

ZARGON OIL & GAS LTD.

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON MAY 15, 2013**

The annual and special meeting of the shareholders of Zargon Oil & Gas Ltd. will be held in Room 108-109 of the Calgary Telus Convention Centre, 120 – 9th Avenue S.E., Calgary, Alberta on May 15, 2013 at 10:00 a.m. (Calgary time) to:

1. receive and consider our financial statements for the year ended December 31, 2012, together with the report of the auditors;
2. elect our seven (7) directors;
3. appoint our auditors and authorize our directors to fix their remuneration as such;
4. consider, and if thought advisable, pass an ordinary resolution approving all unallocated common shares issuable upon the grant of share awards under our share award plan; and
5. transact such other business as may properly be brought before the meeting or any adjournment thereof.

The specific details of the matters proposed to be put before the meeting are set forth in the information circular - proxy statement accompanying this notice.

Registered shareholders who are unable to attend the meeting in person are requested to complete, date and sign the enclosed form of proxy and return it to Valiant Trust Company, Attention: Proxy Department, Suite 310, 606 – 4th Street S.W., Calgary, Alberta T2P 1T1, or deliver it by fax to (403) 233-2857 at least 24 hours, excluding Saturdays, Sundays and holidays, before the meeting or any adjournment thereof. Registered shareholders may also vote via the internet at <https://proxy.valianttrust.com/>. Votes by internet must be received by 10:00 a.m. (Calgary time) on May 14, 2013 or at least 24 hours prior to the time of any adjournment of the meeting. If a shareholder receives more than one proxy form because such shareholder owns our common shares registered in different names or addresses, each proxy form should be completed and returned. See the information circular - proxy statement for further instructions on internet voting.

Only shareholders of record at the close of business on April 12, 2013 will be entitled to vote at the meeting, unless that shareholder has transferred any common shares subsequent to that date and the transferee shareholder, not later than 10 days before the meeting, establishes ownership of the common shares and demands that the transferee's name be included on the list of shareholders entitled to vote at the meeting.

DATED at Calgary, Alberta this 12th day of April, 2013.

By order of the Board of Directors of
Zargon Oil & Gas Ltd.

(signed) Craig H. Hansen
President and Chief Executive Officer