



TSX VENTURE: TVE

Tamarack Valley Energy files Q3 2011 Financial Statements and MD&A

Calgary, Alberta – November 10, 2011 – Tamarack Valley Energy (“Tamarack” or the “Company”) has filed its unaudited consolidated financial statements for the three months and nine months ended September 30, 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 pleased to announce its third quarter financial and operating highlights as follows:

- Production increased by 27 percent to 1,101 boe/d in Q3/11 from 869 boe/d in Q2/11
- Oil and natural gas liquids weighting increased to 42 percent resulting in an operating netback of \$36.95/boe
- Cash flow from operations for the third quarter was \$3.0 million
- Capital expenditures (net of disposals) were \$10.0 million during the quarter and are \$31.8 million year to date

Tamarack ended the third quarter of 2011 with approximately \$5.6 million working capital deficiency, resulting in a debt to annualized third quarter cash flow from operations ratio of 0.5 to 1. As previously released, Tamarack has drilled two net heavy oil wells and its third well in the Buck Lake area, located at 4-34-46-6 W5M (75% WI), was spudded on September 20, 2011 and fractured stimulated on October 18, 2011. The results of these wells will be released later in the quarter. Tamarack may drill two to four additional heavy oil wells prior to year end, while attempting to not exceed a debt to cash flow from operations ratio of 1:1.

Financial & Operating Results

	Three months ended September 30			Nine months ended September 30		
	2011	2010 ¹	% change	2011	2010 ¹	% change
<i>(\$, except share numbers)</i>						
Total Revenue	5,222,421	1,483,914	252	10,980,057	5,150,533	113
Funds from Operations ²	3,031,339	(98,279)	(3,184)	5,913,036	(1,122,030)	(627)
Per share – diluted ²	0.02	(0.00)	–	0.03	(0.01)	–

Net Income (loss)	(137,246)	(2,885,241)	(95)	(621,576)	(7,467,571)	(92)
Per share – basic and diluted	(0.00)	(0.02)	–	(0.00)	(0.08)	–
Working Capital (net debt)	(5,622,925)	1,512,706	(471)	(5,622,925)	1,512,706	(471)
Total assets	62,912,367	27,802,377	126	62,912,367	27,802,377	126
Capital Expenditures ³	9,955,096	2,735,954	264	31,821,417	3,320,328	858
Weighted average shares outstanding						
Basic	186,402,359	123,399,388	51	173,821,452	88,149,072	97
Diluted	186,402,359	123,399,388	51	173,821,452	88,149,072	97
Average daily production						
Crude oil and NGLs (bbls/d)	460	14	3,186	271	15	1,707
Natural gas (mcf/d)	3,847	4,254	(10)	3,900	4,195	(7)
Total (boe/d)	1,101	723	52	921	714	29
Average sale prices						
Crude oil and NGLs (\$/bbl)	91.38	55.22	65	91.97	64.00	44
Natural gas (\$/mcf)	3.83	3.61	6	3.93	4.26	(8)
Total (\$/boe)	51.56	22.31	131	43.68	26.40	65
Operating netbacks (\$/boe)						
Average realized sales	51.56	22.31	131	43.68	26.40	65
Royalty expenses	(4.12)	(4.12)	–	(1.40)	(4.81)	(71)
Production expenses	(10.49)	(9.76)	7	(10.21)	(9.46)	8
Operating netback	36.95	8.43	338	32.07	12.13	164

Notes:

¹ 2010 results have been restated to conform with International Financial Reporting Standards.

² Funds from (used in) operations is non-GAAP measure and is calculated as cash flow from operating activities before the change in non-cash working capital, abandonment expenditures and transaction costs.

³ Capital expenditures include property acquisitions and are presented net of disposals, but exclude corporate acquisitions.

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, Garrington/Harmattan, Buck Lake and Quaich areas in Alberta; southeast of Lloydminster in Saskatchewan; and at Wilder in northeast British Columbia.

Unit Cost Calculation

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.

Forward Looking Information

This press release may contain 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", "attempts", "equates", "forecast", "plans", "guidance" and similar expressions are intended to identify forward-looking statements or information. The intended drilling plans, infrastructure additions, operational activities and results are based on assumptions relating to the timing of past operations and activities in the planned areas of drilling as well as information from consultants on regulatory processes, drilling and fracturing techniques.

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; commodity prices, the uncertainty of estimates and projections relating to production, cash generation, 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, regulatory approvals 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