

TAG Oil Announces Operations Update and Development Plans at BED-1 Concession in Egypt

VANCOUVER, BC, Dec. 19, 2024 /CNW/ - **TAG Oil Ltd.** (TSXV: TAO) (OTCQX: TAOIF) (FSE: T0P) ("**TAG Oil**" or the "**Company**") is pleased to announce the following operations update and upcoming development of the Abu Roash "F" ("**ARF**") unconventional carbonate reservoir at the Badr Oil Field ("**BED-1**") concession in the Western Desert of Egypt and various corporate initiatives.

The BED4-T100 ("**T100**") horizontal well continues to produce at an average rate of 100 barrels of oil per day ("**BOPD**"). The well has been steady, producing for close to 90 days under a rod pumping system. Cumulative gross production to date is in excess of 20,000 bbls of oil from the well.

TAG Oil resumed production from the BED 1-7 vertical well in December at approximately 40 BOPD on natural flow. Currently, a rod pump and associated surface facilities are being installed to optimize the oil rate and it is projected the well will be back on production later this month. Cumulative gross production from the well to date is approximately 10,000 bbls of oil.

Improved field treating of the medium grade crude oil and regular deliveries have commenced as sales and transportation logistics continue to be optimized. Other operating costs are being reviewed and reduced to improve per barrel netback margins on both the T100 and BED 1-7 oil production.

For the 2025 development plans at the BED-1 concession, the Company intends to drill a vertical well in Q2-2025 to further develop the ARF formation in a high intensity natural fractured area that can potentially produce at good initial oil volumes. Planning of a second horizontal well is tentatively scheduled for drilling in Q4-2025.

TAG Oil has signed an Engagement Agreement with PillarFour Capital of London to sell the New Zealand royalty interests. Proceeds from the sale will be used to strengthen the Company's balance sheet.

The Company also signed an Engagement Agreement with LAB Energy Advisors of London to offer participation in the BED-1 concession by strategic international industry partners to accelerate the development of the ARF formation.

Acquisition approval of the large 2,000 km² concession in the Western Desert is progressing and the Company will provide any updates as they arise.

Abby Badwi, TAG's Executive Chairman and CEO, commented, "Closing of the \$6.8 million equity financing, cost reductions, production revenue improvements from existing wells, and the potential sale of the New Zealand Royalty will supplement our cash balances and funding of the 2025 capital program. The appointment of LAB Energy Advisors and securing a partner at the BED-1 concession will have a significant impact on the scale of activities and accelerating the development of our assets in Egypt."

For further information, the Company's Corporate Presentation can be viewed at <http://www.tagoil.com/>.

About TAG Oil Ltd.

TAG Oil (<http://www.tagoil.com/>) is a Canadian based international oil and gas exploration company with a focus on operations and opportunities in the Middle East and North Africa.

Website: <http://www.tagoil.com/>

LinkedIn: <https://www.linkedin.com/company/tag-oil-ltd>

X: <https://twitter.com/tagoiltd>

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Forward-Looking Statements

This release includes certain statements and information that constitute forward-looking information within the meaning of applicable Canadian securities laws. All statements in this release, other than statements of historical facts are forward-looking statements. Such forward-looking statements and forward-looking information specifically include, but are not limited to, statements that relate to Mr. Badwi and Mr. Gupta's continued roles in monitoring the corporate and operational progress and driving the expansion of the Company; the Company's intention to reduce several Canada based positions and adjust costs across the Company's Canadian and Egyptian offices and operations significantly improves the cost structure enabling the Company to prudently apply its financial resources towards its capital spending programs; and management continuing to leverage Canadian and U.S. unconventional horizontal drilling and hydraulic fracturing expertise to support and advise the TAG Oil team in the specialized development of the Company's large Abu Roash "F" resource play in Egypt's Western Desert.

Statements contained in this release that are not historical facts are forward-looking statements that involve various risks and uncertainty affecting the business of TAG Oil. Such statements can generally, but not always, be identified by words such as "expects", "plans", "anticipates", "intends", "estimates", "forecasts", "schedules", "prepares", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. All statements that describe the Company's plans relating to operations at the BED-1 concession, the sale of the New Zealand royalty, and potential strategic partnership opportunities to accelerate operations at the BED-1 concession are forward-looking statements under applicable securities laws. These statements address future events and conditions and are reliant on assumptions made by the Company's management, and so involve inherent risks and uncertainties, as disclosed in the Company's periodic filings with Canadian securities regulators. As a result of these risks and uncertainties, and the assumptions underlying the forward-looking information, actual results could materially differ from those currently projected, and there is no representation by TAG Oil that the actual results realized in the future will be the same in whole or in part as those presented herein. TAG Oil disclaims any intent or obligation to update forward-looking statements or information except as required by law. Readers are referred to the additional information regarding TAG Oil's business contained in TAG Oil's reports filed with the securities regulatory authorities in Canada. Although the Company has attempted to identify important factors that could cause actual actions, events, or results to differ materially from those described in forward-looking statements, there may be other factors that could cause actions, events or results not to be as anticipated, estimated or intended. For more information on TAG Oil and the risks and challenges of its business, investors should review TAG Oil's filings that are available at www.sedarplus.ca.

TAG Oil provides no assurance that forward-looking statements and information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward-looking statements or information.

Exploration for hydrocarbons is a speculative venture necessarily involving substantial risk. The Company's future success in exploiting and increasing its current reserve base will depend on its ability to develop its current properties and on its ability to discover and acquire properties or prospects that are capable of commercial production. However, there is no assurance that the Company's future exploration and development efforts will result in the discovery or development of additional commercial accumulations of oil and natural gas. References to "oil" in this release include crude oil and field condensate.

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