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Tamarack Valley Energy Ltd. Announces Record Quarter for Production and Cash Flow and Releases 2013 Third Quarter Financial and Operating Results

Calgary, Alberta – November 15, 2013 – Tamarack Valley Energy Ltd. (“**Tamarack**” or the “**Company**”) filed its unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2013 (“**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, prepared in accordance with International Financial Reporting Standards (“**IFRS**”), and the related MD&A. These documents are available on Tamarack’s website at www.tamarackvalley.ca or on SEDAR at www.sedar.com.

Financial and Operational Highlights:

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

- Achieved record quarterly production averaging 3,162 barrels of oil equivalent (boe/d), up 9% from 2,890 boe/d in Q2/13 and increased by 19% from 2,657 boe/d in Q3/12
- Increased funds from operations by 17% to \$10.3 million in Q3/13 compared to \$8.8 million in Q2/13, and up 66% compared to \$6.2 million for Q3/12
- Increased operating netbacks by 3% to \$40.46/boe in Q3/13 from \$39.27/boe in Q2/13 and up 33% compared to Q3/12
- Drilled, completed, equipped and tied-in two (1.0 net) Lochend Cardium wells, one (0.2 net) Willesden Green Cardium well, completed, equipped 4 (3.7 net) Redwater Viking wells and drilled 1 (0.8 net) Buck Lake 2-mile Cardium well

Corporate Achievements and Highlights:

In August 2013, the Company announced it had entered into an agreement to acquire all of the issued and outstanding shares of Sure Energy Inc. (“**Sure Energy**”). On October 9, 2013 the Sure Energy transaction closed. As consideration, Sure Energy shareholders received approximately 6,360,966 Tamarack common shares, and through the Sure Energy acquisition, the Company received gross proceeds of approximately \$25 million relating to the private placement by Sure Energy of subscription receipts pre-closing, which subscription receipts resulted in the issue of 10,101,000 common shares of the Company at a price of \$2.476 per common share.

Also during the third quarter of 2013, the Company entered into a major farm-in agreement, effective August 1, 2013, with an industry major to earn 70% working interest in up to 113 net sections of highly prospective Cardium lands, directly offsetting proven ongoing development projects in the greater

Pembina area. With 183 gross (128 net) Cardium locations identified on the farm-in lands, the farm-in increases Tamarack's Cardium inventory by approximately 350% to 165 locations.

The Sure transaction and the farm-in agreement materially enhanced Tamarack's position within its existing light oil core areas, further establishing Tamarack as a top tier sustainable growth company. The combination of low cost, capital efficient Viking oil exploitation at Redwater and high impact Cardium oil development, positions Tamarack for approximately 29% growth in production in 2014 from current pro forma production. With greater critical mass and a concentrated land base within its proven core area, Tamarack will continue to focus on reducing well costs and enhancing economics through larger drilling programs.

Operational Success & Highlights:

During the third quarter of 2013, Tamarack achieved record production, cash flow from operations and operating netbacks while further reducing debt to cash flow from operations. Tamarack's third quarter production average of 3,162 boe/d (59% oil and natural gas liquids) was at the upper range of the production estimate of 3,125 to 3,185 boe/d disclosed on October 17, 2013. The Company remains on target to meet recently increased 2013 average production guidance of 3,150 to 3,250 boe/d.

Funds from operations during the three months ended September 30, 2013 were \$10.3 million (\$0.35 per share basic and \$0.34 per share diluted), compared to funds from operations of \$8.8 million (\$0.30 per share basic and diluted) for the second quarter 2013. The operating netback for the third quarter of 2013 increased 3% from the second quarter of 2013 to \$40.46/boe. Tamarack's net debt at September 30, 2013 to annualized funds from operations for the third quarter of 2013 was 1.39 times, compared to 2.0 times at year end 2012.

During the third quarter of 2013, the Company drilled, completed, equipped and tied-in two (1.0 net) horizontal Lochend Cardium oil wells, one (0.2 net) net horizontal Willesden Green Cardium oil well, completed and equipped four (3.7 net) horizontal Redwater Viking oil wells and drilled one (0.8 net) 2-mile horizontal Buck Lake Cardium oil well.

Financial and Operating Results:

	Three months ended September 30,			Nine months ended September 30,		
	2013	2012	% change	2013	2012	% change
<i>(\$, except share numbers)</i>						
Total revenue	19,082,189	11,028,380	73	47,834,836	22,968,291	108
Funds from operations ¹	10,259,964	6,150,404	67	26,088,724	10,637,141	145
Per share – basic ¹	\$ 0.35	\$ 0.21	67	\$ 0.88	\$ 0.43	105
Per share – diluted ¹	\$ 0.34	\$ 0.21	62	\$ 0.88	\$ 0.43	105
Net income (loss)	3,721,097	(554,006)	772	3,958,358	(1,684,302)	335
Per share – basic	\$ 0.13	\$ (0.02)	750	\$ 0.13	\$ (0.07)	286
Per share – diluted	\$ 0.12	\$ (0.02)	700	\$ 0.13	\$ (0.07)	286
Net debt ²	(57,088,172)	(41,640,882)	37	(57,088,172)	(41,640,882)	37
Capital expenditures ³	10,691,225	7,193,687	49	35,531,154	23,856,939	49
Weighted average shares outstanding						
Basic	29,706,752	29,706,752	–	29,706,752	24,508,769	21
Diluted	29,779,968	29,706,752	0	29,706,752	24,508,769	21

Share Trading

High	\$ 3.18	\$ 3.15	1	\$ 3.18	\$ 4.44	(28)
Low	\$ 2.18	\$ 1.77	23	\$ 1.74	\$ 1.77	(2)
Close	\$ 2.97	\$ 2.80	6	\$ 2.97	\$ 2.80	6
Trading volume	4,143,300	1,672,975	148	13,050,000	3,943,500	231
Average daily production						
Crude oil and NGLs (bbls/d)	1,867	1,311	42	1,675	877	91
Natural gas (mcf/d)	7,767	8,074	(4)	7,464	6,935	8
Total (boe/d)	3,162	2,657	19	2,919	2,033	44
Average sale prices						
Crude oil and NGLs (\$/bbl)	98.65	77.03	28	90.01	78.50	15
Natural gas (\$/mcf)	2.99	2.34	28	3.28	2.16	51
Total (\$/boe)	65.60	45.12	45	60.03	41.24	46
Operating netbacks (\$/boe)⁴						
Average realized sales	65.60	45.12	45	60.03	41.24	46
Royalty expenses	(7.33)	(4.49)	63	(6.85)	(2.98)	130
Production expenses	(12.94)	(12.33)	5	(12.89)	(11.59)	11
Operating field netback	45.33	28.30	60	40.29	26.67	51
Realized commodity hedging gain (loss)	(4.87)	1.92	(353)	(2.09)	(0.67)	211
Operating netback	40.46	30.22	34	38.20	26.00	47
Funds flow from operations netback (\$/boe)¹						
	35.27	25.16	40	32.74	19.17	71

Notes:

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

² Working capital (deficiency) or “net debt” 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 “Operating 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 netback equals total petroleum and natural gas sales including realized gains and losses on commodity derivative contracts less royalties and operating costs calculated on a boe basis. Tamarack considers operating netback an important measure to evaluate its operational performance as it demonstrates its field level profitability relative to current commodity prices.

Outlook:

During the third quarter of 2013, Tamarack completed its first commitment drilling under the Cardium farm-in and successfully drilled its first 2-mile horizontal Cardium oil well in the Buck Lake area of Alberta. The Buck Lake well was successfully stimulated with a 30-stage slick water fracture treatment and is currently on production. These results are expected to be released within the next 30 days.

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

bbbl	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 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 planned future drilling plans, operations and expected production levels for 2013 and expected timing for release of results for the 2-mile Buck Lake well. 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 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 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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