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Tamarack Valley Energy Ltd. Announces Record 2012 Exit Production, Fourth Quarter Drilling Results and 2013 Guidance

Calgary, Alberta – February 7, 2013 – Tamarack Valley Energy Ltd. ("**Tamarack**" or the "**Company**") is pleased to provide an update on its year end results, 2012 fourth quarter Redwater Viking oil drilling program and 2013 Guidance.

Tamarack is pleased to announce, based on field estimates in December, it averaged 2,160 boe/d (46% liquids) in 2012 which exceeded the mid-point of its previously announced 2012 guidance of 2,000-2,200 boe/d (43% - 47% liquids). Tamarack achieved an exit rate of 2,704 boe/d (52% liquids), based on field estimates in mid-December, compared to 2012 exit guidance of 2,600-2,700 boe/d (51-53% liquids).The Company achieved 2012 production guidance despite production delays on two (1.0 net) non-operated Lochend Cardium oil wells which were recently brought on-stream in mid-January.

Q4 2012 Drilling Results

Tamarack achieved a 100% success rate on eight Viking oil wells drilled in the fourth quarter of 2012, on the lands acquired in the Echoex corporate transaction. Seven (6.85 net) were drilled in the Redwater area and one net well was drilled in the Westlock area. Five of the seven wells in Redwater were stimulated with the standard 10 stage, 10 ton gelled water fracture treatment and the other two wells were designed and completed to enable the wells to be converted into water injectors when appropriate, to optimize reservoir performance. The average IP30 oil rate of the five Redwater Viking wells was 66 bbls/d (64 net). Four of these seven wells were brought on production in late October with the other three on production in December 2012. These wells continue to outperform and as of January 15, 2013, the 6.85 net wells were producing a combined 366 bbls/d.

Since completing the Echoex transaction in mid-2012, Tamarack has been focused on reducing costs and increasing Viking oil productivity at Redwater. The average drilling, completion and equipping costs of the most recent five wells was $1.056 million, a 12% reduction relative to the four wells drilled in the spring of 2012 and a 20% reduction relative to pre-2012 costs. To date, Tamarack has drilled nine wells in total, stimulated with the standard 10 stage, 10 ton gelled water fracture treatment, with IP30 oil rates averaging 76 bbls/d. This average exceeds Tamarack's original acquisition type curve by 27%.

During the fourth quarter, the Company also drilled two (1.0 net) Cardium oil wells in the Garrington area. These wells were drilled in the fall to avoid higher costs associated with winter drilling. Both wells were stimulated with a multi-stage slick water fracture treatment in January and were put on production through permanent facilities on February 2, 2013. Tamarack expects these wells to perform similarly to wells it has previously drilled in this area.

In addition, two (1.0 net) non-operated Cardium oil wells in Lochend that were expected to be brought on production in December 2012, were put on production in mid-January. Both wells averaged over 1,050 boe/d during their initial 8-10 day test periods as press released on October 15, 2012. Both wells will produce at restricted rates in the first quarter of 2013 due to the operator's capacity restrictions at the Lochend facility. Tamarack and its industry partners will be expanding the oil handling facility with an expected completion date during the second quarter of 2013.

Based on field estimates, current production is 2,843 boe/d comprised of 56% weighting to liquids, excluding production from the recently tied in two (1.0 net) Garrington wells.

2013 Guidance

The Company's Board of Directors has approved a $33-$38 million capital budget for 2013, designed to focus on Cardium oil horizontal development at Lochend/Garrington and Viking oil horizontal development at Redwater/Westlock. The Company expects to drill approximately 15 net wells, consisting of five Cardium oil wells and 10 Viking oil wells. The capital program will be fully funded with cash flow from operations and current working capital and can be executed within the Company's current banking credit facility. The capital program is based on a 2013 average Edmonton Par price of $78.00/bbl and a 2013 average AECO price of $3.00/GJ. If higher well head prices are realized, the Company is well positioned to increase capital expenditures during the second half of 2013. The current budget will allow Tamarack to grow on an absolute and a per share basis, highlights include:

- 2013 estimate average production rate of 2,900-3,000 boe/d (60% liquids);
- 2013 estimate exit production rate of between 3,100-3,200 boe/d (60% liquids);
- Anticipated cash flow of $29-$31 million, based on the above commodity price assumptions; and
- Capital has been allocated to de-risking and minor acquisition activity in Tamarack's core areas, with the focus to expand the Cardium and Viking oil drilling inventory which also could result in material reserve additions.

Tamarack would also like to thank its technical team and board of directors for their dedication and hard work in achieving its 2012 targets and looks forward to achieving similar success in 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 heavy oil opportunities southeast of Lloydminster in Saskatchewan.

Abbreviations

bbl	barrel
bbls/d	barrels per day
boe/d	barrels of oil equivalent per day
mcf	thousand cubic feet
GJ	gigajoule
AECO	a natural gas storage facility located at Suffield, Alberta
IP30	the initial 30 day average production rate

Barrels of Oil Equivalent

Barrels of oil equivalent (boe) is calculated using the conversion factor of 6 mcf (thousand cubic feet) of natural gas being equivalent to one barrel of oil. Boe may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf to 1 bbl (barrel) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

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 relating to capital spending, expected drilling plans and operational activities, cash flow and future production results. The forward-looking statements contained in this document are based on certain key expectations and assumptions made by Tamarack relating to prevailing commodity prices, access to crude oil and natural gas markets, 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, facility expansions 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.

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