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Tamarack Valley Energy Ltd. Provides a Production and Drilling Update

Calgary, Alberta – December 18, 2013 – Tamarack Valley Energy Ltd. (“**Tamarack**” or the “**Company**”) is pleased to announce the following production and drilling update.

Production Update

Tamarack is pleased to announce that based on field production estimates for November 2013, the Company averaged 4,473 boe/d (approximately 59% liquids) exceeding its guidance exit production rate of 4,200 to 4,300 boe/d. The Company remains on target to achieve its 2013 average production guidance of 3,150 to 3,250 boe/d.

Cardium Drilling Update

Tamarack successfully drilled its first 2-mile horizontal Cardium oil well in the Buck Lake area of Alberta. The 2-mile Buck Lake well was successfully stimulated with a 30-stage slick water fracture treatment. During its first 30 days on production, based on field estimates, the well averaged 367 boe/d consisting of 296 bbls/d (222 net) of oil and natural gas liquids and 423 mcf/d (317 net) natural gas. Initially constrained by its lifting equipment during its first 40 days on production, the well was re-equipped with an optimized bottom hole pumping assembly to handle a lower gas/oil ratio. Since the constraint was lifted, based on field estimates, the well has averaged 375 boe/d consisting of 305 bbls/d (228 net) of oil and natural gas liquids and 420 mcf/d (315 net) natural gas over the past 6 days. The 2-mile well has produced at a higher oil rate than originally expected and the well has not shown any meaningful decline to date. The second month liquid production rate is currently over double (224% higher), compared to the two offsetting 1-mile wells that Tamarack drilled in late 2011 and early 2012.

In August, 2013 Tamarack entered into a farm-in agreement with an industry major whereby it gained access to 113,280 gross (72,320 net) acres of farm-in lands. Tamarack is pleased to announce that it has exceeded its initial drilling obligation under the terms of the farm-in agreement, to drill 3.5 net earning wells by the end of March 31, 2014. Tamarack has completed drilling 5 (4.2 net) wells and expects to have 5 net earning wells drilled towards the farm-in commitment by December 31, 2013. These wells are at varying stages of drilling, completing and installation of permanent facilities. Tamarack will provide an operational update on area results in the first quarter of 2014.

Tamarack is planning to drill up to another 11 (5.34 net) Cardium wells on the farm-in lands and in the Garrington and Buck Lake areas during the first quarter of 2014.

Viking Oil Drilling Update

Tamarack is pleased to announce it has completed its fourth quarter Viking oil drilling program on its expanded Redwater inventory of approximately 200 horizontal locations. Tamarack drilled 8 (5.8 net) Viking oil wells at Redwater, during the fourth quarter, capitalizing on Tamarack's operational experience in the area. Five of the eight wells have been brought on production since November 19, 2013 with early production averages in line with the Company's 30 day type curve for the area of 60-65 bbls/d. Since our entrance into Redwater Viking oil play, Tamarack has reduced its all-in capital costs by approximately 40% to less than \$1.0 million per well with future reductions expected through scale of future drilling programs and capitalizing on infrastructure synergies.

About Tamarack Valley Energy Ltd.

Tamarack is an oil and gas exploration and production company committed to long-term growth and the increased identification, evaluation and operation of resource plays in the Western Canadian sedimentary basin. Tamarack's strategic direction is focused on two key principles – ensuring resource plays provide long-life reserves and using a rigorous, proven modeling process to carefully manage risk and identify opportunities. The Company recently expanded its inventory of low-risk development oil locations in the Redwater Viking play through the acquisition of Sure Energy Inc. Continuing to build on its sustainable growth platform, Tamarack also increased its low-risk development locations within the Cardium fairway through a farm-in agreement with an industry major. These endeavors add to Tamarack's strong resource portfolio, including Cardium properties at Lochend, Garrington and Buck Lake and heavy oil properties in Saskatchewan. With a balanced portfolio and experienced, committed management team, Tamarack intends to continue to deliver on its promise to increase its production, oil weighting and maximize shareholder return.

Abbreviations

bbl	Barrel
bbls/d	barrels per day
boe/d	barrels of oil equivalent per day
mcf	thousand cubic feet
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' 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 future drilling plans, operations and expected production levels for 2013 and Tamarack’s ability to continue to reduce costs in the future. 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 production performance of new and existing wells, the application of existing drilling and fracturing techniques, the continued availability of capital and skilled personnel, surface access to leases, the ability to continue to deliver crude oil and natural gas to market, the ability to maintain or grow the banking facilities, the accuracy of Tamarack’s geological interpretation of its drilling and land opportunities and Tamarack’s ability to realize the anticipated growth opportunities and operational synergies. 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 March 27, 2013 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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