

CALGARY, ALBERTA--(Marketwired - Aug. 14, 2017) - [Birchcliff Energy Ltd.](#) ("Birchcliff") (TSX:BIR) announces that it does not intend to exercise its right to redeem its Cumulative Redeemable Preferred Shares, Series A (the "Series A Shares") on September 30, 2017. As a result, subject to certain conditions, the holders of Series A Shares have the right to choose one of the following options with regard to their Series A Shares:

- (i) to retain any or all of their Series A Shares and continue to receive a fixed rate quarterly dividend; or
- (ii) to convert, on a one-for-one basis, any or all of their Series A Shares into Cumulative Redeemable Preferred Shares, Series B (the "Series B Shares") of Birchcliff and receive a floating rate quarterly dividend.

The dividend rate applicable to the Series A Shares for the five-year period commencing on September 30, 2017 to, but excluding, September 30, 2022 will equal the sum of the Government of Canada five-year bond yield on August 31, 2017 plus 6.83%. The dividend rate applicable to the Series B Shares for the three-month period commencing on September 30, 2017 to, but excluding, December 31, 2017 will equal the sum of the Government of Canada 90-day treasury bill rate on August 31, 2017 plus 6.83%. Both rates will be calculated according to the terms of the Series A Shares and the Series B Shares as described in the final short form prospectus of Birchcliff dated July 30, 2012 (the "Prospectus") and announced by way of a news release on August 31, 2017.

The Series A Shares are issued in "book-entry" form and must be purchased or transferred through a participant in the CDS depository service (a "CDS Participant"). All rights of the holders of Series A Shares must be exercised through CDS or the CDS Participant through which the Series A Shares are held. Beneficial owners of Series A Shares who wish to exercise their right of conversion should communicate as soon as possible with their broker or other nominee and ensure that they follow their instructions in order to meet the deadline to exercise such right, which is 5:00 p.m. (Toronto time) on September 15, 2017. Any notices received after this deadline will not be valid. As such, it is recommended that this be done well in advance of the deadline in order to provide the broker or other intermediary with time to complete the necessary steps. Holders of Series A Shares who do not exercise the right of conversion by this deadline will continue to hold Series A Shares with the new fixed rate quarterly dividend.

The foregoing conversion to the Series B Shares is subject to the conditions that:

- (i) if Birchcliff determines that there would be less than 250,000 Series A Shares outstanding after September 30, 2017, then all of the remaining Series A Shares will automatically be converted into Series B Shares on a one-for-one basis on September 30, 2017; and
- (ii) if Birchcliff determines that there would be less than 250,000 Series B Shares outstanding after September 30, 2017, then no Series A Shares will be converted into Series B Shares.

In either case, Birchcliff will issue a news release to that effect on or before September 22, 2017.

Subject to the terms and conditions of the Series A and Series B Shares and Birchcliff's right to redeem such shares, holders of the Series A Shares and the Series B Shares will have the opportunity to convert their shares again on September 30, 2022, and every five years thereafter as long as the Series A Shares and Series B Shares remain outstanding.

For more information on the terms of and the risks associated with an investment in the Series A Shares and the Series B Shares, please see the Prospectus which is available on [sedar.com](#).

#### Forward-Looking Information

Certain statements contained in this press release constitute forward-looking statements and information (collectively referred to as "forward-looking information") within the meaning of applicable Canadian securities laws. Such forward-looking information relates to future events or Birchcliff's future performance. All information other than historical fact may be forward-looking information. Such forward-looking information is often, but not always, identified by the use of words such as "seek", "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "forecast", "potential", "proposed", "predict", "budget", "continue", "targeting", "may", "will", "could", "might", "should" and other similar words and expressions. This information involves 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 information. Birchcliff believes that the expectations reflected in the forward-looking information are reasonable in the current circumstances but no assurance can be given that these expectations will prove to be correct and such forward-looking information included in this press release should not be unduly relied upon.

In particular, this press release contains forward-looking information relating to the Series A Shares and the Series B Shares, including, but not limited to, future conversions, redemptions and dividends.

With respect to forward-looking information contained in this press release, Birchcliff's actual results could differ materially from those anticipated in this forward-looking information as a result of regulatory decisions, competitive factors in the industries in which Birchcliff operates, prevailing economic conditions and other factors, many of which are beyond the control of Birchcliff.

All forward-looking information reflects Birchcliff's beliefs and assumptions based on information available at the time the statements were made and as such are not guarantees of future performance. The forward-looking information contained in this press release is expressly qualified by the foregoing cautionary statements. 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.

For additional information on the risks and uncertainties which could cause actual results to differ from the anticipated results, refer to Birchcliff's most recent Annual Information Form and other documents filed with Canadian securities regulatory authorities from time to time.

#### 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.

#### Contact

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