

BIRCHCLIFF ENERGY LTD.

#12-05

April 19, 2012

BIRCHCLIFF ENERGY LTD. ANNOUNCES THE CLOSING OF ITS \$110 MILLION EQUITY FINANCING

Calgary, Alberta - Birchcliff Energy Ltd. ("Birchcliff" or the "Company") (TSX: BIR) is pleased to announce that it has completed a bought deal equity financing with a syndicate of underwriters co-led by GMP Securities L.P., Cormark Securities Inc. and National Bank Financial Inc. and including CIBC World Markets Inc., HSBC Securities (Canada) Inc. and Stifel Nicolaus Canada Inc. (collectively, the "Underwriters") pursuant to which the Underwriters have purchased, on a "bought deal" basis, 8,075,000 common shares ("Common Shares") of Birchcliff at a price of \$7.65 per Common Share as well as 1,100,000 Common Shares of Birchcliff issued as "flow-through shares" pursuant to the *Income Tax Act* (Canada) ("Flow-Through Shares") at a price of \$9.20 per Flow Through Share for aggregate gross proceeds of \$71,893,750 (the "Bought Deal Offering"). \$2 million of the Bought Deal Offering was purchased by directors and officers of Birchcliff.

Birchcliff is also pleased to announce that Mr. Seymour Schulich has purchased 5,000,000 Common Shares of Birchcliff concurrently with the Bought Deal Offering by way of private placement at a price of \$7.65 per Common Share for aggregate proceeds of \$38,250,000 (the "Private Placement").

Net proceeds of the Bought Deal Offering and Private Placement will initially be used to pay down Birchcliff's revolving bank debt, which will be re-drawn and used to fund a portion of the Company's ongoing capital program.

Proceeds from the issuance of the Flow-Through Shares will be used to incur eligible Canadian Exploration Expenditures ("CEE") for purposes of the *Income Tax Act* (Canada) and such CEE will be renounced to subscribers of the Flow-Through Shares on or before December 31, 2012.

Birchcliff now has 141,391,344 Common Shares outstanding.

The securities offered have not been, and will not be, registered under the United States *Securities Act of 1933*, as amended (the "U.S. Securities Act"), or any U.S. state securities laws and may not be offered or sold in the United States absent registration or an available exemption from the registration requirement of the U.S. Securities Act and applicable U.S. state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful.

FORWARD-LOOKING STATEMENTS

Certain information set forth in this press release contains forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, many of which are beyond Birchcliff's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the competition for qualified personnel and management, stock market volatility and ability to access sufficient capital from internal and external sources. 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 incorrect and, as such, undue reliance should not be placed on forward-looking statements. Birchcliff's actual results, performance or achievement could differ materially from those expressed in or implied by these forward-looking statements, and accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits will derive therefrom. Except as required by law, Birchcliff disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Birchcliff is a publicly traded company that trades on the
TSX under the symbol "**BIR**".

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The TSX has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

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