

This is the form of material change report required under section 85(1) of the Securities Act.

FORM 51-102F3

Securities Act

MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE ACT

Item 1. Name and Address of Company

TAG Oil Ltd.
Suite 1407 – 1050 Burrard Street
Vancouver, B.C. V6Z 2S3

Item 2. Date of Material Change

On or about January 23, 2007

Item 3. News Release

January 23, 2007 Vancouver, B.C.

Item 4. Summary of Material Change

TAG Oil Cases Mangamingi-1 Exploration Well

Independent Canadian oil and gas company TAG Oil Ltd. (TSX-V: TAO and OTCBB: TAGOF) announced that the Mangamingi-1 exploration well drilled directionally in PEP 38758 (TAG 100%) in onshore Taranaki, New Zealand, has reached a total measured depth of 1,871m (6,138') representing a true vertical depth of 1,550m (5,085'). After evaluation of drilling data, the decision was made to case the well in preparation for further testing.

Item 5. Full Description of Material Change

Vancouver, British Columbia – January 23, 2007 – Independent Canadian oil and gas company TAG Oil Ltd. (TSX-V: TAO and OTCBB: TAGOF) announced that the Mangamingi-1 exploration well drilled directionally in PEP 38758 (TAG 100%) in onshore Taranaki, New Zealand, has reached a total measured depth of 1,871m (6138') representing a true vertical depth of 1550m (5,085'). After evaluation of drilling data, the decision was made to case the well in preparation for further testing.

The company will initiate a completion and testing program dependant on equipment availability over the next two weeks.

About TAG Oil:

TAG Oil Ltd. is an independent Canadian oil and gas exploration and production company with a well-balanced portfolio of assets in and around the Canterbury, Taranaki and East Coast basins of New Zealand. With exploration permits totaling 3,686,593 gross acres (net 1,847,593). TAG Oil is one of the largest holders of prospective acreage in New Zealand.

Forward Looking Statements:

Statements contained in this news release that are not historical facts are forward-looking statements that involve various risks and uncertainty affecting the business of TAG Oil. Actual results may vary materially from the information provided in this release. As a result there is no representation by TAG Oil that the actual results realized in the future will be the same in whole or in part as those presented herein. Actual results may differ materially from the results predicted, and reported results should not be considered as an indication of future performance. Factors that could cause actual results to differ from those contained in the forward-looking statements, are set forth in filings that the Company has made, including the Company's most recent reports in Canada under National Instrument 51-102 and in the United States under Forms 20-F and 6K.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

Contact:

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Item 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

N/A

Item 7. Omitted Information

None

Item 8. Executive Officer

Garth Johnson, Corporate Secretary and Chief Financial Officer
(604) 609-3350

Item 9. Date of Report

January 23, 2006

“Garth Johnson”

Garth Johnson, Corporate Secretary/Chief Financial Officer

Place of Declaration: Vancouver, British Columbia