



**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON NOVEMBER 17, 2020**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

**DATED OCTOBER 6, 2020**

**TETHYS PETROLEUM LIMITED**  
**190 ELGIN AVENUE, GEORGE TOWN,**  
**GRAND CAYMAN, KY1-9005, CAYMAN ISLANDS**

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN THAT** an annual general meeting (the “**Meeting**”) of the holders of Ordinary Shares of Tethys Petroleum Limited (the “**Company**”) will be held at 5100 Poplar Avenue, Suite 3120, Memphis, Tennessee, 38137, United States on November 17, 2020 at 9.00am (Central Standard Time – local time in Memphis, United States) for the following purposes as well as to transact such other business as may properly be brought before the Meeting or any adjournment thereof:

**General Business**

**1. Resolution 1 – Receipt of Financial Statements and Auditors’ Report**

To receive and consider the financial statements of the Company for the year ended December 31, 2019 and the report of the auditors thereon.

**2. Resolutions 2.1 to 2.5 – Election of Directors**

To propose each of the following separate resolutions as ordinary resolutions of the Company, the appointment of which and the resignation of the existing directors pursuant to Article 69 of the Articles shall take effect from the conclusion of the Meeting:

2.1 to re-elect Abay Amirkhanov as a director of the Company;

2.2 to elect Yerlan Dikhanbayev as a director of the Company;

2.3 to re-elect Adeola Ogunsemi as a director of the Company;

2.4 to re-elect Mattias Sjoborg as a director of the Company; and

2.5 to re-elect William P. Wells as a director of the Company;

**3. Resolution 3 – Appointment and Remuneration of Auditors**

To propose the following resolution as an ordinary resolution of the Company:

That Grant Thornton UK LLP, be appointed as auditors of the Company to hold office in accordance with the Company’s Articles of Association, and that their compensation be fixed by the board of directors.

The Company has elected to use the notice-and-access provisions under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (the “**Notice-and-Access Provisions**”) for the Meeting. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials that must be physically mailed to shareholders by allowing the Company to post the Circular and any additional materials online. Shareholders will receive a notice package including form of proxy and may choose to receive a paper copy of (i) the combined Notice of Meeting and Circular (the “**Circular**”); and/or (ii) the Company’s audited financial statements for the most recently completed financial year, together with the report of the auditor thereon, and any interim financial statements of the Company’s subsequent to the financial statements for the Company’s most recently completed financial year. The Company will not use the procedure known as 'stratification' in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of the Circular to some shareholders with this notice package. In relation to the Meeting, all shareholders will receive the required documentation under the Notice-and-Access Provisions, which will not include a paper copy of the Circular.

If you are a non-registered Shareholder and have received these materials through your broker, investment dealer or other intermediary, you will not receive a form of proxy. Please follow the instructions provided by such broker, investment dealer or other intermediary to ensure that your vote is counted at the Meeting. See “Advice to Beneficial Owners” in the accompanying Circular.

The details of all matters proposed to be put before shareholders at the Meeting are set forth in the Circular. At the Meeting, shareholders will be asked to approve each of the foregoing resolutions, all as more particularly described in the Circular.

Only shareholders of record as of October 7, 2020 (the “**Record Date**”) are entitled to receive notice of the Meeting.

**DATED** this 6<sup>th</sup> day of October, 2020.

**BY ORDER OF THE BOARD OF DIRECTORS**

*“Casey McCandless”*  
Corporate Secretary

## **IMPORTANT**

It is desirable that as many Ordinary Shares as possible be represented at the Meeting. If you do not expect to attend and would like your Ordinary Shares represented, please complete the form of proxy and return it as soon as possible. In accordance with the Articles, to be valid, all proxies must be deposited at the office of the Registrar and Transfer Agent of the Company at 301 – 100 Adelaide St W Toronto, ON M5H 4H1, Canada not later than 5:00 p.m. (Eastern Standard Time – local time in Toronto, Canada) on Friday November 13, 2020 or twenty-four hours preceding any adjournment of the Meeting.

The Company gives notice that only those shareholders entered on the register of shareholders (or their duly appointed proxies) at close of business on the Record Date, will be entitled to attend and vote at the Meeting in respect of the number of Ordinary Shares registered in their name at that time.

A shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and, on a poll, to vote in his or her place. A proxy need not be a shareholder of the Company. Completion of a form of proxy does not preclude a shareholder from subsequently attending and voting at the Meeting in person if he or she so wishes.

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# TETHYS PETROLEUM LIMITED

## ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON NOVEMBER 17, 2020

### MANAGEMENT INFORMATION CIRCULAR

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of Tethys Petroleum Limited (“**Tethys**”, the “**Company**” or “**we**”) for use at the annual general meeting of the holders of ordinary shares of the Company (“**Ordinary Shares**”) to be held at 5100 Poplar Avenue, Suite 3120, Memphis, Tennessee, 38137, United States on November 17, 2020 at 9.00am (Central Standard Time – local time in Memphis, United States), or at any adjournment thereof (the “**Meeting**”), for the purposes set forth in the notice of meeting (the “**Notice of Meeting**”).

The Company has elected to use the notice-and-access provisions (“**Notice-and-Access Provisions**”) under National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) and National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) for the Meeting. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that allows issuers to post electronic versions of proxy-related materials online, via the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) and one other website, rather than mailing paper copies of such materials to securityholders.

Electronic copies of this notice, the Information Circular (the “**Circular**”) and other Meeting materials may be found on the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com) and on a host website at <https://docs.tsxtrust.com/2080>. Under the Notice-and-Access Provisions, Meeting materials will be available for viewing on the host website for one year from the date of posting.

Holders of the Ordinary Shares (each a “**Shareholder**” and, collectively the “**Shareholders**”) are directed to read the Circular carefully and in full in evaluating the matters for consideration at the Meeting. Further disclosure on the matters set out above may be found in the Circular in the section entitled “*Particulars of Matters to be Acted Upon*”.

Shareholders will receive paper copies of a notice package (the “**Notice Package**”) via mail containing a notice with the information prescribed by NI 54-101 and a form of proxy (if a registered Shareholder) or a voting instruction form (if a non-registered Shareholder). The Company will not use procedures known as “stratification” in relation to the use of the Notice-and-Access Provisions. Stratification occurs when an issuer using the Notice-and-Access Provisions sends a paper copy of the Information Circular to some securityholders with a Notice Package.

The costs incurred in the preparation and mailing of the Notice Package will be borne by the Company. In addition to the use of mail, proxies may be solicited by personal interviews, personal delivery, telephone or any form of electronic communication or by directors, officers and employees of the Company who will not be directly compensated therefor.

Shareholders may obtain paper copies of the Circular and the Meeting materials free of charge by calling 1-866-600-5869 or by emailing [TMXEInvestorServices@tmx.com](mailto:TMXEInvestorServices@tmx.com) at any time up until the date of the Meeting, including any adjournment or postponement thereof. Any Shareholder wishing to obtain a paper copy of the Meeting materials should submit their request by November 5, 2020 (or if the Meeting is adjourned to noon on the second business day preceding the date of the adjourned Meeting) in order to receive paper copies of the Meeting materials in time to vote before the Meeting. Shareholders may also use the toll-free number noted above to obtain more information about the Notice-and-Access Provisions.

Registered shareholders are requested to complete, date and sign the form of proxy and deliver it in accordance with the instructions set out in the form of proxy and in the Circular. If you plan to attend the Meeting and wish to vote in person, please follow the instructions on the voting form to appoint yourself, instead of the management nominees, to vote at the Meeting.

Shareholders who hold their shares with a bank, broker or other financial intermediary are not registered Shareholders. All non-registered Shareholders who receive these materials through a broker or other intermediary should complete and return the materials in accordance with the instructions provided to them by such broker or intermediary.

A non-registered Shareholder receiving a voting instruction form or proxy cannot use that form as a proxy to vote such Shareholder's Ordinary Shares directly at the Meeting; rather, the voting instruction form must be returned in accordance with the instructions provided well in advance of the Meeting in order for such Shareholder's Ordinary Shares to be voted at the Meeting.

**All information provided herein is as at the date of this Circular unless otherwise indicated.**

#### **VOTING BY PROXY - APPOINTMENT AND REVOCATION OF PROXIES**

**The persons named (the "Management Designees") in the instrument of proxy (the "Instrument of Proxy") are directors or officers of the Company and have been selected by the directors of the Company and have indicated their willingness to represent as proxy the Shareholder who appoints them. A registered Shareholder has the right to designate a person (whom needs not be a Shareholder) other than the Management Designees to represent such Shareholder at the Meeting.** Such right may be exercised by inserting in the space provided for that purpose on the Instrument of Proxy the name of the person to be designated and by deleting therefrom the names of the Management Designees, or by completing another proper form of proxy and delivering the same to the registrar and transfer agent of the Company, TSX Trust Company (the "**Registrar and Transfer Agent**"). Such shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxy and should provide instructions on how the Shareholder's Ordinary Shares are to be voted. The nominee should bring personal identification with him or her to the Meeting. In any case, the form of proxy should be dated and executed by the Shareholder or an attorney authorised in writing, with proof of such authorisation attached, where an attorney executed the proxy form or, if the appointor is a company, under its seal or under the hand of its duly authorised officer or attorney or other person authorised to sign. In addition, a proxy may be revoked by a Shareholder personally attending at the Meeting and voting his or her shares. A proxy nominee need not be a Shareholder.

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and delivered to the Registrar and Transfer Agent, addressed to its attention, at 301 – 100 Adelaide St W Toronto, ON M5H 4H1, Canada not later than 5:00 p.m. (Eastern Standard Time – local time in Toronto, Canada) on Friday November 13, 2020 or twenty-four hours preceding any adjournment of the Meeting (of more than 48 hours, but less than 28 days). Any proxy delivered in respect of the Meeting will be valid for any adjournment of the Meeting. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy. The board of directors of the Company (the "**Board**") has approved William P. Wells, the Executive Chairman of the Company, to serve as Chairman of the Meeting.

A Shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. In addition to revocation in any other manner permitted by law, a proxy may be revoked by depositing an instrument in writing executed by the Shareholder or by his or her authorised attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorised, either at the registered office of the Company or with the Registrar and Transfer Agent, addressed to its attention, at 301 – 100 Adelaide St W Toronto, ON M5H 4H1, Canada at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, at which the proxy is to be used, or by depositing the instrument in writing with the Chairman of such Meeting on the day of the Meeting, or any adjournment thereof. In addition, a proxy may be revoked by the Shareholder personally attending the Meeting and voting his or her Ordinary Shares.

A Shareholder giving a proxy has the right to attend the Meeting, or appoint someone else to attend as his or her proxy at the Meeting and the proxy submitted earlier can be revoked in the manner described above.

#### **VOTING IN PERSON AT THE MEETING**

A registered Shareholder will appear on a list of Shareholders prepared by the Registrar and Transfer Agent for purposes of the Meeting. To vote in person at the Meeting each registered shareholder will be required to register for the Meeting by identifying themselves at the registration desk. Non-registered Beneficial Shareholders must appoint themselves as a proxyholder to vote in person at the Meeting. Also see "*Advice to Beneficial Shareholders*" below.

## VOTING OF PROXIES

Each shareholder may instruct his or her proxy how to vote his or her Ordinary Shares by completing the blanks on the Instrument of Proxy. All Ordinary Shares represented at the Meeting by properly executed proxies will be voted (including the voting on any ballot), and where a choice with respect to any matter to be acted upon has been specified in the Instrument of Proxy, the Ordinary Shares represented by the proxy will be voted in accordance with such specification. **In the absence of any such specification as to voting on the Instrument of Proxy, the Management Designees, if named as proxy, will vote in favour of Resolutions 2 and 3 as set out in the Notice of Meeting. No vote with respect to Resolution 1 is required or proposed to be taken. In the absence of any specification as to voting on any other form of proxy, the Ordinary Shares represented by such form of proxy will be voted as the proxy sees fit.**

**The enclosed Instrument of Proxy confers discretionary authority upon the Management Designees, or other persons named as proxy, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Company is not aware of any amendments to, variations of or other matters which may come before the Meeting. In the event that other matters come before the Meeting, then the Management Designees intend to vote in accordance with the judgment of management of the Company.**

## ADVICE TO BENEFICIAL SHAREHOLDERS

**The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold Ordinary Shares in their own name.**

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the issuer or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, has 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 issuer (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.

Shareholders who hold their Ordinary Shares (a “**Beneficial Shareholder**”) in the following manner:

- (a) registered in the name of an intermediary that the Beneficial Shareholder deals with in respect of the Ordinary Shares. Intermediaries include banks, trust companies, securities dealers or brokers, and trustees or certain administrators; or
- (b) registered in the name of a depository (such as The Canadian Depository for Securities Limited or “**CDS**”),

should note that only proxies deposited by Shareholders who appear on the records maintained by the Registrar and Transfer Agent as registered holders of Ordinary Shares will be recognized and acted upon at the Meeting. If Ordinary Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Ordinary Shares will, in all likelihood, not be registered in the Shareholder’s name.

In accordance with applicable laws, including but not limited to National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, non-registered owners who have advised their Intermediary that they do not object to the Intermediary providing their ownership information to issuers whose securities they beneficially own (“**Non-Objecting Beneficial Owners**,” or “**NOBOs**”) will receive by mail: (i) a voting information form which is not signed by the Intermediary and which, when properly completed and signed by the non-registered holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “**Voting Instruction Form**”); (ii) a letter from the Company with respect to the notice and access procedure; and (iii) the request for financial statements form (collectively, the “**Notice and Access Package**”). The Circular and the Notice of Meeting may be found at and downloaded from <https://docs.tsxtrust.com/2080>.



NOBOs who have standing instructions with the Intermediary for physical copies of the Circular will receive by mail the Notice and Access Package, the Circular and the Notice of Meeting.

Intermediaries are required to forward the Notice and Access Package to non-registered owners who have advised their Intermediary that they object to the Intermediary providing their ownership information (“**Objecting Beneficial Owners,**” or “**OBOs**”) unless an OBO has waived the right to receive them. Very often, Intermediaries will use service companies to forward proxy-related materials to OBOs. Generally, OBOs who have not waived the right to receive proxy-related materials will either be given a form of proxy or a Voting Instruction Form, as described further below. Management of the Company does not intend to pay for Intermediaries to forward the Notice and Access Package to OBOs. An OBO will not receive the Notice and Access Package unless the Intermediary assumes the cost of delivery.

**A. Voting Instruction Form.** In most cases, a Beneficial Shareholder will receive, as part of the meeting materials, a 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 holder’s behalf), the voting instruction form must be completed, signed and returned in accordance with the directions on the form. In accordance with the Articles, to be valid, all voting instruction forms must be deposited at the office of the Registrar and Transfer Agent of the Company at 301 – 100 Adelaide St W Toronto, ON M5H 4H1, not later than 5:00 p.m. (Eastern Standard Time – local time in Toronto, Canada) on Friday November 13, 2020, or twenty-four hours preceding any adjournment of the Meeting of more than 48 hours, but less than 28 days. 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 voting instruction form in accordance with the directions provided and a form of proxy giving the right to attend and vote will be forwarded to the Beneficial Shareholder, or

**B. Form of 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 Ordinary Shares beneficially owned by the Beneficial Shareholder but which is otherwise uncompleted. 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 holder’s behalf), the Beneficial Shareholder must complete the form of proxy and deposit it with the Registrar and Transfer Agent at 301 – 100 Adelaide St W Toronto, ON M5H 4H1, Canada not later than 5:00 p.m. (Eastern Standard Time – local time in Toronto, Canada) on Friday November 13, 2020, or twenty-four hours preceding any adjournment of the Meeting of more than 48 hours, but less than 28 days. If a Beneficial Shareholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the holder’s behalf), the Beneficial Shareholder must strike out the names of the Management Designees named in the proxy and insert the Beneficial Shareholder’s (or such other person’s) name in the blank space provided.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Ordinary Shares registered in the name of his or her broker, a Beneficial Shareholder may attend the Meeting as proxy holder for the registered Shareholder and vote the Ordinary Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Ordinary Shares as proxy holder for the registered shareholder, should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker.**

All references to Shareholders in this Circular and the accompanying Instrument of Proxy and the Notice of Meeting are to registered Shareholders unless specifically stated otherwise.

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

No person proposed or who has been a director or executive officer of the Company at any time since the beginning of its last completed financial year, or any associate of any such director or executive officer has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, except as disclosed in this Circular.

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

As at the Record Date, Tethys had no preference shares and 104,955,999 Ordinary Shares issued and outstanding. Every Shareholder present has on a show of hands one vote for each Ordinary Share of which he, she or it is the holder and on a poll every Shareholder present in person or represented by proxy has one vote for each Ordinary Share of

which he, she or it is the holder. Only those Shareholders of record on the Record Date are entitled to receive notice of and vote at the Meeting.

Two or more Shareholders present in person or represented by proxy constitute a quorum for the Meeting, irrespective of the number of persons actually present at the Meeting.

To the knowledge of the directors and executive officers of the Company, as of the date of this Circular, no person or company beneficially owns, or exercises control or direction over, directly or indirectly, more than 10% of the voting rights attached to all of the issued and outstanding Ordinary Shares other than (i) Pope Asset Management, LLC, and its affiliates, whose clients own 28,563,938 Ordinary Shares or approximately 27.2% of the outstanding Ordinary Shares, (ii) Olisol Petroleum Limited which owns 24,304,446 Ordinary Shares or approximately 23.2% of the outstanding Ordinary Shares, and (iii) Jaka Partners FZC which owns 17,414,758 Ordinary Shares or approximately 16.6% of the outstanding Ordinary Shares.

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

### **GENERAL BUSINESS**

#### ***Shareholder Resolution No. 1 – Receipt of Financial Statements and Auditors’ Report***

At the Meeting, Shareholders will receive and consider the financial statements of the Company for the year ended December 31, 2019 and the auditors’ report thereon, but no vote by the Shareholders with respect thereto is required or proposed to be taken.

#### ***Shareholder Resolution No. 2 – Election of Directors***

The Company currently has five (5) directors, all of whom are being nominated for election. The table set out below sets forth the name of each of the persons proposed to be nominated for election as a director, all positions and offices in the Company presently held by such nominee, the nominee’s municipality of residence, principal occupation at present and during the preceding five years, the period during which the nominee has served as a director, and the number of Ordinary Shares that the nominee has advised are beneficially owned or over which control or direction is exercised by the nominee, directly or indirectly, as of the Record Date.

The Articles of the Company provide that Shareholders have a right to vote ‘for’ or ‘against’ (rather than ‘withhold’) the election of each director on an individual basis. Pursuant to the Articles, a director who receives more votes “against” than votes “for” will be considered not to have been elected.

**In the absence of contrary directions, the Management Designees, if named as proxy, intend to vote for the election of the persons named in the following tables to the Board.** Each director elected will hold office until the next annual general meeting of Shareholders or until his successor is duly elected, unless his office is earlier vacated.

#### ***Procedure for Nomination of Directors***

Under the Articles of the Company, no person other than a director retiring may be appointed or reappointed a director at a general meeting unless (i) he or she is recommended by the Board, or (ii) no earlier than one day after the notice of the meeting is sent to shareholders and no later than 7 days before the date fixed for the meeting, there shall have been left at the registered office of the Company notice in writing signed by a Shareholder (other than the person to be proposed) duly qualified to attend and vote at the meeting of his or her intention to propose that person for appointment or reappointment together with notice in writing signed by that person of his or her willingness to be appointed or reappointed.

The directors named below are the only five directors nominated for election to the Board.

<b>Name and Place of Residence</b>	<b>Director Since</b>	<b>Present Principal Occupation, Business or Employment</b>	<b>Number of Ordinary Shares Beneficially Owned, or over which Control or Direction is Exercised, Directly or Indirectly</b>
<b>Abay Amirkhanov</b> <sup>(1)</sup> Nursultan, Kazakhstan	September 6, 2018	Mr. Amirkhanov is Chief Executive Officer of Kazakhstan company Inform System LLP and between 2010 and 2016 held a number of senior positions at Kaztransgas Aymak JSC.	Nil
<b>Yerlan Dikhanbayev</b> <sup>(1)</sup> Nursultan, Kazakhstan	March 2, 2020	Mr. Dikhanbaev is a Director of Eurotransit Terminal LLP, a Kazakhstan-based trade and procurement, commercial, agency, customs brokerage, warehousing, rendering and freight forwarding services business. He has held similar senior level positions at Qazaq Business Group LLP, KazTransGas Aimak JSC, Soyuztranslink LLP and Proctor and Gamble, Central Asia.	Nil
<b>Adeola Ogunsemi</b> <sup>(1)</sup> Richmond, Texas, United States	June 11, 2015	Mr. Ogunsemi is an experienced oil and gas professional and is currently the Chief Financial Officer of Oando Energy Resources, a leading African exploration and production company.	Nil
<b>Mattias Sjoborg</b> <sup>(1)</sup> London, United Kingdom	November 16, 2016	Mr. Sjoborg is Chairman and Chief Executive Officer of Plena Group and has led teams through origination, due diligence, negotiation and the restructuring of medium to large emerging market enterprises.	1,047,498 <sup>(2)</sup>
<b>Willian P. Wells</b> <sup>(1)</sup> Memphis, Tennessee, United States	November 20, 2015	Mr. Wells is the founder and primary portfolio manager for Pope Asset Management, LLC (“PAM”). Founded in 2000, PAM is a Registered Investment Advisor offering financial asset management services to high net worth investors.	28,563,938 <sup>(3)</sup>

**Notes:**

- (1) William P. Wells is not an independent director as a result of being an executive officer of the Company. Messrs. Sjoborg, Amirkhanov, Dikhanbaev and Ogunsemi are all independent directors (as defined herein).
- (2) Represents Ordinary Shares owned by Plena Holding S.A. (Luxembourg) of which Mr. Sjoborg is the beneficial owner.
- (3) Represents the Ordinary Shares owned by PAM clients and over which PAM may exercise control or direction.

The term of each of the aforementioned directors ends on the date of the Meeting.

### ***Corporate Cease Trade Orders and Penalties or Sanctions***

The Company was subject to a failure-to-file cease trade order (“**FFCTO**”) issued by the Alberta Securities Commission on June 29, 2018, which order was revoked on September 7, 2018 once the Company brought its filings with Canadian regulatory authorities up to date.

Apart from the above-mentioned FFCTO, no proposed director nor the Chief Executive Officer or Chief Financial Officer is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company that was:

- (i) subject to an order (within the meaning of Canadian securities legislation) that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (ii) subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No proposed director has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or any other penalty or sanction imposed by a court or regulatory body.

### ***Corporate Bankruptcies***

No proposed director nor the Chief Executive Officer or Chief Financial Officer is, as at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

### ***Personal Bankruptcies***

No proposed director nor the Chief Executive Officer or Chief Financial Officer has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

### ***Shareholder Resolution No. 3 – Appointment and Remuneration of the Auditors***

Shareholders will be asked to consider and, if thought appropriate, to approve and adopt an ordinary resolution appointing Grant Thornton UK LLP (“**GTUK**”), 30 Finsbury Square, London, EC2A 1AG, United Kingdom, as auditors of the Company to hold office in accordance with the Company’s Articles of Association, and that their compensation be fixed by the Board. GTUK were appointed as auditors of the Company on November 7, 2018.

In the absence of contrary directions, the Management Designees, if named as proxy, intend to vote proxies for the ordinary resolution approving the appointment of GTUK as auditors for the Company for the ensuing year and authorizing the Board to fix the compensation of the auditors.

## DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

### Compensation Discussion and Analysis

#### *Introduction*

We depend on the performance of experienced and committed executive officers with the skills, education, experience and personal qualities necessary to manage our business. Our executive compensation arrangements are designed and administered to attract and retain such individuals, particularly with the skills to work successfully in our specific areas of operation.

In 2019, Mattias Sjoborg, Chief Executive Officer and Clive Oliver, Chief Financial Officer and Corporate Secretary, (collectively, the “**Named Executive Officers**”) met the requirements to be classified as “Named Executive Officers” of the Company, as such term is defined in Form 51-102F6 Statement of Executive Compensation to National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) for the year ended December 31, 2019.

#### *Elements of Compensation*

We use different compensation elements in our executive compensation arrangements. The primary components of our executive compensation program are:

- base compensation;
- cash bonuses and
- other benefits.

See the section titled “*Disclosure of Corporate Governance Practices – Other Board Committees – Compensation Committee*” for additional discussion on the Company’s approach to determining the compensation of Named Executive Officers and directors.

#### *Compensation Consultants and Advisors*

The Company did not use compensation consultants or advisers during the last two years ended December 31, 2019.

#### **Summary Compensation Table**

The following table sets forth all compensation paid to Named Executive Officers and directors for the two years ended December 31, 2019, other than the compensation described below under the heading “*Outstanding Option based Awards*”.

Name and Position	Year	Salary, consulting fee, retainer or commission  (US\$)	Bonus  (US\$)	Committee or meeting fees  (US\$)	Value of perquisites  (US\$)	Value of all other compensation  (US\$)	Total compensation (US\$) <sup>(1)(2)</sup>
Mattias Sjoborg <sup>(3)</sup>	2019	80,935	Nil	18,024	Nil	Nil	98,959
Interim Chief Executive Officer and Director	2018	75,044	Nil	7,009	Nil	Nil	82,053 <sup>(6)</sup>
Clive Oliver <sup>(4)</sup>	2019	228,983	Nil	N/A	Nil	Nil	228,983

<b>Name and Position</b>	<b>Year</b>	<b>Salary, consulting fee, retainer or commission (US\$)</b>	<b>Bonus (US\$)</b>	<b>Committee or meeting fees (US\$)</b>	<b>Value of perquisites (US\$)</b>	<b>Value of all other compensation (US\$)</b>	<b>Total compensation (US\$)<sup>(1)(2)</sup></b>
Former Chief Executive Officer	2018	193,046	Nil	N/A	Nil	24,301	217,347
Former Chief Financial Officer and Corporate Secretary							
William P. Wells	2019	44,648	Nil	5,103	Nil	Nil	49,751
Director	2018	46,725	Nil	5,340	Nil	Nil	52,065
Medgat Kumar	2019	44,647	Nil	8,931	Nil	Nil	53,578
Former Director	2018	46,725	Nil	10,680	Nil	Nil	57,405
Adeola Ogunsemi	2019	44,647	Nil	8,931	Nil	Nil	53,578
Director	2018	46,725	Nil	9,345	Nil	Nil	56,070
Abay Amirkhanov	2019	44,649	Nil	Nil	Nil	Nil	44,649
Director	2018	14,855	Nil	Nil	Nil	Nil	14,855

**Notes:**

- (1) Cash amounts paid or accrued in respect of the services of the non-executive directors were paid/are payable in pounds sterling (£). These amounts were converted into US\$ for the purposes of the above table at an average rate of UK£1.00 = US\$1.276 (2019) and UK£1.00 = US\$1.335 (2018), based on the average exchange rate quoted by bankofengland.com for the year.
- (2) Total compensation for the year represents the sum of all cash compensation paid or accrued. There were no option-based or share based awards granted in the 2018 or 2019 years.
- (3) Mr. Sjoborg was appointed Interim Chief Executive Officer effective July 9, 2018 and stepped down from this role effective September 1, 2019.
- (4) Mr. Oliver was appointed Chief Executive Officer effective September 1, 2019. Amounts paid in respect of his services were paid in pounds sterling (£). These amounts were converted into US\$ for the purposes of the Summary Compensation Table at an average rate of UK£1.00 = US\$1.276 (2019) and UK£1.00 = US\$1.335 (2018), based on the average exchange rate quoted by bankofengland.co.uk for the year. Mr. Oliver ceased to be CFO as of May 3, 2020

**Employment Agreements**

Mr. Sjoborg was appointed Interim Chief Executive Officer effective July 9, 2018 and received a monthly fee of US\$10,000 until September 1, 2019 when he stepped down from that role. He did not have a written employment agreement.

Mr. Oliver was employed by the Company pursuant to an employment agreement dated August 14, 2018 (the “**CFO Agreement**”). The CFO Agreement did not have an express term and was terminable by the Company as well as by Mr. Oliver with two months’ notice. The CFO Agreement was terminated by Mr. Oliver on May 3, 2020.

## **Incentive Plan Awards**

### ***Outstanding Option based Awards***

The Company previously operated a Stock Incentive Plan although no awards have been made under the plan, including to directors or Named Executive Officers, since March 2016. The Company does not currently intend to make any awards under this plan for the foreseeable future.

The following sets forth all compensation securities, consisting of Stock Options granted under the Stock Incentive Plan, held by a Named Executive Officer or director as of the year ended December 31, 2019 for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries:

- Clive Oliver, former Chief Financial Officer and Corporate Secretary held (i) 148,750 Stock Options expiring on August 3, 2020, exercisable at £0.25 and (ii) 85,000 Stock Options expiring on January 22, 2020, exercisable at £1.50; and
- William P. Wells, Director, and Adeola Ogunsemi, Director, each held 43,312 Stock Options expiring March 31, 2026, exercisable at £0.25.

No Named Executive Officer or director exercised a compensation security during the year ended December 31, 2019.

### ***Stock Incentive Plan***

Prior to its initial public offering, the Company adopted the Stock Incentive Plan referred to as the “*2007 Long Term Stock Incentive Plan (as amended effective April 24, 2008 and May 7, 2009)*” pursuant to which the Company could grant Stock Options to any director, officer, employee or consultant of the Company or subsidiary of the Company (collectively, “**Service Providers**”). The purpose of the Stock Incentive Plan was to secure for the Company and the Shareholders the benefits of incentives inherent in share ownership by Service Providers who, in the judgment of the Board, would be largely responsible for its future growth and success. No awards have been made under the Stock Incentive Plan since March 2016 and the Company does not currently intend to do so for the foreseeable future.

## **Defined Benefit or Actuarial Plans**

The Company did not have any defined benefit (or actuarial plans) or defined contribution plan during the financial year ended December 31, 2019.

## **Termination and Change of Control Benefits**

There are no employment agreements in effect that provide for payments to Named Executive Officers on termination or upon a change of control of the Company, except as described above under “*Employment Agreements*”.

The Stock Incentive Plan provides that, in the event of a “Change of Control” (as defined therein), all outstanding Stock Options will immediately vest and become exercisable.

## **DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES**

Pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, the Company is required to include in this Information Circular the disclosure required under Form 58-101F2 – *Corporate Governance Disclosure (Venture Issuers)*.

### **Introduction**

The Board is committed to a high standard of corporate governance practices. The Board believes that this commitment is not only in the best interests of shareholders but that it also promotes effective decision making at

Board level. The Board is of the view that its approach to corporate governance is appropriate and continues to work to align with the recommendations currently in effect and contained in National Policy 58-201 – *Corporate Governance Guidelines* (“NP 58-201”). In addition, the Board monitors and considers for implementation the corporate governance standards which are proposed by various Canadian regulatory authorities.

### Board of Directors

The Board is responsible for overseeing the conduct of the business of the Company and supervising management, who are responsible for the daily conduct of the business of the Company. The Board is currently comprised of 5 (five) directors, all of whom are being nominated for election at the Meeting. A director is “independent” within the meaning of Section 1.4 of National Instrument 52-110 – *Audit Committees* (“NI 52-110”) if he or she does not have any direct or indirect material relationship with the Company which, in the view of the Board, could reasonably interfere with the exercise of the member’s independent judgement. Based on the foregoing definition, the Board has 4 (four) independent directors at the date of this Circular.

<b>Independence Status of Directors</b>				
<b>Name</b>	<b>Management</b>	<b>Independent</b>	<b>Not Independent</b>	<b>Reason for Non-Independent Status</b>
William P. Wells	✓			Executive Chairman and Chief Executive Officer from March 17, 2020
Adeola Ogunsemi		✓		N/A
Mattias Sjoborg		✓		N/A
Abay Amirkhanov		✓		N/A
Yerlan Dikhanbayev		✓		N/A

The Board is comprised of a majority of independent directors and so the Board has concluded that the Board has functioned and can continue to function independently as required.

Following the election of the directors at the Meeting, the Board will consist of five directors, four of whom will be independent within the meaning of section 1.4 of NI 52-110. Mr. Wells is not independent by virtue of being the Executive Chairman and Chief Executive Officer of the Company.

Certain of the directors are also directors of other reporting issuers (or the equivalent) in a Canadian or foreign jurisdiction as indicated in the table below:

<b>Name</b>	<b>Reporting Issuer</b>
William P. Wells	Annuity and Life Re (Holdings), Ltd.



## **Orientation and Continuing Education**

### *Director Orientation*

Under the Board Charter, the Chairman and Corporate Secretary are responsible for providing an induction program for new directors and for periodically providing materials for all directors on subjects that would assist them in discharging their duties. When a new director is elected to the Board, he or she will be given a letter of appointment outlining his or her duties, responsibilities, the role of the Board, its committees and its directors, the nature and operation of the Company's business, remuneration and an induction package including material that will assist with the familiarization of the director with the Company. The intention is that within a reasonable time following appointment to the Board, each new director shall spend time visiting the Company's operations for a personal briefing by the executive on the Company's values, operations, corporate interests, strategic plans, financial statements and key policies.

### *Continuing Education of Directors*

Under the Board Charter, the Corporate Secretary shall alert directors to opportunities to better understand their corporate governance responsibilities through continuing education programs. In addition, directors are encouraged to visit the Company's facilities, to interact with management and employees and to stay abreast of industry developments and the evolving business of the Company.

## **Ethical Business Conduct**

The Company has adopted a written Code of Business Conduct and Ethics (the "**Code**") which applies to the Company's directors, officers and employees, a copy of which can be obtained under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). The Company expects all directors, officers and employees to act ethically at all times in accordance with the Code.

The Board takes reasonable steps to monitor compliance with the Code by requiring employees, on the commencement of employment and as otherwise directed by management, to sign a copy of the Code acknowledging that the employee has read, understood and will comply with the Code. The Code encourages that an employee report to their supervisor or the Board possible unethical conduct and breaches of the Code. The Company's Secretary acts as Compliance Monitor with respect to such matters.

In addition to the Code, the Company has adopted an Audit Committee Charter and a Whistleblower Policy (the "**Policy**") with respect to accounting and auditing irregularities. The Policy enables directors, officers and employees to forward any accounting and auditing concerns to the Chairman of the Audit Committee on an anonymous basis. The Company has also adopted a disclosure and insider trading policy to ensure the communications to the investing public about the Company are timely, factual and accurate in accordance with applicable legal and regulatory requirements and to help ensure that the directors, officers and other insiders of the Company understand and comply with the insider trading restrictions under applicable securities legislation.

Since the beginning of the Company's most recently completed financial year, no material change reports have been filed that pertain to any conduct of a director or executive officer that constitutes a departure from the Code.

The Board encourages and promotes a culture of ethical business conduct by appointing directors who demonstrate integrity and high ethical standards in their business dealings and personal affairs. Directors are required to abide by the Code and are expected to make responsible and ethical decisions in discharging their duties, thereby setting an example of the standard to which management and employees should adhere.

The Board requires that the Chief Executive Officer and other executive officers act with integrity and foster a culture of integrity throughout the Company. The Board is responsible for reviewing departures from the Code, reviewing and either providing or denying waivers from the Code, and disclosing any waivers that are granted in accordance with applicable law. In addition, the Board is responsible for responding to potential conflict of interest situations, particularly with respect to considering existing or proposed transactions and agreements in respect of which directors

or executive officers advise they have a material interest. Directors and executive officers are required to disclose any interest and the extent, no matter how small, of their interest in any transaction or agreement with the Company, and that directors excuse themselves from both Board deliberations and voting in respect of transactions in which they have an interest. By taking these steps the Board strives to ensure that directors exercise independent judgement, unclouded by the relationships of the directors and executive officers to each other and the Company, in considering transactions and agreements in respect of which directors and executive officers have an interest.

An Anti-Bribery Policy was put in place in 2011. The policy prohibits the offering, giving, solicitation or acceptance of any bribe, whether cash or other inducement to or from any person or company, wherever they are situated and whether they are a public official or body or private person or company, by any individual employee, agent or other person or body acting on the Company's behalf in order to gain any commercial, contractual or regulatory advantage for the Company in a way which is unethical or in order to gain any personal advantage, pecuniary or otherwise, for the individual or anyone connected with the individual.

The policy has been implemented Company-wide in order to ensure the following:

#### ***Proportionate Procedures***

Procedures are proportionate to the bribery risks faced and to the nature, scale and complexity of the Company's activities. They are also clear, practical to implement and enforced.

#### ***Top-level commitment***

Top management fosters a culture where bribery is never acceptable.

#### ***Risk assessment***

It assesses the nature and extent of its exposure to potential external and internal risks of bribery being committed on its behalf by persons associated with it. The assessment is periodic and documented.

#### ***Due Diligence***

The Company applies appropriate due diligence in respect of persons who perform or will perform services for or on behalf of the Company in order to mitigate identified bribery risks.

#### ***Communication***

Through internal and external communication, including training, the organisation seeks to ensure that its bribery prevention policies are embedded and understood throughout the Company.

#### ***Monitoring and Review***

The Company monitors and reviews procedures designed to prevent bribery by persons associated with it. The Company engaged an international legal firm in 2014 to assist the Company to review and update its Anti-Bribery and Corruption policies and procedures.

#### **Nomination of Directors and Compensation**

The Compensation Committee is responsible for identifying new candidates to join the Board. The Committee is Chaired by Mattias Sjoborg. The Committee is responsible for identifying qualified candidates, recommending nominees for election as directors and appointing directors to committees. The Compensation Committee is requested to objectively consider, among other things, a candidate's independence, financial and technical acumen, skills, ethical standards, career experience, financial responsibilities and risk profile, understanding of fiduciary duty and available time to devote to the duties of the Board in making their recommendations for nomination to the Board. The Committee reviews the composition and size of the Board and tenure of directors in advance of annual general meetings, as well as when individual directors indicate that their terms may end or that their status may change. The

Compensation Committee encourages all directors to participate in considering the need for and in identifying and recruiting new nominees for the Board. In doing so, the directors are requested by the Compensation Committee to have regard to the skill sets which are deemed, from time to time, to be most desired in proposed nominees for the Board.

With respect to compensation, the Compensation Committee reviews and approves corporate goals and objectives relevant to the directors and executive officers' compensation, evaluates the directors' and Executive Officers' performance in the light of those corporate goals and objectives and determines or makes recommendations to the Board with respect to the directors and executive officers' compensation level based on this evaluation. This committee also considers and, if deemed appropriate, reviews and approves proposed changes to compensation for the executive officers of the Company and incentive compensation plans of the Company. This includes the review of the Company's executive compensation and other human resource philosophies and policies, the review and administration of the Company's bonuses and stock options plan and the preparation and submission of a report for inclusion in annual continuous disclosure documents, as required.

Aside from Mr. Sjoborg, the Compensation Committee is comprised of non-management members of the Board and is required to convene at least two times each year.

### **Other Board Committees**

The Company's three standing committees are the Compensation Committee, Reserves Committee and Audit Committee. The functions of the Compensation Committee and the Reserves Committee are set out below. The function of the Audit Committee is set out in detail in the section titled "*Audit Committee*".

### ***Compensation Committee***

The general aims of the Compensation Committee are to assist the Board in: (i) setting the compensation of senior management and directors, including Named Executive Officers; and (ii) nominating members for election or appointment to the Board, in each case pursuant to a process whereby those responsible for recommendations to the Board have no personal interest in the outcome of the decisions.

The Compensation Committee:

- (a) reviews and approves corporate goals and objectives relevant to the Chief Executive Officer's compensation, evaluates the performance of the Chief Executive Officer in the light of those corporate goals and objectives and determines (or makes recommendations to the Board with respect to) the Chief Executive Officer's compensation level based on this evaluation;
- (b) considers and, if deemed appropriate, approves the Chief Executive Officer's recommendations for compensation for the executive officers and Company incentive compensation plans;
- (c) reviews executive compensation disclosure before the Company publicly discloses this information;
- (d) reviews and assesses the risks associated with the compensation and benefit programmes and ensures such programmes are in alignment with the Company's corporate goals and value creation objectives; and
- (e) is responsible for appointing and determining the terms of appointment of any consultants in respect of the executive officers' compensation.

In fulfilling its role, the following general policies apply:

- (i) the Compensation Committee determines and reviews with the Chief Executive Officer and with the Board the framework or policies for the compensation of the executive officers;

- (ii) in determining such policy, the Compensation Committee takes into account all factors which it deems necessary;
- (iii) the remuneration of non-executive directors is a matter for the Board and recommended by the Chairman; and
- (iv) no director or executive officer is involved in any decisions as to his or her own compensation.

Under the direction of the Compensation Committee, the Company is committed to the fundamental principles of fair pay for performance, improved shareholder returns and external competitiveness in the design, development and administration of its compensation programs. The Compensation Committee recognizes the need to attract and retain a stable and focused leadership with the capability to manage the operations, finances and assets of the Company.

### ***Reserves Committee***

The function of the Reserves Committee is to recommend the engagement of a reserves evaluator, ensure the reserves evaluator's independence, review the procedures for disclosure of reserves evaluation, meet independently with the reserves evaluator to review the scope of the annual review of reserves, discuss findings and disagreements with management, annually (or when deemed necessary) assess the work of the reserves evaluator and approve the Company's annual reserve report (and resource reports if appropriate) and consent forms of management and the reserves evaluator thereto. The Reserves Committee will act in a like manner should other external subsurface studies, beyond the annual reserves report, be required by the Company during the course of the year.

### **Assessments**

Currently the Board, its Committees and individual directors are not regularly assessed with respect to their effectiveness and contribution.

The Board regularly reviews the performance of the officers of the Company and, should any issues arise, the Chairman would then discuss any issues with the Compensation Committee.

One component of good corporate governance, for example to identify gaps between a company's strategy and the skillset of the Board to deliver the strategy, is to periodically hold a board review, facilitated by external nomination consultants. The Compensation Committee does not believe that such an exercise would add value to the Company at this time but may instigate a review at some future juncture.

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

No director or executive officer of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any of them is or was indebted to the Company at any time since the beginning of the last completed financial year of the Company except for "routine indebtedness" (as defined under Canadian securities laws).

## **AUDIT COMMITTEE**

### ***Audit Committee Charter***

The Audit Committee is responsible for reviewing the Company's financial reporting procedures, internal controls and the performance of the external auditors. The Audit Committee Charter of Tethys was reviewed and updated in March 2013 and a copy of this updated charter is set forth as Appendix A of this Circular.

### ***Composition of the Audit Committee***

All members of the committee are considered independent and all members are financially literate within the meaning of NI 52-110 – *Audit Committees*.

## ***Relevant Education and Experience of Members of the Audit Committee***

### **Adeola Ogunsemi (Chairman)**

Mr. Adeola Ogunsemi is an experienced oil and gas professional. Mr. Ogunsemi is currently the Chief Financial Officer of Oando Energy Resources, a leading African exploration and production company, previously listed on the Toronto Stock Exchange in Canada. Previously, Mr. Ogunsemi was with BP America for 5 years, rising to become Assistant Controller.

Before joining BP America, Mr. Ogunsemi worked for Northern Illinois Gas in Chicago, USA, for 4 years, the Chicagoland Chamber of Commerce and Midas International in Chicago, USA.

Mr. Ogunsemi obtained a Master of Business Administration (MBA) in Finance and Strategic Management from the University of Chicago Booth School of Business in 2003 and a Bachelor of Science in Accounting and Finance from DePaul University in Chicago in 2000. He is also a Chartered Global Management Accountant (CGMA) in the USA and an Associate Chartered Accountant in Nigeria.

### **Mattias Sjoborg**

Mr. Mattias Sjoborg is Chairman and Chief Executive of Plena Group, which he joined in 2001, and has led teams through origination, due diligence, negotiation and the restructuring of medium to large emerging market enterprises. In 2001, Mr. Sjoborg bought out Plena Group in a management buy-out and has led its growth by continuing to assemble cross border transactions as well as government privatisations in predominately emerging markets. Mr. Sjoborg has a BA in Corporate Finance and an MBA degree from IMD Lausanne, Switzerland.

## ***Audit Committee Oversight***

At no time since the commencement of the Company's most recent financial year, has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board.

## ***Reliance on Certain Exemptions***

At no time since the commencement of the Company's most recently completed financial year, has the Company relied on any of the following exemptions from NI 52-110:

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

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

The Audit Committee has delegated to the Chairman of the Audit Committee (or such other member of the Audit Committee who may be delegated authority), the authority to act on behalf of the Audit Committee between meetings of the Audit Committee with respect to the pre-approval of audit and permitted non-audited services provided by the external auditor. The Audit Committee is required to be notified of any non-approved services over and above audit and tax. The Chairman reports on any such pre-approval at the next meeting of the Audit Committee.

### **External Auditor Service Fees**

The following table provides information about the aggregate fees billed to the Company and its affiliates for professional services rendered by GTUK and its affiliated firms for the year-ended December 31, 2019, in their capacity as the Company's external auditors.

<b>Type of Service Provided</b>	<b>Year-ended December 31, 2019</b>	<b>Year-ended December 31, 2018</b>
Audit Fees	\$151,877	\$160,144
Audit-Related Fees	-	-
Tax Fees	-	-
All Other Fees	-	-
<b>Total</b>	<b>\$151,877</b>	<b>\$160,144</b>

### **Exemption**

The Company is relying upon Section 6.1 of NI 52-110 which exempts venture issuers from the requirements of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of NI 52-110.

### **EQUITY COMPENSATION PLAN INFORMATION**

The following table provides details as at December 31, 2019 with respect to all compensation plans of the Company under which equity securities of the Company are authorised for issuance.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected herein)</b>
Equity compensation plans approved by security holders <sup>(1)</sup>	Options: 1,362,188	Options: US\$0.43	Options: 2,666,244

### **Notes:**

- (1) In addition, 1 million Ordinary Shares have been reserved for issuance pursuant to the Company's Employee Share Purchase Plan (the "ESPP"), which received Shareholder approval in 2013. The Company does not intend to implement the ESPP in the foreseeable future.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Management of the Company is not aware of any material interest, direct or indirect, of any director or executive officer of the Company, any Shareholder of the Company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the voting securities of the Company or any associate or affiliate of such persons, in any transaction within the most recently completed financial year or during the current financial year that has materially affected or is reasonably expected to materially affect the Company.

## **AUDITORS**

The auditors of the Company are Grant Thornton UK LLP, who were appointed on November 8, 2018.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is available under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com). Financial information relating to Tethys is provided in the Company's financial statements and management's discussion and analysis ("MD&A") for the financial year ended December 31, 2019. Shareholders may contact the Company to request copies of the financial statements and MD&A by: (i) mail to 190 Elgin Avenue, George Town, Grand Cayman, KY1-9005, Cayman Islands or (ii) email to [info@tethys-group.com](mailto:info@tethys-group.com).

## **APPROVAL OF DIRECTORS**

The contents of this Circular and the sending, communication or delivery thereof to the Shareholders of the Company entitled to receive the Notice of the Meeting, to each director of the Company, to the auditors of the Company and to the appropriate governmental agencies have been approved and authorised by the directors of the Company.

DATED October 6, 2020

**ON BEHALF OF THE BOARD OF DIRECTORS**

**William P. Wells, Chairman**

**APPENDIX A**  
**AUDIT COMMITTEE CHARTER**

*(see attached)*



**TETHYS PETROLEUM LIMITED**



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**Audit Committee Charter**

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## 1 INTERPRETATION

In these terms of reference:-

"**Auditor**" means the external auditors of the Company;

"**Board**" means the board of directors of the Company;

"**Code of Conduct and Ethics Policy**" means the Company's Code of Conduct and Ethics Policy in force at the date of adoption of this Charter, as it may be amended or replaced from time to time;

"**Committee**" means the audit committee of the Board; and

"**Company**" means Tethys Petroleum Limited.

## 2 CONSTITUTION

By a resolution dated October 5, 2006, the Board resolved, pursuant to the authority and power conferred upon the Board by Article 101 of the Company's articles of association, to establish a committee of the Board to be known as the audit committee.

## 3 GENERAL AIMS

Without prejudice to the specific duties of the Committee detailed below, the general aims of the Committee shall be to assist the Board in meeting its financial reporting responsibilities and to oversee the Company's relationship with the Auditor.

## 4 SPECIFIC DUTIES

The Committee shall perform the following duties for the Company.

### 4.1 Financial Reporting

4.1.1 The Committee shall review the financial statements of the Company, including its:

- (a) annual and interim reports and accounts;
- (b) announcements of annual and interim results; and
- (c) any other formal announcement relating to the Company's financial results.

4.1.2 The Committee shall review and discuss with management and the Auditor:

- (a) the Company's annual audited financial statements and related documents prior to their filing or distribution, including:
  - (i) the annual financial statements, related footnotes and Management's Discussion and Analysis, including significant issues regarding accounting principles, practices and significant management estimates and judgements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to

- the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies;
- (ii) the use of off-balance sheet financing including management's risk assessment and adequacy of disclosure;
  - (iii) any significant changes to the Company's accounting policies;
  - (iv) the Auditor's audit report on the financial statements; and
- (b) the Company's quarterly unaudited financial statements and related documents prior to their filing of distribution, including.
- (i) quarterly unaudited financial statements and related documents, including Management's Discussion and Analysis including significant issues regarding accounting principles, practices and significant management estimates and judgements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies;
  - (ii) if applicable, the Auditor's report of its review of the financial statements;
  - (iii) the use of off-balance sheet financing including management's risk assessment and adequacy of disclosure;
  - (iv) any significant changes to the Company's accounting policies.

4.1.3 The Committee shall review:

- (a) the Company's Annual Information Form, or other similar report filed with securities regulatory authorities, as to financial information;
- (b) all prospectuses and information circulars of the Company as to financial information;
- (c) any financial information contained in other documents, such as announcements of a price sensitive nature.

4.1.4 The Committee shall review:

- (a) the consistency of, and any changes to, accounting policies both on a year on year basis and across the Company;
- (b) the methods used to account for significant or unusual transactions where different approaches are possible;

- (c) whether the Company has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the Auditor;
  - (d) the Company's reporting practices; and
  - (e) all significant financial reporting issues and all judgements which they contain.
- 4.1.5 The Committee shall review and discuss with management financial information, including earnings press releases, the use of “pro forma” or non-IFRS financial information and earnings guidance, contained in any filings with the securities regulators or news releases related thereto (or provided to analysts or rating agencies) and consider whether the information is consistent with the information contained in the financial statements of the Company or any subsidiary with public securities. Such discussion may be done generally (consisting of discussing the types of information to be disclosed and the types of presentations to be made).
- 4.1.6 The Committee shall review the annual financial statements of any pension funds where not reviewed by the Board as a whole.
- 4.1.7 The Committee shall recommend to the Board the approval of the annual financial statements and related documents and either approve the interim financial statements and related documents or recommend to the Board such financial statements and documents for approval.
- 4.2 Internal Controls and risk management systems**
- 4.2.1 The Committee shall:
- (a) keep under review the effectiveness of the Company's internal controls and risk management systems; and
  - (b) review and approve any statements to be included in the Company's annual report and accounts concerning internal controls and risk management.
- 4.3 Ethics Reporting**
- 4.3.1 The Committee is responsible for the establishment of a policy and procedures for:
- (a) the receipt, retention and treatment of any complaint received by the Company regarding financial reporting, accounting, internal accounting controls or auditing matters;
  - (b) the confidential, anonymous submissions by employees of the Company of concerns regarding questionable accounting or auditing matters.
- 4.3.2 The Committee will review, on a timely basis, serious violations of the Code of Conduct and Ethics Policy including all instances of fraud.
- 4.3.3 The Committee will review on a summary basis at least quarterly all reported violations of the Code of Conduct and Ethics Policy.

#### 4.4 **Internal Audit**

The Committee shall consider annually whether there is a need for an internal audit function and make a recommendation to the Board accordingly. In the event that an internal audit function is introduced, the Board shall extend as appropriate the terms of reference to include, inter alia, monitoring and reviewing the effectiveness of the internal audit function, senior appointments and removals in respect of that function, resourcing of that function, meetings with the internal auditors and reviewing executive management's responsiveness to findings and recommendations of the internal audit function.

#### 4.5 **External Audit**

##### 4.5.1 The Committee shall:

- (a) consider and make recommendations to the Board, to be put to shareholders for approval at the Annual General Meeting, in relation to the appointment, re-appointment or removal of the Auditor. The Committee shall oversee the selection process for new auditors and if an auditor resigns the Committee shall investigate the issues leading to this and decide whether any action is required;
- (b) oversee the Company's relationship with the Auditor including (but not limited to):
  - (i) approval of their remuneration, whether fees for audit or non-audit services and ensuring that the level of fees is appropriate to enable an adequate audit to be conducted;
  - (ii) approval of their terms of engagement, including any engagement letter issued at the start of each audit and the scope of the audit;
  - (iii) assessing annually their independence and objectivity taking into account relevant professional and regulatory requirements and the relationship with the Auditor as a whole, including the provision of any non-audit services;
  - (iv) satisfying itself that there are no relationships (such as family, employment, investment, financial or business) between the Auditor and the Company (other than in the ordinary course of business) or any other conflict of interest;
  - (v) agreeing with the Board a policy on the employment of former employees of the Auditor, then monitoring the implementation of this policy;
  - (vi) ensuring receipt, at least annually, from the external auditor of a formal written statement delineating all relationships between the Auditor and the Company, including non-audit services provided to the Company;
  - (vii) monitoring the Auditor's compliance with relevant ethical and professional guidance on the rotation of audit partners, the level of fees

paid by the Company compared to the overall fee income of the firm, office and partner and other related requirements; and

- (viii) assessing annually the qualifications, expertise and resources of the Auditor and the effectiveness of the audit process, which shall include a report from the Auditor on their own internal quality procedures;
- (c) overseeing the work of the Auditor, including the resolution of disagreements between management and the Auditor;
- (d) meeting regularly with the Auditor, including once at the planning stage before the audit and once after the audit at the reporting stage. The Committee shall meet the Auditor at least once a year, without executive management being present, to discuss their remit and any issues arising from the audit;
- (e) reviewing and approving the annual external audit plan and ensure that it is consistent with the scope of the audit engagement;
- (f) reviewing the findings of the audit with the Auditor;
- (g) reviewing any representation letter(s) requested by the Auditor before they are signed by the executive management;
- (h) reviewing the executive management letter and executive management's response to the Auditor's findings and recommendations;
- (i) giving consideration to the rotation of the audit partner on a periodic basis;
- (j) reviewing any related findings and recommendations of the Auditor together with management's responses including the status of previous recommendations;
- (k) reviewing any serious difficulties or disputes with management encountered during the course of the audit, including any restrictions on the scope of the Auditor's work or access to required information; and
- (l) reviewing any other matters related to the conduct of the external audit, which are to be communicated to the Committee by the Auditor under generally accepted auditing standards.

4.5.2 The Committee shall develop and implement policies and procedures on the supply of non-audit services by the Auditor, taking into account any relevant statutory requirements on the matter. If such policies and procedures have not been adopted, the Committee shall pre-approve any non-audit services to be provided to the Company or its subsidiaries by the Auditor, except that the Committee has delegated a de minimis level of \$20,000 per annum to the Committee Chair who will report to the Committee at their next meeting of any work approved with this limit.

#### 4.6 **Other Matters**

The Committee shall:

- (a) have access to sufficient resources in order to carry out its duties, including access to the Company secretariat for assistance as required;
- (b) be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members; and
- (c) oversee any investigation of activities which are within its terms of reference.

## 5 **REPORTING**

- 5.1 The chairman of the Committee shall report to the Board generally on its proceedings after each meeting.
- 5.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any matter within its remit where action or improvement is needed.
- 5.3 The Committee's Charter shall be available on request and shall be available on the Company's website (if any).

## 6 **REGULATORY DUTIES**

In carrying out its duties the Committee shall:

- (a) give due regard to:
  - (i) all relevant legal and regulatory requirements; and
  - (ii) the rules of any stock exchange or which the Company's securities may be listed;
- (b) ensure that it has such information as it considers necessary or desirable to fulfil its duties as set out in these terms of reference.

## 7 **MEMBERSHIP**

- 7.1 Members of the Committee shall be appointed from time to time by the Board, in consultation with the chairman of the Committee.
- 7.2 The Committee shall be made up of at least three members each of whom shall be a member of the Board.
- 7.3 The chairman of the Board shall not be a member of the Committee.
- 7.4 All members of the Committee shall be "independent" as that term is defined under the requirements of applicable securities laws and the standards of any stock exchange on which the Company's securities are listed, taking into account any transitional provisions that are permitted.
- 7.5 Members shall serve one-year terms and may serve consecutive terms to ensure continuity of experience. Members shall be reappointed each year to the Committee by the Board at the Board meeting that coincides with the annual shareholder meeting. A

member of the Committee shall automatically cease to be a member upon ceasing to be a director of the Company. Any member may resign or be removed by the Board from membership on the Committee or as Chair.

- 7.6 All members of the Committee must be “financially literate” as that qualification is interpreted by the Board and or acquire such literacy within a reasonable period of time after joining the Committee. At the present time, the Board interprets “financial literacy” to mean a basic understanding of finance and accounting and the ability to read and understand financial statements (including the related notes) of the sort released or prepared by the Company in the normal course of its business.
- 7.7 The Board shall appoint the chairman of the Committee who shall be a non-executive director of the Company. In the absence of the Chairman, the remaining members of the Committee present at a fully convened Committee meeting may elect one of their number to chair the meeting. The Board shall determine the period for which the chairman of the Committee holds office.
- 7.8 The Board may from time to time remove members from the Committee.
- 7.9 The membership of the Committee shall be set out in the annual report of the Company.

## 8 **SECRETARY**

The Board shall from time to time nominate an appropriate person to be the secretary of the Committee.

## 9 **MEETINGS**

- 9.1 The Committee shall meet at least two times in each year at appropriate times in the reporting and audit cycle and at such other times as the chairman of the Committee shall require.
- 9.2 Meetings of the Committee shall be summoned by the secretary of the Committee at the request of any member of the Committee or at the request of the Auditor or any internal auditor if they consider it necessary.
- 9.3 Unless otherwise agreed, at least three (3) working days notice shall be given of each meeting of the Committee.
- 9.4 Unless otherwise agreed, notice of each meeting of the Committee shall:
- (a) confirm the venue, time and date of the meeting;
  - (b) include an agenda of items to be discussed at the meeting; and
  - (c) be sent to each member of the Committee, the secretary, any other person required, invited or entitled to attend the meeting and all other non-executive directors of the Company.
- 9.5 Supporting papers shall be sent to members of the Committee and to other attendees at the same time as the relevant notice.



- 9.6 The quorum necessary for the transaction of business by the Committee shall be two members of the Committee and a duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 9.7 Only members of the Committee shall have the right to attend meetings of the Committee. However, others (such as the other directors, representatives from the finance function of the Company and external advisers) may be invited to attend and speak at (but not vote at) a meeting of the Committee as and when appropriate.
- 9.8 The Auditor shall be invited to attend and speak at meetings of the Committee on a regular basis but shall not be entitled to vote at such meetings.
- 9.9 Meetings of the Committee may be held by conference telephone or similar communications equipment whereby all members participating in the meeting can hear each other; provided always however that at least once per annum a direct meeting shall be held between the Committee and the Auditor where a quorum of the members of the Committee and the Auditor are present in person at the same location.
- 9.10 Matters for decision by the Committee shall be decided by a majority decision of the members.

## 10 MINUTES

- 10.1 The secretary of the Committee shall minute the proceedings and resolutions of Committee meetings and record the names of those present and in attendance.
- 10.2 The secretary of the Committee shall ascertain, at the start of each Committee meeting, the existence of any conflicts of interest and minute them accordingly.
- 10.3 Following each meeting of the Committee, the secretary shall circulate, for comment, draft minutes to each member who was present at the meeting.
- 10.4 After approval and signing of the minutes by the chairman of the Committee meeting, the secretary shall circulate copies of the minutes to all members of the Board, (unless a conflict of interest exists).

## 11 AUTHORITY

- 11.1 The Committee is a committee of the Board and as such exercises such powers of the Board as have been delegated to it.
- 11.2 The Committee is authorised by the Board to investigate any activity within its terms of reference.
- 11.3 The Committee is authorised to:
- (a) seek any information it requires (including from any employee of the Company) in order to perform its duties;

- (b) obtain outside legal or other professional advice (including the advice of independent consultants) on any matters within its terms of reference including, without limitation, any legal matters which could have a significant effect on the Company's financial position;
- (c) to commission any reports or surveys, which it deems necessary, to help it fulfil its obligations;
- (d) to secure the attendance of external advisors at its meetings (if it considers it necessary); and
- (e) to call any employee to be questioned at a meeting of the Committee as and when required,

all at the Company's expense.

## 12 OWN PERFORMANCE

At least once a year, the Committee shall review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.



