

TRANSGLOBE ENERGY CORPORATION

(the "COMPANY")

**CHARTER OF RESERVES, HEALTH, SAFETY, ENVIRONMENT AND SOCIAL
RESPONSIBILITY COMMITTEE**

Reviewed and Approved by the Board of Directors: January 22, 2019

(Signature of the Chairman of the Board of Directors)

CHARTER OF RESERVES, HEALTH, SAFETY, ENVIRONMENT AND SOCIAL RESPONSIBILITY COMMITTEE

This Reserves, Health, Safety, Environment and Social Responsibility Committee Charter (the "**Charter**") outlines the specific roles and duties of the members of the Reserves, Health, Safety, Environment and Social Responsibility Committee (the "**RHSES Committee**"), a committee of the board of directors (the "**Board of Directors**" or "**Board**").

GENERAL FUNCTIONS, AUTHORITY AND ROLE

Reserves

The RHSES is a committee of the Board of Directors appointed to assist the Board in monitoring: (1) the integrity of the oil and gas reserves of the Company; (2) compliance by the Company with legal and regulatory requirements related to reserves; (3) qualifications, independence and performance of the Company's independent reserve evaluators; (4) performance of the Company's procedures for providing information to the independent reserve evaluators; and (5) resources other than reserves reported by the Company.

The RHSES Committee has the power to conduct or authorize investigations into any matters within its scope of responsibilities, with full access to all books, records, facilities and personnel of the Company, its reserve evaluators and its legal advisors. In connection with such investigations or otherwise in the course of fulfilling its responsibilities under this Charter, the RHSES Committee has the authority to independently retain special legal, engineering, or other consultants to advise it, and may request any officer or employee of the Company, its independent legal counsel or independent reserve evaluators to attend a meeting of the RHSES Committee or to meet with any members of, or consultants to, the RHSES Committee. The RHSES Committee also has the power to create specific sub-committees with all of the investigative powers described above.

The Company's independent reserve evaluators are ultimately accountable to the Board of Directors and to the RHSES Committee. The members of the RHSES Committee, as representatives of the Company's shareholders, have the ultimate authority and responsibility to evaluate the independent reserve evaluators, and to select the independent reserve evaluators on an annual basis (as a minimum) or as required. In the course of fulfilling its specific responsibilities hereunder, the RHSES Committee must maintain free and open communication between the Company's independent reserve evaluators, the Board of Directors and Company management. The responsibilities of a member of the RHSES Committee are in addition to such member's duties as a member of the Board of Directors.

While the RHSES Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the RHSES Committee to plan or conduct reserve evaluations or to determine that the Company's reserve statements are complete, accurate, and in accordance with generally accepted engineering principles. This is the responsibility of management and the independent reserve evaluators. Nor is it the duty of the RHSES Committee to conduct investigations, to resolve disagreements, if any, between management and the independent reserve evaluators (other than disagreements regarding reserve reporting), or to assure compliance with laws and regulations.

Health, Safety, Environment and Social Responsibility ("HSES")

The RHSES Committee will assist the Board of Directors in carrying out its responsibility to the development and implementation of an effective HSES management system to ensure that the Company's activities are planned and executed in a safe and responsible manner.

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Capital Budget

The RHSES Committee will assist the Board of Directors in carrying out its responsibility to approve the annual capital budget. The RHSES Committee will review the technical merits of the proposed investments and recommend for approval to the Board the proposed investments of the annual capital budget.

MEMBERSHIP

The membership of the RHSES Committee will be as follows:

- The RHSES Committee will consist of a minimum of three members of the Board of Directors, appointed annually by the Board, the majority of whom will be independent within the meaning of 3.5 of National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities ("NI 51-101")* and National Instrument 52-110 – *Audit Committees*.
- The RHSES Committee will meet all independence requirements of applicable securities laws and the Toronto Stock Exchange or similar requirements of such other securities exchange or quotation system or regulatory agency as may from time to time apply to the Company.
- The Board will elect, by a majority vote, one member as chairperson of the RHSES Committee.
- The chairperson of the RHSES Committee will be an independent within the meaning of 3.5 of National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities ("NI 51-101")* and National Instrument 52-110 – *Audit Committees*.
- A majority of the members of the RHSES Committee should be free from any business or other relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of member's independent judgement.
- All members of the RHSES Committee should have or obtain sufficient knowledge of the Company's business and oil and gas reserves evaluations to assist in providing advice and counsel on the reserve evaluation process and report.

RESPONSIBILITIES

The responsibilities of the RHSES Committee will be as follows:

Frequency of Meetings

- Meet quarterly or as often as may be deemed necessary or appropriate in its judgment, either in person or by telephone.
- Meet with the independent reserve evaluators at least annually, either in person or by telephone.

Reporting Responsibilities

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- Provide to the Board of Directors proper RHSES Committee minutes.
- Report RHSES Committee actions to the Board of Directors with such recommendations as required by NI 51-101 and as the RHSES Committee may deem appropriate.
- Provide a Report of Management and Directors on Oil and Gas Disclosure for the Company's Annual Information Form as prescribed in Form F3 of NI 51-101.
- Provide a quarterly report to the Board of Directors on reserves.
- Review and approve annually, the annual operational targets (including specific HSES targets) for consideration by the Compensation, Human Resources and Governance Committee ("**CHR&G Committee**") in the short term incentive plan ("**STIP**").
- Provide the CHR&G Committee an annual report of operational performance on STIP targets.
- Keep the Board apprised on a quarterly basis with a 2-page update on HSES.

Charter Evaluation

- Annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board of Directors for approval.

Independent Reserve Evaluators

- Annually engage the independent reserve evaluators.
- Evaluate the performance of the independent reserve evaluators.

Independence Test

- Take reasonable steps to confirm the independence of the independent reserve evaluators, which will include:
 - ensuring receipt from the independent reserve evaluators of a formal written statement delineating all relationships between the independent reserve evaluators and the Company, consistent with the Independence Standards Board Standard No. 1 and related Canadian regulatory body standards;
 - considering and discussing with the independent reserve evaluators any relationships or services, including non-reserves services, that may impact the objectivity and independence of the independent reserve evaluators; and
 - as necessary, taking, or recommending that the Board of Directors take, appropriate action to oversee the independence of the independent reserve evaluators.

RHSES Committee Meetings

- Keep minutes of RHSES Committee meetings and report to the Board for approval of any actions taken or recommendations made.

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- The RHSES Committee may request the presence of the independent reserve evaluators at any RHSES Committee meeting.
- At the request of the independent reserve evaluators, convene a meeting of the RHSES Committee to consider matters the reserve evaluators believe should be brought to the attention of the directors or shareholders.
- Meet on an annual basis (independent of management) with senior personnel responsible for HSES.

Restrictions

- Ensure no restrictions are placed by management on the scope of the independent reserve evaluators' review and examination of the Company's information.
- Ensure that no officer, director or employee of the Company attempts to fraudulently influence, coerce, manipulate or mislead any evaluator engaged in the preparation of the Company's oil and gas reserve statements.

RESERVES AND REVIEW PROCESS AND RESULTS

Scope

- Consider, in consultation with the independent reserve evaluators, the reserves scope and plan of the independent reserve evaluators for review and approval by the RHSES Committee.

Review Process and Results

- Consider and review with the independent reserve evaluators the matters required to be discussed pursuant to NI 51-101.
- Review and discuss with management and the independent reserve evaluators at the completion of the annual evaluation:
 - the Company's reserves and related notes;
 - the Company's Management Discussion & Analysis and news releases related to the Company's reserves;
 - the independent reserve evaluator's evaluation and reports thereon;
 - The Company's procedures for providing information to the qualified reserves evaluators or auditors who report on reserves data, contingent resource data or prospective resources data;
 - any significant changes required in the independent reserve evaluator's evaluation plan; and
 - any serious difficulties or disputes with management encountered during the course of the reserves evaluation.
- Provide a Report of Management and Directors on Oil and Gas Disclosure for the Company's Annual Information Form as prescribed in Form F3 of NI 51-101.

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- Review and discuss with management and make a recommendation for approval to the Board any reserve statements prior to public disclosure.
- Review with management and approve internal reserve estimates used for Quarterly Financial Statements.
- Review with independent reserve evaluators and management, as necessary or appropriate, independent interim reserve or resource statements and the report of the independent reserves evaluators prepared during each year.
- Review, discuss with management and approve interim independent reserve and/or resource statements prior to public disclosure.
- Meet separately with the independent reserve evaluators and management, as necessary or appropriate, to discuss any matters that the RHSES Committee or any of these groups believe should be discussed privately with the RHSES Committee.
- Review with management and the independent reserve evaluators any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's reserves.
- Ensure that the Company is resourced with a qualified person as defined in the guidance *Note for Mining and Oil & Gas Companies – June 2009* of the London Stock Exchange.

Securities Regulatory Filings

- Review filings to be made with the Canadian provincial securities commissions the United States Securities Exchange Commission and/or to the AIM market operated by the London Stock Exchange other published documents containing the Company's reserve statements and consult with the Company's nominated advisor in their respect.

Capital Budget

- Review and discuss with management the technical merits of the annual capital budget.
- Recommend approval of "investment grade" projects in the capital budget to the Board of Directors.

HEALTH, SAFETY, ENVIRONMENT AND SOCIAL RESPONSIBILITY REVIEW AND RESULTS

- Review and recommend changes to the HSES framework management system annually.
- Review and endorse the HSES strategic plan annually.
- Review annually the Company's HSES policy to ensure it complies with applicable legislation and with industry standards.
- Review quarterly, HSES performance.
- Review quarterly, all serious incidents or near misses that have the potential to have had serious outcomes.

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- Review quarterly results of any internal or external HSES audit results.
- Review quarterly, HSES legislative and regulatory changes of significance.
- Review quarterly, current outstanding or pending litigation pertaining to HSES.
- Review quarterly, the HSES annual plan and progress.

**AMENDMENTS TO THE CHARTER OF RESERVES, HEALTH, SAFETY, ENVIRONMENT
AND SOCIAL RESPONSIBILITY COMMITTEE**

- Annually review this Charter and propose amendments to be ratified by a simple majority of the Board of Directors.