

TANZANIAN ROYALTY EXPLORATION CORPORATION

MAJORITY VOTING POLICY

1. Introduction

The Board of Directors (the “**Board**”) of Tanzanian Royalty Exploration Corporation (the “**Corporation**”) believes that each director should have the confidence and support of the shareholders of the Corporation. To this end, the Board has unanimously adopted this policy. Future nominees for election to the Board will be asked to agree to comply with this policy before they are nominated for election, or otherwise appointed, to the Board.

2. Form of Proxy

Forms of proxy for use at any meeting of the Corporation’s shareholders where the election of directors will be considered will permit shareholders to vote in favour of, or to withhold from voting, separately for each nominee.

3. Voting Procedures

The Chair of the Board will ensure that the number of shares voted in favour or withheld from voting for each director nominee is recorded. Following each shareholders’ meeting at which there is a vote on the election of directors, the Corporation will promptly issue a news release providing detailed disclosure of the voting results for the election of directors.

4. Resignation due to Majority Withheld Vote

If with respect to any individual director nominee, the number of shares withheld from voting is greater than the number of shares voted in favour of such individual nominee, the nominee will be considered by the Board not to have received the support of the shareholders, even though duly elected as a matter of corporate law. Such a nominee will forthwith submit his or her resignation to the Board to take effect on acceptance by the Board.

The Board will promptly refer the resignation to the Nominating Committee (the “**Committee**”) for consideration. The Committee shall consider the matter and, as soon as possible, make a recommendation to the full Board regarding whether or not such resignation should be accepted. The Board expects the Committee will recommend accepting such resignation, unless the Committee determines that there are extraordinary circumstances relating to the composition of the Board or the voting results that should delay the acceptance of the resignation or justify rejecting it.

After considering the recommendation of the Committee, the Board will determine whether or not to accept the tendered resignation. In any event, it is expected that the resignation will be accepted (or in rare cases rejected) within 90 days of the shareholders’ meeting.

The director tendering his or her resignation will not participate in any meeting of the Committee or the Board which considers the resignation.

5. Vacancy on Board

Subject to any corporate law restrictions or requirements contained in the Corporation's constating documents, the Board may (1) leave a vacancy in the Board unfilled until the next annual general meeting, (2) fill the vacancy by appointing a new director whom the Board considers to merit the confidence of the shareholders, or (3) call a special meeting of shareholders to consider new Board nominee(s) to fill the vacant position(s).

6. Applicability of Policy

This policy does not apply in respect of any contested shareholders' meeting where an election involves a proxy battle i.e. where proxy material is circulated in support of one or more nominees who are not part of the director nominees supported by the Board.

This policy shall apply to all shareholder meetings commencing with the annual and special meeting of shareholders in 2013.

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