



TSX VENTURE: TVE

Tamarack Valley Energy Ltd. Announces Garrington Drilling Results and Participation at the Peters & Co. Conference in Toronto

Calgary, Alberta – September 11, 2012 – Tamarack Valley Energy Ltd. (“**Tamarack**” or the “**Company**”) is pleased to announce the results of its most successful spring drilling program to date.

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 an 18 multi-stage slick water fracture treatment on July 12, 2012. The 16-29-32-3 W5M was stimulated with an 18 multi-stage slick water fracture treatment on July 18, 2012. Both wells flowed for approximately 72 hours before being shut-in to construct well-site facilities and tie-in the associated solution gas. Drilling program enhancements and cost savings from drilling over spring breakup caused both wells to come in well under budget. Based on field estimates, both wells were drilled, completed and equipped for less than \$2.85 million each, approximately 25% lower than our budgeted amount of \$3.9 million.

The 2-20-32-3 W5M well began production on August 1, 2012 and averaged 545 bbls/d (294 net) of oil and 615 mcf/d (332 net) of natural gas or 654 boe/d (353 net) (83% oil weighted) over the first 30 days of production. The 16-29-32-3 W5M well began production on August 15, 2012 and averaged 404 bbls/d (206 net) of oil and 292 mcf/d (149 net) of natural gas or 456 boe/d (233 net) (89% oil weighted) over the first 21 days of production. This well is restricted by the lifting equipment and consequently should decline at a lower rate relative to offset wells. The current production from the 16-29 well is 400 boe/d (204 net).

Redwater Production and Drilling 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 17, 2012. The four wells had a combined average of 360 bbls/d (335 net) of light oil during the first 30 days of production. Since the first well was placed on production in June, these four wells have cumulatively produced 31,600 barrels of oil. Tamarack estimates that it has recovered the capital equivalent of the cost to drill, complete and equip 1.3 of the 4 wells.

With Viking oil production results exceeding expectations, Tamarack is planning a 6-8 Viking well drilling program scheduled to commence in October, 2012, subject to rig availability and access to surface leases.

Lochend Drilling Update

During the third quarter of 2012, two (1.0 net) Cardium oil wells were drilled in the Lochend area of Alberta. Both wells are expected to be stimulated with a multi-stage slick water fracture treatment during the month of September.

The Lochend 2-29-26-3 W5M well (100% working interest) drilled in May has a 90 day initial production rate of 324 bbls/d of oil and 329 mcf/d of natural gas or 382 boe/d (85% oil weighted). Due to temporary facility constraints in the area, Tamarack has conserved approximately 10% of the associated solution gas from this well. To date it has produced over 31,000 barrels of oil.

Guidance

Based on field estimates Tamarack averaged between 2,550-2,600 boe/d in July and August of which approximately 50% of the production was liquids. Tamarack's average 2012 production guidance remains unchanged at 2,000 to 2,200 boe/d.

Non-Core Asset Dispositions

Also during the third quarter, Tamarack entered into an agreement to sell a non-core property for \$750,000. There were no reserves or production associated with the disposition. To date, the Company has disposed of \$1.2 million worth of non-core assets. Tamarack will continue to seek opportunities to monetize non-core assets through similar dispositions.

Peters & Co. Conference Participation

Tamarack is also announcing that it will be participating at the Peters & Co. 2012 Annual North American Oil and Gas Conference to take place on September 11th – 13th in Toronto, Ontario. Mr. Brian Schmidt, Tamarack Valley's President and Chief Executive Officer, is scheduled to present at 11:30 a.m. Eastern time (1:30 p.m. Mountain time) on Wednesday, September 12, 2012.

A live audio webcast will be accessible through the following link or by visiting our website at www.tamarackvalley.ca.

English Event URL: <http://www.newswire.ca/en/webcast/detail/1028041/1111969>

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 expected production rates, future drilling plans, anticipated payouts and the continuing disposition of non-core assets. 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, future drilling plans, anticipated well payouts and future disposition of non-core assets 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, access to surface leases and rig availability.

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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