

BIRCHCLIFF

ENERGY

BIRCHCLIFF ENERGY LTD. ANNOUNCES STRONG Q1 2026 RESULTS AND DECLARES Q2 2026 DIVIDEND

Calgary, Alberta (May 13, 2026) – Birchcliff Energy Ltd. (“**Birchcliff**” or the “**Corporation**”) (TSX: BIR) is pleased to announce its Q1 2026 financial and operational results. Birchcliff is also pleased to announce that its board of directors (the “**Board**”) has declared a quarterly cash dividend of \$0.03 per common share for the quarter ending June 30, 2026.

Chris Carlsen, Birchcliff’s President and Chief Executive Officer, commented: “We are pleased to report strong operational and financial results for the first quarter of 2026. Birchcliff delivered average production of 81,675 boe/d, a 6% increase year-over-year, driven by our continued focus on operational excellence and the robust performance from our assets. We generated adjusted funds flow⁽¹⁾ of \$152.7 million (a 23% increase from Q1 2025) and free funds flow⁽¹⁾ of \$45.3 million (a 260% increase from Q1 2025), driven by higher production volumes and strong realized prices. In the quarter, we continued to benefit from our natural gas market diversification, with approximately 56% of our natural gas production realizing higher U.S. pricing at the Dawn and NYMEX HH markets as compared to AECO. This contributed to an effective average realized natural gas sales price⁽²⁾ of \$4.60/Mcf in Q1 2026, which represents a 112% premium to the average benchmark AECO 5A price.⁽³⁾ We utilized our free funds flow to reduce our total debt⁽⁴⁾ by \$36.5 million from December 31, 2025, to \$423.5 million, and pay our quarterly base dividend.

Looking forward, our 2026 annual production guidance of 81,000 to 84,000 boe/d and F&D capital expenditures guidance of \$325 million to \$375 million are unchanged, with production expected to reach ~87,500 boe/d in Q4 2026 at the high end of capital spending. As a result of our full exposure to forecasted liquids prices, which have significantly strengthened since the beginning of the year, we have increased our adjusted funds flow and free funds flow guidance for 2026.

We look forward to reporting on our progress throughout the year as we continue to execute on our strategy of investing in and profitably growing our business, strengthening our balance sheet and paying a sustainable base dividend.”

Q1 2026 FINANCIAL AND OPERATIONAL HIGHLIGHTS

- Average production of 81,675 boe/d (83% natural gas and 17% liquids), a 6% increase from Q1 2025.
- Adjusted funds flow of \$152.7 million, or \$0.56 per basic common share,⁽²⁾ a 23% and 22% increase, respectively, from Q1 2025. Cash flow from operating activities of \$152.8 million, a 21% increase from Q1 2025.
- Free funds flow of \$45.3 million, or \$0.16 per basic common share,⁽²⁾ a 260% and 220% increase, respectively, from Q1 2025.
- Net income to common shareholders of \$70.0 million, or \$0.25 per basic common share, a 6% and 4% increase, respectively, from Q1 2025.
- Operating netback⁽²⁾ of \$20.83/boe, an 18% increase from Q1 2025.
- Drilled 9 (9.0 net) wells and brought 10 (10.0 net) wells on production, with F&D capital expenditures totalling \$107.4 million in Q1 2026. At March 31, 2026, Birchcliff had invested approximately 31%⁽⁵⁾ of its 2026 F&D capital budget.
- Total debt of \$423.5 million at March 31, 2026, a 21% decrease from March 31, 2025.
- Subsequent to the end of Q1 2026, Birchcliff opportunistically purchased an aggregate of 1,156,655 common shares under its normal course issuer bid at an average price of \$5.93 per share, before fees.

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

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

(3) Adjusted for Birchcliff’s heat premium.

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

(5) Based on the mid-point of Birchcliff’s 2026 F&D capital budget of \$325 million to \$375 million.

Birchcliff's unaudited interim condensed financial statements for the three months ended March 31, 2026 and related management's discussion and analysis will be available on its website at www.birchcliffenergy.com and on SEDAR+ at www.sedarplus.ca.

DECLARATION OF Q2 2026 QUARTERLY DIVIDEND

- The Board has declared a quarterly cash dividend of \$0.03 per common share for the quarter ending June 30, 2026.
- The dividend will be payable on June 30, 2026 to shareholders of record at the close of business on June 15, 2026. The dividend has been designated as an eligible dividend for the purposes of the *Income Tax Act* (Canada).

EXTENSION OF CREDIT FACILITIES

- Subsequent to the end of Q1 2026, Birchcliff's syndicate of lenders completed its regular semi-annual review of the borrowing base limit under the Corporation's extendible revolving credit facilities (the "**Credit Facilities**").
- In connection therewith, the agreement governing the Credit Facilities was amended effective May 6, 2026 to extend the maturity dates of each of the syndicated extendible revolving term credit facility and the extendible revolving working capital facility from May 11, 2028 to May 11, 2029. In addition, the lenders confirmed the borrowing base limit at \$850 million.

ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

- Birchcliff's annual and special meeting of shareholders is scheduled to take place tomorrow, Thursday, May 14, 2026, at 3:00 p.m. (Mountain Daylight Time) in the McMurray Room at the Calgary Petroleum Club, 319 – 5th Avenue S.W., Calgary, Alberta.

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".

Q1 2026 UNAUDITED FINANCIAL AND OPERATIONAL SUMMARY

	Three months ended March 31, 2026	Three months ended March 31, 2025
OPERATING		
Average production		
Light oil (bbls/d)	1,256	1,795
Condensate (bbls/d)	5,357	4,238
NGLs (bbls/d)	7,276	7,626
Natural gas (Mcf/d)	406,714	382,224
Total (boe/d)	81,675	77,363
Average realized sales prices (CDN\$)		
Light oil (per bbl)	94.69	95.27
Condensate (per bbl)	100.56	97.98
NGLs (per bbl)	30.85	27.95
Natural gas (per Mcf)	3.86	3.64
Total (per boe)	30.03	28.32
NETBACK AND COST (\$/boe)		
Petroleum and natural gas revenue	30.03	28.32
Royalty expense	(1.03)	(2.16)
Operating expense	(2.91)	(3.04)
Transportation and other expense ⁽¹⁾	(5.26)	(5.41)
Operating netback⁽¹⁾	20.83	17.71
G&A expense, net	(1.39)	(1.42)
Interest expense	(0.92)	(1.27)
Lease interest expense	(0.28)	(0.33)
Realized gain on financial instruments ⁽²⁾	2.54	3.18
Adjusted funds flow⁽¹⁾	20.78	17.87
Depletion and depreciation expense	(9.15)	(8.99)
Unrealized gain on financial instruments ⁽²⁾	1.06	3.53
Other expenses ⁽³⁾	(0.30)	(0.48)
Deferred income tax expense	(2.87)	(2.49)
Net income to common shareholders	9.52	9.44
FINANCIAL		
Petroleum and natural gas revenue (\$000s)	220,726	197,188
Cash flow from operating activities (\$000s)	152,783	126,097
Adjusted funds flow (\$000s) ⁽⁴⁾	152,725	124,413
Per basic common share (\$) ⁽¹⁾	0.56	0.46
Free funds flow (\$000s) ⁽⁴⁾	45,337	12,594
Per basic common share (\$) ⁽¹⁾	0.16	0.05
Net income to common shareholders (\$000s)	69,965	65,727
Per basic common share (\$)	0.25	0.24
End of period basic common shares (000s)	275,486	272,071
Weighted average basic common shares (000s)	274,895	271,614
Dividends on common shares (\$000s)	8,247	8,151
F&D capital expenditures (\$000s) ⁽⁵⁾	107,388	111,819
Total capital expenditures (\$000s) ⁽⁴⁾	108,230	112,473
Revolving term credit facilities (\$000s)	426,494	518,581
Total debt (\$000s) ⁽⁶⁾	423,494	534,710

(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".

2026 GUIDANCE

- Birchcliff is reaffirming its 2026 annual average production guidance of 81,000 to 84,000 boe/d and F&D capital expenditures guidance of \$325 million to \$375 million.
- The ongoing conflict in the Middle East has introduced significant commodity price volatility, with benchmark oil prices trading significantly higher as compared to the beginning of the year. Conversely, there has been relative weakness in the AECO natural gas sales market, where prices have been challenged due to regional oversupply and lower export demand from the U.S. pacific west coast that has resulted in elevated inventory storage levels in Western Canada.
- As a result, Birchcliff has updated its commodity price assumptions for 2026 and revised its guidance for adjusted funds flow, free funds flow and total debt accordingly. Birchcliff has also updated its guidance for royalty, operating and transportation and other expenses and its natural gas market exposure to reflect its updated commodity price assumptions and Q1 2026 results.
- Birchcliff now expects to exit 2026 with total debt of \$385 million to \$435 million, which equates to a total debt to adjusted funds flow ratio⁽⁶⁾ of approximately 0.9x at the mid-point of the total debt guidance range.
- The following tables set forth Birchcliff's updated and previous guidance and commodity price assumptions for 2026, as well as its free funds flow sensitivity:

	Updated 2026 guidance and assumptions – May 13, 2026 ⁽¹⁾	Previous 2026 guidance and assumptions – January 20, 2026
Production		
Annual average production (boe/d)	81,000 – 84,000	81,000 – 84,000
% Light oil	1%	1%
% Condensate	6%	6%
% NGLs	9%	9%
% Natural gas	84%	84%
Average Expenses (\$/boe)		
Royalty	\$2.15 – \$2.35	\$1.85 – \$2.05
Operating	\$2.75 – \$2.95	\$2.80 – \$3.00
Transportation and other ⁽²⁾	\$5.20 – \$5.40	\$5.15 – \$5.35
Adjusted Funds Flow (millions)⁽³⁾	\$455	\$430
F&D Capital Expenditures (millions)	\$325 – \$375	\$325 – \$375
Free Funds Flow (millions)⁽³⁾	\$80 – \$130	\$55 – \$105
Total Debt at Year End (millions)⁽⁴⁾	\$385 – \$435	\$410 – \$460
Natural Gas Market Exposure		
AECO exposure as a % of total natural gas production	44%	46%
Dawn exposure as a % of total natural gas production	38%	38%
NYMEX HH exposure as a % of total natural gas production	16%	16%
Alliance exposure as a % of total natural gas production	2%	-
Commodity Prices		
Average WTI price (US\$/bbl)	\$83.00 ⁽⁵⁾	\$60.00
Average WTI-MSW differential (CDN\$/bbl)	\$2.20 ⁽⁵⁾	\$5.40
Average AECO price (CDN\$/GJ)	\$1.80 ⁽⁵⁾	\$2.60
Average Dawn price (US\$/MMBtu)	\$3.35 ⁽⁵⁾	\$3.40
Average NYMEX HH price (US\$/MMBtu)	\$3.70 ⁽⁵⁾	\$3.60
Exchange rate (CDN\$ to US\$1)	1.36 ⁽⁵⁾	1.37

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

Forward eight months' free funds flow sensitivity ⁽⁵⁾⁽⁶⁾	Estimated change to 2026 free funds flow (millions)
Change in WTI US\$1.00/bbl	\$2.2
Change in NYMEX HH US\$0.10/MMBtu	\$2.1
Change in Dawn US\$0.10/MMBtu	\$5.3
Change in AECO CDN\$0.10/GJ	\$4.9
Change in CDN/US exchange rate CDN\$0.01	\$3.0

- (1) Birchcliff's guidance for its production commodity mix, adjusted funds flow, free funds flow, total debt and natural gas market exposure in 2026 is based on an annual average production rate of 82,500 boe/d in 2026, which is the mid-point of Birchcliff's annual average production guidance range for 2026. 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 2026 could have an impact on Birchcliff's 2026 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 2026 are based on anticipated full-year averages using the Corporation's anticipated forward benchmark commodity prices and the CDN/US exchange rate as of May 7, 2026, which include settled benchmark commodity prices and the CDN/US exchange rate for the period from January 1, 2026 to April 30, 2026.
- (6) Illustrates the expected impact of changes in commodity prices and the CDN/US exchange rate on the Corporation's updated forecast of free funds flow for 2026, holding all other variables constant. The sensitivity is based on the updated 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.

Q1 2026 FINANCIAL AND OPERATIONAL RESULTS

Production

- Production averaged 81,675 boe/d in Q1 2026, a 6% increase from Q1 2025. The increase was primarily due to incremental production from new Montney wells brought on production since Q1 2025, specifically high-rate and condensate-rich natural gas wells in Pouce Coupe and Gordondale, partially offset by natural production declines.
- Liquids accounted for 17% of Birchcliff's total production in Q1 2026 as compared to 18% in Q1 2025.

Adjusted Funds Flow and Cash Flow From Operating Activities

- Adjusted funds flow was \$152.7 million in Q1 2026, or \$0.56 per basic common share, a 23% and 22% increase, respectively, from Q1 2025.
- Cash flow from operating activities was \$152.8 million in Q1 2026, a 21% increase from Q1 2025.
- The increases were primarily due to higher natural gas revenue in Q1 2026, driven by a 6% increase in both natural gas production and the average realized natural gas sales price from Q1 2025. Cash flow from operating activities and adjusted funds flow were also positively impacted by a 49% decrease in royalty expense from Q1 2025.

Net Income to Common Shareholders

- Net income to common shareholders was \$70.0 million in Q1 2026, or \$0.25 per basic common share, a 6% and 4% increase, respectively, from Q1 2025.
- The increases were primarily due to higher adjusted funds flow in Q1 2026, partially offset by a lower unrealized gain on financial instruments of \$7.8 million in Q1 2026 as compared to \$24.6 million in Q1 2025.

Capital Activities and Investment

- Birchcliff drilled 9 (9.0 net) wells and brought 10 (10.0 net) wells on production in Q1 2026, with F&D capital expenditures totalling \$107.4 million in the quarter.

Debt and Credit Facilities

- Total debt was \$423.5 million at March 31, 2026, a 21% decrease from March 31, 2025.
- At March 31, 2026, Birchcliff had a balance outstanding under its Credit Facilities of \$430.2 million (March 31, 2025: \$522.3 million) from available Credit Facilities of \$850.0 million (March 31, 2025: \$850.0 million), leaving the Corporation with \$419.8 million (49%) of unutilized credit capacity after adjusting for outstanding letters of credit and unamortized deferred financing fees.

Natural Gas Market Diversification

- In Q1 2026, Birchcliff's physical natural gas sales exposure consisted of the AECO, Dawn and Alliance markets. In addition, the Corporation has various financial instruments outstanding that provided it with exposure to NYMEX HH pricing in the quarter.
- The following table sets forth Birchcliff's effective sales, production and average realized sales price for its natural gas and liquids for Q1 2026, after taking into account the Corporation's financial instruments:

Three months ended March 31, 2026						
	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\$/Mcf)
Market						
AECO ⁽¹⁾⁽²⁾	37,151	15	180,330 Mcf	44	37	2.29/Mcf
Dawn ⁽³⁾	91,254	37	161,851 Mcf	40	33	6.26/Mcf
NYMEX HH ⁽¹⁾⁽⁴⁾	39,935	16	64,533 Mcf	16	13	6.88/Mcf
Total natural gas⁽¹⁾	168,340	68	406,714 Mcf	100	83	4.60/Mcf
Light oil	10,703	4	1,256 bbls		1	94.69/bbl
Condensate	48,480	20	5,357 bbls		7	100.56/bbl
NGLs	20,203	8	7,276 bbls		9	30.85/bbl
Total liquids	79,386	32	13,889 bbls		17	63.51/bbl
Total corporate⁽¹⁾	247,726	100	81,675 boe		100	33.70/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 had short-term physical sales agreements with third-party marketers to sell and deliver into the Alliance pipeline system in Q1 2026. All of Birchcliff's short-term physical Alliance sales and production during Q1 2026 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 70,000 MMBtu/d at an average contract price of NYMEX HH less US\$0.96/MMBtu during Q1 2026.

Birchcliff's effective average realized sales price for NYMEX HH of CDN\$6.88/Mcf (US\$4.61/MMBtu) was determined on a gross basis before giving effect to the average NYMEX HH/AECO 7A fixed contract basis differential price of CDN\$1.43/Mcf (US\$0.96/MMBtu) and includes any realized gains and losses on financial NYMEX HH/AECO 7A basis swap contracts during Q1 2026.

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 Q1 2026, Birchcliff's effective average realized net sales price for NYMEX HH was CDN\$5.45/Mcf (US\$3.65/MMBtu) in Q1 2026.

- 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 March 31, 2026							
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	46,294	33	225,033	55	2.31	0.43	1.88
Dawn	91,254	64	161,851	40	6.26	1.51	4.75
Alliance ⁽³⁾	3,777	3	19,830	5	2.12	-	2.12
Total	141,325	100	406,714	100	3.86	0.85	3.01
Three months ended March 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	42,368	34	215,026	56	2.19	0.46	1.73
Dawn	82,094	65	162,982	43	5.60	1.55	4.05
Alliance ⁽³⁾	769	1	4,216	1	2.03	-	2.03
Total	125,231	100	382,224	100	3.64	0.92	2.72

(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 had short-term physical sales agreements with third-party marketers to sell and deliver into the Alliance pipeline system in Q1 2026 and Q1 2025. Alliance sales are indexed to the AECO 5A benchmark index price and are recorded net of transportation tolls.

OPERATIONAL UPDATE

Birchcliff's 2026 capital program is underway and progressing as planned. Drilling activity has increasingly focused on the more liquids-rich areas of the Corporation's portfolio, which is well aligned with the current commodity price environment.

Birchcliff remains on track to fully utilize its existing infrastructure by Q4 2026. The Corporation maintains flexibility with respect to the timing of its completions and tie-in activities, providing it with the ability to adjust capital spending in response to weakness in commodity prices.

Greater Pouce

- Birchcliff completed its 6-well 02-09 pad in January 2026, with all wells brought onstream through Birchcliff's permanent facilities in February 2026. This pad targeted high-rate natural gas wells in the Lower Montney. The following table summarizes the aggregate and average production rates for the wells from the pad:

6-Well 02-09 Pad IP Rates

	Wells: IP 30 ⁽¹⁾	Wells: IP 60 ⁽¹⁾
Aggregate production rate (boe/d)	7,262	6,533
Aggregate natural gas production rate (Mcf/d)	42,015	38,013
Aggregate condensate production rate (bbls/d)	259	197
Average per well production rate (boe/d)	1,210	1,089
Average per well natural gas production rate (Mcf/d)	7,003	6,335
Average per well condensate production rate (bbls/d)	43	33
Condensate-to-gas ratio (bbls/MMcf)	6	5

- (1) Represents the cumulative volumes for each well measured at the wellhead separator for the 30 or 60 days (as applicable) of production immediately after each 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 natural gas volumes as opposed to sales gas volumes. See "Advisories – Initial Production Rates".

- The Corporation's 4-well 13-21 pad in Pouce Coupe was brought on production in late March 2026 and includes Birchcliff's longest horizontal wells drilled to-date, with one of the laterals extending to just under three miles in the Lower Montney. The Upper Montney wells are demonstrating strong hydrocarbon liquids content. Initial flow and early production results across the pad are encouraging and meeting management's expectations.
- In April 2026, Birchcliff successfully completed its 6-well 04-05 pad in Pouce Coupe. The wells are expected to be turned over to production in late May 2026. This pad targeted high-rate natural gas wells in the Lower Montney.
- The Corporation is currently drilling its 4-well 12-10 pad in Pouce Coupe, with completions operations scheduled to begin in June 2026. This pad is targeting high-rate natural gas wells in the Lower Montney and the wells are anticipated to be brought on production at the end of Q2 2026.
- The Corporation is currently drilling its 6-well 07-24 pad in Pouce Coupe, with completions operations scheduled to begin in August 2026. This pad is targeting high-rate natural gas wells in the Lower Montney and the wells are anticipated to be brought on production at the end of Q3 2026.
- At the Corporation's Pouce Coupe natural gas processing plant, a planned turnaround and various optimization projects are currently underway and progressing as expected, with work advancing on schedule and within budget. As maintenance activities are completed, Birchcliff expects to begin ramping up production volumes throughout Q2 2026.
- In Gordondale, the Corporation is currently preparing for completion operations on its 3-well 05-34 pad. This pad is targeting condensate-rich natural gas in the Lower Montney and the wells are anticipated to be brought on production at the end of Q2 2026.

Elmworth

- In Elmworth, the Corporation completed a horizontal Montney land retention well in February 2026, the results of which were disclosed in March 2026. The well is not currently planned to be tied in. Birchcliff is also planning an additional Montney land retention well in the area that is not expected to be completed as part of the 2026 capital program.
- The formal planning continues for the construction of the first phase of Birchcliff's proposed 100% owned and operated natural gas processing plant in Elmworth (the "**Goodfare Gas Plant**"). Birchcliff is currently targeting a final investment decision on the construction of the Goodfare Gas Plant in late 2026 or early 2027.

ABBREVIATIONS

~	approximately
AECO	benchmark price for natural gas determined at the AECO 'C' hub in southeast Alberta
bbl	barrel
bbls	barrels
bbls/d	barrels per day
bbls/MMcf	barrels per million cubic feet
boe	barrel of oil equivalent
boe/d	barrel of oil equivalent per day
condensate	pentanes plus (C5+)
F&D	finding and development
G&A	general and administrative
GAAP	generally accepted accounting principles for Canadian public companies, which are currently IFRS Accounting Standards
GJ	gigajoule
GJ/d	gigajoules per day
HH	Henry Hub
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board
IP	initial production
Mcf	thousand cubic feet
Mcf/d	thousand cubic feet per day
MMBtu	million British thermal units
MMBtu/d	million British thermal units per day
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
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
\$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 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. 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		Twelve months ended
	March 31		December 31
(\$000s)	2026	2025	2025
Cash flow from operating activities	152,783	126,097	407,705
Change in non-cash operating working capital	(385)	(2,194)	11,821
Decommissioning expenditures	327	510	3,240
Adjusted funds flow	152,725	124,413	422,766
F&D capital expenditures	(107,388)	(111,819)	(305,891)
Free funds flow	45,337	12,594	116,875

Birchcliff has disclosed in this press release forecasts of adjusted funds flow and free funds flow for 2026, which are forward-looking non-GAAP financial measures (see “2026 Guidance”). The equivalent historical non-GAAP financial measures are adjusted funds flow and free funds flow for the twelve months ended December 31, 2025. Birchcliff anticipates the forward-looking non-GAAP financial measure for adjusted funds flow disclosed herein will be higher than its respective historical amount, primarily due to higher anticipated production and benchmark oil and natural gas prices, which are expected to increase the average realized sales prices the Corporation receives for its production. Birchcliff anticipates the forward-looking non-GAAP financial measure for free funds flow disclosed herein will be comparable to its respective historical amount, primarily due to higher anticipated F&D capital expenditures offsetting the expected increase in adjusted funds flow. The commodity price assumptions on which the Corporation’s guidance is based are set forth under the heading “2026 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 periods indicated:

	Three months ended		Twelve months ended
	March 31		December 31
(\$000s)	2026	2025	2025
Transportation expense	36,737	37,519	157,884
Marketing purchases	6,580	14,910	24,887
Marketing revenue	(4,644)	(14,748)	(16,839)
Transportation and other expense	38,673	37,681	165,932

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 (\$000s)	March 31, 2026	March 31, 2025
P&NG revenue	220,726	197,188
Royalty expense	(7,607)	(15,039)
Operating expense	(21,366)	(21,133)
Transportation and other expense	(38,673)	(37,681)
Operating netback	153,080	123,335

Total Capital Expenditures

Birchcliff defines “total capital expenditures” as exploration and development expenditures less dispositions plus acquisitions (if any) and plus administrative assets. Management believes that total capital expenditures assists 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 total capital expenditures is exploration and development expenditures. The following table provides a reconciliation of exploration and development expenditures to total capital expenditures for the periods indicated:

Three months ended (\$000s)	March 31, 2026	March 31, 2025
Exploration and development expenditures⁽¹⁾	107,388	111,819
Administrative assets	842	654
Total capital expenditures	108,230	112,473

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

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 (\$000s)	March 31, 2026	March 31, 2025
Natural gas sales	141,325	125,231
Realized gain on financial instruments	18,688	22,167
Notional fixed basis costs ⁽¹⁾	8,327	20,894
Effective total natural gas sales	168,340	168,292
Light oil sales	10,703	15,391
Condensate sales	48,480	37,371
NGLs sales	20,203	19,183
Effective total corporate sales	247,726	240,237

(1) Reflects the aggregate notional fixed basis costs 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 measures presented by other companies. Set forth below is a description of the non-GAAP ratios used in this press release.

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.

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 the 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.

Total Debt to Adjusted Funds Flow Ratio

Birchcliff calculates “total debt to adjusted funds flow ratio” as total debt at the end of the period divided by adjusted funds flow at the end of the period (as determined on a trailing twelve-month basis). Management believes that total debt to adjusted funds flow ratio assists management and investors in assessing Birchcliff’s overall debt position in respect of cash generated in the preceding twelve-month period 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.

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 discounted liabilities. The current portion of other discounted 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 (\$000s)	March 31, 2026	December 31, 2025	March 31, 2025
Revolving term credit facilities	426,494	508,340	518,581
Working capital surplus ⁽¹⁾	(20,461)	(60,775)	(67,109)
Fair value of financial instruments – asset ⁽²⁾	32,590	27,512	96,623
Other liabilities ⁽²⁾	(15,129)	(15,129)	(13,385)
Total debt	423,494	459,948	534,710

(1) Current liabilities less current assets.

(2) Reflects the current portion only.

ADVISORIES

Unaudited Information

All financial and operational information contained in this press release for the three months ended March 31, 2026 and 2025 is unaudited.

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 operating netback. 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. For additional information regarding operating netback and how such metric is 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. 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.

Initial Production Rates

Any references in this press release to initial production rates or other short-term production rates are useful in confirming the presence of hydrocarbons; however, such rates are not determinative of the rates at which such wells will continue to produce and decline thereafter and are not indicative of the long-term performance or the ultimate recovery of such wells. In addition, such rates may also include recovered "load oil" or "load water" fluids used in well completion stimulation. Readers are cautioned not to place undue reliance on such rates in calculating the aggregate production for Birchcliff. Such rates are based on field estimates and may be based on limited data available at this time.

With respect to the production rates for the Corporation's 6-well 02-09 pad disclosed herein, such rates represent the cumulative volumes for each well on the pad measured at the wellhead separator for the 30 and 60 days (as applicable) of production immediately after each well was considered stabilized after producing fracture treatment fluid back to surface in an amount such that flow rates of hydrocarbons became reliable, divided by 30 or 60 (as applicable). The wells on the pad were then added together to determine the aggregate production rates for the pad and then divided by 6 to determine the per well average production rates. The production rates excluded the hours and days when the wells did not produce. To-date, no pressure transient or well-test interpretation has been carried out on any of the wells. The natural gas volumes represent raw natural gas volumes as opposed to sales gas volumes.

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 any 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 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 “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 forward-looking statements relating to:

- Birchcliff’s plans and other aspects of its anticipated future financial performance, results, operations, focus, objectives, strategies, opportunities, priorities and goals, including statements regarding its strategy of investing in and profitably growing its business, strengthening its balance sheet and paying a sustainable base dividend;
- the information set forth under the heading “*2026 Guidance*” and elsewhere in this press release regarding Birchcliff’s guidance for 2026, including: that production is expected to reach ~87,500 boe/d in Q4 2026 at the high end of capital spending; that Birchcliff is fully exposed to forecasted liquids prices; and forecasts of annual average production, production commodity mix, average expenses, adjusted funds flow, F&D capital expenditures, free funds flow, total debt and total debt to adjusted funds flow ratio 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;
- 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 plans and the timing thereof, including: that Birchcliff remains on track to fully utilize its existing infrastructure by Q4 2026; that the Corporation maintains flexibility with respect to the timing of its completions and tie-in activities, providing it with the ability to adjust capital spending in response to weakness in commodity prices; that as maintenance activities are completed, Birchcliff expects to begin ramping up production volumes throughout Q2 2026; that the horizontal Montney land retention well completed in February 2026 is not currently planned to be tied in; that Birchcliff is also planning an additional Montney land retention well in the Elmworth area that is not expected to be completed as part of the 2026 capital program; that the formal planning continues for the construction of the first phase of the Goodfare Gas Plant; that Birchcliff is currently targeting a final investment decision on the construction of the Goodfare Gas Plant in late 2026 or early 2027; and targeted product types and the timing for wells to be completed or brought on production; and

- that Birchcliff anticipates the forward-looking non-GAAP financial measure for adjusted funds flow disclosed herein will be higher than its respective historical amount, primarily due to higher anticipated production and benchmark oil and natural gas prices, which are expected to increase the average realized sales prices the Corporation receives for its production; and that Birchcliff anticipates the forward-looking non-GAAP financial measure for free funds flow disclosed herein will be comparable to its respective historical amount, primarily due to higher anticipated F&D capital expenditures offsetting the expected increase in adjusted funds flow.

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 Birchcliff's 2026 guidance (as updated on May 13, 2026), such guidance is based on the commodity price, exchange rate and other assumptions set forth under the heading "*2026 Guidance*". In addition:
 - Birchcliff's production guidance assumes that: the 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 forecast of F&D capital expenditures assumes that the 2026 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 2026 capital program will be carried out as currently contemplated and the level of capital spending for 2026 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 May 7, 2026 and excludes cash incentive payments that have not been approved by the Board.
 - Birchcliff's forecasts of year-end total debt and total debt to adjusted funds flow ratio assume that: (i) the forecasts of adjusted funds flow and free funds flow are achieved, with the level of capital spending for 2026 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; and (iii) there are no

buybacks of common shares, no significant acquisitions or dispositions completed by the Corporation, no equity issuances and no further proceeds received from the exercise of stock options during 2026. 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; and (ii) 70,000 MMBtu/d being contracted on a financial basis at an average fixed basis differential price between AECO 7A and NYMEX HH of US\$0.96/MMBtu. Birchcliff's natural gas market exposure takes into account its financial basis swap contracts outstanding as at May 7, 2026.
- With respect to statements regarding future wells to be drilled, completed or brought on production and the construction of the proposed Goodfare Gas Plant, 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 and the construction of the plant.

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 the Goodfare Gas Plant 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, including changes to tax laws, Crown royalty rates, environmental and climate change laws (including emissions and "greenwashing"), 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; 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 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 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, including the discretion of the Board to declare dividends and change the Corporation's dividend policy and the risk that the amount of dividends may be less than currently forecast; 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 (including the Corporation's commodity price and exchange rate assumptions for 2026).

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, 2025 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 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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