

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. The securities offered under this short form prospectus have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws. Hedging transactions involving these securities may not be conducted unless in compliance with the U.S. Securities Act. Accordingly, the securities offered hereby may not be offered or sold in the United States except in transactions exempt from the registration requirement of the U.S. Securities Act. is available. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States. See “Plan of Distribution”.

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of the Corporation at 1710 - 1050 West Pender Street, Vancouver, British Columbia, Canada, V6E 3S7, Telephone: (604) 682-6496, and are also available electronically at www.sedarplus.ca.

SHORT FORM PROSPECTUS

New Issue

August 21, 2023



\$11,000,048

18,965,600 Common Shares

This short form prospectus (this “**Prospectus**”) of TAG Oil Ltd. (the “**Corporation**”, “**our**”, “**we**” or “**TAG**”) qualifies the distribution (the “**Offering**”) of 18,965,600 common shares in the capital of the Corporation (the “**Common Shares**”) at a price of \$0.58 per Common Share (the “**Offering Price**”).

The Common Shares will be sold pursuant to an underwriting agreement (the “**Underwriting Agreement**”) dated effective as of July 31, 2023 between the Corporation and Research Capital Corporation (the “**Lead Underwriter**”) acting as lead underwriter and sole bookrunner on behalf of a syndicate of underwriters including Echelon Wealth Partners Inc., Canaccord Genuity Corp. and Haywood Securities Inc. (collectively with the Lead Underwriter, the “**Underwriters**”). The Offering Price and the other terms of the Offering were determined by negotiations between the Underwriters and the Corporation, with reference to the prevailing market price of the Common Shares. See “Plan of Distribution”.

The Common Shares are currently listed for trading on the TSX Venture Exchange (the “**TSXV**”) under the symbol “TAO” and are quoted on the premier tier of the OTC market in the United States, the OTCQX International (the “**OTCQX**”), under the symbol “TAOIF”. The closing price of the Common Shares on August 18, 2023, being the last full trading day of the Common Shares prior to the filing of this Prospectus, was \$0.56 on the TSXV, and US\$0.4151 on the OTCQX. The TSXV has conditionally approved the listing of the Common Shares, including the Common Shares issuable under the Over-Allotment Option (as defined herein). Listing of the Common Shares on the TSXV will be subject to the Corporation fulfilling all of the listing requirements of the TSXV on or before the Closing Date (as defined herein).

| | Price to Public | Underwriters' Fee⁽¹⁾ | Net Proceeds to Corporation^{(2) (3)} |
|------------------|------------------------|--|--|
| Per Common Share | \$0.58 | \$0.0348 | \$0.5452 |
| Total Offering | \$11,000,048 | \$660,003 | \$10,340,045 |

Notes:

- (1) Assumes no gross proceeds are raised from President's List (as defined below) purchasers. The Corporation has agreed to pay the Underwriters a cash commission equal to 6% of the total gross proceeds of the Offering, which includes proceeds from the exercise of the Over-Allotment Option (as defined herein), if any, subject to a reduced Underwriters' Fee of 3% of the gross proceeds of the subscription from certain officers and employees of the Corporation (the "**President's List**") (collectively, the "**Underwriters' Fee**").
- (2) After deducting the Underwriters' Fee payable by the Corporation but before deducting expenses of the Offering, estimated to be \$250,000. See "Use of Proceeds".
- (3) The Corporation has granted to the Underwriters an option (the "**Over-Allotment Option**"), exercisable in whole or in part, at any time and from time to time for a period of 30 days following the Closing Date (as defined herein), to purchase up to an additional 2,844,840 Common Shares (the "**Over-Allotment Shares**"), representing up to 15% of the number of Common Shares sold pursuant to the Offering, to cover the Underwriters' over-allocation position, if any, and for market stabilization purposes permitted pursuant to applicable securities laws. If the Over-Allotment Option is exercised in full (assuming that President's List purchasers acquire nil Common Shares in the Offering) for Over-Allotment Shares, then total "Price to the Public", "Underwriters' Fee" and "Net Proceeds to the Corporation" (before deducting expenses of the Offering) will be \$12,650,055, \$759,003 and \$11,891,052, respectively. This Prospectus also qualifies the grant of the Over-Allotment Option. A purchaser who acquires securities forming part of the Underwriters' over-allocation position acquires such securities under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. Unless the context otherwise requires, when used herein, all references to Common Shares include the Over-Allotment Shares issuable upon the exercise of the Over-Allotment Option. See "Plan of Distribution" and the table below.

| Underwriters' position | Maximum size | Exercise period | Exercise price |
|-------------------------------|--|--|---------------------------------|
| Over-Allotment Option | 2,844,840 Over-Allotment Shares ⁽¹⁾ | Exercisable for 30 days following the Closing Date | \$0.58 per Over-Allotment Share |

Note:

- (1) Assuming exercise of the Over-Allotment Option in full.

The Underwriters, as principals, conditionally offer the Common Shares in connection with the Offering, subject to prior sale, if, as and when issued by the Corporation and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under "Plan of Distribution" and subject to the approval of certain legal matters on behalf of the Corporation by Torys LLP and on behalf of the Underwriters by McCarthy Tétrault LLP.

Subscriptions will be received subject to rejection or allotment in whole or in part and the Underwriters reserve the right to close the subscription books at any time without notice. The closing of the Offering is expected to occur on or about the week of August 21, 2023, or such other date as the Underwriters may determine (the "**Closing Date**"), and, for greater certainty, the Common Shares (other than any Over-Allotment Shares) are to be taken up by the Underwriters, if at all, on or before a date not later than 42 days after the date of the receipt of this Prospectus.

The Common Shares will be issued and deposited in electronic form with CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee pursuant to the book-based system administered by CDS on the Closing Date, against payment of the aggregate purchase price for the Common Shares. A purchaser of Common Shares will receive only a client confirmation from the registered dealer from or through whom

Common Shares are purchased. Purchasers who are not issued a certificate evidencing the Common Shares which are subscribed for by them at closing are entitled, under the *Business Corporations Act* (British Columbia), to request that certificates be issued in their name. Such a request will need to be made through the CDS participant through whom the beneficial interest in the securities are held at the time of the request.

In connection with the Offering, the Underwriters may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those that may otherwise exist in the open market. Such transactions, if commenced, may be discontinued at any time. The Underwriters propose to offer the Common Shares initially at the Offering Price. **After the Underwriters have made reasonable efforts to sell all of the Common Shares at the Offering Price, the Underwriters may subsequently reduce the selling price to investors from time to time in order to sell any of the Common Shares remaining unsold. Any such reduction will not affect the net proceeds received by the Corporation. See “Plan of Distribution”.**

Investing in the Common Shares involves a high degree of risk. See “Risk Factors” herein and other filings incorporated by reference herein. Potential investors are advised to consult their own legal counsel and other professional advisors in order to assess income tax, legal and other aspects of this Offering.

Unless otherwise indicated, all references to dollar amounts in this Prospectus are to Canadian dollars and, with the exception of per share amounts, have been rounded to the nearest dollar.

Messrs. Keith Hill, Thomas Hickey, Shawn Reynolds and Gavin Wilson, directors of the Corporation, reside outside of Canada and have appointed the Corporation at its head office located at 1710 - 1050 West Pender Street, Vancouver, British Columbia, Canada, V6E 3S7 as its agent for service of process in Canada. Prospective purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service. See “Risk Factors”.

The Corporation’s registered office is located at 2600 - 595 Burrard Street, Vancouver, British Columbia, Canada, V7X 1L3, and its head office is located at 1710 - 1050 West Pender Street, Vancouver, British Columbia, Canada, V6E 3S7.

References to the Corporation also includes its subsidiary entities as the context requires.

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NOTE TO INVESTORS

About this Prospectus

You should rely only on the information contained or incorporated by reference in this Prospectus and are not entitled to rely on only certain parts of the information contained or incorporated by reference in this Prospectus to the exclusion of the remainder. The Corporation and the Underwriters have not authorized anyone to provide investors with different or additional information. If anyone provides you with different or additional information, you should not rely on it. The Corporation and the Underwriters are not making an offer to sell or seeking an offer to buy the Common Shares in any jurisdiction where the offer or sale is not permitted. Prospective investors should assume that the information contained in this Prospectus is accurate only as of the date on the front of this Prospectus and that information contained in any document incorporated by reference is accurate only as of the date of that document, regardless of the time of delivery of this Prospectus or of any sale of Common Shares pursuant hereto. The Corporation's business, financial condition, results of operations and prospects may have changed since those dates.

The Corporation has not done anything that would permit the offering or distribution of our securities under this Prospectus in any jurisdiction where action for that purpose is required, other than in each of the provinces of Canada, except Québec. Investors are required to inform themselves about, and to observe any restrictions relating to, any offering or distribution of our securities under this Prospectus.

Market data and certain industry forecasts used in this Prospectus and the documents incorporated by reference in this Prospectus were obtained from market research, publicly available information and industry publications. Management of the Corporation believes that these sources are generally reliable, but the accuracy and completeness of this information is not guaranteed. Neither the Corporation nor any of the Underwriters has independently verified such information, and neither the Corporation nor any of the Underwriters makes any representation as to the accuracy of such information.

CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION

Unless otherwise stated, all references to "\$", "C\$" or "dollars" in this Prospectus are references to Canadian dollars and all references to "US\$" are to United States dollars, unless otherwise specified. The daily exchange rate on August 18, 2023, as reported by the Bank of Canada, for the conversion of U.S. dollars into Canadian dollars was US\$1.00 equals \$1.3552.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained herein and in the documents incorporated by reference into this Prospectus constitute forward-looking statements and forward-looking information as such terms are defined under applicable Canadian securities legislation (collectively, "**forward-looking statements**"). These forward-looking statements are not guarantees of TAG's future operational or financial performance and are subject to risks and uncertainties. When used herein and in the documents incorporated by reference into this Prospectus, the words "may", "will", "should", "could", "would", "expect", "plan", "intend", "anticipate", "believe", "estimate", "predict", "propose", "objective", "capable", "potential" or "continue" and similar expressions, and statements related to matters that are not historical facts are intended to identify forward-looking statements. In addition to the forward-looking statements contained in the documents incorporated by reference herein, this Prospectus contains, without limitation, forward looking-statements pertaining to the following: the completion and closing of the Offering and the timing thereof; the satisfaction of the conditions to closing of the Offering, including the receipt, in a timely manner, of regulatory and other required approvals and clearances, including the approval of the TSXV; expansion plans into the Middle East and North African ("**MENA**") region, the use of the net proceeds of the Offering; the Corporation's

business objectives; the Corporation's growth strategy; and treatment under governmental regulatory regimes and tax laws. These statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. No assurance can be given that these assumptions and expectations will prove to be correct. Readers are cautioned not to place undue reliance on these statements, which speak only as of the date of this Prospectus.

These statements are not historical facts but instead represent only the Corporation's expectations, estimates and projections regarding future events, which management to the Corporation believes to be reasonable. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking information.

Forward-looking statements are based on a number of material assumptions, including those listed below, which could prove to be significantly incorrect: the timing of obtaining regulatory and third party approvals related to the Offering; the completion of the Offering; future oil, natural gas liquids and natural gas prices, including all adjustments for the quality of the Corporation's production at point of sale; future global supply and demand of oil, natural gas liquids and natural gas; assumptions relating to the success of the Corporation's growth strategy, including its ability to acquire material assets, develop such assets to production and retain and attract key employees; that no adverse changes will be made to the regulatory framework governing royalties, taxes, environmental and all other applicable matter in the jurisdictions in which the Corporation conducts its business and any other jurisdictions in which the Corporation may conduct its business in the future; the applicability of technologies for recovery, production and use of the Corporation's reserves and resources; that currency exchange rates between the United States, Canadian and Egyptian dollars remain stable; and that the Corporation will be able to secure adequate funding in the future on acceptable terms.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "Risks Factors" in the Annual Information Form (as defined herein) and "Risk Factors" in this Prospectus and in other documents incorporated by reference in this Prospectus. Management provides forward-looking information because they believe it provides useful information to readers when considering their investment objectives and cautions readers that the information may not be appropriate for other purposes. Consequently, all of the forward-looking information made in this Prospectus and in documents incorporated by reference in this Prospectus are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Corporation. This forward-looking information is made as of the date of this Prospectus and the Corporation assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.

Some of the risks which could affect future results and could cause results to differ materially from those expressed in the forward-looking information contained in this Prospectus include:

- dilution to Common Shares;
- use of proceeds;
- negative cash flow from operating activities;
- forward-looking statements may prove inaccurate;

- non-issuer submission to jurisdiction;
- Russian-Ukrainian conflict;
- foreign jurisdiction risk;
- Egypt political risks;
- environmental risks; and
- Egypt government credit risk.

In addition to the factors set out above and those identified under the heading “Risk Factors” in the Annual Information Form (as defined herein) and “Risk Factors” in this Prospectus, other factors not currently viewed as material could cause actual results to differ materially from those described in the forward-looking information. Although the Corporation has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors and risks that cause actions, events or results not to be anticipated, estimated or intended. Accordingly, readers should not place any undue reliance on forward-looking information.

Many of these factors are beyond the Corporation’s ability to control or predict. These factors are not intended to represent a complete list of the general or specific factors that may affect the Corporation. The Corporation may note additional factors elsewhere in this Prospectus and in any documents incorporated by reference into this Prospectus. All forward-looking information speaks only as of the date made. All subsequent written and oral forward-looking information attributable to the Corporation, or persons acting on the Corporation’s behalf, is expressly qualified in their entirety by the cautionary statements. Except as required by law, the Corporation undertakes no obligation to update any forward-looking information.

ELIGIBILITY FOR INVESTMENT

In the opinion of Torys LLP, counsel to the Corporation, and McCarthy Tétrault LLP, counsel to the Underwriters, based on the current provisions of the *Income Tax Act* (Canada) (the “**Tax Act**”) and the regulations thereunder (the “**Regulations**”) in force on the date hereof, provided that (i) the Common Shares are listed on a “designated stock exchange” for the purposes of the Tax Act (which currently includes the TSXV), or (ii) the Corporation is a “public corporation” (other than a mortgage investment corporation) as defined in the Tax Act, in each case on the date hereof, the Common Shares, if issued on the date hereof, will be “qualified investments” under the Tax Act and the Regulations for a trust governed by a “registered retirement savings plan”, “registered retirement income fund”, “tax-free savings account”, “registered education savings plan”, “first home savings account”, “deferred profit sharing plan” or “registered disability savings plan” (as those terms are defined in the Tax Act) (each, a “**Registered Plan**”).

Notwithstanding that the Common Shares may be “qualified investments” for a Registered Plan, if the Common Shares are a “prohibited investment” within the meaning of the Tax Act for a Registered Plan, the holder, subscriber or annuitant of the Registered Plan, as the case may be, will be subject to a penalty tax under the Tax Act. The Common Shares will generally not be a prohibited investment for a Registered Plan if the holder, subscriber or annuitant of the Registered Plan, as the case may be, (a) deals at arm’s length with the Corporation for the purposes of the Tax Act, and (b) does not have a “significant interest” (as defined for purposes of the prohibited investment rules in the Tax Act) in the Corporation. In addition,

the Common Shares will not be a prohibited investment if the Common Shares are “excluded property” (as defined in the Tax Act for purposes of the prohibited investment rules) for a Registered Plan.

Prospective purchasers who intend to invest through a Registered Plan should consult their own tax advisers with respect to whether Common Shares would be a prohibited investment having regard to their particular circumstances.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of the Corporation at 1710 - 1050 West Pender Street, Vancouver, British Columbia, Canada, V6E 3S7, Telephone: (604) 682-6496, Email: info@tagoil.com and are also available electronically under the Corporation’s SEDAR+ profile at www.sedarplus.ca.

The following documents of the Corporation, which have been filed with securities commissions or similar regulatory authorities in each of the provinces of Canada, other than Québec, are specifically incorporated by reference into, and form an integral part of, this Prospectus:

- (a) the management information circular of the Corporation dated November 2, 2022 in respect of the annual general meeting of its shareholders held on December 1, 2022;
- (b) the annual information form of the Corporation for the year ended March 31, 2023 dated as of July 31, 2023 (the “**Annual Information Form**”);
- (c) the audited consolidated financial statements of the Corporation as at and for the financial years ended March 31, 2023 and March 31, 2022, together with the notes thereto and the independent auditor’s report thereon (the “**Annual Financial Statements**”);
- (d) the management’s discussion and analysis dated July 31, 2023 for the financial year ended March 31, 2023 (the “**Annual MD&A**”);
- (e) the statement of reserves data and other oil and gas information of the Corporation for the financial year ended March 31, 2023 prepared as of July 31, 2023;
- (f) the term sheet for the Offering dated July 31, 2023;
- (g) the investor presentation dated July 31, 2023 in connection with the Offering;
- (h) the upsized term sheet for the Offering dated August 1, 2023; and
- (i) the revised investor presentation dated July 31, 2023 in connection with the Offering.

Any documents of the types referred to in section 11.1 of Form 44-101F1 of National Instrument 44-101 – *Short Form Prospectus Distributions* (other than confidential material change reports, if any) filed by the Corporation with the securities commissions or similar regulatory authorities in Canada after the date of this Prospectus and prior to the termination of the Offering shall be deemed to be incorporated by reference herein. The documents incorporated or deemed to be incorporated herein by reference contain meaningful and material information relating to the Corporation and readers should review all information contained in this Prospectus and the documents incorporated or deemed to be incorporated herein by reference.

Any statement contained in this Prospectus or a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained herein, or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

References to our website in any documents that are incorporated by reference into this Prospectus do not incorporate by reference the information on such website into this Prospectus, and we disclaim any such incorporation by reference.

MARKETING MATERIALS

Any “template version” of any “marketing materials” (as such terms are defined under applicable Canadian securities laws) that are utilized by the Underwriters in connection with the Offering are not part of this Prospectus to the extent that the contents of the template version of the marketing materials have been modified or superseded by a statement contained in this Prospectus. Any template version of any marketing materials that has been, or will be, filed on SEDAR+ after the date of this Prospectus and before the termination of the distribution under the Offering (including any amendments to, or an amended version of, any template version of any marketing materials) is deemed to be incorporated into this Prospectus.

DESCRIPTION OF THE BUSINESS

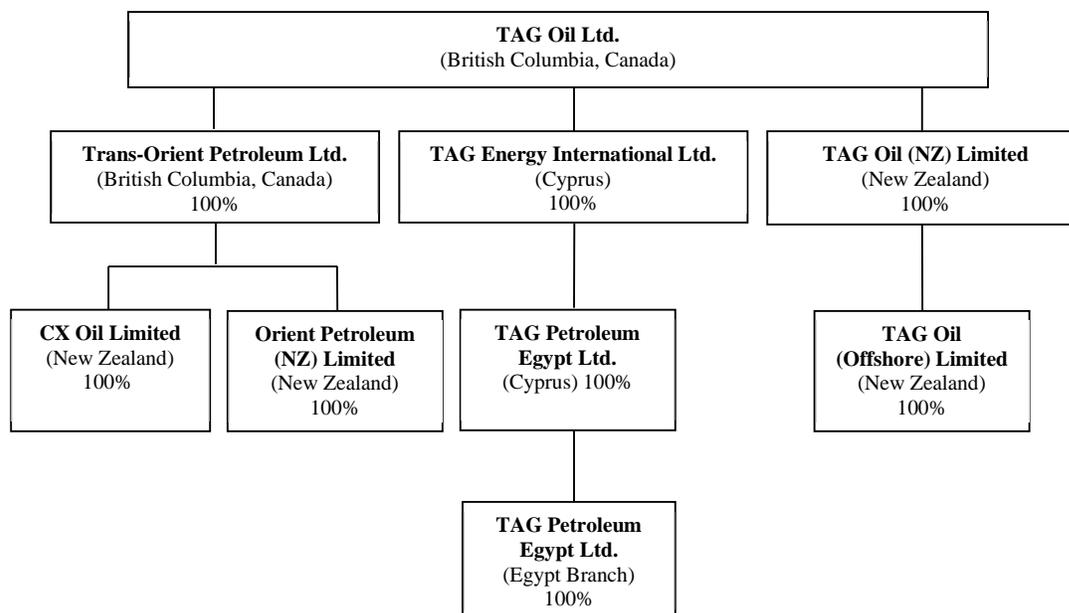
Incorporation and Organization

The Corporation was incorporated under the laws of British Columbia on December 12, 1990 under the name “398052 B.C. Ltd.”. The Corporation subsequently changed its name to “Aldus Energy (Canada) Corp.” on January 28, 1991, to “Aldus Energy Corp.” on April 4, 1991, to “Durum Energy Corp.” on July 18, 1991, to “Durum Cons. Energy Corp.” on October 27, 1998, and to its current name “TAG Oil Ltd.” on June 12, 2002. On October 29, 1997, the Corporation continued into the Yukon Territory. On October 12, 2006, the Corporation was re-domiciled from a company subsisting under the *Business Corporations Act* (Yukon) back to British Columbia by way of continuance under the *Business Corporations Act* (British Columbia).

The Corporation’s registered office is located at 2600 - 595 Burrard Street, Vancouver, British Columbia, Canada, V7X 1L3, and its head office is located at 1710 - 1050 West Pender Street, Vancouver, British Columbia, Canada, V6E 3S7.

Intercorporate Relationships

Our corporate structure is as follows:



Summary of the Business

The Corporation is a Canadian based and listed international oil and gas exploration company pursuing strategic exploration and production acquisition projects in Egypt and other opportunities in the broader MENA region. The Corporation’s overall strategy is to grow its business via strategic transactions, property development, enhanced production methods, and capitalizing on overlooked oil and gas opportunities in the MENA region. TAG also maintains exploration and production royalty interests in Australia and New Zealand from its previous divestments in those areas.

Analysis of the Corporation’s Results of Operations for the year ended March 31, 2023

The Corporation is focused on oil and gas exploration and development opportunities in the MENA region. TAG holds an interest in the Badr Oil Field (“**BED-1**”), a 26,000-acre concession located in the Western Desert, Egypt, through a production services agreement (“**PSA**”) with Badr Petroleum Company. The Corporation concluded its negotiation of the PSA during the fiscal year ended March 31, 2023 for the development of the Abu Roash “F” unconventional formation (“**ARF Reservoir**”) in BED-1. This marked the completion of the process of transitioning from an exploration and production company focused on New Zealand and Australia to one focused on the MENA region which began in fiscal 2020. The Corporation spent fiscal years 2021 and 2022 finalizing the sale of its Australian assets, reviewing new opportunities, and negotiating terms for the PSA.

The Corporation was able to complete this transition despite several disruptions of the world economic climate, first by COVID-19 and then by the Russia/Ukraine conflict. The Corporation has since completed the BED 1-7 vertical well at BED-1 (“**BED 1-7**”) recompletion activities, established an office, and hired staff in Egypt to support further development and production at BED-1.

The Corporation’s assets increased \$22.9 million from \$18.2 million to \$41.1 million from the prior fiscal year and decreased \$2.3 million from \$20.5 million to \$18.2 million from fiscal 2020 to fiscal 2021. The increase in assets in the current fiscal year was mainly a result of the Corporation’s public offering of 63,250,000 Common Shares at a price per Share of \$0.40 completed on November 4, 2022 for aggregate

gross proceeds of \$25.3 million (the “**November Offering**”). The aggregate fees paid in connection with the November Offering were \$1.9 million. The decrease in assets from fiscal 2021 to fiscal 2022 of \$2.3 million resulted mainly from not achieving any production or revenue and continuing to incur general and administrative (“**G&A**”) expenditures as the Corporation relinquished operations in New Zealand and Australia and entered into the PSA in Egypt.

Over the past three years, the Corporation has not achieved any production or revenue. The net loss for each of fiscal 2023 and 2022 has amounted to \$3.0 million, primarily attributed to the Corporation’s G&A expenses.

Notable changes in the Corporation’s G&A expenses include:

Office and Administration Expenses

Office and administrative expenses increased to \$219,000 for the quarter ended March 31, 2023 from \$38,000 for the quarter ended March 31, 2022 and to \$384,000 for the year ended March 31, 2023 from \$151,000 for the year ended March 22, 2022. This increase was a result of TAG Petroleum Egypt Ltd. (Egypt Branch), the Corporation’s newest subsidiary, incurring \$106,000 in office and administration costs.

Professional Fees

Professional fees increased to \$184,000 for the quarter ended March 31, 2023 from \$93,000 for the quarter ended March 31, 2022 and to \$461,000 for the year ended March 31, 2023 from \$277,000 for the year ended March 22, 2022. This increase was a result of additional legal and tax advice required for initiating operations in Egypt.

Consulting and Director Fees

The Annual MD&A indicated that consulting and director fees were \$475,000 for the quarter ended March 31, 2023, and \$774,000 for the year ended March 31, 2023. Additionally, salaries and wages were recorded as \$29,000 for the quarter ended March 31, 2023, and \$2,011,000 for the year ended March 31, 2023.

However, they should have been reported as consulting and director fees of \$100,000 for the quarter ended March 31, 2023, and \$399,000 for the year ended March 31, 2023. Furthermore, salaries and wages should have been stated as \$404,000 for the quarter ended March 31, 2023, and \$2,386,000 for the year ended March 31, 2023.

Consulting fees were overstated in the Annual MD&A by \$375,000, while salaries and wages were understated by the same amount. This discrepancy occurred due to posting all the capitalized amounts of consulting and salaries and wages to the "Salaries and wages" category.

The Corporation is engaged in significant projects that have not yet generated revenue. These projects include BED 1-7 and BED4-T100 wells. The success of these projects will have a material effect on the Corporation’s future performance.

On January 26, 2023, the Corporation commenced re-completion and evaluation operations of the BED 1-7. The performance of the BED 1-7 well test has met the Corporation’s objectives, and the data collected from the well, along with geomechanical and 3D seismic reviews, will be utilized for the development of the first horizontal well, BED4-T100. On June 19, 2023, BED 1-7 began producing from the ARF Reservoir.

On June 19, 2023, the Corporation announced its success in securing a suitable drilling rig for the first horizontal well, BED4-T100, designed with a multi-stage fracture stimulation completion of the ARF Reservoir. The rig commenced mobilization from its current location in Egypt's Western Desert in mid-July and drilling for the BED4-T100 well is scheduled to commence in August of 2023.

November Offering Use of Proceedings

On November 4, 2022, the Corporation completed the November Offering for aggregate net proceeds to the Corporation of \$23,782,000. The following table provides an update on the anticipated use of proceeds raised in the November Offering, along with the amounts expended:

| Activity or Nature of Expenditure | Proposed use of Net Proceeds | Approximate Use of Proceeds to March 31, 2023 | Variance | Comments |
|--|------------------------------|---|---------------------|--|
| Operational and Drilling Budget for fourth quarter of 2022 and 2023 (comprised of well re-activations and exploration wells) | | | | |
| One well re-activation (during fourth quarter of 2022) | \$2,000,000 | \$2,500,000 | \$500,000 | Rig availability, material and service provider availability, and fishing activities added additional costs. |
| One horizontal side-track well (during 2023) | \$5,500,000 | \$0 | \$(5,500,000) | Work on the horizontal side-track well is now tentatively scheduled for Q2 2024. |
| One horizontal new well with a vertical pilot hole (during 2023) | \$11,000,000 | \$0 | \$(11,000,000) | BED4-T100 is on track for completion in Q4 2023 and may exceed the estimated spend of \$11,000,000. |
| Other Acquisition Opportunities | \$1,500,000 | \$440,000 | \$(1,060,000) | The Corporation is continuing to look at other acquisition opportunities with no definite acquisitions identified to date. |
| Equipment Inventory Orders for 2024 | \$250,000 | \$0 | \$(250,000) | Equipment inventory orders started after March 31, 2023 are exceeding the estimated amount of \$250,000. |
| Unallocated Working Capital | \$3,532,000 | \$3,532,000 | \$(0) | |
| Total | \$23,782,000 | \$6,472,000 | \$17,310,000 | |

The Corporation is part way through the program laid out in the November Offering use of proceeds and is showing a variance of \$17,310,000 as at March 31, 2023. The timing of the programs have been pushed out due to the availability of suitable rigs, material and service providers and fishing and other activities in the executed portion of the program. Most of the variance in expenditures is slated for the horizontal well BED4-T100, with vertical pilot hole of \$11,000,000, which is anticipated to spud in August of 2023 and be completed by November 2023. It is anticipated that the actual cost may exceed the original cost estimates, but it will not exceed the amount allocated in the November Offering. The horizontal side-track well will be planned and executed by information obtained in drilling the BED4-T100 well and is expected to be completed by Q2 of 2024. The expected cost should be in the range of the \$5,500,000 indicated, but could be revised after the results of the BED4-T100 are known. Other potential acquisition opportunities are ongoing and will continue to be funded, but no definite prospect has been accepted. Equipment orders for the 2024 program have been placed and currently exceed the \$250,000 allocated, but they will not exceed

the amount allocated in the November Offering for long lead items in the drilling program. The Corporation expects that it will be able to complete the activities or expenditures as outlined in the November Offering. There have been no other uses of funds other than stated in this Prospectus.

CONSOLIDATED CAPITALIZATION

Other than as disclosed below, there have been no material changes in our consolidated share and loan capital since March 31, 2023, the date of the Annual Financial Statements. The following table sets forth the consolidated capitalization of the Corporation as at the dates indicated, before and after giving effect to the Offering. This table should be read in conjunction with the Annual Financial Statements and the Annual MD&A, which are incorporated herein by reference.

| Description | As at March 31, 2023 | As at March 31, 2023 after giving effect to the Offering ⁽¹⁾⁽²⁾ | As at March 31, 2023 after giving effect to the Offering ⁽¹⁾⁽³⁾ |
|----------------|----------------------|--|--|
| Common Shares | 155,677,501 | 174,643,101 | 177,487,941 |
| Warrants | 6,093,750 | 6,093,750 | 6,093,750 |
| Options | 11,945,001 | 11,945,001 | 11,945,001 |
| Long-term debt | - | - | - |

Notes:

- (1) Without giving effect to the issuance of any Common Shares which have been allocated and reserved for issuance upon the exercise of 13,247,084 outstanding convertible securities of the Corporation as at March 31, 2023.
- (2) Assuming no exercise of the Over-Allotment Option.
- (3) Assuming full exercise of the Over-Allotment Option.

USE OF PROCEEDS

Proceeds

Assuming no exercise of the Over-Allotment Option (in full or in part), the estimated net proceeds to be received by the Corporation from the Offering will be \$10,090,045, after deducting the Underwriters' Fee of \$660,003 and the estimated expenses of the Offering of \$250,000 (assuming that President's List purchasers acquire nil Common Shares in the Offering). If the Over-Allotment Option is exercised in full (assuming that President's List purchasers acquire nil Common Shares in the Offering), the estimated net proceeds to be received by the Corporation from the Offering will be \$11,641,052, after deducting the Underwriters' Fee of \$759,003 and the estimated expenses of the Offering of \$250,000.

The Corporation currently intends, subject to discretion to change such allocation after the date of this Prospectus, to use the net proceeds from the Offering estimated to be \$10,090,045 (assuming that President's List purchasers acquire nil Common Shares in the Offering) as follows:

| Activity or Nature of Expenditure | Approximate use of Net Proceeds |
|---|------------------------------------|
| Long Lead Items for the Drilling Program ⁽¹⁾ | \$2,500,000 |

| | |
|--|---------------------|
| Horizontal Drilling Program ⁽¹⁾ | \$2,500,000 |
| Potential Strategic Acquisition Opportunities ⁽²⁾ | \$2,500,000 |
| Unallocated Working Capital | \$2,590,045 |
| Total | \$10,090,045 |

Notes:

- (1) To fund the Corporation's operational and drilling budget at the ARF Reservoir in BED-1.
- (2) To fund the Corporation to pursue other acquisition opportunities in Egypt and the broader MENA region. The Corporation notes that it has not identified any specific acquisition opportunities in the MENA region as at the date of this Prospectus.

TAG intends to use the net proceeds of the Offering to: (i) fund the Corporation's operational and drilling budget at the ARF Reservoir in the BED-1, (ii) pursue other acquisition opportunities in Egypt, and the broader MENA region, and (iii) for unallocated working capital and general corporate purposes. The Corporation intends to fund any short-term non-discretionary expenditures through existing cash on hand and future cash flow.

TAG will hold the funds in short-term deposits investments until required. The Corporation's short-term investments are held with a Canadian chartered bank and are monitored to ensure a stable return. TAG's short-term investments currently consist of term deposits as it is not the Corporation's policy to utilize complex, higher-risk investment vehicles.

The Corporation's business objectives in using the net proceeds of the Offering are mainly to execute on its business plan to grow commercial productivity of the ARF Reservoir in BED-1 and to expand its development plans in 2024 and beyond.

Negative Cash Flow from Operating Activities

The Corporation had negative cash flow from operating activities of (\$5,462,000) in its most recently completed financial year ended March 31, 2023. The Corporation's working capital as at March 31, 2023 was \$21.6 million.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

This Prospectus qualifies the distribution of Common Shares and the Over-Allotment Option.

Common Shares

The Corporation is authorized to issue an unlimited number of Common Shares, of which, as at August 21, 2023 there were 160,197,501 Common Shares issued and outstanding. All of the issued Common Shares are fully paid and are not subject to any future call or assessment.

PLAN OF DISTRIBUTION

The Corporation and the Underwriters have entered into the Underwriting Agreement upon successful marketing of the Offering. Pursuant to the Underwriting Agreement, the Corporation has agreed to issue and sell an aggregate of 18,965,600 Common Shares to the Underwriters and the Underwriters have severally agreed to purchase such Common Shares on a "bought deal" basis on the Closing Date, subject to the terms and conditions stated in the Underwriting Agreement, at a price of \$0.58 per Common Share, payable in cash to the Corporation against delivery. The Offering Price of the Common Shares was

determined by negotiation between the Corporation and the Underwriters, with reference to the prevailing market price of the Common Shares.

The obligations of each Underwriter under the Underwriting Agreement may be terminated at the discretion of the Underwriters if, in the opinion of the Underwriters, there has occurred a material adverse change with respect to the Corporation or upon the occurrence of certain other stated events. The Underwriters are, however, obligated to take up and pay for all of the Common Shares that are purchased under the Underwriting Agreement if any of the Common Shares are purchased under the Underwriting Agreement. The Underwriters are offering the Common Shares, subject to prior sale, if, as and when issued to and accepted by them, subject to certain conditions contained in the Underwriting Agreement, such as receipt by the Underwriters of officers' certificates and legal opinions. The Offering Price and certain terms of the Offering were determined by negotiation between the Corporation and the Underwriters, with reference to the prevailing market price of the Common Shares. The Common Shares initially are offered at the Offering Price. After a reasonable effort has been made to sell all of the Common Shares at the Offering Price, subject to applicable law, the Underwriters may subsequently reduce the selling prices to investors from time to time in order to sell any of the Common Shares that remain unsold. The compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Common Shares is less than the gross proceeds paid to the Corporation by the Underwriters. Any such reduction will not affect the proceeds received by the Corporation.

The Corporation has granted to the Underwriters the Over-Allotment Option, which is exercisable in whole or in part, at any time and from time to time, for a period of 30 days from the closing of this Offering, to purchase up to 2,844,840 Over-Allotment Shares from the Corporation on the same terms as set out above solely to cover over-allotments, if any. This Prospectus qualifies the grant of the Over-Allotment Option. A purchaser who acquires Common Shares forming part of the Underwriters' over-allocation position acquires such Common Shares under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

In consideration for their services in connection with the Offering, the Underwriters will be paid the Underwriters' Fee comprised of a cash commission equal to 6% of the gross proceeds of the Offering, including any proceeds from the exercise of the Over-Allotment Option. The Underwriters' Fee will be reduced to 3% with respect to total gross proceeds received from the sale of Common Shares to purchasers on the President's List.

The Offering is being made by the Underwriters in each of the provinces of Canada, other than Québec, in accordance with securities regulatory requirements in Canada. The Common Shares will be offered in Canada through the Underwriters either directly or through their respective Canadian broker-dealer affiliates or agents. No Common Shares will be offered or sold in any jurisdiction except by or through brokers or dealers duly registered under the applicable securities laws of that jurisdiction, or in circumstances where an exemption from such registered dealer requirements is available. Subscriptions for the Common Shares will be received subject to rejection or allotment in whole or in part and the Underwriters reserve the right to close the subscription books at any time without notice. Closing of the Offering is expected to take place on or about the week of August 21, 2023, or such other date as the Underwriters may determine, but in any event no later than the date that is 42 days from the date of the receipt for this Prospectus. The Offering will be conducted under the book-based system. A purchaser of Common Shares will receive only a customer confirmation from the registered dealer from or through which the Common Shares are purchased and who is a CDS depository service participant. CDS will record the CDS participants who hold Common Shares on behalf of owners who have purchased Common Shares in accordance with the book-based system.

The Offering Price of the Common Shares for all investors will be payable in Canadian dollars, unless the Underwriters otherwise agree. All of the proceeds of the Offering will be paid to the Corporation by the Underwriters in Canadian dollars based on the Offering Price.

The Corporation expects that delivery of the Common Shares will be made against payment therefor on or about the Closing Date. Investors who wish to trade Common Shares prior to the Closing Date should consult their own advisors.

Pursuant to policies of certain Canadian securities regulatory authorities, the Underwriters may not, throughout the period of distribution under the Offering, bid for or purchase Common Shares for their own accounts or for accounts over which they exercise control or direction. The foregoing restriction is subject to certain exceptions, on the condition that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in or raising the price of the Common Shares. These exceptions include a bid or purchase permitted under Universal Market Integrity Rules for Canadian marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities, and a bid or purchase made for or on behalf of a customer where the order was not solicited during the period of distribution. Subject to the foregoing, the Underwriters may effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market. These stabilizing transactions and syndicate covering transactions may have the effect of preventing or mitigating a decline in the market price of the Common Shares and may cause the price of the Common Shares to be higher than would otherwise exist in the open market absent such stabilizing activities. These transactions, if commenced, may be discontinued at any time.

The TSXV has conditionally approved the listing of the Common Shares, including those Common Shares issuable under the Over-Allotment Option. Listing of the Common Shares will be subject to the issuer fulfilling all of the listing requirements of the TSXV on or before the Closing Date.

Pursuant to the terms of the Underwriting Agreement, the Corporation will not, directly or indirectly, sell, agree or offer to sell, authorize, issue, announce or grant any option for the sale of, or otherwise dispose of any securities of the Corporation or any securities convertible into or exchangeable or exercisable for securities of the Corporation during the period commencing on the date of this Prospectus and ending 90 days after the Closing Date, without the prior written consent of the Lead Underwriter, except pursuant to, (i) the Offering; (ii) equity securities which may be issued from time to time as agreed to in employee compensation arrangements (including the grant of stock options, the issue of shares or other securities in the normal course pursuant to any stock option plan or other incentive plan of the Corporation existing on the Closing Date); (iii) as a result of acquisitions or upon the conversion, exercise or exchange of convertible, exercisable or exchangeable securities or other arrangements or agreements (other than stock options) existing on the Closing Date; or (iv) the exercise of stock options or previously issued warrants or vesting of securities existing or subsequently granted as permitted by this section.

The Corporation will use its commercially reasonable efforts to cause each of its directors and senior officers to execute agreements, in favour of the Underwriters, pursuant to which each of such individuals will agree not to, without the prior written consent of the Underwriters, such consent not to be unreasonably withheld, sell, transfer or otherwise dispose of or transfer the economic consequences of any securities of the Corporation held by such individuals until the date which is 90 days following the Closing Date except pursuant to (i) transfers of Common Shares pursuant to a bona fide third party take-over bid, merger, plan of arrangement or similar transaction involving a change of control of the Corporation; (ii) transfers for tax or other planning purposes, including dispositions to any trust; or (iii) exercise of a stock option or other convertible security.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Common Shares within the United States. The Common Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States. Accordingly, the Common Shares may not be offered, sold or delivered, directly or indirectly, in the United States except pursuant to an exemption from registration under the U.S. Securities Act and applicable U.S. state securities laws, and the Common Shares may only be resold, in the United States pursuant to an available exemption from registration under the U.S. Securities Act and applicable U.S. state securities laws. The Underwriters, through their U.S. registered broker-dealer affiliates, may offer and resell the Common Shares that they have acquired pursuant to the Underwriting Agreement only to (1) “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act (“**Rule 144A**”)) in the United States provided that such offers and sales are made in accordance with Rule 144A and in accordance with applicable U.S. state securities laws, and (2) with the consent of the Corporation, persons to whom the Corporation will sell such securities directly as substituted purchasers, where such persons are U.S. “accredited investors” (as defined in Rule 501(a) of Regulation D under the U.S. Securities Act), in a private placement under Section 4(a)(2) under the U.S. Securities Act and applicable U.S. state securities laws. In addition, the Underwriters will offer and sell the Common Shares outside of the United States only in accordance with Regulation S under the U.S. Securities Act. In addition, until 40 days after the later of the commencement of the Offering and the issue date of the Common Shares offered hereby, an offer or sale of the Common Shares within the United States by a dealer (whether or not participating in this Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made other than in accordance with an exemption from such registration requirements.

Notice to Prospective Investors in the European Economic Area

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State no offer of Common Shares may be made to the public in that Relevant Member State other than:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Common Shares shall require the Corporation or any Underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

This Prospectus has been prepared on the basis that any offer of Common Shares in any Relevant Member State will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of Common Shares. Accordingly, any person making or intending to make an offer in that Relevant Member State of Common Shares which are the subject of the Offering contemplated in this Prospectus may only do so in circumstances in which no obligation arises for the Corporation or any of the Underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer.

For the purpose of the above provisions, the expression “an offer to the public” in relation to any Common Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Common Shares to be offered so as to enable an investor to

decide to purchase or subscribe for Common Shares, as the same may be varied in the Relevant Member State by any measure implementing the Prospectus Directive in the Relevant Member State, and the expression “Prospectus Directive” means Directive 2003/71/EC (including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member States) and includes any relevant implementing measure in the Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

Notice to Prospective Investors in the United Kingdom

This Prospectus is only being distributed to and is only directed at (i) persons who are outside the United Kingdom; (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”); or (iii) high net worth entities, and other persons to whom it may be lawfully communicated, falling within Article 49(2)(a) to (e) of the Order (all such persons together being referred to as “relevant persons”). The Common Shares are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Common Shares will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this Prospectus or any of its contents.

PRIOR SALES

The following table summarizes all of the Corporation’s issuances of Common Shares or any other securities convertible into or exchangeable for Common Shares in the 12-month period preceding the date of this Prospectus:

| <u>Date of Issuance</u> | <u>Class of Securities</u> | <u>Number of Securities Issued</u> | <u>Issuance/Exercise Price Per Security</u> |
|-------------------------|------------------------------|------------------------------------|---|
| July 19, 2023 | Common Shares ⁽¹⁾ | 1,562,500 | \$0.16 |
| July 11, 2023 | Options | 1,800,000 | \$0.70 |
| June 26, 2023 | Common Shares ⁽¹⁾ | 2,187,500 | \$0.16 |
| May 24, 2023 | Common Shares ⁽¹⁾ | 400,000 | \$0.50 |
| May 18, 2023 | Common Shares ⁽¹⁾ | 50,000 | \$0.50 |
| May 16, 2023 | Common Shares ⁽¹⁾ | 100,000 | \$0.50 |
| May 15, 2023 | Common Shares ⁽¹⁾ | 50,000 | \$0.50 |
| May 10, 2023 | Common Shares ⁽¹⁾ | 170,000 | \$0.50 |
| February 27, 2023 | Options | 200,000 | \$0.70 |
| February 13, 2023 | Common Shares ⁽¹⁾ | 125,000 | \$0.50 |
| February 9, 2023 | Options | 3,600,000 | \$0.70 |
| February 1, 2023 | Common Shares ⁽¹⁾ | 133,333 | \$0.25 |
| February 1, 2023 | Common Shares ⁽¹⁾ | 50,000 | \$0.50 |
| February 1, 2023 | Common Shares ⁽¹⁾ | 66,666 | \$0.70 |
| February 1, 2023 | Common Shares ⁽¹⁾ | 156,250 | \$0.16 |
| January 6, 2023 | Common Shares ⁽¹⁾ | 130,000 | \$0.50 |
| December 15, 2022 | Options | 1,150,000 | \$0.70 |
| November 4, 2022 | Common Shares | 63,250,000 | \$0.40 |

Note:

(1) Represents an exercise of warrants or options in accordance with their terms.

PRICE RANGE AND TRADING VOLUME OF THE COMMON SHARES

The Common Shares of the Corporation are listed and traded on the TSXV under the symbol “TAO” and are quoted on the OTCQX under the symbol “TAOIF”. The following table indicates the price range and

trading volume of the Common Shares as reported by the TSXV during the months noted below. On August 18, 2023, which was the last full day of trading of the Common Shares on the TSXV prior to the filing of this Prospectus, the closing price of the Common Shares on the TSXV was \$0.56 per Common Share.

| Month | High (\$) | Low (\$) | Volume |
|---------------|------------------|-----------------|---------------|
| 2023 | | | |
| August 1 - 18 | 0.61 | 0.52 | 2,249,039 |
| July | 0.70 | 0.63 | 1,217,253 |
| June | 0.75 | 0.61 | 2,900,223 |
| May | 0.75 | 0.63 | 3,540,103 |
| April | 0.78 | 0.58 | 3,078,741 |
| March | 0.73 | 0.53 | 4,197,124 |
| February | 0.69 | 0.57 | 1,634,396 |
| January | 0.79 | 0.60 | 3,841,128 |
| 2022 | | | |
| December | 0.70 | 0.54 | 3,450,224 |
| November | 0.65 | 0.40 | 10,278,730 |
| October | 0.66 | 0.39 | 5,021,629 |
| September | 0.55 | 0.41 | 3,534,410 |
| August | 0.55 | 0.34 | 2,884,648 |

RISK FACTORS

Investing in the Common Shares is speculative and involves a high degree of risk. Prospective investors of Common Shares should carefully review and consider the risk factors set forth below, as well as the risk factors referenced under the heading “Risk Factors” in the Annual Information Form incorporated by reference in this Prospectus, before a decision is made to invest in the Common Shares. Such risks may not be the only risks facing the Corporation. Additional risks and uncertainties, including those of which we are currently unaware or that we deem immaterial, may also adversely affect our business.

Dilution to Common Shares

The Corporation’s articles of incorporation and by-laws allow it to issue an unlimited number of Common Shares for such consideration and on such terms and conditions as established by the board of directors of the Corporation (the “**Board**”), in many cases, without the approval of the Corporation’s shareholders. As part of this Offering, the Corporation could issue up to 21,810,440 Common Shares (which number includes the exercise in full of the Over-Allotment Option). The Corporation may issue additional Common Shares in subsequent offerings (including through the sale of securities convertible into or exchangeable for Common Shares) and on the exercise of stock options or other securities exercisable for Common Shares. The Corporation cannot predict the size of future issuances of Common Shares or the effect that future issuances and sales of Common Shares will have on the market price of the Common Shares. Issuances of a substantial number of additional Common Shares, or the perception that such issuances could occur, may adversely affect prevailing market prices for the Common Shares. With any additional issuances of Common Shares, investors will suffer dilution to their voting power and the Corporation may experience dilution in its earnings per share.

Use of Proceeds

The Corporation currently intends to allocate the net proceeds received from the Offering as described under “Use of Proceeds” in this Prospectus. However, management will have discretion in the actual application of the net proceeds and may elect to allocate proceeds differently from that described in “Use of Proceeds” if it is believed it would be in the best interests of the Corporation to do so as circumstances change. Shareholders may not agree with the manner in which the Board and/or management choose to allocate and spend the net proceeds. The failure by management to apply these funds effectively could have a material adverse effect on the business of the Corporation.

The anticipated use of proceeds may also be affected by a variety of risks and hazards which are beyond the control of the Corporation, including environmental hazards, industrial accidents, occupational and health hazards, technical failures, labour disputes, flooding and extended interruptions due to inclement or hazardous weather conditions, mechanical difficulties, shortage or delays in the delivery of rigs and/or other equipment, compliance with governmental requirements, explosions and other accidents.

Negative Cash Flow

The Corporation had negative cash flow from operating activities of (\$5,462,000) in its most recently completed financial year ended March 31, 2023. If the Corporation has negative cash flow from operating activities in future periods, it may need to deploy a portion of its existing working capital, including the proceeds raised from the Offering, to fund such negative cash flows or seek additional debt or equity financing in order to continue operations and achieve its objectives; in the alternative, if the Corporation cannot obtain debt or equity financing on terms acceptable to it or at all, the Corporation may be forced to reduce its operations. There can be no assurance that debt or equity financing will be available to the Corporation or, if available, will be on terms acceptable to the Corporation.

Forward-Looking Statements may Prove Inaccurate

Investors are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. See “*Special Note Regarding Forward-Looking Statements*”.

Non-Issuer Submission to Jurisdiction

We are organized under the laws of British Columbia, Canada and as at the date of this Prospectus, our principal place of business is in Egypt. Messrs. Keith Hill, Thomas Hickey, Shawn Reynolds and Gavin Wilson reside outside of Canada and have each appointed the Corporation as their agent for service of process in Canada. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

Russian Ukrainian Conflict

In February 2022, Russian military forces invaded Ukraine. Ongoing military tensions between Russia and Ukraine have significantly impacted the supply of oil and gas from the region. In addition, certain countries including Canada and the United States have imposed strict financial and trade sanctions against Russia, which sanctions may have far-reaching effects on the global economy in addition to the near-term effects

on Russia. The long-term impacts of the tension between these nations remains uncertain and could have a materially adverse effect on TAG's operations and financial condition.

Foreign Jurisdiction Risk

The majority of the Corporation's production is expected to be located in Egypt, with the intent to expand into the MENA region. As such, the Corporation is subject to political, economic, and other uncertainties, including, but not limited to, expropriation of property without fair compensation, changes in energy policies or the personnel administering them, a change in oil or natural gas pricing policy, the actions of national labour unions, nationalization, currency fluctuations and devaluations, renegotiation or nullification of existing concessions and contracts, exchange controls and royalty and tax increases and retroactive tax claims, investment restrictions, import and export regulations and other risks arising out of foreign governmental sovereignty over the areas in which the Corporation's operations are conducted, as well as risks of loss due to civil strife, acts of war, terrorist activities and insurrections, economic sanctions, the imposition of specific drilling obligations and the development and abandonment of fields.

The Egyptian government could adopt new policies that might result in substantially hostile attitudes towards foreign investments such as the Corporation's. In an extreme case, government actions could result in forced renegotiation of the Corporation's existing contracts, termination of contract rights and expropriation of its assets (including crude oil inventory) or resource nationalization. Loss of property (damage to, or destruction of, the Corporation's wells, production facilities or other operating assets) and/or interruption of its business plans (including lack of availability of drilling rigs, oilfield equipment or services if third party providers decide to exit the region or inability of the Corporation's service equipment providers to deliver necessary items for the Corporation to continue operations) as a direct or indirect result of political protests, demonstrations or civil unrest in Egypt could have a material adverse impact on the Corporation's results of operations and financial condition. In addition, the Corporation cannot provide assurance that future political developments in Egypt, including changes in government, changes in laws or regulations, export restrictions, or further civil unrest or other disturbances, would not have an adverse impact on ongoing operations, the Corporation's ability to comply with its current contractual obligations, the Corporation's ability to lift and sell its crude oil inventory to third parties, or on the terms or enforceability of its production sharing and concession agreements or other contracts with governmental entities.

The Corporation's operations may also be adversely affected by laws and policies of Canada and Egypt affecting foreign trade, taxation and investment. In the event of a dispute arising in connection with the Corporation's operations in Egypt, the Corporation may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons, especially foreign oil ministries and national oil companies, to the jurisdictions of the courts of Canada or enforcing Canadian judgments in such other jurisdictions. The Corporation may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. Accordingly, the Corporation's exploration, development and production activities in Egypt could be substantially affected by factors beyond the Corporation's control, any of which could have a material adverse effect on the Corporation.

If the Corporation's operations are disrupted and/or the economic integrity of its projects are threatened for unexpected reasons, its business may be harmed. These unexpected events may be due to technical difficulties, operational difficulties which impact the production, transport or sale of the Corporation's products, security risks related to terrorist activities and insurrections, difficult geographic and weather conditions, unforeseen business reasons or otherwise. Prolonged problems may threaten the commercial viability of its operations.

Egypt Political Risks

Beyond the risks inherent in the petroleum industry, the Corporation is subject to additional risks resulting from doing business in Egypt. Since 2011, there has been significant civil unrest and widespread protests and demonstrations throughout the Middle East, including Egypt. Abdel Fattah el-Sisi was elected President of Egypt in 2014 following several years of widespread protests, demonstrations and civil unrest. Since this time, political and economic stability has returned to the country leading to a positive impact in business confidence.

Inflation in Egypt remains relatively volatile which could lead to significant economic impacts over which the Corporation does not have control, including but not limited to, living costs, operational costs, transportation costs, employment levels, borrowing/lending rates and currency valuation. The Corporation cannot predict the impact of inflation on oil and natural gas products, and any major changes may have a material adverse effect on the Corporation's business, financial condition, results of operations and cash flows by decreasing the Corporation's profitability, increasing its costs, limiting its access to capital and decreasing the value of its assets.

Environmental Risks

TAG's current and future operations that are conducted in Egypt are subject to environmental regulations promulgated by the Egyptian government. Should TAG initiate operations in other countries, such operations will be subject to environmental legislation in such jurisdictions. Current environmental legislation in Egypt provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with oil, condensate and natural gas operations. In addition, certain types of operations may require the submission and approval of environmental impact assessments. TAG's future operations will be subject to such environmental policies and legislations. Environmental legislation and policy are periodically amended. Such amendments may result in stricter standards and enforcement and in more stringent fines and penalties for non-compliance. Environmental assessments of existing and proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The costs of compliance associated with changes in environmental regulations could require significant expenditures, and breaches of such regulations may result in the imposition of material fines and penalties. In an extreme case, such regulations may result in temporary or permanent suspension of production operations. There can be no assurance that these environmental costs or effects will not have a materially adverse effect on the Corporation's future financial condition or results of operations.

Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. The discharge of oil, natural gas or other pollutants into the air, soil or water may give rise to liabilities to governments and third parties and may require TAG to incur costs to remedy such discharge. No assurance can be given that the application of environmental laws to the business and operations of the Corporation will not result in a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect the Corporation's financial condition, results of operations or prospects.

Egypt Government Credit Risk

The Corporation may in the future be exposed to third party credit risk through its contractual arrangements with the Government of Egypt and its controlled entities. Significant changes in the crude oil industry, including fluctuations in the commodity prices and economic conditions, environmental regulations, government polity, royalty rates and other geopolitical factors, could adversely affect the Corporation's

ability to realize the full value of its accounts receivable from the Government of Egypt and its controlled entities.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is, as of the date hereof, a general summary of the principal Canadian federal income tax considerations under the Tax Act and the Regulations generally applicable to a holder who acquires Common Shares as beneficial owner pursuant to this Prospectus and who, at all relevant times, for the purposes of the Tax Act, deals at arm's length with the Corporation and the Underwriters, is not affiliated with the Corporation or the Underwriters, and will acquire and hold the Common Shares as capital property (each, a "**Holder**"), all within the meaning of the Tax Act. The Common Shares will generally be considered to be capital property to a Holder unless the Holder holds or uses the Common Shares, or is deemed to hold or use the Common Shares, in the course of carrying on a business of trading or dealing in securities or has acquired them, or deemed to have acquired them, in a transaction or transactions considered to be an adventure in the nature of trade.

This summary does not apply to a Holder (a) that is a "financial institution" as defined in the Tax Act for purposes of the mark-to-market rules contained in the Tax Act; (b) an interest in which is or would constitute a "tax shelter investment" as defined in the Tax Act; (c) that is a "specified financial institution" as defined in the Tax Act; (d) that has made a "functional currency" election under the Tax Act and determines its "Canadian tax results" in a currency other than Canadian currency; (e) that is exempt from tax under Part I of the Tax Act; (f) that has entered into, or will enter into, a "synthetic disposition arrangement" or a "derivative forward agreement" with respect to the Common Shares, as those terms are defined in the Tax Act; or (g) that receives dividends on the Common Shares under or as part of a "dividend rental arrangement" as defined in the Tax Act. Such Holders should consult their own tax advisors with respect to an investment in Common Shares.

Additional considerations, not discussed herein, may apply to a Holder that is a corporation resident in Canada, and is or becomes (or does not deal at arm's length for purposes of the Tax Act with a corporation resident in Canada that is or becomes), as part of a transaction or event or series of transactions or events that includes the acquisition of the Common Shares, controlled by a non-resident person or a group of persons comprised of any combination of non-resident corporations, non-resident individuals or non-resident trusts that do not deal with each other at arm's length for purposes of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act. Such Holders should consult their own tax advisors with respect to the consequences of purchasing the Common Shares pursuant to the Offering.

This summary does not address the deductibility of interest by a Holder who has borrowed money or otherwise incurred debt in connection with the acquisition of Common Shares.

This summary is based upon the current provisions of the Tax Act and the Regulations in force as of the date hereof, specific proposals to amend the Tax Act and the Regulations (the "**Tax Proposals**") which have been announced by or on behalf the Minister of Finance (Canada) prior to the date hereof, the current provisions of the Canada-United States Income Tax Convention (1980) (the "**Canada-U.S. Tax Convention**") and counsel's understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency. This summary assumes that the Tax Proposals will be enacted in the form proposed and does not take into account or anticipate any other changes in law, whether by way of judicial, legislative or governmental decision or action, nor does it take into account any provincial, territorial or foreign income tax legislation or considerations, which may differ from the Canadian federal income tax considerations discussed herein. No assurances can be given that the Tax Proposals will be enacted as proposed or at all, or that legislative, judicial or administrative changes will not modify or change the statements expressed herein.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in the Common Shares. This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or income tax advice to any particular Holder. Holders should consult their own tax advisors with respect to the tax consequences applicable to them based on their own particular circumstances.

Residents of Canada

The following portion of this summary is generally applicable to a Holder who, for the purposes of the Tax Act, is resident or deemed to be resident in Canada at all relevant times (each, a “**Resident Holder**”). Certain Resident Holders whose Common Shares might not otherwise qualify as capital property may be entitled to make an irrevocable election pursuant to subsection 39(4) of the Tax Act to have the Common Shares, and every other “Canadian security” (as defined in the Tax Act) owned by such Resident Holder in the taxation year of the election, and in all subsequent taxation years, deemed to be capital property. Resident Holders should consult their own tax advisors for advice as to whether an election under subsection 39(4) of the Tax Act is available or advisable in their particular circumstances.

Taxation of Dividends Received by Resident Holders

In the case of a Resident Holder who is an individual (including certain trusts), any dividends received or deemed to be received on the Common Shares will be included in the Resident Holder’s income and be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received by an individual from “taxable Canadian corporations” (as defined in the Tax Act), including the enhanced gross-up and dividend tax credit for “eligible dividends” properly designated as such by the Corporation. There may be limitations on the ability of the Corporation to designate dividends as eligible dividends. Taxable dividends received by such a Resident Holder may give rise to minimum tax under the Tax Act. Resident Holders who are individuals (including certain trusts) should consult their own tax advisors in this regard.

In the case of a Resident Holder that is a corporation, the amount of any such dividends received or deemed to be received on the Common Shares will be included in the Resident Holder’s income and will generally be deductible in computing such Resident Holder’s taxable income. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received or deemed to be received by a Resident Holder that is in a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their own circumstances.

A Resident Holder that is a “Canadian-controlled private corporation” (as defined in the Tax Act) or that is or is deemed to be a “substantive CCPC” (as proposed to be defined in the Tax Act pursuant to the Tax Proposals released on August 9, 2022) at any time in a taxation year may be liable to pay an additional tax (refundable in certain circumstances) on its “aggregate investment income” (as defined in the Tax Act) for the year, which is defined to include an amount in respect of dividends or deemed dividends that are not deductible in computing taxable income for the year. Resident Holders should consult their own tax advisors in this regard.

A Resident Holder that is a “private corporation” or “subject corporation” (as such terms are defined in the Tax Act) may be liable to pay a tax under Part IV of the Tax Act (which may be refundable, subject to the detailed rules in the Tax Act) on dividends received or deemed to be received on the Common Shares to the extent that such dividends are deductible in computing the Resident Holder’s taxable income for the year.

Disposition of Common Shares

A Resident Holder who disposes of, or is deemed to have disposed of, a Common Share (other than to the Corporation, unless purchased by the Corporation in the open market in the manner in which Common Shares are normally purchased by any member of the public in the open market) will realize a capital gain (or incur a capital loss) equal to the amount by which the proceeds of disposition in respect of such Common Share, exceed (or are exceeded by) the aggregate of the adjusted cost base to the Resident Holder of such Share, immediately before the disposition or deemed disposition, and any reasonable expenses incurred for the purpose of making the disposition. The adjusted cost base to a Resident Holder of a Common Share will be determined by averaging the cost of that Common Share with the adjusted cost base (determined immediately before the acquisition of the Common Share) of all other Common Shares held as capital property at that time by the Resident Holder. See “*Residents of Canada – Taxation of Capital Gains and Losses*” below for a discussion of the tax treatment of capital gains and capital losses.

Taxation of Capital Gains and Losses

Generally, one-half of any capital gain (a “**taxable capital gain**”) realized by a Resident Holder must be included in the Resident Holder’s income for the taxation year in which the disposition occurs. Subject to and in accordance with the provisions of the Tax Act, one-half of any capital loss incurred by a Resident Holder (an “**allowable capital loss**”) must generally be deducted from taxable capital gains realized by the Resident Holder in the taxation year in which the disposition occurs. Allowable capital losses in excess of taxable capital gains for the taxation year of disposition generally may be carried back and deducted in the three preceding taxation years or carried forward and deducted in any subsequent year against taxable capital gains realized in such years, in the circumstances and to the extent provided in the Tax Act.

A capital loss realized on the disposition of a Common Share by a Resident Holder that is a corporation may in certain circumstances be reduced by the amount of dividends which have been previously received or deemed to have been received by the Resident Holder on the Common Share. Similar rules may apply where a corporation is, directly or indirectly through a trust or partnership, a member of a partnership or a beneficiary of a trust that owns Common Shares. A Resident Holder to which these rules may be relevant is urged to consult its own tax advisor.

Capital gains realized by an individual (including certain trusts) may give rise to minimum tax under the Tax Act. The 2023 federal budget announced significant amendments to the alternative minimum tax for taxation years that begin after 2023, including increasing the minimum tax rate, raising the minimum tax exemption amount and broadening the minimum tax base. Resident Holders who are individuals (including certain trusts) should consult their own tax advisors in this regard.

A Resident Holder that is a “Canadian-controlled private corporation” (as defined in the Tax Act) or that is or is deemed to be a “substantive CCPC” (as proposed to be defined in the Tax Act pursuant to the Tax Proposals released on August 9, 2022) at any time in a taxation year may be liable to pay an additional tax (refundable in certain circumstances) on its “aggregate investment income” (as defined in the Tax Act) for the year, which is defined to include an amount in respect of taxable capital gains realized in respect of the Common Shares. Resident Holders should consult their own tax advisors in this regard.

Non-Residents of Canada

The following portion of this summary is generally applicable to a Holder who, for purposes of the Tax Act and at all relevant times, is neither resident nor deemed to be resident in Canada, does not use or hold, and will not be deemed to use or hold, Common Shares in a business carried on in Canada, and is not an insurer that carries on business in Canada and elsewhere (each, a “**Non-Resident Holder**”). The term “**U.S.**

Holder”, for the purposes of this summary, means a Non-Resident Holder who, for purposes of the Canada-U.S. Tax Convention, is at all relevant times a resident of the United States and is a “qualifying person” within the meaning of the Canada-U.S. Tax Convention eligible for the full benefits of the Canada-U.S. Tax Convention. U.S. Holders should consult their own tax advisors to determine their entitlement to benefits under the Canada-U.S. Tax Convention and related compliance requirements based on their particular circumstances.

Special considerations, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer that carries on an insurance business in Canada and elsewhere or that is an authorized foreign bank (as defined in the Tax Act). Such Non-Resident Holders should consult their own advisors.

Taxation of Dividends

Subject to any reduction under the provisions of an applicable tax treaty or convention, dividends paid or credited, or deemed to be paid or credited, to a Non-Resident Holder on the Common Shares will be subject to Canadian withholding tax under the Tax Act at the rate of 25% of the gross amount of the dividend. Such rate is generally reduced under the Canada-U.S. Tax Convention to 15% if the beneficial owner of the dividend is a U.S. Holder. The rate of withholding tax is further reduced to 5% if the beneficial owner of the dividend is a U.S. Holder that is a company that owns, directly or indirectly, at least 10% of the voting stock of the Corporation. In addition, under the Canada-U.S. Tax Convention, dividends may be exempt from Canadian withholding tax in certain circumstances if paid to certain U.S. Holders that are qualifying religious, scientific, literary, educational or charitable tax-exempt organizations or qualifying trusts, companies, organizations or arrangements operated exclusively to administer or provide pension, retirement or employee benefits or benefits for the self-employed under one or more funds or plans established to provide pension or retirement benefits or other employee benefits that are exempt from tax in the United States and that have complied with specific administrative procedures. Non-Resident Holders (including U.S. Holders) should consult their own tax advisors to determine their entitlement to benefits under any applicable tax treaty or convention based on their particular circumstances.

Disposition of Common Shares

Upon a disposition (or a deemed disposition) of Common Shares (other than to the Corporation unless purchased by the Corporation in the open market in the manner in which shares are normally purchased by any member of the public in the open market), a Non-Resident Holder generally will realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition of such Common Share, net of any reasonable costs of disposition, are greater (or are less) than the adjusted cost base of such Common Share to the Non-Resident Holder.

A Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized by such Non-Resident Holder on a disposition of Common Shares, unless the Common Shares constitute “taxable Canadian property” (as defined in the Tax Act) of the Non-Resident Holder at the time of the disposition and are not “treaty-protected property” (as defined in the Tax Act) of the Non-Resident Holder at the time of the disposition.

Generally, as long as the Common Shares are then listed on a designated stock exchange (which currently includes the TSXV), at the time of disposition, the Common Shares will not constitute taxable Canadian property of a Non-Resident Holder, unless at any time during the 60-month period immediately preceding the disposition the following two conditions are met concurrently: (a) the Non-Resident Holder, persons with which the Non-Resident Holder does not deal at arm’s length, partnerships whose members include, either directly or indirectly through one or more partnerships, the Non-Resident Holder or persons which do not deal at arm’s length with the Non-Resident Holder, or any combination of the foregoing, owned 25%

or more of the issued shares of any class or series of shares of the capital stock of the Corporation, and (b) more than 50% of the fair market value of the Common Shares was derived, directly or indirectly, from one or any combination of real or immovable property situated in Canada, “Canadian resource properties”, “timber resource properties” (each as defined in the Tax Act) and options in respect of or interests in, or for civil law rights in, any such property (whether or not such property exists). Notwithstanding the foregoing, Common Shares may also be deemed to be “taxable Canadian property” of a Non-Resident Holder in other circumstances under the Tax Act. The Common Shares will constitute “treaty-protected property” for the purposes of the Tax Act only if any income or gain from the disposition of such Common Shares is exempt from tax under Part I of the Tax Act pursuant to the terms of an applicable income tax treaty or convention.

In the case of a U.S. Holder, the Common Shares of such U.S. Holder will generally constitute “treaty-protected property” for purposes of the Tax Act unless the value of the Common Shares is derived principally from real property situated in Canada at the time of their disposition. For this purpose, “real property” has the meaning that term has under the laws of Canada and includes any option or similar right in respect thereof and usufruct of real property, rights to explore for or to exploit mineral deposits, sources and other natural resources and rights to amounts computed by reference to the amount or value of production from such resources.

See “*Residents of Canada - Taxation of Capital Gains and Losses*” for the consequences that will generally apply to a Non-Resident Holder if the Common Shares are taxable Canadian property of the Non-Resident Holder and are not treaty-protected property of the Non-Resident Holder at the time of their disposition.

Non-Resident Holders whose Common Shares are taxable Canadian property should consult their own advisors.

AUDITORS, TRANSFER AGENT AND REGISTRAR

Deloitte LLP, located at 700, 850 – 2 Street SW, Calgary, Alberta, Canada, T2P 0R8, are the auditors of the Corporation.

The transfer agent and registrar for the Common Shares is Computershare Investor Services Inc., located at 510 Burrard Street, 3rd Floor, Vancouver, British Columbia, Canada, V6C 3B9.

INTERESTS OF EXPERTS

Deloitte LLP provided an independent auditor’s report dated July 27, 2023 in respect of the Annual Financial Statements and are independent of TAG within the meaning of the rules of professional conduct of the Chartered Professional Accountants of Alberta.

The matters referred to under “Eligibility for Investment” and certain other legal matters related to the Offering have been passed upon on behalf of the Corporation by Torys LLP and on behalf of the Underwriters by McCarthy Tétrault LLP. As of the date hereof, the aforementioned partnerships (and their partners and associates), each as a group, beneficially own, directly or indirectly, in the aggregate less than one percent of the outstanding securities of the Corporation or of any associate or affiliate of the Corporation.

PURCHASERS’ STATUTORY RIGHTS

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation

further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if this Prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

CERTIFICATE OF THE CORPORATION

Dated: August 21, 2023

This short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada, other than Québec.

(signed) "*Toby Pierce*"
Toby Pierce
Chief Executive Officer

(signed) "*Barry MacNeil*"
Barry MacNeil
Chief Financial Officer

On behalf of the Board of Directors

(signed) "*Abdel (Abby) Badwi*"
Abdel (Abby) Badwi
Director

(signed) "*Thomas Hickey*"
Thomas Hickey
Director

CERTIFICATE OF THE UNDERWRITERS

Dated: August 21, 2023

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada, other than Québec.

RESEARCH CAPITAL CORPORATION

(signed) "*Kevin Shaw*"

By: Kevin Shaw

Managing Director, Investment Banking, Head of Energy Capital Markets

ECHELON WEALTH PARTNERS INC.

(signed) "*Ryan Mooney*"

By: Ryan Mooney

Managing Director

CANACCORD GENUITY CORP.

(signed) "*Anthony Petrucci*"

By: Anthony Petrucci

Managing Director, Energy Investment Banking

HAYWOOD SECURITIES INC.

(signed) "*Clark Andrews*"

By: Clark Andrews

Head of Energy Investment Banking