

TSX: TVE

## Tamarack Valley Energy Ltd. Announces Closing of Previously Announced Crestwynd Exploration Ltd. Acquisition

**Calgary, Alberta – February 15, 2022** – Tamarack Valley Energy Ltd. (“**Tamarack**” or the “**Company**”) (TSX: TVE) is pleased to announce that it has successfully closed the previously announced acquisition (the “**Acquisition**”) of Crestwynd Exploration Ltd. (“**Crestwynd**”), a privately held pure play Clearwater oil producer. Tamarack acquired all of the issued and outstanding common shares of Crestwynd for total net consideration of 26.3 million common shares of Tamarack and \$92 million in cash. Cash consideration for the transaction was funded through the recently completed offering of sustainability-linked notes.

Tamarack is now the largest operator in the Southern Clearwater as a result of the Acquisition. The acquired assets are forecasted to produce ~4,500 boe/d<sup>(1)</sup> and deliver ~\$130 million of operating field netback<sup>(2),(3)</sup> in 2022. As part of the new asset development plan, Tamarack allocated funds in the 2022 capital program for the initiation of a Southern Clearwater gas conservation project to further the Company’s ongoing commitment to greenhouse gas management and emissions intensity reductions.

### About Tamarack Valley Energy Ltd.

Tamarack is an oil and gas exploration and production company committed to creating long-term value for its shareholders through sustainable free funds flow generation, financial stability and the return of capital. The Company has an extensive inventory of low-risk, oil development drilling locations focused primarily on Charlie Lake, Clearwater and EOR plays in Alberta. Operating as a responsible corporate citizen is a key focus to ensure we deliver on our environmental, social and governance (ESG) commitments and goals. For more information, please visit the Company’s website at [www.tamarackvalley.ca](http://www.tamarackvalley.ca).

### Abbreviations

bbls/d	barrels per day
boe	barrels of oil equivalent
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IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board
WCS	Western Canadian Select, the benchmark for conventional heavy and oil sands blended crude oil in western Canada
WTI	West Texas Intermediate, the reference price paid in U.S. dollars at Cushing, Oklahoma for the crude oil standard grade

### READER ADVISORIES

#### Notes to Press Release

<sup>(1)</sup> Comprised of ~4,500 bbl/d heavy oil

<sup>(2)</sup> See “Non-IFRS Measures”

<sup>(3)</sup> Operating field netback based on 2022 average pricing assumptions, as at February 4, 2022, of \$85.79 WTI (USD/bbl); \$13.38 WCS differential (USD/bbl); and \$1.2738 CAD/USD FX.

## **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; the anticipated benefits of the Acquisition, including the impact of the Acquisition on the Company's operations, opportunities, financial condition, access to capital and overall strategy; expectations with respect to oil and natural gas production and operating field netbacks in 2022 in respect of the assets (the "Assets") acquired pursuant to the Acquisition; development and drilling plans for the Assets; and Tamarack's commitment to ESG principles and the impact of the Acquisition thereon, including the initiation of a Southern Clearwater gas conservation project.

The forward-looking statements contained in this document are based on certain key expectations and assumptions made by Tamarack, including relating to: the business plan of Tamarack pro forma the completion of the Acquisition; the timing of and success of future drilling, development and completion activities; the geological characteristics of Tamarack's properties; the characteristics of the Assets; the successful integration of the Assets into Tamarack's operations; 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; impact of inflation on costs; 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; and Tamarack's ability to execute its plans and strategies.

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 to: unforeseen difficulties in integrating the Assets into Tamarack's operations; incorrect assessments of the value of benefits to be obtained from acquisitions and exploration and development programs (including the Acquisition); 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; increased operating and capital costs due to inflationary pressures; 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 the annual information form for the year ended December 31, 2020, the management's discussion and analysis for the three and nine months ended September 30, 2021 and other continuous disclosure documents for additional risk factors relating to Tamarack, which 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.

This press release contains future-oriented financial information and financial outlook information (collectively, "FOFI") about Tamarack's prospective results of operations and production and operating field netback and components thereof, including pro forma the completion of the Acquisition, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraphs. FOFI contained in this

document was approved by management as of the date of this document and was provided for the purpose of providing further information about Tamarack's future business operations. Tamarack and its management believe that FOFI has been prepared on a reasonable basis, reflecting management's best estimates and judgments, and represent, to the best of management's knowledge and opinion, the Company's expected course of action. However, because this information is highly subjective, it should not be relied on as necessarily indicative of future results. Tamarack disclaims any intention or obligation to update or revise any FOFI contained in this document, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. Readers are cautioned that the FOFI contained in this document should not be used for purposes other than for which it is disclosed herein.

### **Non-IFRS Measures**

Certain measures commonly used in the oil and natural gas industry referred to herein, including, "operating field netback" do not have a standardized meaning prescribed by IFRS and therefore may not be comparable with the calculation of similar measures by other companies. These non-IFRS measures are further described and defined below. Such non-IFRS measures are not intended to represent operating profits nor should they be viewed as an alternative to cash flow provided by operating activities, net earnings or other measures of financial performance calculated in accordance with IFRS.

"**Operating Field Netback**" equals total petroleum and natural gas sales, less royalties and net production and transportation expenses.

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