BIRCHCLIFF ENERGY LTD. ANNOUNCES FILING ITS 2019 YEAR-END AUDITED FINANCIAL STATEMENTS AND DISCLOSURE DOCUMENTS AND REDUCED CAPITAL SPENDING

Calgary, Alberta (March 11, 2020) – Birchcliff Energy Ltd. ("**Birchcliff**" or the "**Corporation**") (TSX: BIR) is pleased to announce that it has filed its audited annual financial statements and related management's discussion and analysis (the "**MD&A**") and its annual information form (the "**AIF**") for the financial year ended December 31, 2019 (collectively, the "**Annual Filings**") on the System for Electronic Document Analysis and Retrieval ("**SEDAR**").

The audited annual financial statements are consistent with the unaudited financial results disclosed in the press release issued by Birchcliff on February 12, 2020. The AIF includes the disclosure and reports relating to reserves data and other oil and gas information required pursuant to National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* ("**NI 51-101**"), as well as supplemental information relating to Birchcliff's contingent and prospective resources. The Annual Filings are available electronically on Birchcliff's website at www.birchcliffenergy.com and on SEDAR at www.sedar.com.

This press release contains forward-looking statements within the meaning of applicable securities laws. For further information regarding the forward-looking statements contained herein, see "Advisories – Forward-Looking Statements". In addition, this press release contains references to "adjusted funds flow", "free funds flow", "total debt" and "transportation and other expense", which do not have standardized meanings prescribed by GAAP. For further information regarding these non-GAAP measures, see "Non-GAAP Measures". With respect to the disclosure of Birchcliff's production contained in this press release, see "Advisories – Production".

REDUCED CAPITAL SPENDING AND REVISED 2020 GUIDANCE

Birchcliff is immediately deferring approximately $65 million of capital expenditures (approximately 19% of its previously announced capital budget) as a result of weakening and volatile oil prices. Birchcliff is focused on maintaining its strong balance sheet and financial flexibility. By immediately deferring these capital expenditures, Birchcliff is bringing its anticipated 2020 capital expenditures more in-line with its targeted annual adjusted funds flow, which may vary materially from the Corporation's expectations as a result of world events and other factors. As at December 31, 2019, the Corporation had drawn $611.5 million of its $1.0 billion credit facilities, which currently extend to May 11, 2022 and contain no financial covenants. Birchcliff has very low operating costs as a result of owning the majority of its infrastructure, with low production declines, estimated to be approximately 22%, which allows Birchcliff to withstand weakening and volatile commodity prices.

Consistent with the above, Birchcliff's board of directors has approved a reduced capital budget of $275 million to $295 million for 2020, as compared to the previous budget of $340 million to $360 million. The reduction in capital spending primarily relates to the deferral of 10 (10.0 net) oil wells that were previously planned to be drilled and brought on production in Gordondale in 2020. Birchcliff anticipates that these wells will be deferred until commodity prices improve.

Birchcliff's revised capital program for 2020 (the "**2020 Capital Program**") now contemplates the drilling of a total of 28 (28.0 net) wells (as compared to the 38 (38.0 net) wells previously planned) and the bringing on production of a total of 34 (34.0 net) wells (as compared to the 44 (44.0 net) wells that were previously planned).

Facilities and infrastructure spending is largely unchanged at $71 million to $75 million, as compared to the previous range of $72 million to $76 million. Birchcliff is committed to finishing its 20,000 bbls/d (50% condensate, 50% water) inlet liquids-handling facility in Pouce Coupe (the "**Inlet Liquids-Handling Facility**") and other infrastructure projects in Gordondale as such projects are nearing completion. These projects are expected to provide numerous long-term benefits to Birchcliff, including the ability to increase its condensate production in the Pouce Coupe area.

Revised 2020 Guidance and 2019 Actual Results

Birchcliff has revised its 2020 guidance and commodity price assumptions to reflect the revised 2020 Capital Program and current economic conditions. The following table sets forth Birchcliff's previous and revised guidance and commodity price assumptions for 2020, as well as its 2019 actual audited results and 2019 guidance for comparative purposes:

	New 2020 guidance and assumptions(1)	Old 2020 guidance and assumptions(2)	2019 actual results	2019 guidance
Production				
Annual average production *(boe/d)*	78,000 – 80,000	80,000 – 82,000	77,977	77,000 – 79,000
% Light oil	7%	8%	6%	6%
% Condensate	8%	8%	7%	7%
% NGLs	9%	8%	9%	9%
% Natural gas	76%	76%	78%	78%
Q4 average production *(boe/d)*	81,000 – 83,000	87,000 – 89,000	77,962	N/A
Average Expenses *($/boe)*				
Royalty	1.00 – 1.20	1.40 – 1.60	0.96	1.10 – 1.30
Operating	3.05 – 3.25	3.10 – 3.30	3.09	3.15 – 3.35
Transportation and other	4.90 – 5.10(3)	4.90 – 5.10	4.44	4.65 – 4.85
Adjusted Funds Flow *(MM$)*	252(4)	370	334.5	335
F&D Capital Expenditures *(MM$)*	275 – 295(5)	340 – 360	256.4	242
Free Funds Flow *(MM$)*(6)	(23) – (43)	10 – 30	78.1	93
Total Debt at Year End *(MM$)*	700 – 720(7)	645 – 665	632.6	N/A
Natural Gas Market Exposure				
AECO exposure as a % of total natural gas production	20%(8)	22%	33%	34%
Dawn exposure as a % of total natural gas production	45%(8)	44%	38%	38%
NYMEX HH exposure as a % of total natural gas production	34%(8)	33%	25%	25%
Alliance exposure as a % of total natural gas production	1%(8)	1%	4%	3%
Commodity Prices				
Average WTI spot price *(US$/bbl)*	48.00	60.00	57.03	57.50
Average WTI-MSW differential *(CDN$/bbl)*	5.70	8.50	6.97	7.50
Average AECO 5A spot price *(CDN$/GJ)*	1.90	2.10	1.67	1.50
Average Dawn spot price *(US$/MMBtu)*(9)	2.15	2.50	2.40	2.44
Average NYMEX HH spot price *(US$/MMBtu)*(9)	2.20	2.50	2.63	2.70
Exchange rate *(CDN$ to US$1)*	1.34	1.32	1.33	1.32

(1) Birchcliff's revised guidance for its commodity mix, adjusted funds flow and natural gas market exposure in 2020 is based on an annual average production rate of 79,000 boe/d during 2020, which is the mid-point of Birchcliff's revised annual average production guidance for 2020.

(2) As disclosed on January 22, 2020. Birchcliff's previous guidance for its commodity mix, adjusted funds flow and natural gas market exposure in 2020 was based on an annual average production rate of 81,000 boe/d during 2020, which was the previous mid-point of Birchcliff's annual average production guidance for 2020.

(3) Includes transportation tolls for 175,000 GJ/d of natural gas sold at the Dawn price and includes any unused firm transportation costs associated with Birchcliff's commitments on the NGTL system.

(4) Birchcliff's estimate of adjusted funds flow takes into account the effects of its commodity risk management contracts outstanding as at March 11, 2020.

(5) Birchcliff's estimate of F&D capital expenditures excludes any net potential acquisitions and dispositions and corresponds to Birchcliff's revised 2020 F&D capital budget. See *"Advisories – Capital Expenditures"*.

(6) Free funds flow is calculated as adjusted funds flow less F&D capital expenditures and is prior to acquisitions and dispositions, dividend payments, abandonment and reclamation obligations, administrative assets, financing fees and capital lease obligations. See *"Non-GAAP Measures"*.

(7) The total debt amount set forth in the table above assumes the following: (i) that the timing and amount of common share and preferred share dividends paid by the Corporation remains consistent with previous years, with the dividend rates remaining flat; (ii) that there are 2,000,000 series C preferred shares outstanding, with no series C preferred shares redeemed in 2020; (iii) that the 2020 Capital Program will be carried out as currently contemplated and the level of capital spending set forth herein will be achieved; and (iv) the targets for production, commodity mix, capital expenditures, adjusted funds flow, free funds flow and natural gas market exposure and the commodity price and exchange rate assumptions set forth herein are met. The amount set forth in the table above does not include annual cash incentive payments.

(8) Birchcliff's guidance regarding its natural gas market exposure in 2020 assumes: (i) 175,000 GJ/d being sold at the Dawn index price; (ii) 5 MMcf/d being sold at Alliance's Trading Pool daily index price until October 31, 2020; and (iii) 132,500 MMBtu/d being hedged on a financial and physical basis at a fixed basis differential between the AECO 7A price and the NYMEX HH price.

(9) $1.00 per MMBtu equals $1.00 per Mcf based on a standard heat value of 37.4 MJ/m^3 or a heat uplift of 1.055 when converting from $/GJ.

The following table illustrates the expected impact of changes in commodity prices and the CDN/US exchange rate on the Corporation's revised estimate of adjusted funds flow for 2020 of $252 million, after taking into account the effects of its commodity risk management contracts outstanding as at March 11, 2020:

	Estimated change to 2020 adjusted funds flow *(MM$)*(1)(2)
Change in WTI US$1.00/bbl	5.8
Change in NYMEX HH US$0.10/MMBtu	6.0
Change in Dawn US$0.10/MMBtu	8.1
Change in AECO CDN$0.10/GJ	3.4
Change in CDN/US exchange rate CDN$0.01	2.5

(1) See the guidance table above.
(2) The calculated impact on adjusted 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.

Changes in assumed commodity prices and variances in production estimates can have a significant impact on the Corporation's estimate of adjusted funds flow.

For further information regarding Birchcliff's guidance, see *"Advisories – Forward-Looking Statements".*

Key Highlights of the Revised 2020 Capital Program

- Annual average production in 2020 is now expected to be in the range of 78,000 to 80,000 boe/d, which represents a 1% increase over Birchcliff's 2019 annual average production of 77,977 boe/d.
  - Q4 2020 average production is now expected to be in the range of 81,000 to 83,000 boe/d, which represents a 5% increase over Birchcliff's Q4 2019 average production.
  - Production is expected to increase in Q3 2020 as the majority of Birchcliff's wells are planned to be brought on production in that quarter, which will coincide with the bringing on-stream of the Inlet Liquids-Handling Facility at Birchcliff's 100% owned and operated natural gas processing plant in Pouce Coupe.
  - In order to minimize frac-driven interaction associated with offset drilling and completions activities, Birchcliff has proactively and temporarily shut-in some production in order to protect its existing wells. As a result, Q1 2020 production is anticipated to decline from Q4 2019 levels and average approximately 72,000 to 74,000 boe/d (as compared to Birchcliff's previous guidance of 71,000 to 74,000 boe/d). Birchcliff actively works to mitigate the impact of frac-driven interaction on its operations.
- Adjusted funds flow of approximately $252 million is based on the mid-point of Corporation's revised annual average production guidance and revised commodity price assumptions for 2020.
- Reduced F&D capital expenditures of $275 million to $295 million for 2020.
- In line with Birchcliff's objective of growing its high-value liquids production in 2020, drilling will target condensate-rich natural gas wells in Pouce Coupe and oil wells in Gordondale.
  - Funds will also be directed towards completing the Inlet Liquids-Handling Facility in order to handle increased condensate volumes in Pouce Coupe.
  - Liquids are expected to increase to approximately 24% of Birchcliff's production commodity mix in 2020 (15% condensate and light oil and 9% NGLs), as compared to 22% in 2019.
- The program is heavily weighted towards the first half of the year, with the majority of F&D capital expected to be spent by the end of Q2 2020.

For the commodity price and exchange rate assumptions used by the Corporation in planning its 2020 Capital Program, see *"– Revised 2020 Guidance and 2019 Actual Results".*

Revised 2020 Capital Expenditures Allocation

The following tables set forth further details regarding Birchcliff's expected capital spending allocation and the number and types of wells expected to be drilled and brought on production under the Corporation's revised 2020 Capital Program:

Revised 2020 Capital Program – Capital Expenditures by Classification

Classification	**Capital – NEW** *(MM)*	**Capital – OLD** *(MM)*	**Change in Capital**[(1)]
DCCET			
Pouce Coupe[(2)]	$101 – $107	$104 – $110	(3%)
Gordondale[(2)]	$40 – $43	$95 – $100	(57%)
Additional Well Completions Capital[(3)]	$21 – $22	$21 – $22	-
Total DCCET	**$162 – $172**	**$220 – $232**	(26%)
Facilities and Infrastructure[(4)]	$71 – $75	$72 – $76	(1%)
Maintenance and Optimization	$21 – $23	$25 – $27	(15%)
Land and Seismic[(5)]	$4 – $6	$5 – $6	(9%)
Other	$17 – $19	$18 – $19	(3%)
TOTAL F&D Capital Expenditures[(6)]	**$275 – $295**[(7)]	**$340 – $360**	(19%)

(1) Based on the mid-point of the capital ranges.

(2) On a DCCET basis, the average well cost in 2020 is estimated to be $5.4 million for Pouce Coupe (previously $5.5 million) and $5.5 million for Gordondale (previously $5.6 million). These costs can vary depending on factors such as the size of the associated multi-well pads, the costs of construction, the existence of pipelines and other infrastructure and the distance to existing or planned pipelines and other infrastructure.

(3) Represents the estimated completion, equipping and tie-in costs associated with the 6 (6.0 net) wells that were drilled and rig released in Q4 2019.

(4) Includes approximately $35 million for the completion of the Inlet Liquids-Handling Facility and approximately $25 million for the addition of natural gas compression and a significant trunk line in Gordondale.

(5) Includes capital for crown sales and rental payments but does not include other property acquisitions and dispositions.

(6) Net property acquisitions and dispositions have not been included in the table above as these amounts are generally unbudgeted. Birchcliff makes acquisitions and dispositions in the ordinary course of business and any acquisitions and dispositions completed during 2020 could have an impact on Birchcliff's capital expenditures, production, adjusted funds flow, free funds flow, costs and total debt, which impact could be material. See *"Advisories – Capital Expenditures"*.

(7) Approximately 60% of the revised 2020 Capital Program is directed towards Birchcliff's Pouce Coupe area (previously 50%), approximately 30% towards Birchcliff's Gordondale area (previously 40%), approximately 59% towards DCCET activities (previously 65%) and approximately 26% towards facilities and infrastructure (previously 21%).

Revised 2020 Capital Program – Wells to be Drilled

Area	**Total wells to be drilled in 2020 – NEW**	**Total wells to be drilled in 2020 – OLD**
Pouce Coupe		
Montney D1 horizontal natural gas wells	4	4
Montney D2 horizontal natural gas wells	9	9
Montney C horizontal natural gas wells	7	7
Total – Pouce Coupe	**20**	**20**
Gordondale		
Montney D1 horizontal oil wells	4	8
Montney D2 horizontal oil wells	4	9
Montney C horizontal oil wells	0	1
Total – Gordondale	**8**	**18**
TOTAL – COMBINED	**28**	**38**

Revised 2020 Capital Program – Wells to be Brought on Production

Area	**Total wells to be brought on production in 2020 – NEW**[(1)]	**Total wells to be brought on production in 2020 – OLD**[(1)]
Pouce Coupe		
Montney D1 horizontal natural gas wells	4	4
Montney D2 horizontal natural gas wells	12	12
Montney C horizontal natural gas wells	8	8
Total – Pouce Coupe	**24**	**24**
Gordondale		
Montney D1 horizontal oil wells	5	9
Montney D2 horizontal oil wells	4	9
Montney D4 horizontal oil wells	1	1
Montney C horizontal oil wells	0	1
Total – Gordondale	**10**	**20**
TOTAL – COMBINED	**34**	**44**

(1) Includes the 6 (6.0 net) wells that were drilled and rig released in Q4 2019.

Birchcliff will continue to closely monitor economic conditions and commodity prices and, where deemed prudent, will further adjust the 2020 Capital Program to respond to changes in commodity prices and other material changes in the assumptions underlying such program. If commodity prices and economic conditions improve later in the year, the Corporation may give consideration to increasing its drilling and capital spending in order to further advance its long-term plan of filling its infrastructure by the end of 2021. Birchcliff will review its five year plan in the fall of 2020 in connection with its normal budgeting process for 2021.

ACTIVITIES YEAR-TO-DATE

Pouce Coupe

Birchcliff currently has 2 drilling rigs at work, each drilling 7 wells on its 14-well pad in the Pouce Coupe area. This 14-well pad is using multi-interval cube-style development to maximize operational efficiencies through scale and repeatability, which in turn is expected to lead to further savings on a per well basis. This pad is located at 14-19-079-12W6, which is adjacent to the successful condensate-rich wells drilled by Birchcliff in 2019 in the Montney D1, D2 and C intervals at its 14-06-079-12W6 pad. Notwithstanding the current weakness in commodity prices, these 14 wells have excellent economics due to their high condensate and natural gas rates and low capital costs. Birchcliff has also completed drilling the first 10 wells in Pouce Coupe on its 4 and 6-well pads. These two pads are at various stages of completion and flow testing operations and are expected to be brought on production in Q2 2020. These two pads are targeting the Montney D2 and C intervals.

As previously disclosed, Birchcliff has initiated construction of the Inlet Liquids-Handling Facility. Once completed, this facility will give Birchcliff the ability to increase its condensate production in the Pouce Coupe area to approximately 10,000 bbls/d. Fabrication of the various components is underway and site preparation has commenced. The facility is anticipated to be on-stream in Q3 2020.

Gordondale

Birchcliff has completed its drilling program in Gordondale where it used multi-interval cube-style development to drill 10 wells using two drilling rigs on two proximal pads targeting the Montney D1, D2 and D4 intervals. These wells are being prepped for completion operations and are expected to be brought on production in Q2 2020. Birchcliff continues to be excited and encouraged about the Montney D4 interval in the Gordondale area. This Montney D4 interval has been proven commercial in the Pouce Coupe area (12 producing wells) and now extending the Montney D4 into Gordondale will add more liquids-rich inventory utilizing the Corporation’s existing infrastructure.

Birchcliff continues to be on schedule and on budget regarding the previously disclosed addition of natural gas compression at both of its 100% owned and operated oil batteries in Gordondale and the construction of its significant trunk line to transport oil, natural gas and water to these batteries from the southeastern portion of the field. The addition of natural gas compression at both batteries will allow the existing wells to produce against lower wellhead pressures, which in turn is expected to increase production. The addition of the new trunk line allows the compression to become even more effective and handle both the new and existing volumes in the area. Both projects are expected to be completed in Q2 2020.

ABBREVIATIONS

AECO	benchmark price for natural gas determined at the AECO ‘C’ hub in southeast Alberta
bbl	barrel
bbls/d	barrels per day
boe	barrel of oil equivalent
boe/d	barrel of oil equivalent per day
condensate	pentanes plus (C5+)
DCCET	drilling, casing, completions, equipping and tie-in
F&D	finding and development
GAAP	generally accepted accounting principles for Canadian public companies which are currently International Financial Reporting Standards as issued by the International Accounting Standards Board
GJ	gigajoule
GJ/d	gigajoules per day
HH	Henry Hub
m^3	cubic metres
Mcf	thousand cubic feet
MJ	megajoule

MM	millions
MM$	millions of dollars
MMBtu	million British thermal units
MMBtu/d	million British thermal units per day
MMcf/d	million cubic feet per day
MSW	price for mixed sweet crude oil at Edmonton, Alberta
NGLs	natural gas liquids excluding condensate
NGTL	NOVA Gas Transmission Ltd.
NYMEX	New York Mercantile Exchange
WTI	West Texas Intermediate, the reference price paid in U.S. dollars at Cushing, Oklahoma, for crude oil of standard grade

NON-GAAP MEASURES

This press release uses “adjusted funds flow”, “free funds flow”, “total debt” and “transportation and other expense”. These measures do not have standardized meanings prescribed by GAAP and therefore may not be comparable to similar measures presented by other companies where similar terminology is used. “Adjusted funds flow” denotes cash flow from operating activities before the effects of decommissioning expenditures and changes in non-cash operating working capital. “Free funds flow” denotes adjusted funds flow less F&D capital expenditures. “Total debt” is calculated as the revolving term credit facilities plus adjusted working capital deficit. “Transportation and other expense” denotes transportation expense plus marketing purchases minus marketing revenue. Management believes that these non-GAAP measures assist management and investors in assessing Birchcliff’s profitability, efficiency, liquidity and overall performance. For additional information regarding these non-GAAP measures, including reconciliations to the most directly comparable GAAP measures, see *“Non-GAAP Measures”* in the MD&A.

ADVISORIES

Currency

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

Boe Conversions

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

MMBtu Pricing Conversions

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

Production

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

Capital Expenditures

Unless otherwise stated, references in this press release to "F&D capital" denotes capital for land, seismic, workovers, drilling and completions and well equipment and facilities.

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, operations or performance 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" and other similar words and expressions.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Accordingly, readers are cautioned not to place undue reliance on such forward-looking statements. Although Birchcliff believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct and Birchcliff makes no representation that actual results achieved will be the same in whole or in part as those set out in the forward-looking statements.

In particular, this press release contains forward-looking statements relating to the following:

- Birchcliff's plans and other aspects of its anticipated future financial performance, results, operations, focus, objectives, strategies, opportunities, priorities and goals;
- the information set forth under the heading *"Reduced Capital Spending and Revised 2020 Guidance"* and elsewhere in this press release as it relates to the 2020 Capital Program and Birchcliff's proposed exploration and development activities and the timing thereof (including: statements that Birchcliff is focused on maintaining its strong balance sheet and financial flexibility; that Birchcliff is bringing its anticipated 2020 capital expenditures more in-line with its targeted annual adjusted funds flow; that Birchcliff's production declines are estimated to be approximately 22%; that Birchcliff can withstand weakening and volatile commodity prices; that Birchcliff anticipates that 10 wells in Gordondale will be deferred until commodity prices improve; the focus of, the objectives of, the anticipated results from and expected benefits of the 2020 Capital Program; statements regarding the number and types of wells expected to be drilled and brought on production; estimates of capital expenditures, capital allocation and adjusted funds flow in 2020; statements regarding the Inlet Liquids-Handling Facility (including: the capacity of the facility; the anticipated timing for the completion of the facility; and that the facility will give Birchcliff the ability to grow its condensate production to 10,000 bbls/d in Pouce Coupe); statements regarding other infrastructure projects and their expected benefits; statements regarding production in 2020 (including: estimates of annual average, Q1 and Q4 production and production increases; statements that production is expected to ramp up in Q3 2020 as the majority of wells are planned to be brought on production in that quarter; statements that Q1 2020 production is anticipated to average approximately 72,000 to 74,000 boe/d; statements that drilling will target condensate-rich natural gas wells in Pouce Coupe and oil wells in Gordondale; statements that liquids are expected to increase to approximately 24% of Birchcliff's production commodity mix in 2020; statements that the program is heavily weighted towards the first half of the year, with the majority of F&D capital expected to be spent by the end of Q2 2020; estimated average well costs in 2020; that Birchcliff will continue to closely monitor economic conditions and commodity prices and, where deemed prudent, will further adjust the 2020 Capital Program to respond to changes in commodity prices and other material changes in the assumptions underlying such program; statements that if commodity prices and economic conditions improve later in the year, the Corporation may give consideration to increasing its drilling and capital spending in order to further advance its long-term plan of filling its infrastructure by the end

of 2021; that Birchcliff will review its five year plan in the fall of 2020 in connection with its normal budgeting process for 2021; and the anticipated benefits associated with multi-interval cube-style development);

- the information set forth under the heading *"Revised 2020 Guidance and 2019 Actual Results"* and elsewhere in this press release as it relates to Birchcliff's 2020 guidance (including: estimates of annual and Q4 average production, annual commodity mix, average expenses, adjusted funds flow, F&D capital expenditures, free funds flow, total debt and natural gas market exposure; and the expected impact of changes in commodity prices and the CDN/US exchange rate on Birchcliff's estimate of adjusted funds flow); and
- the performance and other characteristics of Birchcliff's oil and natural gas properties and expected results from its assets.

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, currency exchange rates, interest rates, inflation rates, royalty rates and tax rates; the state of the economy, financial markets and the exploration, development and production business; the political environment in which Birchcliff operates; the regulatory framework regarding royalties, taxes, environmental, climate change and other laws; the Corporation's ability to comply with existing and future environmental, climate change and other laws; future cash flow, debt and dividend levels; future operating, transportation, marketing, general and administrative 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; the success of new wells drilled; reserves and resource volumes and Birchcliff's ability to replace and expand reserves through acquisition, development or exploration; the impact of competition on Birchcliff; the availability of, demand for and cost of labour, services and materials; the ability to obtain any necessary regulatory or other approvals in a timely manner; the satisfaction by third parties of their obligations to Birchcliff; the ability of Birchcliff to secure adequate processing and transportation for its products; Birchcliff's ability to successfully market natural gas and liquids; the availability of hedges on terms acceptable to Birchcliff; 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:

- Birchcliff's 2020 guidance (as updated March 11, 2020) assumes the following commodity prices and exchange rate: an average WTI spot price of US$48.00/bbl; an average WTI-MSW differential of CDN$5.70/bbl; an average AECO 5A spot price of CDN$1.90/GJ; an average Dawn spot price of US$2.15/MMBtu; an average NYMEX HH spot price of US$2.20/MMBtu; and an exchange rate (CDN$ to US$1) of 1.34.
- With respect to estimates of 2020 capital expenditures and Birchcliff's spending plans for 2020, such estimates and plans assume that the 2020 Capital Program will be carried out as currently contemplated. Birchcliff makes acquisitions and dispositions in the ordinary course of business. Any acquisitions and dispositions completed could have an impact on Birchcliff's capital expenditures, production, adjusted funds flow, free funds flow, costs and total debt, which impact could be material. 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.
- With respect to Birchcliff's estimates of adjusted and free funds flow for 2020, such estimates assume that: the 2020 Capital Program will be carried out as currently contemplated and the level of capital spending for 2020 set forth herein will be achieved; and the targets for production, commodity mix and natural gas market exposure and the commodity price and exchange rate assumptions set forth herein are met.
- With respect to Birchcliff's production guidance, such guidance assumes that: the 2020 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 production guidance may be affected by acquisition and disposition activity.

- With respect to statements of future wells to be drilled and brought on production, the key assumptions are: the continuing validity of the geological and other technical interpretations performed by Birchcliff's technical staff, which indicate that commercially economic volumes can be recovered from Birchcliff's lands as a result of drilling future wells; and that commodity prices and general economic conditions will warrant proceeding with the drilling of such wells.

Birchcliff's actual results, performance or achievements could differ materially from those anticipated in the forward-looking statements as a result of both known and unknown risks and uncertainties including, but not limited to: general economic, market and business conditions which will, among other things, impact the demand for and market prices of Birchcliff's products and Birchcliff's access to capital; volatility of crude oil and natural gas prices; fluctuations in currency exchange and interest rates; stock market volatility; the risks posed by pandemics and epidemics and their impacts on supply and demand and commodity prices; loss of market demand; an inability to access sufficient capital from internal and external sources on terms acceptable to the Corporation; fluctuations in the costs of borrowing; operational risks and liabilities inherent in oil and natural gas operations; the occurrence of unexpected events such as fires, severe weather, explosions, blow-outs, equipment failures, transportation incidents and other similar events affecting Birchcliff or other parties whose operations or assets directly or indirectly affect Birchcliff; an inability to access sufficient water or other fluids needed for operations; 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 efficiently and effectively operate its assets and achieve expected future results; uncertainties associated with estimating oil and natural gas reserves and resources; the accuracy of estimates of reserves, future net revenue and production levels; 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; uncertainties related to Birchcliff's future potential drilling locations; delays or changes in plans with respect to exploration or development projects or capital expenditures, including delays in the completion of gas plants and other facilities; 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; changes to the regulatory framework in the locations where the Corporation operates, including changes to tax laws, Crown royalty rates, environmental laws, climate change laws, carbon tax regimes, incentive programs and other regulations that affect the oil and natural gas industry and other actions by government authorities; an inability of the Corporation to comply with existing and future environmental, climate change and other laws; the cost of compliance with current and future environmental laws; political uncertainty and uncertainty associated with government policy changes; dependence on facilities, gathering lines and pipelines, some of which the Corporation does not control; 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; a failure to comply with covenants under Birchcliff's credit facilities; shortages in equipment and skilled personnel; the absence or loss of key employees; competition for, among other things, capital, acquisitions of reserves, undeveloped lands, equipment and skilled personnel; management of Birchcliff's growth; environmental and climate change risks, claims and liabilities; potential litigation; default under or breach of agreements by counterparties and potential enforceability issues in contracts; claims by Indigenous peoples; the reassessment by taxing or regulatory authorities of the Corporation's prior transactions and filings; unforeseen title defects; third-party claims regarding the Corporation's right to use technology and equipment; uncertainties associated with the outcome of litigation or other proceedings involving Birchcliff; uncertainties associated with credit facilities and counterparty credit risk; risks associated with Birchcliff's risk management activities and the risk that hedges on terms acceptable to Birchcliff may not be available; risks associated with the declaration and payment of future dividends, including the discretion of Birchcliff's board of directors to declare dividends and change the Corporation's dividend policy; 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 and fossil fuels, including transportation and hydraulic fracturing involving fossil fuels; the Corporation's reliance on hydraulic fracturing; market competition, including from alternative energy sources; changing demand for petroleum products; the availability of insurance and the risk that certain losses may not be insured; breaches or failure of information systems and security (including risks associated with cyber-attacks); risks associated with the ownership of the Corporation's securities; the accuracy of the Corporation's accounting estimates and judgments; and potential requirements under applicable accounting standards for the impairment or reversal of estimated recoverable amounts of the Corporation's assets from time to time.

Readers are cautioned that the foregoing lists of factors are not exhaustive. 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.

This press release contains information that may constitute future-orientated financial information or financial outlook information (collectively, "**FOFI**") about Birchcliff's prospective results of operations including, without limitation, adjusted funds flow, free funds flow and total debt, 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. FOFI contained herein was 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 FOFI statements, whether as a result of new information, future events or otherwise.

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 a Calgary, Alberta based intermediate oil and natural 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.

For further information, please contact:

Birchcliff Energy Ltd.
Suite 1000, 600 – 3rd Avenue S.W.
Calgary, Alberta T2P 0G5
Telephone: (403) 261-6401
Email: info@birchcliffenergy.com
www.birchcliffenergy.com

Jeff Tonken – President and Chief Executive Officer

Bruno Geremia – Vice-President and Chief Financial Officer