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Tamarack Valley Energy Ltd. Announces 2012 Third Quarter Financial and Operating Results

Calgary, Alberta – November 14, 2012 – Tamarack Valley Energy Ltd. ("**Tamarack**" or the "**Company**") has filed its unaudited condensed consolidated financial statements for the three and nine months ended September 30, 2012 ("Financial Statements") and management's discussion and analysis ("MD&A") on SEDAR. Selected financial and operational information is outlined below and should be read in conjunction with the Financial Statements and related MD&A which are accessible on Tamarack's website at www.tamarackvalley.ca or on the SEDAR website at www.sedar.com.

Q3 2012 Results

Tamarack is pleased to announce its third quarter financial and operational highlights as follows:

- Production increased by 141% to 2,657 boe/d in Q3/12 from 1,102 boe/d in Q3/11 and increased by 21% from 2,193 boe/d in Q2/12
- Crude oil and natural gas liquids production weighting increased to 49% in Q3/12 from 42% in Q2/12
- Funds from operations for the third quarter of 2012 was $6.15 million (after deducting additional Echoex transaction costs of $114,229) compared to $2.81 million in the second quarter of 2012
- Operating netbacks increased by 28% to $30.22/boe from $23.69/boe in Q2/12
- Tamarack is on target to meet its guidance for 2012
- Drilled four (2.1 net) successful Cardium oil wells during Q3/12, two wells in Lochend (1.0 net Cardium oil) and two wells in Garrington (1.1 net Cardium oil).
- Commenced drilling the first of eight Viking oil wells in Redwater and Westlock.

During the third quarter, Tamarack enjoyed continued Cardium oil drilling success in the Lochend and Garrington areas of Alberta. Both previously released Garrington wells achieved 30 day initial production rates of 654 and 400 boe/d, well above initial expected rates. In addition these wells were also drilled, completed and equipped at a cost 20-25% lower than the original budget forecast. The significant cost savings and better well performance will allow Tamarack to increase its drilling program in the fourth quarter, while staying within originally budgeted capital expenditure limits and projected debt levels. Tamarack's 2012 production guidance, disclosed on April 19, 2012, assumed the Company would average 2,464 boe/d in the third quarter of 2012 compared to actual production of 2,657 boe/d. The increase versus guidance was due in part to achieving better than expected spring drilling results and

Tamarack's ability to bring new production on-stream faster than originally anticipated. The Company is on track to be in the upper half of its 2012 average production guidance of 2,000 to 2,200 boe/d.

Financial & Operating Results

	Three months ended September 30,			Nine months ended September 30,		
	2012	2011	% change	**2012**	2011	% change
($, except share numbers)						
Total Revenue	**11,028,380**	5,222,421	111	**22,968,291**	10,980,057	109
Funds from operations [1]	**6,150,404**	3,042,122	102	**10,637,141**	5,935,131	79
Per share – diluted [1]	**0.21**	0.20	5	**0.43**	0.41	5
Net loss	**(554,006)**	(137,246)	304	**(1,684,302)**	(621,576)	171
Per share – basic	**(0.020)**	(0.010)		**(0.07)**	(0.04)	
Per share – diluted	**(0.020)**	(0.010)		**(0.07)**	(0.04)	
Working Capital (deficiency) [2]	**(41,640,882)**	(5,622,925)	641	**(41,640,882)**	(5,622,925)	641
Total assets	**147,973,557**	62,912,367	135	**147,973,557**	62,912,367	135
Capital Expenditures [3]	**7,193,687**	9,955,096	(28)	**23,856,939**	31,821,417	(25)
Weighted average shares outstanding [4]						
Basic	**29,706,752**	15,533,530	91	**24,508,769**	14,485,121	69
Diluted	**29,706,752**	15,533,530	91	**24,508,769**	14,485,121	69
Average daily production						
Crude oil and NGLs (bbls/d)	**1,311**	460	185	**877**	271	224
Natural gas (mcf/d)	**8,074**	3,849	110	**6,935**	3,900	78
Total (boe/d)	**2,657**	1,102	141	**2,033**	921	121
Average sale prices						
Crude oil and NGLs ($/bbl)	**77.03**	91.38	(16)	**78.50**	91.97	(15)
Natural gas ($/mcf)	**2.34**	3.83	(39)	**2.16**	3.93	(45)
Total ($/boe)	**45.12**	51.54	(12)	**41.24**	43.68	(6)
Operating netbacks ($/boe)						
Average realized sales	**45.12**	51.54	(12)	**41.24**	43.68	(6)
Royalty expenses	**(4.49)**	(4.12)	9	**(2.98)**	(1.40)	113
Production expenses	**(12.33)**	(10.49)	18	**(11.59)**	(10.21)	14
Operating field netback	**28.30**	36.93	(23)	**26.67**	32.07	(17)

Notes:

[1] Funds from operations is a non-GAAP measure and is calculated as cash flow from operating activities before the change in non-cash working capital and abandonment.

[2] Working capital (deficiency) includes accounts receivable, prepaid expenses and deposits, bank debt and accounts payable and accrued liabilities, but exclude the future value of financial instruments.

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

[4] On July 16, 2012 the Company consolidated its common shares on a 1 for 12 basis and all number of shares and per share amounts have been restated to reflect the consolidation.

Redwater Drilling Update

On September 26, 2012, Tamarack commenced an eight well Viking oil drilling program, seven (6.85 net) in the Redwater area and one in the Westlock area of Alberta. All eight wells have been drilled with the first four wells coming on production early-November. Tamarack expects to stimulate and complete the remaining three wells in Redwater later this month and the Westlock well during the first quarter of 2013.

Lochend Update

During the third quarter of 2012, Tamarack participated in the drilling of two (1.0 net) Cardium oil wells in Lochend. Both wells were brought on production during the third week of September, 2012. Based on field estimates, one averaged 1,158 boe/d (579 net) (91% oil weighted) of production over a 10 day period and the other averaged 1,068 boe/d (534 net) (90% oil) over an eight day period. Both wells were shut-in for pressure surveys, to be equipped with permanent production equipment and to be tied into existing Tamarack owned infrastructure. Originally, the wells were expected to be brought back on production in mid-October, however the operator of the wells has now indicated that they plan to bring the wells on production by mid-December. Tamarack expects the new Lochend wells to follow the typical Cardium production curve for wells fracture stimulated with slick water and decline hyperbolically over the next few months.

Garrington Drilling Update

During the fourth quarter, Tamarack drilled two (1 net) Garrington Cardium oil wells. The Company plans to stimulate these wells with slick water fracture treatments early in the first quarter of 2013. Having drilled these wells in the fourth quarter, Tamarack will avoid the higher drilling costs usually associated with winter drilling. Drilling these two wells will cause the Company to reach the upper end of its previously released capital expenditure guidance of $30-35 million.

Board Changes

Tamarack's board of directors and management team would like to thank Mr. Anthony Lambert for his contributions to the Company, as he has resigned from the Board to pursue other business interests. Mr. Lambert has been on the Board of Tamarack since the business combination and reorganization was completed in June, 2010.

Increased Credit Facility

Tamarack is also pleased to announce that subsequent to June 30, 2012, the Company increased its operating demand line of credit and non-revolving acquisition/development demand line to a total of $72.5 million from $65.0 million. The credit facility is secured by a $155,000,000 debenture with a floating charge over all of Tamarack's assets. The next scheduled review is February 1, 2013.

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. Boe's may be misleading, particularly if used in isolation.

Forward Looking Information

This press release contains certain forward-looking information (collectively referred to herein as "forward-looking statements") within the meaning of applicable Canadian securities laws. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "believe", "plan", "potential", "intend", "objective", "continuous", "ongoing", "encouraging", "estimate", "expect", "may", "will", "project", "should", or similar words suggesting future outcomes. More particularly, this press release contains statements concerning Tamarack's anticipated production rates for 2012, guidance on its capital expenditure budget and future drilling plans and operations. The forward-looking statements contained in this document are based on certain key expectations and assumptions made by Tamarack relating to prevailing commodity prices, the availability of drilling rigs and other oilfield services, the timing of past operations and activities in the planned areas of focus, the drilling, completion and tie-in of wells being completed as planned, the performance of new and existing wells, the application of existing drilling and fracturing techniques, the continued availability of capital and skilled personnel, the ability to maintain or grow the banking facilities and the accuracy of Tamarack's geological interpretation of its drilling and land opportunities. 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 are subject to certain risks and uncertainties (both general and specific) that could cause actual events or outcomes to differ materially from those anticipated or implied by such forward-looking statements. 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. Please refer to Tamarack's revised Annual Information Form ("AIF") dated April 23, 2012 for additional risk factors relating to Tamarack. The AIF is available for viewing under the Company's profile on www.sedar.com.

The forward-looking statements contained in this press 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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