NEWS RELEASE

January 19, 2016

WHITECAP ADAPTS TO CURRENT PRICING ENVIRONMENT AND PROVIDES REVISED OUTLOOK FOR 2016

CALGARY, ALBERTA – Whitecap Resources Inc. ("Whitecap" or the "Company") announces that in response to the severe decline in crude oil prices in the past few weeks, we are implementing multiple initiatives to adapt to the lower prices. Our priority in the current commodity price environment is to protect our balance sheet and to re-calibrate our business plan to ensure long-term sustainability while being positioned for an eventual commodity price recovery.

Capital Reduction

Whitecap's Board of Directors have agreed to a 53% reduction to our 2016 capital program to $70 million from our previous guidance on December 15, 2015 of $150 million. The deterioration in crude oil prices has dramatically affected our project economics and we therefore believe that reducing our capital spending in this environment will maximize long-term value for our shareholders as we continue to focus on return on capital employed. The revised 2016 capital program of 23 (22.3 net) wells includes 15 (14.8 net) Viking light oil wells in west central Saskatchewan, 5 (4.9 net) Cardium light oil wells in West Pembina and Ferrier, 2 (2.0 net) light oil horizontal wells in the Deep Basin and 1.0 (0.6 net) well in Boundary Lake. Our corporate focus on waterfloods across our asset base creates a low base production decline rate of 20% and provides a stable base level of production and funds flow which requires lower sustaining capital requirements. This revised capital program allows us to generate sufficient funds flow to maintain a total payout ratio of less than 100% at current strip pricing.

Facility Agreement

Whitecap is funding its revised 2016 capital program by way of a $70 million disposition of certain Whitecap production facilities to a third party. Whitecap will maintain control of the facilities as operator and will pay the purchaser an annual tariff for the life of the agreement, but will also retain all third party processing revenues generated. Whitecap has the option to repurchase the facilities at any time. The annual cost of the arrangement has been positively offset by other operating cost and G&A reductions.

Dividend Reduction

As a result of current crude oil prices below US$30/bbl WTI and our focus on our balance sheet and long-term sustainability, we are reducing our monthly dividend by 40% to $0.0375 per share ($0.45 per share annually) from the current dividend level of $0.0625 per share ($0.75 per share annually) commencing with the February dividend payable on March 15, 2016. This will reduce Whitecap's cash requirements by approximately $91 million annually and at the same time continue to provide our shareholders with a meaningful dividend that is sustainable longer term. We remain focused on ensuring the dividend is fully funded through internally generated funds flow without the use of a dividend reinvestment program or bank debt.

Revised 2016 guidance

Whitecap continues to focus on the long-term sustainability of our dividend-growth model and our objective of internally funding our business remains unchanged. Our revised guidance reduces our total payout ratio to 85% and provides $38 million of free funds flow after capital spending and dividend payments. We anticipate having 38% of unutilized credit capacity on our current bank line of $1.2 billion which provides us with financial flexibility and liquidity should commodity prices deteriorate further. Our price forecast for crude oil is now US$30/bbl WTI in Q1/2016, US$35/bbl WTI in Q2/2016, US$40/bbl WTI in Q3/2016 and US$45/bbl WTI in Q4/2016.

The 2016 revised budget is as follows:

	2016 Revised	**2016 Previous**
Average production (boe/d)	37,000	40,100
% Oil + NGLs	75%	77%
Funds flow ($MM)	251	374
Cash netbacks ($/boe)	18.50	25.50
Development capital spending ($MM)	70	150

Wells drilled (gross #)	23	88
Total dividends	143	226
$ Per share (basic)	0.45	0.75
Total payout ratio	85%	100%
Net debt to funds flow	3.0x	2.2x
WTI (US$/bbl)	37.50	46.25
CAD/USD exchange rate	0.70	0.75
Edmonton Par differential (C$/bbl)	($4.00)	($4.00)
Natural gas (AECO C$/GJ)	2.50	2.40

Our re-calibrated business plan positions us well for continued weakness in commodity prices but also provides significant free funds flow should crude oil prices be higher than forecast. Below we provide our free funds flow sensitivities to higher crude oil prices which increases to $176 million at WTI US$50.00/bbl.

WTI (US$/bbl)	40.00	45.00	50.00
CAD/USD exchange rate	0.70	0.71	0.72
Edmonton Par differential (C$/bbl)	($4.00)	($4.00)	($4.00)
AECO gas price (C$/GJ)	2.50	2.50	2.50
Cash netbacks ($/boe)	21.25	25.55	28.75
Production (boe/d)	37,000	37,000	37,000
Funds flow ($MM)	288	346	389
Development capital ($MM)	70	70	70
Dividends ($MM)	143	143	143
Free funds flow ($MM)	75	133	176
Total payout ratio (%)	74	62	55
Net debt to funds flow	2.4x	1.9x	1.6x

SUMMARY

The past year has been volatile and challenging, however, the financial and operational strength of Whitecap has allowed us to be well positioned going into 2016. In response to the dramatic drop in crude oil prices we are taking concrete steps to protect our balance sheet. This includes reducing our capital program, disposing of certain production facilities while maintaining operational control and reducing our dividend which in aggregate provides us with $233 million of additional financial liquidity in addition to maintaining a total payout ratio below 100%. As a result we anticipate having approximately $455 million of unutilized credit capacity on our current bank line of $1.2 billion.

Our outlook for the future remains constructive as it relates to commodity price improvement, cost of services decreasing, and the ability to generate acceptable economic rates of return on capital invested. We will take advantage of this time to reduce our controllable costs, advance decline rate mitigation initiatives, so that we are well positioned to provide strong shareholder returns in the future.

While the current environment is difficult and challenging, we are fortunate to have a group of very dedicated and determined employees and an experienced Board of Directors who are prepared to do what it takes to position Whitecap for the brighter days ahead.

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, 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 particular, this press release contains forward-looking information relating to our ongoing business plan, strategy, priorities and targets, industry conditions, commodity prices, 2016 capital program and allocation thereof, future production, decline rates, funds flow, free funds flow, credit capacity, cash netbacks, future dividend payments and dividend policy, total payout ratio, net debt, net debt to funds flow, hedging strategies, drilling inventory, development and drilling plans, well economics, future cost reductions, potential growth, and the source of funding our capital program including the disposition of certain facilities.

The forward-looking information is based on certain key expectations and assumptions made by our management, including expectations and assumptions concerning prevailing commodity prices and differentials, 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 and our ability to access capital and our ability to complete the disposition of certain facilities on the terms and timing contemplated.

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. 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 securityholders 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 prospective results of operations, funds flow, netbacks, debt, payout ratio well economics and components thereof, all of which are subject to the same assumptions, risk factors, limitations and qualifications as set forth in the above paragraphs. 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. Whitecap disclaims any intention or obligation to update or revise any FOFI contained in this press release, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. 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.

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.

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

"Free funds flow" is determined by deducting development capital and dividend payments from funds from operations.

"Funds flow" represents funds 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 flow and funds flow 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 flow 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.

"Net debt to funds flow" is calculated as net debt divided by funds flow.

"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.

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

"Boe" means barrel of oil equivalent on the basis of 6 mcf of natural gas to 1 bbl of oil. Boe's 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.

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