An aerial, black and white photograph of a rugged, mountainous landscape. A winding, light-colored path or road curves across the terrain. In the distance, a small, white, lattice-structured tower or structure stands on a plateau. The overall tone is dark and atmospheric.

Notice of Annual and Special Meeting & Management Information Circular

TAGO

**Tuesday, January 27th, 2015
3:00 pm (New Zealand Standard Time)**

At the Te Raukura-Wharewaka Function Centre

15 Jervois Quay
Wellington 6011
New Zealand



2040 – 885 West Georgia Street
Vancouver, B.C. V6C 3E8

NOTICE OF ANNUAL AND SPECIAL MEETING

Take notice that the annual and special meeting of the shareholders (the “**Meeting**”) of TAG Oil Ltd. (the “**Company**”) will be held at Te Raukura - Wharewaka Function Centre located at 15 Jervois Quay, Wellington, 6011, New Zealand, on January 27, 2015, at 3:00 p.m. (New Zealand Standard Time), for the following purposes:

1. To receive the consolidated financial statements of the Company for its fiscal year ended March 31, 2014, and the report of the auditors thereon.
2. To fix the number of directors to be elected at the Meeting at five (5) and to elect directors to hold office until the next shareholders’ meeting of the Company.
3. To appoint DeVisser Gray LLP as auditor of the Company to hold office until the next shareholders’ meeting of the Company and to authorize the directors to fix the remuneration to be paid to the auditor.
4. To consider and, if deemed fit, approve an ordinary resolution ratifying and approving the Company’s Advance Notice Policy.
5. To consider any permitted amendment to or variation of any matter identified in this notice of the Meeting and to transact such other business as may properly come before the Meeting or any adjournment thereof.

A Management Information Circular (“**Information Circular**”) accompanies and is deemed to form part of this notice of the Meeting. The Information Circular contains details of matters to be considered at the Meeting. Additional information is also available free of charge on SEDAR at www.sedar.com.

A shareholder who is unable to attend the Meeting in person and who wishes to ensure that such shareholder’s shares will be voted at the Meeting is requested to complete, date and sign the enclosed form of proxy (the “**Proxy**”), or another suitable form of proxy, and deliver it in accordance with the instructions set out in the Proxy and in the Information Circular.

If you have any questions about the procedures required to qualify to vote at the Meeting or about obtaining and depositing the required Proxy, you should contact the Company’s transfer agent, Computershare Investor Services Inc., by fax within North America at 1-866-249-7775, outside North America at 416-263-9524, by telephone (toll free) at 1-866-732-8683 or by e-mail at service@computershare.com.

Dated at Vancouver, British Columbia, December 19, 2014.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read "G. Johnson", written over a light grey background.

Garth Johnson
Chief Executive Officer





2040 – 885 West Georgia Street
Vancouver, B.C. V6C 3E8

MANAGEMENT INFORMATION CIRCULAR

as at December 19, 2014

This Management Information Circular (“Information Circular”) is furnished in connection with the solicitation of proxies by the management of TAG Oil Ltd. (“TAG” or the “Company”) for use at the annual and special meeting of its shareholders (the “Meeting”) to be held on January 27, 2015, at the time and place and for the purposes set forth in the accompanying notice of the Meeting. Except where otherwise indicated, the information contained herein is stated as at December 19, 2014.

In this Information Circular, references to “TAG Oil Ltd.”, “TAG”, “the Company”, “we” and “our” refer to TAG Oil Ltd. “Common Shares” means common shares in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name, “Registered Shareholders” means shareholders whose names appear on the records of the Company as the registered holders of Common Shares and “intermediaries” refers to brokers, investment firms, clearing houses, trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans and similar entities that own securities on behalf of Beneficial Shareholders.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The form of proxy accompanying this Information Circular (the “**Proxy**”) is solicited by and on behalf of the management of the Company. The solicitation of Proxies will be primarily by mail, but Proxies may be solicited personally, by telephone or other means of communication and by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to Beneficial Shareholders and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Appointment of Proxyholders

The individuals named in the accompanying Proxy are officers of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.** The only methods by which you may appoint a person as proxy are submitting the Proxy, or other suitable form of proxy, by mail, hand delivery, fax, phone or by way of the Internet, as set out on the accompanying Proxy.

Voting by Proxyholder; Exercise of Discretion

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly.



The Proxy confers discretionary authority on persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.

Registered Shareholders

If you are a Registered Shareholder, you may wish to vote by Proxy whether or not you are able to attend the Meeting in person. If you submit a Proxy, you must complete, date and sign the Proxy and then return it to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), by fax within North America at 1-866-249-7775, outside North America at 416-263-9524, by phone at 1-866-732-8683, by way of the Internet at www.investorvote.com, or by mail or by hand at 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, no later than 3:00 p.m. (New Zealand Standard Time) on January 21, 2015.

Beneficial Shareholders

The following information is of significant importance to many shareholders of the Company who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only Proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In the U.S., the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

If you are a Beneficial Shareholder:

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

The form of proxy or voting instruction form supplied to you by your broker will be similar to the Proxy provided to Registered Shareholders of the Company. However, its purpose is limited to instructing the intermediaries on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**") in the U.S. and in Canada. Broadridge mails a voting instruction form in lieu of a Proxy provided by the Company. The voting instruction form will name the same persons as the Company's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the voting instruction form. The completed voting instruction form must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the Internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate

instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a voting instruction form from Broadridge, you cannot use it to vote Common Shares directly at the Meeting. The voting instruction form must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the Common Shares voted.**

Although, as a Beneficial Shareholder, you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Common Shares as proxyholder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on your voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, you can request in writing that your broker send you a legal proxy, which would enable you, or a person designated by you, to attend at the Meeting and vote your Common Shares.

There are two kinds of Beneficial Shareholders: those who object to their name being made known to the issuers of securities which they own (called OBOs for Objecting Beneficial Owners); and those who do not object to the issuers of the securities they own knowing who they are (called NOBOs for Non-Objecting Beneficial Owners).

The Company has decided to continue to take advantage of those provisions of National Instrument 54-101, *Communication with Beneficial Owners of Securities of Reporting Issuers* (“**NI 54-101**”) that permit it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a scannable voting instruction form (the “**VIF**”) from Computershare. These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone voting and internet voting as fully described on the VIF. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the Common Shares represented by the VIFs they receive. The Company intends to pay for intermediaries to deliver the proxy related materials and related forms with respect to the Meeting to OBOs. The Company is not sending the Meeting materials to shareholders using “notice-and-access”, as defined in NI 54-101.

NOBOs should carefully follow the instructions of Computershare, including those regarding when and where to complete the VIFs that are to be returned to Computershare. Should a NOBO wish to vote at the Meeting in person, the NOBO must insert the name of the NOBO in the space provided, and attend the Meeting and vote in person.

NOBOs who wish to change their vote must contact Computershare to arrange to change their vote in sufficient time in advance of the Meeting.

These shareholder materials are being sent to both Registered Shareholders and Beneficial Shareholders. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding Common Shares on your behalf.

By choosing to send these shareholder materials to you directly, the Company (and not the intermediary holding Common Shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions as specified in the request for voting instructions.

Beneficial Shareholders with questions respecting the voting of shares held through a stockbroker or other financial intermediary should contact that stockbroker or other intermediary for assistance.



Revocation of Proxies

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has given a Proxy, or other suitable form of proxy, may revoke it by:

- (a) executing a Proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized attorney in writing, or, if the Registered Shareholder is a company, under its corporate seal by an officer or attorney duly authorized, and by delivering the Proxy bearing a later date or the notice of revocation to Computershare or at the head office of the Company at 2040-885 West Georgia Street, Vancouver, British Columbia, V6C 3E8, or

at the address of the Company's Attorney for Service in British Columbia at Suite 2600, Three Bentall Centre, 595 Burrard Street, Vancouver, British Columbia, V7X 1L3, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (b) personally attending the Meeting and voting the Registered Shareholder's Common Shares.

A revocation of a Proxy will not affect a matter on which a vote is taken before the revocation.

CURRENCY

All currency amounts in this Information Circular are expressed in Canadian dollars, unless otherwise indicated. References to "NZ\$" are to New Zealand dollars.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Other than as set out herein, no director or executive officer of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors of the Company (the "**Board**") has fixed December 11, 2014, as the record date (the "**Record Date**") for determination of persons entitled to receive notice of, and vote at, the Meeting and any adjournment thereof. Only Registered Shareholders at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a Proxy, or other suitable form of proxy, in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company is authorized to issue an unlimited number of Common Shares without par value. As at December 19, 2014, there were 62,597,852 Common Shares without par value issued and outstanding, each carrying the right to one vote. The Company has no other classes of voting securities.

As at the date of this Information Circular, to the knowledge of the directors and executive officers of the Company, no one shareholder beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying 10% or more of the voting rights attached to all outstanding Common Shares of the Company.



QUORUM; VOTES NECESSARY TO PASS RESOLUTIONS

The Company's Articles provide that a quorum for the transaction of business at any shareholders' meeting is two (2) shareholders or proxyholders present, representing an aggregate of at least 5% of the issued Common Shares entitled to be voted at the shareholders' meeting. If a quorum is not present within one-half hour after the time set for the commencement of the Meeting, the Meeting will be adjourned and set over for one week to the same time and place, and thereupon whatever number of Common Shares is represented at such adjournment shall constitute a quorum.

A simple majority (i.e. 50% plus one) of affirmative votes cast at the Meeting is required to pass an ordinary resolution of the Company, whereas a special majority (being 66 2/3%) of affirmative votes cast at the Meeting is required to pass a special resolution of the Company. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed.

FINANCIAL STATEMENTS

The audited consolidated financial statements and the related management discussion and analysis of the Company for the year ended March 31, 2014, and the report of the auditor on those statements will be placed before the Meeting.

The audited consolidated financial statements and the report of the auditor thereon, and the related management discussion and analysis are included in the Company's Annual Report for the fiscal year ended March 31, 2014. If the shareholder has previously requested a copy of the annual financial statements and the related management discussion and analysis, such Annual Report will have been mailed to the shareholder, or the shareholder will have received email notification that the financial statements and the related management discussion and analysis for the fiscal year ended March 31, 2014, are available for download without charge from SEDAR at www.sedar.com.

ELECTION OF DIRECTORS

The Board presently consists of five (5) directors. At the Meeting, it is intended that the number of directors be fixed at five (5) and that five (5) directors be elected for the ensuing year. The term of office of each of the five (5) current directors will end at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) ("**BCBCA**"), each director elected will hold office until the conclusion of the next shareholders' meeting of the Company, or until their successor is elected or appointed.

The following table sets out the names of management's five (5) nominees for election as directors, their jurisdiction of residence, the offices they hold within the Company, their principal occupations, the period of time during which each has been a director of the Company, the number of Common Shares of the Company and its subsidiaries beneficially owned by each, or over which each nominee exercises control or direction, directly or indirectly, and the nominees' membership on committees of the Board as at the date of this Information Circular. The Board does not have an executive committee. There are presently three (3) committees of the Board; namely, the Audit Committee, the Compensation Committee, and the Nominating Committee.

In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by the management of the Company will be voted for the nominees listed in this Information Circular. Management does not contemplate that any of the nominees will be unable to serve as a director.

Name, Position with the Company, and Residence ⁽¹⁾	Principal Occupation for the Past Five Years ⁽¹⁾	Director of the Company since	Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly ⁽²⁾	Committee Membership
Garth Johnson <i>CEO and Director</i> British Columbia, Canada	Chief Executive Officer and director of TAG from September 2007 to present.	April 20, 2001	5,000	Nil
Alex Guidi <i>Chairman and Director</i> British Columbia, Canada	Chairman and director of TAG from December 2009 to present; and oil and gas entrepreneur from November 1987 to present.	December 16, 2009	3,701,039	Nil
Keith Hill ⁽³⁾ <i>Director</i> British Columbia, Canada	President, Chief Executive Officer, and director of Africa Oil Corp. (" Africa Oil "), a publicly traded oil and gas company, from October 2006 to present.	July 6, 2011	Nil	Audit Committee Compensation Committee Nominating Committee
Douglas Ellenor ⁽⁴⁾⁽⁵⁾ <i>Director</i> British Columbia, Canada	Director and consultant of Jade Oil and Gas Consulting Limited (" Jade Oil and Gas "), a private oil and gas consulting company, from September 1999 to present; director and consultant of Amerisur Resources plc (" Amerisur Resources "), a publicly traded oil and gas company, from January 2008 to present; and director of L&M Petroleum Ltd. (" L&M Petroleum "), a publicly traded oil and gas company, from September 2006 to December 2012.	November 5, 2014	Nil	Audit Committee Compensation Committee Nominating Committee
Ken Vidalin ⁽⁶⁾ <i>Director</i> British Columbia, Canada	President of Carina Investments Ltd. (" Carina Investments "), a private investment company, from August 2005 to present.	December 14, 2011	Nil	Audit Committee Nominating Committee

Notes:

- Information as to position with the Company and residence has been furnished by the respective director individually. See also "Information Regarding Management's Nominees for Election to the Board" below.
- Information as to Common Shares beneficially owned or controlled has been furnished by the respective director individually. The directors do not hold shares in any subsidiary of the Company.
- On November 5, 2014, Mr. Keith Hill replaced Mr. Ronald Bertuzzi as Chairman of the Audit Committee.
- On November 5, 2014, Dr. Douglas Ellenor replaced Mr. Ronald Bertuzzi as Chairman and a member of the Compensation Committee, as well as a member of the Audit Committee and Nominating Committee.
- On November 5, 2014, Mr. Bertuzzi resigned as a director of the Company and was subsequently replaced by Dr. Ellenor on November 5, 2014.
- Chairman of the Nominating Committee.



Biographical summaries and other required information about each of the nominees for election as directors are set out below in the section entitled “*Information Regarding Management’s Nominees for Election to the Board.*”

Corporate Cease Trade Orders or Bankruptcies

To the best of management’s knowledge, no proposed director of the Company is, as at the date of this Information Circular, or has been, within the last ten years, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than thirty (30) consecutive days while the proposed director was acting in that capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than thirty (30) consecutive days that was issued after the proposed director ceased to be a director, chief executive officer, or chief financial officer and which resulted from an event which occurred while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer.

To the best of management’s knowledge, no proposed director is, as at the date of this Information Circular, or has been within the last ten (10) years, a director or executive officer of any company (including the Company) that, while the proposed director was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the best of management’s knowledge, no proposed director of the Company has, within the last ten (10) years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

To the best of management’s knowledge, no proposed director of the Company has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Information Regarding Management’s Nominees for Election to the Board

The following biographical information about management’s nominees for election to the Board has been supplied by the respective nominees:

Mr. Garth Johnson is a Certified General Accountant and is the Chief Executive Officer and a director of the Company, and has served as a director since April 20, 2001. In 2001, Mr. Johnson was appointed Chief Financial Officer and in 2007 became Chief Executive Officer of the Company. Mr. Johnson has extensive relationships within the oil and gas industry and has developed substantial business experience, including identifying, analysing, and completing complex transactions, supported by a strong understanding of capital markets. He has been a key executive in developing TAG, from an exploration company to a profitable and prominent international producer and New Zealand’s leading explorer. Mr. Johnson has previously served as a director and officer of notable New Zealand and Papua New Guinea focussed oil and gas exploration and production companies, Trans-Orient Petroleum Ltd., Austral Pacific Energy Ltd., and AMG Oil Ltd.

Mr. Alex Guidi is the founder, Chairman and a director of TAG. Since founding the Company, Mr. Guidi served as an officer and a director at various stages and in December 16, 2009, he rejoined the Board. Mr. Guidi helps guide TAG's growth and works closely with the Board and the executive management team to execute strategic direction. Mr. Guidi is a successful business entrepreneur with more than 30 years of executive oil and gas experience, and a proven track record of creating value for oil and gas companies. Mr. Guidi is also the founder of a group of Australasian focussed oil and gas companies, which grew from exploration start up to becoming producing companies with extensive acreage positions and discoveries in New Zealand's Taranaki Basin, and major gas discoveries in Papua New Guinea. In 1988, Mr. Guidi was the founder of Walking Stick Oil and Gas Ltd., a Williston Basin focused company, which also grew from an exploration start up into a successful producing entity, that later merged with Bonavista Energy in the early 1990's.

Mr. Keith Hill has been a director of the Company since July 6, 2011. Mr. Hill is also the President, Chief Executive Officer, and a director of Africa Oil, as well as a director of BlackPearl Resources Inc. ("**BlackPearl Resources**"), Tyner Resources Ltd. ("**Tyner Resources**"), ShaMaran Petroleum Corp. ("**ShaMaran Petroleum**"), Horn Petroleum Corp. ("**Horn Petroleum**"), and Petro Vista Energy Corp. ("**Petro Vista Energy**"). Prior to this, Mr. Hill was instrumental in developing Valkyries Petroleum Corp. and Tanganyika Oil Company Ltd., both highly successful international oil and gas producers which were acquired by major oil companies. Mr. Hill holds a Master of Science degree in Geology and Bachelor of Science degree in Geophysics from Michigan State University, as well as an MBA from the University of St. Thomas in Houston.

Dr. Douglas Ellenor has been a director of the Company since November 5, 2014. Dr. Ellenor holds a PhD in Geology from the University of New England (Australia) and a Bachelor of Science (Hons) degree in Geology from the University of Queens. Over the course of his career, Dr. Ellenor has a proven track record of finding oil as well as managing large capital programs, including major acquisitions and divestments. Dr. Ellenor has extensive international experience, including twenty-five (25) years with the Royal Dutch/Shell Group, with duties ranging from his early years working as a Junior Geologist, to becoming Head of Exploration and New Ventures, and ending with four (4) years as President and Chief Executive Officer of the Shell Companies of Colombia. Dr. Ellenor is currently a director and consultant for Jade Oil and Gas, as well as a director of Amerisur Resources.

Mr. Ken Vidalin has been a director of the Company since December 14, 2011. Mr. Vidalin is the founder and responsible for the significant growth of two major publically traded global corporations, Methanex Corporation ("**Methanex**"), and Acetex Corporation ("**Acetex**"). He has more than twenty-five (25) years of experience as a board member of public and private companies and as the former Chief Operating Officer of both Methanex and Acetex, Mr. Vidalin provides the Board with significant technical and business qualifications. Mr. Vidalin is currently the President of Carina Investments, and he holds a Bachelor of Science degree in Mechanical Engineering from the University of North Dakota.

The Board does not contemplate that any of its nominees will be unable to serve as a director, but if for any reason that should occur, the persons named in the Proxy shall have the right to use their discretion to vote for a properly qualified substitute.

It is expected that the nominees set forth in this Information Circular will, upon their re-election, continue to serve as directors of the Company until the conclusion of the next shareholders' meeting of the Company.

COMPENSATION OF EXECUTIVE OFFICERS

Set out below are particulars of compensation paid to the following persons (the "**Named Executive Officers**" or "**NEOs**"):

- (a) the Company's chief executive officer ("**CEO**");
- (b) the Company's chief financial officer ("**CFO**");



- (c) each of the Company's or any of its subsidiaries' three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and
- (d) each individual for whom disclosure would have been provided under (c) but for the fact that the individual was not serving as an executive officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year.

As at March 31, 2014, the end of the most recently completed financial year of the Company, the Company had five (5) Named Executive Officers, whose name and positions held within the Company are set out under "*Summary Compensation Table*" below.

Compensation Discussion and Analysis

Compensation Philosophy and Objectives

The Company's executive compensation program is designed to attract and retain highly qualified and motivated individuals, reward performance and be competitive with the compensation arrangements of other resource companies of similar size and scope of operations. The Company's Compensation Committee considers a variety of factors when determining both compensation policies and programs and individual compensation levels. These factors include the long-term interests of the Company and its shareholders, overall financial and operating performance of the Company, individual performance and contribution towards meeting corporate objectives, responsibilities, length of service and levels of compensation provided by industry competitors.

The accountability for decisions on executive remuneration is clearly within the mandate of the Compensation Committee, but management has a key role in helping support the Compensation Committee in fulfilling its obligations. For example, the Chairman and CEO make recommendations to the Compensation Committee regarding executive officer base salary adjustments, stock option grants, and bonus awards. Advice may also be given to the Compensation Committee by independent advisors and consultants to the Company. The Compensation Committee reviews the basis for these recommendations and can exercise its discretion in modifying any of the recommendations prior to making its recommendations to the Board. The Compensation Committee is satisfied that the Company's compensation structure appropriately takes into account the factors relevant to the industry, the Company's performance within that industry, and the individual contributions to the Company's performance made by its NEOs.

The Company's compensation structure for executive officers is primarily composed of two components – base salary/cash bonuses and options to purchase Common Shares ("**Options**"). Note that cash bonuses are awarded on an occasional and discretionary basis and, if awarded, reflect the Compensation Committee's assessment of the immediately preceding financial year's performance. Each element of the Company's executive compensation program is described in more detail under "*Compensation of Executive Officers - Compensation Discussion and Analysis - Compensation Elements*" below.

In the course of its deliberations, the Compensation Committee considered the implications of the risks associated with adopting the compensation program currently in place. The Compensation Committee does not believe that the compensation program adopted by the Company creates a material risk that the NEOs or any employee would be encouraged to take inappropriate or excessive risks and no such risks have been detected to date. The Compensation Committee will continue to include this consideration in its deliberations, and believes that it and the Board would detect actions of management or employees of the Company that constitute or would lead to inappropriate or excessive risks.

The Company does not have a policy restricting the ability of a Named Executive Officer or a director from purchasing financial instruments (including pre-paid variable forward contracts, equity swaps, collars, or units of exchange funds) that are designed to hedge or offset a decrease in market value of equity securities (or Options in respect thereof) granted as compensation or held, directly or indirectly, by the Named Executive Officer or director. During the financial year ending March 31, 2014, none of the Named Executive Officers or directors purchased such financial instruments.



Compensation Elements

Base Salaries/Cash Bonuses

The base salaries payable to NEOs and other executive officers and employees are intended to remunerate them for discharging job responsibilities and reflect their performance over time that is reasonable in the circumstances. The Board relies on the Compensation Committee to base its recommendations on objective criteria that includes the attainment of the Company's pre-set objectives for the previous financial year as set out in its business plan and budget that involves meeting various operational and corporate goals, as well as salaries paid to other executive officers in the junior oil and gas industry (although the Compensation Committee does not benchmark against any specific company or companies but does take into account the overall trend of executive compensation in the junior oil and gas industry). In making its recommendations to the Board, the Compensation Committee also considers the particular skills and experience of the individual needed to fulfill their responsibilities. Base salaries may be increased based upon the individual's performance and contribution in connection with their specific duties or increases in median competitive pay levels.

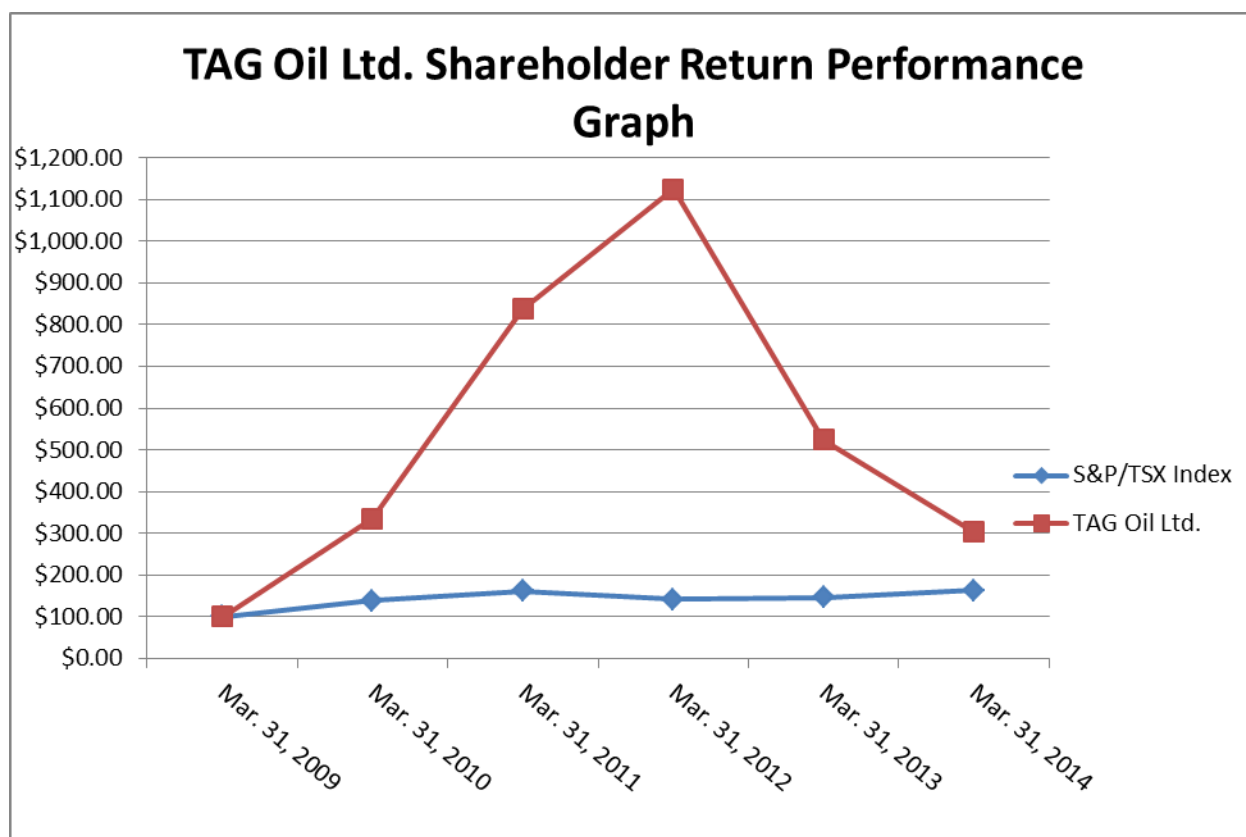
The Company does not have a formal bonus plan, and none of the Company's NEOs and other executive officers and employees has any contractual right to cash bonuses or short-term incentive compensation. However, each year the Board, upon recommendation of the Compensation Committee, will approve pre-set goals for the ensuing year for bonus payments based on the criteria stated above. The Company considers that performance bonus awards are an important part of their remuneration package where associated performance targets reflect the key drivers for value creation and growth in shareholder value.

Options

As a junior resource company, Option grants are considered a significant component of the Company's overall compensation strategy in order to appropriately incentivize the Company's NEOs and other executive officers and employees in a manner that is consistent with shareholders' interests. More specifically, Option grants, which include a vesting element to ensure retention, are long-term incentive compensation that serves to both motivate the individual toward increasing share value and to enable the individual to share in the future success of the Company. Options are granted under the Company's share option plan ("**Share Option Plan**") by the Board on the recommendation of the Compensation Committee. Options are normally awarded by the Board upon the commencement of an individual's employment with the Company based on the level of responsibility within the Company, and additional Option grants may also be made periodically during an individual's employment to ensure that the number of Options granted to any particular individual is proportionate with the individual's level of ongoing responsibility within the Company. In considering additional Option grants, a number of factors are contemplated including, the role the individual plays in the Company, the number of Options an individual has been granted, the exercise price and the value of the Options and the term remaining on those Options.

Performance Graph

The Common Shares trade on the Toronto Stock Exchange (the "**TSX**") under the stock symbol "TAO". Prior to July 6, 2011, the Common Shares traded on the TSX Venture Exchange (the "**TSX-V**"). The following graph compares the total cumulative shareholder return for \$100 invested in the Common Shares since March 31, 2009, with the total cumulative shareholder return for \$100 invested in the S&P/TSX Composite Index for the five (5) most recently completed fiscal years of the Company. Assume that \$100 was invested on the first day of the five (5) year period being March 31, 2009.



The following table shows the value of \$100 invested in Common Shares on March 31, 2009, compared to \$100 invested in the S&P/TSX Composite Index:

	March 31, 2009	March 31, 2010	March 31, 2011	March 31, 2012	March 31, 2013	March 31, 2014
S&P/TSX Index	\$100	\$138	\$162	\$142	\$146	\$164
TAG Oil Ltd.	\$100	\$335	\$838	\$1,125	\$524	\$303

Our executive compensation programs are designed to align the financial, operating and market performance of the Company with the value that the NEOs ultimately receive from the programs. Executive compensation has generally corresponded to the trends shown by the graph over the period from 2009 to 2014, although industry-specific factors have influenced compensation over the same period. Base salaries are reviewed annually and increases are based on financial and operational performance objectives that are within management of the Company's control and may not align with total shareholder returns. The value of long-term incentives at a time of grant will also vary based on corporate performance.

Option-Based Awards

On December 10, 2010, the Company's shareholders approved the Share Option Plan and also a resolution authorizing amendments to the Share Option Plan to: (i) permit the Board to make future amendments to the Share Option Plan in limited, specified circumstances without shareholder approval; (ii) provide for an automatic limited extension of the term of any Options where such term would otherwise expire during or within ten (10) business days after a Company-imposed black out period; (iii) allow the Board discretion with regards to the vesting period for Options granted under the Share Option Plan; and (iv) remove references to the TSX-V and provisions previously inserted into the Share Option Plan in order to comply with the requirements of the TSX-V which no longer apply to the Company. These

amendments became effective upon the Company's graduation from the TSX-V to the TSX on July 5, 2011. On December 12, 2013, the Company's shareholders approved the grant of all unallocated Options under the Share Option Plan, and the Company will not be required to seek further approval of the grant of unallocated Options under the Share Option Plan until December 11, 2016.

The purpose of the Share Option Plan, pursuant to which Options may be granted, is to attract and retain directors, executive officers and employees, who will be motivated to work towards ensuring the success of the Company. Proposed grants of Options are submitted to the Board for approval by the Company's Compensation Committee. Prior grants of Options to executive officers are taken into consideration when considering new grants. The Board administers and has the authority to amend the Share Option Plan, subject to applicable shareholder and regulatory approvals. See "*Compensation of Executive Officers - Compensation Discussion and Analysis - Compensation Elements - Options*" and "*Compensation of Executive Officers - Share Option Plan*" for additional information concerning the Share Option Plan.

Summary Compensation Table

The following table is a summary of compensation paid to the NEOs for the three most recently completed financial years ended March 31, 2014, March 31, 2013, and March 31, 2012, respectively:

Name and Principal Position	Year Ended March 31	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$) ⁽²⁾	Total compensation (\$) ⁽³⁾
					Annual incentive plans	Long-term incentive plans			
Garth Johnson ⁽⁴⁾ CEO	2014	240,000	Nil	247,407	Nil	Nil	Nil	150,000	637,407
	2013	240,000	Nil	727,861	Nil	Nil	Nil	225,000	1,192,861
	2012	203,077	Nil	870,324	Nil	Nil	Nil	300,000	1,373,401
Christopher Ferguson ⁽⁵⁾ CFO	2014	77,042	Nil	43,303	Nil	Nil	Nil	4,342	124,687
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2012	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Drew Cadenhead COO	2014	284,728	Nil	247,407	Nil	Nil	Nil	108,550	640,685
	2013	267,851	Nil	727,861	Nil	Nil	Nil	229,247	1,224,959
	2012	212,318	Nil	870,324	Nil	Nil	Nil	314,360	1,397,002
Alex Guidi ⁽⁶⁾ Chairman and Director	2014	240,000	Nil	247,407	Nil	Nil	Nil	75,000	562,407
	2013	241,667	Nil	727,861	Nil	Nil	Nil	125,000	1,094,528
	2012	200,000	Nil	491,679	Nil	Nil	Nil	150,000	841,679
Randy Toone ⁽⁷⁾ New Zealand Country Manager	2014	231,906	Nil	222,116	Nil	Nil	Nil	108,550	562,572
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2012	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- 1) The Company uses the Black-Scholes option-pricing model to calculate the fair value of option based awards on the grant date. The model requires five key inputs: risk free interest rate, exercise price, market price at date of issue, expected life and expected volatility, all of which, other than the exercise price and market price, are estimated by management. For the purposes of the calculations in the table above, we relied on the following estimates: (a) risk free interest rate of 2.5%; (b) expected volatility of 75%; (c) expected life of 5 years; and (d) expected dividend of Nil%. We selected the Black-Scholes model because it is widely used in estimating option based compensation values by Canadian public companies and has been consistently applied by the Company for valuing option based awards granted by the Company since the fiscal year ended March 31, 2002.
- 2) All other compensation only includes cash bonuses that are based on the Compensation Committee's specific recommendations to the Board that stem from the individual's performance and contribution to the Company.
- 3) Option-based award amounts during the year ended March 31, 2014, include both vested and unvested amounts of Options granted during the 2014 fiscal year.

- 4) Mr. Garth Johnson is also a director of the Company, but no additional compensation is paid to him in respect of his duties as a director.
- 5) On December 1, 2013, Mr. Blair Johnson resigned as Chief Financial Officer of the Company and was subsequently replaced by Mr. Christopher Ferguson on December 1, 2013.
- 6) All compensation paid to Mr. Alex Guidi is for his role as Chairman and a director of the Company to provide services on strategic matters for the Company. See "*Compensation of Executive Officers - Termination and Change of Control Benefits*" for additional information concerning Mr. Guidi's compensation agreement with the Company.
- 7) On July 3, 2014, Mr. Randy Toone resigned as New Zealand Country Manager of the Company and was subsequently replaced by Mr. Max Murray on September 1, 2014.

Pension Plan Benefits

The Company has not established any pension plans for directors and executive officers that provide for payments or benefits at, following, or in connection with retirement.

Incentive Plan Awards

Outstanding Share-Based Awards and Options-Based Awards

The following table sets out the option-based awards made by the Company to the NEOs which were outstanding as at March 31, 2014. Further details about the granting of options and the determination of their terms are discussed under "Compensation of Executive Officers - Compensation Discussion and Analysis".

	Option-Based Awards				Share-Based Awards	
Name	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Garth Johnson CEO	100,000	2.60	Sept. 9, 2015	43,000	Nil	Nil
	125,000	7.15	Feb. 8, 2016	Nil	Nil	Nil
	100,000	6.15	July 5, 2016	Nil	Nil	Nil
	200,000	6.70	Aug. 8, 2017	Nil	Nil	Nil
Christopher Ferguson ⁽²⁾ CFO	75,000	5.00	Dec. 1, 2018	Nil	75,000	Nil
Drew Cadenhead COO	125,000	7.15	Feb. 8, 2016	Nil	Nil	Nil
	100,000	6.15	July 5, 2016	Nil	Nil	Nil
	200,000	6.70	Aug. 8, 2017	Nil	Nil	Nil
Alex Guidi Chairman and Director	125,000	7.15	Feb. 8, 2016	Nil	Nil	Nil
	100,000	6.15	July 5, 2016	Nil	Nil	Nil
	200,000	6.70	Aug. 8, 2017	Nil	Nil	Nil
Randy Toone ⁽³⁾ New Zealand Country Manager	150,000	5.00	Oct. 1, 2014	Nil	50,000	Nil

Notes:

- 1) Value of unexercised in-the-money options is calculated based upon the difference between the market value of the Common Shares as at March 31, 2014, (\$3.03 closing price on the TSX) and the exercise price of the Options.
- 2) On December 1, 2013, Mr. Blair Johnson resigned as Chief Financial Officer of the Company and was subsequently replaced by Mr. Christopher Ferguson on December 1, 2013.



- 3) On July 3, 2014, Mr. Randy Toone resigned as New Zealand Country Manager of the Company and was subsequently replaced by Mr. Max Murray on September 1, 2014.

Incentive-Plan Awards – Value Vested or Earned During the Year

Name	Option-based awards – Value vested during the year (\$)⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Garth Johnson <i>CEO</i>	Nil	Nil	Nil
Christopher Ferguson ⁽²⁾ <i>CFO</i>	Nil	Nil	Nil
Drew Cadenhead <i>COO</i>	Nil	Nil	Nil
Alex Guidi <i>Chairman and Director</i>	Nil	Nil	Nil
Randy Toone ⁽³⁾ <i>New Zealand Country Manager</i>	Nil	Nil	Nil

Notes:

- 1) Calculated by multiplying the number of Common Shares in respect of which vesting occurred in the year ended March 31, 2014, by the difference between the closing price of the Common Shares on the TSX on the vesting date and the exercise price of the Options on the vesting date.
- 2) On December 1, 2013, Mr. Blair Johnson resigned as Chief Financial Officer of the Company and was subsequently replaced by Mr. Christopher Ferguson on December 1, 2013.
- 3) On July 3, 2014, Mr. Randy Toone resigned as New Zealand Country Manager of the Company and was subsequently replaced by Mr. Max Murray on September 1, 2014.

Discussion of Plan-Based Awards

During the financial year ended March 31, 2014, the Company granted a total of 75,000 Options to its NEOs pursuant to the Share Option Plan, which may be exercised at a price of \$5.00 per share and expire on December 1, 2018.

The Board administers the Share Option Plan, and as such, all proposed Option grants are submitted to the Board for their approval. In considering new grants, the Board considers prior grants made to directors and executive officers.

Share Option Plan

The Company has a Share Option Plan which is intended to afford persons who provide services to the Company an opportunity to obtain a proprietary interest in the Company by permitting them to purchase Common Shares and to aid in attracting as well as retaining and encouraging the continued involvement of such persons with the Company. The Share Option Plan permits the granting of Options to officers, employees of, consultants to and other eligible service providers ("**Optionees**") of and to the Company and its subsidiaries.

The maximum number of Common Shares issuable on exercise of Options outstanding at any time is limited, in the aggregate, to 10% of the issued and outstanding Common Shares. Any increase in the issued and outstanding Common Shares (whether as a result of exercise of Options, or otherwise) will result in an increase in the number of Common Shares that may be issued on exercise of Options outstanding at any time and any increase in the number of Options granted, upon exercise, makes new grants available under the Share Option Plan. Options that are cancelled, terminated or expire prior to exercise of all or a portion thereof shall result in the Common Shares that were reserved for issuance thereunder being available for a subsequent grant of Options pursuant to the Share Option Plan.

The number of Common Shares issuable pursuant to Options granted under the Share Option Plan: (i) to any one person at any time, and within a one (1) year period, may not exceed 5% of the outstanding Common Shares; and (ii) to all insiders at any time, and within a one (1) year period, may not exceed 10% of the outstanding Common Shares. Options granted under the Share Option Plan are not assignable.

Options can be exercisable for a maximum of ten (10) years from the date of grant thereof by the Board and, subject to the terms of the Share Option Plan, shall vest in such manner as determined by the Board appointed from time to time to administer the Share Option Plan. If an Option is set to expire within, or within ten (10) business days after the end of a “black out” or similar period imposed under any insider trading policy or similar policy of the Company (but not, for greater certainty, a restrictive period resulting from the Company or its insiders being the subject of a cease trade order of a securities regulatory authority), then the end of the term of such Option shall be the tenth business day after the earlier of the end of such black out period or, provided the black out period has ended, the expiry date.

The exercise price of any Options granted will be determined by the Board at the time of grant, provided that the exercise price shall not be less than the market price, which means that: (a) if the Common Shares are listed on the TSX, the market price shall be the closing price of the Common Shares on the TSX for the last market trading day prior to the date of the grant of the Option, (b) if the Common Shares are listed on the TSX-V, the market price shall be the closing price of the Common Shares on the TSX-V for the last market trading day prior to the date of the grant of the Option less any discount permitted by the TSX-V, (c) if the Common Shares are listed on an exchange other than the TSX or the TSX-V, the market price shall be the closing price of the Common Shares (or the closing bid, if no sales were reported) as quoted on such exchange for the last market trading day prior to the date of the grant of the Option, and (d) if the Common Shares are not listed on an exchange, the market price shall be determined in good faith by the Board.

The Share Option Plan contains customary anti-dilution provisions which provide for adjustments to be made in the event of consolidations, subdivisions or any changes of the Common Shares, or in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, in order to prevent dilution or enlargement of the rights granted under the Share Option Plan.

If an Optionee ceases to be an officer, employee of, or service provider to, the Company or a subsidiary of the Company for any reason, the Optionee shall have a period not in excess of ninety (90) days as prescribed at the time of grant, succeeding his ceasing to be an officer, employee or consultant or other service provider to exercise Options held to the extent that the Optionee was entitled to exercise the options at the date of such cessation. In the case of being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same. Generally, in the event of a merger whether by way of amalgamation or arrangement, or the sale of substantially all of the assets of the Company, any or all outstanding Options may be assumed, converted or replaced by the successor corporation (if any), which assumption, conversion or replacement will be binding on all Optionees or, in the alternative, the successor corporation may substitute equivalent Options or provide substantially similar consideration to Optionees as was provided to shareholders (after taking into account the existing provisions of the Options). In the

event of a proposed dissolution or liquidation of the Company, to the extent that an Option has not been previously exercised, the Option will terminate immediately prior to the consummation of such proposed action, subject to the Board's discretion.

All Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable, subject to the case of the death of an Optionee in which any vested Option held at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one (1) year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option.

Without the prior approval of the shareholders, the Board may not make any amendment that results in: (a) an increase in the number of Common Shares issuable under Options granted pursuant to the Share Option Plan, (b) a change in the persons eligible to receive Options under the Share Option Plan, (c) a reduction in the exercise price of an Option granted to insiders of the Company, (d) the cancellation and reissue of any Option, (e) an extension of the term of an Option granted under the Share Option Plan benefiting an insider of the Company, or (f) Options becoming transferable or assignable other than for the purposes in the case of the death of an Optionee. Subject to the restrictions set out above, the Board may, without notice, at any time and from time to time amend the Share Option Plan and Options granted thereunder provided, however, that no such amendment of the Share Option Plan may be made without the consent of such Optionee if such amendment would adversely affect the rights of such Optionee under the Share Option Plan. The Board may also terminate the Share Option Plan at any time without shareholder approval, provided that no such termination shall adversely affect the rights of any Optionee under any Option previously granted except with the consent of such Optionee.

As at the date of this Information Circular, the Company has 62,597,852 Common Shares issued and outstanding, and the number of Options outstanding is 4,595,334 (7.34%). Therefore, as at the date of this Information Circular, the number of Options available for grant is 1,664,451 (2.66%).

Termination and Change of Control Benefits

Other than as disclosed below, there are no contracts, agreements, or arrangements with respect to any NEO that provide for payments resulting from the resignation, retirement or any other termination of the NEO's employment or from a change of control or from a change in the NEO's responsibilities following a change in control.

On September 1, 2007, the Company entered into an executive employment agreement with Mr. Garth Johnson that provides for a salary of \$150,000 on an on-going basis for his services as the Company's Chief Executive Officer. On February 28, 2008, the annual salary increased to \$175,000. On October 21, 2009, Mr. Johnson's annual salary was increased to \$200,000, and on March 13, 2012, was increased to \$240,000. The Company may terminate the agreement at any time without cause by providing thirty (30) months' written notice to Mr. Johnson, pay in lieu of such notice (\$1,350,000 plus Option compensation as negotiated), or any combination thereof. If any of the following events occur within the twelve (12) month period immediately following a change of control, then at Mr. Johnson's election, of which Mr. Johnson shall advise the Company by notice in writing within ninety (90) days of the event occurring, the agreement will be deemed to have been terminated by the Company and the Company will, immediately upon such termination, pay to Mr. Johnson an amount equal to his base salary for thirty (30) months (\$600,000):

- (a) if the agreement is terminated by the Company without cause after a change of control;
- (b) if Mr. Johnson is placed in a position of lesser stature than that of President and Chief Executive Officer;
- (c) if Mr. Johnson is assigned duties significantly inconsistent with the position of Chief Executive Officer immediately prior to the change of control;
- (d) if Mr. Johnson is assigned performance requirements or working conditions that are at variance with the performance requirements and working conditions in effect immediately preceding the change of control;



- (e) if Mr. Johnson is accorded treatment on a general basis that is in derogation of his status as Chief Executive Officer; or
- (f) any requirement that the location at which Mr. Johnson performs his principal duties is outside a radius of twenty-five miles from the location at which he performs such duties immediately before the change of control.

In addition, all Options held by Mr. Johnson will vest immediately and expire in three (3) months, and the Company will continue to provide all applicable benefits for a period of three (3) months from the date of Mr. Johnson's termination due to a change of control.

On October 1, 2009, the Company entered into an employment agreement with Mr. Drew Cadenhead that provides for compensation for his services to assist with the corporate development, technical and operational matters of the Company as follows:

- (a) NZ\$11,833 per month, payable monthly, from October 1, 2009, to December 31, 2009; and
- (b) NZ\$23,623 per month, payable monthly, for a period of one (1) year commencing January 1, 2010.

The employment agreement may be terminated by the Company or Mr. Cadenhead at any time for any cause or reason, or without any cause or reason, by giving to the other party three (3) months' prior written notice of such termination and upon the expiry of such notice, the agreement will terminate. In such event, Mr. Cadenhead will not be entitled to any payment on account of such termination, other than such amounts that are due in respect of the period ending on the date of termination (NZ\$81,492). On January 1, 2011, the employment agreement was extended on an on-going basis, and on March 9, 2012, Mr. Cadenhead's salary was increased to NZ\$325,968.

On November 1, 2009, the Company entered into a consulting agreement with Triomphe Limited ("Triomphe"), under which Mr. Blair Johnson was engaged as an employee to provide corporate accounting services for the Company. On March 9, 2012, Mr. Johnson's salary was increased to NZ\$279,240. On October 1, 2013, the consulting agreement was amended pursuant to an addendum entered into between the Company and Triomphe upon which the term of the agreement was set to end on March 31, 2014, and it could be terminated by the Company or Triomphe at any time for any cause or reason, or without any cause or reason, by giving to the other party six (6) months' prior written notice of such termination and upon the expiry of such notice, the agreement would terminate. In such event, Triomphe would not be entitled to any payment on account of such termination, other than such amounts that are due in respect of the period ending on the date of termination (NZ\$139,620). Also, in the event of termination of the agreement under the termination provisions, Mr. Johnson would be immediately deemed to have resigned as Chief Financial Officer of the Company on the earlier of the date that the appointment of another Chief Financial Officer of the Company became effective or the date of termination of the agreement. On October 1, 2013, Mr. Johnson submitted his six (6) months' prior written notice of termination to the Company, which expired on March 31, 2014, and was not entitled to any payment on account of such termination, other than such amounts that were due in respect of the period ending on the date of termination (NZ\$139,620). Also, Mr. Johnson was deemed to resign as Chief Financial Officer of the Company immediately effective upon the appointment of Mr. Christopher Ferguson as Chief Financial Officer of the Company commencing on December 1, 2013.

On September 30, 2013, the Company entered into an executive employment agreement with Mr. Christopher Ferguson commencing on December 1, 2013, which provides for a salary of NZ\$230,000 on an on-going basis for his services as the Company's Chief Financial Officer. The employment agreement may be terminated by either party at any time for any cause or reason, or without any cause or reason, by giving the other party three (3) months' prior written notice of such termination and upon the expiry of such notice, the agreement will terminate. In such event, Mr. Ferguson will not be entitled to any payment on account of such termination, other than such amounts that are due in respect of the period ending on the date of termination (NZ\$57,500).

On October 1, 2007, the Company entered into an agreement with Mr. Alex Guidi under which Mr. Guidi is engaged to provide services on strategic matters for the Company and receive an annual salary. The current annual salary payable to Mr. Guidi pursuant thereto is \$240,000, effective as of March 13, 2012, which salary has not been increased in fiscal 2013 or 2014. The agreement may be terminated by the Company or Mr. Guidi at any time for any cause or reason, or without any cause or reason, by giving to the other party one (1) month's prior written notice of such termination and upon the expiry of such notice, the agreement will terminate. In such event, Mr. Guidi will not be entitled to any payment on account of such termination, other than such amounts that are due in respect of the period ending on the date of termination (\$20,000).

On February 22, 2013, the Company entered into an executive employment agreement with Mr. Randy Toone commencing on May 1, 2013, that provided for a salary of \$250,000 on an on-going basis for his services as the Company's New Zealand Country Manager. The employment agreement could be terminated by the Company at any time for any cause or reason, or without any cause or reason, by giving Mr. Toone twelve (12) months' prior written notice of such termination and upon the expiry of such notice, the agreement will terminate. In such event, Mr. Toone would have been entitled to any payment on account of such termination, other than such amounts that are due in respect of the period ending on the date of termination (\$250,000). The employment agreement could be terminated by Mr. Toone at any time for any cause or reason, or without any cause or reason, by giving the Company one (1) months' prior written notice of such termination and upon the expiry of such notice, the agreement would terminate. On May 26, 2013, Mr. Toone submitted his one (1) months' prior written notice of termination to the Company, which expired on July 3, 2014, and was not entitled to any payment on account of such termination, other than such amounts that were due in respect of the period ending on the date of termination (\$20,833).

DIRECTOR COMPENSATION

Director Compensation Table

The following table is a summary of compensation paid to directors of the Company for the most recently completed financial year ended March 31, 2014:

Name ⁽¹⁾	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽²⁾	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total compensation (\$)
Ronald Bertuzzi ⁽³⁾	15,500	Nil	30,926	Nil	Nil	Nil	46,426
Keith Hill	26,000	Nil	94,100	Nil	Nil	Nil	120,100
Ken Vidalin	26,000	Nil	61,852	Nil	Nil	Nil	87,852

Notes:

- 1) Compensation paid to Mr. Alex Guidi for his role as Chairman and a director of the Company to provide services on strategic matters for the Company is reflected under the "Compensation of Executive Officers - Summary Compensation Table" above.
- 2) The Company uses the Black-Scholes option-pricing model to calculate the fair value of option based awards. The model requires five key inputs: risk free interest rate, exercise price, market price at date of issue, expected life and expected volatility, all of which, other than the exercise price and market price, are estimated by management. For the purposes of the calculations in the table above, we relied on the following estimates: (a) risk free interest rate of 2.5%; (b) expected volatility of 75%; (c) expected life of 5 years; and (d) expected dividend of Nil%. We selected the Black-Scholes model because it is widely used in estimating option based compensation values by Canadian public companies and has been consistently applied by the Company for valuing option based awards granted by the Company since the fiscal year ended March 31, 2002.
- 3) On November 5, 2014, Mr. Bertuzzi resigned as a director of the Company and was subsequently replaced by Dr. Douglas Ellenor on November 5, 2014.



Discussion of Director Compensation

Effective December 16, 2009, the Company commenced paying Mr. Ronald Bertuzzi compensation of \$500 per month each for his services as non-executive director and member on various Board committees and up to \$500 for each Board and Audit Committee meeting that he attended, which was determined and approved by the Board. On January 1, 2013, Mr. Bertuzzi's compensation increased to \$1,250 a month. On November 5, 2014, Mr. Bertuzzi resigned as a director of the Company and was subsequently replaced by Dr. Douglas Ellenor on November 5, 2014, at which time the Company commenced paying Dr. Ellenor compensation of \$36,000 per year for his services as a non-executive director and member on various Board committees. On July 5, 2011, the Company commenced paying Mr. Keith Hill compensation of \$26,000 per year for his services as a non-executive director and member on various Board committees, which was increased to \$36,000 per year on November 1, 2014. On December 14, 2011, the Company commenced paying Mr. Ken Vidalin compensation of \$26,000 per year for his services as a non-executive director and member on various Board committees, which was increased to \$36,000 per year on November 1, 2014. The executive director of the Company does not receive compensation for services provided in his capacity as director, including any fees for serving on the Board or Board committees thereof or for attending Board meetings.

Outstanding Share-Based Awards and Options-Based Awards

The following table sets out the option-based awards made by the Company to the directors which were outstanding as at March 31, 2014.

Name	Option-Based Awards				Share-Based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Ronald Bertuzzi ⁽²⁾	50,000	2.60	Sept. 9, 2015	21,500	Nil	Nil
	50,000	7.15	Feb. 8, 2016	Nil	Nil	Nil
	25,000	6.70	Aug. 8, 2017	Nil	Nil	Nil
Keith Hill	200,000	6.15	July 5, 2016	Nil	Nil	Nil
	50,000	6.70	Aug. 8, 2017	Nil	Nil	Nil
Ken Vidalin	200,000	7.00	Dec. 20, 2016	Nil	Nil	Nil
	50,000	6.70	Aug. 8, 2017	Nil	Nil	Nil

Notes:

- 1) Value of unexercised in-the-money options is calculated based upon the difference between the market value of the Common Shares as at March 28, 2014 (\$3.03 closing price on the TSX) and the exercise price of the Options.
- 2) On November 5, 2014, Mr. Ronald Bertuzzi resigned as a director of the Company and was subsequently replaced by Dr. Douglas Ellenor on November 5, 2014.

Incentive-Plan Awards – Value Vested or Earned During the Year

The following table sets out the aggregate dollar value that would have been realized by each director if he exercised, on the applicable vesting dates, those options held by him under option-based awards, which vested during the most recently completed financial year.

Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Ronald Bertuzzi ⁽²⁾	Nil	Nil	Nil
Keith Hill	Nil	Nil	Nil
Ken Vidalin	Nil	Nil	Nil

Notes:

- 1) Calculated by multiplying the number of Common Shares in respect of which vesting occurred in the year ended March 31, 2013, by the difference between the closing price of the Common Shares on the TSX on the vesting date and the exercise price of the Options on the vesting date.
- 2) On November 5, 2014, Mr. Ronald Bertuzzi resigned as a director of the Company and was subsequently replaced by Dr. Douglas Ellenor on November 5, 2014.

Directors' and Officers' Liability Insurance

The Company maintains insurance for the benefit of its directors and officers and the directors and officers of its subsidiaries, as a group, in respect of the performance of them of the duties of their offices. The total amount of insurance coverage available is up to \$10,000,000, depending on the type of claim, with a deductible of up to \$50,000, depending on the type of claim, for each claim for which the Company grants indemnification. The Company bears the entire cost of the premiums payable pursuant to this coverage.

APPOINTMENT OF AUDITOR

The management of the Company intends to nominate DeVisser Gray LLP ("**DeVisser Gray**") of Vancouver, British Columbia, for re-appointment as auditor of the Company. Proxies given pursuant to the solicitation by the management of the Company will, on any poll, be voted as directed and, if there is no direction, for the re-appointment of DeVisser Gray as auditor of the Company to hold office until the close of the next shareholders' meeting of the Company, at a remuneration to be fixed by the directors. DeVisser Gray was first appointed as auditor of the Company on March 17, 2004.

AUDIT COMMITTEE DISCLOSURE

The Audit Committee, comprised of Keith Hill (Chairman), Douglas Ellenor, and Ken Vidalin, has the responsibility of, among other things, recommending to the Board the independent auditor; determining the extent of involvement of the independent auditor in reviewing unaudited quarterly financial results; evaluating the qualifications, performance and independence of the independent auditor; reviewing and recommending approval to the Board of our annual and quarterly financial results and management discussion and analysis and overseeing the establishment of "whistle-blower" and related procedures. Each member of the Audit Committee is an independent director. National Instrument 52-110 *Audit Committees* requires the Company's Audit Committee to meet certain requirements. It also requires the Company to disclose certain information regarding the Audit Committee.

That information regarding the Company's Audit Committee, including its mandate is disclosed in the Company's Annual Information Form ("**AIF**") dated as of June 30, 2014, which is available on SEDAR at www.sedar.com (see section 14.1 and Appendix "A" of the Company's AIF for additional information on the Audit Committee).

During the fiscal year ended March 31, 2014, the Audit Committee met four (4) times, at which all members of such Audit Committee were present.

CORPORATE GOVERNANCE DISCLOSURE

General

Effective June 30, 2005, National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) and National Policy 58-201 *Corporate Governance Guidelines* (“**NP 58-201**”) were adopted in each of the provinces and territories of Canada. NI 58-101 requires issuers to disclose the corporate governance practices with respect to corporate governance guidelines that they have adopted. NP 58-201 provides guidance on corporate governance practices.

The Board understands that good corporate governance improves corporate performance and benefits all shareholders. This section sets out the Company’s approach to corporate governance and addresses the Company’s compliance with NI 58-101.

1. Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment and includes the holding of an executive officer position.

The Board facilitates its independent supervision over management by conducting a quarterly review of the Company’s financial statements and management discussion and analysis as well as requiring material transactions to be approved by the Board prior to the transaction taking place.

The independent members of the Board are Keith Hill, Douglas Ellenor, and Ken Vidalin. Mr. Garth Johnson is not an independent member of the Board, as Mr. Johnson is the current Chief Executive Officer of the Company. Mr. Alex Guidi is not an independent member of the Board, as Mr. Guidi receives a salary from the Company to assist with the strategic advice and planning matters of the Company’s business. As a result, the Board currently has a majority of independent directors. The Company considers its current Board composition to be sufficient given the current state of the Company’s business, but it continues to review the composition of the Board on an annual basis.

Given the size of the Company, the current composition of the Board and the nature of activities to date, the independent members of the Board are not expected to hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. This practice will be reassessed as the Company grows. In order to facilitate open and candid discussion among independent directors, from time to time as circumstances dictate, the independent directors can request a meeting or a portion thereof to be restricted to independent directors for the purpose of discussing matters independently of management. In addition, independent directors are encouraged to remain in communication with one another between meetings as and when they deem it appropriate.

The Board has appointed Mr. Guidi, who is not independent, as Chairman of the Board and Mr. Hill as independent lead director. Mr. Hill’s role as independent lead director is to provide leadership to the Company’s independent directors by encouraging a culture of ethical business conduct. Each member of the Board is encouraged to conduct a self-review to determine if they are providing an effective service in regards to both the Company and its shareholders. Should it be deemed that a member of the Board is unable to effectively act on behalf of the Board or in the interests of the Company or its shareholders, the director would be encouraged to resign his/her position on the Board.

For the prior financial year ended March 31, 2013, certain directors provided prior notice to the Board regarding their unavoidable absence from attending some of the Board meetings held during such year. As a result, a “withhold” vote may have been recommended by certain proxy advisory organizations against the re-appointment of certain Board members for the subsequent year at the Company’s previous annual general meeting of shareholders held on December 12, 2013. The Company and the Board have been successful in focusing on trying to ensure the availability of its Board members to attend all Board

meetings, and in the financial year ended March 31, 2014, all Board members attended 100% of the Board meetings held.

The following table provides details regarding director attendance at Board meetings held during the financial year ended March 31, 2014:

Meetings Attended out of Meetings Held

Garth Johnson	4/4
Alex Guidi	4/4
Keith Hill	4/4
Ronald Bertuzzi	4/4
Ken Vidalin	4/4

2. Board Mandate

The Board does not have a written mandate. The Board delineates its role and responsibilities based on the statutory and common law applicable to the Company. The Board believes its mandate is to manage the business and affairs of the Company. While day-to-day management of the Company has been delegated by the Board to executive management, the Board fulfills its responsibility for the broader stewardship of the Company's business and affairs through its regular meetings at which members of management provide reports to the Board with respect to the Company's business and operations, make proposals to the Board and receive the Board's decisions for implementation. Any responsibility that has not been delegated to executive management or a Board committee remains with the full Board.

The Board believes that its approach to corporate governance is appropriate and works effectively for the Company and its shareholders, and is consistent with the overall business of the Company and its stage of development.

3. Directorships

Mr. Keith Hill is currently a director of other issuers that are reporting issuers (or the equivalent) in a jurisdiction or a foreign jurisdiction. Specifically, Mr. Hill is a director of ShaMaran Petroleum, Horn Petroleum, Tyner Resources, BlackPearl Resources, Africa Oil, and Petro Vista Energy.

Dr. Douglas Ellenor is currently a director of another issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction. Specifically, Dr. Ellenor is a director of Amerisur Resources.

4. Position Descriptions

The Board has not developed written position descriptions for the Chairman of the Board and chair of each Board committee. The Board does not expressly delineate the roles and responsibilities of these positions and relies upon the provisions of the articles of the Company and the statutory and common law to define such roles and responsibilities.

The Board and the CEO have not developed a written position description for the CEO. The Board meets annually to set objectives for the CEO, along with delineating the roles and responsibilities of the CEO. The Board reviews and approves the objectives of the CEO and evaluates the CEO's performance in connection with these objectives. The Board will also determine whether the roles and responsibilities of the CEO correspond with achieving these objectives. The Board believes that the CEO has the responsibility for all of the functions and operations of the Company on a day-to-day basis.

5. Orientation and Continuing Education

The Board provides ad hoc orientation for new directors. Continuing education opportunities are available to Board members as requested. On occasions where it is considered advisable, the Board will provide directors with information regarding topics of general interest, such as fiduciary duties and continuous disclosure obligations. The Board also ensures that each director is up-to-date with current information



regarding the business of the Company, the role the director is expected to fulfill and basic procedures and operations of the Board and its committees. Board members are also given access to management and other employees and advisors, who can answer any questions that may arise. Management also updates the Board concerning the status of the Company and, in respect of material transactions, including review of financial statements, provides opportunities for Board review and approval by way of directors' consent resolutions.

6. Ethical Business Conduct

The Board is of the view that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest are sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Nevertheless, the Company has adopted a formal written code of ethics (the "**Code of Ethics**"), which sets out the ethical and behavioural standards expected of the Company's directors, officers, employees and contractors. These standards include integrity and objectivity, fair dealing and due care, proper use of the Company's assets, property and information and compliance with applicable laws, regulations and rules. The Board satisfies itself regarding compliance with the Code of Ethics by reasonably ensuring that all directors, officers and employees receive and become familiar with the Code of Ethics and acknowledge their support and understanding of the Code of Ethics. The Company will provide a copy of the Code of Ethics, free of charge, upon request to the Company (telephone no.: (604) 682-6496; fax no.: (604) 682-1174). A copy of the Code of Ethics is also available under the Company's profile on SEDAR and may be downloaded without charge at www.sedar.com.

7. Nomination of Directors

The Nominating Committee consists of three independent directors, Ken Vidalin (Chairman), Keith Hill and Douglas Ellenor. The Nominating Committee is responsible for identifying, assessing and making recommendations as to candidates qualified for election to the Board and Board committees, and where necessary, develops an orientation and education program for new recruits to the Board. In identifying possible nominees to the Board, the Nominating Committee considers the competencies and skills necessary for the Board as a whole, the skills of existing directors and the competencies and skills each new nominee will bring to the Board, as well as whether or not each nominee will devote sufficient time and resources to the Board. The Nominating Committee also considers the size of the Board each year when it considers the number of directors to recommend to the shareholders for election at the shareholders' meeting of the Company, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience. In the event of a vacancy on the Board, the Nominating Committee would evaluate potential candidates on the basis of factors such as their past business experience; their industry knowledge; and their ability to contribute to the success of the Company.

As at the date hereof, the Company has not adopted a majority voting policy with respect to the election of directors for non-contested meetings. As part of its annual process of determining director nominees, the Company has examined both the role and contribution of each director nominee to the strategic and operational success of the Company and the support that its directors receive from the shareholders. The Company has always reviewed and considered, on an ongoing basis, the effectiveness of its corporate governance policies, including its director nominees, evolving market practices on majority voting policies and best practices in corporate governance. The TSX has recently adopted new amendments to the TSX Company Manual regarding the adoption of a majority voting policy for the election of directors for non-contested meetings. The Company expects, in compliance with the amendments to the TSX Company Manual, to adopt a majority voting policy at or before its next annual general meeting of shareholders.

During the fiscal year ended March 31, 2014, the Nominating Committee met one (1) time, at which all members of such Nominating Committee were present.

8. Compensation

As at the date of this Information Circular, the Compensation Committee consists of Douglas Ellenor (Chairman) and Keith Hill, each of whom is independent and neither of whom is an officer or employee of the Company or any of its subsidiaries. The Board believes the Compensation Committee collectively has the knowledge, experience and background required to fulfill its mandate. Also, it is notable that Mr. Hill has extensive experience setting compensation for executives in companies of a similar size to the Company. The Compensation Committee's charter mandates the Compensation Committee to recommend to the Board the form and amount of compensation to be paid by the Company to directors for service on the Board and on Board committees and to recommend the structure of the Company's compensation programs, both for management and staff, including base salaries, perquisites and long and short-term incentive compensation, including cash bonuses and Option grants. The Compensation Committee is also mandated to review the performance of the Chief Executive Officer and Chief Financial Officer. A copy of the Compensation Committee's charter is attached to the Company's Annual Report on Form 20-F dated March 31, 2006, and is incorporated by reference herein and may be downloaded without charge from SEDAR at www.sedar.com.

The Compensation Committee meets from time to time during the year for the purpose of, among other things, reviewing the overall employee and executive officer compensation program, as well as the adequacy and form of annual compensation for directors to ensure that such compensation realistically reflects the responsibilities and risks involved in being an effective director, and recommending the approval of any proposed changes to these compensation programs to the Board. The Compensation Committee makes specific recommendations to the Board on base salaries, cash bonuses and Option grants. The Compensation Committee ensures the total compensation package facilitates the attraction and retention of a strong executive management team and employees. The Board reviews all recommendations of the Compensation Committee relating to compensation matters before final approval. The Compensation Committee did not retain a compensation consultant or advisor at any time since the beginning of the Corporation's most recently completed financial year to assist in determining compensation for any of its directors, executive officers, and employees.

During the fiscal year ended March 31, 2014, the Compensation Committee met two (2) times, at which all members of such Compensation Committee were present.

9. Other Board Committees

The Board has no committees other than the Audit, Nominating, and Compensation Committees. In light of the Company's stage of development and small Board size it considers this to be reasonable.

10. Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board on a regular basis in order to satisfy itself that the Board, committees and individual directors are performing effectively.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company has no compensation plans under which equity securities are authorized for issuance, except for the shareholder approved Share Option Plan.

Equity Compensation Plan Information

The following table sets out the equity compensation plan information as at March 31, 2014:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	3,683,334	\$6.21	2,733,271
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	3,683,334	\$6.21	2,733,271

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, proposed nominee for election as director, executive officer or their respective associates or affiliates, other management of the Company, employees, or former executive officers, directors or employees were indebted to the Company or its subsidiaries as at the end of the most recently completed financial year or as at the date hereof, or have been indebted to the Company or its subsidiaries at any time since the beginning of the most recently completed financial year.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

An informed person is one who, generally speaking, is a director or officer or a 10% shareholder of the Company. To the knowledge of management of the Company, no informed person of the Company or proposed director of the Company or a subsidiary of the Company or any associate or affiliate of any informed person or proposed director had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries, other than as set out below or elsewhere in this Information Circular.

MANAGEMENT CONTRACTS

Management functions of the Company and its subsidiaries are not, to any substantial degree, performed by anyone other than the directors or executive officers of the Company.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Information Circular, no executive officer, director, employee or former executive officer, director or employee of the Company or any of its subsidiaries is indebted to the Company, or any of its subsidiaries, nor are any of these individuals indebted to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company, or any of its subsidiaries.



PARTICULARS OF OTHER MATTER TO BE ACTED UPON

Approval of the Advance Notice Policy

Effective August 11, 2014, the Board adopted an advance notice policy (the “**Advance Notice Policy**”), a copy of which is attached to this Information Circular as Schedule “A”. In order for the Advance Notice Policy to remain in effect following the conclusion of the Meeting, it must be ratified and approved by the shareholders at the Meeting.

Purpose of the Advance Notice Policy

The purpose of the Advance Notice Policy is to provide shareholders, directors and management of the Company with direction on the procedure for shareholder nomination of directors. The Advance Notice Policy is the framework by which the Company seeks to fix a deadline by which holders of record of Common Shares must submit director nominations to the Company prior to any annual general or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to of the Company for the notice to be in proper written form.

Effect of the Advance Notice Policy

The following is a summary of the material provisions of the Advance Notice Policy. Shareholders are directed to review the complete terms of the Advance Notice Policy attached to this Information Circular as Schedule “A”. Briefly, the Advance Notice Policy:

- provides that only persons who are nominated (a) by or at the direction of the Board, including pursuant to a notice of meeting; (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the BCBCA or a requisition of shareholders made in accordance with the provisions of the BCBCA; or (c) by any person who, at the close of business on the notice date and on the record date for notice of such meeting, is entered in the securities register as a shareholder and who complies with the notice procedures set forth in the Advance Notice Policy; shall be eligible for election as directors of the Company;
- fixes a deadline by which a registered shareholder may submit director nominations to the Company prior to any annual or special general meeting and sets out the specific information that must be included in the written notice to the Company for an effective nomination to occur;
- provides that in the case of an annual general meeting, notice to the Company must be given no fewer than thirty (30) nor more than sixty-five (65) days prior to the date of the meeting; provided that if the meeting is to be held on a date that is fewer than fifty (50) days after the date on which the first public announcement of the date of the meeting was made, notice may be given no later than the close of business on the 10th day following such public announcement;
- provides that in the case of a special general meeting that is not also an annual general meeting, notice to the Company must be made no later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made; and
- provides that the Board, in its sole discretion, may waive any requirement of the Advance Notice Policy.

If the Advance Notice Policy is ratified and approved by the shareholders at the Meeting, it will be subject to an annual review by the Board, which will update it to reflect any changes required by securities regulatory authorities and applicable stock exchanges or as otherwise determined by the Board to be in the best interest of the Company and its shareholders. If the Advance Notice Policy is not ratified and approved at the Meeting, it will no longer be in effect after the conclusion of the Meeting.

At the Meeting, shareholders will be asked to approve the following ordinary resolution:



“BE IT RESOLVED THAT:

1. the Advance Notice Policy, a copy of which is attached as Schedule “A” to this Information Circular dated as at August 11, 2014, be and is hereby ratified and approved;
2. the Board be and is hereby authorized in its absolute discretion to administer the Advance Notice Policy and to amend or modify the Advance Notice Policy to the extent needed to reflect changes required by securities regulatory authorities and applicable stock exchanges, or as otherwise determined to be in the best interests of TAG and its shareholders; and
3. any one director or officer of TAG be and is hereby authorized and directed to do all such acts and things and to execute and deliver all such documents, instruments and assurances as in the opinion of such director or officer may be necessary or desirable to give effect to the foregoing resolutions.”

The Board has determined that the Advance Notice Policy is in the best interests of the Company and its shareholders, and unanimously recommends that shareholders vote in favour of the resolution ratifying and approving the Advance Notice Policy. **Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote in favour of the foregoing resolutions.**

OTHER MATTERS

The Board is not aware of any other matters which they anticipate will come before the Meeting as of the date of mailing of this Information Circular. If any other matters properly come before the Meeting, the Common Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Proxy, subject to instructions on the face of the Proxy to the contrary.

ADDITIONAL INFORMATION

Financial information is provided in the Company's comparative financial statements and management discussion and analysis for its most recently completed financial year. Additional information relating to the Company is also available on SEDAR at www.sedar.com and may be downloaded free of charge.

The Company will provide to any shareholder, free of charge, upon request to the Company, telephone no. (604) 682-6496 or fax no. (604) 682-1174, a copy of any year end and interim financial statements of the Company and management's discussion and analysis filed with the applicable securities regulatory authorities during the past three years.

BOARD APPROVAL

The contents of this Information Circular and its distribution to shareholders have been approved by the Board.

DATED at Vancouver, British Columbia December 19, 2014.

/s/ Garth Johnson

Garth Johnson

Chief Executive Officer



SCHEDULE “A”

TAG OIL LTD. (the “Company”)

ADVANCE NOTICE POLICY

The Company is committed to: (i) facilitating an orderly and efficient process for the election of directors at annual general and special meetings; (ii) ensuring that all shareholders receive adequate notice of the director nominations and sufficient information with respect to all director nominees; and (iii) allowing shareholders to register an informed vote after having been afforded reasonable time for appropriate deliberation.

The purpose of this advance notice policy (the “**Policy**”) is to provide shareholders, directors and management of the Company with a clear framework for nominating directors of the Company. This Policy establishes a deadline by which holders of record of common shares of the Company must submit director nominations to the Company prior to any annual general or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Company for the notice to be in proper written form in order for any director nominee to be eligible for election at any annual general or special meeting of shareholders.

It is the position of the board of directors of the Company (the “**Board**”) that this Policy is in the best interests of the Company, its shareholders and other stakeholders. This policy will be subject to an annual review by the Board, and will reflect changes as required by securities regulatory authorities or stock exchanges, or so as to meet industry standards from time to time.

NOMINATIONS OF DIRECTORS

1. Only persons who are eligible under the *Business Corporations Act* (British Columbia) (the “**Act**”) and who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. At any annual general meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called is the election of directors, nominations of persons for election to the Board may be made only:
 - (a) by or at the direction of the Board, including pursuant to a notice of meeting or a circular prepared in connection with the meeting;
 - (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the Act, or pursuant to a requisition of the shareholders made in accordance with the provisions of the Act; or
 - (c) by any person (a “**Nominating Shareholder**”):
 - i. who, at the close of business on the date of the giving of the notice provided for below in this Policy and at the close of business on the record date for notice of such meeting, is entered in the securities register of the Company as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and
 - ii. who complies with the notice procedures set forth below in this Policy.
2. In addition to any other requirements under applicable law, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given notice thereof that is timely (in accordance with paragraph 3) and in proper written form (in accordance with paragraph 4) to the Corporate Secretary of the Company in accordance with paragraph 7.



3. To be timely, a Nominating Shareholder's notice to the Corporate Secretary of the Company must be made:
 - (a) in the case of an annual general meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual general meeting of shareholders; provided, however, that in the event that the annual general meeting of shareholders is to be held on a date that is less than 50 days after the date on which the first Public Announcement (as defined in paragraph 6 of this Policy) of the date of the annual general meeting was made (the "**Notice Date**"), notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and
 - (b) in the case of a special meeting (which is not also an annual general meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first Public Announcement of the date of the special meeting of shareholders was made.
4. To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary of the Company must set forth:
 - (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director:
 - i. the name, age, business address and residential address of the person;
 - ii. the principal occupation or employment of the person;
 - iii. the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and
 - iv. any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and
 - (b) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Company and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below).

The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

5. No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this Policy; provided, however, that nothing in this Policy shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The Chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the

foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

6. For purposes of this Policy:

(a) **“Public Announcement”** shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Company under its profile on the System for Electronic Document Analysis and Retrieval (**“SEDAR”**) at www.sedar.com; and

(b) **“Applicable Securities Laws”** means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each relevant province and territory of Canada.

7. Notwithstanding any other provision of this Policy, notice given to the Corporate Secretary of the Company pursuant to this Policy may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the Corporate Secretary of the Company for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Corporate Secretary at the address of the principal executive offices of the Company; provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

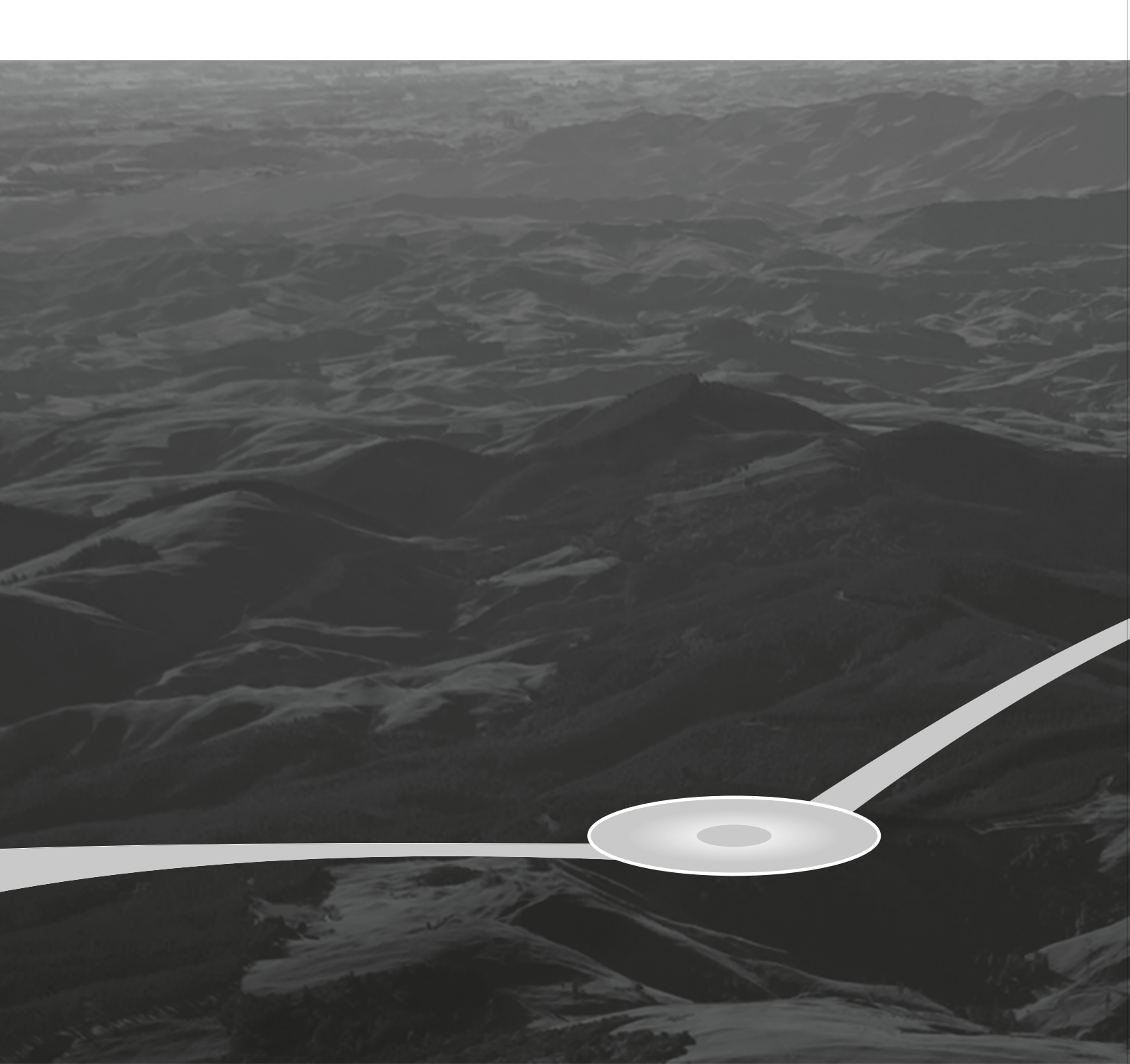
8. Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this Policy.

GOVERNING LAW

This Policy shall be interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

EFFECTIVE DATE

This Policy was approved and adopted by the Board on August 11, 2014 (the **“Effective Date”**) and is and shall be effective and in full force and effect in accordance with its terms and conditions from and after such date. Notwithstanding the foregoing, if this Policy is not approved by ordinary resolution of shareholders of the Company present in person or voting by proxy at the next meeting of those shareholders validly held following the Effective Date, then this Policy shall terminate and be void and of no further force and effect following the termination of such meeting of shareholders.



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