

TRANSATLANTIC PETROLEUM CORP.

Corporate Disclosure, Confidentiality and Trading in Securities by Directors, Officers and Employees Policy

Introduction

TransAtlantic Petroleum Corp. is committed to providing timely, accurate and balanced disclosure of material information about TransAtlantic Petroleum Corp. and its subsidiaries (collectively referred to as the "Corporation") and their respective businesses, operations, assets and liabilities and commitments, on a consolidated basis, consistent with statutory and regulatory requirements.

A fundamental principle of securities legislation is that everyone investing in securities should have equal access to information that may affect their decision as to whether to buy or sell securities. Certain securities laws in Canada have been enacted so as to prevent and deter such inequitable trading in securities by providing that:

1. corporations whose shares trade publicly must promptly disclose material information relating to the corporation;
2. employees, directors, officers and persons receiving undisclosed material information are prohibited from buying or selling securities of the corporation while in possession of such material information and prior to dissemination of such information to the public;
3. employees, directors and officers are prohibited from disclosing undisclosed material information relating to the corporation to third parties, other than when it is necessary to do so in the course of business of the corporation; and
4. significant shareholders, officers and directors must report their trades in securities of the corporation.

In addition, securities laws in Ontario create a cause of action for investors in the secondary market against corporations and their directors and officers with respect to misleading, insufficient or late disclosure of material information.

The Corporation has formulated this policy to assist the Corporation and its employees, directors and officers in complying with the foregoing statutory and regulatory requirements. The purpose of this policy is to promote compliance with these requirements by establishing procedures and policies for timely and accurate corporate disclosure, maintaining confidentiality of material information relating to the Corporation and trading by employees, directors and officers of the Corporation in securities of the Corporation.

This policy extends to all employees, directors and officers of the Corporation and any other persons authorized to speak on the Corporation's behalf and covers disclosures of material information about the Corporation in all mediums, including without limitation

documents filed with the securities commissions and stock exchanges, written statements made in the Corporation's annual and quarterly reports, news releases, letters to shareholders, speeches by management or employees, information contained on the Corporation's website and other electronic communications and public verbal statements made in meetings and telephone conversations with analysts and investors, interviews with the media as well as press conferences and conference calls.

No public disclosure of any material information in respect of the Corporation is to be made by any employee, officer or director of the Corporation, whether by way of news release, public oral statements or filings with the securities regulatory authorities or otherwise, EXCEPT in strict compliance with this policy.

Material Information

- **Securities laws and this policy make frequent reference to material information. In this policy, *material information is to be defined in accordance with applicable securities regulations and means any information relating to the business, operations, capital and affairs of the Corporation that when released would have, or would reasonably be expected to have, a significant effect on the market price or value of any of the Corporation's securities (or the securities of other companies with whom the Corporation may be conducting confidential negotiations). Material information consists of both material facts and material changes relating to the Corporation's business, operations, capital and affairs and includes developments in the Corporation's business, operations, capital and affairs.***

The Chairman, the Chief Executive Officer or, in his absence, the Chief Financial Officer, (hereinafter referred to as an "Authorized Person") in consultation with at least one other member of the Corporate Governance Committee described below, will monitor developments and issues within the Corporation that may necessitate disclosure to the public. Whenever questions arise about whether information constitutes material non-public information, an Authorized Person will consult with as many members of the Corporate Governance Committee as is necessary in the circumstances or will call a meeting of the Corporate Governance Committee if he believes it is appropriate. The Corporate Governance Committee or any of its members may elect to consult with legal counsel, auditors or other advisors if necessary. An Authorized Person will then ensure all material information is released publicly in accordance with the procedures outlined in this policy.

All directors, officers and employees are asked to alert a member of the Corporate Governance Committee if they become aware of a development that may be material if the employee does not believe the development will otherwise be communicated to the Corporate Governance Committee. It is essential that the Corporate Governance Committee be fully apprised of all material developments in order to evaluate and discuss those events to determine the appropriateness and timing for public release of information or whether the information should remain confidential and, if so, how that material information will be controlled so as to ensure its confidentiality.

If a director, officer or employee does not believe that the information is being dealt with as required by this policy, he or she is encouraged to alert a member of the Corporate Governance Committee.

Policy on Disclosure of Material Information

1. Responsibility for Disclosure. The Corporate Governance Committee of the board has responsibility for overseeing the Corporation's disclosure controls, procedures and policies. In particular, the Corporate Governance Committee shall be responsible for:

- assuring that information that is potentially required to be publicly disclosed is accumulated and communicated to the Corporate Governance Committee;
- evaluating such accumulated information to determine disclosure obligations on a timely basis so that all public disclosure may be made in compliance with applicable securities laws, and maintaining appropriate records of such determinations;
- overseeing the preparation of all filings to be made with securities regulatory authorities, including annual and quarterly reports, information circulars and annual information forms;
- evaluating, under the direction of the Chief Executive Officer and the Chief Financial Officer, the effectiveness of the Corporation's disclosure controls, procedures and policies at least annually and reporting to the Board of Directors; and
- addressing disclosure issues that arise from time to time, including considering the materiality of information.

The Corporate Governance Committee will meet regularly to carry out its responsibilities.

2. Prompt Disclosure. The Corporation shall make prompt disclosure of material information to stock exchanges, securities commissions and to the public in accordance with its obligations under applicable securities laws and stock exchange rules. Generally speaking, all material information shall be distributed by news release and posted on SEDAR.

Once a determination that material information exists has been made in accordance with this policy, an Authorized Person will authorize the issuance of a news release, unless such material information must remain confidential for a certain time. See "Policy on Maintaining Confidentiality of Material and Confidential Information" below.

Should non-public material information be disclosed in a selective forum, a news release will be issued immediately in order to fully publicly disclose that information.

News releases will be disseminated through a news wire service in compliance with applicable regulatory laws, rules and policies.

4. Principles of Disclosure of Material Information. In complying with the requirement under applicable laws and stock exchange rules to disclose material information forthwith upon the information becoming known to management or, in the case of information previously known, forthwith upon it becoming apparent that the information is material, the content of such disclosure shall be determined by an Authorized Person in consultation with at least one other member of the Corporate Governance Committee. In making such determination, the following basic disclosure guidelines will be observed:

- (a) Material information will be publicly disclosed immediately unless the Corporate Governance Committee has determined that there is a reasonable basis for believing that such disclosure would be detrimental to the interests of the Corporation. Examples of instances in which disclosure might be detrimental to the Corporation's interests are:
 - (i) release of the information would prejudice the ability of the Corporation to pursue specific or limited objectives or to complete a transaction or series of transactions that are under way;
 - (ii) disclosure of the information would provide competitors with confidential information that would be of significant benefit to them; or
 - (iii) disclosure of information regarding the status of ongoing negotiations would prejudice the successful completion of those negotiations.

If it is determined that the disclosure of material information will be delayed because such disclosure would be detrimental to the interests of the Corporation, complete confidentiality of the material information must be maintained. See "Policy on Maintaining Confidentiality of Material or Confidential Information" below.

- (b) Announcements of material information should be factual and balanced. Unfavourable material information must be disclosed as promptly and completely as favourable material information.
- (c) Disclosure must include all relevant information to ensure that no aspect of the disclosure is misleading.
- (d) Previously undisclosed material information must not be disclosed selectively. If such information has been inadvertently disclosed to an analyst or any other person, it must be generally disclosed immediately by news release.

- (e) Disclosure must be updated if earlier disclosure has become misleading as a result of intervening events.

An Authorized Person and the member(s) of the Corporate Governance Committee shall always conduct a reasonable investigation of the subject matter of the disclosure prior to any disclosure being made, including ascertaining all relevant facts from officers, employees and others whose duties would in the ordinary course give them knowledge of such facts.

5. Designated Corporate Spokespersons. The Corporation designates and authorizes a limited number of spokespersons responsible for communication with the media, investors, analysts, stock exchanges and securities regulatory authorities or for the making of any other statement of material information with respect to the Corporation in circumstances where a reasonable person would believe that the information will become generally disclosed ("public oral statements"). The Chairman, the Chief Executive Officer and the Chief Financial Officer are the authorized spokespersons for the Corporation. All other directors, officers and employees if approached should refer the enquiry to one of the Authorized Person. For greater certainty, all public speaking engagements by directors, officers or employees in connection with the Corporation must be pre-authorized by the Corporate Governance Committee.

Every effort shall be made to retain electronic or other records of any public oral statements and oral presentations made in respect of the Corporation.

6. Electronic Media and the Website. Officers responsible for written public disclosures shall also be responsible for electronic communications. The Chief Executive Officer is responsible for monitoring all material information placed on the website. Any changes in material information must be updated as soon as feasible.

The Corporation's website should include all publicly disclosed material information and such other investor relations information as may be determined appropriate; provided that, no document relating to an offering of securities shall be posted on the Corporation's website without first consulting legal counsel. Information should be posted to the Corporation's website as soon as possible following its dissemination.

An authorized person shall be responsible for responses to electronic inquiries. Only public information or information which could otherwise be disclosed in accordance with this policy shall be utilized in responding to electronic inquiries.

Employees, directors and officers are prohibited from participating in internet chat room or news group discussions on matters pertaining to the Corporation's activities or its securities or posting any such information on electronic bulletin boards or other electronic forums. Employees, directors and officers who encounter a discussion pertaining to the Corporation or its securities should advise a member of the Corporate Governance Committee immediately.

7. Release of Forward-Looking Information. Forward-looking information means all disclosure regarding possible events, conditions or results that is based on assumptions about future economic conditions and courses of action and includes future oriented financial information with respect to prospective results of operations, financial position or cash flows that is presented as either a forecast or a projection. The Corporation will not release earnings or cash-flow projections (other than cash-flow projections resulting from independently prepared engineering reserve reports). It may from time to time, release forward looking information with respect to expected income growth or loss, pricing, significant developments and projected demand or market potential, to enable the investment community to better evaluate the Corporation and its operations. The Corporation will not disclose significant data, and in particular financial information or earnings forecasts which would be material information, to analysts or investors unless such data or information has been publicly disseminated. All disseminations of forward-looking information will be reviewed and approved by the Corporate Governance Committee.

Forward-looking information provided in a disclosure document must contain, proximate to that information: (a) reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information; and (b) a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information. In the case of a public oral forward-looking statement, the person making such statement shall: (a) make a cautionary statement that the oral statement contains forward-looking information; and (b) state that (i) actual results could differ materially from a conclusion, forecast or projection in the forward-looking information, (ii) certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information; and (iii) additional information about the material factors that could cause actual results to differ materially from the conclusion or making a forecast or projection as reflected in the forward-looking information.

8. Contacts with Analysts, Media and Investors. The Corporation recognizes that analysts and news media are important for disseminating corporate information to the investing public and play a key role in interpreting and clarifying existing public data, as well as providing investors with background information and details that cannot practically be put in public documents. Only an Authorized Person may meet with analysts, media and investors on an individual or small group basis and will initiate contacts or respond to analyst, media and investor calls in a timely, consistent and accurate fashion in accordance with this policy.

9. Quiet Periods. In order to avoid the potential perception or appearance of selective disclosure, the Corporation will observe a quarterly quiet period, during which no meetings or telephone contacts with analysts and investors will be initiated and no earnings guidance provided. The quiet period will apply to all directors, officers and employees of the Corporation. The quiet period will be the period beginning three (3) business days ahead of certain press releases by the Corporation until 10:00 a.m. (Calgary

time) on the second (2nd) business day following the release. This policy shall apply to (a) releases pertaining to quarterly or annual financial statements and (b) news release pertaining to the non-financial Material information. See "Policy on Trading in Securities of the Corporation" below for more information on black-out periods.

10. Reviewing Analyst Draft Reports and Models. To ensure that the information relating to the Corporation is factual, the Corporation's policy is, if requested, to review analysts' draft research reports or models to confirm, correct or clarify information provided therein. Analyst's reports are proprietary information belonging to the analyst's firm. Re-circulating an analyst's report may be viewed as an endorsement of the report and, therefore, analyst's reports are not to be included in investor packages of the Corporation. If an analyst's report is provided to any employees of the Corporation or persons outside of the Corporation, every effort will be made to ensure that it is evident who authored such report.

11. Rumours. Provided it is clear that the Corporation and related entities are not the source of the market rumour, an Authorized Person will consistently respond to market rumours with a statement to the effect that "it is our policy not to comment on market rumours or speculation." Should the stock exchange (on which the Corporation's securities are traded) request that the Corporation issue a clarifying statement where trading in securities of the Corporation appears to be influenced by market rumours, the Corporate Governance Committee will consider the matter and decide on an appropriate response. If market rumours are correct in whole or in part, immediate disclosure of the relevant material information must be made by widely disseminated news release.

12. Disclosure Record. The Corporation will maintain a file containing all material information made public by the Corporation, including continuous disclosure documents, offering documents, news releases, research reports, press reports, transcripts or tape recordings or other electronic recordings of conference calls and debriefing notes.

The minimum retention period for material information shall be three (3) years following the date the information was made public.

13. Expert Reports and Opinions. Prior to using any report, statement or opinion of an expert in any disclosure document of the Corporation or in any public oral statement made by an Authorized Person, the written consent of such expert shall be obtained authorizing such use.

Policy on Maintaining Confidentiality of Material or Confidential Information

1. Disclosure to Employees. Material information relating to the Corporation should only be disclosed to those officers and/or employees who need to know the information to perform their duties. All officers and employees of the Corporation privy to undisclosed material information concerning the Corporation will be told they must not divulge such information to any party, other than in the necessary course of business, and that they may not trade in the Corporation's securities until the information is publicly

disclosed. Officers or employees to whom material information is disclosed should take all reasonable precautions to ensure inadvertent disclosure does not occur.

2. Disclosure to Outsiders. No material information should be disclosed by directors, officers or employees to third parties or outsiders except in the necessary course of business. Where information is disclosed to a third party in the necessary course of business the third party should be advised that they must not disclose the information to anyone else, other than in the necessary course of business, and they may not trade in securities of the Corporation until the information has been generally disclosed.

3. Corporate Spokespersons. As noted under the Policy on Corporate Disclosure, only an Authorized Person is authorized to speak on behalf of the Corporation to news media, analysts, investors, stock exchanges or regulatory authorities or to make other public oral statements with respect to the Corporation.

Policy on Trading in Securities of the Corporation

1. Prohibition on Trading with Undisclosed Material Information. Trading by directors, officers or employees in securities of the Corporation (which includes shares, options and puts and calls relating to the Corporation's securities) is prohibited while in possession of material information which has not been generally disclosed. The appropriate officer with executive responsibility for a project must advise each employee who may have access to the material information that they must not trade in the Corporation's securities until public disclosure of the material information has been made. It should be noted that this prohibition extends not only to securities which the director, officer or employee owns but also to those over which direction or control is exercised (for example, as a trustee or executor of an estate) and also to securities that are indirectly owned (for example, by a corporation controlled by the employee). The prohibition will generally also apply to spouses and children who live in the director, officer or employee's household unless the spouse or children trade independently and do not have access to undisclosed material information.

2. When Public Disclosure has Been Made. Under securities laws trading may not commence until public disclosure has been made by the Corporation and the market has had a period to "absorb" such information. Furthermore it should be noted that trading is not made permissible by the fact that rumors exist in the market-place or in the media - the disclosure must be made by the Corporation before trading can commence. It is the policy of the Corporation that no trading by employees may be made until 10:00 a.m. (Calgary time) on the second business day following the release by the Corporation of the material information to the media.

3. Black-out Periods. Directors, officers and employees are precluded from trading in the securities of the Corporation during Quiet Periods (see Paragraph 9 above under Policy on Maintaining Confidentiality of Material Information). In addition, black-out periods may be imposed by management on notice to the directors, officers and employees when developments warrant such trading restrictions.

4. Trading In Securities of Other Corporations. If directors, officers or employees in the course of performing their duties become aware of material information about another public company, they may not trade in securities of that other public company until the material information has been generally disclosed.

5. Contact Person. Any employee having any questions with respect to this policy or whether material information exists which has not been disclosed or whether or not they may trade in a given circumstance should contact an Authorized Person at phone number (214) 220-4323.

Policy on Reporting by Insider of Trading

1. Compliance with Reporting Obligation. The Corporation and all insiders (as defined in applicable securities legislation to include all directors, senior officers and principal shareholders of the Corporation) who are required to file reports of their trades in securities of the Corporation shall file such reports within the time periods prescribed in applicable securities laws.

A *senior officer* includes the chairman or vice-chairman of the Board of Directors, the president, vice-president, secretary, comptroller, controller, treasurer or the general manager of the Corporation or its subsidiaries or any other person who performs functions for the Corporation or such subsidiaries which are similar to those normally performed by an individual occupying that function.

2. Copies to Corporate Secretary. All insiders shall maintain and update their insider report on SEDI.

Enforcement of Policies

1. Penalties under Securities Laws. Violations of these policies may be a violation of securities laws and in addition may result in embarrassment or loss to the Corporation. Under securities laws employees who make unauthorized disclosure of material information or trade while in possession of undisclosed material information are subject to:

- fines;
- imprisonment;
- civil liability to the Corporation for any profit made;
- civil liability to the other party to the trade for the loss incurred by such other party (employees may have civil liability to persons who trade with persons to whom the employee "tips" material information).

If the Corporation discovers that an employee has violated securities laws, it may refer the matter to the appropriate regulatory authorities.

2. Termination of Employment. Employees who breach this policy are subject to disciplinary action including termination of employment.