

TSX: TVE

Tamarack Valley Energy Announces Q2 Results, Record Quarterly Production, Positive Guidance Update; Strategic Clearwater Tuck-in Acquisition and Executive Appointment

Calgary, Alberta – July 30, 2025 – Tamarack Valley Energy Ltd. (“Tamarack” or the “Company”) (TSX: TVE) is pleased to announce its financial and operating results for the three, and six months ended June 30, 2025. Selected financial and operating information should be read with Tamarack’s unaudited consolidated financial statements and related management’s discussion and analysis (“MD&A”) for the three, and six months ended June 30, 2025, which are available on SEDAR+ at www.sedarplus.ca and on Tamarack’s website at www.tamarackvalley.ca

Production achieved another record high in Q2/25, averaging 70,260 boe/d⁽¹⁾ and representing a 19% YoY increase on a per share basis. This, combined with improved costs and capital efficiencies, drove strong free funds flow (“FFF”)⁽²⁾ generation. In conjunction with share buybacks, Tamarack is compounding per share value creation for shareholders.

Overall program success continues to drive production higher with capital trending lower resulting in a positive update to Tamarack’s corporate guidance. Reflecting improved efficiencies, full year 2025 production guidance is increased by 3% to 67,000 – 69,000 boe/d⁽³⁾ and capital spending is reduced by 7%. At the same time, strength in funds flow is supported by lower net production and interest expenses with guidance demonstrating savings of 5% and 6% respectively.

Q2 2025 Financial and Operational Highlights

- **Production Outperformance** – Q2/25 production averaged 70,260 boe/d⁽¹⁾, highlighted by 4% growth in heavy oil volumes vs. Q1/25, reflecting ongoing development and waterflood success.
- **Free Funds Flow⁽²⁾ Per Share Generation** – Delivered Q2/25 adjusted funds flow (“AFF”)⁽²⁾ of \$197MM or \$0.39/share and FFF⁽²⁾ of \$133MM or \$0.26/share.
- **Increased Shareholder Returns** – Bought back 10.1MM common shares in Q2/25, year-to-date Tamarack has repurchased 22.6MM common shares, or 4% of the share float at 2024 YE, at an average price of ~\$4.33/share. Together with declared dividends, Tamarack returned \$137MM to shareholders in H1/25.
- **Capital Investment and Efficiencies** – Capital expenditures of \$63MM reflected strong production performance and continued capital efficiency gains. During the quarter Tamarack drilled 19 Clearwater heavy oil wells and 11 water injection wells.
- **Balance Sheet Strength** – Tamarack’s Q2/25 net debt⁽²⁾ is 19% lower than Q2/24. On a 12-month trailing basis the net debt to EBITDA⁽²⁾ multiple at the end of the quarter was 0.7x.
- **Positive 2025 Guidance Updates** – Reflecting success of the development and waterflood programs along with ongoing capital efficiency gains, net of acquisitions and divestment, the Company is increasing 2025 production guidance by 3% and reducing the capital exploration and development outlook by 7%.
- **Successful Bond Offering Enhances Capital Structure** – On July 25, 2025, Tamarack completed a \$325MM offering of 6.875%, 5-year term unsecured senior notes. A portion of the net proceeds were used to redeem ~\$100MM of the Company’s outstanding \$300MM 7.25% senior unsecured notes with the balance applied to the existing covenant-based facility.
- **Strategic Clearwater Consolidation** – On July 29, 2025, Tamarack closed the \$51.5MM corporate acquisition of a private company (“PrivateCo”), adding 1,100 bbl/d of Clearwater production through the balance of 2025, and >114 net sections of Clearwater lands.

Q2 2025 Financial & Operating Results

June 30	Three months ended			Six months ended		
	2025	2024	% change	2025	2024	% change
(\$ thousands, except per share amounts)						
Oil and natural gas sales	\$ 408,267	\$ 461,479	(12)	\$ 852,555	\$ 854,815	-
Cash provided by operating activities	189,579	225,370	(16)	377,132	390,571	(3)
Per share – basic ⁽²⁾	0.38	0.41	(7)	0.74	0.71	4
Per share – diluted ⁽²⁾	0.37	0.41	(10)	0.73	0.71	3
Adjusted funds flow ⁽²⁾	197,037	225,554	(13)	423,183	407,110	4
Per share – basic ⁽²⁾	0.39	0.41	(5)	0.83	0.74	12
Per share – diluted ⁽²⁾	0.39	0.41	(5)	0.82	0.74	11
Free funds flow ⁽²⁾	133,114	137,194	(3)	223,807	189,005	18
Per share – basic ⁽²⁾	0.26	0.25	4	0.44	0.34	29
Per share – diluted ⁽²⁾	0.26	0.25	4	0.44	0.34	29
Net income (loss)	86,237	94,887	(9)	150,495	62,143	142
Per share – basic	0.17	0.17	-	0.30	0.11	173
Per share – diluted	0.17	0.17	-	0.29	0.11	164
Net debt ⁽²⁾	711,132	882,669	(19)	711,132	882,669	(19)
Investments in oil and natural gas assets	63,166	86,341	(27)	195,897	214,562	(9)
Weighted average shares outstanding						
Basic	503,447	548,012	(8)	509,346	548,449	(7)
Diluted	508,268	551,763	(8)	514,244	551,880	(7)
Average daily production						
Heavy oil (bbls/d)	42,004	37,660	12	41,198	36,957	11
Light oil (bbls/d)	14,149	14,807	(4)	14,177	15,039	(6)
NGL (bbls/d)	3,120	2,533	23	3,064	2,229	37
Natural gas (mcf/d)	65,922	54,856	20	63,284	53,144	19
Total (boe/d)	70,260	64,143	10	68,986	63,082	9
Average sale prices						
Heavy oil (\$/bbl)	\$ 73.58	\$ 88.23	(17)	\$ 78.19	\$ 82.41	(5)
Light oil (\$/bbl)	82.76	106.24	(22)	87.75	96.23	(9)
NGL (\$/bbl)	29.97	36.58	(18)	32.49	39.15	(17)
Natural gas (\$/mcf)	2.00	1.51	32	2.30	2.20	5
Total (\$/boe)	63.85	79.06	(19)	68.28	74.45	(8)
Benchmark pricing						
West Texas Intermediate (US\$/bbl)	63.74	80.57	(21)	67.58	78.77	(14)
Western Canadian Select (WCS) (C\$/bbl)	73.96	91.63	(19)	79.13	84.70	(7)
WCS differential (US\$/bbl)	10.27	13.61	(25)	11.47	16.46	(30)
Edmonton Par (Cdn\$/bbl)	84.25	105.28	(20)	89.79	98.72	(9)
Edmonton Par differential (US\$/bbl)	2.84	3.63	(22)	3.91	6.14	(36)
Foreign Exchange (USD to CAD)	1.38	1.37	1	1.41	1.36	4
Operating netback (\$/Boe)						
Oil and natural gas sales	63.85	79.06	(19)	68.28	74.45	(8)
Royalty expenses	(12.15)	(14.67)	(17)	(13.11)	(14.08)	(7)
Net production expenses ⁽²⁾	(8.01)	(9.84)	(19)	(7.89)	(9.95)	(21)
Transportation expenses	(3.54)	(3.93)	(10)	(3.61)	(4.05)	(11)
Operating field netback (\$/Boe) ⁽²⁾	40.15	50.62	(21)	43.67	46.37	(6)
Realized commodity hedging gain (loss)	0.11	(0.67)	nm	(0.79)	(0.16)	394
Operating netback (\$/Boe)⁽²⁾	\$ 40.26	\$ 49.95	(19)	\$ 42.88	\$ 46.21	(7)
Adjusted funds flow (\$/Boe)⁽²⁾	\$ 30.82	\$ 38.64	(20)	\$ 33.89	\$ 35.46	(4)

2025 Guidance Update

Reflecting core asset performance, along with net acquisition and divestiture (“A&D”) activities, Tamarack’s 2025 guidance is revised upward. Full-year production guidance range is increased by 3%, to 67,000 - 69,000 boe/d⁽³⁾ which includes previously disclosed planned turnarounds during Q3/25. The third-party CSV Albright gas processing facility is in the final stages of commissioning, and it is anticipated that start-up is imminent. Tamarack has completed all work required to send gas volumes to the new CSV Albright facility which is expected to improve the Company’s field egress capacity from Charlie Lake and support ongoing development of the assets.

Ongoing capital efficiency gains from expanded multi-well-pad development and waterflood outperformance have resulted in capital investment guidance improving by 7% for 2025, which includes the expanded Clearwater waterflood investment previously announced. Strong execution of the 2025 capital program, together with net A&D activity, has Tamarack on track to achieve its \$500MM net debt⁽²⁾ target in 2027.

Net 2025 production expense per boe guidance is reduced by 5%, reflecting continued improvements to lifting costs and higher production. Net production expense also reflects the H1/25 disposition of non-core assets, which carried higher relative per boe costs vs. Tamarack’s corporate average on retained assets. Transportation expense guidance was narrowed for the full year reflecting the ongoing impact of infrastructure investments and reduced trucking activities. The Company has reduced interest expense guidance by 6% for 2025 owing to lower variable interest rates and overall lower net debt.

The Company’s updated 2025 guidance is summarized in the table below.

2025	Units	Revised Guidance (Jul. 29, 2025)	Prior Guidance (Dec. 4, 2024)	% Change
Exploration & Development Capital ⁽⁴⁾	\$MM	\$400 – \$420	\$430 – \$450	(7%)
Annual Average Production ^(3,5)	boe/d	67,000 – 69,000	65,000 – 67,000	3%
Average Oil & NGL Weighting	%	83% – 85%	83% – 85%	-
Expenses:				
Royalty Rate (%)	%	20% – 22%	20% – 22%	-
Wellhead price differential – Oil ⁽⁶⁾	\$/bbl	\$1.50 – \$2.50	\$1.50 – \$2.50	-
Production ⁽⁷⁾	\$/boe	\$8.00 – \$8.50	\$8.40 – \$8.90	(5%)
Transportation	\$/boe	\$3.75 – \$4.00	\$3.75 – \$4.25	(3%)
General and Administrative ⁽⁸⁾	\$/boe	\$1.30 – \$1.45	\$1.30 – \$1.45	-
Interest ⁽⁹⁾	\$/boe	\$2.70 – \$3.10	\$2.90 – \$3.30	(6%)
Income Taxes ⁽¹⁰⁾	%	10% - 12%	10% - 12%	-

Operations Update

Clearwater

Clearwater production increased by 16% YoY to average 46,486 boe/d⁽¹¹⁾ (91% oil & liquids) in Q2/25, reflecting success of our development program and continued strong response from ongoing expansion of the waterflood program. Through Q2/25, Tamarack drilled 13 Clearwater injection wells and converted five wells to injection. In H2/25, Tamarack plans to drill 45 primary wells, nine injectors and to convert an additional 10 wells to injection. This will support plans to grow water injection to >30,000 bbl/d by the end of the year, representing a 200% YoY increase.

Clearwater waterflood response across our acreage continues to outperform with total heavy oil uplift from waterflood now exceeding 3,750 bbl/d, representing ~9% of Q2/25 Clearwater heavy oil production. Recently, Tamarack’s 15-02-075-25W4 and 16-02-075-25W4 Marten Hills patterns have shown strong incremental response and are currently producing at >725 bbl/d and >750 bbl/d respectively. This represents an uplift of >1,300 bbl/d compared to the combined primary baseline of ~80 bbl/d from only two waterflood patterns. In June, after 6.5 years on-stream, these patterns ranked as the top two Clearwater multi-lateral producers of the month, underscoring the robust potential of the Clearwater waterflood. The Company plans to convert an additional three injectors offsetting the Marten Hills patterns in H2/25 as part of the ten well injector conversion program. Tamarack’s 102/01-11-074-

25W4 W-pattern also continues to outperform expectations and is now producing at more than 250 bbl/d above its primary baseline of 75 bbl/d.

Charlie Lake

Tamarack's Charlie Lake assets, situated within the Peace River Arch fairway, delivered average production of 18,940 boe/d⁽¹²⁾ (68% oil & liquids) for the quarter, demonstrating growth of 7% vs. Q1/25. This represents the asset's highest quarterly production to date and a YoY increase of 1,040 boe/d⁽¹³⁾, made possible by strong results from the 12 (10.8 net) horizontal Charlie Lake wells brought onstream throughout Q1/25.

Tamarack is prepared to commence delivery of gas to the CSV Albright plant in support of the imminent start-up and ramping up of operations at that facility by the third-party operator. Given delays experienced with this facility start-up year-to-date, temporary alternate egress arrangements remain in place, and the 2025 average Charlie Lake production outlook remains unchanged. The Company resumed drilling activities in early July, with plans to run a continuous one rig program for H2/25, after pausing activity for break up in Q2/25.

Charlie Lake production is expected to moderate through the balance of the year with capital largely focused on Clearwater development. Tamarack retains significant capital allocation optionality with respect to the Charlie Lake, having now secured sufficient processing and egress capacity to support ongoing operations while also facilitating potential additional growth across the region.

Strategic Clearwater Acquisition

Tamarack acquired all issued and outstanding shares of PrivateCo for cash consideration of \$51.5MM, on July 29, 2025. The acquisition will add 1,100 bbl/d of Clearwater heavy oil production through the balance of the year. The synergistic tuck-in enhances Tamarack's contiguous footprint within the Clearwater fairway, increasing Clearwater land holdings by >114 net sections or 17%⁽¹⁴⁾, while consolidating joint interests partner lands offering both full cycle development cost and capital synergies. Tamarack now holds a 100% working interest ownership and operatorship across its Nipisi position. This acreage adds proven stacked Clearwater inventory, increased resource capture with waterflood upside, along with step-out and exploration opportunities at West Nipisi.

Executive Appointment

Tamarack is pleased to announce that Mr. Steve Buytels is promoted to President and Chief Financial Officer. Since joining the Company in 2020, Mr. Buytels has been a key contributor to Tamarack's transformation to a highly profitable company with dominant positions in two of North America's top oil and gas plays. We look forward to ongoing success under his continued guidance moving forward. As Tamarack's founder, Mr. Schmidt will continue as the Chief Executive Officer, which is consistent with the Board's succession planning to insure predictable and consistent corporate performance.

Risk Management

The Company takes a systematic approach to managing commodity price risk and volatility to ensure sustaining capital, debt servicing requirements and the base dividend are protected through a prudent hedging management program. For the remainder of 2025, approximately ~49% of net after royalty oil production is hedged against WTI with an average floor price of ~US\$57/bbl with structures that allow for upside price participation averaging ~US\$79/bbl. Our strategy provides protection to the downside while retaining upside exposure. Additional details of the current hedges in place can be found in the corporate presentation on the Company website (www.tamarackvalley.ca).

We would like to thank our employees, shareholders and other stakeholders for their ongoing support. Tamarack continues to execute its five-year plan, with success and results driven by the dedication and hard work of our employees. We look forward to continuing to develop our high-quality assets to create long-term, sustainable shareholder value.

Investor Call 9:30 AM MST (11:30 AM EST)

Tamarack will host a webcast at 9:30 AM MST (11:30 AM EST) on Wednesday July 30, 2025, to discuss the Q2 2025 financial results. Participants can access the live webcast via this [link](#) or through links provided on the Company's website. An archive of the webcast will be made available on the Company's website.

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 and Clearwater plays in Alberta while also pursuing EOR upside in these core areas. For more information, please visit the Company's website at www.tamarackvalley.ca.

Abbreviations

AECO	the natural gas storage facility located at Suffield, Alberta connected to TC Energy's Alberta System
bbls	barrels
bbls/d	barrels per day
boe	barrels of oil equivalent
boe/d	barrels of oil equivalent per day
bopd	barrels of oil per day
CGU	cash generating unit
CIP	Clearwater Infrastructure Limited Partnership
DCET	drilling, completions, equip and tie-in costs
EOR	enhanced oil recovery
GJ	gigajoule
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board
Mcf	thousand cubic feet
mcf/d	thousand cubic feet per day
MM	Million
MMcf/d	million cubic feet per day
WCS	Western Canadian Select, the benchmark for conventional and oil sands heavy production at Hardisty in Western Canada
MSW	Mixed sweet blend, the benchmark for conventionally produced light sweet crude oil in Western Canada
NGL	Natural gas liquids
WTI	West Texas Intermediate, the reference price paid in U.S. dollars at Cushing, Oklahoma for the crude oil standard grade
YoY	year-over-year

Notes to Press Release

- 1) 70,260 boe/d: 14,149 bbl/d light/medium oil, 42,004 bbl/d heavy oil, 3,120 bbl/d NGL, 65,922 mcf/d natural gas.
- 2) See "Specified Financial Measures".
- 3) 67,000 – 69,000 boe/d: 41,150-42,350 bbl/d heavy oil, 13,300-13,700 bbl/d light/medium oil, 2,300-2,360 bbl/d NGL and 61,550-63,550 mcf/d natural gas.
- 4) 2025 annual guidance numbers are based on 2025 Budget average pricing assumptions of:

Crude Oil – WTI (\$US/bbl)	\$70.00
Crude Oil – MSW Differential (\$US/bbl)	(\$4.00)
Crude Oil – WCS Differential (\$US/bbl)	(\$14.00)
Natural Gas – AECO (\$CAD/GJ)	\$2.00
Foreign Exchange – USD/CAD	1.35
- 5) 65,000 – 67,000 boe/d: 39,150-40,350 bbl/d heavy oil, 13,300-13,700 bbl/d light/medium oil, 2,300-2,360 bbl/d NGL and 61,550-63,550 mcf/d natural gas.
- 6) Oil wellhead deductions for grade specific trading differential (ex CHV), blending requirements, quality differential, and pipeline tolls if Tamarack is not marketing (lease transactions).
- 7) Production expense budget includes the "CIP" fee for service and minimal carbon tax.
- 8) G&A noted excludes the effect of cash settled stock-based compensation.
- 9) Budgeted interest includes CIP take-or-pay capital fee.
- 10) Tamarack estimates a tax rate as a percentage of adjusted funds flow.
- 11) 46,486 boe/d: 56 bbl/d light & medium oil, 42,004 bbl/d heavy oil, 256 bbl/d NGL, 65,922 mcf/d natural gas.
- 12) 18,940 boe/d: 9,990 bbl/d light/medium oil, 2,800 bbl/d NGL and 36,900 mcf/d natural gas.
- 13) 1,040 boe/d: 155 bbl/d light/medium oil, 500 bbl/d NGL and 2,300 mcf/d natural gas.
- 14) Clearwater landholding increase is relative to assets held as at June 30, 2025.

Reader Advisories

Notes to Press Release

Disclosure of Oil and Gas Information

Unit Cost Calculation. For the purpose of calculating unit costs, natural gas volumes have been converted to a 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 Administrators' National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). Boe may be misleading, particularly if used in isolation.

Product Types. References in this press release to "crude oil" or "oil" refers to light, medium and heavy crude oil product types as defined by NI 51-101. References to "NGL" throughout this press release comprise pentane, butane, propane, and ethane, being all NGL as defined by NI 51-101. References to "natural gas" throughout this press release refers to conventional natural gas as defined by NI 51-101.

Forward Looking Information

This news 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 news release contains statements concerning: Tamarack's business strategy, objectives, strength and focus; the Company's exploration and development plans and strategies; the corporate acquisition of a private company (the "PrivateCo"), including anticipated benefits and strategic rationale; dividends, share buybacks and debt reduction; the revised 2025 budget, outlook and guidance, including Tamarack's continued capital flexibility under its 2025 capital program; anticipated operational results for the remainder of 2025 including, but not limited to, estimated or anticipated production levels, capital expenditures, drilling and conversion plans and infrastructure initiatives and anticipated margin improvements; the new CSV Albright sour gas plant in the Charlie Lake, including expectations regarding improved field egress capacity; expectations regarding commodity prices; the performance characteristics of the Company's oil and natural gas properties; EOR, including the acceleration of waterflood initiatives and decline mitigation; the ability of the Company to achieve drilling success consistent with management's expectations; risk management activities, including hedging positions and targets; and the source of funding for the Company's activities, including development costs. Future dividend payments and share buybacks, if any, and the level thereof, are uncertain, as the Company's return of capital framework and the funds available for such activities from time to time is dependent upon, among other things, free funds flow financial requirements for the Company's operations and the execution of its growth strategy, fluctuations in working capital and the timing and amount of capital expenditures, debt service requirements and other factors beyond the Company's control. Further, the ability of Tamarack to pay dividends and buyback shares will be subject to applicable laws (including the satisfaction of the solvency test contained in applicable corporate legislation) and contractual restrictions contained in the instruments governing its indebtedness, including its credit facility.

The forward-looking statements contained in this document are based on certain key expectations and assumptions made by Tamarack, including those relating to: the business plan of Tamarack; the assets acquired pursuant to the Acquisition; the timing of and success of future drilling, conversion, development and completion activities; the geological characteristics of Tamarack's properties; 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 performance of new and existing wells; the application of existing drilling and fracturing techniques; the Company's ability to secure sufficient amounts of water; 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: risks with respect to unplanned third party pipeline outages and risks relating to inclement and severe weather

events and natural disasters, such as fire, drought and flooding, including in respect of safety, asset integrity and shutting-in production; the risk that future dividend payments thereunder are reduced, suspended or cancelled; incorrect assessments of the value of benefits to be obtained from exploration and development programs; 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); the risk that (i) ongoing negotiations between the U.S. and Canadian governments are not successful and one or both of such governments maintain tariffs, increase the rate or scope of tariffs, or impose new tariffs on the import of goods from one country to the other, including on oil and natural gas, (ii) the U.S. and/or Canada imposes any other form of tax, restriction or prohibition on the import or export of products from one country to the other, including on oil and natural gas, and (iii) the tariffs imposed by the U.S. on other countries and responses thereto could have a material adverse effect on the Canadian, U.S. and global economies, and by extension the Canadian oil and natural gas industry and the Company; commodity prices, including the impact of the actions of OPEC and OPEC+ members; the uncertainty of estimates and projections relating to production, cash generation, costs and expenses, including increased operating and capital costs due to inflationary pressures; health, safety, litigation and environmental risks; access to capital; and pandemics. In addition, ongoing military actions in the Middle East and between Russia and Ukraine have the potential to threaten the supply of oil and gas from those regions. The long-term impacts of the actions between these nations remains uncertain. Due to the nature of the oil and natural gas industry, drilling plans and operational activities may be delayed or modified to respond to market conditions, results of past operations, regulatory approvals or availability of services causing results to be delayed. Please refer to the most recent annual information form of the Company and the MD&A, for additional risk factors relating to Tamarack, which can be accessed either on Tamarack's website at www.tamarackvalley.ca or under the Company's profile on www.sedarplus.ca. The forward-looking statements contained in this news 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 news release contains future-oriented financial information and financial outlook information (collectively, "FOFI") about generating sustainable long-term growth in free funds flow, dividends, share buybacks, debt reduction (including achieving \$500MM net debt target in 2027), prospective results of operations and production (including annual average production, average oil & NGL weighting), hedging, operating costs, the revised 2025 capital guidance, 2025 annual budget and budget pricing, balance sheet strength, adjusted funds flow and free funds flow 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. Changes in forecast commodity prices, differences in the timing of capital expenditures, and variances in average production estimates can have a significant impact on the key performance measures included in Tamarack's revised guidance. The Company's actual results may differ materially from these estimates.

Specified Financial Measures

This press release includes various specified financial measures, including non-IFRS financial measures, non-IFRS financial ratios, capital management measures and supplemental financial measures as further described herein. These measures do not have a standardized meaning prescribed by International Financial Reporting Standards ("IFRS") and, therefore, may not be comparable with the calculation of similar measures by other companies.

"Adjusted funds flow (capital management measure)" is calculated by taking cash-flow from operating activities, on a periodic basis, deducting current income tax expense and interest expense (excluding fees) and adding back income tax paid, interest paid, changes in non-cash working capital, expenditures on decommissioning obligations and transaction costs settled during the applicable period. Tamarack believes the timing of collection, payment or incurrence of these items is variable and that adjusting for estimated current income taxes and interest in the period expensed is a better indication of the adjusted funds generated by the Company. Expenditures on decommissioning obligations may vary from period to period depending on capital programs and the maturity of the Company's operating areas. Expenditures on decommissioning obligations are managed through the capital budgeting process which considers available adjusted funds flow. Tamarack uses adjusted funds flow as a key measure to demonstrate the Company's ability to generate funds to repay debt, pay dividends 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 per share, which results in the measure being considered a supplemental financial measure. Adjusted funds flow can also be calculated on a per boe basis, which results in the measure being considered a supplemental financial measure.

"Differential including transportation expense" The calculation of the Company's heavy oil differential including transportation expenses is presented in the "Oil and natural gas sales" section of the MD&A and is determined by comparing the Company's realized price to the published benchmark price, plus transportation expenses. The Company and others utilize these performance measures to assess the value of net revenue received by Tamarack for each barrel sold relative to the published market price during that period.

"EBITDA (non-IFRS financial measure)" is calculated as consolidated net income (loss) before interest and financing expenses, income taxes, depletion, depreciation and amortization, adjusted for certain non-cash, extraordinary and non-recurring items primarily relating to unrealized gains and losses on financial instruments and impairment losses. The Company considers this metric as key measures that demonstrate the ability of the Company's continuing operations to generate the cash flow necessary to maintain production at current levels and fund future growth through capital investment and to service and repay debt. The most directly comparable IFRS measure to EBITDA is cash provided by operating activities.

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

"Net debt (capital management measure)" is calculated as credit facilities plus senior unsecured notes, plus deferred acquisition payment notes, plus working capital surplus or deficiency, plus other liability, including the fair value of cross-currency swaps, plus government loans, plus facilities acquisition payments, less notes receivable and excluding the current portion of fair value of financial instruments, decommissioning obligations, lease liabilities and the cash award incentive plan liability.

"Net Debt to EBITDA (capital management measure)" is calculated as net debt at a point in time divided by EBITDA. Management considers Net Debt to EBITDA an important measure as it is a key metric to identify the Company's ability to fund financing expenses, net debt reductions and other obligations. When this measure is presented quarterly, EBITDA is annualized by multiplying by four. When this measure is presented on a trailing twelve-month basis, EBITDA for the twelve months preceding the net debt date is used in the calculation.

"Net Production Expenses, Operating Netback and Operating Field Netback (Non-IFRS Financial Measures, and Non-IFRS Financial Ratios if calculated on a per boe basis)" – Management uses certain industry benchmarks, such as net production expenses, operating netback and operating field netback, to analyze financial and operating performance. **"Net Production Expenses"** are determined by deducting processing income primarily generated by processing third party volumes at processing facilities where the Company has an ownership interest. Under IFRS this source of funds is required to be reported as income. Where the Company has excess capacity at one of its facilities, it will process third party volumes as a means to reduce the cost of operating/owning the facility, and as such third-party processing revenue is netted against production expenses in the MD&A. **"Operating Netback"** equals total petroleum and natural gas sales (net of blending), including realized gains and losses on commodity and foreign exchange derivative contracts, less royalties, net production expenses and transportation expense. **"Operating Field Netback"** equals total petroleum and natural gas sales, less royalties, net production expenses and transportation expense. These metrics can also be calculated on a per boe basis, which results in them being considered a non-IFRS financial ratio. Management considers operating netback and operating field netback important measures to evaluate Tamarack's operational performance, as it demonstrates field level profitability relative to current commodity prices.

Please refer to the MD&A for additional information relating to specified financial measures including non-IFRS financial measures, non-IFRS financial ratios and capital management measures. The MD&A can be accessed either on Tamarack's website at www.tamarackvalley.ca or under the Company's profile on www.sedarplus.ca.

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