

BIRCHCLIFF ENERGY LTD. ANNOUNCES INCREASE IN OWNERSHIP BY SEYMOUR SCHULICH AND AGREEMENT FOR FIRM SERVICE TRANSPORTATION ON CANADIAN MAINLINE

Calgary, Alberta – Birchcliff Energy Ltd. (“Birchcliff”) (TSX: BIR) is pleased to announce that Mr. Seymour Schulich has acquired an additional 2,500,000 common shares of Birchcliff and that Birchcliff has signed agreements for the firm service transportation of 175,000 GJ/d of natural gas.

INCREASE IN OWNERSHIP BY SEYMOUR SCHULICH

Mr. Schulich has informed Birchcliff that he recently acquired control and direction over an additional 2,500,000 common shares of Birchcliff through the facilities of the Toronto Stock Exchange. As a result of this purchase, Mr. Schulich now beneficially owns or exercises control or direction over a total of 37,500,000 common shares of Birchcliff, representing approximately 14% of the current issued and outstanding common shares. Mr. Schulich advised Birchcliff that he acquired the additional 2,500,000 common shares for investment purposes.

This additional investment by Mr. Schulich represents a vote of confidence in Birchcliff’s assets and management. Birchcliff believes that the current trading price of its common shares is not reflective of the value of Birchcliff’s assets as a whole and it appreciates Mr. Schulich’s continued support and financial investment.

ADDITIONAL FIRM SERVICE TRANSPORTATION

Birchcliff is also pleased to announce that it has signed agreements with TransCanada Pipelines (“**TCPL**”) for the firm service transportation of 175,000 GJ/d in aggregate (approximately 155 MMcf/d) of natural gas on TCPL’s Canadian Mainline for a ten year term, whereby natural gas will be transported from the Empress receipt point in Alberta to the Dawn trading hub located in Southern Ontario. Provision of the service is conditional on, among other things, TCPL receiving National Energy Board approval on terms and conditions satisfactory to TCPL.

“We believe that the agreement reached by industry with TCPL regarding the implementation of a long-term fixed price toll on TCPL’s mainline to Dawn, Ontario is vitally important to Birchcliff and Alberta’s other natural gas producers,” said Jeff Tonken, President and Chief Executive Officer. “We strongly support this initiative because this new toll when implemented should provide Alberta natural gas producers with the ability to compete effectively for natural gas markets in eastern Canada.”

About Birchcliff:

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

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Jeff Tonken – President and Chief Executive Officer

Bruno Geremia – Vice-President and Chief Financial Officer

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Forward-Looking Information

This press release contains forward-looking information regarding firm service on TCPL's Mainline and expectations regarding the ability to compete for natural gas markets. Although Birchcliff believes that the expectations reflected by the forward-looking information contained in this press release are reasonable, such information has been based on assumptions and factors concerning future events that may prove to be inaccurate. Those assumptions and factors are based on information currently available to Birchcliff. Because actual results or outcomes could differ materially from those expressed in any forward-looking information, investors should not place undue reliance on such forward-looking information. The forward-looking information contained herein involves numerous assumptions, inherent risks and uncertainties, including those relating to obtaining the necessary regulatory approvals, which contribute to the possibility that the predicted outcomes will not occur. Additional information on these and other risk factors that could affect results of operations, financial performance or financial results are included in Birchcliff's most recent Annual Information Form and in other reports filed with Canadian securities regulatory authorities from time to time. The forward-looking information contained in this press release is made as of the date of this press release. Birchcliff is not under any duty to update or revise any of the forward-looking information except as expressly required by applicable securities laws.