership on committees of the Board as at the date of this Information Circular. The Board does not have an executive committee. There are presently

three (3) committees of the Board; namely, the Audit Committee, the Compensation Committee, and the Nominating and Governance Committee.

In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by the management of the Company will be voted for the nominees listed in this Information Circular. Management does not contemplate that any of the nominees will be unable to serve as a director.

<b>Name, Position with the Company, and Residence<sup>(1)</sup></b>	<b>Principal Occupation for the Past Five Years<sup>(1)</sup></b>	<b>Director of the Company since</b>	<b>Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly<sup>(2)</sup></b>	<b>Committee Membership</b>
Abdel (Abby) Badwi <i>Executive Chairman</i> Alberta, Canada	<ul style="list-style-type: none"> <li>• Executive Chairman of TAG from September 2020 to present</li> <li>• Chief Executive Officer of Kuwait Energy from December 2017 to March 2019</li> <li>• Director of Alussa Energy Acquisition Corp. from July 2020 to July 2021</li> </ul>	September 1, 2020	5,375,000	Nil
Toby Pierce <i>Chief Executive Officer and Director</i> British Columbia, Canada	<ul style="list-style-type: none"> <li>• Chief Executive Officer and a director of TAG from June 2015 to present</li> <li>• Director of Benchmark Metals Inc. from February 2013 to August 2023</li> <li>• Director of DelphX from January 2017 to December 2020</li> <li>• Director of New Placer Dome Gold Corp. (formerly Barrian Mining Corp.) from December 2018 to May 2022</li> <li>• Director of Seashore Resource Partners Corp. from May 2018 to June 2020</li> <li>• Director of Gold Line from August 2018 to present</li> <li>• Director of Prospect Park from January 2020 to present</li> <li>• CEO and Director of Cranstown Capital from February 2021 to present</li> <li>• Director of Wittering Capital from April 2021 to present</li> </ul>	June 1, 2015	1,610,700	Nil
Keith Hill <i>Independent Lead Director</i> Florida, U.S.A.	<ul style="list-style-type: none"> <li>• Director of TAG from July 2011 to present</li> <li>• Chief Executive Officer and President of Africa Oil from October 2006 to July 2023, and Director from October</li> </ul>	July 5, 2011	400,000	Compensation Committee <sup>(3)</sup>  Nominating and Governance Committee



Name, Position with the Company, and Residence <sup>(1)</sup>	Principal Occupation for the Past Five Years <sup>(1)</sup>	Director of the Company since	Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly <sup>(2)</sup>	Committee Membership
	2006 to present <ul style="list-style-type: none"> <li>• Director of Petro Vista Energy Corp. from January 2008 to January 2017</li> <li>• Director of ShaMaran Petroleum from February 2007 to present</li> <li>• Director of Africa Energy from September 2011 to present</li> <li>• Director of Blackpearl Resources Inc. from January 2006 to December 2018</li> <li>• Director of Eco Atlantic from December 2017 to present</li> </ul>			
Shawn Reynolds <i>Director</i> New Jersey, U.S.A.	<ul style="list-style-type: none"> <li>• Director of TAG from September 2020 to present</li> <li>• Portfolio Manager of Van Eck Securities Corporation from 2005 to present</li> </ul>	September 1, 2020	6,012,500	Audit Committee <sup>(4)</sup>  Compensation Committee
Thomas Hickey <i>Director</i> Maisons-Laffitte, France	<ul style="list-style-type: none"> <li>• Director of TAG from September 2020 to present</li> <li>• Head of Corporate Legal and M&amp;A and Chief Ethics and Compliance Officer of Roquette Frères SA from June 2020 to present</li> <li>• Director of Thrive Energy Limited from January 2014 to present</li> <li>• General Counsel, Company Secretary, and Chief Compliance Officer of Kuwait Energy from May 2018 to March 2019</li> </ul>	September 1, 2020	264,800	Audit Committee  Compensation Committee  Nominating and Governance Committee <sup>(5)</sup>
Gavin Wilson <i>Director</i> Zurich, Switzerland	<ul style="list-style-type: none"> <li>• Investment Director for Meridian Capital Limited from 2011 to present</li> <li>• Director of PetroTal from June 2013 to present</li> <li>• Director of Afentra from May 2021 to present</li> </ul>	Nil	1,150,000	Audit Committee  Nominating and Governance Committee

Notes:

- 1) Information as to position with the Company, residence and principal occupation has been furnished by the respective director individually. See also "Information Regarding Management's Nominees for Election to the Board" below.
- 2) Information as to Common Shares beneficially owned or controlled has been furnished by the respective director individually. The directors do not hold shares in any subsidiary of the Company.
- 3) Chairman of the Compensation Committee.

- 4) Chairman of the Audit Committee.
- 5) Chairman of the Nominating Committee.

Biographical summaries and other required information about each of the nominees for election as directors are set out below in the section below entitled “*Information Regarding Management’s Nominees for Election to the Board.*”

### ***Corporate Cease Trade Orders or Bankruptcies***

To the best of management’s knowledge, no proposed director of the Company is, as at the date of this Information Circular, or has been, within the last ten (10) years, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than thirty (30) consecutive days that was issued while the proposed director was acting in that capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than thirty (30) consecutive days that was issued after the proposed director ceased to be a director, chief executive officer, or chief financial officer and which resulted from an event which occurred while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer.

Except as provided herein, to the best of management’s knowledge, no proposed director is, as at the date of this Information Circular, or has been within the last ten (10) years, a director or executive officer of any company (including the Company) that, while the proposed director was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the best of management’s knowledge, no proposed director of the Company has, within the last ten (10) years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

To the best of management’s knowledge, no proposed director of the Company has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Gavin Wilson was a director of Buccaneer Energy Ltd. (“**Buccaneer**”), a corporation engaged in exploration, development and production of oil and gas in the United States from December 2013 to March 2015. Buccaneer filed a voluntary petition for reorganization relief under Chapter 11 of the United States Bankruptcy Code on May 31, 2014. As part of the Chapter 11 proceedings, Buccaneer reached an agreement with its secured lender resulting in the sale of substantially all of its assets which enabled it to satisfy outstanding claims to its secured lender, other secured creditors and its unsecured creditors. Mr. Wilson resigned after Buccaneer was wound up following the conclusion of these insolvency proceedings.

### ***Information Regarding Management’s Nominees for Election to the Board***

The following biographical information about management’s nominees for election to the Board has been supplied by the respective nominees:

### **Abdel (Abby) Badwi**

Mr. Badwi has been the Executive Chairman of the Company since September 1, 2020. Mr. Badwi is a geologist and petroleum industry executive with more than 40 years of international upstream experience, leading public and private energy companies with oil and gas assets in many international jurisdictions. During this period, Mr. Badwi has completed several corporate mergers and numerous corporate and asset acquisitions and has a strong capital market following in North America and Europe. Mr. Badwi has been a corporate board member of several public and private companies including Verano Energy in Colombia and Arpetrol Corp. in Argentina; both companies were successfully sold in 2014 and 2016. Mr. Badwi most recently served as President and CEO of Kuwait Energy, an E&P company with operations in Egypt, Iraq and Oman and successfully led the sale of the company in 2019. Mr. Badwi has previously served as President and CEO of Bankers Petroleum Ltd. with oil production operations in Albania from 2008 to 2013 (and Vice Chairman until 2016), and the company was sold in 2016. Mr. Badwi has also served as President, CEO, and a director of Rally Energy from 2005 to 2007, a company with oil production in Egypt and natural gas in Pakistan; he successfully led the sale of the company in 2007. Mr. Badwi was the Recipient of Albania's high distinction Presidential Award for Special Civil Merits and the Recipient of the Atlantic Council of Canada's Award for Corporate Social Responsibility and Economic Sustainability. Mr. Badwi is also a member of the Canadian Institute of Corporate Directors.

### **Toby Pierce**

Mr. Pierce is the Chief Executive Officer and a director of the Company and has served as a director since June 1, 2015. Mr. Pierce is a natural resource executive with many years of extensive transactional and valuation experience in deal sizes ranging from several million to \$1.3 billion in value. He began his career as a geologist with Hunter Dickinson, and then moved to Pierce Geological, a privately held oil and gas consulting company. As Director of Oil and Gas Institutional Research at Tristone Capital, Mr. Pierce worked in both the Calgary and London offices. Remaining in London, Mr. Pierce became Partner and Oil and Gas Analyst for GMP Europe Securities LLP, where he covered a variety of oil and gas companies with market capitalizations ranging from \$30 million to \$15 billion and provided strategic advice and valuation expertise both internally to the investment banking and sales partners, and externally to energy company management on asset acquisitions, financings, and capital markets. Mr. Pierce recently held a senior management position as Managing Director of Burnt Ridge Advisory, a natural resources advisory firm focused on M&A, valuations, investments, deal structuring, and due diligence for resource companies and investors, and was the Chief Executive Officer and co-founder of Crest Petroleum Corp., a TSX-V listed oil and gas company. Mr. Pierce is a graduate of the Rotman School of Management at the University of Toronto where he earned an M.B.A. degree in Finance and holds a B.Sc. degree in Earth Sciences from the University of Victoria.

### **Keith Hill**

Mr. Hill has been a director of the Company since July 5, 2011. Mr. Hill is also a director of Africa Oil, as well as a director of ShaMaran Petroleum, Eco Atlantic, and Africa Energy. Prior to this, Mr. Hill was instrumental in developing Valkyries Petroleum Corp. and Tanganyika Oil Company Ltd., both highly successful international oil and gas producers that were acquired by major oil companies. He has over 35 years' experience in the oil industry including over 20 years with the Lundin Group as well as international new venture management and senior exploration positions at Occidental Petroleum and Shell Oil Company. Mr. Hill holds a M.Sc. degree in Geology and a B.Sc. degree in Geophysics from Michigan State University, as well as an M.B.A. degree from the University of St. Thomas in Houston.

### **Shawn Reynolds**

Mr. Reynolds has been a director of the Company since September 1, 2020. Mr. Reynolds is Portfolio Manager of Van Eck Securities Corporation which he joined in 2005. He currently serves as Portfolio Manager for Van Eck's Global Hard Assets Strategy where he is responsible for company research and portfolio construction. Prior to joining Van Eck, he was employed as an energy equity analyst covering North American, European, and global energy companies out of New York, Denver, London and Australia

with Goldman Sachs, Credit Suisse First Boston, Lehman Brothers and Petrie Parkman. Prior to his career in finance, Mr. Reynolds worked as an exploration geologist for Tenneco Oil Company. Mr. Reynolds was previously Vice Chairman of Kuwait Energy, and a board member of several private Latin American oil and gas exploration companies. He is a member of the board of trustees at Hackensack Meridian Health Hospitals Corp., the Riverview Medical Center Foundation, Trinity Hall, and Former President and current member of the board of trustees at the Rumson Country Day School. Mr. Reynolds received an M.B.A. in finance from Columbia University, an M.A. in petroleum geology from the University of Texas, Austin, and a B.S. in engineering from Cornell University.

### **Thomas Hickey**

Mr. Hickey has been a director of the Company since September 1, 2020. Mr. Hickey is an attorney of the State of California and Solicitor of the Supreme Court of England and Wales. Mr. Hickey brings to TAG over 20 years' international oil and gas sector experience in M&A, corporate governance, compliance & ethics, and group restructuring and consolidation during his time with the operators Hess Corporation and Kuwait Energy and the service contractors Transocean and Subsea 7. Beginning his career in London, England, Mr. Hickey has since been expatriated to Houston, New York, Kuala Lumpur, Kuwait City and Paris to support growth strategies and implement fit-for-purpose and effective corporate governance and compliance. Currently, Mr. Hickey is Head of Corporate Legal for Roquette Frères S.A. and based in France. Mr. Hickey received an MBA from Strathclyde University (distinction) and is a certified CEDR mediator.

### **Gavin Wilson**

Mr. Wilson is an Investment Director for Meridian Capital Limited, a private investment company. Mr. Wilson was the Founder and Manager of RAB Energy and RAB Octane, listed investment funds, from 2004 until 2011. From 1992 to 2003, he worked with Canaccord Capital London, an investment banking company, as Head of Oil and Gas, responsible for sales and Corporate Brokering/Finance. Mr. Wilson holds a Bachelor of Arts degree in French History and Civilization from Grenoble University.

The Board does not contemplate that any of its nominees will be unable to serve as a director, but if for any reason that should occur, the persons named in the Proxy shall have the right to use their discretion to vote for a properly qualified substitute.

It is expected that the nominees set forth in this Information Circular will, upon their re-election, continue to serve as directors of the Company until the conclusion of the next shareholders' meeting of the Company.

### **3. Appoint Auditors and Authorize Directors to Fix Remuneration**

The management of the Company intends to nominate Deloitte for appointment as auditor of the Company. Proxies given pursuant to the solicitation by the management of the Company will, on any poll, be voted as directed and, if there is no direction, voted for the appointment of Deloitte as auditor of the Company to hold office until the close of the next shareholders' meeting of the Company, at a remuneration to be fixed by the directors.

### **4. Approval of Stock Option Plan**

On December 19, 2008, the Company established the Stock Option Plan, under which the directors were authorized to grant options to purchase Options to purchase up to 10% of the Common Shares from time to time. The purpose of the Stock Option Plan is to attract and retain directors, executive officers, employees, and consultants who will be motivated to work towards ensuring the success of the Company by affording such persons with an opportunity to acquire an equity interest in the Company through the Options.

The criteria used to determine eligibility for granting options, including the term of each option and the vesting of each option is at the discretion of the Board based upon the individual's level of responsibility,

performance and comparative levels of compensation and previous grants awarded. Proposed grants of Options are submitted to the Board for approval by the Company's Compensation Committee. The Board administers and has the authority to amend the Stock Option Plan, subject to applicable shareholder and regulatory approvals.

The Stock Option Plan permits the issuance of up to an aggregate of 10% of the issued and outstanding Common Shares from time to time pursuant to the exercise of Options granted under the Stock Option Plan. This is a "rolling" plan as the number of Common Shares reserved for issuance pursuant to the grant Options will increase as the number of the Company's issued and outstanding Common Shares increases, and the Stock Option Plan must receive TSX-V approval annually and amendments to the terms of the Stock Option Plan are subject to prior TSX-V acceptance.

In accordance with TSX-V Policy 4.4, the Company is required to make certain amendments to the Stock Option Plan. The Company proposes the following amendments to the Stock Option Plan: (i) Common Share capital adjustments are subject to prior approval of the TSX-V, except where they relate to consolidations or splits; and (ii) annual shareholder approval, at a shareholder meeting, must be obtained no more than fifteen (15) months between shareholder meetings.

The Stock Option Plan was last approved by shareholders at the Company's annual meeting held on December 1, 2022. A copy of the Stock Option Plan is attached hereto as Appendix "B" to this Information Circular and the highlights of the Stock Option Plan, including the above amendments, are as follows:

1. The Stock Option Plan permits the granting of Options to officers of, employees of, consultants to and other eligible service providers ("**Optionees**") of and to the Company and its subsidiaries.
2. The maximum number of Common Shares issuable on the exercise of Options outstanding at any time is limited, in the aggregate, to 10% of the issued and outstanding Common Shares. Any increase in the issued and outstanding Common Shares (whether as a result of the exercise of Options, or otherwise) at any time will result in an increase in the number of Common Shares that may be issued on the exercise of Options and any increase in the number of Options granted, upon exercise, makes new grants available under the Stock Option Plan. Options that are cancelled, terminated, or expire prior to the exercise of all of the Options or a portion thereof shall result in the Common Shares that were reserved for issuance thereunder being available for a subsequent grant of Options pursuant to the Stock Option Plan.
3. The number of Common Shares issuable pursuant to Options granted under the Stock Option Plan to all insiders at any time, and within a one (1) year period, may not exceed 10% of the issued and outstanding Common Shares. Options granted under the Stock Option Plan are not assignable.
4. Options can be exercisable for a maximum of ten (10) years from the date of the grant thereof by the Board and, subject to the terms of the Stock Option Plan, shall vest in such manner as determined by the Board. If an Option is set to expire within, or within ten (10) business days after the end of, a "black out" or similar period imposed under any insider trading policy or similar policy of the Company (but not, for greater certainty, a restrictive period resulting from the Company or its insiders being the subject of a cease trade order of a securities regulatory authority), then the end of the term of such Option shall be the tenth business day after the earlier of the end of such black out period or, provided the "black out" period has ended, the expiry date.
5. The exercise price of any Options granted will be determined by the Board at the time of grant, provided that the exercise price shall not be less than the market price, which means that: (a) if the Common Shares are listed on the TSX, the market price shall be the closing price of the Common Shares on the TSX for the last market trading day prior to the date of the grant of the Option, (b) if the Common Shares are listed on the TSX-V, the market price shall be the closing price of the Common Shares on the TSX-V for the last market trading day prior to the date of the grant of the Option less any discount permitted by the TSX-V, (c) if the Common Shares are listed on an exchange other than the TSX or the TSX-V, the market price shall be the closing price of the Common Shares (or the closing bid, if no sales were reported) as quoted on such exchange for the last market trading day prior to the date of the grant of the Option, and (d) if the Common Shares are not listed on an exchange, the market price shall be determined in good faith by the Board.

6. The Stock Option Plan contains customary anti-dilution provisions which provide for adjustments to be made in the event of consolidations, subdivisions or any changes of the Common Shares, or in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, in order to prevent dilution or enlargement of the rights granted under the Stock Option Plan.
7. If an Optionee ceases to be an officer of, employee of, a consultant to or service provider to, the Company or a subsidiary of the Company for any reason, the Optionee shall have a period not in excess of ninety (90) days as prescribed at the time of grant, succeeding his or her ceasing to be an officer, employee, consultant or other service provider to exercise the Options held to the extent that the Optionee was entitled to exercise the Options at the date of such cessation. In the case of being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise the same. Generally, in the event of a merger of the Company whether by way of amalgamation or arrangement, or the sale of substantially all of the assets of the Company, any or all outstanding Options may be assumed, converted or replaced by the successor corporation (if any), which assumption, conversion or replacement will be binding on all Optionees or, in the alternative, the successor corporation may substitute equivalent Options or provide substantially similar consideration to Optionees as was provided to shareholders (after taking into account the existing provisions of the Options). In the event of a proposed dissolution or liquidation of the Company, to the extent that an Option has not been previously exercised, the Option will terminate immediately prior to the consummation of such action, subject to the Board's discretion.
8. All Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable, subject to the case of the death of an Optionee in which case any vested Option held at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one (1) year after the date of the death of such Optionee and the date of expiration of the term otherwise applicable to such Option.
9. Without the prior approval of the shareholders, the Board may not make any amendment that results in: (a) an increase in the number of Common Shares issuable under Options granted pursuant to the Stock Option Plan, (b) a change in the persons eligible to receive Options under the Stock Option Plan, (c) the cancellation and reissue of any Option, (d) an extension of the term of an Option granted under the Stock Option Plan benefiting an insider of the Company, or (e) Options becoming transferable or assignable other than in the case of the death of an Optionee. Subject to the restrictions set out above and the policies of the TSX-V, the Board may, without notice, at any time and from time to time amend the Stock Option Plan and the Options granted thereunder provided, however, that no such amendment of the Stock Option Plan may be made without the consent of such Optionee if such amendment would adversely affect the rights of such Optionee under the Stock Option Plan. The Board may also terminate the Stock Option Plan at any time without shareholder approval, provided that no such termination shall adversely affect the rights of any Optionee under any Option previously granted except with the consent of such Optionee.

At the Meeting, shareholders will be asked to consider, and if deemed appropriate, to pass with or without variation, the following ordinary resolution (the "**Stock Option Plan Approval Resolution**"):

**"BE IT RESOLVED THAT:**

1. the Stock Option Plan of the Company, as described in the Information Circular and substantially in the form attached as Appendix "B", be and it is hereby approved; and
2. any director or officer of the Company be and is hereby authorized and directed to take all such action and execute and deliver all such documents as any such director or officer may, in his or her sole discretion, determine are necessary, desirable, or useful to implement the foregoing resolutions."

An ordinary resolution is a resolution passed by a simple majority of the votes cast in person or by proxy. Unless otherwise indicated, the persons designated as proxyholders in the accompanying Proxy intend to vote the Common Shares represented by each properly executed Proxy **FOR** the Stock Option Plan Approval Resolution.

The Stock Option Plan will continue to benefit the shareholders of TAG by aligning the interests of the Company's officers, employees, consultants, and other eligible service providers with those of the shareholders of TAG and providing a long-term incentive to reward the Company's officers, employees, consultants and other eligible service providers for their contribution to the generation of shareholder value.

**The Board recommends that shareholders vote FOR the Stock Option Plan Approval Resolution. Unless otherwise instructed, Common Shares represented by proxies in favor of management will be voted FOR the Stock Option Plan Approval Resolution.**

### **OTHER MATTERS**

The Board is not aware of any other matters which they anticipate will come before the Meeting as of the date of mailing of this Information Circular. If any other matters properly come before the Meeting, the Common Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Proxy, subject to instructions on the face of the Proxy to the contrary.

### **ADDITIONAL INFORMATION**

Financial information is provided in the Company's comparative annual financial statements and management discussion and analysis for its most recently completed financial year. Additional information relating to the Company is also available on SEDAR at [www.sedar.com](http://www.sedar.com) and may be downloaded free of charge.

The Company will provide to any shareholder, free of charge, upon request to the Company, telephone no. (604) 682-6496 or fax no. (604) 682-1174, a copy of any year end and interim financial statements of the Company and management's discussion and analysis filed with the applicable securities regulatory authorities during the past three years.

### **BOARD APPROVAL**

The contents of this Information Circular and its distribution to shareholders have been approved by the Board.

**DATED** at Vancouver, British Columbia November 6, 2023.

*"Toby Pierce"*

**Toby Pierce**  
**Chief Executive Officer**

## APPENDIX "A"

### AUDIT COMMITTEE CHARTER

#### 1. Mandate

The audit committee will assist the board of directors (the "Board") in fulfilling its financial oversight responsibilities with respect to the governance of TAG Oil Ltd. (the "Company"). The audit committee will review and consider, in consultation with the auditors, the financial reporting process, the system of internal controls regarding finance and accounting and the Company's accounting and auditing processes. Consistent with this function, the committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership as well and the company's business, operations and risks.

#### 2. Composition

The Board will appoint from among their membership an audit committee after each annual general meeting of the shareholders of the Company. The audit committee will consist of a minimum of three directors. Unless a Chair is elected by the full Board, the members of the audit committee may designate a Chair by a majority vote of the full audit committee membership.

##### 2.1 *Independence*

All of the members of the audit committee must meet the independence requirements set forth in the Securities Act (British Columbia) and related policies and instruments (the "Act").

##### 2.2 *Expertise of Committee Members*

Each member of the audit committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the committee. At least one member of the committee must have accounting or related financial management expertise. The Board shall use its business judgment to interpret the financial literacy and financial management expertise requirements of the Act and shall conclude whether a director meets these qualifications.

#### 3. Meetings

The audit committee shall meet in accordance with a schedule established each year by the Board, and at other times that the audit committee may determine. The audit committee shall meet at least annually with the Company's Chief Financial Officer and external auditors in separate executive sessions.

#### 4. Roles and Responsibilities

The audit committee shall fulfill the following roles and discharge the following responsibilities:

##### 4.1 *External Audit*

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report or performing other audit, review or attest services for the Company (including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures). In carrying out this duty, the audit committee shall:



- (a) recommend to the Board the external auditor to be nominated to the shareholders for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company;
- (b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;
- (c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;
- (d) review and recommend to the Board the compensation to be paid to the external auditors; and
- (e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards.

#### *4.2 Internal Control*

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Company. In carrying out this duty, the audit committee shall:

- (a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Company; and
- (b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

#### *4.3 Financial Reporting*

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

##### *General*

- (a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and
- (b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

##### *Annual Financial Statements*

- (c) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;
- (d) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and
- (e) review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

##### *Interim Financial Statements*

- (f) review and approve the interim financial statements prior to their release to the public; and
- (g) review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

#### *Release of Financial Information*

- (h) where reasonably possible, review and approve all public disclosure, including news releases, containing financial information, prior to its release to the public.

#### *Adequacy of Procedures*

- (i) periodically, and at least annually, assess the adequacy of the foregoing procedures in order to satisfy itself that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements.

#### *4.4 Non-Audit Services*

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Company or any subsidiary of the Company shall be subject to the prior approval of the audit committee.

#### *Delegation of Authority*

- (a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

#### *De-Minimis Non-Audit Services*

- (b) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:
  - (i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or
  - (ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

#### *Pre-Approval Policies and Procedures*

- (c) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:
  - (i) the pre-approval policies and procedures are detailed as to the particular service;
  - (ii) the audit committee is informed of each non-audit service; and
  - (iii) the procedures do not include delegation of the audit committee's responsibilities to management.

#### *4.5 Other Responsibilities*

The audit committee shall:

- (a) establish procedures for the receipt, retention and treatment of complaints received by the company regarding accounting, internal accounting controls, or auditing matters;

- (b) establish procedures for the confidential, anonymous submission by employees of the company of concerns regarding questionable accounting or auditing matters;
- (c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;
- (d) review the policies and procedures in effect for considering officers' expenses and perquisites;
- (e) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company and coordinate such review and approval with the Compensation and Nomination Committees, as deemed appropriate;
- (f) perform other oversight functions as requested by the Board; and
- (g) review and update this Charter and receive approval of changes to this Charter from the Board.

#### 4.6 *Reporting Responsibilities*

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

### **5. Resources and Authority of the Audit Committee**

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the audit committee; and
- (c) communicate directly with the internal and external auditors.

### **6. Guidance - Roles & Responsibilities**

The following guidance is intended to provide the Audit Committee members with additional guidance on fulfillment of their roles and responsibilities on the committee:

#### 6.1 *Internal Control*

- (a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;
- (b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown; and
- (c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

#### 6.2 *Financial Reporting*

##### *General*

- (a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements; and

- (b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks; and
- (c) understand industry best practices and the Company's adoption of them.

#### *Annual Financial Statements*

- (d) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Company reports or trades its shares;
- (e) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;
- (f) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;
- (g) consider management's handling of proposed audit adjustments identified by the external auditors; and
- (h) ensure that the external auditors communicate all required matters to the committee.

#### *Interim Financial Statements*

- (i) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;
- (j) meet with management and the auditors, either telephonically or in person, to review the interim financial statements; and
- (k) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:
  - (i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;
  - (ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financials statements are consistent with changes in the company's operations and financing practices;
  - (iii) generally accepted accounting principles have been consistently applied;
  - (iv) there are any actual or proposed changes in accounting or financial reporting practices;
  - (v) there are any significant or unusual events or transactions;
  - (vi) the Company's financial and operating controls are functioning effectively;
  - (vii) the Company has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and
  - (viii) the interim financial statements contain adequate and appropriate disclosures.

### **6.3 *Compliance with Laws and Regulations***

- (a) periodically obtain updates from management regarding compliance with this policy and industry "best practices";
- (b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements; and
- (c) review the findings of any examinations by securities regulatory authorities and

(d) stock exchanges.

6.4 *Other Responsibilities*

(a) review, with the company's counsel, any legal matters that could have a significant impact on the company's financial statements.

## APPENDIX "B"

### STOCK OPTION PLAN

#### ARTICLE 1

#### PURPOSE AND INTERPRETATION

##### Purpose

- 1.1 The purpose of this Plan will be to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company. It is the intention of the Company that this Plan will at all times be in compliance with the rules and policies (the "**TSX Policies**") of the Toronto Stock Exchange (the "**TSX**"), or the rules and policies of such other exchange as the common shares of the Company may then be listed for trading, including the TSX Venture Exchange (the "**Exchange**"), and any inconsistencies between this Plan whether due to inadvertence or changes in such policies will be resolved in favour of the latter.

##### Definitions

- 1.1 In this Plan:

**Affiliate** means a company that is a parent or subsidiary of the Company, or that is controlled by the same entity as the Company;

**Associate** has the meaning assigned by the Securities Act;

**Board** means the board of directors of the Company or any committee thereof duly empowered or authorized to grant Options under this Plan;

**Broker** has the meaning provided in Section 6.3 hereof;

**Change of Control** includes situations where after giving effect to the contemplated transaction and as a result of such transaction:

- (i) any one Person holds a sufficient number of voting shares of the Company or resulting company to affect materially the control of the Company or resulting company, or,
- (ii) any combination of Persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding, hold in total a sufficient number of voting shares of the Company or its successor to affect materially the control of the Company or its successor,

where such Person or combination of Persons did not previously hold a sufficient number of voting shares to affect materially control of the Company or its successor. In the absence of evidence to the contrary, any Person or combination of Persons acting in concert by virtue of an agreement, arrangement, commitment or understanding, holding more than 20% of the voting shares of the Company or its successor is deemed to materially affect the control of the Company or its successor;

**Common Shares** means common shares without par value in the capital of the Company and includes any shares of the Company into which such common shares may be converted, reclassified, redesignated, subdivided, consolidated, exchanged or otherwise changed;

**Company** means TAG Oil Ltd. and includes, unless the context otherwise requires, all of its subsidiaries or affiliates and successors according to law;

**Consultant** means a Person or Consultant Company, other than an Employee, Officer or Director that:

- (i) provides on an ongoing bona fide basis, consulting, technical, managerial or like services to the Company or an Affiliate of the Company, other than services provided in relation to a Distribution;
- (ii) provides the services under a written contract between the Company or an Affiliate and the Person or the Consultant Company;
- (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the business and affairs of the Company or an Affiliate of the Company; and
- (iv) has a relationship with the Company or an Affiliate that enables the Person or Consultant Company to be knowledgeable about the business and affairs of the Company;

**Consultant Company** means for a Person consultant, a company or partnership of which the Person is an employee, shareholder or partner;

**Directors** means the directors of the Company as may be elected from time to time;

**Distribution** has the meaning assigned by the Securities Act, and generally refers to a distribution of securities by the Company from treasury;

**Effective Date** for an Option means the date of grant thereof by the Board;

**Employee** means:

- (i) Person who is considered an employee under the Income Tax Act (i.e. for whom income tax, employment insurance and CPP deductions must be made at source);
- (ii) Person who works full-time for the Company or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or
- (iii) Person who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions need not be made at source;

**Exercise Price** means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof;

**Expiry Date** means the day on which an Option lapses as specified in the Option Commitment therefor or in accordance with the terms of this Plan;

**Insider** means:

- (i) an insider as defined in the TSX Policies or as defined in securities legislation applicable to the Company;
- (ii) an Associate of any Person who is an Insider by virtue of Section (i) above;

**Management Company Employee** means a Person employed by another Person or a corporation providing management services to the Company which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a corporation or Person engaged primarily in investor relations activities;

**Market Price** means, as of any date, the value of the Common Shares, determined as follows:

- (i) if the Common Shares are listed on the TSX, the Market Price shall be the closing price of the Common Shares on the TSX for the last market trading day prior to the date of the grant of the Option;
- (ii) if the Common Shares are listed on the TSX Venture Exchange, the Market Price shall be the closing price of the Common Shares on the TSX Venture Exchange for the last market trading day prior to the date of the grant of the Option less any discount permitted by the TSX Venture Exchange;
- (iii) if the Common Shares are listed on an exchange other than the TSX or the TSX Venture Exchange, the Market Price shall be the closing price of the Common Shares (or the closing bid, if no sales were reported) as quoted on such exchange for the last market trading day prior to the date of the grant of the Option; and
- (iv) if the Common Shares are not listed on an exchange, the Market Price shall be determined in good faith by the Committee;

**Officer** means a duly appointed senior officer of the Company;

**Option** means the right to purchase Common Shares granted hereunder to a Service Provider;

**Option Commitment** means the notice of grant of an Option delivered by the Company hereunder to a Service Provider and substantially in the form of Schedule A hereto;

**Optioned Shares** means Common Shares that may be issued in the future to a Service Provider upon the exercise of an Option;

**Participant** means every Service Provider who is approved for participation in the Plan by the Board;

**Person** means a company or an individual;

**Plan** means this Amended and Rested Share Option Plan, the terms of which are set out herein or as may be amended from time to time;

**Securities Act** means the *Securities Act*, R.S.B.C. 1996, c. 418, as amended from time to time;

**Service Provider** means a Person who is a bona fide Director, Officer, Employee, Management Company Employee or Consultant, and also includes a company, of which 100% of the share capital is beneficially owned by one or more Service Providers;

**Security Based Compensation Arrangement** means a security based compensation arrangement as described in Section 613 of the TSX Policies;

**TSX** means the Toronto Stock Exchange and any successor thereto;

**TSX Policies** means the rules and policies of the TSX as amended from time to time; and

**Withholding Obligations** has the meaning provided in Section 6.3 hereof.

## Other Words and Phrases

- 1.2 Words and Phrases used in this Plan but which are not defined in the Plan, but are defined in the TSX Policies, will have the meaning assigned to them in the TSX Policies.



## **Gender**

- 1.3 Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

## **ARTICLE 2**

### **SHARE OPTION PLAN**

#### **Establishment of Share Option Plan**

- 2.1 There is hereby established a Share Option Plan to recognize contributions made by Service Providers and to create an incentive for their continuing assistance to the Company and its Affiliates.

#### **Maximum Plan Shares**

- 2.2 The maximum aggregate number of Common Shares that may be reserved for issuance under the Plan (together with those shares which may be issued pursuant to any other Security Based Compensation Arrangement of the Company or options for services granted by the Company) is 10% of the Company's issued and outstanding Common Shares at any time, unless this Plan is amended pursuant to the requirements of the TSX Policies.

#### **Eligibility**

- 2.3 Options to purchase Common Shares may be granted hereunder to Service Providers from time to time by the Board, subject to the requirements under any applicable law and the rules and policies of any securities regulatory authority, stock exchange or quotation system with jurisdiction over the Company or the issuance of the Options.

#### **Options Granted Under the Plan**

- 2.4 All Options granted under the Plan will be evidenced by an Option Commitment in the form attached as Schedule A, showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.
- 2.5 Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Commitment made hereunder.

#### **Limitations on Issue**

- 2.6 Subject to Section 2.9, the following restrictions on issuances of Options are applicable under the Plan:
- (a) the number of Common Shares reserved for issuance pursuant to this Plan (together with those Common Shares which may be issued pursuant to any other Security Based Compensation Arrangement of the Company or options for services granted by the Company) to any one Person within a one-year period shall not exceed 5% of the Common Shares outstanding on a non-diluted basis from time to time (unless the Company has obtained the requisite disinterested shareholder approval);
  - (b) the number of Common Shares which may be reserved for issuance pursuant to this Plan (together with those Common Shares which may be issued pursuant to any other security based compensation arrangement of the Company or options for services granted by the Company) to all Insiders within a one-year period shall not exceed 10% of the Common Shares outstanding on a non-diluted basis from time to time;

- (c) the number of Common Shares which may be issued pursuant to this Plan (together with those Common Shares which may be issued pursuant to any other Security Based Compensation Arrangement of the Company or options for services granted by the Company) to all Insiders within a one-year period shall not exceed 10% of the Common Shares outstanding on a non-diluted basis from time to time unless disinterested shareholder approval is obtained;
- (d) the aggregate number of Options which may be granted to any one Consultant in a one-year period must not exceed 2% of the issued Common Shares of the Company, calculated at the date an Option is granted to any such Person;
- (e) the aggregate number of Options which may be granted to all Persons retained to provide investor relations activities must not exceed 2% of the issued Common Shares of the Company in a one-year period, calculated at the date an Option is granted to any such Person;
- (f) Options granted to all Persons retained to provide investor relations activities must vest in stages over 12 months with no more than one-quarter of the Options vesting in any three-month period; and
- (g) the number of Common Shares which may be issued pursuant to this Plan (together with those Common Shares which may be issued pursuant to any other Security Based Compensation Arrangement of the Company or options for services granted by the Company) to any one Insider and such Insider's associates within a one-year period shall not exceed 5% of the Common Shares outstanding on a non-diluted basis from time to time.

### **Options Not Exercised**

- 2.7 In the event an Option granted under the Plan expires unexercised or is terminated by reason of dismissal of the Participant for cause or is otherwise lawfully cancelled prior to exercise of the Option, the unpurchased Optioned Shares shall again be available for the purposes of this Plan.

### **Powers of the Board**

- 2.8 The Board will be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to:
- (a) allot Common Shares for issuance in connection with the exercise of Options;
  - (b) grant Options hereunder;
  - (c) construe and interpret this Plan, any Option Commitment and any other agreement or document executed pursuant to this Plan;
  - (d) prescribe, amend and rescind rules and regulations relating to this Plan;
  - (e) select eligible Service Providers to receive Options;
  - (f) determine the form and terms of Options and Option Commitments, provided that they are not inconsistent with the terms of the Plan;
  - (g) determine the Exercise Price of an Option;
  - (h) determine the number of Shares to be covered by each Option;
  - (i) determine whether Options will be granted singly, in combination with, in tandem with, in replacement of, or as alternatives to, any other incentive or compensation plan of the Company;
  - (j) grant waivers of Option conditions or amend or modify each Option, provided that they are not inconsistent with the terms of this Plan;
  - (k) determine the vesting, exercisability and Expiry Dates of Options;
  - (l) correct any defect, supply any omission, or reconcile any inconsistency in this Plan, any Option, any Option Commitment or any other agreement or document executed pursuant to this Plan;

- (m) determine whether an Option has been earned;
- (n) make all other determinations necessary or advisable for the administration of this Plan;
- (o) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorized so to do; and
- (p) may, at any time, suspend or terminate the Plan in any respect, provided that no such termination shall adversely affect the rights of any Participant under any Option previously granted except with the consent of such Participant. The Board may, without notice, at any time and from time to time, amend the Plan or any provisions thereof, or the form of Option Commitment or instrument to be executed pursuant to the Plan, in such manner as the Board, in its sole discretion, determines appropriate without shareholder approval:
  - (i) for the purposes of making formal minor or technical modifications to any of the provisions of the Plan;
  - (ii) to correct any ambiguity, defective provisions, error or omission in the provisions of the Plan;
  - (iii) to change any vesting provisions of Options or the Plan;
  - (iv) to change the termination provisions of the Options or the Plan which does not entail an extension beyond the original expiry date of the Options;
  - (v) to add a cashless exercise feature to the Plan, providing for the payment in cash or securities on the exercise of Options; and
  - (vi) to add or change provisions relating to any form of financial assistance provided by the Company to Participants that would facilitate the purchase of securities under the Plan.
 provided, however, that:
  - (vii) no such amendment of the Plan may be made without the consent of such affected Participant if such amendment would adversely affect the rights of such affected Participant under the Plan.

### **Terms or Amendments Requiring Shareholder Approval**

- 2.9 The Company will be required to obtain shareholder approval in accordance with the requirements of the TSX Policies for any amendment that results in:
- (a) an increase in the number of shares issuable under Options granted pursuant to the Plan;
  - (b) a change in the Persons eligible to receive Options under the Plan;
  - (c) the cancellation and reissue of any Option;
  - (d) an extension of the term of an Option granted under the Plan benefiting an Insider of the Company; or
  - (e) Options becoming transferable or assignable other than for the purposes as described in Section 3.4(a).

Disinterested shareholder approval will be obtained for any reduction in the Exercise Price if the Participant is an Insider of the Company at the time of the proposed amendment.

A rolling stock option plan that permits the issuance of up to an aggregate of 10% of the issued and outstanding Common Shares from time to time must receive Exchange approval annually and all amendments to the Plan are subject to the prior approval of the Exchange. Annual shareholder

approval, at a shareholder meeting, must be obtained no more than 15 months between shareholder meetings.

### **ARTICLE 3 TERMS AND CONDITIONS OF OPTIONS**

#### **Exercise Price**

- 3.1 The Exercise Price of an Option will be set by the Board at the time such Option is allocated under the Plan, and cannot be less than the Market Price.

#### **Term of Option**

- 3.2 An Option can be exercisable for a maximum of 10 years from the Effective Date, provided that in the circumstance where the end of the term of an Option falls within, or within ten business days after the end of a “black out” or similar period imposed under any insider trading policy or similar policy of the Company (but not, for greater certainty, a restrictive period resulting from the Company or its Insiders being the subject of a cease trade order of a securities regulatory authority). In such circumstances, the end of the term of such Option shall be the tenth business day after the earlier of the end of such black out period or, provided the black out period has ended, the expiry date.

#### **Vesting of Options**

- 3.3 Vesting of Options is at the discretion of the Board, and will generally be subject to:
- (a) the Service Provider remaining employed by or continuing to provide services to the Company or any of its subsidiaries and Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or its subsidiary or affiliate during the vesting period; or
  - (b) remaining as a Director of the Company or any of its subsidiaries or Affiliates during the vesting period.

#### **Participant Ceasing to be Director, Employee or Service Provider**

- 3.4 No Option may be exercised after the Participant has left the employ/office of the Company or has been advised his services are no longer required or his service contract has expired, except as follows:
- (a) in the case of the death of a Participant, any vested Option held by him at the date of death will become exercisable by the Participant’s lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Participant and the date of expiration of the term otherwise applicable to such Option;
  - (b) Options granted to any Service Provider must expire within 90 days after the date the Participant ceases to be employed with or provide services to the Company, but only to the extent that such Participant was vested in the Option at the date the Participant ceased to be so employed or to provide services to the Company; and
  - (c) in the case of a Participant being dismissed from employment or service for cause, such Participant’s Options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.

#### **Non Assignable**

- 3.5 Subject to Section 3.4(a), all Options will be exercisable only by the Participant to whom they are granted and will not be assignable or transferable.

## Adjustment of the Number of Optioned Shares

3.6 The number of Common Shares subject to an Option will be subject to adjustment in the events and in the manner following:

- (a) in the event of a subdivision of Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a greater number of Common Shares, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder, in addition to the number of Optioned Shares in respect of which the right to purchase is then being exercised, such additional number of Common Shares as result from the subdivision without a Participant making any additional payment or giving any other consideration therefor;
- (b) in the event of a consolidation of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a lesser number of Common Shares, the Company will thereafter deliver and a Participant will accept, at the time of purchase of Optioned Shares hereunder, in lieu of the number of Optioned Shares in respect of which the right to purchase is then being exercised, the lesser number of Common Shares as result from the consolidation;
- (c) in the event of any change of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder the number of shares of the appropriate class resulting from the said change as a Participant would have been entitled to receive in respect of the number of Common Shares so purchased had the right to purchase been exercised before such change;
- (d) in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, a Participant will thereafter have the right to purchase and receive, in lieu of the Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Common Shares equal to the number of Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option would have received as a result thereof. The subdivision or consolidation of Common Shares at any time outstanding (whether with or without par value) will not be deemed to be a capital reorganization or a reclassification of the capital of the Company for the purposes of this Section 3.6(d);
- (e) an adjustment will take effect at the time of the event giving rise to the adjustment, and the adjustments provided for in this Section are cumulative;
- (f) the Company will not be required to issue fractional shares in satisfaction of its obligations hereunder. Any fractional interest in a Common Share that would, except for the provisions of this Section 3.6(f), be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company; and
- (g) if any questions arise at any time with respect to the Exercise Price or number of Optioned Shares deliverable upon exercise of an Option in any of the events set out in this Section 3.6, such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Accountants, in Vancouver, British Columbia (or in the city of the Company's principal executive office) that the Company may designate and who will have access to all appropriate records and such determination will be binding upon the Company and all Participants.

Common Share capital adjustments are subject to prior approval of the Exchange, except where they relate to consolidations or subdivisions of Common Shares.

## **ARTICLE 4 COMMITMENT AND EXERCISE PROCEDURES**

### **Option Commitment**

- 4.1 Upon grant of an Option hereunder, an authorized officer of the Company will deliver to the Participant an Option Commitment detailing the terms of such Options and upon such delivery the Participant will be subject to the Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof.

### **Manner of Exercise**

- 4.2 An Participant who wishes to exercise his Option may do so by delivering
- (a) a written notice to the Company specifying the number of Optioned Shares being acquired pursuant to the Option; and
  - (b) cash or a certified cheque payable to the Company for the aggregate Exercise Price for the Optioned Shares being acquired.

### **Delivery of Certificate and Hold Periods**

- 4.3 As soon as practicable after receipt of the notice of exercise described in Section 4.2 and payment in full for the Optioned Shares being acquired, the Company will direct its transfer agent to issue a certificate to the Participant for the appropriate number of Optioned Shares. Such certificate issued will bear a legend stipulating any resale restrictions required under applicable securities laws or regulatory requirements, including the requirements of any exchange on which the Common Shares are listed.

## **ARTICLE 5 CORPORATE TRANSACTIONS**

### **Assumption or Replacement of Options by Successor**

- 5.1 In the event of:
- (a) a merger whether by way of amalgamation or arrangement in which the Company is not the surviving corporation (other than a merger with a wholly-owned subsidiary, or other transaction in which there is no substantial change in the shareholders of the Company or their relative shareholdings and the Options granted under this Plan are assumed, converted or replaced by the successor corporation, which assumption will be binding on all Participants);
  - (b) a merger whether by way of amalgamation or arrangement in which the Company is the surviving corporation but after which shareholders of the Company immediately prior to such merger (other than any shareholder which merges, or which owns or controls another corporation which merges, with the Company in such merger) cease to own their shares or other equity interests in the Company; or
  - (c) the sale of substantially all of the assets of the Company,

any or all outstanding Options may be assumed, converted or replaced by the successor corporation (if any), which assumption, conversion or replacement will be binding on all Participants or, in the alternative, the successor corporation may substitute equivalent Options or provide substantially similar consideration to Participants as was provided to shareholders (after taking into account the existing provisions of the Options).

## **Dissolution or Liquidation**

- 5.2 In the event of the proposed dissolution or liquidation of the Company, to the extent that an Option has not been previously exercised, the Option will terminate immediately prior to the consummation of such proposed action. The Board may, in the exercise of its sole discretion in such instances, declare that any Option shall terminate as of a date fixed by the Board and give each Participant the right to exercise his or her Option as to all or any part of the Optioned Shares thereof, including Optioned Shares as to which the Option would not otherwise be exercisable.

## **Assumption of Options by the Company**

- 5.3 The Company, from time to time, also may substitute or assume outstanding options granted by another company, whether in connection with an acquisition of such other company or otherwise, by either:
- (a) granting an Option under this Plan in substitution of such other company's option; or
  - (b) assuming such option as if it had been granted under this Plan if the terms of such assumed option could be applied to an Option granted under this Plan.

Such substitution or assumption will be permissible if the holder of the substituted or assumed option would have been eligible to be granted an Option under this Plan if the other company had applied the rules of this Plan to such grant. In the event the Company assumes an option granted by another company, the terms and conditions of such option will remain unchanged (except that the exercise price and the number and nature of shares issuable upon exercise of any such option will be adjusted appropriately). In the event the Company elects to grant a new Option rather than assuming an existing option, such new Option may be granted with a similarly adjusted Exercise Price.

## **ARTICLE 6 GENERAL**

### **Employment and Services**

- 6.1 Nothing contained in the Plan will confer upon or imply in favour of any Participant any right with respect to office, employment or provision of services with the Company, or interfere in any way with the right of the Company to lawfully terminate the Participant's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by a Participant will be voluntary.

### **No Representation or Warranty**

- 6.2 The Company makes no representation or warranty as to the future market value of Common Shares issued in accordance with the provisions of the Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Common shares issuable thereunder or the tax consequences to a Service Provider. Compliance with applicable securities laws as to the disclosure and resale obligations of each Participant is the responsibility of such Participant and not the Company.

### **Income Taxes**

- 6.3 The Company may withhold from any amount payable to a Participant, either under the Plan or otherwise, such amount as may be necessary to enable the Company to comply with the applicable requirements of any federal, provincial, state or local law, or any administrative policy of any applicable tax authority, relating to the withholding of tax or any other required deductions with respect to awards hereunder ("**Withholding Obligations**"). The Company shall also have the right in its discretion to satisfy any liability for any Withholding Obligations by selling, or causing a broker

to sell, on behalf of any Participant such number of shares issued to the Participant pursuant to an exercise of Options hereunder as is sufficient to fund the Withholding Obligations (after deducting commissions payable to the broker), or retaining any amount payable which would otherwise be delivered, provided or paid to the Participant hereunder. The Company may require a Participant, as a condition to the exercise of an Option to make such arrangements as the Company may require so that the Company can satisfy applicable Withholding Obligations, including, without limitation, requiring the Participant to (i) remit the amount of any such Withholding Obligations to the Company in advance; (ii) reimburse the Company for any such Withholding Obligations; or (iii) cause a broker who sells shares acquired by the participant under the Plan on behalf of the Participant to withhold from the proceeds realized from such sale the amount required to satisfy any such Withholding Obligations and to remit such amount directly to the Company.

Any shares of a Participant that are sold by the Company, or by a broker engaged by the Company (the "**Broker**"), to fund Withholding Obligations will be sold as soon as practicable in transactions effected on the exchange on which the common shares of the Company are then listed for trading. In effecting the sale of any such shares, the Company or the Broker will exercise its sole judgement as to the timing and manner of sale and will not be obligated to seek or obtain a minimum price. Neither the Company nor the Broker will be liable for any loss arising out of any sale of such shares including any loss relating to the manner or timing of such sales, the prices at which the shares are sold or otherwise. In addition, neither the Company nor the Broker will be liable for any loss arising from a delay in transferring any shares to a Participant. The sale price of shares sold on behalf of Participants will fluctuate with the market price of the Company's shares and no assurance can be given that any particular price will be received upon any such sale.

### **Interpretation**

6.4 The Plan will be governed and construed in accordance with the laws of the Province of British Columbia.

### **Prior Plans**

6.5 The Plan shall entirely replace and supersede any prior share option plans, if any, enacted by the Board of the Company, or its predecessor companies.

### **Effective Date of Plan and Shareholder Approval**

6.6 The Plan has been adopted by the Board subject to the approval of the TSX and the approval of the Shareholders of the Company and, if so approved, the Plan shall become effective upon such approvals being obtained.