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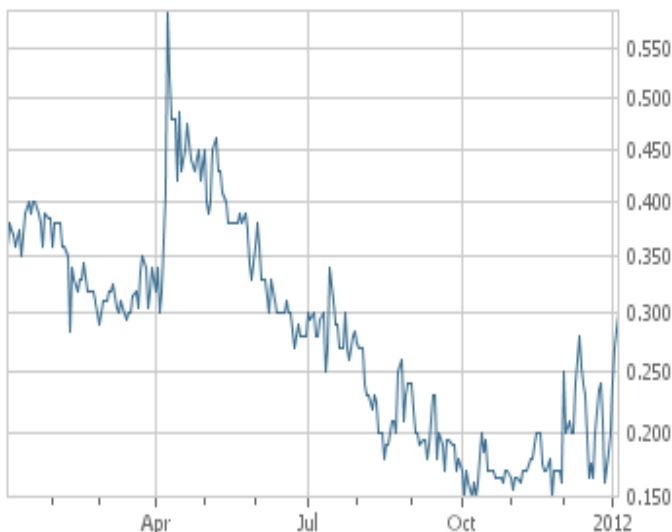
January 5, 2012

TAG Oil Ltd. (TSX: T.TAO)



January 5, 2012

Shoal Point Energy Ltd (CNSX: C.SHP)



January 5, 2012

TAG OIL	(T-TAO)	\$8.28 +0.43
SHOAL POINT ENERGY	(L-SHP)	\$0.29 +0.02

We were finally able to catch up with *Garth Johnson*, the busy CEO of *TAG Oil* which has become one of the success stories out there that we can find (thanks again *Clive Stockdale*).

While the company got off to a slow start in New Zealand, in the last 12 months or so it's been an absolutely astounding success story, going from zero to 4000 barrels a day in just about no time. Johnson tells us that he expects in the next few months as they tie up additional wells, they could very well be on their way to 5000 or 6000 barrels a day.

Given the very few shares outstanding for TAG Oil that makes this stock just based on their conventional, start to look cheap. With B-5 well currently being tested and B-6 having just hit total depth and B-7 being spudded on January 10th, the company will also have lots more conventional drilling to talk about.

One has to remember you are in this for the big potential and yes, unfortunately, the big risk. Does the unconventional shale hold the oil people are hoping for? Johnson tells us that the rig required to do the drilling on the unconventional properties should arrive in New Zealand from Texas some time in February, drill a few secondary wells and then spud the big, all-important play some time in April.

We expect to be doing a Q&A with Johnson in the next week or two and that could be very interesting. Once again TAG Oil got clobbered just like every other stock out there over the last couple of months (a two-for-one sale) and for those who hung on, congratulations.

For those few souls that were brave enough to scoop up paper when it was ultra-cheap, well the brave are sometimes rewarded.

Meanwhile, Clive Stockdale, the ex-oil analyst who got us into TAG Oil a while ago tells us that we have to start paying attention to *Shoal Point Energy* and its potential heavy oil play in Newfoundland that could be so big... (although Shoal Point certainly has more than a few shares outstanding).

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Page 2



Michael Decter, President and CEO, LDIC Inc.

CANACOL ENERGY	(T-CNE)	\$0.85 +0.07
PETRODORADO ENERGY	(V-PDQ)	\$0.185 n/c
MADALENA VENTURES	(V-MVN)	\$0.93 +0.04

Michael Decter should get credit for the big volume and move on Canacol Energy today as the fund manager was featured on BNN yesterday and while his specialty tends to be bigger cap companies, tiny Canacol Energy was his top pick. (Decter is one of the few fund managers/money managers out there whose fund has actually outperformed the TSX).

Take a look at the Canacol chart and it's like a whole bunch of other junior oils these days—there was a three-for-one sale after the crash of the last couple of months. Decter is a believer there's big potential movement for the stock going forward.

If you have time to take in the show you might want to take in his thoughts on Ithaca Energy (IAE) as well—one of our favorite stories.

Meanwhile, *Fred Kozak* is the Canaccord analyst who follows companies such as Canacol and Petrodorado Energy, both of which he has high hopes for, but when we caught up with him today, he's still a little concerned whether the markets are going to care about the recent rise in the price of oil.

For himself, he is using \$95 oil as a target for July 1st of this year and Christmas, but again worries whether the markets are going to care. He reminds us also that if and when people do start caring again about the oil markets it's the big caps that move first...and while Canacol might have had a three-for-one sale and Petrodorado a five-for-one sale, even the seniors such as Pacific Rubiales have had a near two-for-one sale.

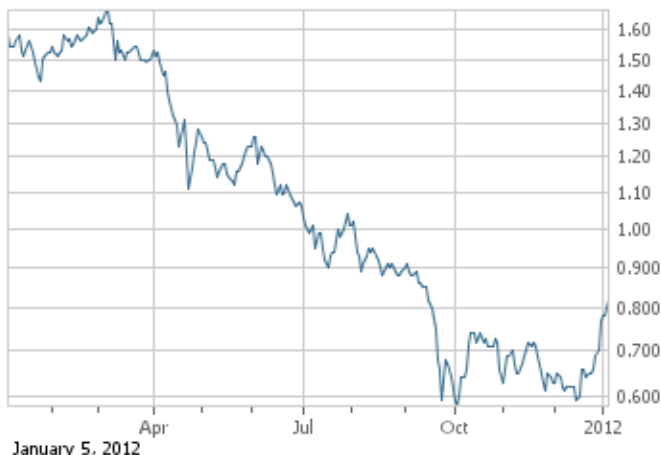
If you are looking for good signs though, he points out to the movement in Madalena Ventures for their play in Argentina which has attracted great attention and he calls the stocks' performance over the last couple of weeks "that of a rock star."

Currently fracking their play in Argentina, they will be doing the same to two other projects shortly and it will be interesting he suggests to see the results there...and Crown Point Ventures (CWV) is another player in the area.

As far as Canacol Energy, Kozak expects increasing production from their Rancho Hermoso play over the coming year and that production could increase nicely. The excitement he says could come from their adjacent block from the Hermoso, LLA23. Should drilling there show that oil goes on trend, this could be very significant for the company and drilling should happen there in the next quarter.

He also reminds us of the big heavy oil play Canacol has, but that's in an unexplored area of the country, hard to get to and it will take a lot of time.

Canacol Energy Ltd. (TSX : T.CNE)



Petrodorado Energy Ltd. (TSXV : V.PDQ)



To receive the Late Edition and be on our daily circulation simply e-mail Debbie at Debbie.lewis@canaccord.com and give your address, phone number and e-mail and we'll have you on the list tonight.

Meanwhile, Kozak will be playing host for much of the activity on January 18 & 19th, as Canaccord hosts a get together on many of the Latin American junior and senior oil and gas companies focusing mainly on Colombia. The big affair happens in Bogotá and about 22 companies are expected to be featured. If it's anywhere near as good as the recent show he helped host in Miami, it will be one of those must-see events for those trying to follow the many South America stories.

Meanwhile, one of the problems that's been occurring in Colombia are the delays getting permits for exploration programs. It's quite different than in Canada where when you want to drill a well, you get a permit for that one single well. It's quite different in Colombia where you might have to get permits for an entire program of five, 10 or 50 wells which needless to say, takes a lot longer.

Meanwhile when they take a holiday in Colombia they tend to take a holiday. Many of the government offices that issue those permits have been shut down since the second week of December and won't open until next week.

For those that would like to take a look/see at Kozak's report on Canacol and Petrodorado and his potential targets for down the road, e-mail Debbie at debbie.lewis@canaccord.com.

Madalena Ventures Inc. (TSXV : V.MVN)



DAVE'S DITTY:

A man and his wife were awakened at 3:00 am by a loud pounding on the door. The man gets up and goes to the door where a drunken stranger, standing in the pouring rain, is asking for a push.

"Not a chance," says the husband, "it is 3:00 in the morning!"

He slams the door and returns to bed. "Who was that?" asked his wife.

"Just some drunk guy asking for a push," he answers.

"Did you help him?" she asks.

"No, I did not. It's 3:00 in the morning and it's pouring rain out there!"

"Well, you have a short memory," says his wife. "Can't you remember about three months ago when we broke down, and those two guys helped us?"

"I think you should help him, and you should be ashamed of yourself! God loves drunk people too you know."

The man does as he is told, gets dressed, and goes out into the pounding rain. He calls out into the dark, "Hello, are you still there?"

"Yes," comes back the answer.

"Do you still need a push?" calls out the husband. "Yes, please!"

"Where are you?" asks the husband.

"Over here on the swing," replied the drunk.