

ZARGON OIL & GAS LTD.

AUTHORIZATION FORM

Relating to the Dividend Reinvestment Plan (the "Plan") of Zargon Oil & Gas Ltd. (the "Corporation") dated December 31, 2010, as amended from time to time.

PLEASE NOTE THAT SHAREHOLDERS WHO ARE RESIDENT IN A JURISDICTION OUTSIDE OF CANADA ARE NOT ENTITLED TO ENROLL, DIRECTLY OR INDIRECTLY, IN THE PLAN.

General Instructions:

1. **This Authorization Form is to be completed by a REGISTERED HOLDER of common shares of the Corporation ("Shares") that wishes to enroll in the Plan. Participants in the depository system of The Canadian Depository for Securities Limited ("CDS") should contact CDS to obtain the appropriate documentation to participate in the Plan.**
2. Complete and sign this Authorization Form, and return it to Valiant Trust Company ("Valiant"), as Plan Agent under the Plan, at the address or facsimile number set forth below, if you wish to reinvest your cash dividends in accordance with the Plan. Shares issued on such reinvestment will be held by Valiant for your account under the Plan.
3. This Authorization Form must be received by Valiant at the address or facsimile number set forth below, no later than 3:00 p.m. Calgary time on the business day immediately prior a Dividend Record Date in order for the cash dividend to which the record date relates to be reinvested in additional Shares in accordance with the Plan.
4. **If you are a BENEFICIAL OWNER of Shares and hold your Shares through a broker, investment dealer, financial institution or other nominee, and you wish to participate in the Plan, please contact the broker, investment dealer, financial institution or other nominee that holds your Shares to provide instructions regarding your participation in the Plan.**
5. In order for this Authorization Form to be accepted, it must be executed by the registered Shareholder or the attorney of such person authorized in writing. If the person executing this Authorization Form is a body corporate, this Authorization Form must be signed in the corporate name by an officer or attorney thereof duly authorized. Persons signing as executors, administrators, trustees, etc. should so indicate.

AUTHORIZATION

I have received and read a copy of the Plan. I hereby apply to enroll in and become a participant in the Plan. I hereby direct Zargon Oil & Gas Ltd. and Valiant, as Plan Agent under the Plan, to apply any and all cash dividends payable in respect of all Shares registered in my name now or in the future or held by Valiant for my account under the Plan, towards the purchase of additional Shares, all in accordance with the provisions of the Plan and subject to proration, any applicable withholding tax and such other limitations and restrictions as are set forth in the Plan.

I hereby agree that all documents relating to the Plan and my participation therein, whenever prepared or received including, without limitation, the Plan and this Authorization Form, shall be prepared exclusively in the English language. Je consens à ce que tous les documents reliés au régime ainsi qu'à ma participation à celui-ci, peu importe le moment où ils sont reçus ou préparés, incluant, sans limitation, le texte complet du régime ainsi que ce formulaire d'autorisation, soient préparés exclusivement en langue anglaise. I acknowledge that the Plan is governed by the laws of the Province of Alberta and the federal laws of Canada applicable therein, and hereby attorn to the jurisdiction of the courts of the Province of Alberta with respect to proceedings involving the Plan.

I hereby represent and warrant to the Corporation and Valiant that I am, and when Shares are purchased for my account in accordance with this direction I will be, a resident of Canada and, to the extent that I hold Shares of the Corporation on behalf of a beneficial owner of Shares, such beneficial owner is, and when Shares are purchased for my account in accordance with this direction such beneficial owner will be, a resident of Canada.

Signature of Registered Shareholder

Name of Registered Shareholder *(please print)*

Date

Address (including municipality of residence)

Daytime Telephone No.

PLEASE SEE PRIVACY NOTICE ON THE REVERSE SIDE OF THIS AUTHORIZATION FORM

(continued on page 2)

For further information, please contact:

VALIANT TRUST COMPANY
310, 606 – 4th Street S.W.
Calgary, Alberta T2P 1T1

OR

ZARGON OIL & GAS LTD.
700, 333 – 5th Avenue S.W.
Calgary, AB T2P 3B6

Attention: Account Manager
Telephone: (403) 233-2801
Fax: (403) 233-2857

Attention: Vice President, Finance
and Chief Financial Officer
Telephone: (403) 264-9992
Fax: (403) 265-3026

PRIVACY NOTICE: At Valiant Trust Company, we take privacy seriously. In the course of providing services to you in connection with employee stock/unit purchase plans, dividend/distribution reinvestment plans, direct stock/unit purchase plans and/or direct registration services, we receive non-public, personal information about you. We receive this information through transactions we perform for you, from enrolment forms and through other communications with you. We may also receive information about you by virtue of your transactions with affiliates of Valiant Trust Company or other parties. This information may include your name, social insurance number, stock/unit ownership information and other financial information. With respect both to current and former customers, Valiant Trust Company does not share non-public personal information with any non-affiliated third party except as necessary to process a transaction, service your account or as permitted by law. Our affiliates and outside service providers with whom we share information are legally bound not to disclose the information in any manner, unless permitted by law or other governmental process. We strive to restrict access to your personal information to those employees who need to know the information to provide our services to you, and we maintain physical, electronic and procedural safeguards to protect your personal information. Valiant Trust Company realizes that you entrust us with confidential personal and financial information and we take that trust very seriously.

By providing your personal information to us and signing this form, we will assume, unless we hear from you to the contrary, that you have consented and are consenting to this use and disclosure. A complete copy of our Privacy Code, may be accessed at <http://www.valianttrust.com/privacy/>, or you may request a copy in writing to Suite 310, 606 4th Street SW, Calgary, Alberta, T2P 1T1.