TSX VENTURE: TVE

Tamarack Valley Energy Ltd. Announces 2012 Guidance & 2011 Year-End Financial Results

Calgary, Alberta – April 19, 2012 – Tamarack Valley Energy Ltd. ("**Tamarack**" or the "**Company**") has filed its audited consolidated financial statements for the year ended December 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 pleased to announce its fourth quarter financial and operating highlights as follows:

- Production increased by 37 percent to 1,507 boe/d in Q4/11 from 1,101 boe/d in Q3/11
- Production increased by 42 percent to 1,069 boe/d in 2011 from 750 boe/d in 2010
- Cash flow from operations for the fourth quarter was $2.9 million and $8.8 million in 2011
- Capital expenditures (net of disposals) were $8.7 million during the fourth quarter and $40.5 million for the year
- Year end net debt was approximately $7.6 million, resulting in a debt to trailing year cash flow from operations of 0.9 to 1

During 2011, Tamarack was successful on a number of fronts. Firstly, Tamarack continued to deliver on its promise to shift the company towards a higher oil weighting. Oil and natural gas liquids production increased by 630% from 43 bbls/d in 2010 to 314 bbls/d in 2011, with a fourth quarter average rate of 442 bbls/d. Consequently, yearly operating netbacks were up more than 115% to $30.69/boe as higher netback oil production was added from our core areas.

Secondly, Tamarack was successful in building out three additional oil resource areas from one in 2010. Non-core natural gas prone lands were sold with proceeds redirected to building positions in oil prone lands. The Company now has access to over 80,000 acres of oil prone lands across our four key plays, representing an increase of 73,000 acres when compared to 2010. 3D seismic was shot in the Manitou Lake heavy oil area in Saskatchewan and several drilling locations were identified.

Thirdly, Tamarack drilled successful horizontal wells and de-risked two of its core areas. The three successful wells at Lochend/Garrington and the two successful wells in Buck Lake significantly increased Tamarack's oil and natural gas liquids production in 2011. During the fourth quarter of 2011, Buck Lake accounted for 32% of Tamarack's production. All five Cardium wells have performed better than their respective area's offsetting average production rates. This confirms the above average quality of Tamarack's lands and the effectiveness of its completion designs.

Financial & Operating Results

	Three months ended December 31,			Year ended December 31,		
	2011	2010 [1]	% change	**2011**	2010 [1]	% change
($, except share numbers)						
Total Revenue	**5,644,601**	2,462,995	129	**16,624,658**	7,613,528	118
Funds from (used in) operations [2]	**2,899,139**	954,723	204	**8,812,175**	(167,307)	(5,367)
Per share – diluted [2]	**0.02**	0.01	–	**0.05**	–	–
Net loss	**(2,441,267)**	(2,204,372)	(95)	**(3,062,843)**	(9,671,943)	(95)
Per share – basic and diluted	**(0.01)**	(0.02)	–	**(0.02)**	(0.10)	–
Working Capital (deficiency)	**(7,614,163)**	(1,162,450)	555	**(7,614,163)**	(1,162,450)	555
Total assets	**64,955,397**	35,565,854	83	**64,955,397**	35,565,854	83
Capital Expenditures [3]	**8,724,373**	7,709,833	13	**40,545,790**	11,030,162	268
Weighted average shares outstanding						
Basic	**190,564,486**	137,849,246	38	**178,041,708**	99,884,466	78
Diluted	**190,564,486**	137,849,246	38	**178,041,708**	99,884,466	78
Average daily production						
Crude oil and NGLs (bbls/d)	**442**	125	254	**314**	43	630
Natural gas (mcf/d)	**6,390**	4,386	46	**4,528**	4,243	7
Total (boe/d)	**1,507**	856	76	**1,069**	750	42
Average sale prices						
Crude oil and NGLs ($/bbl)	**89.87**	81.13	11	**91.23**	76.59	19
Natural gas ($/mcf)	**3.39**	3.79	(11)	**3.73**	4.14	(10)
Total ($/boe)	**40.72**	31.28	30	**42.62**	27.81	53
Operating netbacks ($/boe)						
Average realized sales	**40.72**	31.28	30	**42.62**	27.81	53
Royalty expenses	**(2.45)**	(3.08)	(20)	**(1.77)**	(4.31)	(59)
Production expenses	**(10.07)**	(8.69)	16	**(10.16)**	(9.24)	10
Operating netback	**28.20**	19.51	45	**30.69**	14.26	115

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.

First Quarter Update and 2012 Guidance

In the first quarter of 2012, Tamarack drilled one Cardium oil well in Buck Lake and completed a Viking oil well in Foley Lake. Tamarack designed a conservative drilling program for the first quarter of 2012, as a response to lower natural gas prices and higher cost for services during the busy winter period. There were also industry concerns regarding widening crude oil differentials between West Texas Intermediate and Edmonton Par prices which continue to affect our well head prices. During the first quarter of 2012, Tamarack began to shut-in natural gas wells due to lower commodity prices. In 2012, the Company expects to shut-in approximately 50 boe/d of natural gas production.

The acquisition of Echoex Ltd. added low-cost, high netback Viking oil drilling inventory to complement its Cardium and heavy oil opportunities. The optionality of having three de-risked plays, allows Tamarack to allocate capital to its highest rate of return opportunities, while diversifying risk across a suite of oil resource plays.

Tamarack is pleased to outline our plans for 2012:

- Capital spending of $30-35 million (over 90% allocated to the drill bit vs. 67% in 2011)
- Capital spending is based on Edmonton Par Pricing of $75.00/bbl for June through December 2012 and a 2012 AECO average of $2.15/GJ
- Production average between 2,000-2,200 boe/d (43-47% liquids weighted)
- Anticipated exit production rate of between 2,600-2,700 boe/d (51-53% liquids weighted)
- Estimated fourth quarter netback of approximately $29-31/boe (based on pricing above)

The Company's Board of Directors has approved a $30-35 million capital expenditure budget for 2012, designed to focus on Cardium oil horizontal development at Lochend/Garrington, Viking oil horizontal drilling in Redwater and heavy oil drilling in Saskatchewan. This capital program will be funded by cash flow from operations, funds from the subscription receipt financing in April 2012 and bank debt. If higher well head prices are realized, the Company may have the financial flexibility to increase capital expenditures in the second half of 2012. Even assuming an Edmonton Par price of $75.00/bbl for planning expenditures in 2012, the Company can grow production and reduce debt to cash flow, without requiring additional equity capital in 2012 and into 2013. This will allow the Company to grow on an absolute and a per share basis. In addition, the 2012 budget has minor capital allocations to develop its existing oil focused resource plays, de-risk its heavy oil opportunities and de-risk additional shallow Viking oil areas, which could result in material reserve additions.

Increased Credit Facility

Tamarack is also pleased to announce that its operating demand line of credit was increased to $45.0 million from $15.0 million.

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. Tamarack's diversified suite of oil-focused assets provides exposure to the high impact Cardium light oil resource plays in Lochend, Garrington/Harmattan and Buck Lake in Alberta, low cost Viking light oil resource plays in Redwater, Foley Lake and Westlock in Alberta and highly economic heavy oil opportunities southeast of Lloydminster in Saskatchewan.

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 capital spending, production results, net backs, 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 capital spending, drilling plans, allocation of capital, operational activities, plans to shut-in natural gas wells, and production results are based on assumptions relating to commodity prices, drilling and completion being competed as planned, achieving expected drilling results, maintaining or growing the banking facilities, the timing of past operations and activities in the planned areas of drilling, information from consultants on regulatory processes, drilling and fracturing techniques and continuing over-supply in the natural gas market.

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