

FORM 51-102F3

Securities Act

MATERIAL CHANGE REPORT

Item 1.

Name and Address of Company

TAG Oil Ltd.
Suite 2040 – 885 W. Georgia Street
Vancouver, B.C. V6C 3E8

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

(referred to as the “**Company**”)

Item 2.

Date of Material Change

December 6, 2012

Item 3.

News Release

A news release announcing this material change was issued on December 6, 2012, and a copy is filed on SEDAR.

Item 4.

Summary of Material Change

On December 6, 2012, the Company announced that it intends to launch a normal course issuer bid to purchase up to 5,586,926 of its common shares through the facilities of TSX, subject to TSX acceptance.

Item 5.

5.1 - Full Description of Material Change

On December 6, 2012, the Company announced that it intends to launch a normal course issuer bid (bid) to purchase up to 5,586,926 of its common shares through the facilities of TSX, subject to TSX acceptance.

The purchase of common shares under the bid will enable the Company to acquire its shares for cancellation. TAG believes that the market price of the Company's common shares may not reflect their underlying value and that the purchase of common shares for cancellation will increase the proportionate interest of, and will be advantageous to, all remaining shareholders.

There have been 67,300 common share purchased and cancelled under a normal course issuer bid by TAG within the past twelve months at an average weighted purchase price of \$5.91 per common share.

Currently, TAG has 59,755,123 common shares issued and outstanding. The common shares that may be repurchased over a twelve-month period represent approximately 10% of TAG's 55,869,262 outstanding common shares in the public float. TAG has appointed Macquarie Private Wealth Inc. as the Participating Organization that will be conducting the bid on behalf of TAG with purchases under the bid being able to commence on December 10, 2012 and will terminate on December 9, 2013, or on such earlier date as the bid is complete. The average daily trading volume of the common shares for the previous six calendar months (ADTV) was 166,548 common shares. The amount and timing of such purchases will be determined by TAG and, in accordance with TSX policies, on any trading day, the amount of daily purchases may not exceed 25% of the ADTV or 41,637 common shares.

5.2 – Disclosure for Restructuring Transactions

None

Item 6.

Reliance on subsection 7.1(2) of National Instrument 51-102

N/A

Item 7.

Omitted Information

None

Item 8.

Executive Officer

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

Item 9.

Date of Report

This Material Change Report is dated as of December 6, 2012.