

Tamarack Valley Energy Announces Q3 2025 Results, Enhanced Corporate Guidance and Dividend Increase

Calgary, Alberta – October 29, 2025 – Tamarack Valley Energy Ltd. is pleased to announce its financial and operating results for the three and nine months ended September 30, 2025. Selected financial and operating information should be read with Tamarack's unaudited consolidated financial statements and management's discussion and analysis for the three and nine months ended September 30, 2025, which are available at www.sedarplus.ca and www.tamarackvalley.ca.

Tamarack has delivered strong third quarter results, generating cash provided by operating activities of \$226.2 million, adjusted funds flow⁽¹⁾ of \$200.6 million and free funds flow⁽¹⁾ of \$95.7 million. Year to date, Tamarack has generated free funds flow of \$319.5 million, a 7% improvement over the same period in 2024, despite softening commodity prices in 2025. Tamarack continues to drive capital efficiencies, improve price realizations and lower lifting costs, which has enhanced the Company's margins and lowered breakeven prices.

In response to the strong correlation of water volume injection and production response being observed in the Clearwater, Tamarack continues to expand the scope of its waterflood development program through capital reallocation. The ongoing waterflood investments continue to provide the Company with lower-cost, higher-margin development opportunities that are driving an accelerated reduction in corporate decline rates. The near term waterflood investments also provide Tamarack with an opportunity to enhance production growth in future years while preserving primary inventory in the current lower commodity price environment.

Highlights for the three and nine months ended September 30, 2025

- **Production** – Clearwater production⁽²⁾ averaged 47,751 boe per day in Q3/25, an 11% increase compared to Q3/24, reflecting the ongoing success of the Company's development programs and continued strong response from the expansion of the waterflood. Corporate production⁽²⁾ of 66,126 boe per day in Q3/25 was impacted by ~2,000 boe per day of planned service interruptions for maintenance at operated Clearwater facilities and a third-party natural gas processing facility in the Pipestone area (Charlie Lake). Guidance⁽²⁾ of 67,000 – 69,000 boe per day remains on track for the full year.
- **Cash Flow & Earnings** – Year to date, Tamarack delivered cash provided by operating activities of \$603.3 million (\$1.18 per diluted share), adjusted funds flow⁽¹⁾ of \$623.8 million (\$1.22 per diluted share) and free funds flow⁽¹⁾ of \$319.5 million (\$0.63 per diluted share), reflecting continued margin enhancement on a per share basis. The Company recognized a net loss of \$(98.3) million which was impacted by a write-down of the East Alberta assets held for sale. Adjusted net income⁽¹⁾ of \$203.7 million was 3% higher primarily due to higher production and lower lifting costs, partially offset by lower prices.
- **Shareholder Returns & Increase to Dividend** – Tamarack bought back 6.7 million common shares for cancellation in Q3/25. Year to date, Tamarack has repurchased 29.4 million common shares, or 5.6% of its share float, at an average price of ~\$4.52 per share. Together with declared dividends, Tamarack returned \$193.6 million to shareholders in the first nine months of 2025. Tamarack's monthly dividend will increase by 5% from \$0.01275/share to \$0.01333/share starting with the November 2025 dividend, payable in December, equating to an annual dividend of \$0.16/share. Starting in 2026, Tamarack is transitioning to a quarterly dividend schedule with payment dates on the last business day of each calendar quarter end.
- **Portfolio Optimization** – In July, Tamarack completed a \$51.5 million tuck-in corporate acquisition of a private company, adding 1,100 bbl per day of Clearwater production and >114 net sections of stacked Clearwater mineral rights. In October, Tamarack sold its remaining non-core producing assets of ~4,000 boe per day in Eastern Alberta for \$112.0 million before closing adjustments and the assumption \$62.5 million of asset retirement obligations (~50% inactive). The transaction is expected to reduce net production expense per boe⁽¹⁾ by ~10% on a go forward basis.
- **Cost Guidance** – Year to date, net production expenses⁽¹⁾ on a per boe basis have declined by 19% compared to the same period in the prior year. Given the continued margin enhancement and anticipated savings from the East Asset Divestiture, the Company is further reducing net production expense guidance by 5% for the full year.
- **Waterflood Expansion** – The waterflood continues to drive lower corporate base declines. Response from the Clearwater waterflood continues to grow, with total oil uplift now estimated to be 4,500 bbl per day, reflecting a 60% increase in 2025 from waterflood patterns implemented before 2025. Tamarack increased Clearwater injection in the third quarter to more than 30,000 bbl per day, surpassing the previous 2025 exit rate target three months ahead of schedule. The Company now anticipates 2025 exit injection rates to exceed 35,000 bbl per day, reflecting ~22% of Clearwater production under waterflood.
- **Enhanced Capital Structure** – Tamarack has reduced debt by 5% and net debt⁽¹⁾ by 19% since the beginning of the year. In July, Tamarack completed a \$325.0 million note offering of five-year, 6.875%, unsecured senior notes. The net proceeds were used to redeem \$100.0 million of Tamarack's \$300.0 million 7.25% senior unsecured notes, with the remainder applied to the Company's Credit Facility draws. Approximately 45% of the Company's debt is now maturing in 2030. In October, S&P raised Tamarack's corporate credit rating from B to B+ (senior unsecured notes rating from B+ to BB-) in response to the Company's ongoing net debt reduction and strong operational performance.

Q3 2025 operational and financial highlights

September 30	Three months ended			Nine months ended		
	2025	2024	% change	2025	2024	% change
(\$ thousands, except per share amounts)						
Oil and natural gas sales	\$ 394,088	\$ 439,435	(10)	\$ 1,246,643	\$ 1,294,250	(4)
Cash provided by operating activities	226,194	240,843	(6)	603,326	631,414	(4)
Per share – basic	0.46	0.45	2	1.19	1.15	3
Per share – diluted	0.45	0.44	2	1.18	1.15	3
Adjusted funds flow ⁽¹⁾	200,586	220,419	(9)	623,769	627,529	(1)
Per share – basic	0.40	0.41	(2)	1.24	1.15	8
Per share – diluted	0.40	0.40	-	1.22	1.14	7
Free funds flow ⁽¹⁾	95,720	108,688	(12)	319,527	297,693	7
Per share – basic	0.19	0.20	(5)	0.63	0.54	17
Per share – diluted	0.19	0.20	(5)	0.63	0.54	17
Net income (loss)	(248,766)	93,694	nm	(98,271)	155,837	nm
Per share – basic	(0.50)	0.17	nm	(0.19)	0.28	nm
Per share – diluted	(0.50)	0.17	nm	(0.19)	0.28	nm
Adjusted net income ⁽¹⁾	69,005	71,988	(4)	203,709	197,594	3
Per share – basic	0.14	0.13	8	0.40	0.36	11
Per share – diluted	0.14	0.13	8	0.40	0.36	11
Debt	702,147	736,252	(5)	702,147	736,252	(5)
Net debt ⁽¹⁾	631,057	807,401	(22)	631,057	807,401	(22)
Investments in oil and natural gas assets	104,825	109,032	(4)	300,722	323,594	(7)
Weighted average shares outstanding						
Basic	496,617	540,990	(8)	505,051	547,074	(8)
Diluted	502,453	545,266	(8)	510,489	551,091	(7)
Average daily production						
Heavy oil (bbls/d)	43,357	39,047	11	41,926	37,659	11
Light oil (bbls/d)	11,283	13,203	(15)	13,201	14,422	(8)
NGL (bbls/d)	2,029	2,915	(30)	2,715	2,460	10
Natural gas (mcf/d)	56,740	59,154	(4)	61,079	55,162	11
Total (boe/d)	66,126	65,024	2	68,022	63,735	7
Average sale prices						
Heavy oil (\$/bbl)	\$ 73.37	\$ 84.98	(14)	\$ 76.51	\$ 83.31	(8)
Light oil (\$/bbl)	86.64	97.79	(11)	87.43	96.71	(10)
NGL (\$/bbl)	36.51	39.58	(8)	33.50	39.32	(15)
Natural gas (\$/mcf)	0.90	0.87	3	1.86	1.72	8
Total (\$/boe)	64.77	73.46	(12)	67.13	74.11	(9)
Benchmark pricing						
West Texas Intermediate (US\$/bbl)	64.93	75.09	(14)	66.70	77.54	(14)
Western Canadian Select (WCS) (C\$/bbl)	75.11	83.95	(11)	77.79	84.45	(8)
WCS differential (US\$/bbl)	10.39	13.55	(23)	11.11	15.49	(28)
Edmonton Par (Cdn\$/bbl)	86.38	97.85	(12)	88.65	98.43	(10)
Edmonton Par differential (US\$/bbl)	2.20	3.35	(34)	3.34	5.21	(36)
Foreign Exchange (USD to CAD)	1.38	1.36	1	1.40	1.36	3
Operating netback (\$/boe)						
Oil and natural gas sales	64.77	73.46	(12)	67.13	74.11	(9)
Royalty expenses	(11.60)	(15.74)	(26)	(12.61)	(14.65)	(14)
Net production expenses ⁽¹⁾	(7.22)	(8.70)	(17)	(7.67)	(9.52)	(19)
Transportation expenses	(3.24)	(2.36)	37	(3.49)	(3.47)	1
Operating field netback (\$/boe) ⁽¹⁾	42.71	46.66	(8)	43.36	46.47	(7)
Realized commodity hedging gain (loss)	(0.02)	0.03	nm	(0.54)	(0.09)	nm
Operating netback (\$/boe)⁽¹⁾	\$ 42.69	\$ 46.69	(9)	\$ 42.82	\$ 46.38	(8)
Adjusted funds flow (\$/boe)⁽¹⁾	\$ 32.97	\$ 36.85	(11)	\$ 33.59	\$ 35.93	(7)

2025 Guidance Update

2025 Outlook ⁽³⁾ For the year ended December 31, 2025	Revised guidance (Oct. 28, 2025)	Revised guidance (July 29, 2025)	% change	Original Guidance (Dec. 4, 2024)	% change
Capital investments (\$ millions)	400 - 420	400 - 420	-	430 - 450	(7)
Annual average production ⁽²⁾ (boe/d)	67,000 - 69,000	67,000 - 69,000	-	65,000 - 67,000	3
Average oil & NGL weighting (%)	83 - 85	83 - 85	-	83 - 85	-
Royalty rate (%)	19 - 20	20 - 22	(7)	20 - 22	(7)
Corporate wellhead price differential – Oil ⁽⁴⁾	1.50 - 2.50	1.50 - 2.50	-	1.50 - 2.50	-
Net production expense ⁽¹⁾ (\$/boe)	7.75 - 8.00	8.00 - 8.50	(5)	8.40 - 8.90	(9)
Transportation (\$/boe)	3.75 - 4.00	3.75 - 4.00	-	3.75 - 4.25	(3)
General and administrative (\$/boe)	1.30 - 1.45	1.30 - 1.45	-	1.30 - 1.45	-
Interest (\$/boe)	2.70 - 3.10	2.70 - 3.10	-	2.90 - 3.30	(6)
Income taxes (% of adjusted funds flow ⁽¹⁾ before tax)	10 - 12	10 - 12	-	10 - 12	-

Tamarack remains on track to achieve full year production guidance of 67,000 – 69,000 boe per day. Strong base volumes and lower declines from expanded waterflood activities in the Clearwater and the tuck-in acquisition of additional Clearwater assets in the third quarter, are expected to replace most of the production from the East Asset Divestiture in the fourth quarter of 2025.

Net production expense⁽¹⁾ guidance has been reduced by 5% for the full year. In September, Tamarack revised net production expense⁽¹⁾ guidance in conjunction with the East Asset Divestiture, which carried higher operating costs on a per barrel basis relative to Tamarack’s corporate averages on retained assets. In October, Tamarack reduced the high end of the guidance by a further \$0.25 per boe primarily due to recent base asset performance. Royalty rates for the full year are expected to decline by 7%, primarily due to higher gas cost allowance credits and lower reference commodity prices in the second half of the year.

Proceeds from the East Asset Divestiture were initially utilized to reduce bank debt providing Tamarack with available borrowing capacity under the Credit Facility exceeding \$780 million at closing. The divestiture provides the Company with future optionality to increase shareholder returns, accelerate ongoing waterflood developments or pursue strategic tuck-in acquisitions in the Clearwater.

With low breakeven economics on the Company’s core plays and a disciplined hedging program, Tamarack is well positioned to withstand a lower commodity price environment in the near term. With current strip prices at approximately US\$60 per bbl WTI, the Company is forecasting to generate 2025 free funds flows that will exceed the original budgeted free funds flow, which was originally forecasted at US\$70 per bbl WTI. This increase is primarily due to improved heavy oil price differentials, lower net production expenses, production outperformance and improved capital efficiencies.

Clearwater Update

Tamarack’s Clearwater assets⁽²⁾ delivered average production of 47,751 boe per day in Q3 2025, an 11% increase compared to 42,921 boe per day during the same period in the prior year, reflecting the ongoing success of the Company’s development program and continued strong response from the expansion of the waterflood. During the three and nine months ended September 30, 2025, Tamarack drilled 24.0 and 70.3 Clearwater horizontal heavy oil wells, respectively. Year to date, the Company also drilled 20 injection wells and a source water well, and converted an additional 13 producers to injection to support the waterflood expansion. Two additional injector drills and three injector conversions are planned for the remainder of the year.

Incremental oil response from waterflood activities in the Clearwater continues to be highly correlated with injection rates across the play. Tamarack increased Clearwater injection in the third quarter to more than 30,000 bbl per day by the end of September, representing a 300% increase in year-over-year injection rates. This increase surpasses the Company’s previous 2025 exit rate target three months ahead of schedule. The Company now anticipates 2025 exit injection rates to exceed 35,000 bbl per day, reflecting ~22% of the Company’s Clearwater production under waterflood, and is expected to further accelerate incremental oil response in the near term.

Response from the Clearwater waterflood continued to grow throughout the quarter, with total heavy oil uplift now estimated to be 4,500 bbl per day. Base Clearwater production under waterflood from pre-2025 development activities has increased by more 60% since the beginning of the year. The **100/15-02-075-25W4** and **100/16-02-075-25W4** patterns continue to rank among the top Clearwater multi-lateral producers in the play, with total uplift of 1,500 bbl per day. Tamarack is now observing similar outperformance from the Company’s **102/01-11-074-25W4** W-pattern which is currently producing 700 bbl per day, representing an increase of 625 bbl per day. The Company has implemented an additional 11 W patterns across the Clearwater fairway and expects to see production growth from these patterns throughout 2026.

Charlie Lake Update

Tamarack’s Charlie Lake assets⁽²⁾ delivered average production of 13,997 boe per day in Q3 2025, a 26% decline compared to Q2 2025 production of 18,940 boe per day. Third quarter production was impacted by ~850 boe per day of planned service

interruptions for maintenance at a third-party natural gas processing facility in the Pipestone area. The facility successfully resumed operations by the end of month, and production has been restored with ongoing strong contributions from the 11 (9.8 net) horizontal Charlie Lake wells brought onstream throughout the first three quarters of 2025.

Tamarack resumed Charlie Lake drilling and completions activities in the third quarter with four (4.0 net) horizontal wells drilled in the period. The Company also completed three (3.0 net) horizontal wells all with initial test rates meeting or exceeding type curve expectations. The Company plans to continue running a one-rig program for the remainder of 2025.

Ongoing delays in the startup of the third-party CSV Albright gas processing facility at Charlie Lake are not anticipated to have a significant impact on Tamarack's production for 2025 or 2026 with the utilization of other third-party infrastructure and the reallocation of development capital to areas of the field which are supported by alternate facilities. Tamarack retains significant capital allocation optionality with respect to the Charlie Lake, having now secured sufficient processing and egress capacity to support ongoing operations and facilitate potential growth across the region.

Acquisitions and Divestitures

On July 29, 2025, Tamarack acquired all issued and outstanding shares of a private company for cash consideration of \$51.5 million before closing adjustments. As part of the acquisition, Tamarack obtained approximately 1,100 boe per day of Clearwater heavy oil and natural gas production and over 114 net sections of stacked Clearwater and other potential multi-zone mineral rights in the Nipisi, Marten Hills, Figure Lake and Seal asset areas near the Company's core holdings in the Clearwater. The synergistic tuck-in acquisition consolidated a number of joint interests partner lands, offering both full cycle development cost and capital synergies. Integration activities are ongoing and expected to be substantially complete by the end of the year.

On October 15, 2025, Tamarack sold its two remaining non-core producing assets in Eastern Alberta for cash consideration of \$112.0 million before closing adjustments, and the assumption of undiscounted asset retirement obligations of \$62.5 million (~50% inactive) (the "East Asset Divestiture"). The East Assets produced approximately 4,000 boe per day (3,500 bbl per day of oil), or 6% of Tamarack's corporate production. The East Assets were undercapitalized in Tamarack's portfolio with developments focused primarily on the core Clearwater and Charlie Lake assets. The divestment reduced the Company's asset retirement obligations by 25% and is also expected to improve Tamarack's go-forward net production expenses per boe⁽¹⁾ by ~10% as the East Assets carried higher operating costs on a per barrel basis relative to the Company's corporate average.

Executive Changes

Kevin Screen, Tamarack's Chief Operating Officer, has decided to retire effective January 1, 2026. Mr. Screen joined Tamarack in 2011 as the Vice President, Production and Operations and has served as the Chief Operating Officer since 2021. Mr. Screen's fifteen years of service have been instrumental to the success of Tamarack Valley Energy and are an important part of the Company's foundation. His experience and leadership have guided Tamarack's safety, capital and operating programs effectively. The Company wishes Kevin and his family a happy and lengthy retirement, his knowledge and commitment will be missed.

Effective January 1, 2026, Kevin Johnston has been promoted to Chief Financial Officer. Mr. Johnston joined Tamarack in 2023 as Vice President, Finance and has over 20 years of industry experience, including 10 years as an executive at public energy companies. Mr. Johnston is a Chartered Professional Accountant and holds a master's degree in professional accounting. Since joining Tamarack, Kevin has been expanding his role to enable a smooth transition.

The Board of Directors places considerable importance and time to succession planning, retention as well as training and development of executive staff. This ensures smooth transition that offers business continuity. With the support of the executive leadership team, Steve Buytels, President, will assume responsibility for safety, capital and operations alongside his existing accountabilities.

Investor Call

Tamarack will host a webcast at 9:30 AM MST (11:30 AM EST) on Wednesday October 29, 2025, to discuss the Q3 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 a corporation engaged in the exploration, development, production and sale of oil and natural gas in the Western Canadian Sedimentary Basin. The Company is currently developing two core projects in Northern Alberta – a Clearwater heavy oil position at Nipisi, Marten Hills and South Clearwater and a Charlie Lake light oil position at Valhalla, Wembley and Pipestone. Tamarack holds an extensive inventory of low-risk, oil development drilling locations and is pursuing enhanced oil recovery upside across the Company's core asset areas. Tamarack is committed to creating long-term value for its shareholders through sustainable free funds flow generation, financial stability and the return of capital. The Company is publicly traded on the Toronto Stock Exchange under the symbol "TVE". For more information, visit www.tamarackvalley.ca.

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Reader Advisories

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Notes to Press Release

1. See "Specified Financial Measures".
2. See "Product Types".
3. 2025 annual guidance numbers are based on 2025 Budget average pricing assumptions of: Crude Oil – WTI US\$70.00/bbl, Crude Oil – MSW Differential \$US(4.00)/bbl, Crude Oil – WCS Differential \$US(14.00)/bbl, Natural Gas – AECO C\$2.00/GJ, Foreign Exchange – USD/CAD 1.35.
4. Oil wellhead deductions for grade specific trading differential (ex CHV), blending requirements, quality differential, and pipeline tolls if Tamarack is not marketing (lease transactions).

Disclosure of Oil and Gas Information

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.

Q3 2025 corporate production of 66,126 boe/d: 43,357 bbl/d heavy oil, 11,283 bbl/d light/medium oil, 2,029 bbl/d NGL, 56,740 mcf/d natural gas. Q3 2025 Charlie Lake production of 13,997 boe/d: 7,486 boe/d light/medium oil, 1,643 bbl/d NGL and 29,210 mcf/d natural gas. Q2 2025 Charlie Lake production of 18,940 boe/d: 9,990 bbl/d light/medium oil, 2,800 bbl/d NGL, 36,900 mcf/d natural gas. Q3 2025 Clearwater production of 47,751: 43,363 bbl/d heavy oil, 331 bbl/d NGL, 24,340 mcf/d natural gas. Q3 2024 Clearwater production of 42,921 boe/d: 39,050 bbl/d heavy oil, 348 bbl/d NGL, 21,137 mcf/d natural gas. Corporate guidance of 67,000 – 69,000 boe/d: 41,150-42,350 bbl/d heavy oil, 13,300-13,700 bbl/d light/med. oil, 2,300-2,360 bbl/d NGL and 61,550-63,550 mcf/d natural gas.

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 (including negatives or grammatical variations) 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, including anticipated benefits and strategic rationale; dividends, share buybacks and debt reduction, including the expected increase in the value of the dividend on a per share basis starting with the November 2025 dividend (payable in December); expectations that net production expenses per boe will decline by ~10% on a go forward basis as a result of the East Asset Divestiture; expectations that the East Asset Divestiture provides the Company with future optionality to increase shareholder returns or accelerate ongoing waterflood development in the Clearwater; expectations that Tamarack's corporate base decline rates will fall; expected number of Clearwater injection drills and injector conversions for the remainder of 2025; expectations that the W patterns across the Clearwater will experience production growth throughout 2026; plans to continue running a one-rig program in the Charlie Lake for the remainder of 2025; expected exit water injections rates at the end of 2025 and the percentage of Clearwater production under waterflood; expectations that Tamarack is well positioned to withstand a lower commodity price environment in the near term; expectations that at current strip prices (approximately US\$60 per bbl WTI), the Company expects to generate free funds flows that exceed the Company's original budget at US\$70 per bbl WTI, primarily due to improved heavy oil price differentials, lower lifting costs, production outperformance and improved capital efficiencies; completion and timing of anticipated management changes; expected timing and transition to a quarterly dividend schedule with payment dates on the last business day of each calendar quarter end; expectation that strong base volumes and lower declines from expanded waterflood activities in the Clearwater, and the tuck-in acquisition of additional Clearwater assets in the third quarter, are expected to replace most of the production from the East Asset Divestiture in the fourth quarter of 2025; the revised 2025 budget, outlook and guidance, including Tamarack's expectations of lower net operating and royalty expenses; 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 and expected production impacts prior to start-up; expectations that ongoing integration activities associated with the Clearwater acquisition will be substantially completed by the end of the year; anticipated benefits to the Company of the East Asset Divestiture and Clearwater acquisition; 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; 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 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 realization of anticipated benefits of the Company's infrastructure, waterflood development program and recent acquisitions and divestitures (including the Acquisition of Clearwater assets and the East Asset Divestiture; 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) the U.S. and Canadian 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; risks relating to reliance on third parties, including in respect of the Company's use of third-party infrastructure at Charlie Lake; 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 Management's Discussion and Analysis, 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, 2025 exit injection rates, prospective results of operations and production (including annual average production, average oil & NGL weighting), hedging, operating costs, the revised 2025 capital guidance, 2025 free funds flow, 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.

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 Management's Discussion and Analysis.

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.

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.

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 asset retirement 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 asset retirement obligations may vary from period to period depending on capital programs and the maturity of the Company's operating areas. Expenditures on asset retirement 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.

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.

Adjusted net income (non-IFRS financial measure) is determined by removing impairment losses, gains and losses on dispositions and unrealized gains and losses on risk management contracts on an after-tax basis from the Company's net income (loss) for the period. Tamarack and others utilize this performance metric to assess earnings in the absence of non-cash gains and losses. This metric may also be presented on a per share basis as a non-GAAP financial ratio.

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, asset retirement 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.

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

Abbreviations

AECO	Alberta Energy Company benchmark for natural gas
bbl(s)	barrel(s)
bbls/d	barrels per day
boe	barrels of oil equivalent
boe/d	barrels of oil equivalent 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