

## **CHARTER NOMINATING AND GOVERNANCE COMMITTEE**

### **PURPOSE**

The purpose of the Nominating and Governance Committee of the Board of Directors of Transmeridian Exploration, Inc. is to provide assistance to the Board of Directors in the selection of candidates for election to the Board of Directors, including identifying, as necessary, new candidates who are qualified to serve as directors of the Company, recommending to the Board of Directors the candidates for election to the Board of Directors, monitoring and advising the Board on matters relating to director compensation, developing and recommending to the Board, and thereafter periodically reviewing, corporate governance principles applicable to the Company, and monitoring and advising the Board on corporate governance matters and practices.

### **COMMITTEE COMPOSITION**

The Committee will be comprised of at least three members, consisting solely of independent directors. Following adoption of such rules, a director will be considered “independent” if he or she meets the requirements for independence set forth in the rules of the American Stock Exchange.

The members of the Committee will be appointed by the Board of Directors after taking into account the recommendations of the Committee. A member will serve until his or her successor is appointed, until his or her resignation from the Committee, until his or her position on the Committee is eliminated due to a reduction in the size of the Committee, until he or she is removed from the Committee, until his or her death, or until his or her service on the Board of Directors terminates. The chairperson of the Committee will be the member of the Committee appointed to serve in such capacity by the Board of Directors from time to time.

### **MEETINGS AND REPORTS**

The Committee will meet as frequently as the Committee deems necessary, but the Committee will meet at least annually. Meetings of the Committee may be called by or at the request of the Chairman of the Board of Directors, the chairperson of the Committee, or otherwise as provided in the bylaws of the Company. The Committee will report periodically to the Board of Directors regarding the Committee’s activities.

### **SPECIFIC RESPONSIBILITIES AND AUTHORITY**

The specific responsibilities of the Committee are as follows:

1. Develop and recommend to the Board of Directors for adoption guidelines for selecting candidates for election to the Board of Directors, and periodically review

such guidelines and recommend to the Board of Directors for adoption amendments to such guidelines that the Committee deems necessary or appropriate. A copy of such guidelines shall be attached hereto as Appendix A following adoption by the Board of Directors.

2. Identify, as necessary, new candidates who are qualified for Board membership in accordance with the guidelines adopted by the Board of Directors.
3. Review the qualifications of all candidates proposed for Board membership, including any candidates nominated by shareholders in accordance with the Company's bylaws, in light of the guidelines adopted by the Board of Directors.
4. Annually recommend to the Board of Directors the nominees to stand for election at the Annual Meeting of Shareholders of the Company and, as necessary or deemed appropriate, recommend nominees to fill vacancies on the Board of Directors and, in consultation with the Chairman of the Board of Directors, recommend the directors to be appointed to each committee of the Board of Directors.
5. Periodically review the compensation arrangements in effect for the non-management members of the Board of Directors and recommend to the full Board any changes deemed appropriate.
6. Coordinate the annual self-evaluation of the performance of the Board of Directors and each of its committees.
7. Develop and recommend to the Board of Directors for adoption corporate governance guidelines, reevaluate such guidelines periodically and recommend to the Board of Directors for adoption any revisions that the Committee deems necessary or appropriate for the Board of Directors to discharge its responsibilities more effectively.
8. Monitor compliance with the Company's Code of Business Conduct and Ethics by the non-management directors.
9. Develop and periodically review succession plans for the directors and periodically report to the Board of Directors on these matters.
10. Undertake such additional activities within the scope of the purpose of the Committee as the Committee or the Board of Directors may from time to time determine.

#### **DELEGATION; USE OF ADVISORS**

The Committee may, if it deems appropriate from time to time, delegate authority with respect to any of its functions to a subcommittee of the Committee. In the course of fulfilling its duties, the Committee has the sole authority to retain its own independent advisors in its discretion, including

any search firm to be used to identify director candidates, and to approve the fees and other retention terms of any advisor and to terminate such advisor.

#### **ANNUAL EVALUATION**

The Committee will evaluate its performance on an annual basis.

## APPENDIX A

### GUIDELINES FOR SELECTING BOARD CANDIDATES

In considering possible candidates for election as a director, the Nominating and Governance Committee and the other directors should recognize that the contribution of the Board of Directors will depend not only on the character and capacities of the directors taken individually but also on their collective strengths, and should consider the following guidelines.

The Board of Directors should be composed of:

1. Directors who will bring to the Board a variety of experience and backgrounds.
2. Directors who will form a central core of business executives with substantial senior management experience and financial expertise.
3. Directors who have substantial experience outside the business community – in government or advanced academia, for example.
4. Directors who will represent the balanced, best interests of the shareholders as a whole and the interests of the Company's stakeholders, as appropriate, rather than special interest groups or constituencies.
5. A majority of directors who are independent. A director is "independent" if he or she meets the requirements for independence set forth in the rules of the American Stock Exchange.
6. Qualified individuals who reflect a diversity of experience, gender, race and age.

Each director should:

1. Be an individual of the highest character and integrity and have an inquiring mind, vision and the ability to work well with others.
2. Be free of any conflict of interest which would violate any applicable law or regulation or interfere with the proper performance of the responsibilities of a director.
3. Possess substantial and significant experience which would be of value to the Company in the performance of the duties of a director.

Have sufficient time available to devote to the affairs of the Company in order to carry out the responsibilities of a director.