

TSX: TVE

## Tamarack Valley Energy Ltd. Announces Completion of Credit Facility Redetermination

**Calgary, Alberta – June 18, 2020** – Tamarack Valley Energy (“Tamarack” or the “Company”) (TSX:TVE) is pleased to announce that our bank syndicated credit facility has been redetermined at \$275 million, of which the company was drawn approximately \$209 million as of June 18th, 2020. The Company has ample liquidity for the remainder of 2020 and expects to generate free adjusted funds flow<sup>1</sup> over and above planned capital expenditures with a forecasted net debt to trailing annual adjusted funds flow ratio<sup>1</sup> of less than 2x.

### 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: (i) targeting repeatable and relatively predictable plays that provide long-life reserves; and (ii) using a rigorous, proven modeling process to carefully manage risk and identify opportunities. The Company has an extensive inventory of low-risk, oil development drilling locations focused primarily in the Cardium and Viking fairways in Alberta that are economic over a range of oil and natural gas prices. With this type of portfolio and an experienced and committed management team, Tamarack intends to continue delivering on its strategy to maximize shareholder returns while managing its balance sheet.

### 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 “guidance”, “outlook”, “anticipate”, “target”, “plan”, “continue”, “intend”, “consider”, “estimate”, “expect”, “may”, “will”, “should”, “could” or similar words suggesting future outcomes. More particularly, this press release contains statements concerning: Tamarack’s business strategy, objectives, strength and focus; liquidity profile; and future capital expenditures.

The forward-looking statements contained in this document are based on certain key expectations and assumptions made by Tamarack, including relating to: prevailing commodity prices, price volatility, price differentials and the actual prices received for the Company’s products; the availability and performance of drilling rigs, facilities, pipelines 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; prevailing weather and break-up conditions; royalty regimes and exchange rates; the application of regulatory and licensing requirements; the continued availability of capital and skilled personnel; the ability to maintain or grow the banking facilities; the accuracy of Tamarack’s geological interpretation of its drilling and land opportunities, including the ability of seismic activity to enhance such interpretation.

Although management considers these assumptions to be reasonable based on information currently available, 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

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<sup>1</sup>Adjusted funds flow, free adjusted funds flow and net debt to trailing annual funds flow ratio do not have standardized meanings prescribed by IFRS and therefore may not be comparable with the calculation of similar measures for other entities. See “Non-IFRS Measures”.

to: risks associated with the oil and gas industry in general (e.g. operational risks in development, exploration and production; and 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; access to capital; and the COVID-19 pandemic. 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 annual information form for the year ended December 31, 2019 (the "AIF") and management's discussion and analysis for the year ended December 31, 2019 (the "MD&A") for additional risk factors relating to Tamarack. The AIF and the MD&A can be accessed either on Tamarack's website at [www.tamarackvalley.ca](http://www.tamarackvalley.ca) or under the Company's profile on [www.sedar.com](http://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.

### **Non-IFRS Measures**

Certain financial measures referred to in this press release, such as adjusted funds flow, free adjusted funds flow and net debt to trailing annual adjusted funds flow ratio are not prescribed by IFRS. Tamarack uses these measures to help evaluate its financial and operating performance as well as its liquidity and leverage. These non-IFRS financial measures do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers.

"Adjusted funds flow" is calculated by taking net income or loss before taxes and adding back items, including transaction costs, and certain non-cash items including stock-based compensation; accretion expense on decommissioning obligations; depletion, depreciation and amortization; impairment; unrealized gain or loss on financial instruments; unrealized gain or loss on foreign exchange; unrealized gain or loss on cross-currency swap; and gain or loss on dispositions. Tamarack uses adjusted funds flow as a key measure to demonstrate the Company's ability to generate funds to repay debt and fund future capital investment. Adjusted funds flow per share is calculated using the same weighted average basic and diluted shares that are used in calculating income (loss) per share.

"Free adjusted funds flow" is calculated by taking adjusted funds flow and subtracting capital expenditures, excluding acquisitions and dispositions, Management believes that free adjusted funds flow provides a useful measure to determine Tamarack's ability to improve returns and to manage the long-term value of the business.

"Net debt to trailing annual adjusted funds flow ratio" is calculated as net debt divided by adjusted funds flow for the four preceding quarters.

Please refer to the MD&A for additional information relating to Non-IFRS measures. The MD&A can be accessed either on Tamarack's website at [www.tamarackvalley.ca](http://www.tamarackvalley.ca) or under the Company's profile on [www.sedar.com](http://www.sedar.com).

### **For additional information, please contact:**

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