

Birchcliff Energy Ltd. Announces Q3 2025 Results, Increased 2025 Production Guidance and Preliminary 2026 Budget and Declares Q4 2025 Dividend

12.11.2025 | [GlobeNewswire](#)

CALGARY, Nov. 12, 2025 - [Birchcliff Energy Ltd.](#) ("Birchcliff" or the "Corporation") (TSX: BIR) is pleased to announce its Q3 2025 financial and operational results, updated 2025 guidance and its preliminary 2026 capital budget and guidance. 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 December 31, 2025.

Chris Carlsen, Birchcliff's President and Chief Executive Officer, commented: "Birchcliff's Q3 2025 results demonstrate the strength and resilience of our business, benefiting from our strong production performance, low-cost structure and natural gas market diversification. In Q3 2025, we delivered average production of 80,406 boe/d, exceeding our internal expectations, and generated adjusted funds flow⁽¹⁾ of \$87.1 million and free funds flow⁽¹⁾ of \$15.6 million.

As a result of our asset outperformance and strong operational execution in 2025, we are increasing our 2025 full-year production guidance to 79,000 to 80,000 boe/d (previously 76,000 to 79,000 boe/d), with our Q4 2025 production expected to average approximately 81,500 boe/d. Birchcliff expects to generate significant free funds flow in Q4 2025, which will be primarily used to reduce total debt⁽²⁾ by approximately 14% from year end 2024.⁽³⁾

We continue to drive our costs lower through strong operational performance and execution, which is expected to result in a ~10% reduction in our average well cost⁽⁴⁾ year-over-year. Our 2025 capital program is progressing ahead of schedule and the efficiencies and cost savings achieved by Birchcliff in 2025 have enabled us to drill three additional wells, which will be brought on production in Q4 2025, and advance other activities in preparation for our 2026 capital program, all within our 2025 capital expenditures guidance.

Looking forward, our capital allocation priorities are unchanged - profitable production growth by fully utilizing our existing infrastructure, strengthening our balance sheet and paying a sustainable dividend. Our 2026 capital program will be designed with flexibility, giving us the ability to adjust as required throughout the year in response to changes in commodity prices. We are currently targeting a capital budget of \$325 million to \$375 million for 2026, which includes investing \$300 million to \$350 million in Pouce Coupe and Gordondale and \$25 million in Elmworth. This capital budget is expected to deliver annual average production of 81,000 to 84,000 boe/d in 2026 and, at the higher end of capital spending, would allow us to fully utilize our existing infrastructure and achieve production of ~87,500 boe/d in Q4 2026, approximately one year ahead of our current five-year plan.

We look forward to providing the details of our formal 2026 capital budget and updated five-year outlook on January 20, 2026. We thank our employees, board of directors and shareholders for their ongoing support."

Q3 2025 FINANCIAL AND OPERATIONAL HIGHLIGHTS

- Delivered average production of 80,406 boe/d (82% natural gas, 9% NGLs, 7% condensate and 2% light oil) in Q3 2025, a 7% increase from Q3 2024.
- Generated adjusted funds flow of \$87.1 million in Q3 2025, or \$0.32 per basic common share,⁽⁵⁾ a 93% and 88% increase, respectively, from Q3 2024, primarily driven by higher natural gas production and a stronger average realized natural gas sales price as compared to Q3 2024. Cash flow from operating activities was \$78.5 million in Q3 2025, a 19% increase from Q3 2024.
- Generated free funds flow of \$15.6 million in Q3 2025.

- Birchcliff continued to benefit from its natural gas market diversification in the quarter, with approximately 75% of its natural gas production in Q3 2025 realizing higher U.S. pricing at the Dawn and NYMEX HH markets compared to AECO. This market diversification contributed to an effective average realized natural gas sales price⁽⁵⁾ of \$3.36/Mcf in Q3 2025, which represents a 387% premium to the average benchmark AECO 5A price in the quarter, adjusted for Birchcliff's heat premium.
- Achieved an operating expense of \$2.71/boe in Q3 2025, a 3% decrease from Q3 2024 and the lowest in company history.
- Realized an operating netback⁽⁵⁾ of \$11.15/boe in Q3 2025, a 34% increase from Q3 2024.
- Birchcliff drilled 9 (9.0 net) wells and brought 6 (6.0 net) wells on production in Q3 2025, with F&D capital expenditures totalling \$71.5 million in the quarter.

Birchcliff's unaudited interim condensed financial statements for the three and nine months ended September 30, 2025 and related management's discussion and analysis will be available on its website at www.birchcliffenergy.com and on SEDAR+ at www.sedarplus.ca and Birchcliff's updated corporate presentation will be available on its website at www.birchcliffenergy.com.

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

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

(3) Based on the mid-point of Birchcliff's updated total debt guidance range at year end 2025 of \$455 million to \$465 million and as compared to Birchcliff's total debt at December 31, 2024 of \$535.6 million.

(4) On a drill, case, complete, equip and tie-in ("DCCET") basis.

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

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".

Q3 2025 UNAUDITED FINANCIAL AND OPERATIONAL SUMMARY

	Three months ended		Nine months ended	
	September 30, 2025	2024	September 30, 2025	2024
OPERATING				
Average production				
Light oil (bbls/d)	1,468	2,129	1,610	2,025
Condensate (bbls/d)	5,990	4,161	5,229	4,464
NGLs (bbls/d)	6,933	6,541	7,150	6,856
Natural gas (Mcf/d)	396,088	375,428	390,633	378,237
Total (boe/d)	80,406	75,403	79,094	76,384
Average realized sales prices (CDN\$)				
Light oil (per bbl)	86.56	98.47	88.68	100.14
Condensate (per bbl)	84.91	95.66	88.93	100.92
NGLs (per bbl)	19.86	25.02	22.99	26.44
Natural gas (per Mcf)	2.15	1.50	2.86	1.97
Total (per boe)	20.23	17.71	23.86	20.69
NETBACK AND COST (\$/boe)				
Petroleum and natural gas revenue	20.23	17.71	23.86	20.69

Royalty expense	(0.53)	(1.34)	(1.19)	(1.46)
Operating expense	(2.71)	(2.78)	(2.87)	(3.35)
Transportation and other expense ⁽¹⁾	(5.84)	(5.24)	(5.69)	(5.23)
Operating netback ⁽¹⁾	11.15	8.35	14.11	10.65
G&A expense, net	(1.12)	(1.25)	(1.27)	(1.26)
Interest expense	(1.14)	(1.43)	(1.23)	(1.28)
Lease interest expense	(0.30)	(0.32)	(0.31)	(0.11)
Realized gain (loss) on financial instruments	3.18	1.17	2.87	(0.13)
Other cash income	-	-	-	0.01
Adjusted funds flow ⁽¹⁾	11.77	6.52	14.17	7.88
Depletion and depreciation expense	(9.09)	(9.11)	(8.98)	(8.73)
Unrealized gain (loss) on financial instruments	(4.68)	1.14	(2.55)	2.68
Other expenses ⁽²⁾	(0.39)	(0.41)	(0.42)	(0.44)
Deferred income tax (expense) recovery	0.48	0.35	(0.47)	(0.39)
Net income (loss) to common shareholders	(1.91)	(1.51)	1.75	1.00
FINANCIAL				
Petroleum and natural gas revenue (\$000s)	149,628	122,835	515,334	433,115
Cash flow from operating activities (\$000s)	78,506	65,943	314,220	158,069
Adjusted funds flow (\$000s) ⁽³⁾	87,101	45,211	306,029	164,956
Per basic common share (\$) ⁽¹⁾	0.32	0.17	1.12	0.61
Free funds flow (\$000s) ⁽³⁾	15,606	(18,409)	49,452	(49,818)
Per basic common share (\$) ⁽¹⁾	0.06	(0.07)	0.18	(0.19)
Net income (loss) to common shareholders (\$000s)	(14,125)	(10,461)	37,707	20,884
Per basic common share (\$)	(0.05)	(0.04)	\$0.14	0.08
End of period basic common shares (000s)	273,133	269,569	273,133	269,569
Weighted average basic common shares (000s)	273,095	269,342	272,357	268,711
Dividends on common shares (\$000s)	8,194	26,943	24,523	80,707
F&D capital expenditures (\$000s) ⁽⁴⁾	71,495	63,620	256,577	214,774
Total capital expenditures (\$000s) ⁽³⁾	71,893	63,886	258,081	216,072
Revolving term credit facilities (\$000s)	522,712	489,413	522,712	489,413
Total debt (\$000s) ⁽⁵⁾	519,467	513,553	519,467	513,553

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

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

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

(4) See "Advisories - F&D Capital Expenditures".

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

Q3 2025 FINANCIAL AND OPERATIONAL RESULTS

Production

- Birchcliff's production averaged 80,406 boe/d in Q3 2025, a 7% increase from Q3 2024. The increase was primarily due to the outperformance of the Corporation's existing base production and incremental production from new Montney/Doig wells brought on production since Q3 2024, partially offset by natural production declines.
- Liquids accounted for 18% of Birchcliff's total production in Q3 2025 as compared to 17% in Q3 2024. The increase was primarily due to Birchcliff specifically targeting condensate-rich natural gas wells in Pouce Coupe and Gordondale, which resulted in a 44% increase in condensate production in Q3 2025 as compared to Q3 2024, partially offset by a 31% decrease in light oil production, primarily resulting from natural production declines from a 4-well light oil pad that was brought on production in Gordondale in the second quarter of 2024.

Adjusted Funds Flow and Cash Flow From Operating Activities

- Birchcliff's adjusted funds flow was \$87.1 million in Q3 2025, or \$0.32 per basic common share, a 93% and 88% increase, respectively, from Q3 2024.
- Birchcliff's cash flow from operating activities was \$78.5 million in Q3 2025, a 19% increase from Q3 2024.
- The increases were primarily due to higher natural gas revenue, which largely resulted from higher natural gas production and a 43% increase in the average realized sales price Birchcliff received for such production in Q3 2025 as compared to Q3 2024.
- Adjusted funds flow and cash flow from operating activities were also positively impacted by a realized gain on the Corporation's financial NYMEX HH/AECO 7A basis swap contracts of \$23.5 million in Q3 2025 as compared to \$8.1 million in Q3 2024. Cash flow from operating activities was also impacted by changes in non-cash operating working capital and decommissioning expenditures.

Net Loss to Common Shareholders

- Birchcliff reported a net loss to common shareholders of \$14.1 million in Q3 2025, or \$0.05 per basic common share, as compared to \$10.5 million and \$0.04 per basic common share in Q3 2024.
- The increase in net loss was primarily due to an unrealized loss on the Corporation's financial NYMEX HH/AECO 7A basis swap contracts of \$34.6 million in Q3 2025 as compared to an unrealized gain of \$7.9 million in Q3 2024, partially offset by higher adjusted funds flow.

Capital Activities and Investment

- Birchcliff drilled 9 (9.0 net) wells and brought 6 (6.0 net) wells on production in Q3 2025, with F&D capital expenditures totalling \$71.5 million in the quarter.

Debt and Credit Facilities

- Total debt at September 30, 2025 was \$519.5 million, a 1% increase from September 30, 2024 and a 3% decrease from December 31, 2024.
- At September 30, 2025, Birchcliff had a balance outstanding under its extendible revolving credit facilities (the "Credit Facilities") of \$527.3 million (September 30, 2024: \$493.7 million) from available Credit Facilities of \$850.0 million (September 30, 2024: \$850.0 million), leaving the Corporation with \$322.7 million (38%) of unutilized credit capacity after adjusting for outstanding letters of credit and unamortized deferred financing fees.

Natural Gas Market Diversification

- Birchcliff's physical natural gas sales exposure primarily consists of the AECO, Dawn and Alliance markets. In addition, the Corporation has various financial NYMEX HH/AECO 7A basis swap contracts outstanding that provide it with exposure to NYMEX HH pricing.
- Birchcliff continued to benefit from its natural gas market diversification in the quarter, with approximately 75% of its natural gas production in Q3 2025 realizing higher U.S. pricing at the Dawn and NYMEX HH markets compared to AECO. This market diversification contributed to an effective average realized natural gas sales price of \$3.36/Mcf in Q3 2025, which represents a 387% premium to the average benchmark AECO 5A price in the quarter, adjusted for Birchcliff's heat premium.
- AECO benchmark natural gas prices in Q3 2025 remained challenged and were negatively impacted by maintenance on the Alberta NGTL pipeline system, which reduced egress and curtailed natural gas deliveries, further exacerbating natural gas storage levels in Alberta. Additionally, Train 1 of LNG Canada experienced startup challenges, leading to a slower-than-expected initial production ramp-up, which resulted in natural gas oversupply and depressed AECO prices in Alberta.
- The following table sets forth Birchcliff's effective sales, production and average realized sales price for its natural gas and liquids for Q3 2025, after taking into account the Corporation's financial instruments:

Three months ended September 30, 2025

Market	Effective sales (CDN\$000s)	Percentage of total sales (%)	Effective production (per day)	Percentage of total natural gas production (%)	Percentage of total corporate production (%)
AECO ⁽¹⁾⁽²⁾	7,944	4	99,702 Mcf	25	21
Dawn ⁽³⁾	59,494	31	161,017 Mcf	41	33
NYMEX HH ⁽¹⁾⁽⁴⁾	55,007	28	135,369 Mcf	34	28

Total natural gas ⁽¹⁾	122,445	63	396,088 Mcf	100	82
Light oil	11,691	6	1,468 bbls		2
Condensate	46,793	24	5,990 bbls		7
NGLs	12,667	7	6,933 bbls		9
Total liquids	71,151	37	14,391 bbls		18
Total corporate ⁽¹⁾	193,596	100	80,406 boe		100

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

(2) Birchcliff has short-term physical sales agreements with third-party marketers to sell and deliver into the Alliance pipeline system. All of Birchcliff's short-term physical Alliance sales and production during Q3 2025 received AECO adjusted pricing and have therefore been included as effective sales and production in the AECO market.

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

(4) NYMEX HH effective sales and production include financial NYMEX HH/AECO 7A basis swap contracts for an aggregate of 147,500 MMBtu/d at an average contract price of NYMEX HH less US\$1.088/MMBtu during Q3 2025.

Birchcliff's effective average realized sales price for NYMEX HH of CDN\$4.42/Mcf (US\$2.93/MMBtu) was determined on a gross basis before giving effect to the average NYMEX HH/AECO 7A fixed contract basis differential price of CDN\$1.64/Mcf (US\$1.088/MMBtu) and includes any realized gains and losses on financial NYMEX HH/AECO 7A basis swap contracts during Q3 2025.

After giving effect to the NYMEX HH/AECO 7A fixed contract basis differential price and including any realized gains and losses on financial NYMEX HH/AECO 7A basis swap contracts during Q3 2025, Birchcliff's effective average realized net sales price for NYMEX HH was CDN\$2.78/Mcf (US\$1.84/MMBtu) in Q3 2025.

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

Three months ended September 30, 2025

Natural gas market	Natural gas sales (CDN\$000s)	Percentage of natural gas sales (%)	Natural gas production (Mcf/d)	Percentage of natural gas production (%)	
AECO	18,386	23	223,232	56	
Dawn	59,494	76	161,017	41	
Alliance ⁽³⁾	591	1	11,839	3	
Total	78,471	100	396,088	100	

Three months ended September 30, 2024

Natural gas market	Natural gas sales (CDN\$000s)	Percentage of natural gas sales (%)	Natural gas production (Mcf/d)	Percentage of natural gas production (%)	
AECO	14,835	28	202,070	54	
Dawn	36,103	70	161,045	43	
Alliance ⁽³⁾	915	2	12,313	3	
Total	51,853	100	375,428	100	

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

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

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

2025 GUIDANCE

- Birchcliff is increasing its 2025 annual average production guidance to 79,000 to 80,000 boe/d as a result of its asset outperformance and strong operational execution, which have been driven by strong base production and new well performance, shorter cycle times for the drilling and completions of new wells, the timing of production additions and lower than forecasted downtime.
- Birchcliff's Q4 2025 production is expected to average approximately 81,500 boe/d.
- Birchcliff's 2025 capital program is progressing ahead of schedule and the Corporation is tightening its 2025 F&D capital expenditures guidance range to \$290 million to \$300 million to reflect actual spending and cost savings achieved year-to-date and the anticipated costs for activities to be completed prior to year end. The efficiencies and cost savings achieved by Birchcliff in 2025 have enabled it to drill three additional wells, which will be brought on production in Q4 2025, and advance other activities in preparation for its 2026 capital program, all within its 2025 capital expenditures guidance. See "Operational Update".
- The Corporation has reduced its average commodity price forecast for 2025 to reflect actual prices year-to-date and lower forecast prices for the remainder of the year. As a result, the Corporation is lowering its guidance for adjusted funds flow, which is expected to result in lower free funds flow and higher total debt at year-end 2025 than previously forecast. Birchcliff now expects to exit 2025 with total debt of \$455 million to \$465 million, which represents a reduction of approximately 14% from its total debt at year end 2024 of \$535.6 million.
- The Corporation is also reducing its royalty expense guidance for 2025 to reflect actual prices year-to-date and lower forecast AECO and benchmark oil prices for the remainder of the year.
- The following tables set forth Birchcliff's updated and previous guidance and commodity price assumptions for 2025, as well as its free funds flow sensitivity:

	Updated 2025 guidance and assumptions - November 12, 2025 ⁽¹⁾	Previous 2025 guidance assumptions - August 1, 2024
Production		
Annual average production(<i>boe/d</i>)	79,000 - 80,000	76,000 - 79,000
% Light oil	3%	3%
% Condensate	6%	6%
% NGLs	9%	9%
% Natural gas	82%	82%
Average Expenses(<i>\$/boe</i>)		
Royalty	\$1.10 - \$1.30	\$1.45 - \$1.65
Operating	\$2.90 - \$3.10	\$2.90 - \$3.10
Transportation and other ⁽²⁾	\$5.55 - \$5.75	\$5.55 - \$5.75
Adjusted Funds Flow(<i>millions</i>) ⁽³⁾	\$415	\$445
F&D Capital Expenditures(<i>millions</i>)	\$290 - \$300	\$260 - \$300
Free Funds Flow(<i>millions</i>) ⁽³⁾	\$115 - \$125	\$145 - \$185
Total Debt at Year End(<i>millions</i>) ⁽⁴⁾	\$455 - \$465	\$395 - \$435
Natural Gas Market Exposure		
AECO exposure as a % of total natural gas production	23%	23%
Dawn exposure as a % of total natural gas production	41%	41%
NYMEX HH exposure as a % of total natural gas production	35%	35%
Alliance exposure as a % of total natural gas production	1%	1%
Commodity Prices		
Average WTI price(<i>US\$/bbl</i>)	\$65.15 ⁽⁵⁾	\$66.00
Average WTI-MSW differential(<i>CDN\$/bbl</i>)	\$5.00 ⁽⁵⁾	\$4.95
Average AECO price(<i>CDN\$/GJ</i>)	\$1.70 ⁽⁵⁾	\$2.00
Average Dawn price(<i>US\$/MMBtu</i>)	\$3.20 ⁽⁵⁾	\$3.35
Average NYMEX HH price(<i>US\$/MMBtu</i>)	\$3.40 ⁽⁵⁾	\$3.65
Exchange rate(<i>CDN\$ to US\$1</i>)	1.40 ⁽⁵⁾	1.39

Forward two months' free funds flow sensitivity⁽⁵⁾⁽⁶⁾ Estimated change to 2025 free funds flow (*millions*)

Change in WTI US\$1.00/bbl	\$0.6
Change in NYMEX HH US\$0.10/MMBtu	\$0.6
Change in Dawn US\$0.10/MMBtu	\$1.4
Change in AECO CDN\$0.10/GJ	\$0.7
Change in CDN/US exchange rate CDN\$0.01	\$0.8

(1) Birchcliff's guidance for its production commodity mix, adjusted funds flow, free funds flow, total debt and natural gas market exposure in 2025 is based on an annual average production rate of 79,500 boe/d in 2025, which is the mid-point of Birchcliff's updated annual average production guidance range for 2025. 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 2025 could have an impact on Birchcliff's 2025 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 2025 are based on anticipated full-year averages using the Corporation's anticipated forward benchmark commodity prices and the CDN/US exchange rate as of November 5, 2025, which include settled benchmark commodity prices and the CDN/US exchange rate for the period from January 1, 2025 to October 31, 2025.

(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 2025, 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.

2026 PRELIMINARY CAPITAL BUDGET

- Birchcliff's 2026 capital program will be designed with flexibility, giving it the ability to adjust as required throughout the year in response to changes in commodity prices. Based on its preliminary budgeting process for 2026, Birchcliff is currently targeting an F&D capital budget of \$325 million to \$375 million for 2026, which is expected to deliver annual average production of 81,000 to 84,000 boe/d and represents production growth of approximately 2% to 6% as compared to 2025.⁽⁶⁾
- At the higher end of capital spending, Birchcliff's preliminary 2026 capital budget is designed to fully utilize the Corporation's existing infrastructure in Pouce Coupe and Gordondale and achieve production of ~87,500 boe/d in Q4 2026, approximately one year ahead of the Corporation's five-year plan announced on January 22, 2025. This represents production growth of approximately 7% as compared to Birchcliff's forecast production of 81,500 boe/d in Q4 2025.
- Birchcliff's preliminary capital budget of \$325 million to \$375 million is anticipated to be allocated as follows:
 - Pouce Coupe/Gordondale: ~\$300 million to \$350 million
 - The Corporation is currently planning to bring 30 to 37 wells on production in 2026, subject to commodity prices.
 - In addition, capital is anticipated to be allocated towards a planned turnaround at the Corporation's Pouce Coupe gas plant.
 - Elmworth: ~\$25 million
 - Birchcliff will continue advancing the development of its Elmworth asset and the formal planning for the first phase of its proposed 100% owned and operated natural gas processing plant in the area. Preliminary front-end engineering has been completed and the first phase of the plant is expected to have a processing capacity of between 80 and 100 MMcf/d, with optionality to expand capacity through additional phases in the future.
 - Birchcliff is currently targeting a final investment decision for the first phase of its Elmworth plant in late 2026 or early 2027, subject to commodity prices and other factors.
- Notwithstanding the extremely weak AECO prices that were experienced in Q3 2025, Birchcliff's outlook for natural gas prices remains strong, as it expects the addition of Train 2 of LNG Canada, further U.S. LNG projects and gas-fired power for data centres to drive the demand for natural gas in 2026 and beyond, providing for robust natural gas prices.
- Birchcliff continues to evolve its plans for 2026 and expects to announce the details of its formal 2026 capital budget and guidance and updated five-year outlook for 2026 to 2030 on January 20, 2026.

(6) Based on 79,500 boe/d, which is the mid-point of the Corporation's updated annual average production guidance range for 2025.

OPERATIONAL UPDATE

- Through disciplined execution and an unrelenting focus on efficiency, Birchcliff expects to reduce its average well cost⁽⁷⁾ by approximately 10% year-over-year, from ~\$7.6 million per well in 2024 to ~\$6.9 million per well in 2025. These savings reflect Birchcliff's optimized drilling plans and streamlined completions, as well as cost reductions and increased efficiencies realized across the value chain.
- The efficiencies and cost savings achieved have enabled Birchcliff to drill three additional wells, which will be brought on production in Q4 2025, as well as drill four additional wells and advance other activities in preparation for its 2026 capital program. These activities and investments will position Birchcliff to fully utilize its existing infrastructure in Q4 2026, maintain operational momentum into 2026 and maximize production during the winter months when natural gas prices are typically stronger.
- By the end of November 2025, Birchcliff will have brought 29 wells on production from five pads (four in Pouce Coupe and one in Gordondale) during the year, compared to its original plan of 26 wells.

Pouce Coupe

- Year-to-date, Birchcliff has brought four pads (22 wells) on production in Pouce Coupe through its permanent facilities.
- Birchcliff completed the drilling of its 6-well 07-10 pad in July 2025 and the wells were turned over to production through the Corporation's permanent facilities in September 2025. This pad targeted high-rate natural gas wells in the Lower Montney.
- The Corporation recently completed the drilling of 7 (7.0 net) wells in Pouce Coupe and expects to complete the drilling of 1 (1.0 net) well later in Q4 2025 in order to help prepare for the Corporation's 2026 capital program. These wells are expected to be brought on production in Q1 2026.

Gordondale

- Year-to-date, Birchcliff has brought 4 wells on production in Gordondale at its 02-27 pad through its permanent facilities.
- Birchcliff completed the drilling of the three additional wells on the same 02-27 pad in August 2025 and the wells are expected to be turned over to production through the Corporation's permanent facilities by the end of November 2025. This pad is targeting condensate-rich natural gas in the Lower Montney.

(7) On a DCCET basis.

DECLARATION OF Q4 2025 QUARTERLY DIVIDEND

- The Board has declared a quarterly cash dividend of \$0.03 per common share for the quarter ending December 31, 2025.
- The dividend will be payable on December 31, 2025 to shareholders of record at the close of business on December 15, 2025. The dividend has been designated as an eligible dividend for the purposes of the *Income Tax Act* (Canada).

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
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
LNG	liquefied natural gas
Mcf	thousand cubic feet
Mcf/d	thousand cubic feet per day
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 consisting of ethane (C2), propane (C3) and butane (C4) and specifically excluding condensate
NGTL	NOVA Gas Transmission Ltd.
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, retirement benefit payments and changes in non-cash operating working capital. Birchcliff eliminates settlements of decommissioning expenditures from cash flow from operating activities as the amounts can be discretionary and may vary from period to period depending on its capital programs and the maturity of its operating areas. The settlement of decommissioning expenditures is managed with Birchcliff's capital budgeting process which considers available adjusted funds flow. Birchcliff eliminates retirement benefit payments from cash flow from operating activities as such payments reflect costs for past service and contributions made by eligible executives under the Corporation's post-employment benefit plan, which are not indicative of the current period. Changes in non-cash operating working capital are eliminated in the determination of adjusted funds flow as the timing of collection and payment are variable and by excluding them from the calculation, the Corporation believes that it is able to provide a more meaningful measure of its operations and ability to generate cash on a continuing basis. Management believes that adjusted funds flow assists management and investors in assessing Birchcliff's financial performance after deducting all operating and corporate cash costs, as well as its ability to generate

the cash necessary to fund sustaining and/or growth capital expenditures, repay debt, settle decommissioning obligations, buy back common shares and pay dividends.

Birchcliff defines "free funds flow" as adjusted funds flow less F&D capital expenditures. Management believes that free funds flow assists management and investors in assessing Birchcliff's ability to generate shareholder value and returns through a number of initiatives, including, but not limited to, debt repayment, common share buybacks, the payment of common share dividends, acquisitions and other opportunities that would complement or otherwise improve the Corporation's business and enhance long-term shareholder value.

The most directly comparable GAAP financial measure to adjusted funds flow and free funds flow is cash flow from operating activities. The following table provides a reconciliation of cash flow from operating activities to adjusted funds flow and free funds flow for the periods indicated:

	Three months ended		Nine months ended		Twelve months ended
	September 30		September 30		December 31
(\$000s)	2025	2024	2025	2024	2024
Cash flow from operating activities	78,506	65,943	314,220	158,069	203,710
Change in non-cash operating working capital	7,441	(21,424)	(10,311)	(8,009)	17,269
Decommissioning expenditures	1,154	692	2,120	1,045	1,964
Retirement benefit payments	-	-	-	13,851	13,851
Adjusted funds flow	87,101	45,211	306,029	164,956	236,794
F&D capital expenditures	(71,495)	(63,620)	(256,577)	(214,774)	(273,084)
Free funds flow	15,606	(18,409)	49,452	(49,818)	(36,290)

Birchcliff has disclosed in this press release forecasts of adjusted funds flow and free funds flow for 2025, which are forward-looking non-GAAP financial measures. See "2025 Guidance". The equivalent historical non-GAAP financial measures are adjusted funds flow and free funds flow for the twelve months ended December 31, 2024. Birchcliff anticipates the forward-looking non-GAAP financial measures for adjusted funds flow and free funds flow disclosed herein will be higher than their respective historical amounts, primarily due to higher forecast production and higher anticipated benchmark natural gas prices in 2025 as compared to 2024. The commodity price assumptions on which the Corporation's guidance is based are set forth under the heading "2025 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		Nine months ended		Twelve months ended
	September 30		September 30		December 31
(\$000s)	2025	2024	2025	2024	2024
Transportation expense	40,567	36,259	118,196	112,812	149,534
Marketing purchases	3,116	14,530	22,684	36,591	51,496
Marketing revenue	(519)	(14,472)	(17,955)	(39,986)	(54,069)
Transportation and other expense	43,164	36,317	122,925	109,417	146,961

Operating Netback

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

	Three months ended		Nine months ended	
	September 30		September 30	
(\$000s)	2025	2024	2025	2024
P&NG revenue	149,628	122,835	515,334	433,115
Royalty expense	(3,934)	(9,284)	(25,741)	(30,575)
Operating expense	(20,018)	(19,283)	(61,897)	(70,132)
Transportation and other expense	(43,164)	(36,317)	(122,925)	(109,417)
Operating netback	82,512	57,951	304,771	222,991

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		Nine months ended	
	September 30		September 30	
(\$000s)	2025	2024	2025	2024
Exploration and development expenditures ⁽¹⁾	71,495	63,620	256,577	214,774
Acquisitions	250	93	250	93
Dispositions	-	(49)	-	(158)
FD&A capital expenditures	71,745	63,664	256,827	214,709
Administrative assets	148	222	1,254	1,363
Total capital expenditures	71,893	63,886	258,081	216,072

(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)	September 30, 2025	September 30, 2024
Natural gas sales	78,471	51,853
Realized gain on financial instruments	23,503	8,112
Notional fixed basis costs ⁽¹⁾	20,471	20,711
Effective total natural gas sales	122,445	80,676
Light oil sales	11,691	19,289
Condensate sales	46,793	36,625
NGLs sales	12,667	15,055
Effective total corporate sales	193,596	151,645

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

Non-GAAP Ratios

NI 52-112 defines a non-GAAP ratio as a financial measure that: (i) is in the form of a ratio, fraction, percentage or similar representation; (ii) has a non-GAAP financial measure as one or more of its components; and (iii) is not disclosed in the financial statements of the entity. The non-GAAP ratios used in this press release are not standardized financial measures under GAAP and might not be comparable to similar 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 total corporate, total natural gas, AECO market and NYMEX HH market, as the case may be, divided by the effective production in each of the markets during the period. Management believes that disclosing the effective average realized sales price for each natural gas market assists management and investors in comparing Birchcliff's commodity price realizations in each natural gas market on a per unit basis.

Capital Management Measures

NI 52-112 defines a capital management measure as a financial measure that: (i) is intended to enable an individual to evaluate an entity's objectives, policies and processes for managing the entity's capital; (ii) is not a component of a line item disclosed in the primary financial statements of the entity; (iii) is disclosed in the notes to the financial statements of the entity; and (iv) is not disclosed in the primary financial statements of the entity. Set forth below is a description of the capital management measure used in this press release.

Total Debt

Birchcliff calculates "total debt" at the end of the period as the amount outstanding under the Corporation's Credit Facilities plus working capital deficit (less working capital surplus) plus the fair value of the current asset portion of financial instruments less the current portion of other liabilities discounted to the end of the period. The current portion of other liabilities has been excluded from total debt as these amounts have not been incurred and reflect future commitments in the normal course of operations. Management believes that total debt assists management and investors in assessing Birchcliff's overall liquidity and financial position at the end of the period. The following table provides a reconciliation of the amount outstanding under the Corporation's Credit Facilities, as determined in accordance with GAAP, to total debt for the periods indicated:

As at (\$000s)	September 30, 2025	December 31, 2024	September 30, 2024
Revolving term credit facilities	522,712	566,857	489,413
Working capital surplus ⁽¹⁾	(21,689)	(88,953)	(847)
Fair value of financial instruments - asset ⁽²⁾	32,604	71,038	38,543
Other liabilities ⁽²⁾	(14,160)	(13,385)	(13,556)
Total debt	519,467	535,557	513,553

(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 and nine months ended September 30, 2025 and 2024 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, all 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.

F&D Capital Expenditures

References in this press release to "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 and excludes any acquisitions, dispositions, administrative assets and the capitalized portion of cash incentive payments that have not been approved by the Board. 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: that Birchcliff continues to drive its costs lower through strong operational performance and execution, which is expected to result in a ~10% reduction in its average well cost year-over-year; that looking forward, Birchcliff's capital allocation priorities are unchanged - profitable production growth by fully utilizing its existing infrastructure, strengthening its balance sheet and paying a sustainable dividend; that Birchcliff continues to evolve its plans for 2026 and expects to announce the details of its formal 2026 capital budget and guidance and updated five-year outlook for 2026 to 2030 on January 20, 2026; and that notwithstanding the extremely weak AECO prices that were experienced in Q3 2025, Birchcliff's outlook for natural gas prices remains strong, as it expects the addition of Train 2 of LNG Canada, further U.S. LNG projects and gas-fired power for data centres to drive the demand for natural gas in 2026 and beyond, providing for robust natural gas prices;
- the information set forth under the heading "2025 Guidance" and elsewhere in this press release as it relates to Birchcliff's guidance for 2025, including: forecasts of annual average and Q4 production, production commodity mix, average expenses, adjusted funds flow, F&D capital expenditures, free funds flow, total debt 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; that as a result of its asset outperformance and strong operational execution in 2025, Birchcliff is increasing its 2025 full-year production guidance to 79,000 to 80,000 boe/d, with its Q4 2025 production expected to average approximately 81,500 boe/d; that Birchcliff expects to generate significant free funds flow in Q4 2025, which will be primarily used to reduce total debt by approximately 14% from year end 2024; that the Corporation has reduced its average commodity price forecast for 2025 to reflect actual prices year-to-date and lower forecast prices for the remainder of the year; that as a result, the Corporation is lowering its guidance for adjusted funds flow, which is expected to result in lower free funds flow and higher total debt at year-end 2025 than previously forecast; and that the Corporation is also reducing its royalty expense guidance for 2025 to reflect actual prices year-to-date and lower forecast AECO and benchmark oil prices for the remainder of the year;

- the information set forth under the heading *"2026 Preliminary Capital Budget"* and elsewhere in this press release as it relates to Birchcliff's preliminary 2026 capital budget and guidance, including: forecasts of annual average and Q4 production, production growth, F&D capital expenditures and capital allocation; that Birchcliff's 2026 capital program will be designed with flexibility, giving it the ability to adjust as required throughout the year in response to changes in commodity prices; that Birchcliff is currently targeting an F&D capital budget of \$325 million to \$375 million for 2026, which includes investing \$300 million to \$350 million in Pouce Coupe and Gordondale and \$25 million in Elmworth; that this capital budget is expected to deliver annual average production of 81,000 to 84,000 boe/d in 2026 and, at the higher end of capital spending, would allow Birchcliff to fully utilize its existing infrastructure in Pouce Coupe and Gordondale and achieve production of ~87,500 boe/d in Q4 2026, approximately one year ahead of its five-year plan announced on January 22, 2025; that the forecast annual average production of 81,000 to 84,000 boe/d represents production growth of approximately 2% to 6% as compared to 2025; that the forecast production of ~87,500 boe/d in Q4 2026 represents production growth of approximately 7% as compared to Birchcliff's forecast production of 81,500 boe/d in Q4 2025; that in Pouce Coupe and Gordondale, Birchcliff is currently planning to bring 30 to 37 wells on production in 2026, subject to commodity prices, and that capital is anticipated to be allocated towards a planned turnaround at the Corporation's Pouce Coupe gas plant; that Birchcliff will continue advancing the development of its Elmworth asset and the formal planning for the first phase of its proposed 100% owned and operated natural gas processing plant in the area; that the first phase of the plant is expected to have a processing capacity of between 80 and 100 MMcf/d, with optionality to expand capacity through additional phases in the future; and that Birchcliff is currently targeting a final investment decision for the first phase of its Elmworth plant in late 2026 or early 2027, subject to commodity prices and other factors;
- the information set forth under the headings *"2025 Guidance"* and *"Operational Update"* and elsewhere in this press release as it relates to Birchcliff's 2025 capital program and its exploration, production and development activities and plans and the timing thereof, including: forecasts of F&D capital expenditures and average well costs; the anticipated number, types and timing of wells and pads to be drilled and brought on production and targeted product types; that Birchcliff's 2025 capital program is progressing ahead of schedule and the efficiencies and cost savings achieved by Birchcliff in 2025 have enabled it to drill three additional wells, which will be brought on production in Q4 2025, as well as drill four additional wells and advance other activities in preparation for its 2026 capital program, all within its 2025 capital expenditures guidance; that these activities and investments will position Birchcliff to fully utilize its existing infrastructure in Q4 2026, maintain operational momentum into 2026 and maximize production during the winter months when natural gas prices are typically stronger; that the Corporation is tightening its 2025 F&D capital expenditures guidance range to \$290 million to \$300 million to reflect actual spending and cost savings achieved year-to-date and the anticipated costs for activities to be completed prior to year end; that Birchcliff expects to reduce its average well cost by approximately 10% year-over-year, from ~\$7.6 million per well in 2024 to ~\$6.9 million per well in 2025; that by the end of November 2025, Birchcliff will have brought 29 wells on production from five pads (four in Pouce Coupe and one in Gordondale) during the year; that the 8 (8.0 net) additional wells will help to prepare for the Corporation's 2026 capital program and are expected to be brought on production in Q1 2026; and that the three additional wells on Birchcliff's 02-27 pad are expected to be turned over to production through the Corporation's permanent facilities by the end of November 2025; and
- that Birchcliff anticipates the forward-looking non-GAAP financial measures for adjusted funds flow and free funds flow disclosed herein will be higher than their respective historical amounts, primarily due to higher forecast production and higher anticipated benchmark natural gas prices in 2025 as compared to 2024.

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 2025 guidance (as updated on November 12, 2025), such guidance is based on the commodity price, exchange rate and other assumptions set forth under the heading "2025 Guidance". In addition:
 - Birchcliff's production guidance assumes that: the 2025 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 2025 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 2025 capital program will be carried out as currently contemplated and the level of capital spending for 2025 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 November 5, 2025 and excludes cash incentive payments that have not been approved by the Board.
 - Birchcliff's forecast of year end total debt assumes that: (i) the forecasts of adjusted funds flow and free funds flow are achieved, with the level of capital spending for 2025 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 equity issuances, no further exercises of stock options and no significant acquisitions or dispositions completed by the Corporation during 2025. 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; (ii) 147,500 MMBtu/d being contracted on a financial basis at an average fixed basis differential price between AECO 7A and NYMEX HH of US\$1.088/MMBtu; and (iii) 1,200 GJ/d being sold at Alliance on a physical basis at the AECO 5A price plus a premium. Birchcliff's natural gas market exposure takes into account its financial basis swap contracts outstanding as at November 5, 2025.
- With respect to Birchcliff's preliminary 2026 capital budget and guidance, such budget and guidance are based on the following:
 - 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.
- With respect to statements regarding future wells to be drilled or brought on production, such statements assume: the continuing validity of the geological and other technical interpretations performed by Birchcliff's technical staff, which indicate that commercially economic volumes can be recovered from Birchcliff's lands as a result of drilling future wells; and that commodity prices and general economic conditions will warrant proceeding with the drilling of such wells.

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, whether due to high inflation rates, supply chain disruptions or other factors; 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; 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 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 risks associated with cyber-attacks); risks associated with artificial intelligence; risks associated with the ownership of the Corporation's securities; 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 2025 and 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, 2024 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/Doig 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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