TSX: TVE

Tamarack Valley Energy Ltd. Announces 2015 Financial and Operating Results With Record Production Achieved in Fourth Quarter 2015

Calgary, Alberta – March 24, 2016 – Tamarack Valley Energy Ltd. ("**Tamarack**" or the "**Company**") is pleased to announce that a successful second half 2015 drilling program contributed to a record fourth quarter 2015 production average of 9,968 boe/d (61% liquids), which is an increase of 14% from the third quarter of 2015 and is higher than exit production guidance of 9,500-9,700 boe/d (55-60% liquids). Tamarack achieved its exit production target while spending $107.4 million which was approximately 15% lower than guidance of $125-130 million in 2015. Year-end net debt of $97.9 million was approximately 23% lower than guidance of $125-130 million, and was attributable to improved capital efficiencies leading to strong production volumes with lower spending. Capital efficiencies improved in 2015 due to permanent drilling and completion design changes, lower services costs and better well performance in the Wilson Creek and Alder Flats areas of Alberta.

Early in 2015, Tamarack made the decision to stop drilling given that industry service costs had not yet adjusted to the significantly lower commodity price environment. During the first part of the year, the Company focused on drilling and completion well re-designs, which resulted in permanent cost reductions. These cost reductions improved economics, enabled the Company to be sustainable in a lower price environment, and ensured Tamarack was well positioned to ramp-up drilling once service costs realigned with commodity prices. This strategy demonstrates Tamarack's unwavering commitment to sustainability regardless of the commodity price environment. Even with the deferral of drilling early in 2015, the fourth quarter of 2015 results demonstrate Tamarack's ability to show modest per share growth, while adding high quality drilling inventory and strengthening the balance sheet during a low commodity price environment.

Financial and Operating Highlights

- Average production per share grew by 3% in 2015 from 2014 while reducing debt by 25% (based on weighted average shares outstanding).
- Achieved record Q4/15 average production of 9,968 boe/d, up 14% from Q3/15.
- Grew production by 48% to average 8,448 boe/d in 2015 compared to 5,717 boe/d in 2014.
- Increased funds from operations in Q4/15 by 27% to $18.6 million from $14.6 million in Q3/15.
- Maintained strong funds from operations in 2015 of $60.2 million ($61.2 million excluding transaction costs incurred as a result of the Alder Flats acquisition) compared to $66.2 million in 2014, despite commodity prices being approximately 40% lower, partially attributable to higher production volumes and reduced costs.
- Improved financial flexibility during the year ended December 31, 2015 and reduced net debt by $31.9 million to $97.9 million, with further improvements during the first quarter 2016 following closing of a $43.7 million offering. Pro-forma the equity issuance in March 2016, debt to annualized Q4/15 funds from operations at December 31, 2015 was 0.7 times.
- Realized a 13% reduction in production expense to $12.20/boe in Q4/15 compared to $14.05/boe in Q3/15.

- Reduced general and administrative expenses per boe by 10% in Q4/15 compared to Q3/15.
- Earnings during Q4/15 totaled $5.1 million attributed to a realized gain on financial instruments of $7.5 million during the quarter resulting in a total gain on financial instruments of $17.5 million in 2015.

2015 Year-end Results

During 2015, Tamarack achieved record performance operationally with very strong drilling results, completion of an accretive and strategic acquisition in Alder Flats and ongoing improvements in capital efficiencies. As a result, the Company exceeded its exit production guidance while successfully navigating one of the most challenging and pervasively weak commodity price environments in recent history. Fourth quarter 2015 results improved over the third quarter following further volume increases and the completion of several projects designed to reduce costs and enhance efficiencies.

In 2016, Tamarack intends to continue improving its capital efficiencies and increasing netbacks through additional drilling, well completion design changes and cost cutting initiatives, which includes the planned completion of a debottlenecking infrastructure project in the Alder Flats area. The full impact of this operating cost reduction project is expected to be realized in the second quarter of 2016.

Tamarack re-affirms its 2016 production guidance of averaging between 8,700-9,700 boe/d (approximately 51-57% liquids) dependent on capital expenditures of $40 to $57 million. The Company will adjust its 2016 capital expenditure program as commodity prices change with the priority of protecting its strong balance sheet. The capital expenditure program is based on a range of commodity prices: WTI average $33/bbl to $40/bbl USD and AECO average $2.00/GJ to $2.45/GJ with a Canadian/US dollar exchange rate range of $0.70 to $0.72. The Company has already deferred $6 to $8 million of capital into the second half of 2016 in response to ongoing low commodity prices. Tamarack currently expects production in the first half of 2016 to average between 9,100-9,600 boe/d.

Financial & Operating Results

	Three months ended December 31,			Years ended December 31,		
	2015	2014	% change	**2015**	2014	% change
($, except share numbers)						
Total Revenue	**27,725,228**	33,838,539	(18)	**106,145,723**	125,992,315	(16)
Funds from operations [1]	**18,614,626**	19,127,814	(3)	**60,161,226**	66,171,480	(9)
Per share – basic [1]	**$ 0.19**	$ 0.25	(24)	**$ 0.66**	$ 1.05	(37)
Per share – diluted [1]	**$ 0.18**	$ 0.25	(28)	**$ 0.66**	$ 1.05	(37)
Net income (loss)	**5,118,919**	(38,991,202)	113	**(17,328,368)**	(25,167,361)	31
Per share – basic	**$ 0.05**	$ (0.50)	110	**$ (0.19)**	$ (0.40)	53
Per share – diluted	**$ 0.05**	$ (0.50)	110	**$ (0.19)**	$ (0.40)	53
Net debt [2]	**(97,940,880)**	(129,798,673)	(25)	**(97,940,880)**	(129,798,673)	(25)
Capital Expenditures [3]	**10,817,509**	26,774,395	(60)	**107,431,198**	288,903,460	(63)
Weighted average shares outstanding						
Basic	**99,933,725**	77,914,336	28	**90,661,207**	63,124,738	44
Diluted	**101,426,618**	77,914,336	30	**90,661,207**	63,124,738	44
Share Trading						
High	**$ 3.25**	$ 6.82	(52)	**$ 4.80**	$ 7.85	(39)
Low	**$ 2.22**	$ 2.57	(14)	**$ 1.83**	$ 2.57	(29)
Trading volume	**26,929,737**	41,998,435	(36)	**94,324,264**	148,788,382	(37)

Average daily production						
Light oil (bbls/d)	**4,258**	3,772	13	**3,703**	2,932	26
Heavy oil (bbls/d)	**620**	413	50	**602**	257	134
NGLs (bbls/d)	**1,218**	576	111	**803**	313	157
Natural gas (mcf/d)	**23,229**	17,518	33	**20,038**	13,292	51
Total (boe/d)	**9,968**	7,681	30	**8,448**	5,717	48
Average sale prices						
Light oil ($/bbl)	**47.16**	67.83	(30)	**52.06**	87.29	(40)
Heavy oil ($/bbl)	**26.79**	54.84	(51)	**41.98**	68.33	(39)
NGLs ($/bbl)	**18.22**	36.18	(50)	**19.49**	47.50	(59)
Natural gas ($/mcf)	**2.66**	3.91	(32)	**2.85**	4.28	(33)
Total ($/boe)	**30.23**	47.89	(37)	**34.43**	60.38	(43)
Operating netback ($/Boe) [4]						
Average realized sales	**30.23**	47.89	(37)	**34.43**	60.38	(43)
Royalty expenses	**(2.80)**	(6.20)	(55)	**(3.43)**	(7.78)	(56)
Production expenses	**(12.20)**	(12.59)	(3)	**(12.81)**	(13.68)	(6)
Operating field netback ($/Boe) [4]	**15.23**	29.10	(48)	**18.19**	38.92	(53)
Realized commodity hedging gain (loss)	**8.16**	2.64	209	**5.67**	(1.06)	(635)
Operating netback	**23.39**	31.74	(26)	**23.86**	37.86	(37)
Funds flow from operations netback ($/Boe) [4]	**20.30**	**27.07**	(25)	**19.51**	**31.71**	(38)

Notes:
(1) Funds from operations is calculated as cash flow from operating activities before the change in non-cash working capital and abandonment.
(2) Net debt does not have any standard meaning prescribed by International Financial Reporting Standards ("IFRS") and therefore may not be comparable with the calculation of similar measures for other entities. Net debt includes accounts receivable, prepaid expenses and deposits, bank debt and accounts payable and accrued liabilities, but excludes the fair value of financial instruments.
(3) Capital expenditures include property acquisitions and are presented net of disposals, but exclude corporate acquisitions.
(4) Operating netback, operating field netback and funds flow from operations netback does not have any standardized meaning prescribed by IFRS and therefore may not be comparable with the calculation of similar measures for other entities. Operating field netback equals total petroleum and natural gas sales less royalties and operating costs calculated on a boe basis. Operating netback is the operating field netback with realized gains and losses on commodity derivative contracts. Funds flow from operations netback equals funds flow from operations divided by the total sales volume and reported on a per boe basis. Tamarack considers operating netback and funds flow from operations netback as important measures to evaluate its operational performance as it demonstrates its field level profitability relative to current commodity prices.

Tamarack also confirmed it has filed its Annual Information Form ("AIF") today on SEDAR, which includes information pursuant to the requirements of National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* ("NI 51-101") of the Canadian Securities Administrators relating to reserves data and other oil and gas information. The AIF can be accessed either on Tamarack's website at www.tamarackvalley.ca or under the Company's profile on SEDAR at www.sedar.com.

The Company has filed its audited consolidated financial statements for the year ended December 31, 2015 ("Financial Statements") and management's discussion and analysis ("MD&A") on SEDAR. Selected financial and operational information is outlined above and should be read in conjunction with the Financial Statements, which were prepared in accordance with IFRS, and the related MD&A. These documents are also accessible on Tamarack's website at www.tamarackvalley.ca or under the Company's profile on SEDAR at www.sedar.com.

About Tamarack Valley Energy Ltd.

Tamarack is an oil and gas exploration and production company committed to long-term growth and the identification, evaluation and operation of resource plays in the Western Canadian Sedimentary Basin. Tamarack's strategic direction is focused on two key principles – targeting repeatable and relatively predictable plays that provide long-life reserves, and using a rigorous, proven modeling process to carefully manage risk and identify opportunities. The Company has an extensive inventory of low-risk development oil locations in the Pembina, Wilson Creek, Garrington and Lochend Cardium fairway and the Redwater shallow Viking play in Alberta. With a balanced portfolio and an experienced and committed management team, Tamarack intends to continue to deliver on its promise to maximize shareholder return while managing its balance sheet.

Abbreviations

bbls	barrels
bbls/d	barrels per day
Boe	barrels of oil equivalent
boe/d	barrels of oil equivalent per day
Mboe	thousands barrels of oil equivalent
mcf	thousand cubic feet
MMcf	million cubic feet
Mbbls	million barrels
mcf/d	thousand cubic feet per day

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' NI 51–101. 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 "target", "plan", "continue", "intend", "ongoing", "estimate", "expect", "may", "should", or similar words suggesting future outcomes. More particularly, this press release contains statements concerning an increase in capital efficiencies and netbacks, additional drilling, well completion design changes and cost cutting initiatives, completion of a debottlenecking infrastructure project, the operating cost reduction associated with the debottlenecking infrastructure project, adjustments to the 2016 capital expenditure program and expected production in the first half of 2016. 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 AIF for additional risk factors relating to Tamarack. The AIF can be accessed either on Tamarack's website at www.tamarackvalley.ca or 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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