



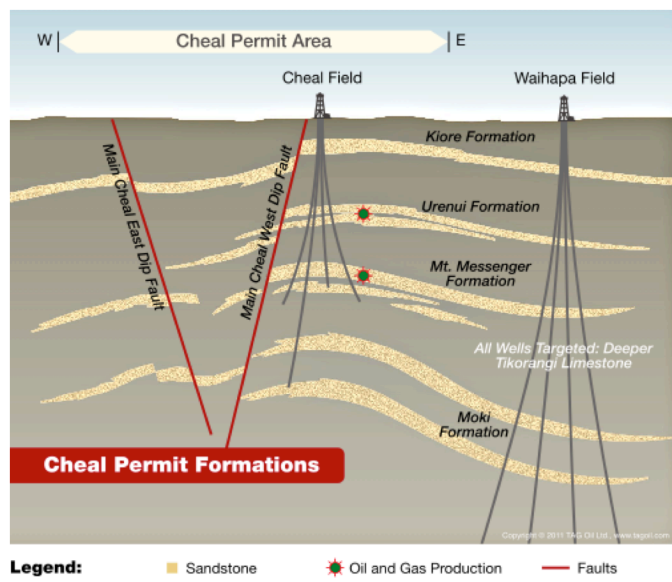
TAG's Cheal-C1 Well Extends Known Mt. Messenger Oil Saturation Area and Encounters Oil in Deeper Wildcat Target

Vancouver, B.C. – June 6, 2011 – TAG Oil Ltd. (TSX-V: [TAQ](#)) and (OTCQX: [TAOIF](#)) is pleased to report that the recently drilled **Cheal-C1** exploration well has now set production casing to total depth, in order to production flow test the light oil potential identified in both the Mt. Messenger (~1600m), and the deeper Moki (~2,200m) formation targets. The Cheal-C1 well was drilled directionally from the new “Cheal-C site” in TAG Oil’s Petroleum Mining Permit 38156 (PMP 38156) in the Taranaki Basin, New Zealand.

The Cheal-C1 well was drilled approximately 3.5 km to the northwest of the existing Mt. Messenger producing wells, with results extending the Mt. Messenger oil saturation area

over a considerably larger area than previously known. Over 15 meters of net oil-and-gas bearing sandstones were intercepted in the Mt. Messenger with good porosity and free oil encountered while drilling through the zone.

The Mt. Messenger was the primary objective of the Cheal-C1 well, however it was deepened to a total depth of 2382 meters (7815 feet) to test the down-dip edge of a large closure within the deeper Moki Formation. Strong oil and gas shows were encountered within a 73-meter thick, high-quality section of porous and permeable sandstone. Any future



wells directly targeting this Moki Formation structure will be drilled in an updip position, which could potentially intersect substantially more of the hydrocarbon-charged Moki sandstones.

“We are very pleased to have extended the Mt. Messenger play into the “C” block, and look forward to further exploiting this oil-prone area.” TAG Oil CEO Garth Johnson commented. “We’re also very optimistic about the Moki Formation discovery potential, which is a prolific oil producer in the offshore Maari oil field. However, very few wells have targeted this formation onshore so we will need flow-test data before any conclusions are reached in regards to its commercial potential.”

For further information on the [Petroleum Mining Permit 38156](#) in the Taranaki Basin, please visit TAG Oil’s website. (<http://www.tagoil.com/operations.asp>)

TAG Oil Ltd.

TAG Oil Ltd. (<http://www.tagoil.com/>) is a Canadian-based production and exploration company with operations focused exclusively in New Zealand. With 100% control over all its core assets, including oil and gas production infrastructure, TAG is anticipating substantial oil and gas production and reserve growth through development of several light oil and gas discoveries. TAG is also actively drilling high-impact exploration prospects identified across 2,712 sections of land in the onshore Taranaki and East Coast Basins of New Zealand's North Island.

In the East Coast Basin, TAG Oil is pursuing the significant unconventional resource potential estimated in the fractured shale source-rock formations that are widespread over the Company's acreage. These oil-rich, naturally fractured and thermally mature source-rock formations have many similarities to North America's Bakken Shale source-rock formation in the successful Williston Basin.

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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 Oil. These statements are based on certain factors and assumptions including those related to the exploration and development of TAG Oil's Cheal oil and gas field and specifically the Cheal-C1 well located in the Taranaki Basin of New Zealand. Actual results may vary materially from the information provided in this release. As a result, there is no representation by TAG Oil that actual results realized in the future would be the same in whole or in part as those presented herein. Factors that could cause actual results to differ from those contained in the forward-looking statements are set forth in, but are not limited to, filings that the Company and its independent evaluator have made, including the Company's most recent reports in Canada under National Instrument 51-101.

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