NEWS RELEASE

August 31, 2023

WHITECAP RESOURCES INCREASES DIVIDEND BY 26% AND SIGNS CO_2 CONTRACT EXTENSION

CALGARY, ALBERTA – Whitecap Resources Inc. ("Whitecap" or the "Company") (TSX: WCP) is pleased to announce a 26% increase to our monthly dividend as we expect to reach our $1.3 billion net debt[1] milestone on or before September 30, 2023. We are also pleased to advise that we have signed a CO_2 supply contract extension for volumes delivered to the Weyburn Unit CO_2 enhanced oil recovery project ("Weyburn Project") and have released our 2023 Environmental, Social and Governance ("ESG") Report.

DIVIDEND INCREASE

Upon closing of the XTO acquisition on August 31, 2022, we had established net debt targets of $1.8 billion and $1.3 billion. On achieving these targets, we committed to increasing our dividend to $0.58 per share and $0.73 per share (annualized), respectively. In January 2023, we achieved our first net debt milestone of $1.8 billion and increased our monthly dividend to $0.0483 per share. We now expect to achieve our $1.3 billion net debt milestone on or before September 30, 2023, and our Board of Directors has approved a 26% increase to our monthly dividend to $0.0608 per share, effective with the October 2023 dividend, payable in November 2023. This equates to an annual dividend of $0.73 per share, up from $0.36 per share prior to the XTO acquisition.

Since September 2022, we have reduced our net debt by approximately $900 million and returned over $400 million to shareholders through dividends plus share buybacks.

Our net debt target of $1.3 billion is important to us as it represents a Debt/EBITDA ratio[2] of 1.0x at our stress tested commodity price assumptions of US$50/bbl WTI and $3.00/GJ AECO and is currently 0.6x at current strip prices. It is also an important milestone for our shareholders as we will now return 75% of free funds flow[1] back to shareholders. Capital returns to shareholders will be comprised of the increased annual dividend of $0.73 per share and will be supplemented with share buybacks and/or special dividends. Given the variability in our quarterly capital programs due to spring break up, we plan to update progress and measurement of these returns on a semi-annual basis. With consideration of our total proven net asset value[3] and the permanent improvement to our capital structure, our current preference is share repurchases over special dividends. We continue to be opportunistic on our share repurchases and target larger block trades when available.

Whitecap is in a very healthy position with our strong balance sheet and a balanced portfolio of high-quality drilling opportunities. Our East Division (~90,000 boe/d) generates significant operating free funds flow[1] through its low decline and high netback assets, and our West Division (~70,000 boe/d), with our Montney and Duvernay assets, provides us with a large resource base, significant reserves and inventory for decades of sustainable per share growth.

WEYBURN CONTRACT EXTENSION

As operator and 65.3% working interest owner of the Weyburn Project, we have signed a CO_2 purchase and sale extension agreement to December 31, 2034 with SaskPower for the purchase of CO_2 that is captured at the Boundary Dam Power Station, Unit 3 in Estevan, Saskatchewan. The Weyburn Project has safely sequestered over 40 million tonnes of CO_2 since first receiving captured CO_2 emissions. This project demonstrates the commitment that the Saskatchewan Government continues to provide leadership on, moving the province to a lower carbon economy while providing long term reliable and affordable power to its constituents.

The Weyburn Project has world-class attributes that provide significant benefits to Whitecap as well as many different stakeholder groups:

- **Acquisition Payout.** The Weyburn Project currently produces approximately 15,000 boe/d[4] (net to Whitecap) of 30-degree API crude oil and generates an annual operating netback[1] of over $200 million at US$75/bbl WTI. By the end of 2023, we forecast that the asset will have generated over $800 million of cumulative operating free funds flow to Whitecap, leading to a forecasted full payout[1] of the $940 million purchase price in 2024 at current strip prices[5] which is less than 7 years after acquiring the asset.

- **Long Life Reserves.** A reliable source of CO_2 supply is integral to the Weyburn Project maintaining a decline rate of below 5% as well as increasing the recovery factor of an asset that was first discovered in the early 1950's. To date, the asset has recovered over 500 million barrels of oil, with our year-end 2022 independent reserve evaluation[3] indicating the asset is expected to produce for the next 50 years and recover a total of over 700 million barrels of oil. By utilizing CO_2 to enhance the recovery factor of the Weyburn oil pool, we are minimizing the surface impact required to replace production declines of a product that continues to see an increase in global demand.

- **Carbon Sequestration.** Since first injection in the year 2000, the Weyburn project has safely sequestered over 40 million tonnes of CO_2. Our internal modelling suggests that the ultimate CO_2 storage capacity of this partially depleted oil reservoir is 115 million tonnes, which at our current injection rate of approximately 2 million tonnes per year, provides for over 35 more years of CO_2 injection capability.

- **Project Benefits.** The Weyburn Project provides significant economic benefits to the Province of Saskatchewan with a direct impact of 120 jobs and annual economic benefits of approximately $350 million[6]. Whitecap is proud to be associated with a project that has led the way for carbon capture, utilization and storage ("CCUS") projects, and we expect that knowledge gained from this project will provide significant benefits to future CCUS projects both in Canada and around the world.

ESG REPORT

Whitecap has released our 2023 ESG report which can be found on our website at www.wcap.ca/sustainability/esg-report. Our 2022 results, discussion of objectives and commitments, and performance against our established targets are all provided in this full comprehensive report. Whitecap is proud of our recent accomplishments and will continue to advance our ESG performance in the years to come.

On behalf of our employees, management team and Board of Directors, we would like to thank our shareholders for their support and look forward to the remainder of 2023 and beyond.

NOTES

1 Net debt is a capital management measure. Full payout and operating free funds flow are supplementary financial measures. Operating netback and free funds flow are non-GAAP financial measures. Refer to the Specified Financial Measures section in this press release for additional disclosure and assumptions.
2 Debt to EBITDA ratio is a specified financial measure that is calculated in accordance with the financial covenants in our credit agreement.
3 Refer to the Oil and Gas Advisories section for additional disclosure regarding how we calculate net asset value and for reserves information.
4 Disclosure of production on a per boe basis in this press release consists of the constituent product types and their respective quantities disclosed herein. Refer to Barrel of Oil Equivalency and Production & Product Type Information in this press release for additional disclosure.
5 Based on the following strip commodity pricing and exchange rate assumptions for Sep-Dec 2023: US$80.62/bbl WTI, $2.93/GJ AECO, USD/CAD of $1.35.
6 Gross capital expenditures prior to CO_2 purchases plus operating expenses and royalties.

For further information:

Grant Fagerheim, President & CEO
or
Thanh Kang, Senior Vice President & CFO

Whitecap Resources Inc.
3800, 525 – 8th Avenue SW
Calgary, AB T2P 1G1
(403) 266-0767
www.wcap.ca
InvestorRelations@wcap.ca

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. 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.

In particular, and without limiting the generality of the foregoing, this press release contains forward-looking information with respect to: our expectation to reach our $1.3 billion net debt milestone on or before September 30, 2023; our forecasted Debt/EBITDA ratio at US$50/bbl WTI and $3.00/GJ AECO on reaching our net debt target of $1.3 billion; that we will return 75% of free funds flow back to shareholders; that capital returns to shareholders will be comprised of the increased annual dividend of $0.73 per share and will be supplemented with share buybacks and/or special dividends, and our current preference for share repurchases; our expectation to update progress and measurement of the capital returns on a semi-annual basis; our belief that Whitecap is in a very healthy position with our strong balance sheet and a balanced portfolio of high-quality drilling opportunities; our belief that our East Division generates significant operating free funds flow; our belief that our West Division provides us with a large resource base, significant reserves, and inventory for decades of sustainable per share growth; our forecasted annual operating netback of the Weyburn Project at US$75/bbl WTI; our forecast for the Weyburn Project to have generated over $800 million of cumulative operating free funds flow by the end of 2023; our forecast for the Weyburn Project to reach full payout of the initial $940 million purchase price in 2024 at current strip prices; our belief that a reliable source of CO_2 supply is integral to the Weyburn Project maintaining a decline rate of below 5% as well as increasing the recovery factor; our forecast for recoveries over the next 50 years; our forecast that the CO_2 storage capacity of the partially depleted Weyburn Project oil reservoir is 115 million tonnes, which at our current injection rate of approximately 2 million tonnes per year, provides for over 35 more years of CO_2 injection capability; our forecast that the Weyburn Project provides significant economic benefits to the Province of Saskatchewan, including an annual economic benefit of approximately $350 million; our belief that knowledge gained from the Weyburn Project will provide significant benefits to future CCUS projects both in Canada and around the world; and our belief that we will continue to advance our ESG performance in the years to come.

The forward-looking information is based on certain key expectations and assumptions made by our management, including: that we will continue to conduct our operations in a manner consistent with past operations except as specifically noted herein (and for greater certainty, the forward-looking information contained herein excludes the potential impact of any acquisitions or dispositions that we may complete in the future); the general continuance or improvement in current industry conditions; the continuance of existing (and in certain circumstances, the implementation of proposed) tax, royalty and regulatory regimes; expectations and assumptions concerning prevailing and forecast commodity prices, exchange rates, interest rates, inflation rates, applicable royalty rates and tax laws, including the assumptions specifically set forth herein; that going forward the COVID-19 virus will not have a material impact 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 adjust crude oil production levels and thereby manage world crude oil prices; the impact (and the duration thereof) of the ongoing military actions between Russia and Ukraine and related sanctions on crude oil, NGLs and natural gas prices; the impact of rising and/or sustained high inflation rates and interest rates on the North American and world economies and the corresponding impact on our costs, our profitability, and on crude oil, NGLs and natural gas prices; future production rates and estimates of operating costs and development capital, including as specifically set forth herein; performance of existing and future wells; reserve volumes and net present values thereof; anticipated timing and results of capital expenditures / development capital, including as specifically set forth herein; 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; business prospects and opportunities; the availability and cost of financing, labour and services; future dividend levels and share repurchase levels; the impact of increasing competition; ability to efficiently integrate assets and employees acquired through acquisitions or asset exchange transactions; ability to market oil and natural gas successfully; our ability to access capital and the cost and terms thereof; that we will not be forced to shut-in production due to weather events such as wildfires, floods or extreme hot or cold temperatures; and that we will be successful in defending against previously disclosed and ongoing reassessments received from the Canada Revenue Agency.

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, and by its very nature it involves inherent risks and uncertainties. These include, but are not limited to: the risk that the funds that we ultimately return to shareholders through dividends and/or share repurchases is less than currently anticipated and/or is delayed, whether due to the risks identified herein or otherwise; the risk that any of our material assumptions prove to be materially inaccurate, including our 2023 forecasts (including for commodity prices and exchange rates); the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production, including the risk that weather events such as wildfires, flooding or extreme hot or cold temperatures forces us to shut-in production or otherwise adversely affects our operations; 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; risks associated with increasing costs, whether due to high inflation rates, high interest rates, supply chain disruptions or other factors; health, safety and environmental risks; commodity price and exchange rate fluctuations; interest rate fluctuations; inflation 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 on acceptable terms or at all; failure to obtain required regulatory and other approvals; reliance on third parties and pipeline systems; changes in legislation, including but not limited to tax laws, production curtailment, royalties and environmental regulations; the risk that we do not successfully defend against previously disclosed and ongoing reassessments received from the Canada Revenue Agency and are required to pay additional taxes, interest and penalties as a result; and the risk that the amount of future cash dividends paid by us and/or shares repurchased for cancellation by us, if any, will be subject to the discretion of our Board of Directors and may vary depending on a variety of factors and conditions existing from time to time, including, among other things, fluctuations in commodity prices, production levels, capital expenditure requirements, debt service requirements, operating costs, royalty burdens, foreign exchange rates, contractual restrictions contained in our debt agreements, and the satisfaction of the liquidity and solvency tests imposed by applicable corporate law for the declaration and payment of dividends and/or the repurchase of shares – depending on these and various other factors, many of which will be beyond our control, our dividend policy and/or share buyback policy and, as a result, future cash dividends and/or share buybacks, could be reduced or suspended entirely. 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 our forecast to reach our $1.3 billion net debt milestone on or before September 30, 2023 and our forecast Debt/EBITDA ratio at this net debt level based on the assumptions disclosed; the percent of free funds flow to be returned to shareholders; the forecasted annual Weyburn Project operating netback of over $200 million at US$75/bbl WTI; our forecasted cumulative operating free funds flow of the Weyburn Project of over $800 million by the end of 2023; and our forecast for full payout of the $940 million purchase price for the Weyburn Project asset in 2024 at current strip prices 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 herein and such variation may be material. Whitecap and its management believe that the FOFI has been prepared on a reasonable 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

Reserves

Estimates in this press release in respect of the Weyburn Project are based on the evaluation of our reserves prepared by our independent reserves evaluator, McDaniel & Associates Consultants Ltd. ("McDaniel") effective as at December 31, 2022 (the "McDaniel Reserves Report"), which was prepared in accordance with National Instrument 51-101 ("NI 51-101") and the Canadian Oil and Gas Evaluation Handbook. The McDaniel Reserves Report was based on the average forecast pricing of McDaniel, GLJ Ltd. and Sproule Associates Limited and inflation rates and foreign exchange rates as at January 1, 2023, which is available on McDaniel's website at www.mcdan.com.

Barrel of Oil Equivalency

"Boe" means barrel of oil equivalent. All boe conversions in this press release are derived by converting gas to oil at the ratio of six thousand cubic feet ("Mcf") of natural gas to one barrel ("Bbl") of oil. Boe may be misleading, particularly if used in isolation. A Boe conversion rate of 1 Bbl : 6 Mcf 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 of oil compared to natural gas based on currently prevailing prices is significantly different than the energy equivalency ratio of 1 Bbl : 6 Mcf, utilizing a conversion ratio of 1 Bbl : 6 Mcf may be misleading as an indication of value.

Oil and Gas Metrics

This press release contains metrics commonly used in the oil and natural gas industry which have been prepared by management, such as "net asset value". This term does not have a standardized meaning and may not be comparable to similar measures presented by other companies, and therefore should not be used to make such comparisons.

"Net asset value" is determined by subtracting net debt and asset retirement obligations (if not otherwise deducted) at the applicable date from the total proved or total proved plus probable before tax net present value of future net revenue discounted at 10% as provided in the McDaniels Reserves Report.

Management uses oil and gas metrics for its own performance measurements and to provide shareholders with measures to compare our operations over time. Readers are cautioned that the information provided by these metrics, or that can be derived from the metrics presented in this press release, should not be relied upon for investment or other purposes.

Production & Product Type Information

References to petroleum, crude oil, natural gas liquids ("NGLs"), natural gas and average daily production in this press release refer to the light and medium crude oil, tight crude oil, conventional natural gas, shale gas and NGLs product types, as applicable, as defined in National Instrument 51-101 ("NI 51-101"), except as noted below.

NI 51-101 includes condensate within the NGLs product type. The Company has disclosed condensate as combined with crude oil and separately from other NGLs since the price of condensate as compared to other NGLs is currently significantly higher and the Company believes that this crude oil and condensate presentation provides a more accurate description of its operations and results therefrom. Crude oil therefore refers to light oil, medium oil, tight oil and condensate. NGLs refers to ethane, propane, butane and pentane combined. Natural gas refers to conventional natural gas and shale gas combined.

The current average daily production from the Weyburn Project (net to Whitecap) disclosed in this press release consists of the following product types, as defined in NI 51-101 (other than as noted above with respect to condensate) and using a conversion ratio of 1 Bbl : 6 Mcf where applicable:

	East Division	West Division	Weyburn (net to Whitecap)
Light and medium oil (bbls/d)	62,000	13,000	14,500
Tight oil (bbls/d)	-	11,500	-
Crude oil (bbls/d)	62,000	24,500	14,500
NGLs (bbls/d)	11,500	6,000	500
Shale gas (Mcf/d)	-	198,000	-
Conventional natural gas (Mcf/d)	99,000	39,000	-
Natural gas (Mcf/d)	99,000	237,000	-
Total (boe/d)	90,000	70,000	15,000

SPECIFIED FINANCIAL MEASURES

This press release includes various specified financial measures, including non-GAAP financial measures, capital management measures and supplementary financial measures as further described herein. These financial measures are not standardized financial measures under International Financial Reporting Standards ("IFRS" or, alternatively, "GAAP") and, therefore, may not be comparable with the calculation of similar financial measures disclosed by other companies.

"Free funds flow" is a non-GAAP financial measure calculated as funds flow less expenditures on property, plant and equipment ("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. Free funds flow is not a standardized financial measure under IFRS and, therefore, may not be comparable with the calculation of similar financial measures disclosed by other entities. The most directly comparable financial measure to free funds flow disclosed in the Company's primary financial statements is cash flow from operating activities. Refer to the "Cash Flow from Operating Activities, Funds Flow and Payout Ratios" section of our management's discussion and analysis for the three and six months ended June 30, 2023 which is incorporated herein by reference, and available on SEDAR at www.sedar.com. In addition, see the following table which reconciles cash flow from operating activities to funds flow and free funds flow:

	Three months ended Jun. 30,		Six months ended Jun. 30,	
($ millions)	**2023**	**2022**	**2023**	**2022**
Cash flow from operating activities	414.9	676.8	883.5	1,067.3
Net change in non-cash working capital items	0.2	(0.1)	(20.4)	115.0
Funds flow	415.1	676.6	863.1	1,182.3
Expenditures on PP&E	217.8	87.9	471.4	299.4
Free funds flow	197.3	588.7	391.7	882.9
Total payout ratio (%)	74	21	75	34
Funds flow per share, basic	0.69	1.09	1.43	1.90
Funds flow per share, diluted	0.68	1.08	1.41	1.88

"Net Debt" is a capital management measure that management considers to be key to assessing the Company's liquidity. See Note 5(e)(i) "Capital Management – Net Debt and Total Capitalization" in the Company's unaudited interim consolidated financial statements for the three and six months ended June 30, 2023 for additional disclosures. The following table reconciles the Company's long-term debt to net debt:

Net Debt ($ millions)	Jun. 30, 2023	Dec. 31, 2022
Long-term debt	1,259.5	1,844.6
Accounts receivable	(357.5)	(480.2)
Deposits and prepaid expenses	(28.1)	(22.7)
Accounts payable and accrued liabilities	458.1	549.1
Dividends payable	29.2	22.3
Net Debt	1,361.2	1,913.1

"Operating free funds flow" is a supplementary financial measure calculated as petroleum and natural gas revenues plus other income, less tariffs, royalties, operating expenses, transportation expenses and expenditures on property, plant and equipment ("PP&E") on an asset level. Management believes that operating free funds flow provides a useful measure of Whitecap's ability to grow the Company's business on an asset specific level.

"Operating netback" is a non-GAAP financial measure determined by adding marketing revenues and processing & other income, deducting realized losses on commodity risk management contracts or adding realized gains on commodity risk management contracts and deducting tariffs, royalties, operating expenses, transportation expenses and marketing expenses from petroleum and natural gas revenues. The most directly comparable financial measure to operating netback disclosed in the Company's primary financial statements is petroleum and natural gas sales. Operating netback is a measure used in operational and capital allocation decisions. Operating netback is not a standardized financial measure under IFRS and, therefore, may not be comparable with the calculation of similar financial measures disclosed by other entities. For further information, refer to the "Operating Netbacks" section of our management's discussion and analysis for the three and six months ended June 30, 2023, which is incorporated herein by reference, and available on SEDAR at www.sedar.com. A reconciliation of operating netbacks to petroleum and natural gas revenues is set out below:

	Three months ended Jun. 30,		Six months ended Jun. 30,	
Operating Netbacks ($ millions)	**2023**	**2022**	**2023**	**2022**
Petroleum and natural gas revenues	797.9	1,262.0	1,681.6	2,265.9
Tariffs	(6.7)	(5.1)	(14.3)	(11.4)
Processing & other income	14.4	7.4	26.2	14.2
Marketing revenues	67.8	85.4	132.5	144.1
Petroleum and natural gas sales	873.4	1,349.6	1,826.0	2,412.8
Realized gain (loss) on commodity contracts	11.9	(116.3)	21.0	(194.1)
Royalties	(128.2)	(241.7)	(288.9)	(439.1)
Operating expenses	(203.0)	(186.6)	(398.1)	(350.9)
Transportation expenses	(29.8)	(27.0)	(59.6)	(51.9)
Marketing expenses	(68.0)	(84.5)	(132.2)	(142.8)
Operating netbacks	456.3	693.6	968.2	1,234.0

"Full payout" is a supplementary financial measure and is determined when operating free funds flow is greater than the acquisition price. Management believes that full payout provides a useful measure of Whitecap's acquisition strategy.

Per Share Amounts

Per share amounts noted in this press release are based on fully diluted shares outstanding unless noted otherwise.