

BIRCHCLIFF

ENERGY

BIRCHCLIFF ENERGY LTD. ANNOUNCES UNAUDITED 2025 FULL-YEAR AND FOURTH QUARTER RESULTS, 2025 RESERVES HIGHLIGHTS AND APPOINTMENT OF CHRIS CARLSEN TO THE BOARD OF DIRECTORS

BIRCHCLIFF ACHIEVES RECORD ANNUAL AVERAGE PRODUCTION OF 80,086 BOE/D

Calgary, Alberta (February 11, 2026) – Birchcliff Energy Ltd. (“Birchcliff” or the “Corporation”) (TSX: BIR) is pleased to announce its unaudited 2025 full-year and fourth quarter financial and operational results and highlights from its independent reserves evaluation effective December 31, 2025.

Chris Carlsen, Birchcliff’s President and Chief Executive Officer, commented: “2025 was an excellent year for Birchcliff, driven by the successful and disciplined execution of our capital program and our continued focus on efficiency and driving down costs. Year-over-year, we grew our annual average production by 4% to 80,086 boe/d, the highest in company history, and reduced our per unit operating costs by 11% to \$2.88/boe. We generated adjusted funds flow⁽¹⁾ of \$422.8 million and free funds flow⁽¹⁾ of \$116.9 million in 2025 and further strengthened our balance sheet, reducing our total debt⁽²⁾ by 14% year-over-year to \$459.9 million at December 31, 2025.

In 2025, we delivered all-in PDP F&D costs⁽³⁾ of \$10.15/boe (a 12% improvement from 2024), a profitable PDP F&D operating netback recycle ratio⁽⁴⁾ of 1.4x (a 40% improvement from 2024) and a reserves life index⁽³⁾ of 7.2 years on our PDP reserves. At December 31, 2025, our Elsworth asset, consisting of approximately 145 net sections of Montney lands, remains largely unbooked on a reserves basis, providing us with significant drilling inventory and a large potential future growth area.

For 2026, we remain focused on profitable production growth by fully utilizing our existing infrastructure, strengthening our balance sheet and paying a sustainable base dividend. We look forward to reporting on our progress throughout the year as we execute on our strategy and we thank our employees, board of directors and shareholders for their ongoing support.”

2025 UNAUDITED FINANCIAL AND OPERATIONAL HIGHLIGHTS

- Delivered average production of 80,086 boe/d (82% natural gas and 18% liquids) in 2025, a 4% increase from 2024, and 83,028 boe/d (83% natural gas and 17% liquids) in Q4 2025, a 7% increase from Q4 2024.
- Generated adjusted funds flow of \$422.8 million (\$1.55 per basic common share⁽⁴⁾) in 2025, a 79% increase from 2024, and \$116.7 million (\$0.43 per basic common share) in Q4 2025, a 63% increase from Q4 2024.
- Cash flow from operating activities was \$407.7 million in 2025, a 100% increase from 2024, and \$93.5 million in Q4 2025, a 105% increase from Q4 2024.
- Generated free funds flow of \$116.9 million (\$0.43 per basic common share⁽⁴⁾) in 2025, a 422% increase from 2024, and \$67.4 million (\$0.25 per basic common share) in Q4 2025, a 398% increase from Q4 2024.
- Reported net income to common shareholders of \$64.9 million (\$0.24 per basic common share) in 2025, a 16% increase from 2024, and \$27.2 million (\$0.10 per basic common share) in Q4 2025, a 23% decrease from Q4 2024.
- Reduced total debt during the year, exiting 2025 with total debt of \$459.9 million, a 14% decrease from year-end 2024. At December 31, 2025, Birchcliff’s total debt to adjusted funds flow ratio⁽⁴⁾ was 1.1x as compared to 2.3x at December 31, 2024.

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

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

(3) See “Advisories – Oil and Gas Metrics”.

(4) Non-GAAP ratio. See “Non-GAAP and Other Financial Measures”.

- Birchcliff continued to benefit from its natural gas market diversification, with approximately 75% and 72% of its natural gas production in 2025 and Q4 2025, respectively, realizing higher U.S. pricing at the Dawn and NYMEX HH markets compared to AECO. This market diversification contributed to an effective average realized natural gas sales price⁽⁴⁾ of \$4.10/Mcf and \$4.34/Mcf in 2025 and Q4 2025, respectively, which represents a 125% and 80% premium to the average benchmark AECO 5A price, adjusted for Birchcliff's heat premium.
- Brought 29 (29.0 net) wells on production in 2025, with F&D capital expenditures⁽⁵⁾ of \$305.9 million in 2025 and \$49.3 million in Q4 2025.

2025 RESERVES HIGHLIGHTS⁽⁶⁾

- Birchcliff added an aggregate of 30.1 MMboe of PDP reserves on an F&D basis in 2025, after adding back 2025 actual production of 29.2 MMboe.⁽⁷⁾ Birchcliff's PDP reserves totalled 218.0 MMboe at December 31, 2025.
- Birchcliff delivered PDP F&D costs of \$10.15/boe, a PDP F&D operating netback recycle ratio of 1.4x and a PDP reserves replacement ratio⁽³⁾ of 103% on its aggregate PDP reserves additions.
- At December 31, 2025, the net present value of future net revenue (before income taxes, discounted at 10%) was \$2.3 billion for Birchcliff's PDP reserves, \$4.4 billion for its proved reserves and \$5.6 billion for its proved plus probable reserves.
- The net asset value per common share⁽⁴⁾ of Birchcliff's PDP, proved and proved plus probable reserves at December 31, 2025 was \$6.72, \$13.83 and \$18.13, respectively. Birchcliff believes that there is significant intrinsic shareholder value embedded in its asset base, including the undeveloped Elmworth asset, that is not reflected in its current share price.
- RLI⁽³⁾ at December 31, 2025 of 7.2 years on a PDP basis, 21.4 years on a proved basis and 31.4 years on a proved plus probable basis. Birchcliff's RLI does not include any significant reserves associated with its Elmworth growth asset as this asset is largely unbooked.

Birchcliff anticipates filing its annual information form and audited financial statements and related management's discussion and analysis for the year ended December 31, 2025 on March 11, 2026.

APPOINTMENT OF CHRIS CARLSEN AS DIRECTOR

Birchcliff is pleased to announce that Chris Carlsen has been appointed to the board of directors of the Corporation (the "Board") effective today.

Jeff Tonken, Chairman of the Board, commented: "On behalf of the Board, we are excited to have Chris Carlsen, our President and Chief Executive Officer, join the Board. For over 17 years, including the past two years as Chief Executive Officer, Chris has demonstrated exceptional leadership and dedication to the organization with a focus on increasing shareholder value. His deep understanding of the business, combined with his strategic vision, will further enhance Board deliberations and drive additional value for Birchcliff."

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 reserves and related reserves metrics contained in this press release, see "2025 Year-End Reserves", "Presentation of Oil and Gas Reserves" and "Advisories – Oil and Gas Metrics". 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".

(5) See "Advisories – F&D Capital Expenditures".

(6) The reserves data set forth herein is based on an independent evaluation conducted by Deloitte LLP ("Deloitte"), the Corporation's independent qualified reserves evaluator, effective December 31, 2025. See "2025 Year-End Reserves" and "Presentation of Oil and Gas Reserves".

(7) Consists of 566.1 Mbbls of light oil, 1,960.8 Mbbls of condensate, 2,614.1 Mbbls of NGLs and 144,543.7 MMcf of natural gas.

2025 UNAUDITED FINANCIAL AND OPERATIONAL SUMMARY

	Three months ended December 31		Twelve months ended December 31	
	2025	2024	2025	2024
OPERATING				
Average production				
Light oil (bbls/d)	1,375	1,993	1,551	2,017
Condensate (bbls/d)	5,795	4,310	5,372	4,425
NGLs (bbls/d)	7,197	7,748	7,162	7,080
Natural gas (Mcf/d)	411,966	381,433	396,010	379,040
Total (boe/d)	83,028	77,623	80,086	76,695
Average realized sales prices (CDN\$)				
Light oil (per bbl)	77.80	95.18	86.25	98.90
Condensate (per bbl)	77.18	95.79	85.74	99.66
NGLs (per bbl)	21.88	26.20	22.71	26.37
Natural gas (per Mcf)	3.40	2.27	3.00	2.05
Total (per boe)	25.47	21.53	24.28	20.90
NETBACK AND COST (\$/boe)				
Petroleum and natural gas revenue	25.47	21.53	24.28	20.91
Royalty expense	(0.70)	(1.26)	(1.06)	(1.41)
Operating expense	(2.93)	(2.91)	(2.88)	(3.24)
Transportation and other expense ⁽¹⁾	(5.64)	(5.26)	(5.68)	(5.24)
Operating netback⁽¹⁾	16.20	12.10	14.66	11.02
G&A expense, net	(1.62)	(2.00)	(1.36)	(1.45)
Interest expense	(0.97)	(1.40)	(1.16)	(1.31)
Lease interest expense	(0.28)	(0.33)	(0.30)	(0.16)
Realized gain on financial instruments ⁽²⁾	1.94	1.68	2.62	0.33
Other cash income	0.01	0.01	-	0.01
Adjusted funds flow⁽¹⁾	15.28	10.06	14.46	8.44
Depletion and depreciation expense	(8.82)	(8.96)	(8.94)	(8.79)
Unrealized gain (loss) on financial instruments ⁽²⁾	(1.30)	5.95	(2.23)	3.51
Other expenses ⁽³⁾	(0.51)	(0.75)	(0.44)	(0.52)
Deferred income tax expense	(1.09)	(1.37)	(0.63)	(0.64)
Net income to common shareholders	3.56	4.93	2.22	2.00
FINANCIAL				
Petroleum and natural gas revenue (\$000s)	194,529	153,741	709,863	586,856
Cash flow from operating activities (\$000s)	93,485	45,641	407,705	203,710
Adjusted funds flow (\$000s) ⁽⁴⁾	116,737	71,838	422,766	236,794
Per basic common share (\$) ⁽¹⁾	0.43	0.27	1.55	0.88
Free funds flow (\$000s) ⁽⁴⁾	67,423	13,528	116,875	(36,290)
Per basic common share (\$) ⁽¹⁾	0.25	0.05	0.43	(0.13)
Net income to common shareholders (\$000s)	27,167	35,216	64,874	56,100
Per basic common share (\$)	0.10	0.13	0.24	0.21
End of period basic common shares (000s)	274,797	271,304	274,797	271,304
Weighted average basic common shares (000s)	273,802	270,185	272,721	269,081
Dividends on common shares (\$000s)	8,241	27,126	32,764	107,833
F&D capital expenditures (\$000s) ⁽⁵⁾	49,314	58,310	305,891	273,084
Total capital expenditures (\$000s) ⁽⁴⁾	49,696	66,673	307,777	282,745
Revolving term credit facilities (\$000s)	508,340	566,587	508,340	566,857
Total debt (\$000s) ⁽⁶⁾	459,948	535,557	459,948	535,557

(1) Non-GAAP ratio. See "Non-GAAP and Other Financial Measures".

(2) Birchcliff's financial instruments consist of its NYMEX HH/AECO 7A basis swap contracts.

(3) Includes non-cash items such as compensation, accretion, amortization of deferred financing fees and other gains and losses.

(4) Non-GAAP financial measure. See "Non-GAAP and Other Financial Measures".

(5) See "Advisories – F&D Capital Expenditures".

(6) Capital management measure. See "Non-GAAP and Other Financial Measures".

FULL-YEAR AND Q4 2025 UNAUDITED FINANCIAL AND OPERATIONAL RESULTS

Production

- Production averaged 80,086 boe/d in 2025, a 4% increase from 2024 and exceeding the high end of Birchcliff's guidance range of 79,000 to 80,000 boe/d.
- Production averaged 83,028 boe/d in Q4 2025, a 7% increase from Q4 2024 and exceeding Birchcliff's guidance of 81,500 boe/d.
- The increases were primarily due to the outperformance of the Corporation's existing base production and incremental production from new Montney wells brought on production since 2024, partially offset by natural production declines.
- Liquids accounted for 18% of Birchcliff's total production in both 2025 and 2024, which was in line with Birchcliff's guidance of 18%.
- In Q4 2025, liquids accounted for 17% of Birchcliff's total production as compared to 18% in Q4 2024.

Adjusted Funds Flow and Cash Flow From Operating Activities

- Adjusted funds flow was \$422.8 million in 2025, or \$1.55 per basic common share, a 79% and 76% increase, respectively, from 2024 and exceeding Birchcliff's guidance of \$415 million.
- Adjusted funds flow was \$116.7 million in Q4 2025, or \$0.43 per basic common share, a 63% and 59% increase, respectively, from Q4 2024.
- Cash flow from operating activities was \$407.7 million in 2025, a 100% increase from 2024.
- Cash flow from operating activities was \$93.5 million in Q4 2025, a 105% increase from Q4 2024.
- The increases were primarily due to higher natural gas revenue, which was largely the result of higher production and a 46% and 50% increase in the average realized sales price Birchcliff received for its natural gas production in 2025 and Q4 2025, respectively, as compared to 2024. Adjusted funds flow and cash flow from operating activities were also positively impacted by higher realized gains on financial instruments of \$76.5 million and \$14.8 million in 2025 and Q4 2025, respectively, as compared to \$9.3 million and \$12.0 million in 2024 and Q4 2024, respectively.

Net Income to Common Shareholders

- Net income to common shareholders was \$64.9 million in 2025, or \$0.24 per basic common share, a 16% and 14% increase, respectively, from 2024. The increases were primarily due to higher adjusted funds flow, partially offset by an unrealized mark-to-market loss on financial instruments of \$65.0 million in 2025 as compared to an unrealized mark-to-market gain on financial instruments of \$98.6 million in 2024.
- Net income to common shareholders was \$27.2 million in Q4 2025, or \$0.10 per basic common share, both of which decreased by 23% from Q4 2024. The decreases were primarily due to an unrealized mark-to-market loss on financial instruments of \$9.9 million in Q4 2025 as compared to an unrealized mark-to-market gain of \$42.5 million in Q4 2024, partially offset by higher adjusted funds flow.

Debt and Credit Facilities

- Total debt at December 31, 2025 was \$459.9 million, a 14% decrease from December 31, 2024 and within Birchcliff's guidance range of \$455 million to \$465 million.
- At December 31, 2025, Birchcliff had a balance outstanding under its extendible revolving credit facilities (the "**Credit Facilities**") of \$512.5 million (December 31, 2024: \$570.9 million) from available Credit Facilities of \$850.0 million (December 31, 2024: \$850.0 million), leaving the Corporation with \$337.5 million (40%) of unutilized credit capacity after adjusting for outstanding letters of credit and unamortized deferred financing fees.

Natural Gas Market Diversification

- Birchcliff's physical natural gas sales exposure consists of the AECO, Dawn and Alliance markets. In addition, the Corporation has various financial instruments outstanding that provide it with exposure to NYMEX HH pricing.
- Birchcliff continued to benefit from its natural gas market diversification in Q4 2025, with approximately 72% of its natural gas production in the quarter realizing higher U.S. pricing at the Dawn and NYMEX HH markets compared to AECO. This market diversification contributed to an effective average realized natural gas sales price of \$4.34/Mcf in Q4 2025, which represents an 80% premium to the average benchmark AECO 5A price in the quarter, adjusted for Birchcliff's heat premium.
- The following table sets forth Birchcliff's effective sales, production and average realized sales price for its natural gas and liquids for Q4 2025, after taking into account the Corporation's financial instruments:

Three months ended December 31, 2025						
Market	Effective sales (CDN\$000s)	Percentage of total sales (%)	Effective production (per day)	Percentage of total natural gas production (%)	Percentage of total corporate production (%)	Effective average realized sales price (CDN\$)
AECO ⁽¹⁾⁽²⁾	25,725	11	114,027 Mcf	28	23	2.45/Mcf
Dawn ⁽³⁾	73,232	32	162,049 Mcf	39	33	4.91/Mcf
NYMEX HH ⁽¹⁾⁽⁴⁾	65,464	29	135,890 Mcf	33	27	5.24/Mcf
Total natural gas⁽¹⁾	164,421	72	411,966 Mcf	100	83	4.34/Mcf
Light oil	9,838	4	1,375 bbls		2	77.80/bbl
Condensate	41,153	18	5,795 bbls		7	77.18/bbl
NGLs	14,488	6	7,197 bbls		8	21.88/bbl
Total liquids	65,479	28	14,367 bbls		17	49.54/bbl
Total corporate⁽¹⁾	229,900	100	83,028 boe		100	30.10/boe

(1) Effective sales and effective average realized sales price on a total natural gas and total corporate basis and for the AECO and NYMEX HH markets are non-GAAP financial measures and non-GAAP ratios, respectively. See "Non-GAAP and Other Financial Measures".

(2) Birchcliff has short-term physical sales agreements with third-party marketers to sell and deliver into the Alliance pipeline system. All of Birchcliff's short-term physical Alliance sales and production during Q4 2025 received AECO adjusted pricing and have therefore been included as effective sales and production in the AECO market.

(3) Birchcliff has agreements for the firm service transportation of an aggregate of 175,000 GJ/d of natural gas on TransCanada PipeLines' Canadian Mainline, whereby natural gas is transported to the Dawn trading hub in Southern Ontario.

(4) NYMEX HH effective sales and production include financial NYMEX HH/AECO 7A basis swap contracts for an aggregate of 147,500 MMBtu/d at an average contract price of NYMEX HH less US\$1.088/MMBtu during Q4 2025.

Birchcliff's effective average realized sales price for NYMEX HH of CDN\$5.24/Mcf (US\$3.46/MMBtu) was determined on a gross basis before giving effect to the average NYMEX HH/AECO 7A fixed contract basis differential price of CDN\$1.64/Mcf (US\$1.088/MMBtu) and includes any realized gains and losses on financial NYMEX HH/AECO 7A basis swap contracts during Q4 2025.

After giving effect to the NYMEX HH/AECO 7A fixed contract basis differential price and including any realized gains and losses on financial NYMEX HH/AECO 7A basis swap contracts during Q4 2025, Birchcliff's effective average realized net sales price for NYMEX HH was CDN\$3.60/Mcf (US\$2.37/MMBtu) in Q4 2025.

- The following table sets forth Birchcliff's physical sales, production, average realized sales price, transportation costs and natural gas sales netback by natural gas market for the periods indicated, before taking into account the Corporation's financial instruments:

Three months ended December 31, 2025							
Natural gas market	Natural gas sales (CDN\$000s)	Percentage of natural gas sales (%)	Natural gas production (Mcf/d)	Percentage of natural gas production (%)	Average realized natural gas sales price (CDN\$/Mcf)	Natural gas transportation costs ⁽¹⁾ (CDN\$/Mcf)	Natural gas sales netback ⁽²⁾ (CDN\$/Mcf)
AECO	54,737	42	245,698	60	2.44	0.42	2.02
Dawn	73,232	57	162,049	39	4.91	1.48	3.43
Alliance ⁽³⁾	1,074	1	4,219	1	2.77	-	2.77
Total	129,043	100	411,966	100	3.40	0.84	2.56
Three months ended December 31, 2024							
Natural gas market	Natural gas sales (CDN\$000s)	Percentage of natural gas sales (%)	Natural gas production (Mcf/d)	Percentage of natural gas production (%)	Average realized natural gas sales price (CDN\$/Mcf)	Natural gas transportation costs ⁽¹⁾ (CDN\$/Mcf)	Natural gas sales netback ⁽²⁾ (CDN\$/Mcf)
AECO	31,027	39	216,321	57	1.57	0.38	1.19
Dawn	48,281	60	162,555	42	3.23	1.43	1.80
Alliance ⁽³⁾	307	1	2,557	1	1.30	-	1.30
Total	79,615	100	381,433	100	2.27	0.83	1.44

(1) Reflects costs to transport natural gas from the field receipt point to the delivery sales trading hub.

(2) Natural gas sales netback denotes the average realized natural gas sales price less natural gas transportation costs.

(3) Birchcliff has short-term physical sales agreements with third-party marketers to sell and deliver into the Alliance pipeline system. Alliance sales are indexed to the AECO 5A benchmark index price and are recorded net of transportation tolls.

Capital Activities and Investment

- In 2025, Birchcliff brought a total of 29 (29.0 net) wells on production from five pads (four in Pouce Coupe and one in Gordondale).
- F&D capital expenditures were \$305.9 million in 2025, as compared to Birchcliff's guidance of \$290 million to \$300 million. Birchcliff's F&D capital expenditures in Q4 2025 included the capitalized portion of cash incentive payments and strategic mineral land acquisitions that further strengthened the Corporation's asset base.
- Through disciplined execution and an unrelenting focus on efficiency, Birchcliff reduced its average well cost⁽⁸⁾ by approximately 11% year-over-year. The efficiencies and cost savings achieved by Birchcliff in 2025 enabled it to drill three additional wells, which were brought on production in Q4 2025, and drill four additional wells and advance other activities in preparation for its 2026 capital program.

OPERATIONAL UPDATE

Greater Pouce

- The wells on the Corporation's 6-well 02-09 pad were turned over to production through Birchcliff's permanent facilities in February 2026. This pad was drilled in the Lower Montney and targeted high-rate natural gas wells.
- In January 2026, Birchcliff completed the drilling of its 4-well 13-21 pad. Completions operations are currently underway and the wells are expected to be turned over to production in late Q1 2026. This pad is targeting high-rate natural gas wells in the Lower and Upper Montney.
- The Corporation is currently drilling its 6-well 04-05 pad, with completions operations scheduled to begin in Q2 2026. This pad is targeting high-rate natural gas wells in the Lower Montney. The wells are anticipated to be brought on production in Q2 2026.

(8) On a drill, case, complete, equip and tie-in basis.

Elmworth

- The Corporation is currently drilling a horizontal land retention well that will not be completed this year. In addition, Birchcliff completed a horizontal land retention well in January 2026, which is undergoing a short flow test. As disclosed in the Corporation's press release dated January 20, 2026, this well is not currently planned to be tied in.

2025 YEAR-END RESERVES

Deloitte conducted an independent evaluation of the Corporation's reserves effective December 31, 2025 as contained in their report dated February 11, 2026 (the "**Deloitte Report**"). The forecast commodity prices, inflation and exchange rates utilized in the Deloitte Report were computed using the average of forecasts from Deloitte, McDaniel & Associates Consultants Ltd., GLJ Ltd. and Sproule ERCE effective January 1, 2026 (the "**2025 Price Forecast**").

The reserves data provided in this press release presents only a portion of the disclosure required under NI 51-101. The disclosure required under NI 51-101 will be contained in Birchcliff's annual information form for the year ended December 31, 2025, which is expected to be filed on SEDAR+ (www.sedarplus.ca) on March 11, 2026.

In some of the tables below, numbers may not add due to rounding. The estimates of future net revenue contained herein do not represent fair market value. For additional information regarding the presentation of Birchcliff's reserves disclosure contained herein, see "*Presentation of Oil and Gas Reserves*" and "*Advisories*" in this press release.

Reserves Summary

The following table sets forth Birchcliff's light crude oil and medium crude oil, conventional natural gas, shale gas and NGLs reserves at December 31, 2025, estimated using the 2025 Price Forecast:

Reserves Category	Light Crude Oil and Medium Crude Oil		Conventional Natural Gas		Shale Gas		NGLs ⁽¹⁾		Total Oil Equivalent	
	Gross (Mbbbls)	Net (Mbbbls)	Gross (MMcf)	Net (MMcf)	Gross (MMcf)	Net (MMcf)	Gross (Mbbbls)	Net (Mbbbls)	Gross (Mboe)	Net (Mboe)
Proved										
Developed Producing	3,978	3,297	5,623	5,333	1,063,359	981,360	35,849	29,673	217,991	197,419
Developed Non-Producing	21	16	0	9	14,208	13,086	863	748	3,252	2,946
Undeveloped	7,092	5,948	2,823	2,588	2,175,847	1,978,348	53,228	42,789	423,432	378,893
Total Proved	11,090	9,261	8,446	7,931	3,253,413	2,972,793	89,941	73,210	644,674	579,259
Total Probable	8,852	6,958	5,313	4,990	1,439,471	1,282,517	51,695	40,270	301,344	261,813
Total Proved Plus Probable	19,942	16,219	13,759	12,921	4,692,884	4,255,310	141,636	113,480	946,018	841,071

(1) NGLs includes condensate.

Net Present Values of Future Net Revenue

The following table sets forth the net present values of future net revenue attributable to Birchcliff's reserves at December 31, 2025, estimated using the 2025 Price Forecast, before deducting future income tax expenses and calculated at various discount rates:

Reserves Category	Before Income Taxes Discounted At (%/year)					Unit Value Discounted at 10%/year (\$/boe) ⁽¹⁾
	0% (\$000s)	5% (\$000s)	10% (\$000s)	15% (\$000s)	20% (\$000s)	
Proved						
Developed Producing	3,696,581	2,894,186	2,320,349	1,935,041	1,665,287	11.75
Developed Non-Producing	51,423	37,297	29,147	23,904	20,262	9.89
Undeveloped	6,713,474	3,571,159	2,026,239	1,187,278	696,207	5.35
Total Proved	10,461,479	6,502,641	4,375,734	3,146,224	2,381,756	7.55
Total Probable	6,101,542	2,564,633	1,240,931	667,725	389,684	4.74
Total Proved Plus Probable	16,563,020	9,067,274	5,616,665	3,813,949	2,771,440	6.68

(1) Unit values are based on net reserves volumes.

Net Asset Value

Net asset value reflects the estimated long-term fair value of Birchcliff's underlying reserves assets after settling its outstanding financial obligations at a point in time. The net present value of the Corporation's reserves can vary significantly depending on the oil and natural gas price assumptions used by Deloitte and assumes only the reserves identified in the applicable reserves report, with no further acquisitions or incremental development.

The following table sets forth Birchcliff's net asset value for its PDP, total proved and total proved plus probable reserves for the periods indicated:

(\$000s, except per share amounts)	Proved Developed Producing		Total Proved		Total Proved Plus Probable	
As at December 31	2025	2024	2025	2024	2025	2024
Reserves, NPV10% ⁽¹⁾	2,320,349	2,277,750	4,375,734	4,359,168	5,616,665	5,563,831
Total Debt ⁽²⁾	(459,948)	(535,557)	(459,948)	(535,557)	(459,948)	(535,557)
Unexercised Securities ⁽³⁾	83,544	34,961	83,544	34,961	83,544	34,961
Net Asset Value⁽⁴⁾⁽⁵⁾	1,943,945	1,777,154	3,999,330	3,858,572	5,240,261	5,063,235
Net Asset Value (per common share)⁽⁴⁾⁽⁵⁾⁽⁶⁾	\$6.72	\$6.35	\$13.83	\$13.79	\$18.13	\$18.09

- (1) Represents the net present value of the future net revenue (before income taxes, discounted at 10%) of Birchcliff's PDP, total proved and total proved plus probable reserves, as applicable, as estimated by Deloitte effective December 31, 2025 and December 31, 2024, using forecast prices and costs.
- (2) Capital management measure. See "Non-GAAP and Other Financial Measures".
- (3) Represents the value of unexercised in-the-money stock options and performance warrants (if any) outstanding at the end of the year. The closing trading price on the TSX of Birchcliff's common shares on December 31, 2025 and December 31, 2024 was \$7.47 and \$5.42, respectively.
- (4) Excludes any value from undeveloped land and seismic.
- (5) Net asset value is a non-GAAP financial measure and net asset value per common share is a non-GAAP ratio. See "Non-GAAP and Other Financial Measures".
- (6) For 2025, based on 289.1 million common shares, which includes 274.8 million basic common shares outstanding at December 31, 2025 and 14.3 million dilutive common shares from unexercised in-the-money stock options outstanding at December 31, 2025. For 2024, based on 279.9 million common shares, which includes 271.3 million basic common shares outstanding at December 31, 2024 and 8.6 million dilutive common shares from unexercised in-the-money stock options and performance warrants outstanding at December 31, 2024.

Pricing Assumptions

The following table sets forth the 2025 Price Forecast used in the Deloitte Report:

Year	Crude Oil		Natural Gas ⁽¹⁾			NGLs				Currency Exchange Rate (US\$/CDN\$)	Price and Cost Inflation Rates (%)
	WTI at Cushing Oklahoma (US\$/bbl)	Edmonton City Gate (CDN\$/bbl)	Alberta AECO Average Price (CDN\$/Mcf)	Ontario Dawn (CDN\$/Mcf)	NYMEX Henry Hub (US\$/Mcf)	Edmonton Ethane (CDN\$/bbl)	Edmonton Propane (CDN\$/bbl)	Edmonton Butane (CDN\$/bbl)	Edmonton Pentanes + Condensate (CDN\$/bbl)		
2026	\$59.44	\$76.82	\$2.98	\$4.97	\$3.78	\$9.26	\$25.36	\$36.12	\$78.67	0.728	0.0
2027	\$64.13	\$81.82	\$3.36	\$4.91	\$3.86	\$10.48	\$27.16	\$38.45	\$83.77	0.740	2.0
2028	\$69.62	\$88.79	\$3.53	\$5.05	\$3.93	\$11.06	\$29.65	\$41.68	\$90.78	0.743	2.0
2029	\$71.20	\$90.83	\$3.61	\$5.16	\$4.01	\$11.35	\$30.33	\$42.63	\$92.87	0.743	2.0
2030	\$72.62	\$92.64	\$3.69	\$5.26	\$4.10	\$11.57	\$30.93	\$43.47	\$94.72	0.743	2.0
2031	\$74.07	\$94.49	\$3.76	\$5.39	\$4.17	\$11.80	\$31.55	\$44.35	\$96.61	0.743	2.0
2032	\$75.55	\$96.38	\$3.84	\$5.49	\$4.25	\$12.05	\$32.19	\$45.23	\$98.55	0.743	2.0
2033	\$77.06	\$98.31	\$3.91	\$5.60	\$4.34	\$12.29	\$32.83	\$46.14	\$100.52	0.743	2.0
2034	\$78.60	\$100.27	\$3.99	\$5.70	\$4.43	\$12.55	\$33.49	\$47.07	\$102.53	0.743	2.0
2035	\$80.18	\$102.28	\$4.07	\$5.83	\$4.52	\$12.80	\$34.15	\$48.01	\$104.58	0.743	2.0
2036	\$81.79	\$104.33	\$4.15	\$5.94	\$4.61	\$13.06	\$34.84	\$48.96	\$106.67	0.743	2.0
2037	\$83.41	\$106.42	\$4.23	\$6.07	\$4.69	\$13.32	\$35.53	\$49.94	\$108.81	0.743	2.0
2038	\$85.09	\$108.54	\$4.32	\$6.18	\$4.79	\$13.59	\$36.25	\$50.94	\$110.98	0.743	2.0
2039	\$86.79	\$110.72	\$4.41	\$6.31	\$4.88	\$13.86	\$36.97	\$51.96	\$113.21	0.743	2.0
2040	\$88.52	\$112.93	\$4.49	\$6.43	\$4.99	\$14.14	\$37.71	\$53.00	\$115.47	0.743	2.0
2041	\$90.30	\$115.19	\$4.58	\$6.56	\$5.09	\$14.42	\$38.46	\$54.06	\$117.78	0.743	2.0
2042	\$92.11	\$117.50	\$4.67	\$6.70	\$5.19	\$14.70	\$39.23	\$55.15	\$120.14	0.743	2.0
2043	\$93.94	\$119.84	\$4.77	\$6.82	\$5.29	\$14.99	\$40.02	\$56.25	\$122.53	0.743	2.0
2044	\$95.83	\$122.24	\$4.87	\$6.96	\$5.39	\$15.30	\$40.82	\$57.37	\$124.99	0.743	2.0
2045	\$97.74	\$124.68	\$4.96	\$7.10	\$5.51	\$15.61	\$41.63	\$58.51	\$127.48	0.743	2.0
2045+	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	0.743	2.0

- (1) 1 Mcf = 1 MMBtu.

Reconciliation of Changes in Reserves

The following table sets forth the reconciliation of Birchcliff's gross reserves at December 31, 2025 as set forth in the Deloitte Report, estimated using the 2025 Price Forecast, to Birchcliff's gross reserves at December 31, 2024:

Factors	Light Crude Oil and Medium Crude Oil (Mbbbls)	Conventional Natural Gas (MMcf)	Shale Gas (MMcf)	NGLs ⁽⁸⁾ (Mbbbls)	Total Oil Equivalent (Mboe)
GROSS TOTAL PROVED					
Opening Balance December 31, 2024	11,987	8,909	3,378,312	90,866	667,390
Extensions and Improved Recovery ⁽¹⁾	0	0	41,361	2,504	9,397
Technical Revisions ⁽²⁾	(315)	320	(16,747)	1,323	(1,730)
Discoveries ⁽³⁾	0	0	0	0	0
Acquisitions ⁽⁴⁾	0	0	13,074	419	2,598
Dispositions ⁽⁵⁾	0	0	(13,755)	(436)	(2,729)
Economic Factors ⁽⁶⁾	(16)	(125)	(4,948)	(160)	(1,021)
Production ⁽⁷⁾	(566)	(658)	(143,886)	(4,575)	(29,231)
Closing Balance December 31, 2025	11,090	8,446	3,253,413	89,941	644,674
GROSS TOTAL PROBABLE					
Opening Balance December 31, 2024	9,083	5,270	1,442,846	51,811	302,246
Extensions and Improved Recovery ⁽¹⁾	0	0	14,498	573	2,990
Technical Revisions ⁽²⁾	(228)	83	(15,785)	(609)	(3,454)
Discoveries ⁽³⁾	0	0	0	0	0
Acquisitions ⁽⁴⁾	0	0	16,710	446	3,231
Dispositions ⁽⁵⁾	0	0	(16,961)	(453)	(3,280)
Economic Factors ⁽⁶⁾	(3)	(40)	(1,838)	(73)	(389)
Production ⁽⁷⁾	0	0	0	0	0
Closing Balance December 31, 2025	8,852	5,313	1,439,471	51,695	301,344
GROSS TOTAL PROVED PLUS PROBABLE					
Opening Balance December 31, 2024	21,070	14,179	4,821,158	142,676	969,636
Extensions and Improved Recovery ⁽¹⁾	0	0	55,859	3,077	12,387
Technical Revisions ⁽²⁾	(543)	403	(32,532)	714	(5,184)
Discoveries ⁽³⁾	0	0	0	0	0
Acquisitions ⁽⁴⁾	0	0	29,785	865	5,829
Dispositions ⁽⁵⁾	0	0	(30,715)	(889)	(6,008)
Economic Factors ⁽⁶⁾	(19)	(166)	(6,786)	(233)	(1,410)
Production ⁽⁷⁾	(566)	(658)	(143,886)	(4,575)	(29,231)
Closing Balance December 31, 2025	19,942	13,759	4,692,884	141,636	946,018

- (1) Additions to volumes resulting from capital expenditures for: (i) step-out drilling in previously discovered reservoirs; (ii) infill drilling in previously discovered reservoirs that were not drilled as part of an enhanced recovery scheme; and (iii) the installation of improved recovery schemes.
- (2) Positive or negative volume revisions to an estimate resulting from new technical data or revised interpretations on previously assigned volumes, performance and operating costs. This category also includes revisions resulting from well locations combined or removed as part of an updated development plan.
- (3) Additions to volumes in reservoirs where no reserves were previously booked.
- (4) Positive additions to volume estimates because of purchasing interests in oil and gas properties.
- (5) Reductions in volume estimates because of selling all or a portion of an interest in oil and gas properties.
- (6) Changes to volumes resulting from different price forecasts, inflation rates and regulatory changes.
- (7) Reductions in the volume estimates due to actual production.
- (8) NGLs includes condensate.

Key highlights include the following:

- **Extensions and Improved Recovery**
 - Reserves were added from 29 wells brought on production pursuant to the Corporation's successful 2025 capital program. The 2025 program was focused in Birchcliff's core areas in Pouce Coupe and Gordondale, converting proved and probable undeveloped reserves into PDP reserves.
- **Technical Revisions**
 - The technical revisions in all reserves categories for light crude oil and medium crude oil were primarily the result of an updated reserves forecast for existing wells based on historical performance.

- The technical revisions in all reserves categories for conventional natural gas were primarily the result of existing well performance.
- The technical revisions in all reserves categories for shale gas were primarily the result of: (i) an updated reserves forecast for existing wells based on historical performance; and (ii) an updated full-field development plan, which included the removal of one proved undeveloped location and two probable locations.
- The technical revisions in all reserves categories for NGLs were primarily the result of a reduction in shale gas volumes, which was offset by increased NGLs recovery in the proved and proved plus probable category due to future locations being reallocated from Birchcliff's natural gas processing plant in Pouce Coupe to the natural gas processing plant in Gordondale operated by Birchcliff.
- **Acquisitions and Dispositions**
 - Changes were the result of various minor acquisitions and dispositions completed by Birchcliff in the Pouce Coupe and Gordondale areas in 2025.
- **Economic Factors**
 - The forecast prices for each product type were generally lower in the 2025 Price Forecast than the price forecast used in the evaluation for the year ended December 31, 2024, which resulted in the economic limit at the end of a well's life being achieved earlier and therefore a reduction of the reserves volumes in the total proved and total proved plus probable categories.

Future Development Costs

Future development costs ("FDC") reflect Deloitte's best estimate of what it will cost to bring the proved and proved plus probable reserves on production. Changes in forecast FDC occur annually as a result of development activities, acquisition and disposition activities and capital cost estimates. The following table sets forth development costs deducted in the estimation of Birchcliff's future net revenue attributable to the reserves categories noted below, estimated using the 2025 Price Forecast:

Year	Total Proved (\$000s)	Total Proved Plus Probable (\$000s)
2026	182,350	238,570
2027	541,696	541,696
2028	402,663	423,194
2029	894,287	894,895
2030	462,980	500,569
Thereafter	673,704	2,049,622
Total Undiscounted	3,157,680	4,648,547

FDC for proved reserves on an FD&A basis decreased to \$3.16 billion at December 31, 2025 from \$3.37 billion at December 31, 2024. FDC for proved plus probable reserves on an FD&A basis decreased to \$4.65 billion at December 31, 2025 from \$4.89 billion at December 31, 2024.

The FDC for both proved and proved plus probable reserves are primarily the capital costs required to drill, case, complete, equip and tie-in the net undeveloped locations. The estimates of FDC on a proved and proved plus probable basis also include the costs for forecast plant expansions to an aggregate of 785 MMcf/d and the costs of the related gathering pipelines and maintenance capital.

F&D and FD&A Costs

The following table sets forth Birchcliff's F&D and FD&A costs for its PDP, total proved and total proved plus probable reserves for the three previous financial years, including FDC:

	2025 ⁽²⁾	2024	2023	3-Year Average
F&D Costs (\$/boe)⁽¹⁾				
Proved Developed Producing	10.15 ⁽³⁾	11.52	13.16	11.48
Total Proved	14.31 ⁽⁴⁾	n/a ⁽⁶⁾	16.02	19.82
Total Proved Plus Probable	11.99 ⁽⁵⁾	n/a ⁽⁶⁾	24.90	34.07
FD&A Costs (\$/boe)⁽¹⁾				
Proved Developed Producing	10.16 ⁽³⁾	11.42	13.06	11.42
Total Proved	14.64 ⁽⁴⁾	53.86	13.79	16.22
Total Proved Plus Probable	12.42 ⁽⁵⁾	50.39	20.97	22.41

(1) See "Advisories – Oil and Gas Metrics" for a description of the methodology used to calculate F&D and FD&A costs.

(2) Birchcliff's F&D and FD&A capital expenditures were \$305.9 million and \$306.2 million, respectively, in 2025. FD&A capital expenditures is a non-GAAP financial measure. See "Non-GAAP and Other Financial Measures".

(3) Birchcliff added 30.1 MMboe of PDP reserves on an F&D and FD&A basis in 2025, after adding back 2025 actual production of 29.2 MMboe.

(4) Includes the 2025 decrease in FDC from 2024 of \$210.8 million on a proved basis. In 2025, Birchcliff added 6.6 MMboe of proved reserves on an F&D basis and 6.5 MMboe of proved reserves on an FD&A basis, after adding back 2025 actual production of 29.2 MMboe and adjusting for minor acquisitions and dispositions.

(5) Includes the 2025 decrease in FDC from 2024 of \$236.5 million on a proved plus probable basis. In 2025, Birchcliff added 5.8 MMboe of proved plus probable reserves on an F&D basis and 5.6 MMboe of proved plus probable reserves on an FD&A basis, after adding back 2025 actual production of 29.2 MMboe and adjusting for minor acquisitions and dispositions.

(6) Birchcliff's proved and proved plus probable reserves decreased in 2024, after adding back 2024 actual production of 28.1 MMboe. As a result of the year-over-year decrease in proved and proved plus probable reserves, the calculation for F&D costs for these reserves categories were not applicable in 2024.

Recycle Ratios

The following table sets forth Birchcliff's F&D and FD&A operating netback recycle ratios for its PDP, total proved and total proved plus probable reserves for the three previous financial years, including FDC:

	2025	2024	2023	3-Year Average
F&D Operating Netback Recycle Ratio⁽¹⁾⁽²⁾				
Proved Developed Producing	1.4x	1.0x	1.1x	1.2x
Total Proved	1.0x	n/a ⁽³⁾	0.9x	0.7x
Total Proved Plus Probable	1.2x	n/a ⁽³⁾	0.6x	0.4x
FD&A Operating Netback Recycle Ratio⁽¹⁾⁽²⁾				
Proved Developed Producing	1.4x	1.0x	1.1x	1.2x
Total Proved	1.0x	0.2x	1.1x	0.8x
Total Proved Plus Probable	1.2x	0.2x	0.7x	0.6x

(1) Non-GAAP ratio. See "Non-GAAP and Other Financial Measures".

(2) Birchcliff's operating netback was \$14.66/boe in 2025 as compared to \$11.02/boe in 2024 and \$14.74/boe in 2023. Operating netback is a non-GAAP ratio. See "Non-GAAP and Other Financial Measures".

(3) As a result of the year-over-year decrease in proved and proved plus probable reserves, the calculation for F&D operating netback recycle ratio for these reserves categories was not applicable in 2024.

Reserves Replacement

The following table sets forth Birchcliff's 2025 reserves replacement on an F&D and FD&A basis for its PDP, total proved and total proved plus probable reserves:

Reserves Category	2025 F&D Reserves Replacement ⁽¹⁾	2025 FD&A Reserves Replacement ⁽¹⁾
Proved Developed Producing	103%	103%
Total Proved	23%	22%
Total Proved Plus Probable	20%	19%

(1) See "Advisories – Oil and Gas Metrics" for a description of the methodology used to calculate reserves replacement.

Reserves Life Index

The following table sets forth Birchcliff's RLI for its PDP, total proved and total proved plus probable reserves at December 31, 2025:

Reserves Category	RLI ⁽¹⁾
Proved Developed Producing	7.2 years
Total Proved	21.4 years
Total Proved Plus Probable	31.4 years

(1) See "Advisories – Oil and Gas Metrics" for a description of the methodology used to calculate RLI.

ABBREVIATIONS

AECO	benchmark price for natural gas determined at the AECO 'C' hub in southeast Alberta
bbl	barrel
bbls	barrels
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
FD&A	finding, development and acquisition
G&A	general and administrative
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/d	gigajoules per day
HH	Henry Hub
Mbbls	thousand barrels
Mboe	thousand barrels of oil equivalent
Mcf	thousand cubic feet
Mcf/d	thousand cubic feet per day
MMboe	million barrels of oil equivalent
MMBtu	million British thermal units
MMBtu/d	million British thermal units per day
MMcf	million cubic feet
MMcf/d	million cubic feet per day
NGLs	natural gas liquids consisting of ethane (C2), propane (C3) and butane (C4) and, except where otherwise noted, excludes condensate
NPV	net present value
NYMEX	New York Mercantile Exchange
OPEC	Organization of the Petroleum Exporting Countries
PDP	proved developed producing
Q	quarter
RLI	reserves life index
TSX	Toronto Stock Exchange
WTI	West Texas Intermediate, the reference price paid in U.S. dollars at Cushing, Oklahoma, for crude oil of standard grade
000s	thousands
\$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 periods indicated:

	Three months ended December 31		Twelve months ended December 31	
(\$000s)	2025	2024	2025	2024
Cash flow from operating activities	93,485	45,641	407,705	203,710
Change in non-cash operating working capital	22,132	25,278	11,821	17,269
Decommissioning expenditures	1,120	919	3,240	1,964
Retirement benefit payments	-	-	-	13,851
Adjusted funds flow	116,737	71,838	422,766	236,794
F&D capital expenditures	(49,314)	(58,310)	(305,891)	(273,084)
Free funds flow	67,423	13,528	116,875	(36,290)

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 periods indicated:

	Three months ended December 31		Twelve months ended December 31	
(\$000s)	2025	2024	2025	2024
Transportation expense	39,688	36,722	157,884	149,534
Marketing purchases	2,203	14,905	24,887	51,496
Marketing revenue	1,116	(14,083)	(16,839)	(54,069)
Transportation and other expense	43,007	37,544	165,932	146,961

Operating Netback

Birchcliff defines "operating netback" as petroleum and natural gas revenue less royalty expense, operating expense and transportation and other expense. Operating netback is a key industry performance indicator and one that provides investors with information that is commonly presented by other oil and natural gas producers. Management believes that operating netback assists management and investors in assessing Birchcliff's operating profits after deducting the cash costs that are directly associated with the sale of its production, which can then be used to pay other corporate cash costs

or satisfy other obligations. The following table provides a breakdown of Birchcliff's operating netback for the periods indicated:

	Three months ended December 31		Twelve months ended December 31		
	2025	2024	2025	2024	2023
(\$000s)					
P&NG revenue	194,529	153,741	709,863	586,856	740,359
Royalty expense	(5,366)	(9,033)	(31,107)	(39,608)	(70,257)
Operating expense	(22,385)	(20,758)	(84,282)	(90,890)	(105,809)
Transportation and other expense	(43,007)	(37,544)	(165,932)	(146,961)	(157,079)
Operating netback	123,771	86,406	428,542	309,397	407,214

FD&A and Total Capital Expenditures

Birchcliff defines "FD&A capital expenditures" as exploration and development expenditures, less dispositions, plus acquisitions (if any). Birchcliff defines "total capital expenditures" as FD&A capital expenditures plus administrative assets. Management believes that FD&A capital expenditures and total capital expenditures assist management and investors in assessing Birchcliff's overall capital cost structure associated with its petroleum and natural gas activities.

The most directly comparable GAAP financial measure to FD&A capital expenditures and total capital expenditures is exploration and development expenditures. The following table provides a reconciliation of exploration and development expenditures to FD&A capital expenditures and total capital expenditures for the periods indicated:

	Three months ended December 31		Twelve months ended December 31		
	2025	2024	2025	2024	2023
(\$000s)					
Exploration and development expenditures⁽¹⁾	49,314	58,310	305,891	273,084	304,637
Acquisitions	31	8,076	281	8,169	190
Dispositions	-	(100)	-	(258)	(87)
FD&A capital expenditures	49,345	66,286	306,172	280,995	304,740
Administrative assets	351	387	1,605	1,750	3,176
Total capital expenditures	49,696	66,673	307,777	282,745	307,916

(1) Disclosed as F&D capital expenditures elsewhere in this press release. See "Advisories – F&D Capital Expenditures".

Net Asset Value

Birchcliff defines "net asset value" as property, plant and equipment, plus reserves premium adjustment (less reserves discount adjustment) for its PDP, total proved and total proved plus probable reserves (as the case may be), less total debt and plus the value of unexercised in-the-money stock options and performance warrants (if any) outstanding at the end of the period. Management believes that net asset value assists management and investors in assessing the long-term fair value of Birchcliff's underlying reserves assets after settling its outstanding financial obligations.

The most directly comparable GAAP financial measure to net asset value is property, plant and equipment. The following table provides a reconciliation of property, plant and equipment to net asset value for the periods indicated:

	Proved Developed Producing		Total Proved		Total Proved Plus Probable	
	2025	2024	2025	2024	2025	2024
As at December 31 (\$000s)						
Property, plant and equipment	3,267,998	3,218,506	3,267,998	3,218,506	3,267,998	3,218,506
Reserves premium (discount) adjustment ⁽¹⁾	(947,649)	(940,756)	1,107,736	1,140,662	2,348,667	2,345,325
Total debt	(459,948)	(535,557)	(459,948)	(535,557)	(459,948)	(535,557)
Unexercised securities	83,544	34,961	83,544	34,961	83,544	34,961
Net asset value	1,943,945	1,777,154	3,999,330	3,858,572	5,240,261	5,063,235

(1) Represents the premium or discount, as the case may be, between the net present value of future net revenue (before income taxes, discounted at 10%) of Birchcliff's PDP, total proved and total proved plus probable reserves, as the case may be, and the property, plant and equipment disclosed on the financial statements.

Effective Sales – Total Corporate, Total Natural Gas, AECO Market and NYMEX HH Market

Birchcliff defines "effective sales" in the AECO market and NYMEX HH market as the sales amount received from the production of natural gas that is effectively attributed to the AECO and NYMEX HH market pricing, respectively, and does not consider the physical sales delivery point in each case. Effective sales in the NYMEX HH market includes realized gains and losses on financial instruments and excludes the notional fixed basis costs associated with the underlying financial contract in the period. Birchcliff defines "effective total natural gas sales" as the aggregate of the effective sales amount

received in each natural gas market. Birchcliff defines “effective total corporate sales” as the aggregate of the effective total natural gas sales and the sales amount received from the production of light oil, condensate and NGLs. Management believes that disclosing the effective sales for each natural gas market assists management and investors in assessing Birchcliff’s natural gas diversification and commodity price exposure to each market.

The most directly comparable GAAP financial measure to effective total natural gas sales and effective total corporate sales is natural gas sales. The following table provides a reconciliation of natural gas sales to effective total natural gas sales and effective total corporate sales for the periods indicated:

	Three months ended December 31		Twelve months ended December 31	
(\$000s)	2025	2024	2025	2024
Natural gas sales	129,043	79,615	433,539	284,035
Realized gain on financial instruments	14,817	12,022	76,535	9,336
Notional fixed basis costs ⁽¹⁾	20,561	21,490	82,205	81,207
Effective total natural gas sales	164,421	113,127	592,279	374,578
Light oil sales	9,838	17,450	48,816	73,004
Condensate sales	41,153	37,985	168,102	161,405
NGLs sales	14,488	18,679	59,371	68,339
Effective total corporate sales	229,900	187,241	868,568	677,326

(1) Reflects the aggregate notional fixed basis cost associated with Birchcliff’s financial NYMEX HH/AECO 7A basis swap contracts in the period.

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

Total Debt to Adjusted Funds Flow

Birchcliff calculates “total debt to adjusted funds flow” as total debt at the end of the year divided by adjusted funds flow in that year. Management believes that total debt to adjusted funds flow assists management and investors in assessing Birchcliff’s overall debt position in respect of its cash generated in the year and the strength of the Corporation’s balance sheet. Birchcliff uses this ratio in its capital allocation decisions, including capital spending levels, returns to shareholders and other financial considerations.

Adjusted Funds Flow Per Boe and Adjusted Funds Flow Per Basic Common Share

Birchcliff calculates “adjusted funds flow per boe” as aggregate adjusted funds flow in the period divided by the production (boe) in the period. Management believes that adjusted funds flow per boe assists management and investors in assessing Birchcliff’s financial profitability and sustainability on a cash basis by isolating the impact of production volumes to better analyze its performance against prior periods on a comparable basis.

Birchcliff calculates “adjusted funds flow per basic common share” as aggregate adjusted funds flow in the period divided by the weighted average basic common shares outstanding at the end of the period. Management believes that adjusted funds flow per basic common share assists management and investors in assessing Birchcliff’s financial strength on a per common share basis.

Free Funds Flow Per Basic Common Share

Birchcliff calculates “free funds flow per basic common share” as aggregate free funds flow in the period divided by the weighted average basic common shares outstanding at the end of the period. Management believes that free funds flow per basic common share assists management and investors in assessing Birchcliff’s financial strength and its ability to deliver shareholder returns on a per common share basis.

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.

Operating Netback Per Boe

Birchcliff calculates “operating netback per boe” as aggregate operating netback in the period divided by the production (boe) in the period. Operating netback per boe is a key industry performance indicator and one that provides investors with information that is commonly presented by other oil and natural gas producers. Management believes that operating netback per boe assists management and investors in assessing Birchcliff’s operating profitability and sustainability by isolating the impact of production volumes to better analyze its performance against prior periods on a comparable basis.

Operating Netback Recycle Ratio

Birchcliff calculates “operating netback recycle ratio” as operating netback per boe in the period divided by F&D or FD&A costs, as the case may be, for its PDP, proved and proved plus probable reserves, as the case may be, in the period. Management believes that operating netback recycle ratio assists management and investors in assessing Birchcliff’s ability to profitably find and develop its PDP, proved and proved plus probable reserves.

Net Asset Value Per Common Share

Birchcliff calculates “net asset value per common share” as the net asset value in each category of reserves divided by the aggregate of the basic common shares outstanding and in-the-money dilutive common shares attributable to stock options and performance warrants outstanding at the end of the period. Management believes that net asset value per common share assists management and investors in comparing Birchcliff’s common share trading price to the underlying fair market value of its net assets on a per common share basis.

Effective Average Realized Sales Price – Total Corporate, Total Natural Gas, AECO Market and NYMEX HH Market

Birchcliff calculates “effective average realized sales price” as effective sales, in each of total corporate, total natural gas, AECO market and NYMEX HH market, as the case may be, divided by the effective production in each of the markets during the period. Management believes that disclosing the effective average realized sales price for each natural gas market assists management and investors in comparing Birchcliff’s commodity price realizations in each natural gas market on a per unit 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 Credit Facilities plus working capital deficit (less working capital surplus) plus the fair value of the current asset 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 Credit Facilities, as determined in accordance with GAAP, to total debt for the periods indicated:

As at December 31 (\$000s)	2025	2024
Revolving term credit facilities	508,340	566,857
Working capital surplus ⁽¹⁾	(60,775)	(88,953)
Fair value of financial instruments – asset ⁽²⁾	27,512	71,038
Other liabilities ⁽²⁾	(15,129)	(13,385)
Total debt	459,948	535,557

(1) Current liabilities less current assets.

(2) Reflects the current portion only.

PRESENTATION OF OIL AND GAS RESERVES

Deloitte prepared the Deloitte Report and reserves evaluations in respect of Birchcliff's oil and natural gas properties effective December 31, 2024 and 2023. Such evaluations were prepared in accordance with the standards contained in NI 51-101 and the Canadian Oil and Gas Evaluation Handbook (the "**COGE Handbook**") that were in effect at the relevant time. Reserves estimates stated herein are extracted from the relevant evaluation.

There are numerous uncertainties inherent in estimating quantities of oil, natural gas and NGLs reserves and the future net revenue attributed to such reserves. It should not be assumed that the undiscounted or discounted net present value of future net revenue attributable to the Corporation's reserves estimated by the Corporation's independent qualified reserves evaluator represent the fair market value of those reserves. There is no assurance that the forecast prices and costs assumptions will be attained and variances could be material. The recovery and reserves estimates of Birchcliff's oil, natural gas and NGLs reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual oil, natural gas and NGLs reserves may be greater than or less than the estimates provided herein and variances could be material.

Unless otherwise indicated, all references in this press release to "reserves" are to Birchcliff's gross reserves, meaning Birchcliff's working interest (operating or non-operating) share before the deduction of royalties and without including any royalty interests of Birchcliff.

The information set forth in this press release relating to the reserves, future net revenue and future development costs of Birchcliff constitutes forward-looking statements and is subject to certain risks and uncertainties. See "*Advisories – Forward-Looking Statements*".

Certain terms used herein but not defined are defined in NI 51-101, CSA Staff Notice 51-324 – *Revised Glossary to NI 51-101 Standards of Disclosure for Oil and Gas Activities* ("**CSA Staff Notice 51-324**") and/or the COGE Handbook and, unless the context otherwise requires, shall have the same meanings herein as in NI 51-101, CSA Staff Notice 51-324 and the COGE Handbook, as the case may be.

ADVISORIES

Unaudited Information

All financial information contained in this press release for the fourth quarter and year ended December 31, 2025 is based on unaudited estimated financial information which has been disclosed in accordance with GAAP. These estimated results have not been reviewed by the Corporation's auditor and are subject to change upon completion of the audited financial statements for the year ended December 31, 2025, and changes could be material. Birchcliff anticipates filing its audited financial statements and related management's discussion and analysis for the year ended December 31, 2025 on SEDAR+ on March 11, 2026.

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.

Oil and Gas Metrics

This press release contains metrics commonly used in the oil and natural gas industry, including F&D costs, FD&A costs, reserves replacement, RLI, operating netback, operating netback recycle ratio, net asset value and net asset value per common share, which have been determined by Birchcliff as set out below. These oil and gas metrics do not have any

standardized meanings or standard methods of calculation and therefore may not be comparable to similar measures presented by other companies. As such, they should not be used to make comparisons. Management uses these oil and gas metrics for its own performance measurements and to provide investors with measures to compare Birchcliff's performance over time; however, such measures are not reliable indicators of Birchcliff's future performance, which may not compare to Birchcliff's performance in previous periods, and therefore should not be unduly relied upon.

- With respect to F&D and FD&A costs:
 - F&D costs for PDP, proved or proved plus probable reserves, as the case may be, are calculated by taking the sum of: (i) exploration and development expenditures (F&D capital expenditures) incurred in the period; and (ii) where appropriate, the change during the period in FDC for the reserves category; divided by the applicable additions to the reserves category after adding back production in the period. F&D costs exclude the effects of acquisitions and dispositions.
 - FD&A costs for PDP, proved or proved plus probable reserves, as the case may be, are calculated by taking the sum of: (i) FD&A capital expenditures incurred in the period; and (ii) where appropriate, the change during the period in FDC for the reserves category; divided by the applicable additions to the reserves category after adding back production in the period.
 - In determining the F&D and FD&A costs for PDP, proved or proved plus probable reserves, as the case may be, the estimated reserves additions during the period and the change during the period in estimated FDC are based upon the evaluations of Birchcliff's reserves conducted by its independent qualified reserves evaluator effective December 31 of such year.
 - The aggregate of the F&D and FD&A capital expenditures incurred in the most recent financial year and the change during that year in estimated FDC generally will not reflect total F&D and FD&A costs related to reserves additions for that year.
 - F&D and FD&A costs may be used as a measure of the Corporation's efficiency with respect to finding and developing its reserves.
- Reserves replacement on an F&D basis is calculated by dividing the applicable additions to the reserves category for PDP, proved or proved plus probable reserves, as the case may be, before production by the total annual production in the applicable period. Reserves replacement on an FD&A basis is calculated in the same manner as F&D reserves replacement, but includes the effects of acquisitions and dispositions. Reserves replacement may be used as a measure of the Corporation's sustainability and its ability to replace its PDP, proved or proved plus probable reserves, as the case may be.
- RLI is calculated by dividing PDP, proved or proved plus probable reserves, as the case may be, estimated by Deloitte at December 31, 2025, by 82,500 boe/d (which represents the mid-point of Birchcliff's annual average production guidance range for 2026) determined on an annualized basis. RLI may be used as a measure of the Corporation's sustainability.
- For information regarding operating netback, operating netback recycle ratio, net asset value and net asset value per common share and how such metrics are calculated, see *"Non-GAAP and Other Financial Measures"*.

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. In certain cases, 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, 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.

F&D Capital Expenditures

"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 G&A costs (which includes the capitalized portion of cash incentive payments that have been approved by the Board) and excludes any acquisitions, dispositions and administrative assets. Management believes that F&D capital expenditures assist 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 "seek", "plan", "focus", "future", "outlook", "position", "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 the following forward-looking statements: that Birchcliff's Elsworth asset remains largely unbooked from a reserves basis, providing the Corporation with significant drilling inventory and a large potential future growth area; that for 2026, Birchcliff remains focused on profitable production growth by fully utilizing its existing infrastructure, strengthening its balance sheet and paying a sustainable base dividend; Birchcliff's belief that there is significant intrinsic shareholder value embedded in its asset base, including the undeveloped Elsworth asset, that is not reflected in its current share price; the information set forth under the heading "*Operational Update*" and elsewhere in this press release regarding Birchcliff's 2026 capital program and its exploration, production and development activities and the timing thereof (including targeted product types and the expected timing for wells to be brought on production); the information set forth under the heading "*2025 Year-End Reserves*" and elsewhere in this press release regarding the Corporation's reserves (including: estimates of reserves, the net present values of future net revenue associated with Birchcliff's reserves and net asset value; forecasts of prices, inflation and exchange rates; FDC; and RLI); that Birchcliff anticipates filing its annual information form and audited financial statements and related management's discussion and analysis for the year ended December 31, 2025 on March 11, 2026; and Birchcliff's production guidance for 2026.

Statements and information relating to reserves are forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions, that the reserves exist in the quantities predicted or estimated and that the reserves can be profitably produced in the future. See "*Presentation of Oil and Gas Reserves*".

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; tariffs and trade policies; 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, G&A 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 approval of the Board of future dividends; 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 estimates of reserves volumes and the net present values of future net revenue associated with Birchcliff's reserves, the key assumption is the validity of the data used by Deloitte in the Deloitte Report.
- 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.
- With respect to Birchcliff's production guidance for 2026, such guidance assumes that: Birchcliff's 2026 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 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; fluctuations in commodity prices and exchange, interest and inflation rates; risks associated with increasing costs; 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; risks that proposed infrastructure may not be constructed, commissioned or utilized as currently contemplated or at all; 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, geopolitical events and global conflict and their impacts on supply and demand and commodity prices; actions taken by OPEC and other major oil producers 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 and changes to regulations that affect the oil and natural gas industry; political uncertainty and uncertainty associated with government policy changes; actions by government authorities; risks associated with tariffs, export taxes, trade policies, export restrictions and trade barriers and trade disputes or wars (including new tariffs or changes to existing international trade arrangements); 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; 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; uncertainties associated with the outcome of disputes, 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; negative public perception of the oil and natural gas industry; 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 cyber-attacks); risks associated with artificial intelligence; 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.

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 Corporation's annual information form 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.

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

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