



TAMARACK VALLEY ENERGY ANNOUNCES \$3 MILLION BOUGHT DEAL FLOW THROUGH FINANCING

Calgary, Alberta – October 5, 2010 – Tamarack Valley Energy has entered into an agreement with a syndicate of underwriters led by Acumen Capital Finance Partners Ltd. and including Peters & Co. Ltd., Paradigm Capital, Dundee Securities Corp. and National Bank Financial to issue, on a bought-deal basis, 9,486,166 common shares on a Canadian exploration expense flow-through basis at a price of 31.625 cents per CEE flow-through share for total gross proceeds of \$3-million. Tamarack has also entered into an agreement with the underwriters, as agents, on a best-efforts agency basis to issue 3,382,664 common shares on a Canadian development expense flow-through basis at a price of 29.5625 cents per CDE flow-through share for total gross proceeds of \$1-million.

Tamarack has granted the underwriters an overallotment option to place, on the same terms, up to an additional 1,581,028 CEE flow-through shares for additional gross proceeds of \$500,000.

Proceeds of the offering will be used to accelerate the company's Cardium and Viking light oil exploration program by incurring expenditures eligible for CEE and CDE expenses which will be renounced to subscribers of the respective flow-through share offerings effective on or before Dec. 31, 2010.

Closing is expected to occur on or about Oct. 21, 2010, and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the TSX Venture Exchange.

Further Information

For additional information, please contact:

Brian Schmidt
President & CEO
Tamarack Valley Energy
Phone: 403.263.4440
www.tamarackvalley.ca

Ron Hozjan
VP Finance & CFO
Tamarack Valley Energy