



TSX VENTURE: TVE

## **Tamarack Valley Energy Ltd. Announces 30-Day Redwater Production Rates and Share Consolidation Trading Commencement**

**Calgary, Alberta – July 17, 2012** – Tamarack Valley Energy Ltd. (“**Tamarack**” or the “**Company**”) is pleased to announce the following operational update.

### **Redwater Production Update**

During the second quarter of 2012, Tamarack drilled four (3.7 net) shallow Viking oil wells in the Redwater area on the Echoex lands acquired on April 18, 2012. The four wells averaged 360 bbls/d (335 net) of light oil during their first 30 days of production. Since June 7th, when the first well was placed on production, these wells have produced cumulatively 11,965 bbls. Tamarack believes these wells will exhibit typical declines similar to the offset wells.

The 30 day average production per well rate of 90 bbls/d is 23 bbls/d higher than the acquisition per well assumption of 67 bbls/d. This increase in economic return confirms the merits of the acquisition of Echoex Ltd. and the assumptions that the Redwater Viking oil play will yield a high quality sizable drilling inventory for the Company. With production results above expectations, Tamarack is planning a second multi-well drilling program scheduled for early fall, subject to rig availability.

### **Garrington Cardium Update**

During the second quarter of 2012, Tamarack drilled the Garrington 16-29-32-3 W5M well (51% working interest) and the 2-20-32-3 W5M well (54% working interest) from the same surface location. The 2-20-32-3 W5M well was stimulated with a multi-stage slick water fracture treatment on July 12, 2012. The 16-29-32-3 W5M well will be completed later this week, pending weather.

Due to the limited production history on the recently drilled Lochend and Redwater wells, the Company will wait to assess longer term production performance before considering an increase to its current production guidance announced on April 19, 2012.

### **Share Consolidation**

As announced yesterday, Tamarack filed its Articles of Amendment to give effect to a consolidation of all of its issued and outstanding common shares on the basis of twelve (12) pre-consolidation common shares for one (1) post-consolidation common share (the “**Consolidation**”). The pre-Consolidation

common shares of the Company have been delisted and the post-Consolidation common shares will commence trading today. The Corporation's trading symbol, "TVE", will remain unchanged.

Letters of transmittal will be sent to registered shareholders to facilitate distribution of the post-Consolidation common shares. Registered shareholders are asked to complete the letter of transmittal and return it to Olympia Trust Company along with their share certificates representing the pre-Consolidation common shares.

### **Current Capitalization**

The number of issued and outstanding common shares on a post-Consolidation basis will be 29,706,752. Pursuant to the terms and conditions of the acquisition of Echoex Ltd., 6,508,889 common shares (on a post-Consolidation basis) which were issued to certain former Echoex shareholders and placed under escrow will become free trading today.

### **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.

### **Forward-Looking Information**

This press release may contain certain forward-looking statements within the meaning of applicable securities laws, including statements relating to expected production rates, future drilling plans, the commencement of the trading of the post-Consolidation common shares and the mailing of letters of transmittal. 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 production estimates, drilling plans, and operational activities are based on assumptions relating to commodity prices, drilling being completed as planned, achieving expected drilling results, information from consultants on regulatory processes, drilling and fracturing techniques and rig availability. The commencement of the trading of the post-Consolidation common shares and the mailing of letters of transmittal are based on assumptions relating to the timely execution of the Consolidation by the exchange and the absence of any disruptions to mailing and courier services.

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.**

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