

**Notice of Annual and Special Meeting
& Information Circular**



Friday December 19, 2008

At the offices of Blake, Cassels and Graydon
Three Bentall Centre
595 Burrard Street, Suite 2600
Vancouver, B.C. Canada



Notice of Annual and Special Meeting of Shareholders

Take notice that the annual and special meeting (the "Meeting") of shareholders of **TAG Oil Ltd.** (the "Company") will be held at Suite 2600, Three Bentall Centre, 595 Burrard Street, Vancouver, British Columbia, on December 19, 2008 at 10:00 a.m., local time, for the following purposes:

A. Annual Meeting Matters

1. To receive the consolidated financial statements of the Company for its fiscal year ended March 31, 2008, and the report of the auditor thereon.
2. To elect directors of the Company for the ensuing year.
3. To appoint an auditor of the Company for the ensuing year and to authorize the directors to fix the auditor's remuneration.

B. Special Meeting Matter

1. To consider and if thought fit to pass, with or without variation, an ordinary resolution to re-approve the Company's Share Option Plan allowing the granting of up to 10% of the Company's issued and outstanding common shares at any time, as more particularly set out in the attached Information Circular.
2. To consider and if thought fit to pass, with or without variation, a special resolution to approve the consolidation of the Company's issued and outstanding common shares on the basis of every five (5) common shares being consolidated into one (1) common share, or such lower ratio as the directors of the Company may determine appropriate, and authorizing the required amendments to the Company's constating documents, as more particularly set out in the attached Information Circular.
3. To consider and if thought fit to pass, with or without variation, an ordinary resolution to approve the name change of the Company to "TAG Oil and Gas Ltd.", or such other name as may be approved by the directors of the Company and acceptable to the regulatory authorities, and authorizing the required amendments to the Company's constating documents, as more particularly set out in the attached Information Circular.

C. General Matters

1. To consider any permitted amendment to or variation of any matter identified in this Notice and to transact such other business as may properly come before the Meeting or any adjournment thereof.

An Information Circular accompanies and is deemed to form part of this Notice. The Information Circular contains details of matters to be considered at the Meeting. The Company will provide to any shareholder, free of charge, upon request to the Company, telephone no. (604) 609-3350 or fax no. (604) 682-1174, a copy of any year end and interim financial statements of the Company filed with the applicable securities regulatory authorities during the past two years. Additional information is also available 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, or another suitable form of proxy, and deliver it in accordance with the instructions set out in the form of proxy and in the Information Circular.

Dated at Vancouver, British Columbia, October 31, 2008.

BY ORDER OF THE BOARD



Garth Johnson, Chief Executive Officer

Information Circular

as at October 31, 2008

This Information Circular is furnished in connection with the solicitation of proxies by the management of TAG Oil Ltd. (the "Company") for use at the annual and special meeting (the "Meeting") of its shareholders to be held on December 19, 2008 at the time and place and for the purposes set forth in the accompanying Notice of the Meeting.

In this Information Circular, references to "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 and similar entities that own securities on behalf of Beneficial Shareholders.

All dollar figures are in Canadian dollars unless stated otherwise.

General Proxy Information

Solicitation of Proxies

The instrument 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 or by telephone 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 held of record by those intermediaries 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 the 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 a Proxy by mail, hand delivery or fax.

Voting by Proxyholder

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, or by mail or by hand at 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the Proxy is to be used.

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 names of the shareholder's broker or an agent of that broker. In the United States, 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 supplied to you by your broker will be similar to the Proxy provided to Registered Shareholders by 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 United States 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 owners – 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). Up until September 2002, issuers (including the directors and officers of the Company) had no knowledge of the identity of any of their beneficial owners including NOBOs. Subject to the provision of National Instrument 54-101, Communication with Beneficial Owners of Securities of Reporting Issuers (“NI 54-101”), however, after September 1, 2002 issuers could request and obtain a list of their NOBOs from intermediaries via their transfer agents. Prior to September 1, 2004 issuers could obtain this NOBO list and use it for specific purposes connected with the affairs of the Company except for the distribution of proxy-related materials directly to NOBOs. This was stage one of the implementation of NI 54-101. Effective for shareholder meetings taking place on or after September 1, 2004 issuers can obtain and use this NOBO list for distribution of proxy-related materials directly (not via Broadridge) to NOBOs. This is stage two of the implementation of the Instrument.

This year, the Company has decided to take advantage of those provisions of 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 (“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 described on the VIF itself which contain complete instructions. 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.

These shareholder materials are being sent to both Registered and Non-Registered Shareholders. If you are a Non-Registered 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.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has given a 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 to Computershare or at the head office of the Company at 1050 Burrard Street, Suite 1407, Vancouver, British Columbia, V6Z 2S3 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.

Interest of Certain Persons or Companies in Matters to be Acted Upon

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 end 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 as set out herein.

Voting Securities and Principal Holders of Voting Securities

The board of directors of the Company (the "Board") has fixed November 14, 2008 as the record date (the "Record Date") for determination of persons entitled to receive notice of, and vote at, the Meeting and any adjournment. 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 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 of October 31, 2008 there were 91,631,081 Common Shares without par value issued and outstanding, each carrying the right to one vote.

To the knowledge of the directors and executive officers of the Company, the following person beneficially owns, or exercises control or direction over, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at October 31, 2008:

Shareholder Name	Number of Common Shares ⁽¹⁾	Percent of Class
Alex Guidi	15,744,500	17.18%

Notes:

(1) As reported in public filings.

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 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 numbers of Common Shares is represented shall constitute a quorum.

A simple majority (i.e. 50%) of affirmative votes cast at the Meeting is required to pass the ordinary resolutions described herein, whereas a special majority (i.e. 2/3) of affirmative votes cast at the Meeting is required to pass the special resolution described herein. 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 by acclamation.

Financial Statements

The audited consolidated financial statements and the related management discussion and analysis of the Company for the year ended March 31, 2008 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, and the related management discussion and analysis are included in the Annual Report for the fiscal year ended March 31, 2008, which is incorporated by reference into this Information Circular. 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 Annual Report is available for download without charge from SEDAR at www.sedar.com.

Election of Directors

The term of office of each of the four 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), each director elected will hold office until the conclusion of the next annual meeting of the Company, or if no director is then elected, until a successor is elected.

The Board has set the number of directors to be elected at the Meeting at four. The following table sets out the names of management's nominees for election as directors, all major offices and positions with the Company, principal occupation and the period of time during which each has been a director of the Company (Table 1), and the number of

Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each nominee exercised control or direction, as at October 31, 2008 and March 31, 2008 and the number of options held by each nominee as at October 31, 2008 (Table 2).

Table 1:

Nominee Position with the Company and Residence ⁽¹⁾	Principal Occupation ⁽¹⁾	Period as a Director of the Company
Garth Johnson Chief Executive Officer, Chief Financial Officer, Corporate Secretary and Director Surrey, British Columbia	Company Executive	Since April 20, 2001
John Vaccaro ⁽²⁾ Director Penticton, British Columbia	Investment Advisor, Yield Management Consultants	Since June 11, 2008
Dan Brown ⁽²⁾⁽³⁾ Director Langley, British Columbia	Corporate Accountant, DLJ Management Corp.	Since July 20, 2007
Giuseppe (Pino) Perone ⁽²⁾⁽³⁾ Director Richmond, British Columbia	Lawyer, DLJ Management Corp.	Since July 20, 2007

Notes:

(1) Information as to residence and principal occupation has been furnished by the respective director individually.

(2) Denotes member of Audit Committee.

(3) Denotes member of Compensation Committee.

Table 2:

Name	Common Shares Beneficially Owned or Controlled as at October 31, 2008 ⁽¹⁾	Common Shares Beneficially Owned or Controlled as at March 31, 2008 ⁽¹⁾	Options Held/Vested as at October 31, 2008
Garth Johnson	38,000	38,000	275,000/275,000 ⁽²⁾
John Vaccaro	10,000	10,000	Nil
Dan Brown	Nil	Nil	25,000/25,000 ⁽²⁾
Giuseppe (Pino) Perone	Nil	Nil	Nil

Notes:

(1) Information as to Common Shares beneficially owned or controlled has been furnished by the respective director individually.

(2) Options are granted vesting over 18 months.

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."

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 joined the Company as the corporate accountant in 1997. Mr. Johnson is a Certified General Accountant with over ten years of experience in executive management, acquisitions, finance, accounting and regulatory reporting for public companies and is currently the Chief Executive Officer, Chief Financial Officer, Secretary and a director of the Company. Mr. Johnson is also the Chief Executive Officer, President and a director of Trans-Orient Petroleum Ltd. ("Trans-Orient"), as well as the Chief Financial Officer of AMG Oil Ltd. ("AMG").

Mr. John Vaccaro has been a member of the Board since June 11, 2008. Mr. Vaccaro has over 20 years of experience in the financial services industry where he directed and provided investment consulting to high net worth individuals as well as corporate and institutional clients. He acted as a senior investment executive with CIBC Wood Gundy from January 2002 to March 2007. Mr. Vaccaro has since established a private client consulting practice in the financial services sector, Yield Management Consultants, and acts as an investment advisor for the practice. Mr. Vaccaro is also an active member of the Fellowship of the Canadian Securities Institute and holds a degree from the University of British Columbia in Urban Land Economics with double Majors.

Mr. Dan Brown has been a member of the Board since July 20, 2007. Mr. Brown has been providing corporate accounting services to public and private companies for over seven years and is also a director of AMG.

Mr. Giuseppe (Pino) Perone has been a member of the Board since July 20, 2007. Mr. Perone is currently practicing as a corporate lawyer for a group of public companies and has legal experience in a variety of corporate and commercial matters. Mr. Perone obtained a B.A. with Distinction in Sociology from the University of Victoria in 2001 and an LL.B. from the University of Alberta in 2005, and has previously articulated at the law firm of Lang Michener LLP in their Vancouver, British Columbia office. Mr. Perone is also an active member of the Law Society of British Columbia and the Canadian Bar Association.

All of the proposed directors are currently directors of the Company. The names of further nominees for election may come from the floor at the Meeting. The Company has received no other nominations for election to the Board or any other shareholders' proposal as permitted by the Business Corporations Act (British Columbia).

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.

Compensation of Executive Officers

Executive Compensation

During the Company's financial year ended March 31, 2008, the aggregate direct remuneration paid or payable to the Company's executive officers by the Company and its subsidiaries, all of whose financial statements are consolidated with those of the Company, was \$616,850.

No officer of the Company, other than the Named Executive Officers, received, in their capacity as officers or employees of the Company or its subsidiaries, individual compensation in excess of \$150,000 for services in all capacities during the most recently completed financial year.

"Named Executive Officer" includes each Chief Executive Officer, each Chief Financial Officer and each of the three most highly compensated executive officers, other than each Chief Executive Officer and Chief Financial Officer, who were serving as executive officers at the end of the most recently completed fiscal year and whose total salary and bonus exceeds \$150,000. The compensation paid to the Named Executive Officers during the Company's three most recently completed financial years is as set out below:

NAMED EXECUTIVE OFFICERS Name and Principal Position	Year	Annual Compensation			Long Term Compensation			All Other Compen- sation (\$)
		Salary (\$)	Bonus (\$)	Other Annual Compen- sation (\$)	Awards	Payouts		
					Securities Under Options/ SARs Granted (#)	Shares or Units Subject to Resale Restrictions (\$)	LTIP Payouts (\$)	
Drew Cadenhead President and Chief Executive Officer ⁽¹⁾	2008	405,600 ⁽²⁾	–	30,000 ⁽³⁾	–	–	–	–
	2007	203,652	20,000	67,096	200,000	–	–	–
	2006	190,000	40,000	33,875	50,000	–	–	–
Garth Johnson Chief Executive Officer, Chief Financial Officer and Secretary ⁽¹⁾	2008	156,250	25,000	–	–	–	–	–
	2007	130,769	12,500	–	100,000	–	–	–
	2006	69,552	25,000	–	175,000	–	–	–
David McCall Engineering and Developments Manager	2008	161,560	–	–	–	–	–	–
	2007	35,235	–	–	–	–	–	–
	2006	–	–	–	–	–	–	–

Notes:

(1) On August 20, 2007 Mr. Drew Cadenhead resigned as President, Chief Executive Officer and as a director of the Company and was replaced by Mr. Garth Johnson as Chief Executive Officer of the Company.

(2) Pursuant to a severance agreement dated September 1, 2007, Mr. Cadenhead was paid a one time severance fee of \$405,600 that was calculated based on industry standards and in consultation with the Company's legal counsel.

(3) Commencing January 1, 2008, Mr. Cadenhead receives consulting compensation of \$10,000 per month for a period of one year for his various consulting and advisory services on business development matters for the Company.

Long-Term Incentive Plan ("LTIP") Awards During Fiscal Year 2008

LTIP awards means a plan providing compensation intended to motivate performance over a period greater than one financial year. LTIPs do not include option or stock appreciation rights plans or plans for compensation through Common Shares that are subject to restrictions on resale. The Company did not award any LTIPs to any Named Executive Officer during the most recently completed financial year.

Options/Stock Appreciation Right ("SAR") Grants During Fiscal Year 2008

No options to acquire Common Shares or SARs have been granted to Named Executive Officers during the last completed financial year.

Aggregated Option/SAR Exercises During Fiscal Year 2008 and Financial Year-End Option/SAR Values

No options to acquire Common Shares were exercised by the Named Executive Officers during the last completed financial year. The notional value of unexercised but exercisable/unexercisable options at year end is set out in the table below:

Name	Securities Acquired on Exercise (#)	Aggregate Value Realized (CDN\$)	Number of Securities Underlying Unexercised Options at Year End Exercisable/Unexercisable	Value of Unexercised in-the-money Options at Year End Exercisable/Unexercisable (CDN\$) ⁽¹⁾
Drew Cadenhead	–	–	650,000/0	0/0
Garth Johnson	–	–	275,000/0	0/0
David McCall	–	–	–	0/0

Notes:

(1) Notional value at year-end is based upon the March 31, 2008 closing price of the Common Shares on the TSX Venture Exchange ("TSX-V") of CDN\$0.09.

Of the 925,000 share options held by the Named Executive Officers, no share options were exercised by the Named Executive Officers during the financial year ended March 31, 2008.

Termination of Employment, Change in Responsibilities and Employment Contracts

The following employment contracts existing between the Company and the Named Executive Officers, as at the year-end were:

- a) Severance agreement dated September 1, 2007 under which Mr. Drew Cadenhead was paid a one time severance fee of \$405,600 by the Company;
- b) Executive employment agreement dated September 1, 2007 provides for Mr. Garth Johnson to receive an annual salary of \$150,000 on an on-going basis for his services as the Company's Chief Executive Officer, Chief Financial Officer and Secretary. Beginning, February 28, 2008 the annual salary increased to \$175,000. The Company may terminate the agreement at any time without cause by providing thirty months' written notice to Mr. Johnson, pay in lieu of such notice or any combination thereof. Within a twelve (12) month period immediately following a change of control, the Company is required to pay Mr. Johnson an amount equal to his base salary for thirty months:
 - 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;
 - f. or 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.

- c) Employment agreement dated January 2007 provides for David McCall to receive an annual salary of NZ\$200,000 on an on-going basis for his services as the Company's Engineering and Developments Manager. On August 1, 2008 Mr. McCall's compensation increased to NZ\$229,000 per year.

There are no other compensatory plan(s) or arrangement(s), with respect to any Named Executive Officer resulting from the resignation, retirement or any other termination of the Named Executive Officer's employment or from a change of control or from a change in the Named Executive Officer's responsibilities following a change in control.

Compensation of Directors

During the 2008 fiscal year, two independent directors, Mr. Loretto and Mr. Infuso, were paid a total of \$32,145 in their capacity as directors. Mr. Loretto resigned as a director on July 19, 2007, and Mr. Infuso subsequently resigned as a director on July 20, 2007. Following the 2008 fiscal year, the Company commenced paying an independent director, Mr. Vaccaro, \$1,000 per month in his capacity as a director, effective June 11, 2008.

Mr. Brown and Mr. Perone are also employees of DLJ Management Corp. ("DLJ") that provides office space management, accounting and reporting services to the Company, which is described in more detail below under the heading "Interest of Informed Persons in Material Transactions".

Audit Committee and Relationship with Auditor

The Company is a "venture issuer" as that term is defined under NI 52-110. NI 52-110 requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following:

The Audit Committee's Charter

The audit committee has a charter. A copy of the audit committee's charter is attached to the Company's Information Circular dated July 15, 2005, and is incorporated by reference herein and may be downloaded without charge from SEDAR at www.sedar.com.

Composition of the Audit Committee

The members of the audit committee are Dan Brown, Giuseppe (Pino) Perone and John Vaccaro. Dan Brown is the chairman and John Vaccaro is the independent member of the audit committee. All members are considered to be financially literate in the context of the Company's limited operations.

Audit Committee Oversight

The audit committee has not made any specific recommendations to the Board to nominate or compensate any external auditor.

Relevant Education and Experience

Relevant information regarding the education and experience of the members of the audit committee is set out above in the section entitled "Information Regarding Management's Nominees for Election to the Board."

Reliance on Certain Exemptions

The Company's auditors, DeVisser Gray LLP ("DeVisser Gray"), have not provided any material non-audit services for which the Company relied on certain exemptions. For the limited non-material non-audit services that they did provide, the audit committee either pre-approved these or the Company determined they were de minimis non-audit services after applying the test in Section 2.4 of NI 52-110.

Pre-Approval Policies and Procedures

The audit committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The audit committee has reviewed the nature and amount of the non-audited services provided by DeVisser Gray and the Company's New Zealand auditor BDO Spicers, Chartered Accountants and Advisors ("BDO Spicers"), to the Company to ensure auditor independence. Fees incurred with DeVisser Gray and BDO Spicers for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table:

Nature of Services	Fees Paid to Auditor in Year Ended March 31, 2007	Fees Paid to Auditor in Year Ended March 31, 2008
Audit Fees ⁽¹⁾	\$40,634	\$42,104
Audit-Related Fees ⁽²⁾	\$21,316	\$7,674
Tax Fees ⁽³⁾	\$5,419	\$2,000
All Other Fees ⁽⁴⁾	Nil	Nil
Total	Nil	Nil

Notes:

(1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements and include both the fees of the Company's principal auditor, DeVisser Gray, and BDO Spicers. Audit fees also include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "All Other Fees" include all other non-audit services.

Exemption

The Company is relying upon the exemption available to venture issuers in section 6.1 of NI 52-110 in respect of the requirement to have an audit committee comprised solely of members independent of management and in respect of its reporting obligations under NI 52-110 for the year ended March 31, 2008.

Corporate Governance

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 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 58-101F2.

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 Company's Board, be reasonably expected to interfere with the exercise of a director's independent judgment and includes the holding of a senior 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 member of the Board is John Vaccaro. Garth Johnson is not an independent member of the Board, as Mr. Johnson is the current Chief Executive Officer, Chief Financial Officer and Corporate Secretary of the Company. Dan Brown and Giuseppe (Pino) Perone are classified as not independent members of the Board as their employer, DLJ Management Corp., provides office space management, accounting and reporting services to the Company on a consulting basis.

2. Directorships

Mr. Johnson was appointed as the President of Trans-Orient on January 10, 2008, and as Chief Executive Officer and a director of Trans-Orient since March 13, 2008, and is also the Chief Financial Officer of AMG. Mr. Brown has been a director of AMG since March 31, 2005.

3. 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. 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.

4. 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 have been sufficient to ensure that the Board operates reasonably independently of management and in the best interests of the Company. Nevertheless, the Company has adopted a Code of Ethics, which sets out the ethical and behavioral 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 Company will provide a copy of the Code and Ethics, free of charge, upon request to the Company (telephone no.: (604) 682-6496; fax no.: (604) 682-1174).

5. Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a significant increase in the number of directors required by the Company, this policy will be reviewed.

6. Compensation

During the 2008 fiscal year, the Company had a compensation committee that consisted of Mr. Brown (chairman) and Dr. David Bennett, and no member was an officer or employee of the Company or any of its subsidiaries. On June 24, 2008 Mr. Perone replaced Dr. Bennett as a member of the compensation committee. As of October 31, 2008 the compensation committee consists of Mr. Brown (chairman) and Mr. Perone, and no member is an officer or employee of the Company or any of its subsidiaries. The compensation committee has a charter that mandates it to recommend to the Board the form and amount of compensation 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 stock options. The compensation committee is also mandated to review the performance of the Chief Executive Officer and Chief Financial Officer.

7. Other Board Committees

The Board has no committees other than the audit and compensation committees. In light of the Company's modest capitalization and small Board size it considers this reasonable.

8. 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.

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 incorporated by reference to the Information Circular dated December 21, 2007. As at March 31, 2008, there are no share purchase warrants outstanding.

Equity Compensation Plan Information

The following table sets out the equity compensation plan information as of March 31, 2008:

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	1,260,000	\$0.77	7,678,108
Equity compensation plans not approved by securityholders	-	-	-
Total	1,260,000	\$0.77	7,678,108

Indebtedness of Directors and Executive Officers

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, other management of the Company, employees, or former executive officers, directors or employees were indebted to the Company as of the end most recently completed financial year or as at the date hereof.

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 or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any material interest, directly or indirectly, in any transaction or proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the year ended March 31, 2008, or has any interest in any material transaction in the current year other than as set out herein.

On September 1, 2007 the Company entered into a Consulting Agreement with DLJ on an on-going basis with monthly compensation of \$12,000 or less. The Consulting Agreement relates to the provision of office space management, accounting and reporting services to the Company. DLJ is a 100% owned subsidiary of Trans-Orient that provides office space management, accounting and reporting services to public and private companies on a fixed and cost recovery basis. Mr. Brown holds a corporate accounting role with DLJ and Mr. Perone holds a position with DLJ as legal counsel. A copy of the Consulting Agreement is available for download without charge from SEDAR at www.sedar.com.

Appointment of Auditor

DeVisser Gray, located at 401-905 West Pender Street, Vancouver, British Columbia, V6C 1L6, will be nominated at the Meeting for reappointment as auditor of the Company at a remuneration to be fixed by the Board. DeVisser Gray was first appointed auditor of the Company on March 17, 2004.

Management Contracts

There are no management functions of the Company which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

Particulars of Special Matters to be Acted Upon**Approval of Share Option Plan**

At the Company's annual general meeting on December 21, 2007, the Company received shareholder approval to the Company's Share Option Plan in which the number of Common Shares reserved for issuance as share incentive options is equal to 10% of the Company's issued and outstanding Common Shares at any time. This is constituted as a "rolling" as opposed to a "fixed number" plan. Any previously granted options are governed by the Share Option Plan, and if any options granted expire or terminate for any reason without having been exercised in full, the unpurchased Common Shares will again be available under the Share Option Plan.

At present, the Company has 91,631,081 Common Shares issued and outstanding. This means that 9,163,108 Common Shares are currently available for options granted under the Share Option Plan at the date hereof. As a result, the number of options currently outstanding is 1,485,000, and the number available for grant is 7,453,108.

Pursuant to the policies of the TSX-V governing share options, the Share Option Plan must be re-confirmed annually by shareholders and any amendment of it must be approved by the TSX-V and by shareholders. The Board does not propose any amendments to the Share Option Plan, and it is the responsibility of the Board to ensure that the provisions of the Share Option Plan are adhered to.

In order to continue to provide incentive to directors, officers, employees, management and others who provide services to the Company to act in the best interests of the Company, management of the Company proposes that shareholders re-approve the Share Option Plan.

A full copy of the Share Option Plan will be available for inspection at the Meeting, and may be downloaded without charge from SEDAR at www.sedar.com.

Recommendation

At the Meeting, shareholders will be asked to consider and if thought fit to pass, with or without variation, an ordinary resolution as follows:

“Resolved that the Company approve the continuation of its existing Share Option Plan, which is to remain in effect until further ratification is required under applicable regulatory approval.”

The Board recommends that the shareholders vote in favour of the above resolution.

Approval of Consolidation

At the Meeting, the Board will propose the consolidation of the Company's issued and outstanding Common Shares on the basis of five (5) existing Common Shares, or such lesser number as the Company's Board may determine appropriate, being consolidated into one (1) new Common Share. The Board intends to ensure compliance with the share distribution requirements of the TSX-V. Management of the Company believes that the share consolidation will provide the Company with greater flexibility for future corporate activities, including potential acquisitions and financings, which will more accurately reflect the business direction of the Company.

As of the date of this Information Circular, the Company has 91,631,081 Common Shares issued and outstanding and, if approved, the share consolidation will reduce the number of Common Shares outstanding to approximately 18,326,216 Common Shares upon completion of the share consolidation. The authorized capital of the Company will not be affected as a result of the share consolidation. The share consolidation will not alter or change in any way any shareholder's proportion of votes to total votes, however, the total votes capable of being cast by shareholders at a shareholders' meeting in the future will be reduced if the resolution is passed. Fractional shares will not be issued pursuant to the share consolidation, and any fractional shares created by the share consolidation will be rounded to the nearest whole share. Furthermore, if the share consolidation is approved, the Company will have letters of transmittal distributed to shareholders for the purpose of exchanging existing share certificates for post share consolidation certificates.

Recommendation

At the Meeting, shareholders will be asked to consider and if thought fit to pass, with or without variation, a special resolution as follows:

“Resolved that the Company approve:

- a) The consolidation of the issued and outstanding Common Shares on the basis of every five (5) existing Common Shares being consolidated into one (1) new Common Share, or such lesser consolidation ratio as the Board in its discretion deems advisable, which is to remain in effect until further ratification is required under applicable regulatory approval and the Company’s constating documents are altered accordingly;
- b) Any fractional share remaining after giving effect to the aforementioned share consolidation will be rounded to the nearest whole share;
- c) Any one director or officer of the Company be and is hereby authorized and directed to do and perform all such acts and things, sign all such documents and take all such steps as may be necessary, as counsel for the Company may advise, or which in the opinion of such director and officer may be considered convenient or proper to carry out the purpose and intent of this resolution; and
- d) The Board is hereby authorized, at any time in its sole discretion, to determine whether or not to proceed with this resolution without further notice to, or approval of, the shareholders of the Company.”

The Board recommends that the shareholders vote in favour of the above resolution.

Approval of Name Change

In connection with the proposed share consolidation, the Board will propose at the Meeting that the shareholders approve a change of the Company’s name to “TAG Oil and Gas Ltd.”. Pursuant to the policies of the TSX-V, the TSX-V will generally require the name of a listed company to be changed in order for the TSX-V to approve a consolidation of the shares of that company.

Recommendation

At the Meeting, shareholders will be asked to consider and if thought fit to pass, with or without variation, an ordinary resolution as follows:

“Resolved that the Company approve:

- a) The name of the Company be changed to “TAG Oil and Gas Ltd.”, or such other name as may be approved by the Board and acceptable to the regulatory authorities, and the Company’s constating documents are altered accordingly;
- b) Any one director or officer of the Company be and is hereby authorized and directed to do and perform all such acts and things, sign all such documents and take all such steps as may be necessary, as counsel for the Company may advise, or which in the opinion of such director and officer may be considered convenient or proper to carry out the purpose and intent of this resolution; and
- c) The Board is hereby authorized, at any time in its sole discretion, to determine whether or not to proceed with this resolution without further notice to or approval of the shareholders of the Company.”

The Board recommends that the shareholders vote in favour of the above resolution.

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 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) 609-3350 or fax no. (604) 682-1174, a copy of any year end and interim financial statements of the Company filed with the applicable securities regulatory authorities during the past two years.

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.

Shareholder Proposals

Pursuant to Canadian law, shareholder proposals to be considered for inclusion in the Information Circular for the 2009 annual meeting of the Company (expected to be held in December 2009) must be received by the Secretary of the Company on or before the close of business on September 25, 2009.

Directors' Approval

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

DATED at Vancouver, British Columbia October 31, 2008.



Garth Johnson
Chief Executive Officer



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