Management Information Circular

For the Annual General and Special Meeting of Shareholders to be held on 27 August 2025

21 July 2025

Falcon Oil & Gas Ltd.

Invitation to Shareholders

Dear Shareholder,

On behalf of the board of directors, management and employees, we invite you to attend Falcon Oil & Gas Ltd.'s Annual General and Special Meeting of Shareholders on 27 August 2025 (the "**Meeting**").

The items of business to be considered at this Meeting are described in the Notice of the Annual General and Special Meeting, and the Management Information Circular.

Your vote is important regardless of the number of common shares in the Corporation ("**Common Shares**") you own. If you are a registered shareholder and are unable to attend in person, we request you to complete the enclosed management form of proxy and return it using any one of the methods described on the form of proxy by no later than 11:00 a.m. (Toronto time) on Friday, 22 August 2025. If you hold your Common Shares through a broker or an intermediary, we request you to complete the applicable voting instruction form or provide your voting instructions by other acceptable methods.

During the Meeting, we will review our business during the year ended 31 December 2024, progress to date during 2025 and plans for the future. You will also have an opportunity to ask questions and to meet directors and officers.

We look forward to your participation at the Meeting.

Sincerely,

(Signed)

Joe Nally
Chairman of the Board of Directors

Falcon Oil & Gas Ltd.

Notice of Annual General and Special Meeting of Shareholders

Notice is hereby given that the annual general and special meeting (the "**Meeting**") of shareholders of Falcon Oil & Gas Ltd. (the "**Corporation**") will be held at the Conrad Hotel, Earlsfort Terrace, Dublin 2, Ireland on 27 August 2025 at 11:00 a.m. (Dublin time), for the following purposes:

1. To receive the audited annual consolidated financial statements of the Corporation for the year ended 31 December 2024 and the report of the auditors thereon.

2. To elect the directors for the ensuing year.

3. To appoint the auditors and to authorise the directors to fix their remuneration.

4. To consider, and if deemed advisable, to pass a resolution approving the Corporation's stock option plan.

5. To consider, and if deemed advisable, to pass a special resolution approving the consolidation of the issued and outstanding Common Shares of the Corporation on the basis of up to two hundred and fifty (250) pre-consolidation Common Shares for everyone (1) post-consolidation Common Share.

6. To consider, and if deemed advisable, to pass a special resolution approving the name change of the Corporation to "Beetaloo Resources Corp." or such other name as the directors of the Corporation in their sole discretion determine is appropriate.

7. To transact such other business as may properly come before the Meeting or any adjournment thereof.

Shareholders of record at the close of business on 21 July 2025, will be entitled to notice of the Meeting and to vote at the Meeting.

A detailed description of the matters to be acted upon at the Meeting is set forth in the accompanying management information circular of the Corporation dated 21 July 2025 (the "**Information Circular**").

Copies of:

(a) this Notice of Annual General and Special Meeting of Shareholders;
(b) the Information Circular; and
(c) a management form of proxy and instructions in relation thereto (the "**Management Proxy**")

may be obtained at the following office: Falcon Oil & Gas Ltd., 68 Merrion Square South, Dublin 2, Ireland, or will be sent to a shareholder without charge upon request by e-mailing finance@falconoilandgas.com.

It is important that the Information Circular and Management Proxy are read carefully. They contain important information with respect to voting and attending and participating at the Meeting. Beneficial shareholders (being shareholders who hold their shares through a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary) who have not duly appointed themselves as proxyholder will not be able to vote or participate at the Meeting.

Dated 21 July 2025

By Order of the Board of Directors

(Signed)

Joe Nally
Chairman of the Board of Directors

NOTE: If you are the holder of common shares in the capital of the Corporation ("Common Shares"), kindly fill in, date, sign and return, the enclosed Management Proxy in respect of the Common Shares owned by you to the offices of Computershare Investor Services Inc., Proxy Department, (i) by mail using the enclosed return envelope or (ii) by hand delivery to Computershare, 100 University Avenue, Toronto, Ontario, M5J 2Y1, so as not to arrive later than 11:00 a.m. (Toronto time) on Friday, 22 August 2025. Registered shareholders may also vote by telephone or over the internet. Instructions on how to vote by telephone or over the internet are provided in the Information Circular and Management Proxy enclosed. Non-registered shareholders should follow the instructions on how to complete their voting instruction form or form of proxy and vote their shares on the Management forms that they receive or contact their broker, trustee, financial institution or other nominee.

Falcon Oil & Gas Ltd.

Management Information Circular

This management information circular (the "**Information Circular**") is furnished in connection with the solicitation by management ("**Management**") of Falcon Oil & Gas Ltd. (the "**Corporation**"), of proxies to be used at the annual general and special meeting (the "**Meeting**") of shareholders of the Corporation (each a "**Shareholder**" and collectively, the "**Shareholders**") to be held at the Conrad Hotel, Earlsfort Terrace, Dublin 2, Ireland on 27 August 2025 at 11:00 a.m. (Dublin time), for the purposes set forth in the accompanying notice of annual general and special meeting of shareholders (the "**Notice**"). Except as otherwise indicated, information herein is given as at 21 July 2025.

In this Information Circular, all references to dollar amounts are to United States dollars, unless otherwise specified.

Solicitation of proxies

It is expected that the solicitation of proxies will be primarily by mail, but proxies may also be solicited by employees or agents of the Corporation, personally, in writing, by e-mail or by telephone. The cost of any such solicitation will be borne by the Corporation.

This Information Circular solicits Management Proxies (as defined below), voting for the resolutions as outlined herein.

Appointment and revocation of proxies

The persons named in the enclosed management form of proxy ("**Management Proxy**") are members of management of the Corporation. **Registered Shareholders (a "Registered Shareholder") have the right to appoint a person to attend and act for him, her or it and on his, her or its behalf at the Meeting other than the persons named above. Such right may be exercised by inserting in the blank space provided the name of the person to be appointed, who need not be a Shareholder, or by completing another proper form of proxy**. In either case, as a Registered Shareholder you can choose from three different ways to vote your common shares in the Corporation ("**Common Shares**") by Management Proxy. A proxy will not be valid unless it is deposited with our transfer agent Computershare, (i) by mail using the enclosed return envelope or (ii) by hand delivery to Computershare, 100 University Avenue, Toronto, Ontario, M5J 2Y1. Alternatively, you may vote by telephone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America), or by internet using the 15 digit control number located at the bottom of your proxy at www.investorvote.com. All instructions are listed in the enclosed form of proxy. Your proxy or voting instructions must be received in each case no later than 11:00 a.m. (Toronto time) on Friday 22 August 2025 or, if the Meeting is adjourned, 48 hours (excluding Saturdays and holidays) before the beginning of any adjournment of the Meeting

In addition to revocation in any other manner permitted by law, a Management Proxy may be revoked by (a) completing and signing a proxy bearing a later date and depositing it with Computershare, on behalf of the Corporation; (b) by telephone (toll free) at 1-866-732-VOTE (8683) or international direct dial 1-312-588-4290; or (c) on the Internet at www.investorvote.com provided it is received no later than 11:00 a.m. (Toronto time) on Friday 22 August 2025 or, if the Meeting is adjourned, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting. In addition, and notwithstanding the foregoing, a Management Proxy may be revoked by providing an instrument in writing to the chair of the Meeting, at the Meeting or any adjournment thereof.

Exercise of discretion by proxies

The persons named in the Management Proxy will vote for, withhold from voting or vote against, as the case may be, the Common Shares in respect of which he is appointed as proxy in accordance with the direction of the Shareholder appointing him. **In the event that a Shareholder does not specify in his, her or its instrument of proxy that the named Management Proxy is required to vote for, to withhold from voting or vote against, as applicable, in respect of the matters to be considered at the Meeting, the Common Shares represented by such proxy shall be voted FOR each of the matters referred to therein.**

The Management Proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting. At the time of printing this Information Circular, neither Management nor the directors of the Corporation (each a "**Director**" and collectively, the "**Directors**") are aware of any amendments, variations or other matters intended to come before the Meeting other than those items of business set forth in the attached Notice. However, if any such amendment, variation or other matter properly comes before the Meeting, it is the intention of the persons named in the Management Proxy to vote on such other business in accordance with his/her judgment.

Information for beneficial holders of securities

Information set forth in this section is important to persons other than Registered Shareholders. Only Registered Shareholders, or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. However, in many cases, Common Shares beneficially owned by a non-Registered Shareholder (a "**Beneficial Shareholder**") are registered either:

1. in the name of an intermediary that the Beneficial Shareholder deals with in respect of the Common Shares. Intermediaries include banks, trust companies, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; or
2. in the name of a depository (such as The Canadian Depository for Securities Limited ("**CDS**") or Computershare Company Nominees Limited ("**CCNL**")).

In accordance with Canadian securities law, the Corporation has distributed copies of the Notice, this Information Circular and the Management Proxy (collectively, the "**Meeting Materials**") to CDS, CCNL and intermediaries for onward distribution to Beneficial Shareholders. Intermediaries are required to forward the Meeting Materials to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them.

Applicable regulatory policy in Canada requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every broker or other intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Beneficial Shareholders will receive either a Management voting instruction form or, less frequently, a Management Proxy. Often, the voting instruction form supplied to a Beneficial Shareholder by its broker is identical to that provided to Registered Shareholders. However, its purpose is limited to instructing the Registered Shareholder how to vote on behalf of the Beneficial Shareholder. Beneficial Shareholders should follow the procedures set out below, depending on which type of form they receive.

a. *Management Voting Instruction Form*. In most cases, a Beneficial Shareholder will receive, as part of the Meeting Materials, a management voting instruction form. If the Beneficial Shareholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Beneficial Shareholder's behalf), the management voting instruction form must be completed, signed and returned in accordance with the directions on the form. If a Beneficial Shareholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the Beneficial Shareholder's behalf), the Beneficial Shareholder must complete, sign and return the management voting instruction form in accordance with the directions provided, indicating the name of the Beneficial Shareholder (or other person) that will attend the Meeting.

b. *Management Proxy*. Less frequently, a Beneficial Shareholder will receive, as part of the Meeting Materials, a form of proxy that has already been signed by the intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Beneficial Shareholder but which is otherwise uncompleted. If the Beneficial Shareholder does not wish to attend the Meeting in person (or have another person attend and vote on the Beneficial Shareholder's behalf), the Beneficial Shareholder must complete the Management Proxy and deposit it with Computershare, Proxy Department, by mail to 135 West Beaver Creek, P.O. Box 300, Richmond Hill,

Ontario, Canada L4B 4R5, or by hand at 100 University Avenue, Toronto, Ontario, M5J 2Y1, on behalf of the Corporation, so as not to arrive later than 11:00 a.m. (Toronto time) on Friday, 22 August 2025. If a Beneficial Shareholder wishes to attend the Meeting in person and vote (or have another person attend and vote on the Beneficial Shareholder's behalf), the Beneficial Shareholder must strike out the names of the persons named in the Management Proxy, which has been signed by the intermediary (typically by a facsimile, stamped signature) and insert the Beneficial Shareholder's (or such other person's) name in the blank space provided and return to Computershare as described above.

Most brokers now delegate responsibility for obtaining instructions from clients (i.e. Beneficial Shareholders) to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically mails voting instruction forms or proxy forms, to the Beneficial Shareholders and asks Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions representing the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a voting instruction form or proxy form from Broadridge, cannot use that voting instruction form or proxy form to vote Common Shares directly at the Meeting. A voting instruction form or proxy form must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.

Although Beneficial Shareholders may not be recognised directly at the Meeting for the purposes of voting Common Shares registered in the name of their broker or other intermediary, a Beneficial Shareholder may attend at the Meeting as proxyholder for the Registered Shareholder and vote their Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their own Common Shares as proxyholder for the Registered Shareholder should enter their own names in the blank space on the voting instruction form or form of proxy provided to them and return the same to their broker or other intermediary (or the agent of such broker or other intermediary) in accordance with the instructions provided by such broker, intermediary or agent well in advance of the Meeting in order to have the Common Shares voted.

CCNL Depositary interests

Holders of depositary interests (the "**Depositary Interests**") shall be invited to attend the Meeting by CCNL in its capacity as custodian for the Depositary Interests and on behalf of the Corporation. If you are a holder of Depositary Interests in the Corporation, please fill in the form of instruction (the "**Form of Instruction**") and return the completed Form of Instruction to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, United Kingdom no later than 11:00 am (Dublin time) on 21 August 2025. The completion and return of the Form of Instruction will not preclude you from attending the Meeting and voting in person if you so wish. Should you wish to attend and/or vote at the Meeting please notify Computershare Investor Services PLC in writing at the address above or email !UKALLDITeam2@computershare.co.uk. In all cases, Beneficial Shareholders should carefully follow the instructions of their intermediary, including those regarding when, where and by what means the voting instruction form or proxy form must be delivered.

Alternatively, holders of Depositary Interests may register their voting instruction for the Meeting electronically. This can be done by either voting through the CREST system, or by accessing the website www.investorcentre.co.uk/eproxy operated by Computershare Investor Services PLC, using the Control Number, PIN and Shareholder Reference Number set out on their Form of Instruction, where full details of the procedure are given.

To give an instruction via the CREST system, CREST messages must be received by the issuer's agent (ID number 3RA50) not later than 11:00 am (Dublin time) on 21 August 2025. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Corporation may treat as invalid an appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Non-Objecting Beneficial Owners

These meeting materials are being sent to both Registered Shareholders and Beneficial Shareholders. If you are a Beneficial Shareholder, and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for: (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions or form of proxy delivered to you.

Voting securities and principal holders of voting securities

The record date for the determination of Shareholders entitled to receive notice of the Meeting has been fixed as the close of business on 21 July 2025 (the "**Record Date**"). As of the Record Date, 1,109,141,512 Common Shares, each carrying the right to one vote per Common Share at the Meeting, were issued and outstanding. The Corporation will prepare a list of holders of Common Shares as of such Record Date. Each Shareholder named in the list will be entitled to one vote per Common Share shown opposite his or her name on the said list.

To the knowledge of Management and the Directors, as at the date hereof, the only persons who beneficially own, directly or indirectly, or exercise control or direction over, more than ten percent (10%) of the issued and outstanding Common Shares are as follows:

	Number of Common Shares Owned (Percentage of Class and Type of Ownership)	
Name	**Common Shares[1]**	**Percentage of Voting Rights[2]**
Lamesa Holdings S.A. [3]	157,083,634	14.16%
Sheffield Holdings, LP	116,386,398	10.49%

Notes:

(1) The number of Common Shares stated to be held by the foregoing Shareholder is based upon information available on the public record.

(2) The percentage of voting rights calculations stated above are based on 1,109,141,512 Common Shares outstanding, which number represents the number of issued and outstanding Common Shares on the Record Date.

(3) As reported to the Corporation.

Your vote is important regardless of the number of Common Shares you own. If you are a Registered Shareholder and are unable to attend the Meeting we request you to complete the enclosed Management Proxy and return it using any one of the methods described on the Management Proxy by no later than 11:00 a.m. (Toronto time) on Friday, 22 August 2025. If you hold your Common Shares through a broker or an intermediary, we request you to complete the applicable voting instruction form / Form of Instruction or provide your voting instructions by other acceptable methods.

Matters to be acted upon at the meeting

Election of Directors

The articles of incorporation provide that the board of Directors (the "**Board**") of the Corporation consist of a minimum of three (3) Directors. At the Meeting it is proposed that five (5) directors be elected to hold office until the next annual meeting or until their successors are elected or appointed. There are presently five (5) directors of the Corporation, the term of each of which expires at the Meeting. The number of Directors of the Corporation has previously been set at five (5). The Board annually assesses the competence and skills of individuals and recommends nominees for election to the Board for consideration and approval. The nominees are, in the opinion of the Board, well qualified to act as Directors for the coming year. Each nominee has established their eligibility and willingness to serve as Director, if elected. Each duly elected Director will hold office until the next annual meeting of Shareholders or until a successor is duly elected, unless his or her office is earlier vacated in accordance with the articles of the Corporation.

Pursuant to the Advance Notice Policy adopted by the Board on December 15, 2014 and ratified at the Annual General and Special meeting of shareholders held on 9 December 2015, any additional director nominations for the Meeting must have been received by the Corporation in compliance with the Advance Notice Policy. If no such nominations were received by the Corporation prior to such date, Management's nominees for election as directors set forth below shall be the only nominees eligible to stand for election at the Meeting.

To the knowledge of the Corporation, no Director standing for election is, or has been in the last ten (10) years, a director or executive officer of an issuer that, while that person was acting in that capacity: (a) was the subject of a cease trade order or similar order or an order that denied the issuer access to any exemptions under Canadian securities legislation, for a period of more than thirty (30) consecutive days; (b) was subject to an event that resulted, after that person ceased to be a director or executive officer, in the issuer being the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under Canadian securities legislation, for a period of more than thirty (30) consecutive days; or (c) while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the knowledge of the Corporation, in the past ten (10) years, no Director standing for election has become bankrupt, made a proposal under any legislation related to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the Director.

To the knowledge of the Corporation, no Director standing for election has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for such Director.

The following chart of each Director standing for election sets out the names of each person proposed to be nominated for election as a Director; all other positions and offices with the Corporation; the date the person was elected as a Director; their principal occupations; committee memberships in the Corporation; and the approximate number of securities of the Corporation, beneficially owned by each Director or over which he or she exercises control or direction as at the Record Date. All such information was provided to the Corporation by each Director respectively.

The persons named in the Management Proxy intend to vote FOR the election of the proposed nominees in the absence of directions to the contrary from the Shareholders appointing them. Management and the Board do not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the persons named in the Proxy reserve the right to vote for another nominee in their discretion.

Name & residence	Function	Date of appointment	Number of securities held[4]	Principal occupation during the last 5 years
Joe Nally, Lagos, Portugal[1][2]	Non-Executive Chairman	10 September 2021	500,000 Common Shares	Independent businessman Executive Director and Head of Natural Resources at Cenkos Securities PLC
Philip O'Quigley, Dublin, Ireland	Executive Director	25 September 2012	3,513,696 Common Shares	CEO of Falcon Oil & Gas Ltd.
Anne Flynn, Dublin, Ireland	Executive Director	2 May 2022	200,000 Common Shares	CFO of Falcon Oil & Gas Ltd.
Gregory Smith, Calgary, Alberta, Canada [1][2][3]	Non-Executive Director	22 December 2009	1,220,000 Common Shares	Chartered Professional Accountants of Alberta President of Oakridge Financial Management Inc. Director and officer of CanadaBis Capital Inc. Director and CFO of Maglin Site Furniture Inc. Director of Rhode & Liesenfeld Canada Inc.
Tom Layman, Austin, Texas, USA [1][2][3]	Non-Executive Director	2 May 2022	1,783,760 Common Shares	Geoscience Consultant

Notes:
(1) Member of the audit committee.
(2) Member of the compensation committee.
(3) Member of the reserves, health safety and environment committee.
(4) Number of securities held has been provided by the individual directors. These numbers are as of the date of this information circular.

The enclosed form of proxy permits Shareholders to vote for each nominee on an individual basis.

The persons named in the Management Proxy intend to vote FOR each of the proposed nominees in the absence of directions to the contrary from the Shareholders appointing them. Management does not contemplate that any of such nominees will be unable to serve as directors. However, if for any reason, any of the proposed nominees do not stand for election or are unable to serve as such, proxies in favour of management designees will be voted for another nominee in their discretion unless the shareholder has specified in his, her or its proxy that his, her or its Common Shares are to be withheld from voting in the election of directors.

Appointment and Remuneration of Auditors

Management recommends that BDO Canada LLP of Calgary, Alberta, Canada ("**BDO**") be appointed as the auditors of the Corporation by the Shareholders and the Shareholders authorise the Directors to fix the auditors' remuneration. Management is seeking the approval at the Meeting for BDO to be so appointed.

The Shareholders will be requested at the Meeting to pass the following resolution:

"**IT IS HEREBY RESOLVED, THAT** BDO, Chartered Accountants, be appointed as the auditors of the Corporation, and the board of directors of the Corporation are hereby authorised to fix the remuneration of BDO, Chartered Accountants."

The persons named in the Management Proxy intend to vote FOR the appointment of BDO as auditors of the Corporation until the next annual meeting of Shareholders and authorizing the Directors to fix the remuneration of the auditors in the absence of directions to the contrary from the Shareholders appointing them.

Approval of the Stock Option Plan

The Corporation has a stock option plan (the "**Stock Option Plan**") as part of its compensation program for directors, officers, employees and consultants. As the Stock Option Plan is a 10% "rolling plan", the Stock Option Plan requires the approval of the Shareholders each year at the annual general and special meeting of the Shareholders in accordance with the terms of the Stock Option Plan and TSX Venture Exchange ("**TSX-V**") Policy 4.4 – "Incentive Stock Options" ("**Policy 4.4**"). Management is seeking the approval of a majority of the votes cast at the Meeting for the Stock Option Plan Resolution (as defined below).

The Shareholders initially approved the Stock Option Plan on 18 November 2004 and subsequently at each annual general and special meeting of the Corporation held thereafter. Ten percent (10%) of the number of issued and outstanding Common Shares from time to time are currently reserved for issuance upon the exercise of options granted pursuant to the Stock Option Plan. As at 21 July 2025, 59,750,000 stock options are issued and outstanding.

The following is a summary of the principal terms of the Stock Option Plan ("the Option Plan"), which summary is qualified by and is subject to the full terms and conditions of the Option Plan. A copy of the Option Plan is attached hereto as Appendix "A".

The purpose of the Option Plan is to attract, retain and motivate directors, officers, employees and consultants (collectively, the "**Participants**") by providing them with the opportunity, through stock options, to acquire a proprietary interest in the Corporation and benefit from its growth. In management's view, the ability to grant stock options as a means of compensating Participants contributes to the Corporation's overall financial performance. As such, management considers that the Option Plan is beneficial to the Corporation as it provides the Corporation with greater flexibility to compensate eligible Participants with grants of stock options and encourage Participant ownership of the Corporation. Options may be granted under the Option Plan only to Participants or to persons that have agreed to commence serving in any of the aforementioned capacities, subject to the rules and regulations of applicable regulatory authorities and the TSX-V.

The number of Common Shares that may be reserved for issuance pursuant to the Option Plan is limited to ten percent (10%) of the issued and outstanding Common Shares from time to time. The number of Common Shares that may be issued in any 12 month period or that may be issuable at any time pursuant to options held by insiders is limited to ten percent (10%) of the issued and outstanding Common Shares. The number of Common Shares that may be issuable pursuant to options granted to any one person during a 12 month period may not exceed five percent (5%) of the issued and outstanding Common Shares or, in the case of a consultant, two percent (2%) of the issued and outstanding Common Shares. In addition, the number of Common Shares that may be issuable pursuant to options granted to investor relations service providers during a 12 month period may not exceed two percent (2%) of the issued and outstanding Common Shares.

The Option Plan is administered by the Compensation Committee and the exercise price, term and vesting restrictions applicable to any grant of options is determined by the Compensation Committee at the time the options are granted. The exercise price of options issued may not be less than the market price of the Common Shares as listed on the TSX-V, subject to any discounts permitted by TSX-V. The options may be granted for a term not exceeding five (5) years and are non-transferable. Options are exercisable for a period of 30 days after an optionee ceases to be an eligible Participant or 12 months after ceasing to be an eligible Participant in the event of death or disability.

The shareholders will be requested at the Meeting to pass the following resolution (the "**Stock Option Plan Resolution**"):

"**IT IS HEREBY RESOLVED, THAT**:

(a) The Stock Option Plan as set forth in Appendix "A" to the Corporation's Information Circular dated 21 July 2025 and the grant of stock options pursuant to such Stock Option Plan is hereby authorized and approved; and

(b) Any Director or officer of the Corporation is hereby authorised for, on behalf of, and in the name of the Corporation to do and perform or cause to be done or performed all such things, to take or cause to be taken all such actions, to execute and deliver or cause to be executed and delivered all such agreements, documents and instruments, contemplated by, necessary or desirable in connection with the Stock Option Plan and the foregoing resolutions, as may be required from time to time and contemplated and required in connection therewith, or as such Director or officer in his or her discretion may consider necessary, advisable or appropriate in order to give effect to the intent and purposes of the foregoing resolutions, and the doing of

such things, the taking of such actions and the execution of such agreements, documents and instruments shall be conclusive evidence that the same have been authorised and approved hereby."

The persons named in the Management Proxy intend to vote FOR the approval of the Option Plan in the absence of directions to the contrary from the Shareholders appointing them.

Approval of Share Consolidation

At the Meeting, Shareholders will be asked to pass a special resolution (the "**Consolidation Resolution**") authorizing the consolidation of the Common Shares into a lesser number of issued Common Shares. The Consolidation Resolution will authorize the Board of the Corporation to consolidate the Common Shares based on a consolidation ratio of up to two hundred and fifty (250) pre-consolidation Common Shares for each one (1) post-consolidation Common Share (the "**Consolidation**"). The actual ratio for the Consolidation will be determined by the Board, in its sole discretion, having regard to numerous factors, including market considerations and the advice of its advisors.

The Consolidation is subject to: (a) receipt of all required regulatory approvals, including acceptance by the TSX-V and AIM, a market operated by the London Stock Exchange; and (b) the approval of the Consolidation by the shareholders at the Meeting. If these approvals are received, the Consolidation will occur at a time determined by the Board and announced by a press release of the Corporation. The Board may also determine not to proceed with the Consolidation.

The Board is seeking authority to implement the Consolidation in anticipation that it will increase the trading price of the Common Shares and thereby facilitate the potential listing of the Common Shares on a U.S. stock exchange. The Company also believes that an increase in the trading price of the Common Shares that may result from the Consolidation could heighten the interest of the financial community in the Corporation, broaden the pool of investors that may consider investing in the Corporation and increase the trading volume and liquidity of the Common Shares. The Consolidation could also help to attract institutional investors, investment funds and others who have internal policies that prohibit them from purchasing stocks below a certain minimum price or tend to discourage individual brokers from recommending such stocks to their clients.

Effects of the Share Consolidation

If approved and implemented, the Consolidation will affect all holders of Common Shares uniformly and will not affect any Shareholder's percentage ownership interest in the Corporation, except to the extent that the Consolidation would otherwise result in a shareholder owning a fractional Common Share. The Consolidation will not materially affect any Shareholder's proportionate voting rights and each consolidated Common Share outstanding after the Consolidation will have the same rights and privileges as the existing Common Shares.

No fractional post-Consolidation Common Shares will be issued and no cash will be paid in lieu of fractional post-Consolidation Common Shares. Any fractional Common Shares resulting from the Consolidation will be rounded to the nearest whole Common Share with fractions equal to 0.5 being rounded up to the nearest whole Common Share. The exercise or conversion price and the number of Common Shares issuable under any convertible securities of the Corporation, including the Common Shares issuable upon exercise of stock options, will be proportionately adjusted upon the completion of the Consolidation.

The principal effect of the Consolidation will be that the number of Common Shares issued and outstanding will be reduced from 1,109,141,512 existing Common Shares as of 21 July 2025, to approximately 4,436,566 consolidated Common Shares (assuming that the Consolidation ratio of two hundred and fifty (250) to one (1) is implemented by the Board). The implementation of the Consolidation would not affect the total Shareholders' equity of the Corporation, or any components of Shareholders' equity as reflected on the Corporation's financial statements except to change the number of issued and outstanding Common Shares to reflect the Consolidation.

Share Certificates

The Consolidation will not affect the validity of currently outstanding share certificates of the Corporation. However, if the Consolidation is approved by the Shareholders and implemented by the Board, registered Shareholders will be required to exchange their Common Share certificates for Common Share certificates evidencing the post-Consolidation Common Shares. Upon completion of the Consolidation, the registered Shareholders will be sent a letter of transmittal containing instructions on how to surrender Common Share certificates evidencing the pre-Consolidation Common Share amount to the Company's registrar and transfer agent (the "**Depositary**"). The Depositary will forward to each registered shareholder who has sent the required documents new Common Share certificates or DRS statements evidencing the new post-Consolidation Common Share amount. Until surrendered, each Common Share certificate representing pre-Consolidation Common Shares will be deemed for all purposes to represent the post-Consolidation Common Shares to which the holder is entitled following the Consolidation.

Beneficial Shareholders holding Common Shares through an intermediary (a securities broker, dealer, bank or financial institution) should be aware that the intermediary may have different procedures for processing the Consolidation than those that will be put in place by the Corporation for registered Shareholders. If Shareholders hold their Common

Shares through an intermediary and they have questions in this regard, they are encouraged to contact their intermediaries.

Shareholders should not destroy any Common Share certificate(s) and should not submit any Common Share certificate(s) until required to do so.

Share Consolidation Resolution

The text of the Consolidation Resolution which will be submitted to the Shareholders at the Meeting is set forth below.

Pursuant to the Business Corporations Act (British Columbia) ("**BCBCA**") and the Articles of the Corporation, to be effective, the Consolidation must be approved by not less than two-thirds of the votes cast by Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

The Board recommends that the Shareholders vote IN FAVOUR of the special resolution approving the Consolidation. Unless you give instructions otherwise, the persons named in the Management Proxy intend to vote FOR the Consolidation Resolution.

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. Pursuant to the BCBCA and the Articles of the Corporation, the number of issued and outstanding Common Shares of the Corporation be changed by consolidating the issued and outstanding Common Shares of the Corporation on the basis that up to every two hundred and fifty (250) Common Shares outstanding before the consolidation shall be consolidated into one (1) Common Share after the consolidation (the "Consolidation"); provided that, if as a result of such Consolidation, a holder of Common Shares of the Corporation is entitled to receive a fraction of a Common Share, then in respect of such fraction, the holder shall be entitled to receive that number of Common Shares equal to the nearest whole number of Common Shares to be issued, with a fraction of one-half rounded up.
2. The directors of the Corporation may, in their sole discretion, decide to amend the Consolidation ratio such that the consolidation is completed on the basis of any number of Common Shares outstanding before the Consolidation, up to a maximum of two hundred and fifty (250), shall be consolidated into one (1) Common Share after the Consolidation.
3. The Consolidation shall become effective at a date in the future to be determined by the directors of the Corporation when the directors consider it to be in the best interests of the Corporation to implement such a Consolidation, but in any event not later than twelve months following the date of this resolution.
4. The directors of the Corporation are hereby authorized and granted with absolute discretion to abandon the Consolidation at any time without further approval, ratification or confirmation by the shareholders of the Corporation.
5. Any director or officer of the Corporation be authorized for and on behalf of the Corporation to make all such arrangements, to do all acts and things and to sign and execute all documents and instruments in writing, whether under the corporate seal of the Corporation or otherwise, as may be considered necessary or advisable to give full force and effect to the foregoing.

Approval of Name Change

At the Meeting, the Shareholders of the Corporation will also be asked to consider and, if deemed advisable, to approve, with or without variation, a special resolution to change the name of the Corporation to "Beetaloo Resources Corp." (the "**Name Change Resolution**") or such other name as the Board determines is appropriate (the "**Name Change**").

The Board has evaluated the Corporation's current name and has determined that it would be advisable to propose the Name Change, as the new name being proposed better reflects the Corporation's strategic focus on appraisal and development activities in the Beetaloo Sub-basin, Northern Territory, Australia.

As outlined in the Name Change Resolution below, the new name of the Corporation will ultimately be determined by the Board and may differ from the name proposed in this Information Circular. Even if approved by the Shareholders, the Board may determine not to proceed with the Name Change at its discretion.

The Name Change is subject to: (a) receipt of all required regulatory approvals, including acceptance by the TSX-V; and (b) the approval of the Name Change by the Shareholders at the Meeting. If these approvals are received, the Name Change will occur at a time determined by the Board and announced by a press release of the Corporation. The Board may also determine not to proceed with the Name Change.

The text of the Name Change Resolution which will be submitted to the Shareholders at the Meeting is set forth below.

Pursuant to the BCBCA and the Articles of the Corporation, to be effective, the Name Change must be approved by not less than two-thirds of the votes cast by Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

The Board recommends that the Shareholders vote IN FAVOUR of the special resolution approving the Name Change. Unless you give instructions otherwise, the persons named in the Management Proxy intend to vote FOR the Name Change Resolution.

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The change of the name of the Corporation to "Beetaloo Resources Corp." or such other name acceptable to the TSX-V and as the directors of the Corporation in their sole discretion determine is appropriate is authorized and approved.
2. The Name Change shall become effective at a date in the future to be determined by the directors of the Corporation when the directors considers it to be in the best interests of the Corporation to implement such a Name Change, but in any event not later than twelve months following the date of this resolution.
3. The directors of the Corporation are hereby authorized and granted with absolute discretion to abandon the change of name of the Corporation at any time without further approval, ratification or confirmation by the shareholders of the Corporation; and
4. Any director or officer of the Corporation be authorized for and on behalf of the Corporation to make all such arrangements, to do all acts and things and to sign and execute all documents and instruments in writing, whether under the corporate seal of the Corporation or otherwise, as may be considered necessary or advisable to give full force and effect to the foregoing."

Executive Compensation

For the purposes of this Management Information Circular, a "named executive officer" of the Corporation means an individual who, at any time during the year, was (each a "**Named Executive Officer**"):

a) the Corporation's chief executive officer ("**CEO**");
b) the Corporation's chief financial officer ("**CFO**");
c) the Corporation's most highly compensated executive officer other than the CEO and CFO, at the end of the most recently completed financial year and whose total compensation was more than Canadian ("**CDN**") $150,000 for that financial year; and
d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of the most recently completed financial year.

Based on the foregoing definition, during the last completed financial year of the Corporation, there were two Named Executive Officers ("**NEO**"), being Philip O'Quigley, CEO and Anne Flynn, CFO.

Compensation Discussion and Analysis

In assessing the compensation of its executive officers, the Corporation does not have in place formal objectives, criteria or analysis; it is through Board discussion, with input from and upon the recommendations of the Compensation Committee. The Compensation Committee is comprised of Joe Nally, Gregory Smith and Tom Layman.

The Corporation's executive compensation program has the following principal components: base salary, pension contribution, company healthcare plan, incentive bonus plan and stock options.

Base salaries, pension contributions and participation in the company healthcare plan for all employees of the Corporation are established for each position through comparative salary surveys of similar type and size companies. Both individual and corporate performances are also taken into account.

Incentive bonuses, in the form of cash payments, are designed to add a variable component of compensation based on corporate and individual performances for executive officers and employees. Individual bonuses for achievement of specific performance targets in addition to bonuses based on the average increase in the weighted market capitalisation of the company during the most recently completed financial year in reference to the anniversary of the commencement date of a particular employee are paid. In addition, the Compensation Committee may recommend a discretionary bonus to NEO's for exceptional performance.

Stock options are granted to provide an incentive to the Participants to achieve the longer-term objectives of the Corporation; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation. The Corporation awards stock options to the Participants based upon the recommendation of the Compensation Committee. Previous grants of incentive stock options are taken into account when considering new grants.

Implementation of a new incentive stock option plan and amendments to the Stock Option Plan are the responsibility of the Compensation Committee.

The Compensation Committee is responsible for setting the pay and conditions of the Corporation's Directors and Officers. This Committee reviews periodically the adequacy and form of the compensation of the Directors with a view to ensuring that such compensation realistically reflects the responsibilities and risks of being a director.

The Corporation has no other forms of compensation, although payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Corporation at competitive industry rates for work of a similar nature by reputable arm's length services providers.

Summary Compensation Table

The following table sets forth the compensation awarded to, earned by, paid to, or payable to the NEOs and directors for the two most recently completed financial years, with the most recent such financial year ended 31 December 2024:

Name and principal position	Year	Salary US$	Bonus US$	Director Fees US$	Value of all other compensation US$[1]	Total compensation US$
Philip O'Quigley (CEO and Director)[2]	2024	491,000	-	-	5,000	496,000
	2023	493,000	163,000	-	5,000	661,000
Anne Flynn (CFO and Director) [2]	2024	178,000	-	-	21,000	199,000
	2023	217,000	71,000	-	24,000	312,000
Joe Nally (Chairman)	2024	-	-	60,000	-	60,000
	2023	-	-	60,000	-	60,000
Gregory Smith (Director)	2024	-	-	50,000	-	50,000
	2023	-	-	50,000	-	50,000
Tom Layman (Director)	2024	-	-	100,000	-	100,000
	2023	-	-	100,000	-	100,000

Notes:

[1] Value of all other compensation relates mainly to health insurance contributions paid to Philip O'Quigley ($5,000) and Anne Flynn ($3,000) and pension payments paid into Anne Flynn's defined contribution plan ($18,000).

[2] Mr. Quigley and Ms. Flynn did not receive any additional compensation for serving as Directors of the Corporation.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

There were no stock options granted during the year ended 31 December 2024.

The total number of stock options held by the NEOs and directors as at 31 December 2024 are included in the table below:

Name	Number of unexercised stock options held	Number of Common Shares held
Philip O'Quigley (CEO and Director)	25,000,000	3,513,696
Anne Flynn (CFO and Director)	12,500,000	200,000
Joe Nally (Director)	3,750,000	500,000
Gregory Smith (Director)	2,500,000	1,220,000
Tom Layman (Director)	5,000,000	1,783,760

Stock options are subject to vesting provisions whereby one third of the stock options vest on the date of the grant, one third on the first anniversary and one third on the second anniversary.

Exercise of Compensation Securities by Directors and NEOs

There were no stock options or other compensation securities exercised by a director or NEO during the year ended 31 December 2024.

Stock Option Plan

For details of the Corporation's stock option plan please refer to "Matters to be acted upon at the Meeting – Approval of the Stock Option Plan" and to Appendix A.

Summary of employment contracts of each named executive officer

The following describes the material terms and conditions of the employment contracts including termination provisions and change of control benefits of each NEO in effect during the financial year ended 31 December 2024.

Mr. Philip O'Quigley

Mr. O'Quigley was appointed as a Director in September 2012. Mr. O'Quigley accepted the position of Chief Executive Officer pursuant to an employment contract dated 10 April 2012, commencing employment on 1 May 2012. Mr. O'Quigley receives an annual salary of €454,545 and is eligible for a bonus of up to 100% of the sum of Mr. O'Quigley's

annual salary. The Company can terminate the employment contract on twelve months' notice, or payment in lieu of notice, at an estimated cost of $478,000 to Falcon. This contract includes a "change of control" provision, where in the event of a sale of the Company's assets or a change in the ownership of the Company, Mr O'Quigley is entitled to 3 years salary, at an estimated cost of $1,435,000. The change of control provisions also applies in the event of a change of control within 12 months following the termination of Mr. O'Quigley's employment contract.

Ms. Anne Flynn

Ms. Flynn was appointed Chief Financial Officer on 5 October 2016 and Director on 2 May 2022. Ms. Flynn is paid an annual salary of €200,000 and is eligible for a bonus of up to 50% of her annual salary. The Company can terminate the employment agreement on twelve months' notice, or payment in lieu of notice, at an estimated cost of $232,000 to Falcon. This contract includes a "change of control" provision, where in the event of a sale of the Company's assets or a change in the ownership of the Company, Ms Flynn is entitled to 12 months' salary, at an estimated cost of $232,000. The change of control provisions also applies in the event of a change of control within 12 months following the termination of Ms. Flynn's employment contract.

Securities authorized for issuance under equity compensation plans

The following table sets out as of 31 December 2024, a summary of compensation plans under which securities of the Corporation are authorized for issuance:

Plan Category	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the second column of this table)
Equity compensation plans approved by securityholders – Stock Option Plan	59,750,000	GBP£0.11	51,164,151
Equity compensation plans not approved by securityholders – N/A	N/A	N/A	N/A
Total	59,750,000	GBP£.0.11	51,164,151

Interest of certain persons or companies in matters to be acted upon

Management is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a Director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, or of any nominee for election as a director, or of any associate or affiliate of any such persons, in any matter to be acted upon at the Meeting other than the election of Directors or the appointment of auditors.

Indebtedness of Directors and Executive Officers

None of the Corporation’s Directors or officers was indebted to the Corporation as of 31 December 2024 or at any time during 2024.

Interest of informed persons in material transactions

Other than as set forth below, no informed person of the Corporation, no proposed nominee for election as a Director of the Corporation, and no associate or affiliate of any of these persons, has any material interest, direct or indirect, in any transaction since the commencement of our last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Corporation or any of our subsidiaries.

An “informed person” means:

(a) a director or executive officer of the Corporation;
(b) a director or executive officer of a person or corporation that is itself an informed person or subsidiary of the Corporation;
(c) any person or corporation who beneficially owns, directly or indirectly, voting securities or who exercises control or direction over voting securities or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities other than voting securities held by the person or corporation as underwriter in the course of a distribution; and
(d) the Corporation if we have purchased, redeemed or otherwise acquired any of our securities, so long as we hold any of our securities.

On 26 April and 7 May 2024, the Corporation completed a private placement of Common Shares whereby Sheffield Holdings, LP (“**Sheffield**”), an insider of the Corporation, subscribed for an aggregate of 19,912,791 Common Shares at a price of £0.06p per share.

On 18 April 2024, the Corporation’s subsidiary, Falcon Oil & Gas Australia Limited (“**Falcon Australia**”), granted to Daly Waters Energy, LP, a subsidiary of Sheffield, in consideration for a cash payment of US$3 million, an overriding royalty interest of 6.0% in respect of the area around the Shenandoah South pilot project development, in which Falcon

Australia has a 5% participating interest, and an overriding royalty interest of 1.3333% in respect of the remaining ~4.5 million acres.

Corporate Governance Practices

Pursuant to National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), the Corporation is required to disclose information relating to its corporate governance practices. The Corporation's "Statement of Corporate Governance Practices", approved by the Directors, is attached to this Information Circular as Appendix "B".

Audit Committee

Audit Committee's Charter

The Corporation is required under Canadian securities legislation to have an audit committee for the purpose of monitoring and enhancing the quality of the financial information disclosed by the Corporation. The Audit Committee charter (the "**Charter**") is attached as Appendix "C" hereto.

Composition of Audit Committee

The audit committee comprises of Gregory Smith (Chair), Joe Nally and Tom Layman. All members of the audit committee meet the independence requirement set out in NI 58-101 and under National Instrument 52-110 - *Audit Committees* ("**NI 52-110**"). As a venture issuer, the Corporation is exempt from the audit committee composition requirements in NI 52-110.

All current members of the Audit Committee are "financially literate" within the meaning given to such term in the Charter and NI 52-110 and have the ability to understand and evaluate financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements.

Relevant Education and Experience

In addition to each current member's general business experience, the education and experience of each individual that is relevant to such member's responsibilities as a member of the Audit Committee is set forth below:

- Gregory Smith: Mr. Smith has been a member of the Board and Chairman of the Audit Committee since December 2009 and is a Chartered Professional Accountant and President of Oakridge Financial Management Inc., a provider of financial and management consulting services to private and public companies. He is currently a director of Rhode & Liesenfeld Canada Inc., a company involved in international freight forwarding, specializing in industrial and resource industries; and a director of a number of private corporations. He is a past director and audit committee chairman of a number of public and private resource corporations including Kerr Mines Inc., TriWestern Energy Inc., Manson Creek Resources Ltd., CDG Investments Inc., CanadaBis Capital Inc and Tyler Resources Inc. Mr. Smith was admitted to the Institute of Chartered Professional Accountants of Alberta in 1975 and holds a Bachelor of Commerce degree from the University of Calgary.

- Joe Nally: Mr. Nally has been a member of the Board since September 2021 and has over 45 years' experience in London's capital markets including 18 years at Cenkos Securities PLC, a firm he co-founded in 2004. Mr Nally was an Executive Director and Head of Natural Resources at Cenkos, where he helped to build, develop and give strategic advice to a number of successful companies in the oil and gas sector. Prior to this, Mr Nally was a partner and director at Williams de Broe and an individual member of the International Stock Exchange of London.

- Tom Layman: Mr. Layman is a certified petroleum geologist with over 40 years' experience in the oil and gas industry. He has significant knowledge of unconventional resources, having worked on over 4,000 horizontal and vertical shale and unconventional wells across multiple US onshore basins on exploration and development projects. Mr. Layman is a geoscience consultant, having previously been Senior VP of Geoscience at Parsley Energy, where he held an executive leadership role directing exploration and development of geoscience activities. Prior to Parsley Energy, Mr. Layman was VP of Exploration Southern Division at Chesapeake Energy, where for over seven years he was responsible for exploration and development activities and was a Geoscience Manager at Burlington Resources and a Geologist at Exxon. Mr. Layman has been a member of the American Association of Petroleum Geologists (AAPG) for 40 years and currently serves on the Geology Foundation Advisory Council at the University of Texas at Austin.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on exemptions in relation to "*De Minimus Non-Audit Services*", the composition of the audit committee or any exemption provided by Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee pre-approves all non-audit services to be provided to the Corporation or its subsidiary entities by the issuer's external auditor.

External Auditor Service Fees

Remuneration of the auditors for the audit of the financial statements of the Corporation and other services to the Corporation for the years ended 31 December 2024 and 31 December 2023 is as follows:

	For the year ended 31 December	
	2024	**2023**
	US$'000[3]	**US$'000**[3]
Audit of the Group's consolidated financial statements[1]	102	91
Audit of the Group's subsidiaries pursuant to legislation[1]	30	24
Non-audit fees: Tax fees[2]	73	32
	205	**147**

Notes:
(1) Audit fees were for professional services rendered by the auditors for the audit of the Corporation's annual consolidated financial statements as well as services provided in connection with statutory and regulatory filings.
(2) Tax fees are for tax compliance and ad hoc advisory work
(3) Amounts exclude Canadian/Australian GST and European VAT, as applicable and the reimbursement of expenses.

Exemption

The Corporation is relying upon the exemption in section 6.1 of NI 52-110, applicable to venture issuers.

Other Business

Management and the Directors are not aware of any amendments, variations or other matters intended to come before the Meeting other than those items of business set forth in the attached notice of Meeting. However, if any such amendment, variation or other matter properly comes before the Meeting, it is the intention of the persons named in the Management Proxy to vote on such other business in accordance with their judgment.

Additional information

Financial information regarding the Corporation is provided in the Corporation's audited annual consolidated financial statements for the financial year ended 31 December 2024 and the accompanying management's discussion and analysis. Copies of the foregoing and the Annual Information Form of the Corporation for the financial year ended 31 December 2024 may be obtained on written request addressed to the Chief Financial Officer or at www.falconoilandgas.com.

Written requests for a copy of the above documents should be directed to the Chief Financial Officer, Falcon Oil & Gas Ltd., 68 Merrion Square South, Dublin 2, Ireland.

Additional information concerning the Corporation is available on SEDAR+ at www.sedarplus.ca.

General

The Directors have approved the contents of this Information Circular and its sending to the Shareholders, the auditors of the Corporation and to appropriate governmental and regulatory agencies.

DATED as of the 21 July 2025

By Order of the Board of Directors

(Signed)

Joe Nally
Chairman of the Board of Directors

APPENDIX "A"

FALCON OIL & GAS LTD.

STOCK OPTION PLAN

ARTICLE I - PURPOSE

1.1 The purpose of the Plan is to attract and retain Directors, Officers, Employees and Consultants, to provide such persons with incentives to continue in the long-term service of the Corporation and its subsidiaries (each a "Subsidiary" and collectively, the "Subsidiaries") and to create in such persons a more direct interest in the future success of the operations of the Corporation and its Subsidiaries by relating incentive compensation to increases in shareholder value.

ARTICLE II - DEFINITIONS AND INTERPRETATION

2.1 Definitions as used in the Plan:

"10% Shareholder" shall mean the owner of stock possessing more than 10% of the total combined voting power of all classes of stock of the Corporation or any Subsidiary.

"Award" shall mean the grant of a Stock Option under the Plan.

"**Blackout Period**" shall mean the period during which an Optionee is prohibited from exercising an option due to trading restrictions imposed by the Corporation pursuant to the internal trading policies of the Corporation respecting restrictions on trading that is in effect at that time.

"Board" shall mean the Corporation's Board of Directors.

"Change in Control" shall mean a change in ownership or control of the Corporation effected through the acquisition, directly or indirectly by any person or group, other than a trustee or other fiduciary holding securities under an employee benefit plan of the Corporation, of beneficial ownership of securities possessing more than 20% of the total combined voting power of the Corporation's outstanding securities except to the extent that such acquisition is as a result of a private placement, public offering or other distribution of the Corporation's securities that is sponsored or initiated by the Corporation.

"Common Stock" shall mean the Corporation's common stock without par value.

"Corporation" shall mean Falcon Oil & Gas Ltd.

"Compensation Committee" shall mean a committee consisting entirely of two or more non-Employee Directors, who are empowered hereunder to take all action required in the administration of the Plan and the Award and administration of Stock Options hereunder. The Compensation Committee shall be so constituted at all times as to permit the Plan to comply with the policies of the TSX Venture Exchange. Members of the Compensation Committee shall be appointed from time to time by the Board, shall serve at the pleasure of the Board and may resign at any time upon written notice to the Board. Notwithstanding the foregoing, at any time the Compensation Committee is not composed as specified above, or when no Compensation Committee is not composed as specified above, or when no Compensation Committee has been appointed by the Board, all powers of the Compensation Committee shall be vested in and exercised by the Board.

"Consultant" shall mean, in relation to the Corporation or to any Subsidiary, an individual, Consultant Corporation or Management Corporation Employee, other than a Director, Officer or Employee, that:

(a) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to any Subsidiary, other than services provided in relation to a distribution;

(b) provides the services under a written contract between the Corporation or any Subsidiary and the individual or the Consultant Corporation of the individual;

(c) in the reasonable option of the Corporation, spends or will spend a significant amount of time and attention of the affairs and business of the Corporation or any Subsidiary; and

(d) has a relationship with the Corporation or any Subsidiary that enables the individual to be knowledgeable about the business and affairs of the Corporation.

"Consultant Corporation" shall mean, for an individual Consultant, a Corporation, partnership or other entity of which the Consultant is an employee, shareholder, partner or in which the Consultant has a beneficial interest.

"Controlled" shall mean and one person shall be considered to be controlled by a person if:

(a) in the case of a person, voting securities of the first-mentioned person carrying more than 50% of the votes for the election of directors, are held, otherwise than by way of securities only, by or for the benefit of the other person and the votes are carried by the securities are entitled, if exercised, to elect a majority of the directors of the first-mentioned person;

(b) in the case of a partnership that does not have directors, other than a limited partnership, the second mentioned person holds more than 50% interests of the partnership; or

(c) in the case of a limited partnership, the general partner is the second-mentioned person.

"Date of Grant" shall mean the date specified by the Compensation Committee on which an Award shall become effective, which shall not be earlier than the date on which the Compensation Committee takes action with respect thereto.

"Director" shall mean a director of the Corporation.

"Discounted Market Price" shall have the definition provided in the TSX Venture Exchange Corporate Finance manual, which currently means the Market Price less the following allowable discounts:

Closing Price	Discount
Up to $0.50	25%
$0.51 to $2.00	20%
Above $2.00	15%

"Discretionary Stock Option Grant Program" shall mean the program for the Award of Stock Options described in Article VI hereof.

"Employee" shall mean:

(a) an individual who is considered an employee of the Corporation or its Subsidiaries under the Income Tax Act (Canada) (i.e., for whom income tax, employment insurance and CPP deductions must be made at source);

(b) an individual who works full-time for the Corporation or its Subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source; or

(c) an individual who works for the Corporation or its Subsidiaries on a continuing basis and regular basis for a minimum of 20 hours per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source.

"Insider" shall mean (a) a Director or Officer, (b) a director or senior officer of a Corporation that is itself an Insider of the Corporation, (c) a person that has direct or indirect beneficial ownership of or control or direction over securities of the Corporation carrying more than 10% of the voting rights attached to all the Corporation's outstanding voting securities, or (d) an associate of any person who is an Insider by virtue of (a), (b) or (c).

"Investor Relations Activities" shall mean any activities, by or on behalf of the Corporation or its Subsidiaries, that promote or can reasonably be expected to promote the purchase or sale of securities of the Corporation, but shall not include:

(a) the dissemination of information provided, or records prepared, in the ordinary course of business of the Corporation:

    i. to promote the sale of products or services of the Corporation, or;

    ii. to raise public awareness of the Corporation,

that cannot reasonably be considered to promote the purchase or sale of securities of the Corporation;

(b) activities or communications necessary to comply with the requirements of:

    i. under applicable securities laws;

    ii. the rules and policies of the Regulatory Authorities;

(c) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if:

    i. the communication is only through the newspaper, magazine or publication; and

    ii. the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or

(d) activities or communications that may be otherwise specified by the TSX Venture Exchange.

"Investor Relations Service Provider" shall mean any Consultant that performs Investor Relations Activities and any Director, Officer, Employee or Management Corporation Employee whose role and duties primarily consist of Investor Relations Activities;

"Management Corporation Employee" shall mean an individual employed, directly or indirectly, by the Corporation or its Subsidiaries providing management services to the Corporation or its Subsidiaries, which are required for the ongoing successful operation of the business enterprise of the Corporation or its Subsidiaries, but excluding a person engaged in Investor Relations Activities on behalf of the Corporation or its Subsidiaries.

"Market Price" subject to the exceptions set forth in the TSX Venture Exchange Corporate Finance Manual, shall mean the last closing price of the Corporation's listed Common Shares on the TSX Venture Exchange before either the issuance of the news release or the filing of the price reservation form with the TSX Venture Exchange required to fix the price at which the Common Shares are to be issued or deemed to be issued.

"Officer" shall mean a senior officer of the Corporation.

"Optionee" shall mean a Participant who has received an Award from the Compensation Committee.

"Option Price" shall mean the purchase price paid by an Optionee upon the exercise of a Stock Option.

"Participant" shall mean a person or a Permitted Optionee who is: (a) permitted by the rules and policies of the Regulatory Authorities to be granted a Stock Option and for whom a prospectus and registration exemption

under applicable securities laws is available; (b) selected by the Compensation Committee to receive benefits under this Plan; and (c) at that time a Director, Officer, Employee or Consultant or has agreed to commence serving in any of the foregoing capacities.

"Permitted Optionee" shall mean a Corporation, partnership or other entity that is, directly or indirectly, wholly owned by an individual or individuals otherwise eligible to receive a grant of stock options, but shall not include a Consultant Corporation.

"Plan" shall mean this stock option plan of the Corporation.

"Plan Effective Date" shall mean the date the plan is approved by the TSX Venture Exchange subsequent to receipt by the Corporation of shareholder acceptance of the plan at the Corporation's Annual General and Special Meeting scheduled for December 9, 2015.

"Regulatory Authorities" shall mean all stock exchanges; inter-dealer quotation networks and other organized trading facilities on which the Corporation's common stock is listed and all securities commissions or similar securities regulatory bodies having jurisdiction over the Corporation.

"Stock Option" shall mean a right granted under the Plan to a Participant to purchase Common Stock at a stated price for a specified period of time.

"Subsidiary" shall mean a person who, in relation to another person:

(a) is controlled by that other person, or is controlled by two or more persons, each of which is controlled by that other person; or

(b) **is** a subsidiary of a person that is that other person's subsidiary.

"**Term**" shall mean the length of time during which a Stock Option may be exercised which shall not be greater than five years from the Date of Grant, provided that in the event that such an expiry date falls within a Blackout Period, such expiry date of the Stock Option shall be automatically extended without any further act or formality to that date which is the tenth business day after the end of the Blackout Period, such tenth business day to be considered the expiry date for such option for all purposes under the Stock Option Plan provided that:

(i) the Blackout Period must be formally imposed by the Corporation pursuant to its internal trading policies as a result of the bona fide existence of undisclosed Material Information (as defined in the TSX Venture Exchange Corporate Finance manual). For greater certainty, in the absence of the Corporation formally imposing a Blackout Period, the expiry date of any Stock Option will not be automatically extended in any circumstances;

(ii) the Blackout Period must expire upon the general disclosure of the undisclosed Material Information and the expiry date of the Stock Option can be extend to no later than ten (10) business days after the expiry of the Blackout Period; and

(iii) the automatic extension of an Optionee's Stock Option will not be permitted where the Optionee or the Corporation is subject to a cease trade order (or similar order under Securities Laws) (as defined in the TSX Venture Exchange Corporate Finance manual) in respect of the Corporation's securities;

In this Plan, unless there is something in the subject matter or context inconsistent therewith: (a) words in the singular number include the plural and such words shall be construed as if the plural had been used; (b) words in the plural include the singular and such words shall be construed as if the singular had been used; and (c) words importing the use of any gender shall include all genders where the context or party referred to so requires, and the rest of the sentence shall be construed as if the necessary grammatical and terminological changes had been made.

ARTICLE III - ADMINISTRATION OF PLAN

3.1 The Plan shall be administered by the Compensation Committee and in the absence of a Compensation Committee, by the Board. Members of the Compensation Committee shall serve for a period of time as the Board may

determine and may be removed by the Board at any time. The acts of a majority of the members of the Compensation Committee present at any meeting, or acts unanimously approved in writing shall be the acts of the Compensation Committee.

3.2 The Compensation Committee shall have full power and authority, subject to the provisions of the Plan, to establish such rules and regulations as it may deem appropriate for proper administration of the Plan and to make such determinations under, and issue interpretations of, the provisions of the Plan and any outstanding Stock Options as it may deem necessary or advisable. In addition, the Compensation Committee shall have full power and authority to administer and interpret the Plan and make modifications, as it deems appropriate to conform to the Plan and all actions pursuant to the Plan to any regulation or to any change in any law or regulation applicable to the Plan.

3.3 All actions taken and all interpretations and determinations made by the Compensation Committee in good faith (including determination of the Option Price) shall be final and binding upon all Participants, Optionees, the Corporation and all other interested persons. No Director or member of the Compensation Committee shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan and all Directors and members of the Compensation Committee shall, in addition to their rights as Directors, be fully protected by the Corporation with respect to any such action, determination or interpretation.

3.4 The Compensation Committee shall make all Awards. If the Compensation Committee is not composed as prescribed in the definition of Compensation Committee in the definitions hereof, the Board may take such action with respect to any Award as it deems necessary or advisable to comply with the TSX Venture Exchange Corporate Finance Policy manual, including but not limited to seeking shareholder ratification of such Award or restricting the sale of any shares of Common Stock underlying the Award for a period of six months.

ARTICLE IV - ELIGIBILITY AND SELECTION

4.1 Any Participant is eligible to participate in the Plan.

4.2 The Compensation Committee shall from time to time determine the Participants to whom Awards shall be made pursuant to the Discretionary Stock Option Grant Program.

ARTICLE V - SHARES AVAILABLE UNDER THE PLAN

5.1 The number of shares of Common Stock issued or transferred and covered by outstanding Stock Options under the Plan at any time shall be a rolling number equal to a maximum of ten percent (10%) of the issued and outstanding common shares of the Corporation. Shares of Common Stock that may be issued upon the exercise of Stock Options shall be applied to reduce the maximum number of shares remaining available for use under the Plan. The Corporation shall, at all times during the term of the Plan and while any Stock Options are outstanding, retain as authorized and unissued Common Stock, or as treasury Common Stock, at least the number of shares of Common Stock required under the provisions of the Plan or otherwise assure itself of its ability to perform its obligations hereunder.

5.2 Any shares of Common Stock that are subject to an Award under the Plan and that are not used because the terms and conditions of the Award are not met, including any shares of Common Stock that are subject to a Stock Option Plan that expires or is terminated for any reason, shall automatically become available for use under the Plan.

5.3 If any change is made to the Common Stock by reason of a stock split, stock dividend, recapitalization, combination of shares, exchange of shares or other change affecting the outstanding Common Stock as a class without the Corporation's receipt of consideration, appropriate adjustments shall be made to (a) the maximum number and/or class of securities issuable under the Plan, (b) the number and/or class of securities for which Awards are subsequently to be made pursuant to this Article V of the Plan, and (c) the number and/or class of securities and the Option Price per share in effect under each outstanding Stock Option under the Plan. Such adjustments to the outstanding Stock Options are to be affected in a manner that shall preclude the enlargement or dilution of rights and benefits under such Stock Options. The adjustments determined by the Compensation Committee shall be final, binding and conclusive, subject to TSX Venture Exchange approval except where relating to consolidations or splits.

ARTICLE VI - DISCRETIONARY STOCK OPTION GRANT PROGRAM

6.1 The Compensation Committee may, from time to time, grant Stock Options to Participants to purchase shares of Common Stock upon such terms and conditions as the Compensation Committee may determine in accordance with the following provisions:

6.1.1 Each Award shall specify the number of shares of Common Stock to which it pertains;

6.1.2 Each Award shall specify the Option Price per share, which shall not be less than the Discounted Market Price per share of Common Stock on the Date of Grant;

6.1.3 The exercise price of each Award granted to an Optionee within 90 days of a distribution by a prospectus shall be the greater of the Discounted Market Price per share of Common Stock on the Date of Grant and the per share price paid by the public investors for shares acquired by the distribution by a prospectus;

6.1.4 Each Award shall specify that the consideration to be paid in satisfaction of the Option Price shall be paid in cash in the form of currency or cheque or other cash equivalent acceptable to the Corporation;

6.1.5 Subject to the prior approval of the TSX Venture Exchange, any Award may provide that shares of the Common Stock issuable upon the exercise of a Stock Option shall be subject to restrictions whereby the Corporation has the right or obligation to repurchase all or a portion of such shares if the Participant's service to the Corporation is terminated before a specified time, or if certain other events occur or conditions are not met;

6.1.6 Subject to the provisions of this Article VI, successive Awards may be made to the same Participant regardless of whether any Stock Options previously awarded to the Participant remains unexercised;

6.1.7 The Compensation Committee will determine the vesting schedule for each Stock Option in accordance with the rules and policies of the Regulatory Authorities, which schedule will be set out in the agreement with the Participant. In no case will a Stock Option vest at a rate that is less than 20% per year over five years from the Date of Grant;

6.1.8 Each Award shall specify the Term of the Stock Option which Term, subject to the extension provided for within the definition of the word "Term" herein, shall not be greater than five years from the Date of Grant;

6.1.9 Each Award shall be evidenced by an agreement which shall be executed on behalf of the Corporation by any officer thereof, and delivered to and accepted by the Participant and shall contain such terms and provisions as the Compensation Committee may determine consistent with the Plan;

6.1.10 Each Award shall be subject to the requirements that:

(a) disinterested shareholder approval shall be obtained for any reduction in the Option Price or extension of the Term if the Participant is an Insider of the Corporation at the time of the proposed amendment; and

(b) shareholder approval by a simple majority of shareholders shall be obtained for any amendment to previously issued Stock Options where the shareholders approved the initial Award or where the Participant is an Insider at the time of the proposed amendment;

6.1.11 Each Award to an Employee, Consultant or Management Corporation Employee shall include a representation by the Corporation and the Participant that the Participant is a bona fide Employee, Consultant or Management Corporation Employee, as the case may be;

6.1.12 Prior to receiving an Award, a Permitted Optionee must provide a written representation to the Corporation that such Permitted Optionee will not effect or permit any transfer of ownership or option of shares or other equity interests of the Permitted Optionee nor issue any further shares or other

equity of any class in the Permitted Optionee to any other individual or entity as long as the Award remains outstanding, except with the prior written consent of the TSX Venture Exchange.

6.1.13 the maximum aggregate number of common shares of the Corporation that are issuable pursuant to all Awards granted or issued to Insiders (as a group) must not exceed 10% of the issued shares of the Corporation at any point in time;

6.1.14 the maximum aggregate number of common shares of the Corporation that are issuable pursuant to all Awards granted or issued in any 12 month period to Insiders (as a group) must not exceed 10% of the issued shares of the Corporation, calculated as at the date any Award is granted or issued to any Insider;

6.1.15 the maximum aggregate number of common shares of the Corporation that are issuable pursuant to all Awards granted or issued in any 12 month period to any one Participant must not exceed 5% of the issued shares of the Corporation, calculated as at the date any Award is granted or issued to the Participant;

6.1.16 the maximum aggregate number of common shares of the Corporation that are issuable pursuant to all Awards granted or issued in any 12 month period to any one Consultant must not exceed 2% of the issued shares of the Corporation, calculated as at the date any Award is granted or issued to the Consultant;

6.1.17 the maximum aggregate number of common shares of the Corporation that are issuable pursuant to all Awards granted in any 12 month period to all Investor Relations Service Providers in the aggregate must not exceed 2% of the issued shares of the Corporation, calculated as at the date any Award is granted to any such Investor Relations Service Provider; and

6.1.18 Awards issued to any one Investor Relations Service Provider must vest in stages over 12 months with no more than 25% of the Award vesting in any three month period and any acceleration of vesting of Awards held by an Investor Relations Service Provider is subject to the approval of the TSX Venture Exchange.

ARTICLE VII - TERMINATION OF SERVICE

7.1 The following provisions shall govern the exercise of any Stock Option held by an Optionee who ceases to be a Director, Officer, Employee or Consultant:

7.1.1 If the Optionee ceases to be a Director, Officer, Employee or Consultant for any reason other than such Optionee's death or disability, all Stock Options held by the Optionee shall be exercisable, to the extent that such Stock Options were exercisable on the date the Optionee ceased to fall under one of the foregoing categories (the "**Termination Date**") for a period of 30 days following the Termination Date;

7.1.2 If the Optionee ceases to be a Director, Officer, Employee or Consultant because of the Optionee's death or disability all Stock Options held by the Optionee shall become immediately exercisable and shall be exercisable by the Optionee, the personal representative of the Optionee's estate, or the person(s) to who the Stock Options are transferred pursuant to the Optionee's will in accordance with the laws of descent and distribution, as applicable, for a period of 12 months following the Termination Date; and

7.1.3 In no event may any Stock Option remain exercisable after the expiration of the Term of the Stock Option. Upon the expiration of any 30 day or 12 month exercise period, as applicable, or, if earlier, upon the expiration of the Term of the Stock Option, the Stock Option shall terminate and shall cease to be outstanding for any shares for which the Stock Option has not been exercised.

ARTICLE VIII - NON TRANSFERABILITY OF STOCK OPTIONS

8.1 During the lifetime of the Optionee, Stock Options shall be exercisable only by the Optionee and shall not be assignable or transferable. In the event of the Optionee's death prior to the end of the Term, any Stock Option may be

exercised by the personal representative of the Optionee's estate, or by the person(s) to whom the Stock Option is transferred pursuant to the Optionee's will or in accordance with the laws of descent and distribution.

ARTICLE IX - SHAREHOLDERS' RIGHTS

9.1 An Optionee shall have no shareholders' rights with respect to the shares subject to the Stock Option until such person shall have exercised the Stock Option, paid the Option Price and become a holder of record of the purchased shares of Common Stock.

ARTICLE X - ACCELERATION OF VESTING

10.1 The Compensation Committee may at any time in its sole discretion, accelerate the vesting of any Award made pursuant to the Plan by giving written notice to the Optionee. Upon receipt of such notice, the Optionee and the Corporation shall amend the agreement relating to the Award to reflect the new vesting schedule. The acceleration of the vesting of an Award shall not affect the expiration date of such Award.

ARTICLE XI - CHANGE IN CONTROL

11.1 In the event of a Change in Control of the Corporation, all Awards outstanding under the Plan as of the day before the consummation of such Change in Control shall automatically accelerate for all purposes under the Plan so that each Stock Option shall become fully exercisable with respect to the total number of shares subject to such Stock Option and may be exercised for any or all of those shares as fully-vested shares of Common Stock as of such date, without regard to the conditions expressed in the agreements relating to such Stock Option.

ARTICLE XII - CANCELLATION AND NEW AWARD OF OPTIONS

12.1 Subject to the applicable policies of the TSX Venture Exchange and in particular subject to Section 8 of TSX Venture Exchange Policy 4.4 *Security Based Compensation*, the Compensation Committee shall have the authority, at any time and from time to time, with the consent of the affected Optionees, to effect the cancellation of any or all outstanding Stock Options and Award in substitution new Stock Options covering the same or different number of shares of Common Stock. In the case of such a new Award of a Stock Option, the Option Price shall be set in accordance with Article VI on the new Date of Grant.

ARTICLE XIII - EFFECTIVE DATE AND TERM OF THE PLAN

13.1 The Plan shall become effective on the Plan Effective Date. The Plan shall terminate upon the earliest of (a) the Board approving termination of the Plan; or (b) the termination of all outstanding Awards in connection with the Change of Control. Upon such Plan termination, all outstanding Awards shall thereafter continue to have force and effect in accordance with the provisions of the documents evidencing such Awards.

ARTICLE XIV - AMENDMENT OF THE PLAN

14.1 The Compensation Committee may recommend that the Plan be amended or modified in any or all respects and submit such amendments or modifications for shareholder approval. No such amendment or modification shall adversely affect the rights and obligations with respect to such Awards outstanding under the plan at the time of such amendment or modification, unless the Optionee consents to such amendment or modification.

ARTICLE XV - REGULATORY APPROVALS

15.1 The implementation of the Plan, all Awards under the Plan, the amendment of the Plan or any Awards, any adjustment to Awards and the issuance of any shares of Common Stock upon the exercise of a Stock Option shall be subject to the Corporation's procurement of all approvals and permits required by the Regulatory Authorities. No Stock Option shall be exercisable and no shares of Common Stock or other assets shall be issued or delivered under the Plan, unless and until there shall have been compliance with (a) the *Securities Act* (British Columbia) and its Rules, and (b) the requirements of the TSX Venture Exchange.

ARTICLE XVI - NO EMPLOYMENT OR SERVICE RIGHTS

16.1 Nothing in the Plan shall confer upon any Participant or Optionee any right to continue in service for any period or specific duration or interfere with or otherwise restrict in any way the rights of the Corporation (or any Subsidiary employing or retaining such person) or of the Participant or Optionee, which rights are hereby expressly reserved by each, to terminate such person's service at any time for any reason, with or without cause.

ARTICLE XVII - HOLD PERIOD

17.1 In addition to any resale restrictions under securities laws, a stock Option and any shares of Common Stock issued upon the exercise of the Stock Option shall, if required pursuant to the policies of the TSX Venture Exchange, be subject to a four-month TSX Venture Exchange hold period from the Date of Grant of the Stock Option and, in such case, the Stock Option, and the certificate representing the shares of Common Stock, if applicable, will bear the following legend:

> "Without prior written approval of the TSX Venture Exchange and compliance with all securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [date]."

APPENDIX "B"

Statement of Corporate Governance Practices

A summary of the Corporation's corporate governance initiatives in relation to the guidelines for effective corporate governance for venture issuers pursuant to NI 58-101 and National Policy 58-201 - *Corporate Governance Guidelines* is set out below.

Independence of Directors for the Purpose of NI 58-101

The Board has determined that three out of five of the Directors as at the date of the Information Circular were independent for the purpose of NI 58-101. The independent Directors are Joe Nally, Gregory Smith and Tom Layman. The Board determined that two out of five of the Directors are not considered independent for the purpose of NI 58-101. The non-independent Directors are Philip O'Quigley and Anne Flynn, by virtue of being executive officers of the Corporation.

Orientation and Continuing Education

The Board has not adopted a formal policy on the orientation and continuing education of new and current directors. For existing directors, if and when required the Board will arrange for topical presentations to be provided to Board directors or Board committees. Such presentations may be provided by one or more members of the Board and management or by external professionals.

Prior to joining the Board, each new Director shall:

(i) receive a copy of the current Corporate Governance Manual, a copy of the Corporation's Directors and Officers insurance policies (if applicable) and such other materials as the Board may deem appropriate; and

(ii) prior to joining the Board, meet or speak with the Chairman of the Corporation, the Chief Executive Officer of the Corporation and the Chief Financial Officer of the Corporation. Each such officer shall be responsible for outlining the business and prospects of the Corporation both positive and negative with a view to ensuring that the new recruit is properly informed to commence his or her duties as a Director.

(iii) After joining the Board individual directors will take responsibility for providing an orientation and education program for any new director. This may be delivered through informal meetings between the new directors and the Board and senior management, complemented by presentations on the main areas of the Corporation's business.

Ethical Business Conduct

The Corporation is committed to maintaining high standards of corporate governance and this philosophy is communicated at Board, management and employee levels on a regular basis ensuring a culture of ethical business conduct throughout the Corporation. The Board and senior management consults with legal, accounting and auditing advisors as required to ensure compliance with all applicable legal, accounting and other applicable regulatory requirements. To ensure that the directors exercise independent judgment in considering transactions and agreements, the Board requires that all directors declare any conflicts of interest with issues or situations if any arise.

Nomination of Directors and Assessments

The Board has not constituted a Nomination Committee. Given the size of the Board, the Board determined there would be no specific Nomination Committee and that decisions concerning nominations would be reserved for the Board as a whole. The duties which the Board performs in this respect are:

(a) determine what competencies and skills the Board, as a whole, should possess given the nature of the business of the Corporation;

(b) to assess the competencies and skills of each existing Director, with a view to assessing the Board as a whole for the purpose of, in part, facilitating effective decision making by the Board;

(c) to identify and recommend qualified individuals to become new members of the Board if and when deemed necessary, giving due consideration to i) the competencies and skills that the Board considers to be necessary for the

Board, as a whole, to possess; and ii) the competencies and skills that the Board considers each existing Director to possess; and

(d) to recommend the slate of Directors to be nominated for election at the annual meeting of shareholders.

Further it was determined that the responsibilities of a Corporate Governance Committee are also reserved for the Board as a whole. The duties which the Board performs in this respect are to develop and implement a process for assessing the effectiveness of the Board, individual Directors, Board committees and the chairs thereof and to consider the output thereon.

The Board takes steps to satisfy itself that the Board, its committees and individual directors are performing effectively by conducting informal evaluations and an assessment of the performance, contribution and effectiveness of the Board, committees and individual directors. Through the regular interaction between Board members, the Board satisfies itself that the Board, its committees and individual directors are performing effectively. The Board believes that formal assessments are generally more appropriate for corporations of significantly larger size and complexity than the Corporation. A more formal assessment process will be instituted, if, and when the Board deems necessary.

Other Directorships

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

Name of Director	**Current Directorships/Partnerships**
Joe Nally	• Southern Energy Corp
Philip O'Quigley	• N/A
Anne Flynn	• N/A
Gregory Smith	• CanadaBis Capital Inc.
Tom Layman	• N/A

CEO and Director Compensation

The Compensation Committee is responsible for conducting an annual review of the performance of the Corporation and the CEO as measured against objectives established in the prior year by the Compensation Committee and the CEO and approved by the Board. The results of this annual review are communicated to the Board who then makes an evaluation of the overall performance of the Corporation and the CEO. This performance evaluation is communicated to the CEO by the Chair and the Chair of the Compensation Committee. The evaluation is used by the Compensation Committee in its deliberations concerning the CEO's annual compensation. The evaluation of performance against objectives forms part of the determination of the entire compensation of senior employees. The Compensation Committee is also responsible for reviewing the compensation of the outside Directors on an annual basis, taking into account such matters as time commitment, responsibility and compensation provided by comparable organisations. The Compensation Committee consists of Joe Nally, Gregory Smith and Tom Layman.

Other Board Committees

The Corporation also has a "reserves, health safety and environment committee" consisting of Tom Layman and Gregory Smith. The purpose of the reserve committee is to assist the Board in fulfilling its duties with respect to complying with the requirements in National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities.

APPENDIX "C"

Audit Committee Charter
Falcon Oil & Gas Ltd. (the "Corporation")

*National Instrument 52-110 (the "**Instrument**") relating to the composition and function of audit committees applies to every TSX Venture Exchange ("**Venture**") listed company, including the Corporation. The Instrument requires all affected issuers to have a written audit committee charter which must be disclosed, as stipulated by Form 52-110F2, in the management information circular of the Corporation wherein management solicits proxies from the security holders of the Corporation for the purpose of electing directors to the board of directors. This Charter (as hereinafter defined) has been adopted by the board of directors (the "**Board**") in order to comply with the Instrument and to define the role of the Committee (as hereinafter defined) in relation to the oversight of the financial reporting processes of the Corporation. Nothing in this Charter is intended to restrict the ability of the Board or the Committee to alter or vary procedures in order to comply more fully with the Instrument, as amended from time to time.*

1. PURPOSE
The purpose of the Committee is to:

(a) improve the quality of the Corporation's financial reporting;
(b) assist the Board to properly and fully discharge its responsibilities;
(c) provide an avenue of enhanced communication between the directors (the "**Directors**") and external auditors;
(d) enhance the external auditor's independence;
(e) increase the credibility and objectivity of financial reports; and
(f) strengthen the role of the Directors by facilitating in depth discussions between Directors, management and external auditors.

2. DEFINITIONS

"**accounting principles**" has the meaning ascribed to it in National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*;
"**Affiliate**" means a corporation that is a subsidiary of another corporation or corporations that are controlled by the same entity;
"**audit services**" means the professional services rendered by the Corporation's external auditor for the audit and review of the Corporation's financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements;
"**Charter**" means this audit committee charter;
"**Committee**" means the committee established by and among certain members of the Board for the purpose of overseeing the accounting and financial reporting processes of the Corporation and audits of the financial statements of the Corporation;
"**executive officer**" means an individual who is:

(a) the chair of the Corporation;
(b) the vice-chair of the Corporation;
(c) the president of the Corporation;
(d) the vice-president in charge of a principal business unit, division or function including sales, finance or production;
(e) an officer of the Corporation or any of its subsidiary entities who performs a policy-making function in respect of the Corporation; or
(f) any other individual who performs a policy-making function in respect of the Corporation;

"**financially literate**" has the meaning set forth in Section 5 of the Charter;
"**immediate family member**" means a person's spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, brother or sister-in-law, and anyone (other than an employee of either the person or the person's immediate family member) who shares the individual's home;
"**independent**" has the meaning set forth in Section 3 of the Charter;
"**MD&A**" has the meaning ascribed to it in National Instrument 51-102;
"**Member**" means a member of the Committee;
"**National Instrument 51-102**" means National Instrument 51-102 *Continuous Disclosure Obligations*;
"**non-audit services**" means services other than audit services.

3. MEANING OF INDEPENDENCE

3.1 A Member is independent if he or she has no direct or indirect material relationship with the Corporation.

3.2 For the purposes of Section 3.1 of the Charter, a "material relationship" is a relationship which could, in the view of the issuer's Board, be reasonably expected to interfere with the exercise of a Member's independent judgement.

3.3 Despite Section 3.2 of the Charter, the following individuals are considered to have a material relationship with the Corporation:

(a) an individual who is, or has been within the last three years, an employee or executive officer of the Corporation;

(b) an individual whose immediate family member is, or has been within the last three years, an executive officer of the Corporation;

(c) an individual who:

(i) is a partner of a firm that is the Corporation's internal or external auditor,

(ii) is an employee of that firm, or

(iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;

(d) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:

(i) is a partner of a firm that is the issuer's internal or external auditor,

(ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice, or

(iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;

(e) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the issuer's current executive officers serves or served at that same time on the entity's compensation committee; and

(f) an individual who received, or whose immediate family member who is employed as an executive officer of the issuer received, more than $75,000 in direct compensation from the issuer during any 12 month period within the last three years.

3.4 Despite Section 3.3, an individual will not be considered to have a material relationship with the issuer solely because

(a) he or she had a relationship identified in Section 3.3 of the Charter if that relationship ended before March 30, 2004; or

(b) he or she had a relationship identified in Section 3.3 of the Charter by virtue of Section 3.8 of the Charter if that relationship ended before June 30, 2005.

3.5 For the purposes of Section 3.3(c) and Section 3.3(d), a partner does not include a fixed income partner whose interest in the firm that is the internal or external auditor is limited to the receipt of fixed amounts of compensation (including deferred compensation) for prior service with that firm if the compensation is not contingent in any way on continued service.

3.6 For the purposes of Section 3.3(f), direct compensation does not include:

(a) remuneration for acting as a member of the Board or of any board committee of the Corporation, and

(b) the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Corporation if the compensation is not contingent in any way on continued service.

3.7 Despite Section 3.3, an individual will not be considered to have a material relationship with the issuer solely because the individual or his or her immediate family member

(a) has previously acted as an interim chief executive officer of the Corporation, or

(b) acts, or has previously acted, as a chair or vice-chair of the Board or of any board committee of the issuer on a part-time basis.

3.8 For the purpose of Section 3, an issuer includes a subsidiary entity of the issuer and a parent of the issuer.

4. ADDITIONAL INDEPENDENCE REQUIREMENTS

4.1 Despite any determination made under Section 3, an individual who

(a) accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary entity of the issuer (other than immaterial/ inconsequential), other than as remuneration for acting in his or her capacity as a member of the Board or any board committee, or as a part-time chair or vice-chair of the Board or any board committee; or

(b) is an affiliated entity of the issuer or any of its subsidiary entities, is considered to have a material relationship with the issuer.

4.2 For the purposes of Section 4.1, the indirect acceptance by an individual of any consulting, advisory or other compensatory fee includes acceptance of a fee by

(a) an individual's spouse, minor child or stepchild, or a child or stepchild who shares the individual's home; or

(b) an entity in which such individual is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer.

4.3 For the purposes of Section 4.1, compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.

5. MEANING OF FINANCIAL LITERACY

For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

6. AUDIT COMMITTEE

The Board has hereby established the Committee for, among other purposes, compliance with the Instrument.

7. RELATIONSHIP WITH EXTERNAL AUDITORS

The Corporation will henceforth require its external auditor to report directly to the Committee and the Members shall ensure that such is the case.

8. COMMITTEE RESPONSIBILITIES

8.1 The Committee shall be responsible for making the following recommendations to the Board:

(a) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation; and

(b) the compensation of the external auditor.

8.2 The Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting. This responsibility shall include:

(a) reviewing the audit plan with management and the external auditor;

(b) reviewing with management and the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgements of management that may be material to financial reporting;

(c) questioning management and the external auditor regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;

(d) reviewing any problems experienced by the external auditor in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management;

(e) reviewing audited annual financial statements, in conjunction with the report of the external auditor, and obtaining an explanation from management of all significant variances between comparative reporting periods;

(f) reviewing the post-audit or management letter containing the recommendations of the external auditor and management's response and subsequent follow up to any identified weakness;

(g) reviewing interim unaudited financial statements before release to the public;
(h) reviewing all public disclosure documents containing audited or unaudited financial information before release, including any prospectus, the annual report, the annual information form and MD&A;
(i) reviewing the evaluation of internal controls by the external auditor, together with management's response;
(j) reviewing the terms of reference of the internal auditor, if any;
(k) reviewing the reports issued by the internal auditor, if any, and management's response and subsequent follow up to any identified weaknesses; and
(l) reviewing the appointments of the chief financial officer and any key financial executives involved in the financial reporting process, as applicable.

8.3 The Committee shall pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the issuer's external auditor.

8.4 The Committee shall review the Corporation's financial statements, MD&A, and annual and interim earnings press releases before the Corporation publicly discloses this information.

8.5 The Committee shall ensure that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, and shall periodically assess the adequacy of those procedures.

8.6 When there is to be a change of auditor, the Committee shall review all issues related to the change, including the information to be included in the notice of change of auditor called for under National Instrument 51-102, and the planned steps for an orderly transition.

8.7 The Committee shall review all reportable events, including disagreements, unresolved issues and consultations, as defined in National Instrument 51-102, on a routine basis, whether or not there is to be a change of auditor.

8.8 The Committee shall, as applicable, establish procedures for:
(a) the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and
(b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.

8.9 As applicable, the Committee shall establish, periodically review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer, as applicable.

8.10 The responsibilities outlined in this Charter are not intended to be exhaustive. Members should consider any additional areas which may require oversight when discharging their responsibilities.

9. DE MINIMIS NON-AUDIT SERVICES

The Committee shall satisfy the pre-approval requirement in Section 8.3 hereof if:
(a) the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the issuer and its subsidiary entities to the issuer's external auditor during the financial year in which the services are provided;
(b) the Corporation or the subsidiary of the Corporation, as the case may be, did not recognise the services as non-audit services at the time of the engagement; and
(c) the services are promptly brought to the attention of the Committee and approved by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee, prior to the completion of the audit.

10. DELEGATION OF PRE-APPROVAL FUNCTION

10.1 The Committee may delegate to one or more independent Members the authority to pre-approve non-audit services in satisfaction of the requirement in Section 8.3 hereof.

10.2 The pre-approval of non-audit services by any Member to whom authority has been delegated pursuant to Section 10.1 hereof must be presented to the Committee at its first scheduled meeting following such pre-approval.

11. COMPOSITION

11.1 The Committee shall be composed of a minimum of three Members.

11.2 Every Member shall be a Director of the issuer.

11.3 The majority of Members shall be independent.

11.4 Every Member shall be financially literate.

12. AUTHORITY

Until the replacement of this Charter, the Committee shall have the authority to:

(a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
(b) set and pay the compensation for any advisors employed by the Committee;
(c) communicate directly with the internal and external auditors; and
(d) recommend the amendment or approval of audited and interim financial statements to the Board.

13. DISCLOSURE IN INFORMATION CIRCULAR

If management of the Corporation solicits proxies from the shareholders of the Corporation for the purpose of electing directors to the Board, the Corporation shall include in its management information circular the disclosure required by Form 52-110F2 (Disclosure by Venture issuers).

14. MEETINGS

14.1 Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly.

14.2 Opportunities shall be afforded periodically to the external auditor and to members of senior management to meet separately with the Members.

14.3 Minutes shall be kept of all meetings of the Committee.