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**BIRCHCLIFF ENERGY LTD. ANNOUNCES UPDATED 2025 GUIDANCE, ELMWORTH WELL TEST RESULTS AND THE FILING OF ITS AUDITED FINANCIAL STATEMENTS AND OTHER DISCLOSURE DOCUMENTS FOR THE YEAR ENDED DECEMBER 31, 2024**

**Calgary, Alberta (March 12, 2025)** – Birchcliff Energy Ltd. (“**Birchcliff**” or the “**Corporation**”) (TSX: BIR) is pleased to announce that it has filed its annual audited financial statements (the “**financial statements**”) and related management’s discussion and analysis and its annual information form (the “**AIF**”) for the financial year ended December 31, 2024 (collectively, the “**Annual Filings**”). Birchcliff is also pleased to announce updated guidance for 2025 and provide an operational update with respect to its 2025 capital program.

Chris Carlsen, Birchcliff’s President and Chief Executive Officer, commented: “Our 2024 results showcase the efforts of our team to deliver strong results through our commitment to improving capital efficiencies and reducing costs. Looking forward, our 2025 production and capital expenditures guidance is on target and, due to ongoing strengthening of natural gas prices, in particular at NYMEX HH and Dawn, where we have the majority of our natural gas sales exposure, our 2025 annual adjusted funds flow outlook has improved significantly. As a result, we have updated our 2025 guidance to reflect the improved natural gas commodity price environment, with anticipated 2025 annual adjusted funds flow<sup>(1)</sup> of \$580 million, free funds flow<sup>(1)</sup> of \$280 million to \$320 million and total debt<sup>(2)</sup> at year end 2025 of \$265 million to \$305 million.

We are also excited to announce that in February 2025, Birchcliff completed a horizontal land retention well in Elmworth that was drilled in Q3 2024 to continue a number of sections of Montney lands in the area. We completed a 10.5 day flow test on the well, with a stabilized raw natural gas rate of 17 MMcf/d over the final three days. The results of this test further support our long-term growth plans for our Elmworth asset, which provides us with significant future drilling inventory and growth potential, and we are continuing the formal planning for the construction of a proposed 100% owned and operated natural gas processing plant in the area.”

*This press release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. For further information regarding the forward-looking statements and forward-looking information contained herein, see “Advisories – Forward-Looking Statements”. With respect to the disclosure of Birchcliff’s production contained in this press release, production volumes have been disclosed on a “gross” basis as such term is defined in National Instrument 51-101– Standards of Disclosure for Oil and Gas Activities (“NI 51-101”). For further information regarding the disclosure of Birchcliff’s production contained herein, see “Advisories – Production”. In addition, this press release uses various “non-GAAP financial measures”, “non-GAAP ratios” and “capital management measures” as such terms are defined in National Instrument 52-112 – Non-GAAP and Other Financial Measures Disclosure (“NI 52-112”). Non-GAAP financial measures and non-GAAP ratios are not standardized financial measures under GAAP and might not be comparable to similar financial measures disclosed by other issuers. For further information regarding the non-GAAP and other financial measures used in this press release, see “Non-GAAP and Other Financial Measures”.*

#### **UPDATED 2025 GUIDANCE**

- As a result of the improvement in the commodity price forecast for natural gas in 2025, in particular at NYMEX HH and Dawn, and with the landscape for natural gas demand continuing to improve since the Corporation provided its previous 2025 guidance on January 22, 2025, Birchcliff has updated its 2025 guidance for adjusted funds flow, free funds flow and total debt. The Corporation has also revised its guidance for transportation and other expense to reflect further cost mitigation efforts expected to be realized with respect to its transportation commitments in 2025.
- Birchcliff is maintaining its royalty expense guidance for 2025, notwithstanding significantly higher NYMEX HH and Dawn benchmark natural gas prices forecasted for the year. The Corporation’s natural gas production is subject to royalties based on an Alberta Natural Gas Reference Price, which primarily takes into account the AECO benchmark natural gas price. The forecasted AECO benchmark natural gas price for 2025 has stayed relatively consistent as compared to NYMEX HH and Dawn since Birchcliff’s previous guidance.
- Birchcliff is maintaining its F&D capital expenditures guidance of \$260 million to \$300 million and annual average production guidance of 76,000 and 79,000 boe/d for 2025.

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(1) Non-GAAP financial measure. See “Non-GAAP and Other Financial Measures”.

(2) Capital management measure. See “Non-GAAP and Other Financial Measures”.

The following tables set forth Birchcliff's updated and previous guidance and commodity price assumptions for 2025, as well as its free funds flow sensitivity:

	Updated 2025 guidance and assumptions – March 12, 2025 <sup>(1)</sup>	Previous 2025 guidance and assumptions – January 22, 2025
<b>Production</b>		
Annual average production (boe/d)	76,000 – 79,000	76,000 – 79,000
% Light oil	3%	3%
% Condensate	6%	6%
% NGLs	9%	9%
% Natural gas	82%	82%
<b>Average Expenses (\$/boe)</b>		
Royalty	\$2.10 – \$2.30	\$2.10 – \$2.30
Operating	\$2.90 – \$3.10	\$2.90 – \$3.10
Transportation and other <sup>(2)</sup>	\$5.55 – \$5.75	\$5.75 – \$5.95
<b>Adjusted Funds Flow (millions)<sup>(3)</sup></b>	<b>\$580</b>	<b>\$445</b>
<b>F&amp;D Capital Expenditures (millions)</b>	<b>\$260 – \$300</b>	<b>\$260 – \$300</b>
<b>Free Funds Flow (millions)<sup>(3)</sup></b>	<b>\$280 – \$320</b>	<b>\$145 – \$185</b>
<b>Total Debt at Year End (millions)<sup>(4)</sup></b>	<b>\$265 – \$305</b>	<b>\$410 – \$450</b>
<b>Natural Gas Market Exposure</b>		
AECO exposure as a % of total natural gas production	23%	23%
Dawn exposure as a % of total natural gas production	41%	41%
NYMEX HH exposure as a % of total natural gas production	35%	35%
Alliance exposure as a % of total natural gas production	1%	1%
<b>Commodity Prices</b>		
Average WTI price (US\$/bbl)	\$67.00 <sup>(5)</sup>	\$70.15
Average WTI-MSW differential (CDN\$/bbl)	\$8.80 <sup>(5)</sup>	\$4.70
Average AECO price (CDN\$/GJ)	\$2.20 <sup>(5)</sup>	\$2.00
Average Dawn price (US\$/MMBtu)	\$4.20 <sup>(5)</sup>	\$3.30
Average NYMEX HH price (US\$/MMBtu)	\$4.50 <sup>(5)</sup>	\$3.60
Exchange rate (CDN\$ to US\$1)	1.44 <sup>(5)</sup>	1.43
<b>Forward ten months' free funds flow sensitivity<sup>(5)(6)</sup></b>		
		<b>Estimated change to 2025 free funds flow (millions)</b>
Change in WTI US\$1.00/bbl		\$3.2
Change in NYMEX HH US\$0.10/MMBtu		\$6.0
Change in Dawn US\$0.10/MMBtu		\$7.1
Change in AECO CDN\$0.10/GJ		\$3.0
Change in CDN/US exchange rate CDN\$0.01		\$4.8

- (1) Birchcliff's guidance for its production commodity mix, adjusted funds flow, free funds flow, total debt and natural gas market exposure in 2025 is based on an annual average production rate of 77,500 boe/d in 2025, which is the mid-point of Birchcliff's annual average production guidance range for 2025. Changes in assumed commodity prices and variances in production forecasts can have an impact on the Corporation's forecasts of adjusted funds flow and free funds flow and the Corporation's other guidance, which impact could be material. In addition, any acquisitions or dispositions completed over the course of 2025 could have an impact on Birchcliff's 2025 guidance and assumptions set forth herein, which impact could be material. For further information regarding the risks and assumptions relating to the Corporation's guidance, see "Advisories – Forward-Looking Statements".
- (2) Non-GAAP ratio. See "Non-GAAP and Other Financial Measures".
- (3) Non-GAAP financial measure. See "Non-GAAP and Other Financial Measures".
- (4) Capital management measure. See "Non-GAAP and Other Financial Measures".
- (5) Birchcliff's updated commodity price and exchange rate assumptions and free funds flow sensitivity for 2025 are based on anticipated full-year averages using the Corporation's anticipated forward benchmark commodity prices and the CDN/US exchange rate as of March 10, 2025, which include settled benchmark commodity prices and the CDN/US exchange rate for the period from January 1, 2025 to February 28, 2025.
- (6) Illustrates the expected impact of changes in commodity prices and the CDN/US exchange rate on the Corporation's forecast of free funds flow for 2025, holding all other variables constant. The sensitivity is based on the commodity price and exchange rate assumptions set forth in the table above. The calculated impact on free funds flow is only applicable within the limited range of change indicated. Calculations are performed independently and may not be indicative of actual results. Actual results may vary materially when multiple variables change at the same time and/or when the magnitude of the change increases.

## OPERATIONAL UPDATE

The Corporation has removed one well in Pouce Coupe from its 2025 drilling program as part of its ongoing field development optimization strategy. Accordingly, Birchcliff now plans to bring a total of 26 (26.0 net) wells on production in 2025. Removal of this well does not impact the Corporation's production or F&D capital expenditures guidance for 2025.

### Pouce Coupe

- In Pouce Coupe, the Corporation completed the drilling of its 5-well 04-05 pad in December 2024 and the wells were turned over to production through Birchcliff's permanent facilities in early March 2025. This pad was drilled in the Lower Montney and targeted high-rate natural gas.
- In February 2025, Birchcliff completed the drilling of its 3-well 07-10 pad and completions are currently underway, with the wells expected to be turned over to production in April 2025. This pad is targeting condensate-rich natural gas wells in the Lower Montney.
- There are currently two rigs at work in Pouce Coupe, with one rig drilling four wells at the 03-06 pad and one rig drilling four wells at the 05-19 pad. Both pads are targeting condensate-rich natural gas wells in the Lower Montney.

### Gordondale

- In Gordondale, the Corporation completed the drilling of its 4-well 02-27 pad in February 2025 and is currently preparing for completions operations, with the wells expected to be turned over to production in early Q2 2025. This pad is targeting condensate-rich natural gas wells in the Lower Montney.

### Elmworth

- In Elmworth, the Corporation completed a horizontal Montney land retention well in February 2025 and a 10.5 day flow test was performed with a stabilized raw natural gas rate of 17 MMcf/d at 12 MPa casing pressure over the final three days of the test. The well is not currently planned to be tied in. The following table summarizes the test result rates from the well:

**Well Flow Test Rates – Three-Day Stabilized Average**

	Rate <sup>(1)</sup>
<b>Total production rate (boe/d)</b>	<b>2,918</b>
Natural gas production rate (Mcf/d)	17,045
Condensate production rate (bbls/d)	77

(1) Represents the volumes measured at the wellhead separator for the three days of production immediately after the well was considered stabilized after producing fracture treatment fluid back to surface in an amount such that flow rates of hydrocarbons became reliable. The natural gas volumes represent raw volumes as opposed to sales volumes. See "Advisories – Flow Test Results and Production Rates".

- The results of this test further support the Corporation's long-term growth plans in Elmworth, where Birchcliff controls approximately 145 net contiguous sections of high-quality, multi-layer Montney/Doig inventory, offering significant value upside and growth potential in-line with the strong anticipated natural gas demand outlook. Birchcliff is progressing the formal planning for the construction of a proposed 100% owned and operated 80 MMcf/d capacity natural gas processing plant in Elmworth and has sufficient firm transportation service on the NGTL system to accommodate additional volumes produced from its Elmworth asset.

## 2024 ANNUAL FILINGS

Birchcliff has filed its Annual Filings on the Corporation's website at [www.birchcliffenergy.com](http://www.birchcliffenergy.com) and on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). The AIF contains the reserves data and other oil and gas information as required by NI 51-101. The financial and reserves information contained in the Annual Filings is consistent with the unaudited financial and reserves information disclosed in the press release issued by Birchcliff on February 12, 2025.

## U.S. AND CANADIAN TARIFFS

Birchcliff is continuing to monitor the evolving situation as it relates to the potential imposition of U.S. tariffs and retaliatory tariffs imposed by the Canadian government. Birchcliff believes that the imposition of any such tariffs as currently proposed would have significant and far-reaching impacts on Canada's economy and Canadian businesses. Further, Birchcliff believes that these ongoing tariff threats clearly demonstrate Canada's over-reliance on exporting its energy into the U.S., which must be addressed through the reduction of red tape and government interference in the

construction of critical infrastructure such as oil and gas pipelines to the east and west coasts of Canada, LNG terminals on each coast and an increase in liquids-refining capacity within Canada, in order to diversify Canada's energy export market.

Birchcliff believes that its ongoing strategy of maintaining significant natural gas market diversification will continue to protect the Corporation from volatility in the North American natural gas pricing environment, including as it relates to tariffs. Currently, approximately 41% of Birchcliff's natural gas production is physically delivered to the Dawn trading hub in Ontario, which is priced in U.S. dollars, and approximately 35% of its natural gas production is exposed to NYMEX HH pricing, without physical delivery into the United States, through U.S. denominated financial contracts.

## ABBREVIATIONS

AECO	benchmark price for natural gas determined at the AECO 'C' hub in southeast Alberta
bbl	barrel
bbls/d	barrels per day
boe	barrel of oil equivalent
boe/d	barrel of oil equivalent per day
condensate	pentanes plus (C5+)
F&D	finding and development
GAAP	generally accepted accounting principles for Canadian public companies, which are currently International Financial Reporting Standards as issued by the International Accounting Standards Board
GJ	gigajoule
GJ/d	gigajoules per day
HH	Henry Hub
LNG	liquefied natural gas
Mcf	thousand cubic feet
Mcf/d	thousand cubic feet per day
MMcf/d	million cubic feet per day
MMBtu	million British thermal units
MMBtu/d	million British thermal units per day
MPa	megapascal
MSW	price for mixed sweet crude oil at Edmonton, Alberta
NGLs	natural gas liquids consisting of ethane (C2), propane (C3) and butane (C4) and specifically excluding condensate
NGTL	NOVA Gas Transmission Ltd.
NYMEX	New York Mercantile Exchange
OPEC	Organization of the Petroleum Exporting Countries
Q	quarter
WTI	West Texas Intermediate, the reference price paid in U.S. dollars at Cushing, Oklahoma, for crude oil of standard grade
\$000s	thousands of dollars

## NON-GAAP AND OTHER FINANCIAL MEASURES

This press release uses various "non-GAAP financial measures", "non-GAAP ratios" and "capital management measures" (as such terms are defined in NI 52-112), which are described in further detail below.

### Non-GAAP Financial Measures

NI 52-112 defines a non-GAAP financial measure as a financial measure that: (i) depicts the historical or expected future financial performance, financial position or cash flow of an entity; (ii) with respect to its composition, excludes an amount that is included in, or includes an amount that is excluded from, the composition of the most directly comparable financial measure disclosed in the primary financial statements of the entity; (iii) is not disclosed in the financial statements of the entity; and (iv) is not a ratio, fraction, percentage or similar representation. The non-GAAP financial measures used in this press release are not standardized financial measures under GAAP and might not be comparable to similar measures presented by other companies. Investors are cautioned that non-GAAP financial measures should not be construed as alternatives to or more meaningful than the most directly comparable GAAP financial measures as indicators of Birchcliff's performance. Set forth below is a description of the non-GAAP financial measures used in this press release.

### *Adjusted Funds Flow and Free Funds Flow*

Birchcliff defines "adjusted funds flow" as cash flow from operating activities before the effects of decommissioning expenditures, retirement benefit payments and changes in non-cash operating working capital. Birchcliff eliminates settlements of decommissioning expenditures from cash flow from operating activities as the amounts can be discretionary and may vary from period to period depending on its capital programs and the maturity of its operating areas. The settlement of decommissioning expenditures is managed with Birchcliff's capital budgeting process which

considers available adjusted funds flow. Birchcliff eliminates retirement benefit payments from cash flow from operating activities as such payments reflect costs for past service and contributions made by eligible executives under the Corporation's post-employment benefit plan, which are not indicative of the current period. Changes in non-cash operating working capital are eliminated in the determination of adjusted funds flow as the timing of collection and payment are variable and by excluding them from the calculation, the Corporation believes that it is able to provide a more meaningful measure of its operations and ability to generate cash on a continuing basis. Management believes that adjusted funds flow assists management and investors in assessing Birchcliff's financial performance after deducting all operating and corporate cash costs, as well as its ability to generate the cash necessary to fund sustaining and/or growth capital expenditures, repay debt, settle decommissioning obligations, buy back common shares and pay dividends.

Birchcliff defines "free funds flow" as adjusted funds flow less F&D capital expenditures. Management believes that free funds flow assists management and investors in assessing Birchcliff's ability to generate shareholder value and returns through a number of initiatives, including but not limited to, debt repayment, common share buybacks, the payment of common share dividends, acquisitions and other opportunities that would complement or otherwise improve the Corporation's business and enhance long-term shareholder value.

The most directly comparable GAAP financial measure to adjusted funds flow and free funds flow is cash flow from operating activities. The following table provides a reconciliation of cash flow from operating activities to adjusted funds flow and free funds flow for the twelve months ended December 31, 2024:

(\$000s)	Twelve months ended December 31, 2024
<b>Cash flow from operating activities</b>	<b>203,710</b>
Change in non-cash operating working capital	17,269
Decommissioning expenditures	1,964
Retirement benefit payments	13,851
<b>Adjusted funds flow</b>	<b>236,794</b>
F&D capital expenditures	(273,084)
<b>Free funds flow</b>	<b>(36,290)</b>

Birchcliff has disclosed in this press release forecasts of adjusted funds flow and free funds flow for 2025, which are forward-looking non-GAAP financial measures. The equivalent historical non-GAAP financial measures are adjusted funds flow and free funds flow for the twelve months ended December 31, 2024. Birchcliff anticipates the forward-looking non-GAAP financial measures for adjusted funds flow and free funds flow disclosed herein will be higher than their respective historical amounts primarily due to higher anticipated benchmark natural gas prices, which are expected to increase the average realized sales prices the Corporation receives for its production. The commodity price assumptions on which the Corporation's guidance is based are set forth under the heading "Updated 2025 Guidance".

### **Transportation and Other Expense**

Birchcliff defines "transportation and other expense" as transportation expense plus marketing purchases less marketing revenue. Birchcliff may enter into certain marketing purchase and sales arrangements with the objective of reducing any unused transportation or fractionation fees associated with its take-or-pay commitments and/or increasing the value of its production through value-added downstream initiatives. Management believes that transportation and other expense assists management and investors in assessing Birchcliff's total cost structure related to transportation and marketing activities. The most directly comparable GAAP financial measure to transportation and other expense is transportation expense. The following table provides a reconciliation of transportation expense to transportation and other expense for the twelve months ended December 31, 2024:

(\$000s)	Twelve months ended December 31, 2024
<b>Transportation expense</b>	<b>149,534</b>
Marketing purchases	51,496
Marketing revenue	(54,069)
<b>Transportation and other expense</b>	<b>146,961</b>

### **Non-GAAP Ratios**

NI 52-112 defines a non-GAAP ratio as a financial measure that: (i) is in the form of a ratio, fraction, percentage or similar representation; (ii) has a non-GAAP financial measure as one or more of its components; and (iii) is not disclosed in the financial statements of the entity. The non-GAAP ratio used in this press release is not a standardized financial measure

under GAAP and might not be comparable to similar measures presented by other companies. Set forth below is a description of the non-GAAP ratio used in this press release.

### **Transportation and Other Expense Per Boe**

Birchcliff calculates “transportation and other expense per boe” as aggregate transportation and other expense in the period divided by the production (boe) in the period. Management believes that transportation and other expense per boe assists management and investors in assessing Birchcliff’s cost structure as it relates to its transportation and marketing activities by isolating the impact of production volumes to better analyze its performance against prior periods on a comparable basis.

### **Capital Management Measures**

NI 52-112 defines a capital management measure as a financial measure that: (i) is intended to enable an individual to evaluate an entity’s objectives, policies and processes for managing the entity’s capital; (ii) is not a component of a line item disclosed in the primary financial statements of the entity; (iii) is disclosed in the notes to the financial statements of the entity; and (iv) is not disclosed in the primary financial statements of the entity. Set forth below is a description of the capital management measure used in this press release.

### **Total Debt**

Birchcliff calculates “total debt” at the end of the period as the amount outstanding under the Corporation’s extendible revolving credit facilities plus working capital deficit (less working capital surplus) plus the fair value of the current asset portion of financial instruments less the fair value of the current liability portion of financial instruments and less the current portion of other liabilities discounted to the end of the period. The current portion of other liabilities has been excluded from total debt as these amounts have not been incurred and reflect future commitments in the normal course of operations. Management believes that total debt assists management and investors in assessing Birchcliff’s overall liquidity and financial position at the end of the period. The following table provides a reconciliation of the amount outstanding under the Corporation’s revolving term credit facilities, as determined in accordance with GAAP, to total debt as at December 31, 2024:

(\$000s)	As at December 31, 2024
<b>Revolving term credit facilities</b>	<b>566,857</b>
Working capital surplus <sup>(1)</sup>	(88,953)
Fair value of financial instruments – asset <sup>(2)</sup>	71,038
Other liabilities <sup>(2)</sup>	(13,385)
<b>Total debt</b>	<b>535,557</b>

(1) Current liabilities less current assets.

(2) Reflects the current portion only.

### **ADVISORIES**

#### **Currency**

Unless otherwise indicated, all dollar amounts are expressed in Canadian dollars, all references to “\$” and “CDN\$” are to Canadian dollars and all references to “US\$” are to United States dollars.

#### **Boe Conversions**

Boe amounts have been calculated by using the conversion ratio of 6 Mcf of natural gas to 1 bbl of oil. Boe amounts may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

#### **MMBtu Pricing Conversions**

\$1.00 per MMBtu equals \$1.00 per Mcf based on a standard heat value Mcf.

#### **Production**

With respect to the disclosure of Birchcliff’s production contained in this press release: (i) references to “light oil” mean “light crude oil and medium crude oil” as such term is defined in NI 51-101; (ii) references to “liquids” mean “light crude

oil and medium crude oil” and “natural gas liquids” (including condensate) as such terms are defined in NI 51-101; and (iii) references to “natural gas” mean “shale gas”, which also includes an immaterial amount of “conventional natural gas”, as such terms are defined in NI 51-101. In addition, NI 51-101 includes condensate within the product type of natural gas liquids. Birchcliff has disclosed condensate separately from other natural gas liquids as the price of condensate as compared to other natural gas liquids is currently significantly higher and Birchcliff believes presenting the two commodities separately provides a more accurate description of its operations and results therefrom.

With respect to the disclosure of Birchcliff’s production contained in this press release, all production volumes have been disclosed on a “gross” basis as such term is defined in NI 51-101, meaning Birchcliff’s working interest (operating or non-operating) share before the deduction of royalties and without including any royalty interests of Birchcliff.

#### **Flow Test Results and Production Rates**

References in this press release to short-term production rates are useful in confirming the presence of hydrocarbons; however, such rates are not determinative of the rates at which the referenced well will continue to produce and decline thereafter and are not indicative of the long-term performance or the ultimate recovery of such well or future wells in the area.

With respect to the production rates for the Corporation’s recently completed well in the Elsworth area disclosed herein, such rates represent the volumes for that well measured at the wellhead separator for the three days of production immediately after the well was considered stabilized after producing fracture treatment fluid back to surface in an amount such that flow rates of hydrocarbons became reliable (approximately 10.5 days). The production rates excluded the hours and days when the well did not produce. Approximate casing pressure for the well was stabilized at approximately 12 MPa. To-date, no pressure transient or well-test interpretation has been carried out on the well and as such, the data should be considered preliminary. The natural gas volumes represent raw volumes as opposed to sales volumes.

#### **Finding and Development (F&D) Capital Expenditures**

References in this press release to “F&D capital expenditures” denotes exploration and development expenditures as disclosed in the Corporation’s financial statements in accordance with GAAP, and is primarily comprised of capital for land, seismic, workovers, drilling and completions, well equipment and facilities and capitalized general and administrative costs and excludes any acquisitions, dispositions, administrative assets and the capitalized portion of cash incentive payments that have not been approved by the Corporation’s board of directors (the “**Board**”). Management believes that F&D capital expenditures assists management and investors in assessing Birchcliff’s capital cost outlay associated with its exploration and development activities for the purposes of finding and developing its reserves.

#### **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, strategy, 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”, “focus”, “future”, “outlook”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate”, “forecast”, “guidance”, “potential”, “proposed”, “predict”, “budget”, “continue”, “targeting”, “may”, “will”, “could”, “might”, “should”, “would”, “on track”, “maintain”, “deliver” 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 information set forth under the heading “*Updated 2025 Guidance*” and elsewhere in this press release as it relates to Birchcliff’s guidance for 2025, including: forecasts of annual average production, production commodity mix, average expenses, adjusted funds flow, F&D capital expenditures, free funds flow, total debt at year end, natural gas market exposure and the expected impact of changes in commodity prices and the CDN/US exchange rate on Birchcliff’s forecast of free funds flow; that the Corporation’s 2025 production and capital expenditures guidance is on target; that due to ongoing strengthening of natural gas prices, in particular at NYMEX HH and Dawn, where the Corporation has the majority of its natural gas sales exposure, its 2025 annual adjusted funds flow outlook has improved significantly; that the landscape for natural gas demand is continuing to improve; that further cost mitigation efforts are expected to be realized with respect to the Corporation’s transportation commitments in 2025; and that significantly higher NYMEX HH and Dawn benchmark natural gas prices are forecasted for the year;
- the information set forth under the heading “*Operational Update*” and elsewhere in this press release regarding Birchcliff’s plans for Elmworth and its 2025 capital program and its exploration, production and development activities and the timing thereof, including: the number of wells planned to be brought on production in 2025; the targeted product types and the expected timing for wells to be drilled, completed and brought on production; that the Corporation’s flow test further supports the Corporation’s long-term growth plan for the Elmworth area, which provides the Corporation with significant future drilling inventory and growth potential; that the Elmworth asset offers significant value upside and growth potential in-line with the strong anticipated natural gas demand outlook; and that Birchcliff is progressing the formal planning for the construction of a proposed 100% owned and operated 80 MMcf/d natural gas processing plant in Elmworth and has sufficient firm transportation service on the NGTL system to accommodate additional volumes produced from its Elmworth asset;
- Birchcliff’s belief that the imposition of U.S. tariffs and retaliatory tariffs as currently proposed would have significant and far-reaching impacts on Canada’s economy and Canadian businesses; and Birchcliff’s belief that these ongoing tariff threats clearly demonstrate Canada’s over-reliance on exporting its energy into the U.S., which must be addressed through the reduction of red tape and government interference in the construction of critical infrastructure such as oil and gas pipelines to the east and west coasts of Canada, LNG terminals on each coast and an increase in liquids-refining capacity within Canada, in order to diversify Canada’s energy export market;
- Birchcliff’s belief that its ongoing strategy of maintaining significant natural gas market diversification will continue to protect the Corporation from volatility in the North American natural gas pricing environment, including as it relates to tariffs; and
- Birchcliff’s anticipation that the forward-looking non-GAAP financial measures for adjusted funds flow and free funds flow disclosed herein will be higher than their respective historical amounts primarily due to higher anticipated benchmark natural gas prices, which are expected to increase the average realized sales prices the Corporation receives for its production.

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 state of the economy, financial markets and the exploration, development and production business; the political environment in which Birchcliff operates; the regulatory framework regarding royalties, taxes, environmental, climate change and other laws; the Corporation’s ability to comply with existing and future laws; future cash flow, debt and dividend levels; future operating, transportation and other expenses; Birchcliff’s ability to access capital and obtain financing on acceptable terms; the timing and amount of capital expenditures and the sources of funding for capital expenditures and other activities; the sufficiency of budgeted capital expenditures to carry out planned operations; the successful and timely implementation of capital projects and the timing, location and extent of future drilling and other operations; results of operations; Birchcliff’s ability to continue to develop its assets and obtain the anticipated benefits therefrom; the performance of existing and future wells; reserves volumes and Birchcliff’s ability to replace and expand reserves through acquisition, development or exploration; the impact of competition on Birchcliff; the availability of, demand for and cost of labour, services and materials; the ability to obtain any necessary regulatory or other approvals in a timely manner; the satisfaction by third parties of their obligations to Birchcliff; the ability of Birchcliff to secure adequate processing and transportation for its products; Birchcliff’s ability to successfully market natural gas and liquids; the results of the Corporation’s risk management and market diversification activities; and Birchcliff’s natural gas market exposure. In addition to the foregoing assumptions, Birchcliff has made the following assumptions with respect to certain forward-looking statements contained in this press release:



- With respect to Birchcliff's 2025 guidance, such guidance is based on the commodity price, exchange rate and other assumptions set forth under the heading "*Updated 2025 Guidance*". In addition:
  - Birchcliff's production guidance assumes that: the 2025 capital program will be carried out as currently contemplated; no unexpected outages occur in the infrastructure that Birchcliff relies on to produce its wells and that any transportation service curtailments or unplanned outages that occur will be short in duration or otherwise insignificant; the construction of new infrastructure meets timing and operational expectations; existing wells continue to meet production expectations; and future wells scheduled to come on production meet timing, production and capital expenditure expectations.
  - Birchcliff's forecast of F&D capital expenditures assumes that the 2025 capital program will be carried out as currently contemplated and excludes any potential acquisitions, dispositions and the capitalized portion of cash incentive payments that have not been approved by the Board. The amount and allocation of capital expenditures for exploration and development activities by area and the number and types of wells to be drilled and brought on production is dependent upon results achieved and is subject to review and modification by management on an ongoing basis throughout the year. Actual spending may vary due to a variety of factors, including commodity prices, economic conditions, results of operations and costs of labour, services and materials.
  - Birchcliff's forecasts of adjusted funds flow and free funds flow assume that: the 2025 capital program will be carried out as currently contemplated and the level of capital spending for 2025 set forth herein is met; and the forecasts of production, production commodity mix, expenses and natural gas market exposure and the commodity price and exchange rate assumptions set forth herein are met. Birchcliff's forecast of adjusted funds flow takes into account its financial basis swap contracts outstanding as at March 10, 2025 and excludes cash incentive payments that have not been approved by the Board.
  - Birchcliff's forecast of year end total debt assumes that: (i) the forecasts of adjusted funds flow and free funds flow are achieved, with the level of capital spending for 2025 met and the payment of an annual base dividend of approximately \$33 million; (ii) any free funds flow remaining after the payment of dividends, asset retirement obligations and other amounts for administrative assets, financing fees and capital lease obligations is allocated towards debt reduction; (iii) there are no buybacks of common shares during 2025; (iv) there are no significant acquisitions or dispositions completed by the Corporation during 2025; (v) there are no equity issuances during 2025; and (vi) there are no further proceeds received from the exercise of stock options during 2025. The forecast of total debt excludes cash incentive payments that have not been approved by the Board.
  - Birchcliff's forecast of its natural gas market exposure assumes: (i) 175,000 GJ/d being sold on a physical basis at the Dawn price; (ii) 147,500 MMBtu/d being contracted on a financial basis at an average fixed basis differential price between AECO 7A and NYMEX HH of approximately US\$1.09/MMBtu; and (iii) 1,400 GJ/d being sold at Alliance on a physical basis at the AECO 5A price plus a premium. Birchcliff's natural gas market exposure takes into account its financial basis swap contracts outstanding as at March 10, 2025.
- With respect to statements regarding future wells to be drilled or brought on production, such statements assume: the continuing validity of the geological and other technical interpretations performed by Birchcliff's technical staff, which indicate that commercially economic volumes can be recovered from Birchcliff's lands as a result of drilling future wells; and that commodity prices and general economic conditions will warrant proceeding with the drilling of such wells.

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: general economic, market and business conditions which will, among other things, impact the demand for and market prices of Birchcliff's products and Birchcliff's access to capital; volatility of crude oil and natural gas prices; risks associated with increasing costs, whether due to high inflation rates, supply chain disruptions or other factors; fluctuations in exchange and interest rates; an inability of Birchcliff to generate sufficient cash flow from operations to meet its current and future obligations; 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 and the risk that the borrowing base limit may be redetermined; fluctuations in the costs of borrowing; operational risks and liabilities inherent in oil and natural gas operations; the risk that weather events such as wildfires, flooding, droughts or extreme hot or cold temperatures forces the Corporation to shut-in

production or otherwise adversely affects the Corporation's operations; the occurrence of unexpected events such as fires, explosions, blow-outs, equipment failures, transportation incidents and other similar events; an inability to access sufficient water or other fluids needed for operations; the risks associated with supply chain disruptions; uncertainty that development activities in connection with Birchcliff's assets will be economic; an inability to access or implement some or all of the technology necessary to operate its assets and achieve expected future results; geological, technical, drilling, construction and processing problems; uncertainty of geological and technical data; horizontal drilling and completions techniques and the failure of drilling results to meet expectations for reserves or production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to production, revenue, costs and reserves; the accuracy of cost estimates and variances in Birchcliff's actual costs and economic returns from those anticipated; incorrect assessments of the value of acquisitions and exploration and development programs; the risks posed by pandemics, epidemics and global conflict and their impacts on supply and demand and commodity prices; 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; stock market volatility; loss of market demand; changes to the regulatory framework in the locations where the Corporation operates, including changes to tax laws, Crown royalty rates, environmental laws, climate change laws, carbon tax regimes, incentive programs and other regulations that affect the oil and natural gas industry; political uncertainty and uncertainty associated with government policy changes, including the risk of U.S. tariffs on goods exported from Canada and any retaliatory tariffs implemented; actions by government authorities; an inability of the Corporation to comply with existing and future laws and the cost of compliance with such laws; dependence on facilities, gathering lines and pipelines; uncertainties and risks associated with pipeline restrictions and outages to third-party infrastructure that could cause disruptions to production; the lack of available pipeline capacity and an inability to secure adequate and cost-effective processing and transportation for Birchcliff's products; an inability to satisfy obligations under Birchcliff's firm marketing and transportation arrangements; shortages in equipment and skilled personnel; the absence or loss of key employees; competition for, among other things, capital, acquisitions of reserves, undeveloped lands, equipment and skilled personnel; management of Birchcliff's growth; environmental and climate change risks, claims and liabilities; potential litigation; default under or breach of agreements by counterparties and potential enforceability issues in contracts; claims by Indigenous peoples; the reassessment by taxing or regulatory authorities of the Corporation's prior transactions and filings; unforeseen title defects; third-party claims regarding the Corporation's right to use technology and equipment; uncertainties associated with the outcome of litigation or other proceedings involving Birchcliff; uncertainties associated with counterparty credit risk; risks associated with Birchcliff's risk management and market diversification activities; risks associated with the declaration and payment of future dividends; the failure to obtain any required approvals in a timely manner or at all; the failure to complete or realize the anticipated benefits of acquisitions and dispositions and the risk of unforeseen difficulties in integrating acquired assets into Birchcliff's operations; the Corporation's reliance on hydraulic fracturing; market competition, including from alternative energy sources; changing demand for petroleum products; the availability of insurance and the risk that certain losses may not be insured; breaches or failure of information systems and security (including risks associated with cyber-attacks); risks associated with the ownership of the Corporation's securities; the accuracy of the Corporation's accounting estimates and judgments; and the risk that any of the Corporation's material assumptions prove to be materially inaccurate (including the Corporation's commodity price and exchange rate assumptions for 2025).

Readers are cautioned that the foregoing lists of factors are not exhaustive. Additional information on these and other risk factors that could affect Birchcliff's results of operations, financial performance or financial results are included in the AIF and annual management's discussion and analysis for the financial year ended December 31, 2024 under the heading "*Risk Factors*" and in other reports filed with Canadian securities regulatory authorities.

This press release contains information that may constitute future-oriented financial information or financial outlook information (collectively, "**FOFI**") about Birchcliff's prospective financial performance, financial position or cash flows, all of which is subject to the same assumptions, risk factors, limitations and qualifications as set forth above. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise or inaccurate and, as such, undue reliance should not be placed on FOFI. Birchcliff's actual results, performance and achievements could differ materially from those expressed in, or implied by, FOFI. Birchcliff has included FOFI 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 such information may not be appropriate for other purposes.

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 and FOFI contained in this press release are expressly qualified by the foregoing cautionary statements. The forward-looking statements and FOFI 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 or FOFI, whether as a result of new information, future events or otherwise.

#### **ABOUT BIRCHCLIFF:**

Birchcliff is an intermediate oil and natural gas company based in Calgary, Alberta with operations focused on the exploration and development of the Montney/Doig Resource Play in Alberta. Birchcliff's common shares are listed for trading on the Toronto Stock Exchange under the symbol "BIR".

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