WHITECAP RESOURCES INC

NEWS RELEASE

March 17, 2015

WHITECAP RESOURCES INC. ANNOUNCES FOURTH QUARTER AND YEAR END 2014 RESULTS

CALGARY, ALBERTA – Whitecap Resources Inc. ("Whitecap" or the "Company") (TSX: WCP) is pleased to report its operating and audited financial results for the year ended December 31, 2014.

Whitecap's audited consolidated financial statements and related Management's Discussion and Analysis ("MD&A") and Annual Information Form ("AIF") will be available at www.sedar.com and on our website at www.wcap.ca.

FINANCIAL AND OPERATING HIGHLIGHTS

	Three months ended December 31		Twelve months ended December 31	
Financial ($000s except per share amounts)	2014	2013	2014	2013
Petroleum and natural gas sales	194,994	119,970	815,689	459,110
Funds from operations [(1)]	139,089	66,640	486,775	278,801
Basic ($/share)	0.55	0.39	2.10	1.86
Diluted ($/share)	0.54	0.39	2.08	1.84
Net income (loss)	166,116	(1,469)	453,141	40,428
Basic ($/share)	0.66	(0.01)	1.95	0.27
Diluted ($/share)	0.65	(0.01)	1.94	0.27
Dividends paid or declared	47,525	26,847	169,594	92,978
Per share	0.19	0.16	0.73	0.61
Total payout ratio (%) [(1)]	69	73	101	102
Development capital expenditures	48,144	21,988	323,836	189,994
Property acquisitions	135,788	88,011	950,856	407,422
Property dispositions	(104,257)	(34,194)	(273,547)	(35,602)
Corporate acquisitions	205,209	-	602,691	66,450
Net debt outstanding [(1)]	798,290	401,177	798,290	401,177
Operating				
Average daily production				
Crude oil (bbls/d)	24,752	12,585	20,796	11,870
NGLs (bbls/d)	2,979	2,159	2,596	1,713
Natural gas (Mcf/d)	59,580	43,902	54,395	37,117
Total (boe/d)	37,661	22,061	32,458	19,769
Average realized price [(2)]				
Crude oil ($/bbl)	72.45	81.44	89.54	88.39
NGLs ($/bbl)	34.17	53.64	46.73	49.51
Natural gas ($/Mcf)	3.77	3.72	4.62	3.34
Total ($/boe)	56.28	59.11	68.85	63.63
Netback ($/boe)				
Petroleum and natural gas sales	56.28	59.11	68.85	63.63
Realized hedging gain (loss)	7.29	(2.32)	(2.29)	(1.63)
Royalties	(7.42)	(8.46)	(9.19)	(8.28)
Operating expenses	(10.79)	(10.05)	(10.95)	(9.96)
Transportation expenses	(1.25)	(1.40)	(1.47)	(1.30)
Operating netbacks [(1)]	44.11	36.88	44.95	42.46
General & administrative	(1.48)	(1.61)	(1.49)	(1.67)
Interest & financing	(2.49)	(2.44)	(2.37)	(2.15)
Cash netbacks [(1)]	40.14	32.83	41.09	38.64
Share information (000s)				
Common shares outstanding, end of period	253,476	172,292	253,476	172,292
Weighted average basic shares outstanding	253,360	169,629	231,879	150,189
Weighted average diluted shares outstanding	255,501	171,533	234,130	151,914

Notes:

(1) Funds from operations, total payout ratio, net debt, operating netbacks and cash netbacks do not have a standardized meaning under GAAP. Refer to non-GAAP measures in this press release.

(2) Prior to the impact of hedging activities.

MESSAGE TO OUR SHAREHOLDERS

We are very pleased to report our operational and financial results for 2014 which have exceeded our initial full year projections. 2014 completes our second successful year as a sustainable dividend paying growth company. As a result of our team's ability to deliver strong operational results, and enhanced by our value added acquisitions, we were able to once again provide shareholders with per share growth in excess of our targeted 3-5% on a fully diluted basis. Funds from operations ("FFO") per share increased 13% to $2.08/share, production per share increased 7%, and reserves per share increased 14%. In addition, shareholders received an annual dividend of $0.73/share all within a total payout ratio of 101% demonstrating our team's commitment to financial and operational discipline.

Our 2014 capital program included $323.8 million in development capital expenditures which was $6.2 million lower than we were forecasting to spend. We were also able to generate FFO of $486.8 million ($2.08/share) for the full year and $139.1 million ($0.54/share) for the fourth quarter which was $5.6 million higher than our fourth quarter forecast. The 2014 development drilling program was 100% successful with the drilling of 169 (142.5 net) wells. In the fourth quarter we drilled a total of 28 (20.0 net) oil wells including 22 (15.4 net) Viking horizontal wells in west central Saskatchewan, 4 (3.0 net) Dunvegan horizontal wells in the Peace River Arch area of northwest Alberta, 1 (0.9 net) Cardium horizontal well in the West Pembina area of Alberta, and 1 (0.7 net) vertical Nisku well at our recently acquired Elnora property in Alberta.

In addition to the 2014 organic drilling program, our team was actively strengthening the long term sustainability of Whitecap's dividend paying growth model through internally generated business development initiatives. We completed $1.6 billion of strategic acquisitions, primarily in our core operating areas, which increased our light oil drilling inventory to 2,351 low risk light oil development locations providing for future production and cash flow per share growth. Whitecap was also able to monetize certain non-core assets totalling $273.5 million at attractive disposition metrics, further improving our financial flexibility and providing us with a strong balance sheet in this low commodity price environment.

Our total net capital program provided strong returns for our shareholders increasing our proved reserves by 64% to 155.0 MMboe (76% oil and NGLs) and proved plus probable reserves by 66% to 219.3 MMboe (75% oil and NGLs) at a finding, development and acquisition ("FD&A") cost of $19.56/boe including future development costs ("FDC") resulting in a recycle ratio of 2.3x and replacing 833% of our 2014 production.

We highlight the following accomplishments in 2014:

- ✓ Achieved record fourth quarter production of 37,661 boe/d, 71% higher than the fourth quarter of 2013 (15% per fully diluted share). Production growth of 64% year over year to 32,458 boe/d (7% per fully diluted share).

- ✓ Increased fourth quarter FFO by 109% to $139.1 million ($0.54/fully diluted share) compared to $66.6 million ($0.39/fully diluted share) in the fourth quarter of 2013. FFO growth of 75% year over year to $486.8 million (13% per fully diluted share).

- ✓ Realized strong fourth quarter cash netbacks of $40.14/boe, 22% higher than the fourth quarter of 2013 despite crude oil prices deteriorating 25% quarter over quarter. Increased cash netbacks 6% year over year to $41.09/boe including cash G&A of $1.49/boe.

- ✓ Continued to systematically layer on incremental crude oil and natural gas hedge positions with currently 53% of forecasted 2015 crude oil production hedged at a fixed price of WTI C$98.00/bbl and 25% in 2016 at a fixed price of WTI $97.71/bbl. For natural gas 55% of 2015 forecasted production is hedged at a fixed price of $3.58/mcf and 14% in 2016 at a fixed price of C$3.79/mcf.

- ✓ Invested $323.8 million in development capital expenditures in 2014 drilling 169 (142.5 net) wells with a 100% success rate including 116 (97.9 net) horizontal Viking oil wells in west central Saskatchewan, 16 (14.8 net) horizontal Cardium oil wells in Pembina, 26 (20.9 net) horizontal Cardium wells in southwest Alberta and 11 (8.9 net) wells in northwest Alberta and British Columbia.

- ✓ Continued to increase our oil and NGL weighting to 74% in the fourth quarter compared to 67% in the fourth quarter of 2013.

- ✓ Business development initiatives include the closing and successful integration $1.6 billion of accretive, oil-weighted, high netback property and corporate acquisitions in addition to portfolio rationalization of non-core assets totalling $273.5 million.

- ✓ Increased proved plus probable reserves by 66% year over year (14% per fully diluted share), replacing 833% of 2014 production, after acquisitions and divestments, at a FD&A cost of $19.56/boe including FDC which results in a recycle ratio of 2.3 times.

- ✓ Significant proved plus probable reserve additions of 27.8 MMboe from our development capital program at a finding and development ("F&D") cost of $13.79/boe representing a recycle ratio of 3.3 times.

- ✓ Increased our monthly dividend 19% from $0.0525/share at the end of 2013 to currently $0.0625/share while maintaining a strong balance sheet (fourth quarter 2014 net debt to FFO ratio of 1.4x) and achieving a total payout ratio of 101% in 2014 without the use of a dividend reinvestment plan (DRIP).

Subsequent to year end 2014 we elected to increase our credit facility to $1.2 billion providing us with further financial flexibility in the weak commodity price environment we are experiencing.

OUTLOOK

We anticipate continued commodity price volatility for the remainder of 2015 and believe we are well positioned to withstand the challenging environment that our industry is currently facing. With our light oil focused asset base and our strong commodity hedges in place for 2015 and 2016 we continue to generate robust cash flow netbacks. The foregoing, in combination with a low base production decline rate of 23% and our team's commitment to financial and operational discipline allows us to grow production by 11% (1% per share), maintain our current monthly dividend of $0.0625/share, all within a total payout ratio of less than 100% in 2015. Our balance sheet is expected to remain strong with a net debt to FFO ratio of 2.0 times in the current low commodity price environment.

Once again our Management team and Board of Directors would like to thank you for your ongoing support of Whitecap.

Note Regarding Forward-Looking Statements and Other Advisories

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, objectives, strategies, financial, operating and production results and business opportunities. Forward-looking information typically uses words such as "anticipate", "believe", "project", "expect", "goal", "plan", "intend" or similar words suggesting future outcomes, statements that actions, events or conditions "may", "would", "could" or "will" be taken or occur in the future. In addition, and without limiting the generality of the foregoing, this press release contains forward-looking information regarding our future production and cash flow, anticipated cash flow netbacks, decline rates, payout ratio and net debt to FFO ratio, our capital program and our potential growth, our drilling inventory, our financial flexibility and long term sustainability, the benefits obtained from acquisitions, the benefits to be obtained from our hedging program, our future dividends and dividend policy, industry conditions and commodity prices. In addition, statements relating to "reserves" are deemed to be forward looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably produced in the future.

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; future production rates and estimates of operating costs; performance of existing and future wells; reserve and resource 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; our ability to access capital; and obtaining the necessary regulatory approvals.

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. 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.

Reserves referenced in this press release are based on McDaniel & Associates Consultants Ltd.'s ("McDaniel") reserves evaluation for Whitecap effective December 31, 2014. It should not be assumed that the present worth of estimated future cash flow referenced in this press release represents the fair market value of the reserves. There is no assurance that the forecast prices and costs assumptions will be attained and variances could be material. The recovery and reserve estimates of Whitecap's crude oil, natural gas liquids and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, natural gas and natural gas liquids reserves may be greater than or less than the estimates provided herein.

Finding and development costs including acquisitions and dispositions have been referenced in this press release. While NI 51-101 requires that the effects of acquisitions and dispositions be excluded, FD&A costs have been presented because acquisitions and dispositions can have a significant impact on the Company's ongoing reserve replacement costs and excluding these amounts could result in an inaccurate portrayal of the Company's cost structure. The aggregate of the exploration and development costs incurred in the financial year and change during that year in estimated future development costs generally will not reflect total finding and development costs related to reserve additions for that year.

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.

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.

"Funds from operations" represents cash flow from operating activities adjusted for changes in non-cash working capital, transaction costs, settlement of decommissioning liabilities and termination fees received. Management considers funds from operations and funds from operations per share to be key measures as they demonstrate Whitecap's ability to generate the cash necessary to pay dividends, repay debt, fund settlement of decommissioning liabilities and make capital investments. Management believes that by excluding the temporary impact of changes in non-cash operating working capital, funds from operations provides a useful measure of Whitecap's ability to generate cash that is not subject to short-term movements in non-cash operating working capital.

The following table reconciles cash flow from operating activities (a GAAP measure) to funds from operations (a non-GAAP measure):

	Three months ended December 31,		Twelve months ended December 31,	
($000s)	2014	2013	2014	2013
Cash flow from operating activities	157,544	79,274	468,916	279,859
Changes in non-cash working capital	(20,185)	(13,102)	12,735	(1,107)
Settlement of decommissioning liabilities	1,575	25	3,109	484
Transaction costs	155	443	2,015	765
Termination fee received	-	-	-	(1,200)
Funds from operations or cash flow	139,089	66,640	486,775	278,801
Cash dividends declared	47,525	26,847	169,594	92,978
Development capital expenditures	48,144	21,988	323,836	189,994
Basic payout ratio (%)	34	40	35	33
Total payout ratio (%)	69	73	101	102

"Operating netbacks" are determined by deducting royalties, production expenses and transportation and selling expenses from oil and gas revenue. Operating netbacks are per boe measures used in operational and capital allocation decisions.

"Cash netbacks" are determined by deducting cash general and administrative and interest expense from Operating netbacks.

"Cash dividends per share" represents cash dividends declared per share by Whitecap.

"Basic payout ratio" is calculated as cash dividends declared divided by funds from operations.

"Total payout ratio" is calculated as development capital plus cash dividends declared divided by funds from operations.

"Net debt" is calculated as bank debt plus working capital deficiency adjusted for risk management contracts. Net debt is used by management to analyze the financial position and leverage of Whitecap.
The following table reconciles bank debt (a GAAP measure) to net debt (a non-GAAP measure):

($000s)	December 31, 2014	December 31, 2013
Bank debt	756,564	382,899
Current liabilities	145,998	113,773
Current assets	(243,637)	(66,795)
Risk management contracts	139,365	(28,700)
Net debt	798,290	401,177

"Boe" means barrel of oil equivalent on the basis of 6 Mcf of natural gas to 1 bbl of oil. Boes 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. 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.

This press release discloses drilling locations in three categories: (i) proved locations; (ii) probable locations; and (iii) unbooked locations. Proved locations and probable locations are derived from our most recent independent reserves evaluation as prepared by McDaniel as of December 31, 2014 and account for drilling locations that have associated proved and/or probable reserves, as applicable. Unbooked locations are internal estimates based on our prospective acreage and an assumption as to the number of wells that can be drilled per section based on industry practice and internal review. Unbooked locations do not have attributed reserves or resources. Of the 2,351 drilling locations identified herein, 730 are proved locations, 53 are probable locations and 1,568 are unbooked locations. Unbooked locations have been identified by management as an estimation of our multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, production and reserves information. There is no certainty that we will drill all unbooked drilling locations and if drilled there is no certainty that such locations will result in additional oil and gas reserves, resources or production. The drilling locations on which we actually drill wells will ultimately depend upon the availability of capital, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors. While certain of the unbooked drilling locations have been derisked by drilling existing wells in relative close proximity to such unbooked drilling locations, other unbooked drilling locations are farther away from existing wells where management has less information about the characteristics of the reservoir and therefore there is more uncertainty whether wells will be drilled in such locations and if drilled there is more uncertainty that such wells will result in additional oil and gas reserves, resources or production.

For further information:

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