NEWS RELEASE

January 5, 2017

**WHITECAP RESOURCES INC. ANNOUNCES CLOSING OF SENIOR SECURED NOTES AND PROVIDES OPERATIONAL UPDATE**

CALGARY, ALBERTA – Whitecap Resources Inc. ("Whitecap" or the "Company") (TSX: WCP) is pleased to announce that it has closed an issuance of Cdn$200 million senior secured notes which have an annual coupon rate of 3.46% and mature on January 5, 2022. The notes were issued by way of a private placement, pursuant to a note purchase and private shelf agreement, and rank equally with Whitecap's obligations under its bank facilities. Proceeds from the notes will be used to repay a portion of Whitecap's outstanding bank debt.

The issuance of the senior notes expands Whitecap's borrowing capacity to $1.3 billion from $1.1 billion and enhances our capital structure by diversifying our debt at a very attractive long term fixed interest rate. This provides more predictability to our free cash flow, strengthens our financial flexibility and improves the overall sustainability of our dividend-growth model. Whitecap remains well positioned to execute on our business plan with an estimated Q4/16 net debt to funds flow ratio of 1.8x and is targeted to decrease to 1.3x in 2017.

The senior secured notes may not be offered or sold in the United States absent registration under the U.S. Securities Act of 1933, as amended, or an exemption from such registration. Whitecap has not registered and will not register the senior secured notes under the U.S. Securities Act of 1933, as amended. 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 the senior secured notes in any state in which such offer, solicitation or sale would be unlawful.

**Operational Update**

Drilling activity increased significantly in Q4/16 with up to seven drilling rigs operating and 56 (49.6 net) horizontal oil wells drilled in the quarter. We had a late start to our Q4/16 program, due to unseasonably wet weather, however the exceptional production results achieved, particularly at Boundary Lake and our recently acquired southwest Saskatchewan assets, were able to offset the timing delays and positions us to achieve strong Q1/17 results. Whitecap was able to achieve Q4/16 average production of 50,600 boe/d (based on field estimates) which is 600 boe/d above our guidance of 50,000 boe/d. Full year average production for 2016 is anticipated to be 45,838 boe/d which is 338 boe/d above our earlier guidance of 45,500 boe/d. Development capital spending for full year 2016 is anticipated to be within guidance of $175 million.

In southwest Saskatchewan, 12 of our 13 gross wells drilled have been placed on production and to date are averaging 50% above our expected production rates. The outperformance is primarily due to improved well placement and stimulation methods compared to the analog historical wells on which our production estimates are based, resulting in quicker cleanups, and higher average peak rates. We have 24 (15.9 net) wells planned in this area for 2017 of which 10 (6.8 net) wells are anticipated to be drilled in Q1/17.

In Boundary Lake, two of our five Q4/16 wells have been placed on production and are averaging 208% of expectations with initial production rates averaging 270 boe/d per well. The higher rates combined with a 27% reduction in drilling and completions costs to $1.6 million per well has significantly increased our capital efficiencies in this area. We have 7 (6.4 net) wells planned in Boundary Lake for 2017.

Our results in southwest Saskatchewan and Boundary Lake are very encouraging as historically new wells in these areas have also exhibited much lower production declines than our other resource type plays.

The first quarter of 2017 will be a very active continuation of our exceptional Q4/16 program, with peak utilization of 11 drilling rigs and we anticipate drilling 92 (84.2 net) wells in Q1/17 which represents 49% of our budgeted full year program totalling 187 (163.8 net) wells. Our Q1/17 program includes 3 (2.7 net) wells in Boundary Lake, 5 (5.0 net) wells in the Deep Basin, 13 (12.2 net) wells in West Pembina, 5 (5.0 net) wells in Ferrier, 2 (2.0 net) wells in Elnora, 54 (50.4 net) wells in west central Saskatchewan and 10 (6.8 net) wells in southwest Saskatchewan.

We look forward to releasing the results of our 2016 independent engineers' reserves report on February 27, 2017 and our 2016 audited financial results on March 7, 2017.

**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", "continue", "resume", "project", "believe", "expect", "forecast", "guidance", "planned", "target" 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 the benefits associated with the issuance of the senior secured notes, our net debt to funds flow ratio, 2016 average production and development capital spending, and wells to be drilled in 2017.

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 and transportation costs; performance of existing and future wells; reserve and resource volumes; anticipated timing and results of development capital expenditures; the success obtained in drilling new wells; the sufficiency of budgeted development capital expenditures in carrying out planned activities; the state of the economy and the exploration and production business; 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. 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; 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, royalties and environmental regulations. 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. With respect to dividends, the payment of dividends in the future is not assured or guaranteed. The dividend policy will be periodically review by Whitecap's Board of Directors and no assurance or guarantee can be given that Whitecap will maintain the dividend policy in its current form.

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 future net debt to funds flow ratio which are subject to the same assumptions, risk factors, limitations and qualifications as set forth in the above paragraphs and the assumption outlined in the Non-GAAP measures section below. 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.

**"Funds flow"** represents cash flow from operating activities adjusted for changes in non-cash working capital and transaction costs. Management considers funds flow to be a key measure as it demonstrates 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.

**"Development capital"** represents expenditures on property, plant and equipment ("PP&E") excluding corporate and other assets.

**"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.

**Production Rates**

Any references in this press release to short term, initial and/or 30 day production rates are useful in confirming the presence of hydrocarbons; however, such rates are not determinative of the rates at which such wells will continue production and decline thereafter. Additionally, such rates may also include recovered "load oil" fluids used in well completion stimulation. While encouraging, readers are cautioned not to place reliance on such rates in calculating aggregate production of Whitecap.

"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.

For further information:

**Grant Fagerheim, President & CEO**
or
**Thanh Kang, CFO**

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