



13-09

June 14, 2013

## **BIRCHCLIFF ENERGY LTD. ANNOUNCES CLOSING OF \$50 MILLION PREFERRED SHARE OFFERING**

**Calgary, Alberta - Birchcliff Energy Ltd. ("Birchcliff" or the "Corporation") (TSX: BIR)** is pleased to announce that it has closed its previously announced marketed offering by way of short form prospectus, of two million Cumulative Redeemable Preferred Shares, Series C ("**Preferred Shares, Series C**"), with a 7% yield, at a price of \$25.00 per Preferred Share, Series C, for gross proceeds of \$50,000,000 (the "**Offering**").

Holders of Preferred Shares, Series C will be entitled to receive, as and when declared by the Board of Directors, cumulative annual dividends of \$1.75 per Preferred Share, Series C, payable quarterly. The Preferred Shares, Series C will not be redeemable by the Corporation prior to June 30, 2018 and will not be redeemable by the holders of the Preferred Shares, Series C prior to June 30, 2020, in accordance with their terms.

The Offering was conducted through a syndicate of underwriters co-led by National Bank Financial Inc., Cormark Securities Inc. and GMP Securities L.P., on their own behalf and on behalf of CIBC World Markets Inc., RBC Dominion Securities Inc., Scotia Capital Inc., HSBC Securities (Canada) Inc., Macquarie Capital Markets Canada Ltd., Peters & Co. Limited, Stifel Nicolaus Canada Inc. and Integral Wealth Securities Limited.

Net proceeds of the Offering will be used to initially reduce indebtedness under the Corporation's revolving credit facilities, which will be subsequently redrawn and applied as needed to fund the Corporation's ongoing exploration and development programs and for general working capital purposes.

### **Advisories**

***This press release does not constitute an offer to sell or a solicitation of an offer to buy the Preferred Shares, Series C in any jurisdiction. The Preferred Shares, Series C offered have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.***

***Forward-Looking Information:*** This press release contains forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information relates to future events or future performance and is based upon the Corporation's current internal expectations, estimates, projections, assumptions and beliefs. All information other than historical fact is forward-looking information. In particular, this Press Release contains forward-looking information relating to the anticipated use of proceeds of the Offering. The anticipated use of proceeds assumes that the board of directors of the Corporation do not allocate the proceeds of the Offering for alternative purposes.

*Undue reliance should not be placed on forward-looking information, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. Although the Corporation 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. As a consequence, actual results may differ*

*materially from those anticipated. Forward-looking information necessarily involves both known and unknown risks. The risk factors that could render assumptions invalid are primarily events beyond the Corporation's control that preclude the Corporation from satisfying all applicable pre-conditions.*

*Additional information on these and other risk factors that could affect operations or financial results are included in the (final) short form prospectus dated June 7, 2013 and the Corporation's most recent Annual Information Form and in other reports filed with Canadian securities regulatory authorities which are available at [www.sedar.com](http://www.sedar.com). Forward-looking information is based on estimates and opinions of management at the time the information is presented. The Corporation is not under any duty to update the forward-looking information after the date of this Press Release to conform such information to actual results or to changes in the Corporation's plans or expectations, except as otherwise required by applicable securities laws.*

Birchcliff is a Calgary, Alberta based intermediate oil and gas company with operations concentrated within its one core area, the Peace River Arch of Alberta. Birchcliff's Common Shares, Cumulative Redeemable Preferred Shares, Series A and Warrants are listed for trading on the Toronto Stock Exchange under the symbols "**BIR**", "**BIR.PR.A**" and "**BIR.WT**", respectively.

**For further information, please contact:**

**Birchcliff Energy Ltd.**

Suite 500, 630 – 4<sup>th</sup> Avenue S.W.  
Calgary, AB T2P 0J9  
Tel: (403) 261-6401  
Fax: (403) 261-6424

**Jeff Tonken**, *President and Chief Executive Officer*

**Bruno Geremia**, *Vice-President and Chief Financial Officer*

**Jim Surbey**, *Vice-President, Corporate Development*