



ECO (ATLANTIC) OIL & GAS LTD.

MANAGEMENT INFORMATION CIRCULAR

For the Annual and Special Meeting of Shareholders

to be held on December 29, 2021

November 28, 2021

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ECO (ATLANTIC) OIL & GAS LTD.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual and special meeting (the "**Meeting**") of the holders of the common shares (collectively, the "**Shareholders**" or individually, a "**Shareholder**") of Eco (Atlantic) Oil & Gas Ltd. (the "**Company**" or the "**Corporation**") will be held virtually, on Wednesday, December 29, 2021 at 10:00 a.m. (Toronto time) via teleconference at (+1) 416 764 8658 or toll free at (+1) 888 886 7786 the following purposes:

1. to receive and consider the audited consolidated financial statements of the Company for the financial year ended March 31, 2021, and the report of the auditor thereon;
2. to consider, and if deemed advisable, to pass, an ordinary resolution fixing the board of directors at eight members;
3. to elect directors of the Company for the ensuing year;
4. to appoint MNP LLP as auditor of the Company for the ensuing year and to authorize the directors to fix its remuneration;
5. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution approving the Company's stock option plan, as more particularly described in the accompanying Circular; and
6. to transact such further business as may properly come before the Meeting or any adjournment or postponement thereof.

The board of directors of the Company has fixed November 19, 2021, as the Record Date for the determination of Shareholders entitled to notice of, and to vote at, the Meeting and any adjournment thereof. Accompanying this Notice of Annual and Special Meeting of Shareholders is the Circular, form of proxy or voting instruction form, and, for Shareholders who had requested such information, a copy of the Corporation's audited consolidated financial statements and the report of the auditor thereon, and management's discussion and analysis for the financial year ended March 31, 2021.

If you are a *registered shareholder* of the Company on the Canadian share register and are unable to attend the Meeting in person, please properly complete, sign, date and return the enclosed form of proxy to the Company's Registrar and Transfer Agent, TSX Trust Company by mail at: 301 – 100 Adelaide Street West, Toronto, Ontario M5H 4H1, Attention: Proxy Department, or by fax at: (416) 595-9593, Attention: Proxy Department. To vote by internet, please access the web site address specified on the form of proxy and follow the online voting instructions. Proxies must be received no later than 10:00 a.m. (Toronto time) on December 23, 2020, or if the Meeting is adjourned or postponed, no later than 48 hours preceding the time of such adjourned or postponed meeting (excluding Saturdays, Sundays and statutory holidays in Toronto, Ontario).

If you are a *Depositary Interest* holder on the UK register, you can complete the enclosed Form of Instruction ("**FOI**") and return it to Computershare Investor Services PLC ("**Depositary**") The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom, in order for the Depositary to vote as per your instruction at the meeting. Alternatively, Depositary Interest holders are able to vote via the CREST system and will need to instruct your Nominee/Broker in order to submit your vote.

If you are a *non-registered shareholder* of the Company and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or such other intermediary. **If you are a non-registered shareholder and do not complete and return the materials in accordance with such instructions, you may lose the right to vote at the Meeting.**

If you have any questions about the procedures required to qualify to vote at the Meeting or about obtaining, completing and depositing the required form of proxy, you should contact TSX Trust Company by telephone at: 1-866-600-5869, or by e-mail at: TMXInvestorServices@tmx.com.

DATED this 28th day of November, 2021.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) “*Gil Holzman*”
President and Chief Executive Officer

ECO (ATLANTIC) OIL & GAS LTD.

MANAGEMENT INFORMATION CIRCULAR

ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON DECEMBER 29, 2020

This management information circular (the “Circular”) is furnished in connection with the solicitation of proxies by management of the Company (“Management”) for use at the annual and special meeting of holders (collectively, the “Shareholders” or individually, a “Shareholder”) in the capital of the Company (“Common Shares”) to be held virtually on Wednesday, December 29, 2021, at 10:00 a.m. (Toronto time) via teleconference at (+1) 416 764 8658 or toll free at (+1) 888 886 7786 and for the purposes set forth below. Except to the extent otherwise stated herein, all information set forth herein is given as of the date hereof, and all dollar amounts marked as “CAD\$” set forth herein refer to Canadian dollars and all dollar amounts marked as “US\$” set forth herein refer to United States dollars. Information set forth herein as to shareholdings is based upon information supplied by the respective persons holding such Common Shares.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may also be solicited personally or by telephone by directors, officers and regular employees of the Company. The cost of solicitation will be borne by the Company except for the cost of postage required to return the forms of proxy which will be borne by the individual Shareholders.

In accordance with NI 54-101, arrangements have been made with intermediaries or their nominees (collectively, the “Intermediaries”) to forward proxy-related materials to Beneficial Shareholders (as defined below) whose Common Shares are held by or in custody of such Intermediaries. Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered Registered Retirement Savings Plans, Registered Retirement Income Funds, Registered Education Savings Plans and similar plans. Intermediaries are required to forward such proxy-related materials to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. The Company has elected not to pay for the delivery of the proxy-related materials to Objecting Beneficial Shareholders (as defined below) by the Intermediaries. As such, Objecting Beneficial Shareholders will not receive the proxy-related materials unless the Intermediaries assume the cost of delivery. The Company is sending the proxy-related materials directly to Non-Objecting Beneficial Shareholders (as defined below), through the services of its transfer agent and registrar, TSX Trust Company (“TSX Trust”). The Corporation is not relying on the notice-and-access provisions of securities laws for delivery of the proxy-related materials to Shareholders.

Appointment of Proxies

The individuals named in the form of proxy are officers and/or directors of the Company. **A Shareholder has the right to appoint a person (who need not be a Shareholder) to attend the Meeting and act for such Shareholder on his, her or its behalf other than the persons designated in the enclosed form of proxy. Such right may be exercised by inserting in the blank space provided for that purpose the name of the desired person or by completing another proper form of proxy.** In either case, a Shareholder may vote its Common Shares by proxy as follows: (a) by mail or delivery to, or deposited at, the offices of TSX Trust at: 301 – 100 Adelaide Street West, Toronto, Ontario M5H 4H1, Attention: Proxy Department, on behalf of the Company; (b) by fax at: (416) 595-9593; or (c) on the internet by accessing the web site address specified on the form of proxy or voting instruction form (if applicable) and by following the online voting instructions. Voting instructions must be received by no later than 10:00 a.m. (Toronto time) December 23, 2021, or if the Meeting is adjourned, at the latest 48 hours (excluding Saturdays, Sundays and holidays) before the time set for any reconvened meeting at which the proxy is to be used.

Form of Instructions for UK holders must be completed and returned to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom. Voting instructions for UK holders must be received by no later than 10:00 a.m. (UK time) on December 22, 2021, or if the Meeting is adjourned, at the latest 48 hours (excluding Saturdays, Sundays and holidays) before the time set for any reconvened meeting at which the proxy is to be used.

Revocability of Proxy

A Shareholder giving a proxy has the power to revoke it. Proxies given by a Shareholder for use at the Meeting may be revoked prior to their use:

- (a) by depositing an instrument in writing executed by the Shareholder or by such Shareholder's attorney duly authorized in writing or, if the Shareholder is a Company, by an officer or attorney thereof duly authorized indicating the capacity under which such officer or attorney is signing:
 - a. at the office of TSX Trust, on behalf of the Company, at any time up to and including 10:00 a.m. (Toronto time) on , December 23, 2021, or if the Meeting is adjourned, at the latest 48 hours (excluding Saturdays, Sundays and holidays) before the time set for any reconvened meeting at which the proxy is to be used; or
 - b. with the chairman of the Meeting on the day of the Meeting or any adjournment thereof; or
- (b) in any other manner permitted by law.

Exercise of Discretion by Proxy

On any ballot that may be called for at the Meeting, the Common Shares represented by such form of proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder appearing on such form of proxy, and, if a choice is specified therein in respect of any matter to be acted upon, will be voted in accordance with the specification made. In the absence of such specification, such Common Shares will be voted FOR such matter.

The form of proxy confers discretionary authority upon the person acting as proxy thereunder with respect to amendments or variations to matters identified below and with respect to other matters which may properly come before the Meeting. As at the date hereof, Management knows of no such amendments, variations or any other matters, which may properly come before the Meeting.

Voting by Beneficial Shareholders

Only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Common Shares or duly appointed proxyholders can be recognized and acted upon at the Meeting. The information set forth in this section is therefore of significant importance to a substantial number of Shareholders who do not hold their Common Shares in their own name (the "**Beneficial Shareholders**"). If Common Shares are listed in an account statement provided to a Beneficial Shareholder by an Intermediary, then in almost all cases those Common Shares will not be registered in such Beneficial Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the Beneficial Shareholder's Intermediary or an agent of that Intermediary. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co., as nominee for CDS Clearing and Depository Services Inc., which acts as a depository for many Canadian Intermediaries. Common Shares held by Intermediaries can only be voted for or against resolutions upon the instructions of the Beneficial Shareholder. Without specific instructions, Intermediaries are prohibited from voting Common Shares for their clients.

Applicable regulatory policy requires Intermediaries 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, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its Intermediary is identical to the form of proxy provided by the Company to the Intermediaries. However, its purpose is limited to instructing the Intermediary how to vote on behalf of the Beneficial Shareholder. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically mails the voting instruction forms to the Beneficial Shareholders and asks the Beneficial Shareholders to return the voting instructions forms to Broadridge. 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. A Beneficial Shareholder receiving a voting instruction form from Broadridge cannot use that form to vote Common Shares directly at the Meeting - the form must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of their Intermediary, a Beneficial Shareholder may attend the Meeting as proxyholder for the Intermediary and vote their Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their own Common Shares as proxyholder for the Intermediary should enter their own names in the blank space on the voting instruction form provided to them and return the same to their Intermediary (or the agent of such Intermediary) in accordance with the instructions provided by such Intermediary or agent well in advance of the Meeting. Beneficial Shareholders should carefully follow the instructions of their Intermediaries and their service companies.

All references to Shareholders in this Circular are to Shareholders of record unless specifically stated otherwise.

Note to Non-Objecting Beneficial Shareholders

The proxy-related materials are being sent to both registered Shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being made known to the issuers of securities which they own (the “**Objecting Beneficial Shareholders**”) and those who do not object to their identity being made known to the issuers of the securities they own (the “**Non-Objecting Beneficial Shareholders**”). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their Non-Objecting Beneficial Shareholders from Intermediaries via their transfer agent in order to distribute proxy-related materials directly to such Non-Objecting Beneficial Shareholders.

The Company or its agent has sent the proxy related materials directly to Non-Objecting Beneficial Shareholders. Such Beneficial Shareholders’ names, addresses and information about their holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding such information on their behalf. By choosing to send proxy-related materials directly to the Non-Objecting Beneficial Shareholders, the Company (and not the Intermediary holding the information on their behalf) has assumed responsibility for (i) the delivery of the proxy-related materials, and (ii) the execution of proper voting instructions as specified in the request for voting instructions.

Voting Securities and Principal Holders Thereof

The Company has fixed the close of business on November 19, 2021, as the record date (the “**Record Date**”) for the purposes of determining Shareholders entitled to receive notice of the Meeting and vote at the Meeting. Shareholders of record at the close of business on the Record Date will be entitled to vote in person or by proxy at the Meeting or at any adjournment or postponement thereof (subject in the case of voting by proxy to the timely deposit of a properly completed, signed and dated proxy with Equity as specified herein and in the notice of Meeting).

The authorized capital of the Company consists of an unlimited number of Common Shares, of which 199,893,636 are issued and outstanding as at the Record Date. Each Common Share carries the right to one vote per Common Share. No other voting securities are issued and outstanding as of the Record Date. The quorum required for the Meeting is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued Common Shares entitled to be voted at the Meeting.

Except as set forth below, to the knowledge of Management and the directors, as at the date hereof, no person beneficially owns, directly or indirectly, or exercises control or direction over, more than ten percent (10%) of the issued and outstanding Common Shares:

Name	Number of Shares Owned (Percentage of Class and Type of Ownership)	
	Common Shares	Percentage of Voting Rights
Africa Oil Corp.	39,908,763	19.96%

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise set out herein, to the best of Management's knowledge, no director or executive officer of the Company, or any person who has held such a position since the beginning of the Company's last fiscal year, 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 upon at the Meeting.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Audited Financial Statements

The financial statements for the financial year ended March 31, 2021, and the report of the auditor thereon will be presented before the Meeting. The financial statements for the year ended March 31, 2021, the report of the auditor thereon and management's discussion and analysis for the year ended March 31, 2021, were mailed to Shareholders of the Company who had requested a copy.

2. Fixing the Number of Directors

Management is seeking Shareholder approval of a resolution fixing the number of directors at eight.

The board of directors of the Company (the "**Board**") and Management are recommending that the shareholders vote **FOR** fixing the number of directors. In order to approve the number of directors, the following ordinary resolutions must be approved by a majority of the votes cast by shareholders present in person or represented by proxy at the Meeting. The complete text of the resolutions which Management intends to place before the Meeting for approval, with or without modification, are as follows:

"IT IS HEREBY RESOLVED, THAT:

- (1) the number of directors be fixed at eight; and
- (2) any director or officer of the Company is hereby authorized for, on behalf of, and in the name of the Company to do and perform or cause to be done or performed all such things, to take or cause to be taken all such actions, to execute and deliver or cause to be executed and delivered all such agreements, documents and instruments, contemplated by, necessary or desirable in connection with increasing the number of directors and the foregoing resolution, as may be required from time to time and contemplated and required in connection therewith, or as such director or officer in his or her discretion may consider necessary, advisable or appropriate in order to give effect to the intent and purposes of the foregoing resolution, and the doing of such things, the taking of such actions and the execution of such agreements, documents and instruments shall be conclusive evidence that the same have been authorized and approved hereby."

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF FIXING THE NUMBER OF DIRECTORS AT EIGHT, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS OWN SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.

3. Election of Directors

Eight directors are to be elected at the Meeting to serve until the next annual meeting of the shareholders or until their respective successors are duly appointed. All of the following persons whose names are set out below have been nominated by the Board for election as directors at the Meeting. The term of office of all present directors of the Company expires when new directors have been elected at the Meeting.

Pursuant to the Advance Notice Policy previously adopted by the Board on October 16, 2013 and ratified at the Annual and Special meeting of the shareholders held on December 11, 2013, any additional director nominations for the Meeting must have been received by the Company in compliance with the Advance Notice Policy. If no such

nominations were received by the Company prior to such date, Management's nominees for election as directors set forth below shall be the only nominees eligible to stand for election at the Meeting.

The following tables set out certain information as the date hereof with respect to the persons being nominated at the Meeting for election as directors.

Name and Municipality of Residence	Position in the Company	Period of Service	Principle Occupation	Common Shares Owned Directly or Indirectly
Gil Holzman Tel Aviv, Israel	Director, President and Chief Executive Officer	November 25, 2011 - Present	President and Chief Executive Officer of the Company	8,589,124
Moshe Peterburg, ^{(1),(2)} Ramat HaSharon, Israel	Chairman and Director	November 25, 2011 - Present	General Manager of M. Peter Investments Ltd.	11,507,399
Helmut Kangulohi Angula, ^{(1),(2)} Windhoek, Namibia	Director	November 25, 2011 - Present	Consultant to the mining, energy, infrastructure and real estate industry in Namibia Chief Operating Officer of the Company	1,255,865
Colin Kinley, Leawood, Kansas, USA	Chief Operating Officer and Director	November 25, 2011 - Present	Chief Executive Officer of Kinley Exploration LLC Executive Vice President of the Company	6,157,794
Alan Friedman, Toronto, Ontario	Director, Executive Vice-President and Secretary	December 6, 2011 - Present	Director of: AIM5 Ventures Inc.; AIM6 Ventures Inc.; Enthusiastic Gaming Holdings Corp.; Osino Resources Corp.; Psyence Group Inc.; and Magen Ventures Inc.	1,717,310
Peter Nicol, ^{(1),(2)} London, United Kingdom	Director	May 16, 2012 – Present	Founder and Chief Executive Officer of Locin Energy Limited	1,642,600
Gadi Levin, Azriel, Israel	Financial Director	December 29, 2017 - Present	Chartered Accountant	1,225,000
Keith Hill, Key Largo, Florida, USA, ⁽³⁾	Director		President and Chief Executive Officer Africa Oil Corp.	575,000

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Compensation Committee.
- (3) Africa Oil Corp., owns 33,952,850 Common Shares

Corporate Cease Trade Orders

To the knowledge of the Corporation, no proposed director is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) 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 applicable securities legislation, and which in all cases was in effect for a period of more than 30 consecutive days (an “**Order**”), which Order was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer of such company; or

- (b) was subject to an Order 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 that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer of such company.

The foregoing information, not being within the knowledge of the Corporation, has been furnished by the proposed director.

Bankruptcies, or Penalties or Sanctions

To the knowledge of the Corporation, no proposed director:

- (a) is, as at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while that person 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;
- (b) has, within 10 years before the date of this Circular, 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 his assets;
- (c) has been subject to 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
- (d) has been subject to any 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.

The foregoing information, not being within the knowledge of the Corporation, has been furnished by the proposed directors.

THE ENCLOSED FORM OF PROXY PERMITS SHAREHOLDERS TO VOTE FOR EACH NOMINEE ON AN INDIVIDUAL BASIS. COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF EACH OF THE PROPOSED NOMINEES UNLESS A SHAREHOLDER HAS SPECIFIED IN HIS, HER OR ITS PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF ANY PARTICULAR NOMINEE OR NOMINEES. MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF SUCH NOMINEES WILL BE UNABLE TO SERVE AS DIRECTORS. HOWEVER, IF FOR ANY REASON, ANY OF THE PROPOSED NOMINEES DO NOT STAND FOR ELECTION OR ARE UNABLE TO SERVE AS SUCH, PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED FOR ANOTHER NOMINEE IN THEIR DISCRETION UNLESS THE SHAREHOLDER HAS SPECIFIED IN HIS, HER OR ITS PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF ANY PARTICULAR NOMINEE OR NOMINEES.

4. Appointment of Auditor

The directors of the Company propose to nominate MNP LLP for re-appointment as the auditor of the Company to hold office until the next annual meeting of shareholders. The Board reviews the annual audit fees and considers the issue of auditor independence in the context of all services provided to the Company.

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE APPOINTMENT OF MNP LLP AS AUDITOR OF THE COMPANY AND THE AUTHORIZING OF THE DIRECTORS TO FIX THEIR REMUNERATION, UNLESS THE

SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS OWN SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.

5. Approval of the Stock Option Plan Resolution

As the Company's stock option plan (the "**Stock Option Plan**") provides for a rolling maximum number of Common Shares which may be issuable upon the exercise of options granted under the Stock Option Plan. Policy 4.4 – *Incentive Stock Options* of the TSX Venture Exchange (the "**Exchange**") requires that the Stock Option Plan receive shareholder approval each year at the annual shareholders' meeting. Accordingly, at the Meeting Shareholders will be asked to consider, and if deemed appropriate, to approve, with or without variation, a resolution approving the Stock Option Plan. A copy of the Stock Option Plan is attached as Schedule "A" to the Circular.

Summary of the Stock Option Plan

The following summary of the Stock Option Plan is qualified in its entirety by the full text of the Stock Option Plan. For the purposes of this Section, terms not defined herein shall have the meaning attributed to them in the Stock Option Plan.

The purpose of the Stock Option Plan is to attract, retain and motivate directors, officers, employees and consultants (the "**Option Plan Eligible Persons**") by providing them with the opportunity, through stock options, to acquire a proprietary interest in the Company and benefit from its growth. Pursuant to the Stock Option Plan, the maximum number of Common Shares reserved for issuance in any 12-month period to any one optionee other than a consultant may not exceed 5% of the issued and outstanding Common Shares at the date of the grant. The maximum number of Common Shares reserved for issuance in any 12-month period to any consultant may not exceed 2% of the issued and outstanding Common Shares at the date of the grant and the maximum number of Common Shares reserved for issuance in any 12-month period to all persons engaged in investor relations activities may not exceed 2% of the issued and outstanding number of Common Shares at the date of the grant.

Subject to the discretion of the Board, if any Option Plan Eligible Persons ceases to be an Option Plan Eligible Persons for any reason, other than for cause or death, the options held by such person will terminate on the earlier of (i) the expiry date of the option; (ii) ninety (90) days from the date such person ceases to be an Option Plan Eligible Persons; or (iii) such other expiry date as may be determined by the Board at the time that such Option Plan Eligible Persons ceases to be eligible, but shall be expire no later than one (1) year from the date on which the Participant ceases to be a Participant. The Option Plan Eligible Persons may exercise any option issued under the Stock Option Plan that is then exercisable at any time within that period unless an existing agreement between the Option Plan Eligible Persons and the Company provides for a different period.

In the event that an Option Plan Eligible Persons ceases to be an Option Plan Eligible Persons because of termination for cause, the options of the Option Plan Eligible Persons not exercised at such time shall immediately be cancelled on the date of such termination. In the event of the death of a Participant during the term of the Option Plan Eligible Persons' option, the option theretofore granted to the Option Plan Eligible Persons shall be exercisable by the Option Plan Eligible Persons' heirs or administrators within the period of one (1) year succeeding the Option Plan Eligible Persons' death.

Approval of the Stock Option Plan

The Board and Management are recommending that the shareholders vote FOR the approval of the Stock Option Plan. In order to approve the Stock Option Plan, the following ordinary resolutions must be approved by a majority of the votes cast by shareholders present in person or represented by proxy at the Meeting. The complete text of the resolutions which Management intends to place before the Meeting for approval, with or without modification, is as follows:

"IT IS HEREBY RESOLVED, THAT:

- (1) the Stock Option Plan, in the form as set forth in Schedule "A" to the Circular, be and is hereby ratified, confirmed and approved; and

- (2) any director or officer of the Company is hereby authorized for, on behalf of, and in the name of the Company to do and perform or cause to be done or performed all such things, to take or cause to be taken all such actions, to execute and deliver or cause to be executed and delivered all such agreements, documents and instruments, contemplated by, necessary or desirable in connection with the Stock Option Plan and the foregoing resolutions, as may be required from time to time and contemplated and required in connection therewith, or as such director or officer in his or her discretion may consider necessary, advisable or appropriate in order to give effect to the intent and purposes of the foregoing resolutions, and the doing of such things, the taking of such actions and the execution of such agreements, documents and instruments shall be conclusive evidence that the same have been authorized and approved hereby.”

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE RESOLUTION TO APPROVE THE STOCK OPTION PLAN IN THE ABSENCE OF DIRECTION TO THE CONTRARY FROM THE SHAREHOLDER APPOINTING THEM.

6. Other Business

While there is no other business other than outlined above to be presented to the shareholders at the Meeting, it is intended the proxies hereby solicited will be exercised upon any other matters and proposals which may properly come before the Meeting, or any adjournment or adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Company’s compensation policies are based on the principles that compensation should, to a significant extent, be reflective of the financial performance of the Company, and that a significant portion of executive officers’ and directors’ compensation should provide long-term incentives. The Board and compensation committee of the Board (the “**Compensation Committee**”) seeks to have compensation of the Company’s directors and executive officers set at levels that are sufficiently competitive so that the Company may attract, retain and motivate highly qualified directors and executive officers to contribute to the Company’s success. In assessing the overall compensation for directors and executive officers, the Board and Compensation Committee considers the Company’s performance, relative stockholder return and industry position, general industry data, and awards given to the Company’s executive officers in past years. It is the general compensation philosophy of the Company to provide a blend of base salaries/consulting fees, incentive bonuses and equity-based compensation.

Elements of Compensation

Base Salary/Consulting Fees

Each Named Executive Officer (as defined below) receives a consulting fee, which constitutes a significant portion of the Named Executive Officer’s compensation package. Consulting fees are paid for discharging day-to-day duties and responsibilities and reflects the Named Executive Officer’s performance over time, as well as that individual’s particular experience and qualifications. A Named Executive Officer’s consulting fees is reviewed by the Compensation Committee from time to time.

Incentive Bonus

Incentive bonuses, in the form of cash payments, are designed to add a variable component of compensation based on corporate and individual performances for each officer and employee. Both individual and corporate performances are also taken into account. No bonuses were paid to the Named Executive Officer during the most recently completed financial year.

Equity-Based Compensation

The Company's directors, officers, employees and consultants are eligible under the Stock Option Plan to receive grants of stock options. The Stock Option Plan is an important part of the Company's long-term incentive strategy for its officers and directors, permitting them to participate in appreciation of the market value of the Common Shares over a stated period of time. The Stock Option Plan is intended to reinforce commitment to long-term growth in profitability and shareholder value.

The Company's directors, officers, employees and consultants are also eligible under the RSU Plan to receive grants of RSUs. The purpose of the RSU Plan is to advance the interests of the Company by (i) providing RSU Eligible Persons with incentives; (ii) rewarding performance by RSU Eligible Persons; (iii) increasing the proprietary interest of RSU Eligible Persons in the success of the Company; (iv) encouraging RSU Eligible Persons to remain with the Company or its affiliates; (v) attracting new directors, employees, officers and consultants; and; (vi) aligning the interests of the RSU Eligible Persons with those of the shareholders.

The Board believes that the Stock Option Plan and the RSU Plan align the interests of the Named Executive Officers and the Board with shareholders by linking a component of executive compensation to the longer term performance of the Common Shares.

Compensation Risk

The Board has not formally considered the implications of risks associated with the Company's compensation policies and practices as, in their view, the current structure of the Company's executive compensation arrangements is focussed on long-term value and is designed to correlate to the long-term performance of the Company, which includes but is not limited to performance of its share price.

Financial Instruments

Except as may be prohibited by law, the Named Executive Officers and directors are not currently prohibited from purchasing financial instruments, such as prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by a Named Executive Officer or director. To the Company's knowledge, no executive officer or director of the Company has entered into or purchased such a financial instrument. The Company's Insider Trading Policy stipulates that insiders of the Company are prohibited from short-selling the securities of the Company for the purpose of realizing the short-term profits.

Share-based and option-based Awards

As discussed above, the Stock Option Plan and the RSU Plan are maintained for the directors, officers, consultants and employees of the Company and any present and future subsidiary of the Company. The CEO will make initial recommendations to the Compensation Committee on the setting of option and RSU grants, taking into account the seniority and contribution of the individuals eligible for the grants and the number of previously granted stock options and RSUs. The Compensation Committee will then recommend to the Board for approval all incentive compensation for the executives of the Company, based on both individual and Company performance in any given year, and will take into consideration the levels of compensation paid to persons in the same or similar management positions at comparable oil and gas exploration companies, in making such recommendations.

Option-based Awards

Pursuant to the Stock Option Plan, an option exercise price cannot be less than the closing price of the Common Shares on the Exchange on the last trading day preceding the option grant. The purchase price for the Common Shares under each option shall be determined by the Compensation Committee. The maximum term is ten (10) years. There are no specific vesting provisions under the Stock Option Plan. Options are non-assignable and non-transferable other than by will or by the laws of descent and distribution. As at the date hereof, there are 8,120,000 stock options outstanding under the Stock Option Plan, which represents approximately 99% of the Common Shares reserved for issuance under the Stock Option Plan. Please see "Particulars of Matters to be Acted Upon – Approval of the Stock Option Plan" below, for a summary of the Stock Option Plan.

Share-based Awards for Performance

The RSU Plan allows the Company to grant RSUs, each of which is a unit that is equivalent in value to a Common Share and that upon vesting results in the holder thereof being issued, at the discretion of the Board, either (i) a Common Share, or (ii) an amount of cash equal to the Fair Market Value (as defined in the RSU Plan) of a Common Share. Pursuant to the RSU Plan, unless otherwise provided by the Board, RSUs granted will vest on the earlier of (a) the date of which the Performance Criteria (as defined in the RSU Plan) is achieved, if applicable, or (b) the third (3rd) anniversary of the date of the grant, provided the RSU Eligible Person is continuously employed by or in service with the Company, or any of its affiliates, from the date of the grant until such vesting date. As of the date hereof, there remain 30 Common Shares reserved for issuance under the RSU.

Compensation Governance

In order to assist the Board in fulfilling its oversight responsibilities with respect to compensation matters, the Board has established the Compensation Committee and has reviewed and approved the Compensation Committee's Charter. The Compensation Committee is composed of Moshe Peterburg, Helmut Angula, and Peter Nicol, all of whom are independent as such term is defined in National Instrument 58-101, *Disclosure of Corporate Governance Practices* ("NI 58-101").

The Compensation Committee meets at least twice a year to, amongst other things, review and approve the Company's goals and objectives relating to the compensation of the Company's executive officers, evaluate the performance of the Company's executive officers in light of such goals and objectives, and set the compensation level, perquisites and other benefits of the Company's executive officers. The Compensation Committee is given the authority to engage and compensate any outside advisor that it determines to be necessary to carry out its duties.

As a whole, the members of the Compensation Committee have direct experience and skills relevant to their responsibilities in executive compensation, including with respect to enabling the Compensation Committee in making informed decisions on the suitability of the Company's compensation policies and practices. Each of the members of the Compensation Committee has experience on the board of directors and related committees of other public companies.

Neither the Board nor the Compensation Committee has, at any time since the Company's most recently completed fiscal year, retained a compensation consultant or advisor to assist the Board or the Compensation Committee in determining the compensation for any of the Company's executive officers' or directors' compensation.

Summary Compensation Table – Named Executive Officers

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

- a) the Company's Chief Executive Officer ("**CEO**");
- b) the Company's Chief Financial Officer ("**CFO**");
- c) the Company's three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers as at March 31, 2020, and whose total compensation was more than \$150,000 for the financial year ended March 31, 2020; and
- d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year.

During the financial year ended March 31, 2021, the Company had five Named Executive Officers, being Gil Holzman (CEO), Colin Kinley (Chief Operating Officer ("**COO**")), Alan Friedman (Executive Vice President ("**VP**")), Alan Rootenberg (Chief Financial Officer ("**CFO**")) and Gadi Levin (Finance Director).

The following table is a summary of compensation paid to the Named Executive Officers for the three most recently completed financial years ended March 31, 2021:

Name and principal position	Year	Salary (US\$)	Share-based awards (US \$) ⁽¹⁾	Option-based awards ⁽²⁾ (US \$)	Non-equity incentive plan compensation (US \$)		Pension value (US \$)	All other compensation (US \$)	Total compensation (US \$)
					Annual incentive plans	Long-term incentive plans			
Gil Holzman, CEO	2019	Nil	978,858	15,487	Nil	Nil	Nil	341,787 ⁽³⁾	1,297,132
	2020	Nil	1,668,054	22,446	Nil	Nil	Nil	477,678 ⁽³⁾	2,168,178
	2021	Nil	Nil	2,559	Nil	Nil	Nil	377,023 ⁽³⁾	378,582
Alan Rootenberg CFO	2019	Nil	Nil	Nil	Nil	Nil	Nil	11,434 ⁽⁴⁾	11,434
	2020	Nil	Nil	Nil	Nil	Nil	Nil	13,617 ⁽⁴⁾	13,617
	2021	Nil	Nil	Nil	Nil	Nil	Nil	11,346 ⁽⁴⁾	11,346
Colin Kinley, COO	2019	Nil	978,858	15,487	Nil	Nil	Nil	402,530 ⁽⁵⁾	1,357,875
	2020	Nil	1,668,054	22,446	Nil	Nil	Nil	976,297 ⁽⁵⁾	2,666,797
	2021	Nil	Nil	2,559	Nil	Nil	Nil	445,050 ⁽⁵⁾	447,609
Alan Friedman, VP	2019	Nil	83,543	15,487	Nil	Nil	Nil	80,037 ⁽⁶⁾	179,067
	2020	Nil	231,674	22,446	Nil	Nil	Nil	45,390 ⁽⁶⁾	299,510
	2021	Nil	Nil	2,559	Nil	Nil	Nil	38,698 ⁽⁶⁾	41,257
Gadi Levin, Finance Director	2019	Nil	156,643	7,743	Nil	Nil	Nil	91,470 ⁽⁷⁾	255,856
	2020	Nil	370,679	11,223	Nil	Nil	Nil	102,882 ⁽⁷⁾	484,784
	2021	Nil	Nil	1,281	Nil	Nil	Nil	94,999 ⁽⁷⁾	96,280

Notes:

- (1) These amounts were calculated using the share price on the date of the grant, being September 5, 2020, with a share price of \$2.45. As of the date of this report the share price is \$0.3750 and none of the share-based awards have been sold
- (2) These amounts were calculated using the Black-Scholes model.
- (3) Paid to Gil Holzman Holdings Ltd. for Mr. Holzman's consulting time, in his capacity as an officer of the Company. Gil Holzman Holdings Ltd. was not compensated for Mr. Holzman's consulting time, in his capacity as a director of the Company. Please see below, "Management Agreement – Gil Holzman" for further details.
- (4) Paid to The M&S Group Inc. for Mr. Rootenberg's consulting time, in his capacity as an officer of the Company.
- (5) Paid to Kinley Exploration LLC. for Mr. Kinley's consulting time, in his capacity as an officer of the Company. Manx Energy Inc. was not compensated for Mr. Kinley's consulting time, in his capacity as a director of the Company. Please see below, "Management Agreement – Colin Kinley" for further details.
- (6) Paid to Rivonia Capital Inc. for Mr. Friedman's consulting time, in his capacity as an officer of the Company. Rivonia Capital Inc. was not compensated for Mr. Friedman's consulting time, in his capacity as a director of the Company. Please see below, "Management Agreement – Alan Friedman" for further details.
- (7) Paid to Ninety Six Capital Ltd. for Mr. Levin's consulting time, in his capacity as an officer of the Company. Ninety Six Capital Ltd. was not compensated for Mr. Levin's consulting time, in his capacity as a director of the Company. Please see below, "Management Agreement – Gadi Levin" for further details.

Management Agreements

Gil Holzman

The Company, its wholly owned subsidiary Eco (BVI) Oil & Gas Ltd. (collectively and individually "**Eco**", as the context requires), and Gil Holzman Holdings Ltd., a company wholly-owned and controlled by Gil Holzman, are parties to an Amended and Restated Consulting Services Agreement (the "**Holzman Agreement**") pursuant to which Mr. Holzman agreed to provide his services to the Company in the capacity of President, CEO, and director. The Holzman Agreement contains various representations, warranties and covenants, including, among other things, standard confidentiality, non-competition and non-solicitation covenants. The Holzman Agreement is for a term of twenty-four months with consecutive renewal terms equal to twelve months (each a "**Holzman Consulting Term**").

Alan Rootenberg

Eco and The M&S Group Inc., a company wholly-owned and controlled by Alan Rootenberg, are parties to a Consulting Services Agreement (the "**Rootenberg Agreement**") pursuant to which Mr. Rootenberg agreed to provide

his services to the Company in the capacity of CFO. The Rootenberg Agreement contains various representations, warranties and covenants, including, among other things, standard confidentiality, non-competition and non-solicitation covenants.

Colin Kinley

Eco and Colin Kinley are parties to an Amended and Restated Supplemental Consulting Services Agreement (the “**Kinley Agreement**”) pursuant to which Mr. Kinley agreed to provide his services to the Company in the capacity of COO and director. The Kinley Agreement contains various representations, warranties and covenants, including, among other things, standard confidentiality, non-competition and non-solicitation covenants. The Kinley Agreement is for a term of twenty-four months with consecutive renewal terms equal to twelve months (each a “**Kinley Consulting Term**”).

Alan Friedman

Eco and Rivonia Capital Inc., a company wholly-owned and controlled by Alan Friedman, are parties to an Amended and Restated Consulting Services Agreement (the “**Friedman Agreement**”) pursuant to which Alan Friedman agreed to provide his services to the Company in the capacity of VP and director of the Company. The Friedman Agreement contains various representations, warranties and covenants, including, among other things, standard confidentiality, non-competition and non-solicitation covenants. The Friedman Agreement is for a term of twenty-four months with consecutive renewal terms equal to twelve months (each a “**Friedman Consulting Term**”).

Gadi Levin

Eco and Ninety Six Capital Ltd, a company wholly-owned and controlled by Gadi Levin, are parties to a Consulting Services Agreement (the “**Levin Agreement**”) pursuant to which Mr. Levin agreed to provide his services to the Company in the capacity of Finance Director. The Levin Agreement contains various representations, warranties and covenants, including, among other things, standard confidentiality, non-competition and non-solicitation covenants.

Incentive Plan Awards

Outstanding share-based awards and option-based awards

The following table is a summary of option awards granted to the Named Executive Officers that were outstanding as at March 31, 2021. There were no share-based awards outstanding as at March 31, 2021.

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (CAD\$)	Option expiration date	Value of unexercised in-the-money options (CAD\$) ⁽¹⁾
Gil Holzman	1,500,000	0.30	January 12, 2022	150,000
	400,000	0.30	December 24, 2022	40,000
	100,000	1.50	March 1, 2024	Nil
Alan Rootenberg	300,000	0.30	January 12, 2022	30,000
	40,000	0.30	December 24, 2022	4,000
Colin Kinley	700,000	0.30	January 12, 2022	70,000
	200,000	0.30	December 24, 2022	20,000
	100,000	1.50	March 1, 2024	Nil
Alan Friedman	1,000,000	0.30	January 12, 2022	100,000
	40,000	0.30	December 24, 2022	4,000
	100,000	1.50	March 1, 2024	Nil
Gadi Levin	50,000	1.50	March 1, 2014	Nil

Notes:

- (1) Calculated based on the difference between the closing price of \$0.40 per Common Share as at March 31, 2021, and the exercise price of the options, multiplied by the number of unexercised options.

Value Vested or Earned During the Year ended March 31, 2021

Name	Option – based awards – Value vested during the year⁽¹⁾ (US\$)	Share-based awards – Value vested during the year⁽¹⁾ (US\$)	Non-equity incentive plan compensation – Value earned during the year (US\$)
Gil Holzman	2,559	Nil	Nil
Alan Rootenberg	Nil	Nil	Nil
Colin Kinley	2,559	Nil	Nil
Alan Friedman	2,559	Nil	Nil
Gadi Levin	1,281	Nil	Nil

Notes:

- (1) These amounts were calculated using the Black-Scholes model on the date of the grant.

Pension Plan Benefits

No benefits were paid, and no benefits are proposed to be paid to any of the Named Executive Officers under any pension or retirement plan.

Termination and Change of Control Benefits

Gil Holzman

The Holzman Agreement entitles any party thereto to terminate the agreement, at any time, with sixty days prior written notice. In the event of termination by Eco prior to the end of a Holzman Consulting Term, or by Gil Holzman Holdings Ltd. for Good Reason (as such term is defined in the Holzman Agreement), Gil Holzman Holdings Ltd. will be entitled to a termination payment in an amount equal to two times Gil Holzman Holdings Ltd.'s annual consulting fee and bonuses received, if any, and all of the stock options held by Mr. Holzman will vest immediately. If the Holzman Consulting Agreement was terminated in the foregoing manner on March 31, 2021, Gil Holzman Holdings Ltd. would have been entitled to a termination payment in the amount of US\$840,000.

Notwithstanding the foregoing, in the event of a material default in the performance of the Holzman Agreement by Gil Holzman Holdings Ltd. or by Mr. Holzman, Eco may terminate the Holzman Agreement, without notice, provided that if such breach is reasonably curable, Gil Holzman Holdings Ltd. or Mr. Holzman have been provided a reasonable opportunity to cure such breach. If the Holzman Agreement was terminated in the foregoing manner on March 31, 2020, no termination payment would have been made to Gil Holzman Holdings Ltd.

The Holzman Agreement provides that should a transaction occur (a “**COC Transaction**”) that results in a Change of Control (as such term is defined in the Holzman Agreement), Gil Holzman Holdings Inc. would be entitled to a bonus in an amount equal to a minimum of one time, and a maximum of two times, Gil Holzman Holding Ltd.'s annual consulting fee and bonuses received, if any. If a COC Transaction occurred on March 31, 2021, Gil Holzman Holdings Ltd. would have received a bonus in an amount ranging from US\$420,000 to US\$840,000. Furthermore, if any party to the Holzman Agreement provides notice of termination within 60 days of a COC Transaction, Gil Holzman Holdings Inc. would be entitled to an additional bonus in an amount equal to Gil Holzman Holding Ltd.'s

annual consulting fee and bonuses received, if any. If the Holzman Agreement was terminated in the foregoing manner on March 31, 2021, Gil Holzman Holdings Ltd. would have received an additional bonus in the amount of US\$420,000.

Alan Rootenberg

The Rootenberg Agreement entitles any party thereto to terminate the agreement, at any time, with one month's prior written notice.

Colin Kinley

The Kinley Agreement entitles any party thereto to terminate the agreement, at any time, with sixty days prior written notice. In the event of termination by Eco prior to the end of a Kinley Consulting Term, or by Mr. Kinley for Good Reason (as such term is defined in the Kinley Agreement), Mr. Kinley will be entitled to a termination payment in an amount equal to two times Mr. Kinley's annual consulting fee and bonuses received, if any, and all of the stock options held by Mr. Kinley will vest immediately. If the Kinley Consulting Agreement was terminated in the foregoing manner on March 31, 2021, Mr. Kinley would have been entitled to a termination payment in the amount of US\$720,000.

Notwithstanding the foregoing, in the event of a material default in the performance of the Kinley Agreement by Mr. Kinley, Eco may terminate the Kinley Agreement, without notice, provided that if such breach is reasonably curable, Mr. Kinley has been provided a reasonable opportunity to cure such breach. If the Kinley Agreement was terminated in the foregoing manner on March 31, 2021, no termination payment would have been made to Mr. Kinley.

The Kinley Agreement provides that should a COC Transaction occur, Mr. Kinley would be entitled to a bonus in an amount equal to a minimum of one time, and a maximum of two times, Mr. Kinley's annual consulting fee and bonuses received, if any. If a COC Transaction occurred on March 31, 2021, Mr. Kinley would have received a bonus in an amount ranging from US\$360,000 to US\$720,000. Furthermore, if any party to the Kinley Agreement provides notice of termination within 60 days of a COC Transaction, Mr. Kinley would be entitled to an additional bonus in an amount equal one time Mr. Kinley's annual consulting fee and bonuses received, if any. If the Kinley Agreement was terminated in the foregoing manner on March 31, 2021, Mr. Kinley would have received an additional bonus in the amount of US\$360,000.

Alan Friedman

The Friedman Agreement entitles any party thereto to terminate the agreement, at any time, with sixty days prior written notice. In the event of termination by Eco prior to the end of a Friedman Consulting Term, or by Rivonia Capital Inc. for Good Reason (as such term is defined in the Friedman Agreement), Rivonia Capital Inc. will be entitled to a termination payment in an amount equal to two times Rivonia Capital Inc.'s annual consulting fee and bonuses received, if any, and all of the stock options held by Mr. Friedman will vest immediately. If the Friedman Consulting Agreement was terminated in the foregoing manner on March 31, 2021, Rivonia Capital Inc. would have been entitled to a termination payment in the amount of US\$191,000.

Notwithstanding the foregoing, in the event of a material default in the performance of the Friedman Agreement by Rivonia Capital Inc. or by Mr. Friedman, Eco may terminate the Friedman Agreement, without notice, provided that if such breach is reasonably curable, Rivonia Capital Inc. or Mr. Friedman have been provided a reasonable opportunity to cure such breach. If the Friedman Agreement was terminated in the foregoing manner on March 31, 2021, no termination payment would have been made to Rivonia Capital Inc.

The Friedman Agreement provides that should a COC transaction occurs, Rivonia Capital Inc. would be entitled to a bonus in an amount equal to a minimum of one time, and a maximum of two times, Rivonia Capital Inc.'s annual consulting fee and bonuses received, if any. If a COC Transaction occurred on March 31, 2020, Rivonia Capital Inc. would have received a bonus in an amount ranging from US\$95,500 to US\$191,000. Furthermore, if any party to the Friedman Agreement provides notice of termination within 60 days of a COC Transaction, Rivonia Capital Inc. would be entitled to an additional bonus in an amount equal one time Rivonia Capital Inc.'s annual consulting fee and bonuses received, if any. If the Friedman Agreement was terminated in the foregoing manner on March 31, 2019, Rivonia Capital Inc. would have received an additional bonus in the amount of \$95,500.

Directors Compensation

Director Compensation Table

The following table is a summary of compensation paid to the directors of the Company, other than directors who are also Named Executive Officers, for the three most recently completed financial years ended March 31, 2021:

Name and principal position⁽¹⁾	Year	Fees earned (US\$)	Share-based awards⁽²⁾ (US \$)	Option- based awards⁽³⁾ (US \$)	Non-equity incentive plan compensation (US \$)	Pension value (US \$)	All other compensation (US \$)	Total compensation (US \$)
Moshe Peterburg	2019	85,028 ⁽⁴⁾	417,715	15,487	Nil	Nil	Nil	518,230
	2020	121,869 ⁽⁴⁾	648,687	22,446	Nil	Nil	Nil	793,002
	2021	122,400 ⁽⁴⁾	Nil	2,559	Nil	Nil	Nil	124,959
Helmut Angula	2019	13,378	Nil	Nil	Nil	Nil	Nil	13,378
	2020	40,884	185,339	22,446	Nil	Nil	Nil	248,669
	2021	19,522	Nil	2,559	Nil	Nil	Nil	22,081
Peter Nicol	2019	28,892	261,072	15,487	Nil	Nil	Nil	305,451
	2020	28,368	370,679	22,446	Nil	Nil	Nil	421,493
	2021	35,679	Nil	2,559	Nil	Nil	Nil	38,238
Keith Hill	2019	20,581	260,691	15,487	Nil	Nil	Nil	296,759
	2020	27,234	231,674	22,446	Nil	Nil	Nil	281,354
	2021	23,426	Nil	2,559	Nil	Nil	Nil	25,985

Notes:

- (1) Information regarding Messrs. Holzman, Kinley and Friedman is set out above under “Summary Compensation Table – Named Executive Officers”.
- (2) These amounts were calculated using the share price on the date of the grant. As of the date of this report, none of the share-based awards have been sold. The current values of these awards, based on the annual VWAP for the financial year during which the award was granted.
- (3) These amounts were calculated using the Black-Scholes model on the date of the grant.
- (4) Paid to M. Peter Investments Ltd. and to GP International Consultants Ltd for Moshe Peterburg’s consulting time, in his capacity as a director and Chairman of the Board of the Company. Please see below, “Compensation Agreement – Moshe Peterburg” for further details.

Compensation Agreement

Moshe Peterburg

Effective January 1, 2014, the Company entered into a consulting services agreement with to GP International Consultants Ltd, a company wholly-owned and controlled by Moshe Peterburg (the “**Peterburg Agreement**”), pursuant to which Moshe Peterburg agreed to provide his services to the Company in the capacity of Chairman of the Board and director. The Peterburg Agreement contains various representations, warranties and covenants, including, among other things, standard confidentiality, non-competition and non-solicitation covenants. The Peterburg Agreement is for a term of twenty-four months with consecutive renewal terms equal to twelve months.

Incentive Plan Awards – Outstanding share-based awards and option-based awards

The following table is a summary of option awards granted the directors of the Company, other than directors who are also Named Executive Officers, that were outstanding as at March 31, 2020:

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾
Moshe Peterburg	650,000	0.30	January 12, 2022	65,00
	100,000	0.30	December 24, 2022	10,000
	100,000	1.50	March 1, 2024	Nil
Helmut Angula	300,000	0.30	January 12, 2022	30,000
	40,000	0.30	December 24, 2022	4,000
	100,000	1.50	March 1, 2024	Nil
Peter Nicol	350,000	0.30	January 12, 2022	35,000
	50,000	0.30	December 24, 2022	5,000
	100,000	1.50	March 1, 2024	Nil
Keith Hill	100,000	1.50	March 1, 2024	Nil

Notes:

- (1) Calculated based on the difference between the closing price of \$0.40 per Common Share on March 31, 2020, and the exercise price of the options, multiplied by the number of unexercised options.

Incentive Plan Awards – Value Vested or Earned During the Year

Name	Option – based awards – Value vested during the year ⁽¹⁾ (US\$)	Share-based awards – Value vested during the year (US\$)	Non-equity incentive plan compensation – Value earned during the year (US\$)
Moshe Peterburg	2,559	Nil	Nil
Helmut Angula	2,559	Nil	Nil
Peter Nicol	2,559	Nil	Nil
Keith Hill	2,559	Nil	Nil

Notes:

- (1) These amounts were calculated using the Black-Scholes model on the date of the grant.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table is a summary of compensation plans under which equity securities of the Company are authorized for issuance as at the financial year ended March 31, 2021:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights \$	Number of securities remaining available for future issuance under equity compensation plans (excluding securities listed in the first column)
Equity compensation plans approved by securityholders			
Stock Option Plan	7,220,000	0.38	11,249,772
Restricted Share Unit Plan	343,000	Nil	7,004,933
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	7,563,000	0.36	18,254,705

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS OF THE COMPANY

No executive officer, director or employee, or former executive officer, director or employee of the Company or any of its subsidiaries was indebted to the Company or any of its subsidiaries as at the date hereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of Board, no informed person of the Company, nominee for election as director of the Company, or any associate of affiliate of an informed person or nominee, has had or has any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or will materially affect the Company or any of its subsidiaries.

CORPORATE GOVERNANCE PRACTICES

Pursuant to NI 58-101, the Company is required to disclose information relating to its corporate governance practice. The Company's statement of "Corporate Governance Practices", approved by the Board, is attached to this Circular as Schedule "B".

AUDIT COMMITTEE

Pursuant to National Instrument 52-110 – *Audit Committees* ("NI 52-110"), the Company is required to provide disclosure with respect to its Audit Committee including the text of the Audit Committee's charter, composition of the Audit Committee and the fees paid to the external auditor. Accordingly, the Company provides the following disclosure with respect to its Audit Committee:

Audit Committee's Charter

The charter of the Audit Committee is attached to this Circular as Schedule "C".

Composition of Audit Committee

The Audit Committee is comprised of Messrs. Nicol (Chairman), Peterburg and Angula. All of the members of the Audit Committee have been determined by the Board to be "independent" (as such term is defined in NI 52-101) and "financially literate" (as such term is defined in NI 52-110), having the ability to understand and critically evaluate

the financial statements of the Company. The Board made this determination based on the experience of each Audit Committee member.

Relevant Education and Experience

Peter Nicol, Chairman

Mr. Nicol has over 30 years of experience in the oil and gas sector. Prior to joining the Company, he was a partner in GMP Securities Europe as the Head of the Oil and Gas, Research team, and responsible for initiating coverage of over 36 international E&P Companies and raising capital for over 20 companies. Mr. Nicol also previously held positions with Tristone Capital as Executive Managing Director for International Oil and Gas Research, ABN AMRO as Global Sector Director of Oil and Gas research, and as Executive Director, Head of European Oil and Gas Research at Goldman Sachs. Mr. Nicol holds a Bachelor of Science in Mathematics and Economics from Strathclyde University in Glasgow.

Moshe Peterburg

Mr. Peterburg is a private investor with over 25 years of experience in Africa and Eastern Europe. Mr. Peterburg's investments cross many sectors including infrastructural and resource sectors, mining and exploration and he is founder of GP Minerals Limited, a resource investment and development company. Mr. Peterburg holds a Masters of Business Administration from the University of Tel-Aviv, which he obtained in August, 1980.

Helmut Kangulohi Angula

Mr. Angula joined SWAPO (the former liberation movement and current governing party of Namibia) in 1963. He was elected to the National Assembly of Namibia in 1990 and served in the Cabinet as Deputy Minister of Mines and Energy from 1990 to 1991, as Minister of Fisheries and Marine Resources from 1991 to 1995, as Minister of Finance from 1995 to 1996, and as the Minister of Agriculture, Water and Rural Development from 1996 to December 2004. He was later appointed as Director-General of the National Planning Commission of Namibia in 2005. In 2008 he was appointed as Minister of Works and Transports where he served until 2009. Since leaving the government Mr. Angula is a private businessman and a consultant to the mining, energy, infrastructure and real estate industries in Namibia.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year have any recommendations by the Audit Committee respecting the appointment and/or compensation of the Company's external auditors not been adopted by the Board.

Audit Fees

The table below summarizes the aggregate fees billed by MNP LLP, the auditors of the Company, for professional services rendered in each of the last two fiscal years.

MNP LLP	Year Ended March 31, 2021	Year Ended March 31, 2020
	(CAD)	(CAD)
Audit Fees ⁽¹⁾	\$90,950	\$64,200
Audit Related Fees ⁽²⁾	NIL	NIL
Tax Fees ⁽³⁾	\$53,500	\$25,680
All Other Fees ⁽⁴⁾	NIL	NIL
Total	\$144,450	\$89,880

Notes:

(1) The aggregate fees billed in connection with the audit of the Company.

- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements which are not included under the heading "Audit Fees".
- (3) The aggregate fees billing for tax compliance, tax advice and tax planning.
- (4) The aggregate fees billed for products and services provided by the auditors of the Company, other than as described above.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com. Financial information is provided in the Company's audited consolidated financial statements and the Company's management's discussion and analysis for the financial year ended March 31, 2021. A copy of the Company's audited consolidated financial statements and management's discussion and analysis can be obtained by calling the Company at 1-416-361-3672.

**SCHEDULE “A”
STOCK OPTION PLAN**

1. PURPOSE

The purpose of this Stock Option Plan (the “**Plan**”) is to provide the Corporation with the means to encourage, attract, retain and motivate certain Participants by granting such Participants options to purchase common shares in the Corporation’s capital (the “**Common Shares**”) thus giving them an on-going proprietary interest in the Corporation.

2. DEFINITIONS

Unless otherwise defined herein, the following terms have the following meanings:

“**Associate**” has the meaning given to such term in Policy 1.1 of the Exchange and any amendment thereto or replacement thereof (“**Policy 1.1**”).

“**Black-out Period**” means any period established under a disclosure, insider trading or similar policy of the Corporation during which Directors, Employees and Consultants may not exercise options.

“**Board**” means the board of directors of the Corporation, and, where applicable, includes a committee of the board of directors authorized to administer the Plan pursuant to Subsection (a).

“**Change of Control**” means:

- (a) a reorganization, amalgamation, merger or plan of arrangement in connection with any of the foregoing, other than solely involving the Corporation and one or more of its Subsidiaries, with respect to which all or substantially all of the persons who were the beneficial owners of the Common Shares immediately prior to such reorganization, amalgamation, merger or plan of arrangement do not, following such reorganization, amalgamation, merger or plan of arrangement beneficially own, directly or indirectly, more than 50 percent of the resulting voting shares on a fully-diluted basis;
- (b) the acquisition of Common Shares by a person or group of persons acting in concert (other than the Corporation or a Subsidiary of the Corporation) as a result of which the offeror and its affiliates beneficially own, directly or indirectly, 50 percent or more of the Common Shares then outstanding; or
- (c) the sale to a person other than a Subsidiary of the Corporation of all or substantially all of the Corporation’s assets;

“**Common Shares**” has the meaning given to such term in Section 1.

“**Consultant**” has the meaning given to such term in Policy 4.4 of the Exchange and any amendment thereto or replacement thereof (“**Policy 4.4**”).

“**Consultant Company**” has the meaning given to such term in Policy 4.4.

“**Corporation**” has the meaning given to such term in Section 1.

“**Director**” means directors, senior officers and Management Company Employees of the Corporation or directors, senior officers and Management Company Employees of the Corporation’s Subsidiaries.

“**Disinterested Shareholder Approval**” means the approval of a majority of shareholders of the Corporation voting at a duly called and held meeting of such shareholders, excluding votes of Insiders to whom options may be granted under the Plan.

“**Distribution Period**” has the meaning given to such term in Subsection (ii)(A).

“Employees” has the meaning given to such term in Policy 4.4.

“Exchange” means the TSX Venture Exchange Inc.

“Exercise Notice” has the meaning given to such term in Subsection (a).

“Hold Period” has the meaning given to such term in Section 16.

“Insider” has the meaning given to such term in Policy 1.1 and includes any person who is an Associate of that Insider.

“Insider Trading Policy” means the Corporation’s current insider trading policy and any amendments thereto or replacement thereof.

“Investor Relations Activities” has the meaning given to such term in Policy 1.1.

“Management Company Employee” means an individual employed by a Person providing management services to the Corporation, which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a Person engaged in Investor Relations Activities.

“Market Price” means the last closing price of the Common Shares listed on the Exchange before the grant of an option to a Participant.

Notwithstanding the foregoing:

- (a) the Market Price shall be adjusted for any share consolidation or split. If any option is granted to a Participant within five (5) days following a consolidation of the Corporation’s share capital, the minimum exercise price per Common Share will be the greater of the Market Price, adjusted for any share consolidation or split, and \$0.10;
- (b) if the Corporation announces Material Information regarding the affairs of the Corporation after the grant of an option to a Participant and if the Exchange determines that the person that is the subject of the option grant should reasonably have been aware of that pending Material Information, then the Market Price will be at least equal to the closing price of the Common Shares on the trading day after the day on which that Material Information was announced;
- (c) if the Exchange determines that the closing price is not a fair reflection of the market for the Common Shares and the Common Shares appear to have been high-closed or low-closed, then the Exchange will determine the Market Price to be used;
- (d) if the Corporation is suspended from trading or has for any reason not traded for an extended period of time, the Exchange may determine the deemed Market Price to be used; and
- (e) the Exchange will not generally permit any securities convertible into Common Shares, including incentive stock options, to be issued with an effective conversion price of less than \$0.10 per Common Share.

Notwithstanding the foregoing, the minimum exercise price of any option granted pursuant to this Plan must be \$0.10 per Common Share.

“Material Information” has the meaning given to such term in Policy 1.1.

“NI 45-106” means National Instrument 45-106 – *Prospectus and Registration Exemptions*.

“Notice” has the meaning given to such term in Section 12.

“**Offer**” has the meaning given to such term in Subsection (c).

“**Option Shares**” has the meaning given to such term in Subsection (c).

“**Outstanding Shares**” means that number of Common Shares outstanding, on a non-diluted basis, at any point in time as confirmed by the transfer agent and registrar for the Common Shares.

“**Participant**” means:

- (a) Directors of the Corporation, present and future;
- (b) Employees (including those persons conducting Investor Relations Activities) of the Corporation, present and future; and
- (c) Consultants of the Corporation, present and future.

“**Person**” has the meaning given to such term in Policy 1.1.

“**Plan**” has the meaning given to such term in Section 1.

“**Policy 1.1**” has the meaning given to such term in this Section 2.

“**Policy 4.4**” has the meaning given to such term in this Section 2.

“**Representatives**” has the meaning given to such term in Subsection (a).

“**Run-off Period**” has the meaning given to such term in Subsection (b).

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

“**Security Based Compensation Arrangement**” means any stock option plan, stock purchase plan and any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, other than any fixed number restricted share unit plan.

“**Subsidiary**” has the meaning given to such term in NI 45-106.

“**Termination Date**” has the meaning given to such term in Subsection (b).

“**Withholding Obligations**” has the meaning given to such term in Subsection (a).

3. **INTERPRETATION**

- (a) The insertion of headings in this Plan is for convenience of reference only and in no way defines limits or enlarges the scope or meaning of this Plan or any of its provisions.
- (b) References to the words “herein”, “hereunder”, “hereof”, “hereto” and words of similar import refer to this Plan and any amendments hereto, and not to any particular section of this Plan. References to sections refer to the sections of this Plan unless otherwise stated.
- (c) In this Plan, words importing the singular include the plural and vice versa, words importing the masculine gender include the feminine and neuter genders and vice versa, and words importing persons include individuals, partnerships, associations, trusts, societies, unincorporated organizations and corporations.

4. **ADMINISTRATION**

- (a) The Plan shall be administered by the Board, or any committee appointed by the Board to administer this Plan.
- (b) The interpretation, construction and application of the Plan shall be made by the Board and shall be final and binding on all holders of options granted under the Plan and all persons eligible to participate under the provisions of the Plan.
- (c) The Board shall be permitted, through the establishment of appropriate procedures, to monitor the trading of Common Shares by persons who are performing Investor Relations Activities for the Corporation and who have been granted options pursuant to this Plan.
- (d) No member of the Board shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any options granted under it.

5. COMMON SHARES SUBJECT TO THE PLAN

- (a) Subject to this Section 5, the maximum number of Common Shares which may be issued under options granted under this Plan, from time to time, shall be equal to ten percent (10%) of the Outstanding Shares of the Corporation less the aggregate number of shares reserved for issuance or issuable under any other Security Based Compensation Arrangement of the Corporation.
- (b) The maximum number of Common Shares which may be issued to:
 - (i) any Consultant in any twelve (12) month period under this Plan may be no more than two percent (2%) of the Outstanding Shares of the Corporation; and
 - (ii) all Persons conducting Investor Relations Activities for the Corporation in any twelve (12) month period may be, in aggregate, no more than two percent (2%) of the Outstanding Shares of the Corporation,
 less the aggregate number of shares reserved for issuance or issuable under any other Security Based Compensation Arrangement of the Corporation.
- (c) Unless the Corporation has received the requisite Disinterested Shareholder Approval:
 - (i) the maximum number of Common Shares which may be issued to any individual in any twelve (12) month period under this Plan may be no more than five percent (5%) of the Outstanding Shares of the Corporation, less the aggregate number of shares reserved for issuance or issuable under any other Security Based Compensation Arrangement of the Corporation; and
 - (ii) the aggregate number of Common Shares reserved for issuance to Insiders in any twelve (12) month period under the Plan and any other Security Based Compensation may be no more than ten percent (10%) of the Outstanding Shares of the Corporation, less the aggregate number of shares reserved for issuance or issuable under any other Security Based Compensation Arrangement of the Corporation;
- (d) Common Shares in respect of which an option is granted under the Plan but not exercised prior to the termination of such option, due to the expiration, termination or lapse of such option or otherwise, shall be available for options to be granted thereafter pursuant to the provisions of the Plan. All Common Shares issued pursuant to the exercise of the options granted under the Plan shall be so issued as fully paid and non-assessable Common Shares.
- (e) The Board shall allot, set aside and reserve for issuance for the purpose of this Plan a sufficient number of Common Shares at each meeting of the Board such that the number of Common Shares issuable under Subsection (a) shall be properly allotted, set aside and reserved for issuance.

6. ELIGIBILITY AND GRANT OF OPTIONS

- (a) Subject to this Section 6, options shall be granted only to Participants of the Corporation.
- (b) Except in relation to Consultant Companies, options may be granted only to companies that are wholly owned by Participants.
- (c) Provided that the Common Shares are listed on the Exchange, if the Participant is a company, including a Consultant Company, the company shall not be permitted to effect or permit any transfer of ownership or option of shares of the company nor to issue further shares of any class of the company to any individual or entity as long as the options remain outstanding, except where the written consent of the Exchange has been obtained.
- (d) Subject to the foregoing, the Board shall have full and final authority to determine the Participants who are to be granted options under the Plan and the number of Common Shares subject to each option grant. Stock options granted under the Plan shall be for the purchase of Common Shares only, and for no other security.
- (e) Unless limited by the terms of the Plan or any regulatory or stock exchange requirement, the Board shall have full and final authority to determine the terms and conditions attached to any grant of options under this Plan.
- (f) The Corporation may only grant options pursuant to resolutions of the Board.
- (g) In determining options to be granted to Participants, the Board shall give due consideration to the value of each such Participant's present and potential contribution to the success of the Corporation.
- (h) Any option granted under the Plan shall be subject to the requirement that, if at any time the Corporation shall determine that the listing, registration or qualification of the Common Shares subject to such option, or such option itself, upon any securities exchange or under any law or regulation of any jurisdiction, or the consent or approval of any securities exchange or any governmental or regulatory body, is necessary as a condition of, or in connection with, the grant or exercise of such option or the issuance or purchase of Common Shares thereunder, such option may not be granted, accepted or exercised in whole or in part unless such listing, registration, qualification, consent or approval shall have been effected or obtained on conditions acceptable to the Board. For certainty, it is expressly stated that if the Corporation grants options to Participants resident in Canada, the Corporation may only grant options, and issue Common Shares on exercise thereof, to Participants resident in jurisdictions in Canada where NI 45-106 has been complied with. However, nothing herein shall be deemed or construed to require the Corporation to apply for or to obtain such listing, registration, qualification, consent or approval.
- (i) In the case of options granted to Employees, Consultants or Management Company Employees, the Participant must be a bona fide Employee, Consultant or Management Company Employee, as the case may be, of the Corporation or its Subsidiaries.
- (j) The Board shall complete and file, in accordance with applicable law, or shall cause to be completed and filed, all notices, reports, filings or other documentation required by applicable law, regulatory requirement or stock exchange rule, in connection with a grant of options or an issuance or purchase of Common Shares thereunder.
- (k) For certainty, the Board is not required to issue a news release disclosing the grant of options if (i) the Common Shares are not listed on the Exchange or (ii) the options are granted to Employees or Consultants that are not directors or officers of the Corporation or performing Investor Relations Activities for the Corporation, except where the grant constitutes Material Information under applicable securities laws.

7. PRICE

- (a) The option exercise price per Common Share shall be:
 - (i) if the Common Shares are not listed on the Exchange, the fair market value of the Common Shares as determined by the Board at the time such option is granted; and
 - (ii) if the Common Shares are listed on the Exchange, the price fixed by the Board when such option is granted, except that
 - (A) the option exercise price per Common Share shall not be less than the Market Price; and
 - (B) if options are granted within ninety (90) days of a distribution (the “**Distribution Period**”) by the Corporation by prospectus, the minimum exercise price per Common Share of those options will be the greater of the Market Price and the price per Common Share paid by the public investors for Common Shares acquired pursuant to such distribution. The Distribution Period shall begin:
 - (I) on the date the final receipt is issued for the final prospectus in respect of such distribution; and
 - (II) in the case of a prospectus that qualifies special warrants, on the closing date of the private placement in respect of such special warrants.
- (b) The option price per share will be expressed in Canadian dollars.

8. **PERIOD OF OPTION AND RIGHTS TO EXERCISE**

- (a) Subject to the provisions of this Section 8 and Section 9 below, options will be exercisable in whole or in part, and from time to time, at any time following the date of grant and prior to the expiry of their term.
- (b) If the Common Shares are listed on the Exchange and an option expires during a Black-out Period, then the option shall remain exercisable until the period ending up to two (2) trading days after the end of such Black-out Period, notwithstanding the natural expiry of its term, except that in no event may such exercise occur more than ten (10) years after the initial grant date of the option.
- (c) Options shall not be granted for a term exceeding ten (10) years.
- (d) Subject to the Board’s sole discretion in modifying the vesting of options, from time to time, options granted shall vest, and become exercisable, upon and subject to such terms, conditions and limitations as contained herein and otherwise as the Board may from time to time determine with respect to each option. Notwithstanding the foregoing, options granted to Consultants conducting Investor Relations Activities for the Corporation shall vest over a period of not less than twelve (12) months with no more than twenty-five percent (25%) of the options vesting in any three (3) month period.
- (e) The Common Shares to be purchased upon each exercise of an option shall be paid for in full by the Participant at the time of exercise.
- (f) Except as provided in Section 9, no option which is held by a Participant may be exercised unless the Participant is then a Participant of the Corporation, and in the case of an Employee, the Employee has been continually employed by the Corporation since the date of the grant of the option, but provided that an authorized absence of leave shall not be considered an interruption of employment for purposes of the Plan.

9. **CESSATION OF PROVISION OF SERVICES**

- (a) **Death of Participant.** In the event of the death of a Participant during the term of the Participant's option, the option theretofore granted to the Participant shall be exercisable by the Participant's heirs or administrators (the "Representatives") within, but only within, the period of one (1) year next succeeding the Participant's death, and in no event after the expiry date of the option. Before expiry of an option under this Subsection (a), the Board shall notify the Participant's Representative in writing of such expiry no less than twenty (20) days prior to its expiry.
- (b) **Termination of Employment or Office.** Subject to the discretion of the Board to determine otherwise, and this Section 9, if any Participant shall cease to be a Participant for any reason, other than for cause or death, the option held by such person shall terminate on the earlier of (i) the expiry date of the option; (ii) ninety (90) days from the date such person ceases to be a Participant; or (iii) such other expiry date as may be determined by the Board at the time that such Participant ceases to be eligible, but shall be expire no later than one (1) year from the date on which the Participant ceases to be a Participant (the "Termination Date"). The Participant may exercise any option issued under the Plan that is then exercisable at any time within that period (the "Run-off Period"), unless an existing agreement between the Participant and the Corporation provides for a different Run-Off Period in which case the terms of that agreement shall continue to be applicable; but provided in all circumstances that no options issued under the Plan shall be exercisable after the expiry date of the options.

In the event that a Participant ceases to be a Participant of the Corporation because of termination for cause, the options of the Participant not exercised at such time shall immediately be cancelled on the date of such termination and be of no further force or effect whatsoever notwithstanding anything to the contrary in the Plan and the Corporation shall have no notification obligation.
- (c) **Other.** If any Participant shall cease to be a Participant of, or to, the Corporation for any reason other than provided for in this Section 9, the options of the Participant not exercised at such time shall immediately be cancelled and be of no further force or effect whatsoever.

10. NON-TRANSFERABILITY OF OPTION

Subject to applicable law, no option granted under the Plan shall be assignable or transferable otherwise than by will or by the laws of descent and distribution, and such option shall be exercisable, during a Participant's lifetime, only by the Participant (subject to Subsection (a)).

11. AMENDMENTS

- (a) The Board may at any time amend the terms of the Plan or any option issued pursuant to the Plan to:
 - (i) reduce the number of Common Shares under option;
 - (ii) increase the exercise price of an option; or
 - (iii) cancel any option.
- (b) If the Common Shares are listed on the Exchange:
 - (i) the Board may approve the amendments set out in Subsection (a) without the approval of the Exchange, provided that the Corporation issues a news release outlining the terms of the amendment; and
 - (ii) the Corporation shall be required to obtain the approval of the Exchange for any amendments to the Plan or any option granted pursuant to it that are not covered by Subsection (a).
- (c) Notwithstanding Subsection (a) and Subsection (b):

- (i) the Corporation shall obtain Disinterested Shareholder Approval for any amendment to an option granted to a person who is an Insider at the time of such amendment;
 - (ii) the exercise price of any option granted pursuant to this Plan may only be amended if at least six (6) months have elapsed since the later of the date of commencement of the term of the option or the date the exercise price of that option was last amended; and
 - (iii) any option granted pursuant to this Plan must be outstanding for at least one (1) year before the Corporation may extend its term provided in all cases that any such extension shall not exceed the term provided for in Subsection (c).
- (d) Provided the Common Shares are listed on the Exchange, if the Corporation cancels an option granted to a Participant and within one (1) year grants new options to the same Participant pursuant to this Plan, the grant of the new options shall be subject to the approval of the Exchange and the requirements set out in Subsection (c), as applicable.
- (e) Any amendment to the terms of this Plan or any option granted pursuant to it shall not alter the terms or conditions of any option or impair the rights of any Participant to any option granted prior to such amendment.

12. EVIDENCE OF OPTIONS

Following the grant of an option in accordance with the Plan, the Corporation shall forward to such Participant, a Notice of Grant (the “**Notice**”) substantially in the form attached hereto as Schedule “A”, which Notice shall evidence the grant of the option under the Plan. The Corporation shall also forward to the Participant, in addition to the Notice, a copy of this Plan and, subject to the Common Shares being listed on the Exchange, the Insider Trading Policy (on the first grant of an option) and any other documentation that may be required by applicable law, stock exchange or regulatory requirements.

13. EXERCISE OF OPTIONS

- (a) An option may be exercised from time to time by delivering to the Corporation at its head or registered office, a written notice of exercise (the “**Exercise Notice**”) specifying the number of Common Shares with respect to which the option is being exercised and accompanied by payment for the full amount of the purchase price of the Common Shares then being purchased.
- (b) Upon receipt of a certificate of an authorized officer directing the issue of Common Shares purchased under the Plan, the transfer agent of the Corporation is authorized and directed to issue and countersign share certificates for the purchased Common Shares in the name of the Participant or the Participant’s legal personal representative or as may otherwise be directed in writing by the Participant, including into a book-entry system, if requested.
- (c) Notwithstanding Subsection (h), the Corporation shall not, upon the exercise of any option, be required to register, issue or deliver any Common Shares prior to:
 - (i) the listing of such Common Shares on any stock exchange on which the Common Shares may then be listed; and
 - (ii) the completion of such registration or other qualification of such Common Shares under any law, rules or regulation as the Corporation shall determine to be necessary or advisable (including, without limitation, NI 45-106).

If any Common Shares cannot be registered, issued or delivered to any Participant for whatever reason, the obligation of the Corporation to issue such Common Shares shall terminate and any option exercise price paid to the Corporation shall be returned to the Participant without deduction or interest.

14. CHANGES IN OPTIONS

- (a) **Share Consolidation or Subdivision.** In the event that the Common Shares are at any time subdivided or consolidated, the number of Common Shares reserved for option and the price payable for any Common Shares that are then subject to option shall be adjusted accordingly.
- (b) **Stock Dividend.** In the event that the Common Shares are at any time changed as a result of the declaration of a stock dividend thereon, the number of Common Shares reserved for option and the price payable for any Common Shares that are then subject to option may be adjusted by the Board to such extent as it deems proper in its absolute discretion.
- (c) **Effect of a Take-Over Bid.** If a bona fide offer to purchase Common Shares (an “Offer”) is made to a Participant or to shareholders of the Corporation generally or to a class of shareholders which includes a Participant, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Corporation, within the meaning of subsection 1(1) of the Securities Act, the Corporation shall, upon receipt of notice of the Offer, notify each Participant of full particulars of the Offer, whereupon all Common Shares subject to such option (“**Option Shares**”) will become vested and the option may be exercised in whole or in part by the Participant so as to permit the Participant to tender the Option Shares received upon such exercise, pursuant to the Offer. However, if
 - (i) the Offer referred to in this Section 15 is not completed within the time frame specified therein (as the same may be extended); or
 - (ii) all of the Option Shares tendered by the Participant pursuant to the Offer are not taken up or paid for the offeror in respect thereof,

the options which vested pursuant to this Section 15 shall be returned by the Participant to the Corporation and reinstated as authorized but unissued Common Shares and the original terms applicable to such options shall be reinstated.

- (d) **Acceleration of Expiry Date.** If at any time when an option granted under the Plan remains unexercised with respect to any unissued Option Shares, an Offer is made by an offeror, the directors may, upon notifying each Participant of full particulars of the Offer, declare all Option Shares issuable upon the exercise of options granted under the Plan, vested, and declare that the expiry date for the exercise of all unexercised options granted under the Plan is accelerated so that all options will either be exercised or will expire prior to the date upon which Common Shares must be tendered pursuant to the Offer.
- (e) **Effect of a Change of Control.** If a Change of Control occurs, all Option Shares subject to each outstanding option will become vested, whereupon such option may be exercised in whole or in part by the Participant.

15. RIGHTS PRIOR TO EXERCISE

A Participant shall have no rights whatsoever as a shareholder in respect of any Common Shares (including any right to receive dividends or other distributions therefrom or thereon) other than in respect of Common Shares in respect of which the Participant shall have exercised the option to purchase hereunder and which the Participant shall have actually taken up and paid for in full. For greater certainty a holder of an option under this Plan shall not be permitted to vote on any arrangement of the Corporation proposed to the holders of Common Shares of the Corporation.

16. HOLD PERIOD

In addition to any resale restrictions under applicable legislation, all options granted hereunder and all Common Shares issued on the exercise of such options will be subject to a four (4) month hold period (“**Hold Period**”)

from the date the options are granted and the options and any Common Shares issuable on the exercise thereof must bear the following legends:

“WITHOUT PRIOR WRITTEN APPROVAL OF THE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL **[INSERT THE DATE IMMEDIATELY FOLLOWING THE DATE WHICH IS FOUR MONTHS AFTER THE DATE OF THE GRANT OF THE OPTION.]**”

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE LATER OF (I) **[INSERT THE DISTRIBUTION DATE]**, AND (II) THE DATE THE ISSUER BECAME A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY.”

17. WITHHOLDING TAXES

- (a) If, following the exercise by a Participant of an option or a portion thereof in accordance with the provisions of Article 13 hereof, the Corporation is required under the Income Tax Act (Canada) or any other applicable law to make source deductions in respect of any stock option benefits and to remit to the applicable governmental authority an amount on account of tax on the value of the taxable benefit associated with the issuance of Common Shares on exercise of options (“**Withholding Obligations**”), then the Participant shall, in addition to the payment of the purchase price for the Common Shares then being purchased pursuant to Article 13 hereof:
 - (i) pay to the Corporation sufficient cash as is reasonably determined by the Corporation to be the amount necessary to satisfy the Withholding Obligations; or
 - (ii) at the discretion of the Corporation, elect to permit the Corporation to reduce the number of Common Shares to be issued to the Participant by the number of Common shares having a fair market value at such time as is equal to the amount necessary to satisfy the Withholding Obligations; or
 - (iii) make other arrangements acceptable to the Corporation to fund the Withholding Obligations.
- (b) It is the responsibility of the Participant to ensure that they adhere to tax legislation in their jurisdiction regarding the reporting of benefits derived from the exercise of options.
- (c) In the event any taxation authority should reassess the Corporation for failure to have withheld income tax, or other similar payments from the Participant, pursuant to the provisions herein, the Participant shall reimburse and save harmless the Corporation for the entire amount assessed, including penalties, interest and other charges.
- (d) The Corporation will, within the time and in the manner prescribed by the Income Tax Act (Canada) (or any corresponding requirement under applicable provincial tax law), remit the Withholding Obligation to the Receiver General for Canada or other applicable tax authority and shall, to the extent necessary and within the time and in the manner prescribed by the Income Tax Act (Canada) (or any corresponding requirement under applicable provincial tax law), make the election contemplated by subsection 110(1.1) of the Income Tax Act (Canada) (or any corresponding requirement under applicable provincial tax law) that neither it nor any person with whom it does not deal at arm’s length (for purposes of the Income Tax Act (Canada)) will deduct any amount in respect of any payment to the Participant in connection with the exercise or surrender of his or her

options and the Corporation shall also provide evidence of such election to the Participant forthwith upon making such election.

18. NO CONTINUED SERVICE

The granting of an option to a Participant under the Plan shall not impose upon the Corporation any obligation whatsoever to retain the Participant as a Director, Employee, or Consultant of the Corporation.

19. GOVERNING LAW

This Plan shall be construed in accordance with and be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

20. EXPIRY OF AN OPTION AND TERMINATION OF THE PLAN

- (a) On the expiry date of any option granted under the Plan, and subject to any extension of such expiry date permitted in accordance with the Plan, such option shall forthwith expire and terminate and be of no further force or effect whatsoever, or as to the Common Shares in respect of which the option has not been exercised.
- (b) The Plan will automatically terminate when, and if, any of the authorizations required to authorize the Plan shall cease.

21. EFFECTIVE DATE OF THE PLAN

The Plan shall be effective upon the approval of the Plan by:

- (a) the stock exchange upon which the Shares of the Corporation may be posted or listed for trading, and shall comply with the requirements from time to time of the stock exchange; and
- (b) the holders of the Common Shares (the “**Shareholders**”), by the affirmative vote of a majority of the votes attached to the Common Shares entitled to vote and be represented and voted at an annual or special meeting of Shareholders held, among other things, to consider and approve the Plan.

22. SEVERABILITY

If any provision of this Plan shall be determined by any court of competent jurisdiction to be illegal, invalid or unenforceable, that provision shall be severed from this Plan and the remaining provisions shall continue in full force and effect.

23. ENTIRE PLAN

This Plan constitutes the entire stock option plan for the Corporation and its Participants and supersedes any prior stock option plans for such persons.

SCHEDULE “A”
NOTICE OF GRANT OF STOCK OPTIONS

Eco (Atlantic) Oil & Gas Ltd.
120 Adelaide Street West
Suite 1204
Toronto, ON, M5H 1T1
Telephone: (416) 361-2211
Fax: (416) 361-6455

[Date]

[Name & Address of Participant]

Dear **[Name]**:

This Notice is to advise you that in recognition of your contributions to Eco (Atlantic) Oil & Gas Ltd. (the “**Corporation**”), you have been selected to participate in the Corporation’s 2011 Stock Option Plan (the “**Plan**”).

On **[Date]** the board of directors of the Corporation granted to you an option to acquire **[number]** common shares of the Corporation at a price of Cdn\$● per share (the “**Stock Option**”).

Your Stock Option is subject to the terms and conditions of the Plan and the Corporation’s Insider Trading Policy (collectively, the “Documents”). A copy of each of these Documents is attached hereto if this is your first grant of options under the Plan.

The Stock Option shall vest in accordance with the Plan and as follows:

Vesting Dates and Other Terms	Amount Vesting

Your Stock Options will expire on ●. If any amendment is made to your Stock Options you will be notified by letter of such amendments.

The grant of the Stock Options is strictly confidential and the information concerning the number or price of common shares granted under this Stock Option should not be disclosed to anyone.

Please acknowledge receipt of this Notice and the Documents by signing and returning to the Corporation the enclosed receipt.

Yours sincerely,

[Name]

[Title]

ACKNOWLEDGMENT OF RECEIPT

TO: Eco (Atlantic) Oil & Gas Ltd.
120 Adelaide Street West
Suite 1204
Toronto, ON, M5H 1T1

Re: Notice of Grant of Stock Options

I, [**name of Participant**], hereby acknowledges receipt of:

- (a) the Notice of Grant of Stock Options dated ●;
- (b) If the Common Shares are listed on the Exchange as of the date hereof, the Insider Trading Policy;
and
- (c) the 2011 Stock Option Plan (collectively, the “**Documents**”)

of Eco (Atlantic) Oil & Gas Ltd. I further acknowledge that I have read each of the Documents in their entirety and understand each of my rights and obligations thereunder.

DATED _____, 2020.

Name:

SCHEDULE "B"

CORPORATE GOVERNANCE PRACTICES

The Company's corporate governance practices are governed by National Policy 58-201, *Corporate Governance Guidelines* (the "**Guidelines**") and National Instrument 58-101, *Disclosure of Corporate Governance Practices* (the "**Disclosure Rule**"), adopted by the securities regulatory authorities in Canada. Corporate governance practices are established in order to provide greater transparency for the marketplace regarding an issuer's corporate governance practices. Set out below is a description of the Company's approach to corporate governance, based on the Guidelines and requirements prescribed by the Disclosure Rule.

Composition of the Board of Directors

The Board is currently comprised of eight directors. Pursuant to NI 52-110, a director is considered to be "independent" if he or she does not have a direct or indirect material relationship with the Company that could, in the view of the Board, be reasonably expected to interfere with the exercise of his or her independent judgment.

The Board determined that the following directors, nominated for re-election, are independent for the purpose of NI 58-101:

- (1) Moshe Peterburg (Chairman of the Board);
- (2) Helmut Angula; and
- (3) Peter Nicol.

The Board determined that the following directors, nominated for re-election, were not independent for the purpose of NI 58-101:

- (1) Gil Holzman (by virtue of being the CEO of the Company);
- (2) Colin Kinley (by virtue of being the COO of the Company) ; and
- (3) Alan Friedman (by virtue of being VP of the Company).

Other Public Company Directorships

In addition to serving as a director, the following directors are also directors of the reporting issuers or equivalent as set out beside such Directors name:

- | | |
|-------------------|--|
| (1) Colin Kinley | Excelsior Mining Corp. (TSXV: MIN) |
| (2) Alan Friedman | Adira Energy Ltd. (TSXV: ADL)
PharmaCan Capital Corp. (TSXV: MJN.P) |
| (3) Gadi Levin | Adira Energy Ltd. (TSXV: ADL)
Vaxil Bio Ltd (TSXV:VXL) |
| (4) Peter Nicol | Touchstone Exploration Inc. (TSXV: TXP) |

Orientation and Continuing Education

The Board is responsible for the orientation and education of new recruits to the Board and ensures that new directors of the Company are provided with comprehensive information about the nature and operations of the Company, the role of the Board, the role of the Board committees, and the contributions expected of the directors. New directors also have an opportunity to meet with Management of the Company to obtain insight into the Company's business. All of the members of the Board are encouraged to communicate with Management, auditors and consultants to remain current with industry trends, developments, and changes in applicable legislation. As part of the annual Board assessment process the Board determines whether any additional education and training is required for Directors.

Ethical Business Conduct

The company has adopted a Code of Business conduct (the “**Code**”) to provide a set of ethical standards to guide each director, officer, employee, consultant and contractor of the Company (“**Representatives**”) in the conduct of their business, and for each director, officer and employee constitutes conditions of employment, and for each consultant and contractor constitutes conditions of providing services to the Company. The Code provides an overview of the Company’s expectations for its Representatives and is supplemented by other policies adopted by the Company. Such other policies include the Whistleblower Policy and the Insider Trading Policy.

The Board annually review of the Code, Whistleblower Policy, and Insider Trading Policy to ensure that the Company, its directors, officers and employees comply with all applicable laws, rules and regulations and conduct the Company’s business ethically and with honesty and integrity.

The Audit Committee periodically monitors and reviews the Company’s procedures for (i) the confidential, anonymous submission by directors, officers and employees of the Company of concerns regarding questionable accounting or auditing matters; and (ii) any violations of any applicable law, rule or regulation that relates to corporate reporting and disclosure, or violations of the Code.

A copy of the Code and other policies may be obtained on written request addressed to the Company.

Nomination of Directors

The Board is responsible for, among other things, identifying suitable candidates to be recommended for election to the Board by Shareholders or appointment by the directors, subject to the limits in the Company’s articles and the *Business Corporations Act* (British Columbia). Though there are no specific criteria for Board membership, the Company attempts to attract and retain directors with business knowledge and a particular knowledge of oil and gas exploration and development, or other areas such as finance, which would assist in guiding the officers of the Company. As such, nominations are typically the result of recruitment efforts and discussions among the Board.

Compensation

The Compensation Committee is comprised of Messrs. Moshe Peterburg (Chairman) and Peter Nicol, both of whom are independent and have direct experience and skills relevant to their responsibilities in executive compensation. The Compensation Committee’s responsibilities include reviewing and approving the Company’s goals and objectives relating to the compensation of the Company’s executive officers, evaluating the performance of the Company’s executive officers in light of such goals and objectives, and setting the compensation level, perquisites and other benefits of the Company’s executive officers based on this evaluation. The Compensation Committee also advises the Board on recommended compensation for Board members, proposes changes in the compensation of members of the Board or any committee thereof, and retirement policies and programs and perquisites for directors.

Assessments

The Board, its committees and, its individual directors are assessed regularly, and at minimum on an annual basis as to their effectiveness and contribution. The Board monitors, assesses and reviews the performance and effectiveness of the Board and its individual directors. Individual director assessments are determined by examining a number of factors, including attendance at and participation at meetings, meeting preparedness, ability to communicate ideas clearly and overall contribution to effective Board performance.

SCHEDULE “C” AUDIT COMMITTEE CHARTER

Adopted by Resolution of the Board of Directors dated November 30, 2011
Amended by Resolution of the Board of Directors dated January 23, 2017

This charter (the “**Charter**”) sets forth the purpose, composition, responsibilities and authority of the Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Eco (Atlantic) Oil & Gas Ltd. (the “**Corporation**”).

Primary Objective

The primary objective of the Committee is to assist the Board in fulfilling its oversight responsibilities to: (i) review and monitor the integrity of financial reports and financial information provided to any regulatory authority or provided for release to the public and the Corporation’s shareholders; (ii) review the Corporation’s disclosure control systems; (iii) review and monitor the effectiveness of the Corporation’s internal control systems with respect to finance, accounting and legal compliance; (iv) review the Corporation’s accounting and financial reporting processes; (v) make recommendations in relation to the appointment of the external auditors and approve the remuneration and terms of engagement of the external auditors; (vi) review and monitor the external auditors’ independence and objectivity and the effectiveness of the audit process, taking into consideration relevant professional and regulatory requirements; and (vii) develop and implement policy on the engagement of the external auditors to supply any non audit services.

Composition

The Committee shall be composed of not less than three (3) directors, the majority of whom shall meet the criteria for independence and financial literacy established by applicable laws, including National Instrument 52-110 – Audit Committees and the policies of the TSX Venture Exchange. In addition, each director will be free of any relationship which could, in the view of the Board, reasonably interfere with the exercise of a director’s independent judgment.

At least one member of the Committee must have recent and relevant specialist financial knowledge. Members must be committed, trained, skilled and with sufficient understanding of the issues to be dealt with by the Committee.

All members of the Committee shall be appointed by the Board for a period of up to three years, which may be extended for any number of additional periods of up to three years, provided that the majority of members remain independent. A member shall automatically cease to be a member of the Committee forthwith upon such member ceasing to be a director of the Corporation. Committee members shall be entitled to such remuneration for serving on the Committee as may from time to time be determined by the Board.

Meetings

The members of the Committee so appointed shall elect from among their number a chairman of the Committee (the “**Chairman**”). Such Chairman will appoint a secretary with responsibility for maintaining minutes of all meetings (the “**Secretary**”). The Secretary shall not be required to be a member of the Committee or a director of the Corporation, provided that in that case such person is not a member of the Corporation’s finance staff, and can be changed at any time upon notice from the Chairman.

The Committee shall meet as many times as it in its discretion deems necessary to discharge its responsibilities but in no event shall the Committee meet less than four (4) times per year. The time at which, and the place where, Committee meetings are held, the calling of the meetings and the procedure in respect of such meetings shall be determined by the Committee, unless provisions to the contrary are contained in the Corporation’s by-laws or other constating documents. No business may be transacted unless a quorum of the Committee is present, the majority of the members of the Committee comprising such quorum. If the number of members of the Committee is an even

number, one half of the number of members plus one shall constitute a quorum. Committee members may attend all meetings either in person or by telephone.

The Committee may invite or require the attendance at any meeting of such officers and employees of the Corporation, internal and external legal counsel or such other persons as the Committee deems necessary in order for the Committee to discharge its duties and responsibilities. The external independent auditors of the Corporation should be requested and, if deemed necessary, required to attend meetings of the Committee and to make presentations to the Committee as is deemed appropriate.

The Committee shall meet regularly with the Corporation's independent auditors, and in any case shall meet with them not less than once annually and without the presence of management.

Notwithstanding the foregoing, and subject to the Corporation's constituting documents, governing legislation and applicable regulatory and exchange rules, the Chairman of the Committee may exercise the powers of the Committee between meetings if required. In the event the Chairman does so exercise such powers, the Chairman shall immediately report in writing to the members of the Committee the actions or decisions taken in the name of the Committee and the same shall be recorded in the minutes of the Committee.

Duties and Responsibilities

The Committee will carry out the following duties for the Corporation, its major subsidiary undertakings and the group as a whole, as appropriate:

- review and monitor the integrity of interim quarterly and half-yearly financial statements and the audited annual financial statement, including the auditor's report thereon, and the related Management's Discussion and Analysis, together with any press releases related thereto and make a recommendation to the Board for approval and implementation prior to the public disclosure of such information
- discuss and review with management all financial information and earnings guidance which may be provided to the public, to the extent practicable in advance of the provision of such communication
- satisfy itself, on behalf of the Board, that all quarterly, interim and annual financial results, and attendant Management's Discussion and Analysis, present fairly the financial condition of the Corporation and are in accordance with International Financial Reporting Standards ("IFRS")
- act as an independent and objective party to monitor the Corporation's financial reporting process and the system of internal controls, including, as required, inspection of all books and records of the Corporation and its subsidiaries, discussion of such accounts and records and the financial position of the Corporation with senior management and the auditors of the Corporation and its subsidiaries and the commissioning of such reports or supplemental information as may be required in relation to the above
- The Committee will review and challenge where necessary: (i) the consistency of, and any changes to, accounting policies both on a year on year basis and across the Corporation and its group; (ii) the methods used to account for significant or unusual transactions where different approaches are possible; (iii) whether the Corporation has followed appropriate accounting standards and made proper estimates and judgements, taking into account the views of the external auditors; (iv) the clarity of disclosures in the Corporation's financial reports and the context in which statements are made; and (v) all material information presented with the financial statements, such as the operating and financial review and the corporate governance statement (insofar as it relates to the audit and risk management)
- The Committee will review the Company's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The Committee will ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action

- The Committee will oversee the Corporation's relationship with the external auditors including, but not limited to:
 - recommending to the Board the appointment, retention, termination and compensation of the Corporation's independent auditors
 - approval of independent auditors' remuneration and ensuring that the level of fees is appropriate to enable an adequate audit to be conducted
 - approval of independent auditors' terms of engagement (including any engagement letter issued at the start of each audit and the scope of the audit)
 - evaluating and overseeing the work of the Corporation's independent auditors, including receipt and review of all reports and recommendations
 - satisfying itself on behalf of the Board as to the 'independence from management' of the external auditors, within the meaning given to such term in the rules and pronouncements of the applicable regulatory authorities and professional governing bodies
 - seeking reassurance that the auditors and their staff have no family, employment, investment, financial or business relationships with the Corporation (other than in the ordinary course of business);
 - agreeing with the Board a policy on the employment of former employees of the auditors and monitoring the implementation of this policy;
 - monitoring the auditors' compliance with relevant ethical and professional guidance on the rotation of audit partners, the level of fees paid by the Corporation in proportion to the overall fee income of the audit firm, office and partner and other related regulatory requirements; and
 - assessing annually the auditors' qualifications, expertise and resources and the effectiveness of the audit process which will include a report from the external auditors on their own internal quality procedures
- monitor the Corporation's internal accounting controls, information gathering systems and management reporting of internal control systems
- review with management and the independent auditors the relevance and appropriateness of the Corporation's accounting policies, recommended changes and approval thereof
- satisfy itself that the Corporation has implemented appropriate systems of internal control over financial reporting and the safeguarding of the Corporation's assets; review "risk management" procedures, including the identification of significant risks and the establishment of appropriate procedures to manage such risks; monitor corporate performance in light of acceptable risks
- review and approve the statements to be included in the annual report concerning internal controls and risk management unless this is done by the Board as a whole
- monitor and periodically review the Corporation's Whistleblower Policy and associated procedures for (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; (ii) the confidential, anonymous submission by directors, officers and employees of the Corporation of concerns regarding questionable accounting or auditing matters; and (iii) any violations of any applicable law, rule or regulation that relates to corporate reporting and disclosure, or violations of the Corporation's Code of Business Conduct & Ethics

- review and approve the Corporation's annual audit plan and ensure that it is consistent with the scope of the audit engagement
- review the findings of the audit with the independent auditors. This will include but not be limited to a discussion relating to any major issues which arose during the audit, any accounting and audit judgements, and the levels of errors identified during the audit
- review the effectiveness of the audit
- review any representation letters requested by the independent auditors before signature by management
- review the management letter and management's response to the auditors' findings and recommendations
- develop and implement a policy on the supply of non audit services by the external auditors taking into account any relevant ethical guidance

Reporting and General Duties

The Committee chairman will report formally to the Board on the Committee's proceedings after each meeting on all matters within its duties and responsibilities. The Committee will make whatever recommendations to the Board it deems appropriate on any area within its terms of reference where action or improvement is needed.

The Committee will: (i) have access to the resources of the Corporation as are necessary for carrying out its duties, including access to the company secretariat for assistance as required; (ii) be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members; (iii) give appropriate consideration to laws and regulations, the provisions of the Quoted Companies Alliance Corporate Governance Code for Small and Mid Size Quoted Companies and the requirements of the AIM Rules for Companies published by the London Stock Exchange plc, as appropriate; (iv) oversee any investigation of activities which are within its terms of reference and act as a court of the last resort; and (v) at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

Oversight Function

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Corporation's financial statements are complete and accurate or comply with IFRS and other applicable requirements. These are the responsibilities of Management and the external auditors. The Committee, the Chairman and any members identified as having accounting or related financial expertise are members of the Board, appointed to the Committee to provide broad oversight of the financial, risk and control related activities of the Corporation, and are specifically not accountable or responsible for the day to day operation or performance of such activities.

Although the designation of a Committee member as having accounting or related financial expertise for disclosure purposes is based on that individual's education and experience, which that individual will bring to bear in carrying out his or her duties on the Committee, such designation does not impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the Committee and Board in the absence of such designation. Rather, the role of a member who is identified as having accounting or related financial expertise, like the role of all Committee members, is to oversee the process, not to certify or guarantee the internal or external audit of the Corporation's financial information or public disclosure.

