

RESPECTFUL WORKPLACE POLICY

Introduction

TAG Oil Ltd. and its subsidiaries and affiliates (collectively, the “**Company**”) are committed to providing a respectful and collegial working environment in which all individuals are treated fairly and with respect and dignity. Each individual has the right to work in a professional atmosphere which promotes equal opportunity and prohibits discriminatory practices. The Company has developed a company-wide policy to prevent workplace violence, discrimination and harassment, and to deal quickly and effectively with any incident that might occur.

Scope

This Policy applies to all employees, including visitors, independent contractors, agency workers and other persons retained to perform work, of the Company. This Policy applies to all Company employees while engaged in Company business, whether conducted on or off premises including but not limited to:

- at the workplace;
- at any workplace related social functions;
- in the course of work assignments outside the workplace;
- at work-related conferences or training sessions;
- during work-related travel;
- over the telephone or by email; or
- elsewhere if the person harassed is there as a result of work-related responsibilities or a work-related relationship.

Purpose

The Company is committed to maintaining a respectful workplace and ensuring that no employee or consultant is subject to any type of discrimination, harassment, or violence in the workplace.

Definitions

Discrimination includes, but is not limited to, any act of differential treatment based on race, national or ethnic origin, colour, religion, age, sources of income, gender, sexual orientation, marital status, family status, pardoned criminal conviction, financial status, mental or physical disability, that creates an intimidating, degrading, demeaning, embarrassing, hostile or humiliating work environment and that can interfere with a person’s work performance or working condition and can undermine the person’s opportunity for a job, promotion or training.

Harassment includes, but is not limited to, any form of abusive or unwelcome behavior, whether physical, visual or verbal, that creates an intimidating, degrading, demeaning, embarrassing, hostile or humiliating work environment and that can interfere with a person’s work performance or working condition and can undermine the person’s opportunity for a job, promotion or training. Examples of harassment include, but are not limited to:

- threats, intimidation, or abuse, verbally or written or electronic communications;
- implied or expressed promises of reward or benefits for complying with a sexually oriented request or threats of reprisal for refusal;
- unwelcome remarks or jokes;
- display of sexist, racist or other offensive material;
- sexually suggestive remarks or gestures;
- unnecessary physical contact, such as touching, patting, pinching or punching;

- display of firearms; and
- physical assault, including sexual assault.

Whether the harasser intended to harass or not is irrelevant. An unwelcome action, plus an adverse effect, produces harassment.

Violence can take the form of physical or non-physical behaviors. Examples of violence include, but are not limited to:

- physical assault;
- threats, intimidation, or abuse, verbally or written or electronic communications
- display of firearms; and
- stalking.

Responsibilities

Management and Supervisors

- ensure every employee and consultant is made aware of and provided with a copy of the Policy, which explains procedures for dealing with discrimination, harassment and violence;
- respond to complaints or to situations with potential for complaint as soon as possible;
- immediately inform the Company's Senior Management of any complaints received;
- where required by the Company's Senior Management, to provide assistance in the personal resolution or investigation procedure of a complaint; and
- maintain confidentiality of all parties involved when at all possible without compromising the investigation process.

Employees and Consultants

- understand and comply with this Policy;
- participate in resolution proceedings; and
- actively participate and co-operate in investigations of complaints.

Senior Management

- ensure that management and supervisors understand and provide copies of the Policy to all employees and consultants;
- lead the investigation of complaints; and
- advise the complainant and respondent of final disposition of the complaint, specifically if the claim was substantiated or unsubstantiated.

Confidentiality

All parties involved in a discrimination, harassment or violence in the workplace claim deserve the right to privacy, respect and confidentiality. The Company will do everything reasonably possible to preserve these rights by disclosing information strictly on a need-to-know basis. Senior Management will maintain all documentation regarding the investigation and the claim of discrimination or harassment.

Complaint and Investigation Process

Personal Resolution

If an employee or consultant feels they are subject to any type of discrimination, harassment, or violence in the workplace they should advise that individual that their behavior is unacceptable and inappropriate. Employees and consultants may choose to involve a third party mediator to facilitate a resolution, such as their manager, supervisor or anyone acceptable to both parties. If the situation remains unresolved, employees and consultants may pursue the formal complaint process.

Formal Complaints

Employees and consultants may file a formal complaint by submitting your complaint in writing to their manager, supervisor or the Company's Corporate Secretary. A formal complaint should include times, dates, what the behavior was, how it made you feel, what you did about it, who else was present and any other relevant information. The investigator will:

- advise both parties of the investigation process and confidentiality;
- request a written statement from the Respondent;
- take appropriate interim action where necessary;
- interview witnesses;
- investigate the complaint and confirm the facts;
- determine whether or not discrimination/harassment/violence occurred;
- advise the Complainant and Respondent of the outcome of the investigation;
- if the complaint is unsubstantiated, other persons interviewed will be notified of the results in order to protect the reputation of the accused;
- ensure all the steps taken from initiation to resolution are documented. The investigation file will be retained with Senior Management; and
- Senior Management may engage a third party investigator to assist with the investigation.

Resolution

Remedies for the Complainant

If the investigation reveals evidence supporting the complaint of discrimination, harassment or violence in the workplace, the Company will make every reasonable effort to remedy the effects by providing the Complainant with appropriate remedies, which may include:

- oral or written apology from the Respondent;
- referral to a local counseling program approved by the Company;
- physical separation of the Complainant and the Respondent in the workplace; or
- such other remedy as may be appropriate.

No record of the complaint, investigation or decision will be placed in the Complainant's personnel file with the Company if the complaint was made in good faith. Any unfavorable work review or comments that were placed in the Complainant's file due to the harassment will be removed from the file.

Corrective Action for the Respondent

If the investigation reveals evidence supporting the complaint of discrimination, harassment or violence in the workplace, the Company may apply discipline, which may include:

- mandatory attendance and completion of a discrimination/harassment/violence awareness program approved by the Company;
- verbal or written reprimand;
- suspension;
- demotion;
- dismissal;
- variable compensation reduction; or
- such other discipline as may be appropriate.

The incident and the discipline imposed will be documented in the Respondent's personnel file with the Company. However, if the evidence does not support the complaint, no documentation will be placed in the file.

Unsubstantiated Complaints

If a complaint made in good faith is not supported by evidence gathered during the investigation or the evidence is inconclusive, the complaint will be dismissed without penalty to the Complainant.

Bad Faith Complaints

If a complaint is made in bad faith, the Complainant may be disciplined.

Appeals

Respondents may request an appeal of the investigation to Senior Management.

Retaliation

The Company strictly prohibits retaliation against any employee or consultant by another employee or consultant for using the complaint procedure, reporting unlawful discrimination, harassment or violence in the workplace, or filing, testifying, assisting or participating in any manner in any investigation, proceeding or hearing conducted by a governmental enforcement agency or the Company regarding discrimination, harassment or violence in the workplace. Prohibited retaliation includes, but is not limited to, termination, demotion, suspension, adversely affecting work conditions or otherwise denying any employment benefit.

Time Limit for Filing a Complaint

Any complaint must be filed within a reasonable time following the occurrence of the event. Employees and consultants are reminded that the sooner a complaint is raised and dealt with, the more likely a situation may be adequately resolved. Complaints should be filed as soon as possible to ensure that witnesses are available, details are not forgotten, and the situation is resolved without delay.