



TSXV: TVE

Tamarack Valley Energy files Q1 2011 Financial Statements and MD&A and provides positive operational update

Calgary, Alberta (Marketwire – May 24, 2011) – Tamarack Valley Energy (“Tamarack” or the “Company”) has filed its unaudited consolidated financial statements for the three months ended March 31, 2011 and management’s discussion and analysis on SEDAR. The documents are accessible on Tamarack’s website at www.tamarackvalley.ca or on SEDAR’s website at www.sedar.com.

Tamarack is also reporting solid progress with its ongoing multi-well drilling program. The Company decided to initiate its 2011 drilling program during spring break up (in early Q2). This ensures Tamarack has cost-effective access to the best equipment and experienced crews since many of its leases remain accessible during that period when quality services are available.

The current status of our Cardium drilling program is as follows:

- Buck Lake: 5-24-46-6 W5M drilled, fracture stimulated with water and nitrogen foam and initiated flow back.
- Lochend: 15-32-26-3 W5M drilled and will be fracture stimulated in late May
- Lochend: 8-29-26-3 W5M drilled and will be fracture stimulated in early June
- Garrington: 1-20-32-3 W5M currently moving rig on location
- Buck Lake: anticipating initiation of a well at 16-34-46-6 W5M in late June, pending the relaxation of road bans.

Except in the case of the well at Buck Lake, we anticipate the wells drilled in the second quarter will not be placed on production until late in the second quarter, thus not materially impacting second quarter production. Consequently, we are not expecting production increases until the third quarter. Tamarack expects to release drilling results from the first three wells by the end of June 2011.

Tamarack produced an average 789 boe/d in the first quarter of 2011, a decrease of eight percent from the fourth quarter of 2010, and an increase of 16 percent year over year. Our production mix in the first quarter remained approximately 15 percent weighted to oil, similar to the fourth quarter of 2010, up from 4% year over year. Gas production was impaired by the unscheduled shutdown of a non-operated gas facility affecting the first quarter average production by approximately 45 boe/d. The plant was back on track by mid-April. With decreased production quarter over quarter, revenue dropped slightly to \$2.3 million, but the average realized wellhead prices and operating netbacks increased.

During the first quarter of 2011, the Company also disposed of its interest in the Inga property located in northeast British Columbia for \$1.08 million. Subsequent to March 31, 2011, Tamarack disposed of its interest in the Red Creek property located in northeast British Columbia for \$0.9 million. Both properties had significant acreage due to expire in 2011. Tamarack will continue to rationalize assets that do not fit within the Company's strategy. The Company's undeveloped land base now stands at 100,099 gross (68,535 net) acres.

With newly acquired lands our unrisks oil drilling inventory has expanded to 129.

Tamarack also announces that Mr. Lew Hayes will resign as Vice President, Operations and Production on May 27, 2011, to pursue other opportunities. We wish to thank Mr. Hayes for his contributions to Tamarack during his time with the Company. Going forward, Mr. Niels Gundersen, our Vice President, Engineering will assume his functions, including drilling and completions responsibilities.

In February 2011, Tamarack was honored as one of the TSX Venture 50. The TSX Venture 50 is a ranking of the strongest performing TSX Venture companies in 2010 and is assessed on the basis of a combination of share price appreciation, trading volumes, change in market capitalization and analyst coverage. The index is comprised of ten companies from each of five sectors: Clean Technology, Oil and Gas, Diversified Industries, Mining, and Technology & Life Sciences.

For the purpose of calculating unit costs, natural gas volumes have been converted to a barrel of oil equivalent ("boe") using six thousand cubic feet equal to one barrel unless otherwise stated. A boe conversion ratio of 6:1 is based upon an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. This conversion conforms with Canadian Securities Regulators National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). Boe's may be misleading, particularly if used in isolation.

About Tamarack Valley Energy Ltd.

Tamarack is an oil and gas company involved in the identification, evaluation and operation of resource plays in the western Canadian sedimentary basin. The Company uses a rigorous, proven modeling process to carefully manage risk and identify growth opportunities and has assets at Lochend, Harmattan/Garrington, Buck Lake and Quaich areas in Alberta and at Wilder in northeast British Columbia.

Forward Looking Information

This press release contains certain forward-looking statements within the meaning of applicable securities laws, including statements relating to expected drilling plans and operational activities and results. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "should", "believe", "intends", "forecast", "plans", "guidance" and similar expressions are intended to identify forward-looking statements or information. The intended drilling plans and operational activities and results are based on assumptions relating to the timing of past operations and activities in the planned areas of drilling.

Although management considers these assumptions to be reasonable based on information currently available to it, undue reliance should not be placed on the forward-looking statements because Tamarack can give no assurances that they may prove to be correct.

By their very nature, forward-looking statements involve inherent risks and uncertainties (both general and specific) and risks that forward-looking statements will not be achieved. These risks and uncertainties include, but are not limited to: risks associated with the oil and gas industry (e.g. operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to production, costs and expenses; health, safety, litigation and environmental risks and access to capital. Due to the nature of the oil and natural gas industry, drilling plans and operational activities may be delayed or modified to react to market conditions, results of past operations or availability of services causing results to be delayed.

The forward-looking statements contained in this news release are made as of the date hereof and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, except as required by applicable law. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

The TSX has neither approved nor disapproved the contents of this press release.

For additional information, please contact:

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

Ron Hozjan
VP Finance & CFO
Tamarack Valley Energy Ltd.
Phone: 403.263.4440