

BIRCHCLIFF

ENERGY

BIRCHCLIFF ENERGY LTD. ANNOUNCES REDEMPTION OF SERIES A AND SERIES C PREFERRED SHARES AND DECLARES QUARTERLY PREFERRED SHARE DIVIDENDS

Calgary, Alberta (August 4, 2022) – Birchcliff Energy Ltd. (“Birchcliff” or the “Corporation”) (TSX: BIR) announces its intention to redeem all of its 2,000,000 issued and outstanding cumulative redeemable preferred shares, Series A (the “Series A Preferred Shares”) and all of its 1,528,219 issued and outstanding cumulative redeemable preferred shares, Series C (the “Series C Preferred Shares”) on September 30, 2022 (the “Redemption Date”) for a redemption price equal to \$25.00 per share (the “Redemption Price”), less any tax required to be deducted or withheld by the Corporation. The aggregate Redemption Price payable by the Corporation to redeem the Series A and Series C Preferred Shares will be approximately \$88.2 million. As September 30, 2022 is a federal statutory holiday in Canada, the aggregate Redemption Price will be paid by the Corporation to the sole registered holder of the Series A and Series C Preferred Shares on the next business day, being October 3, 2022.

In addition, the Corporation’s board of directors has declared a quarterly cash dividend of \$0.527677 per Series A Preferred Share and \$0.441096 per Series C Preferred Share, which dividends will be paid on October 3, 2022 to the holders of record at the close of business on September 15, 2022. The dividends have been designated as eligible dividends for the purposes of the *Income Tax Act* (Canada). These will be the final quarterly dividends on the Series A and Series C Preferred Shares and will be paid separately from the Redemption Price. Upon the payment of these dividends, there will be no accrued and unpaid dividends on the Series A or Series C Preferred Shares.

The Corporation has provided notice today of the Redemption Price and the Redemption Date to the sole registered holder of the Series A Preferred Shares and the Series C Preferred Shares in accordance with the terms of the shares as set out in the Corporation’s articles. Non-registered holders of Series A and Series C Preferred Shares should contact their broker or other intermediary for information regarding the redemption process for the Series A and Series C Preferred Shares in which they hold a beneficial interest. The Corporation’s transfer agent for the Series A and Series C Preferred Shares is Computershare Investor Services Inc. Questions regarding the redemption process may also be directed to Computershare Investor Services Inc. at 1-800-564-6253 or by email to corporateactions@computershare.com.

Forward-Looking Statements

Certain statements contained in this press release constitute forward-looking statements and forward-looking information (collectively referred to as “**forward-looking statements**”) within the meaning of applicable Canadian securities laws. The forward-looking statements contained in this press release relate to future events or Birchcliff’s future plans, operations, performance or financial position and are based on Birchcliff’s current expectations, estimates, projections, beliefs and assumptions. Such forward-looking statements have been made by Birchcliff in light of the information available to it at the time the statements were made and reflect its experience and perception of historical trends. All statements and information other than historical fact may be forward-looking statements. Such forward-looking statements are often, but not always, identified by the use of words such as “plan”, “future”, “expect”, “intend”, “believe”, “anticipate”, “potential”, “proposed”, “continue”, “may”, “will”, “could”, “might”, “should”, “would” and other similar words and expressions.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Accordingly, readers are cautioned not to place undue reliance on such forward-looking statements. Although Birchcliff believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct and Birchcliff makes no representation that actual results achieved will be the same in whole or in part as those set out in the forward-looking statements.

In particular, this press release contains forward-looking statements relating to the redemption of, and the payment of dividends on, the Series A and Series C Preferred Shares. With respect to the forward-looking statements contained in this press release, assumptions have been made regarding, among other things: prevailing and future commodity prices and

differentials, exchange rates, interest rates, inflation rates, royalty rates and tax rates; the regulatory framework; future cash flow, debt and dividend levels; future expenses; Birchcliff's ability to access capital and obtain financing on acceptable terms; and the ability to obtain any necessary regulatory or other approvals in a timely manner.

Birchcliff's actual results, performance or achievements could differ materially from those anticipated in the forward-looking statements as a result of both known and unknown risks and uncertainties including, but not limited to: actions taken by OPEC and other major producers of crude oil and the impact such actions may have on supply and demand and commodity prices; general economic, market and business conditions; volatility of crude oil and natural gas prices; fluctuations in exchange and interest rates; stock market volatility; an inability to access sufficient capital from internal and external sources on terms acceptable to the Corporation; risks associated with Birchcliff's credit facilities, including a failure to comply with covenants under the agreement governing the credit facilities; changes to the regulatory framework; actions by government authorities; an inability of the Corporation to comply with existing and future laws; default under or breach of agreements by counterparties; uncertainties associated with the outcome of litigation or other proceedings involving Birchcliff; risks associated with the declaration and payment of future dividends; the failure to obtain any required approvals in a timely manner or at all; and risks associated with the ownership of the Corporation's securities.

Readers are cautioned that the foregoing lists of factors are not exhaustive. Additional information on these and other risk factors that could affect results of operations, financial performance or financial results are included in the Corporation's most recent Annual Information Form under the heading "*Risk Factors*" and in other reports filed with Canadian securities regulatory authorities.

Management has included the above summary of assumptions and risks related to forward-looking statements provided in this press release in order to provide readers with a more complete perspective on Birchcliff's future operations and management's current expectations relating to Birchcliff's future performance. Readers are cautioned that this information may not be appropriate for other purposes.

The forward-looking statements contained in this press release are expressly qualified by the foregoing cautionary statements. The forward-looking statements contained herein are made as of the date of this press release. Unless required by applicable laws, Birchcliff does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

About Birchcliff:

Birchcliff is a Calgary, Alberta based intermediate oil and natural gas company with operations focused on the Montney/Doig Resource Play in Alberta. Birchcliff's common shares and Series A and Series C Preferred Shares are listed for trading on the Toronto Stock Exchange under the symbols "BIR", "BIR.PR.A" and "BIR.PR.C", respectively.

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