



TSX VENTURE: TVE

Tamarack Valley Energy Ltd. Announces Operational Update and a Record Production Rate

Calgary, Alberta – June 2, 2014 – Tamarack Valley Energy Ltd. (“Tamarack” or the “Company”) is pleased to announce record corporate production, as a result of the successful 2014 drilling program. Based on field estimates, Tamarack has averaged 5,850 boe/d during the last 7 days of May 2014. Although Tamarack has been affected by production curtailments due to un-scheduled third party facility downtime in central Alberta, stronger than budgeted results from the Company’s accelerated program is expected to make up for the majority of the production curtailments. Based on the current outlook, Tamarack expects to achieve its original average production forecast of 4,700 boe/d during the first half of 2014 and reiterates its annual average production between 5,300 and 5,500 boe/d for 2014. The Company estimates that production was curtailed by approximately 300 boe/d during the months of April and May. About half of this production is back on-line as of the end of May, with the remaining production not expected to be on until mid-third quarter of 2014.

The Company expects the second quarter of 2014 will be its most active quarter for drilling and completion operations. At times during the second quarter Tamarack had four drilling rigs in operation. During the first two months of the second quarter the Company drilled 16 (15.4 net) wells bringing the totals to date for 2014 to 27 (23.5 net) wells. During the months of April and May, 2014, the Company brought on production 9 (6.3 net) Cardium wells and 7 (6.7 net) Viking oil wells with an additional 4 (3.6 net) Cardium wells to drill and 9 (7.3 net) Viking oil wells to be fracture stimulated in June 2014.

Cardium Operations Update

Tamarack has maintained operations with the same two rigs, drilling Cardium wells since early in the first quarter of 2014. To date the Company has drilled 9 (6.3 net) Cardium wells in the Garrington and greater Pembina area of Alberta. All 9 wells have been fracture stimulated and are on production, including two on flow-back which will require the construction of permanent facilities expected to take place in June, 2014. The Company is currently drilling the first of two 1-mile wells in the Blue Rapids area and the first of two 1-mile wells in the Wilson Creek area. All four of these wells are expected to be drilled by the end of the second quarter with fracture stimulations to occur early in the third quarter. Also late in the third quarter, Tamarack will be participating in the drilling of 4 (2 net) Cardium wells in the Wilson Creek area from the same pad.

Tamarack has been very encouraged with the initial drilling results in the greater Pembina area. Based on results to date from the first 11 wells drilled in the farm-in area, Tamarack is achieving 19-25% higher production rates during the first 120 days of production than was originally budgeted.

The Company has also continued to consolidate working interests in the greater Pembina area. It has entered into agreements to secure another 3.5 net sections of undeveloped land in addition to the 8 sections of land added through multiple deals during the first quarter of 2014. To date the Company has added a total of 28.8 net Cardium drilling locations bringing the total to 181.5 net low risk horizontal Cardium inventory across its 211,408 net undeveloped acres. The 28.8 net new locations more than replaced this year's Cardium horizontal drilling activity.

Viking Operations Update

During the next week, Tamarack will be completing its largest ever Viking oil drilling program almost one full quarter ahead of expectations. In all, 13 (12.2 net) Viking oil wells have been drilled with the remaining 3 (1.8 net) wells expected to conclude drilling operations within the next 7 days. Currently 7 (6.7 net) wells are on production with the remaining 9 (7.3 net) wells expected to be placed on production by the end of the second quarter. Three of the wells drilled were 1-mile horizontal wells.

Tamarack is also very encouraged with this program's early production results. Based on results to date, Tamarack expects to achieve approximately 40-50% higher rates on average per well during the first 120 days of production than was originally budgeted. Some of this benefit is a result of including production from the three 1-mile wells, the improvements to the fracture stimulation design and the higher rock quality that the Company had focused this drilling program on.

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 – targeting resource plays that 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 in the greater Pembina area, 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 an experienced and committed management team, Tamarack intends to continue to deliver on its promise to increase its production 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 planned future drilling plans and operations, anticipated future completion operations, anticipated future production and expectations as to improved future capital efficiencies. 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, fracture stimulation, 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, surface access to wells, weather conditions, 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 March 13, 2014 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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