NEWS RELEASE

July 29, 2021

WHITECAP RESOURCES INC. REPORTS RECORD PRODUCTION IN THE SECOND QUARTER, INCREASES PRODUCTION GUIDANCE WITH NO INCREASE TO CAPITAL SPENDING AND RELEASES 2021 ESG REPORT

CALGARY, ALBERTA – Whitecap Resources Inc. ("Whitecap" or the "Company") (TSX: WCP) is pleased to report its operating and unaudited consolidated financial results for the three and six months ended June 30, 2021.

Selected financial and operating information is outlined below and should be read with Whitecap's unaudited interim consolidated financial statements and related Management's Discussion and Analysis for the three and six months ended June 30, 2021 which are available at www.sedar.com and on our website at www.wcap.ca.

FINANCIAL AND OPERATING HIGHLIGHTS

	Three months ended June 30		Six months ended June 30	
Financial ($000s except per share amounts)	2021	2020	2021	2020
Petroleum and natural gas revenues	613,520	150,467	1,062,412	414,784
Net income (loss)	18,558	(78,285)	38,193	(2,189,759)
Basic ($/share)	0.03	(0.19)	0.07	(5.36)
Diluted ($/share)	0.03	(0.19)	0.07	(5.36)
Funds flow	266,564	78,134	454,331	209,911
Basic ($/share)	0.43	0.19	0.80	0.51
Diluted ($/share)	0.43	0.19	0.79	0.51
Dividends paid or declared	28,784	17,448	52,965	52,354
Per share	0.05	0.04	0.09	0.13
Expenditures on property, plant and equipment ("PP&E")	39,420	21,301	158,282	160,098
Total payout ratio (%) [(1)]	26	50	46	101
Property acquisitions	181	5,208	72,359	5,284
Property dispositions	(47)	-	(67)	-
Corporate acquisition	372,528	-	1,779,910	18,149
Net debt	1,389,320	1,238,956	1,389,320	1,238,956
Operating				
Average daily production				
Crude oil (bbls/d)	80,071	54,067	72,475	55,349
NGLs (bbls/d)	11,308	5,288	10,413	5,183
Natural gas (Mcf/d)	152,521	68,712	140,901	69,589
Total (boe/d) [(2)]	116,799	70,807	106,372	72,130
Average realized price [(3)]				
Crude oil ($/bbl)	73.57	26.55	69.81	37.25
NGLs ($/bbl)	31.29	13.17	33.20	12.74
Natural gas ($/Mcf)	3.26	2.16	3.30	2.17
Total ($/boe)	57.72	23.35	55.18	31.60
Netbacks ($/boe)				
Petroleum and natural gas revenues	57.72	23.35	55.18	31.60
Tariffs	(0.36)	(0.42)	(0.40)	(0.44)
Processing & other income	0.61	0.95	0.73	0.64
Marketing revenue	3.97	0.59	3.18	0.95
Petroleum and natural gas sales	61.94	24.47	58.69	32.75
Realized hedging gain (loss)	(4.83)	7.82	(4.19)	5.35
Royalties	(9.13)	(2.02)	(8.43)	(3.96)
Operating expenses	(13.73)	(11.18)	(13.56)	(11.70)
Transportation expenses	(2.32)	(2.39)	(2.20)	(2.36)
Marketing expenses	(4.02)	(0.63)	(3.21)	(0.92)
Operating netbacks [(1)]	27.91	16.07	27.10	19.16
Share information (000s)				
Common shares outstanding, end of period	631,304	408,181	631,304	408,181
Weighted average basic shares outstanding	615,398	408,146	566,716	408,384
Weighted average diluted shares outstanding	621,234	410,354	571,863	412,863

Notes:
(1) Total payout ratio and operating netbacks do not have a standardized meaning under GAAP. Refer to non-GAAP measures in this press release for additional disclosure and assumptions.
(2) Disclosure of production on a per boe basis in this press release consists of the constituent product types and their respective quantities disclosed in this table.
(3) Prior to the impact of hedging activities and tariffs.

MESSAGE TO SHAREHOLDERS

Whitecap's second quarter results were exceptional across all areas of the business, achieving record production of 116,799 boe/d which was 4% above our forecast of 112,000 boe/d, on capital investments of $39 million, which was approximately 30% below our forecast of $55 - $60 million. The record production in the second quarter includes 153 MMcf/d of natural gas, which is expected to increase as we continue to grow our Montney production in the second half of the year and in 2022. Our second quarter funds flow netback of $25.07/boe was 15% higher than the first quarter and resulted in funds flow of $267 million ($0.43 per share). Funds flow per share increased 126% compared to the prior year quarter and 19% compared to the first quarter of 2021.

Second quarter capital spending was moderate due to break-up conditions and the majority of capital spending was to bring the remaining wells drilled during the first quarter on production. Late in the second quarter we spudded 3 (2.5 net) wells to get a head start on our optimized second half program which includes 57 (42.2 net) wells.

Our second quarter production outperformance is mainly due to accelerated on production timing and higher than forecasted production rates from our first quarter drilling program on our Frobisher conventional assets in Eastern Saskatchewan, our Viking and Lower Shaunavon assets in Western Saskatchewan and our Charlie Lake assets in our Northwest Alberta and B.C. business unit. In addition, the base declines in some of our legacy and waterflood supported areas in Central Alberta and Western Saskatchewan were lower than forecasted.

We highlight the following second quarter financial and operating results:

- **Production Momentum Continues.** Second quarter production of 116,799 boe/d compared to 70,807 boe/d in the prior year quarter, which represents an increase of 65% on an absolute basis and 9% per share. Compared to first quarter production of 95,828 boe/d, it increased 22% on an absolute basis and 3% per share.

- **Significant Funds Flow.** Whitecap generated funds flow of $267 million in the second quarter, or $0.43 per share, compared to $0.19 per share in the prior year quarter and $0.36 per share in the first quarter of 2021. After capital investments, we generated $227 million of free funds flow during the second quarter.

- **Increasing Returns to Shareholders.** As press released on May 17, 2021, the monthly dividend was increased 8% to $0.01625 per share effective with the June dividend payable in July 2021. With increasing funds flow, a strong balance sheet and low decline asset base, return of capital to shareholders remains a priority for Whitecap. During the quarter, Whitecap repurchased 2.0 million common shares under its NCIB to offset share awards at a weighted average price of $5.57 per share.

- **Balance Sheet Strength Maintained.** Net debt of $1.4 billion on total credit capacity of $2.0 billion results in significant financial flexibility with approximately $0.6 billion of unused capacity. The Company's credit facilities have two financial covenants being debt to earnings before interest, taxes, depreciation and amortization ("EBITDA") not exceeding 4.0 times and EBITDA to interest not less than 3.5 times. Whitecap's second quarter debt to EBITDA ratio was 1.4 times and EBITDA to interest ratio was 20.6 times. For additional details refer to Note 10 "Long-Term Debt" in the unaudited interim consolidated financial statements for the period ending June 30, 2021.

2021 ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") REPORT

Whitecap is pleased to release its 2021 ESG Report which contains an increased emissions intensity reduction target to incorporate recent acquisitions as well as 2020 data. New to our report is a third-party limited assurance of select emissions metrics conducted by an independent firm which provides our Board and other stakeholders confidence in our 2020 emissions metrics.

Highlights from the report include:

- **Increased Emission Intensity Target.** After incorporating higher intensity acquisitions, we have chosen to increase our emission intensity reduction target to 30% by 2023 from 2019 levels. By increasing our reduction target to 30% from 20% previously, we are maintaining our target intensity of 0.0227 tonnes of carbon dioxide equivalent ("tCO_2e") per boe and are committed to take our consolidated asset base to the same emission intensity endpoint.

- **Emission Reductions Drive Net Greenhouse Gas ("GHG") Emissions Further Negative.** The combination of a reduction in scope 1 and 2 emissions and another 2 million tonnes of CO_2 sequestered in 2020 resulted in a reduction of our net GHG emissions (in alignment with The Greenhouse Gas Protocol) to negative 800,000 tCO_2e. The Whitecap operated Weyburn Unit sequestered a significant proportion of the total CO_2 sequestered in Canada in 2020.

- **Company-wide Performance Measures.** In 2021, we added climate-related performance criteria as a component of our employee and executive short-term incentive plan. Linking these criteria to our annual incentive plan is anticipated to help drive continuous improvement year over year and over the longer term. The Board of Directors Sustainability & Advocacy Committee provides ongoing oversight to ensure risks and opportunities of climate-related and other sustainability-based issues are appropriately managed.

Our 2021 ESG Report can be found on our website (www.wcap.ca) with content, format and reporting methodology informed by the Sustainability Accounting Standards Board ("SASB"), recommendations from the Task Force on Climate-related Financial Disclosures ("TCFD") and the Global Reporting Initiative ("GRI").

OUTLOOK

With the NAL, TORC and the Kicking Horse acquisitions closed, Whitecap's sustainable business model is now even stronger. Disciplined acquisitions that enhance our per share metrics and improve our free funds flow profile are an important part of our strategy and we will continue to evaluate these opportunities.

Subsequent to the quarter end, we closed the acquisition of a private company with operations in Southeast Saskatchewan (the "Acquisition"). The Acquisition consolidates our land position in the Weir Hill area adding 23 net sections of land (99% working interest), where our conventional Frobisher drilling results so far this year have yielded top decile results. Assets from the Acquisition are forecasted to average 1,600 boe/d (94% light oil) in the second half of 2021. The total purchase price was $67 million, which equates to 2.3x operating income and a 29% free funds flow yield at US$65/bbl WTI.

With production momentum from recent operational outperformance and the Acquisition which is partially offset by unplanned downtime at Weyburn, we are increasing our 2021 average production guidance to 110,000 – 111,000 boe/d (76% liquids), a 3% increase from the previous guidance of 108,000 boe/d (76% liquids). Capital spending is unchanged at $355 - $375 million.

At current strip commodity prices, Whitecap is on track to deliver significant free funds flow and discretionary funds flow (after capital and dividends) in 2021, with $243 million of discretionary funds flow generated so far in 2021. We anticipate that our net debt will be $1.2 billion or lower by the end of the year resulting in $800 million of unutilized credit capacity and a debt to EBITDA ratio of 1.2 times.

Our preliminary production outlook for 2022 has been increased to 122,000 boe/d to incorporate the Acquisition, while our preliminary capital spending outlook remains at $560 - $580 million. At US$55 - $65/bbl WTI, we would generate $400 - $650 million of free funds flow and $280 - $530 million of discretionary funds flow after the $0.195 per share annual dividend, which allows us to have zero debt in three years. The sustainability of our business model continues to improve and our break-even of US$44/bbl WTI allows us to cover sustaining capital and the dividend with unhedged funds flow.

We continue to prioritize balance sheet strength and return of capital to shareholders, along with taking a disciplined approach to transactions which further strengthen our asset base and provide increased shareholder returns into the future.

On behalf of our management team and Board of Directors, we would like to thank our shareholders for their ongoing support and look forward to providing updates as we progress through the remainder of the year.

Conference Call and Webcast

Whitecap has scheduled a conference call and webcast to begin promptly at 9:00 am MT (11:00 am ET) on Thursday, July 29, 2021.

The conference call dial-in number is: 1-888-390-0605 or (587) 880-2175 or (416) 764-8609

A live webcast of the conference call will be accessible on Whitecap's website at www.wcap.ca by selecting *"Investors"*, then *"Presentations & Events"*. Shortly after the live webcast, an archived version will be available for approximately 14 days.

For further information:

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Note Regarding Forward-Looking Statements

This press release contains forward-looking statements and forward-looking information (collectively "forward-looking information") within the meaning of applicable securities laws relating to the Company's plans and other aspects of our anticipated future operations, management focus, strategies, financial, operating and production results and business opportunities. Forward-looking information typically uses words such as "anticipate", "believe", "continue", "trend", "sustain", "project", "expect", "forecast", "budget", "goal", "guidance", "plan", "objective", "strategy", "target", "intend", "estimate", "potential", or similar words suggesting future outcomes, statements that actions, events or conditions "may", "would", "could" or "will" be taken or occur in the future, including statements about our strategy, plans, focus, objectives, priorities and position; that our production is expected to increase as we continue to grow our Montney production in the second half of the year and in 2022; the number of wells to be drilled in our second half program; our ability to reduce emission intensity by 30% by 2023; the anticipated benefits of the climate-related performance criteria; the strength of our business; the anticipated benefits of the Acquisition, including; (i) that production will average 1,600 boe/d in the second half of 2021, and (ii) the operating income multiple and free funds flow yield at US$65/bbl WTI; our 2021 average production and capital spending; our ability to generate significant free funds flow and discretionary funds flow in 2021, the underlying assumptions and the benefits to be derived therefrom; our year-end net debt, unutilized credit capacity and debt to EBITDA ratio; preliminary 2022 corporate production, capital spending, free funds flow and discretionary funds flow, annual dividend, as well as the underlying assumptions and the benefits to be derived therefrom; that the sustainability of our business model continues to improve; and our ability to cover sustaining capital and the dividend with unhedged funds flow at US$44/bbl WTI.

The forward-looking information is based on certain key expectations and assumptions made by our management, including expectations and assumptions concerning prevailing commodity prices, exchange rates, interest rates, applicable royalty rates and tax laws; the impact (and the duration thereof) that the COVID-19 pandemic will have on (i) the demand for crude oil, NGLs and natural gas, (ii) our supply chain, including our ability to obtain the equipment and services we require, and (iii) our ability to produce, transport and/or sell our crude oil, NGLs and natural gas; the ability of OPEC+ nations and other major producers of crude oil to reduce crude oil production and thereby arrest and reverse the steep decline in world crude oil prices; future production rates and estimates of operating costs; performance of existing and future wells; reserve volumes; anticipated timing and results of capital expenditures; the success obtained in drilling new wells; the sufficiency of budgeted capital expenditures in carrying out planned activities; the timing, location and extent of future drilling operations; the state of the economy and the exploration and production business; results of operations; performance; business prospects and opportunities; the availability and cost of financing, labour and services; the impact of increasing competition; ability to efficiently integrate assets and employees acquired through acquisitions, ability to market oil and natural gas successfully and our ability to access capital.

Although we believe that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because Whitecap can give no assurance that they will prove to be correct. Since forward-looking information addresses future events and conditions, by its very nature they involve inherent risks and uncertainties. These include, but are not limited to: the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production; pandemics and epidemics; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to reserves, production, costs and expenses; health, safety and environmental risks; commodity price and exchange rate fluctuations; interest rate fluctuations; marketing and transportation; loss of markets; environmental risks; competition; incorrect assessment of the value of acquisitions; failure to complete or realize the anticipated benefits of acquisitions or dispositions; ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals; reliance on third parties and pipeline systems; and changes in legislation, including but not limited to tax laws, production curtailment, royalties and environmental regulations. Our actual results, performance or achievement could differ materially from those expressed in, or implied by, the forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits that we will derive therefrom. Management has included the above summary of assumptions and risks related to forward-looking information provided in this press release in order to provide security holders with a more complete perspective on our future operations and such information may not be appropriate for other purposes.

Readers are cautioned that the foregoing lists of factors are not exhaustive. Additional information on these and other factors that could affect our operations or financial results are included in reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com).

These forward-looking statements are made as of the date of this press release and we disclaim any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

This press release contains future-oriented financial information and financial outlook information (collectively, "FOFI") about Whitecap's 2021 capital investments; 2021 year-end net debt; 2022 capital investments, free funds flow, discretionary funds flow, and annual dividend; unutilized credit capacity and debt to EBITDA ratio, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraphs. The actual results of operations of Whitecap and the resulting financial results will likely vary from the amounts set forth in this presentation and such variation may be material. Whitecap and its management believe that the FOFI has been prepared on a reasonably basis, reflecting management's best estimates and judgments. However, because this information is subjective and subject to numerous risks, it should not be relied on as necessarily indicative of future results. Except as required by applicable securities laws, Whitecap undertakes no obligation to update such FOFI. FOFI contained in this press release was made as of the date of this press release and was provided for the purpose of providing further information about Whitecap's anticipated future business operations. Readers are cautioned that the FOFI contained in this press release should not be used for purposes other than for which it is disclosed herein.

Oil and Gas Advisories

References to crude oil or natural gas production in this press release refer to the light and medium crude oil and conventional natural gas, respectively, product types as defined in National Instrument 51-101, *Standards of Disclosure for Oil and Gas Activities* (“NI 51-101”).

"Boe" means barrel of oil equivalent based on 6 mcf of natural gas to 1 bbl of oil. Boe may be misleading, particularly if used in isolation. A boe conversion ratio of 6:1 is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. In addition, 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.

Production

	Crude oil (bbls/d)	NGLs (bbls/d)	Natural gas (Mcf/d)	Total (boe/d) (1)
Q1 2021 Actual	64,795	9,508	129,151	95,828
Q2 2021 Forecast	77,825	9,475	148,200	112,000
Acquisition	1,500	32	408	1,600
Previous 2021 Guidance	72,850	9,400	154,500	108,000
Updated 2021 Guidance	74,000 – 74,600	9,900 – 10,100	156,600 – 157,800	110,000 – 111,000
Preliminary 2022	79,500	9,600	197,400	122,000

Note:
(1) Disclosure of production on a per boe basis of amounts in the above table in this press release consists of the constituent product types and their respective quantities disclosed in this table.

Non-GAAP Measures

This press release includes non-GAAP measures as further described herein. These non-GAAP measures do not have a standardized meaning prescribed by International Financial Reporting Standards (“IFRS” or, alternatively, “GAAP”) and, therefore, may not be comparable with the calculation of similar measures by other companies. See the Company’s Management’s Discussion and Analysis of financial condition and results of operation for the period ended June 30, 2021 for a reconciliation of the non-GAAP measures.

“Discretionary funds flow” represents funds flow less expenditures on property, plant and equipment (“PP&E”) and dividends. Management believes that discretionary funds flow provides a useful measure of Whitecap's ability to increase returns to shareholders and to grow the Company’s business.

“Free funds flow” represents funds flow less expenditures on PP&E. Management believes that free funds flow provides a useful measure of Whitecap's ability to increase returns to shareholders and to grow the Company’s business. Previously, Whitecap also deducted dividends paid or declared in the calculation of free funds flow. The Company believes the change in presentation better allows comparison with both dividend paying and non-dividend paying peers.

“Free funds flow yield’ represents free funds flow divided by the transaction price or market capitalization of an entity. Management believes that free funds flow yield provides a useful measure of Whitecap’s ability to increase returns to shareholders and allows management to better analyze transactions.

"Operating netbacks" are determined by adding marketing revenue and processing & other income, deducting realized hedging losses or adding realized hedging gains and deducting tariffs, royalties, operating expenses, transportation expenses and marketing expenses from petroleum and natural gas revenues. Operating netbacks are per boe measures used in operational and capital allocation decisions. Presenting operating netbacks on a per boe basis allows management to better analyze performance against prior periods on a comparative basis.

"Total payout ratio" is calculated as dividends paid or declared plus expenditures on PP&E, divided by funds flow. Management believes that total payout ratio provides a useful measure of Whitecap's capital reinvestment and dividend policy, as a percentage of the amount of funds flow.

Per Share Amounts

Per share amounts noted in this press release are on a fully diluted basis.