FORM 51-102F3

Securities Act

MATERIAL CHANGE REPORT

Item 1.

Name and Address of Company

TAG Oil Ltd.
Suite 2901 – 1050 Burrard Street
Vancouver, B.C. V6C 3E8

Main Tel. (604) 682-6496
Main Fax (604) 682-1174

(referred to as the “Company” or “TAG”)

Item 2.

Date of Material Change

April 23, 2012

Item 3.

News Release

A news release announcing this material change was issued on April 23, 2012, and a copy is filed on SEDAR.

Item 4.

Summary of Material Change

On April 23, 2012, the Company announced a bought deal offering of common shares.

Item 5.

5.1 - Full Description of Material Change

On April 23, 2012, the Company announced that it has entered into an agreement with Dundee Securities Ltd. (Bookrunner and Co-Lead Underwriter), whereby Dundee Securities Ltd., Casimir Capital Ltd. (Co-Lead Underwriter), Cormark Securities Inc., GMP Securities L.P., Mackie Research Capital Corporation and M Partners Inc. (collectively, the “Underwriters”), have agreed to purchase, on a bought deal basis 2,871,000 common shares (the “Common Shares”) of the Company at a price of $10.45 per Common Share, for aggregate gross proceeds of $30,001,950 (the “Financing”). The Company has granted the Underwriters an option to purchase up to an additional 15% of the Financing, at a price of $10.45 per common share, exercisable in whole or in part at any time prior to 30 days after the Closing Date. In the event that the option is exercised in its entirety, the aggregate gross proceeds of the offering will be approximately $34,500,000.

The Company plans to use the net proceeds from the offering as follows:

- accelerate exploration and development program in the Taranaki Basin;
- pursue new opportunities
- increase TAG's land position in the Taranaki Basin, New Zealand
- for general corporate purposes.

The offering is scheduled to close on or about May 15, 2012 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the TSX and the securities regulatory authorities**.**

The Common Shares will be offered by way of a short form prospectus to be filed in all of the provinces of Canada (other than the Province of Québec) pursuant to National Instrument 44-101 *Short Form Prospectus Distributions*, in the United States on a private placement basis pursuant to an exemption from the registration requirements of the United States *Securities Act of 1933*, as amended, and in the United Kingdom pursuant to relevant prospectus or registration exemptions.

Cautionary Note Regarding 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. Such statements can generally, but not always, identified by words such as "expects", "plans", "anticipates", "intends", "estimates", "forecasts", "schedules", "prepares", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur.

All estimates and statements that describe the Company's financing, use of proceeds of the financing, plans to accelerate development of the Taranaki Basin, the acquisition and participation in blocks offerings in New Zealand and plans to pursue new opportunities are forward-looking statements under applicable securities laws and necessarily involve risks and uncertainties. Actual results may vary materially from the information provided in this release, and there is no representation by TAG that the actual results realized in the future will be the same in whole or in part as those presented herein.

Other factors that could cause actual results to differ from those contained in the forward-looking statements are also set forth in filings that TAG and its independent evaluator have made, including TAG's most recently filed reports in Canada under National Instrument 51-101, which can be found under TAG's SEDAR profile at www.sedar.com.

TAG undertakes no obligation, except as otherwise required by law, to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors change.

5.2 – Disclosure for Restructuring Transactions

None

Item 6.

<u>Reliance on subsection 7.1(2) of National Instrument 51-102</u>

N/A

Item 7.

<u>Omitted Information</u>

None

Item 8.

<u>Executive Officer</u>

For further information, please contact Garth Johnson, Chief Executive Officer, (604) 682-6496.

Item 9.

<u>Date of Report</u>

This Material Change Report is dated as of April 23, 2012.