INFORMATION CIRCULAR – PROXY STATEMENT

MARCH 6, 2020

WHITECAP RESOURCES INC

www.wcap.ca

WHO WE ARE

Whitecap is an oil-weighted growth company that pays a monthly cash dividend to its shareholders. We have a disciplined and sustainable business model of self-funded production growth and dividend payments.

We are publicly traded on the Toronto Stock Exchange (TSX: WCP). Find out more on our website www.wcap.ca.

WHAT'S INSIDE

PROXY SUMMARY

The following summary highlights some of the important information you will find in this information circular – proxy statement. We recommend you read the entire information circular before voting.

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LETTER TO SHAREHOLDERS

March 6, 2020

Dear Fellow Shareholder,

On behalf of the Board of Directors and management of Whitecap Resources Inc., we hope you will join us in the Devonian Room of the Calgary Petroleum Club, 319 – 5th Avenue SW, Calgary, Alberta on April 22, 2020 at 9:00 a.m. (Calgary time) for our annual and special shareholders meeting.

This meeting provides an opportunity for you to vote on the items of business, hear about our performance over the past year and learn more about our plans for tomorrow. The meeting also provides you with the opportunity to meet our board and staff.

The accompanying information circular – proxy statement describes the business that will be conducted at the meeting and provides information on our executive compensation and governance practices.

Your vote is important to us. If you are unable to attend the meeting, we encourage you to ensure your vote is recorded by returning the signed form of proxy or vote via our internet option. If your shares are not registered in your name and are held in the name of a nominee, you may wish to consult the information beginning on page 5 of the accompanying information circular – proxy statement for information on how to vote your shares.

We hope that you will join us at this year's meeting.

Sincerely,

(signed) "Grant B. Fagerheim"

Grant B. Fagerheim
President and Chief Executive Officer

NOTICE OF ANNUAL AND SPECIAL MEETING

The annual and special meeting of the shareholders of Whitecap Resources Inc. will be held in the Devonian Room of the Calgary Petroleum Club, 319 – 5th Avenue SW, Calgary, Alberta on April 22, 2020 at 9:00 a.m. (Calgary time) to:

1. receive and consider our financial statements for the year ended December 31, 2019, together with the report of the auditors;
2. fix the number of directors to be elected at the meeting at nine members;
3. elect nine directors;
4. appoint the auditors and authorize the directors to fix their remuneration as such;
5. reduce the stated capital of our common shares;
6. consider a non-binding advisory resolution on our approach to executive compensation; and
7. transact such other business as may properly be brought before the meeting or any adjournment or postponement thereof.

The specific details of the matters proposed to be put before the meeting are set forth in the information circular – proxy statement accompanying this notice.

If you are unable to attend the meeting in person, we request that you date and sign the enclosed form of proxy and deposit it with Odyssey Trust Company by mail or courier at 1230, 300 – 5th Avenue SW, Calgary, Alberta T2P 3C4 Attention: Proxy Department not less than 48 hours before the time for holding the meeting or any adjournment or postponement thereof. Registered shareholders may also vote via the internet at http://odysseytrust.com/Transfer-Agent/Login. A vote submitted via the internet must be received at least 48 hours prior to the time of the meeting or any adjournment or postponement thereof. Shareholders can also appoint a proxy holder to attend and vote at the meeting on the shareholder's behalf and to convey a shareholder's voting instructions.

Only shareholders of record at the close of business on March 6, 2020, will be entitled to vote at the meeting, unless that shareholder has transferred any shares subsequent to that date and the transferee shareholder, not later than 10 days before the meeting, establishes ownership of the shares and demands that the transferee's name be included on the list of shareholders entitled to vote at the meeting.

DATED at Calgary, Alberta this 6th day of March, 2020.

By order of the Board of Directors of Whitecap Resources Inc.

(signed) "Grant B. Fagerheim"
President and Chief Executive Officer

INFORMATION CIRCULAR - PROXY STATEMENT DATED MARCH 6, 2020 FOR THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF WHITECAP RESOURCES INC. TO BE HELD ON WEDNESDAY, APRIL 22, 2020

Solicitation of Proxies

This information circular - proxy statement is furnished in connection with the solicitation of proxies for use at the annual and special meeting of our shareholders to be held on April 22, 2020 in the Devonian Room of the Calgary Petroleum Club, 319 – 5th Avenue SW, Calgary, Alberta at 9:00 a.m. (Calgary time) and any adjournment or postponement thereof.

Forms of proxy must be deposited with Odyssey Trust Company by mail or courier at 1230, 300 – 5th Avenue SW, Calgary, Alberta T2P 3C4 Attention: Proxy Department not less than 48 hours before the time for holding the meeting or any adjournment or postponement thereof. Registered shareholders may also vote via the internet at http://odysseytrust.com/Transfer-Agent/Login. A vote submitted via the internet must be received at least 48 hours prior to the time of the meeting or any adjournment or postponement thereof. Shareholders can also appoint a proxy holder to attend and vote at the meeting on the shareholder's behalf and to convey a shareholder's voting instructions.

Only shareholders of record at the close of business on March 6, 2020, will be entitled to vote at the meeting, unless that shareholder has transferred any shares subsequent to that date and the transferee shareholder, not later than 10 days before the meeting, establishes ownership of the shares and demands that the transferee's name be included on the list of shareholders entitled to vote at the meeting.

The instrument appointing a proxy must be in writing and must be executed by you or your attorney authorized in writing or, if you are a corporation, under your corporate seal or by a duly authorized officer or attorney of the corporation.

The persons named in the enclosed instrument of proxy are our officers. As a shareholder you have the right to appoint a person or company, who need not be a shareholder, to represent you at the meeting. To exercise this right you should insert the name of the desired representative in the blank space provided in the instrument of proxy and strike out the other name.

Advice to Beneficial Holders of Common Shares

The information set forth in this section is of significant importance to you if you do not hold your common shares in your own name. Only proxies deposited by shareholders whose names appear on our records as the registered holders of common shares can be recognized and acted upon at the meeting. If your common shares are listed in your account statement provided by your broker, then, in almost all cases, those common shares will not be registered in your name on our records. Such common shares will likely be registered under the name of your broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co., the registration name for The CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms. Common shares held by your broker or their nominee can only be voted upon your instructions. Without specific instructions, your broker or their nominee is prohibited from voting your shares.

Applicable regulatory policy requires your broker to seek voting instructions from you in advance of the meeting. Every broker has its own mailing procedures and provides its own return instructions, which you should carefully follow in order to ensure that your shares are voted at the meeting. Often, the form of proxy supplied by your broker is identical to the form of proxy provided to registered shareholders.

However, its purpose is limited to instructing the registered shareholder how to vote on your behalf. The majority of brokers now delegate responsibility for obtaining instructions from clients to a mailing/tabulating agent who mails a scannable voting instruction form in lieu of the form of proxy. You are asked to complete and return the voting instruction form to them by mail or facsimile. Alternatively, you can use their website or call their toll-free telephone number to instruct them how to vote your shares. They then tabulate the results of all instructions received and provide appropriate instructions respecting the voting of shares to be represented at the meeting. If you receive a voting instruction form from a mailing/tabulating agent, it cannot be used as a proxy to vote shares directly at the meeting as it must be returned to the mailing/tabulating agent well in advance of the meeting in order to have the shares voted.

Notice-and-Access

We have elected to use the "notice-and-access" provisions under National Instrument 54-101 Communications with Beneficial Owners of Securities of a Reporting Issuer for the meeting in respect of mailings to beneficial holders of our common shares (i.e., a shareholder who holds their shares in the name of a broker or an agent) but not in respect of mailings to registered holders of our common shares (i.e., a shareholder whose name appears on our records as a holder of common shares). These provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials which are mailed to shareholders by allowing a reporting issuer to post an information circular in respect of a meeting of its shareholders and related materials online. We have also elected to use procedures known as 'stratification' in relation to our use of the notice-and-access provisions. Stratification occurs when a reporting issuer using the notice-and-access provisions provides a paper copy of an information circular and, if applicable, a paper copy of financial statements and related management's discussion and analysis, to some shareholders together with a notice of a meeting of its shareholders. In relation to the meeting, registered holders of our common shares will receive a paper copy of the notice of the meeting, this information circular – proxy statement and a form of proxy whereas beneficial holders of our common shares will receive a notice containing information prescribed by the notice-and-access provisions and a voting instruction form. In addition, a paper copy of the notice of meeting, this information circular – proxy statement, and a voting direction will be mailed to those shareholders who do not hold their common shares in their own name but who have previously requested to receive paper copies of these materials. Furthermore, a paper copy of our financial statements and related management's discussion and analysis in respect of our most recently completed financial year will be mailed to those registered and beneficial holders of our common shares who previously requested to receive such information.

We will be delivering proxy-related materials to non-objecting beneficial owners of our common shares directly with the assistance of Broadridge Investor Communications Solutions. We intend to pay for intermediaries to deliver proxy-related materials to objecting beneficial owners of our common shares.

Revocability of Proxy

You may revoke your proxy at any time prior to a vote. If you, or the person you give your proxy, attend personally at the meeting, you or such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing executed by you or your attorney authorized in writing or, if you are a corporation, under your corporate seal or by a duly authorized officer or attorney of the corporation. To be effective the instrument in writing must be deposited either at our head office, at any time up to and including the last business day preceding the day of the meeting, or any adjournment or postponement thereof, at which the proxy is to be used, or with the chairman of the meeting on the day of the meeting, or any adjournment or postponement thereof.

Persons Making the Solicitation

This solicitation is made on behalf of our management. We will bear the costs incurred in the preparation and mailing of the form of proxy, notice of annual and special meeting and this information circular – proxy statement. In addition to mailing forms of proxy, proxies may be solicited by personal interviews, or by other means of communication, by our directors, officers and employees who will not be remunerated therefor.

Exercise of Discretion by Proxy

The common shares represented by proxy in favour of management nominees will be voted or withheld from voting on any poll at the meeting. Where you specify a choice with respect to any matter to be acted upon, the shares will be voted on any poll in accordance with the specification so made. If you do not provide instructions, your shares will be voted in favour of the matters to be acted upon as set out herein. The persons appointed under the form of proxy, which we have furnished, are conferred with discretionary authority with respect to amendments or variations of those matters specified in the form of proxy and notice of annual and special meeting and with respect to any other matters which may properly be brought before the meeting or any adjournment or postponement thereof. At the time of printing this information circular – proxy statement, we know of no such amendment, variation or other matter.

Voting Shares and Principal Holders

We are authorized to issue an unlimited number of common shares and an unlimited number of preferred shares, without nominal or par value. As at March 6, 2020, there were 408.0 million common shares and no preferred shares issued and outstanding. As a holder of common shares, you are entitled to one vote for each common share you own.

Based on information supplied to them, to the knowledge of our directors and executive officers, as at March 6, 2020, no person or company beneficially owns, or controls or directs, directly or indirectly, more than 10% of our common shares.

MATTERS TO BE ACTED UPON AT THE MEETING

Fixing the Number of Directors

Our articles provide for a minimum of three directors and a maximum of nine directors. Our by-laws provide that the number of our directors shall be determined from time to time by our shareholders or our board. There are currently nine directors on our board of directors.

At the meeting, it is proposed that the number of directors to be elected to hold office until the next annual meeting or until their successors are elected or appointed be set at nine.

Unless otherwise directed, it is the intention of management to vote proxies in favour of setting the number of directors to be elected at nine.

Election of Directors

The nine nominees proposed for election as our directors are as follows:

Heather J. Culbert	Stephen C. Nikiforuk
Grant B. Fagerheim	Kenneth S. Stickland
Gregory S. Fletcher	Bradley J. Wall
Daryl H. Gilbert	Grant A. Zawalsky
Glenn A. McNamara	

In the event that a vacancy among such nominees occurs because of death or for any other reason prior to the meeting, the proxy shall not be voted with respect to such vacancy.

Management recommends that shareholders vote FOR the election of each of these nominees. The persons named in the enclosed form of proxy intend to vote FOR the election of each of these nominees unless the shareholder specifies authority to do so is withheld.

Voting for Election of Directors

Our directors are elected annually, individually and by majority vote. The individual voting results will be published by news release and on www.sedar.com after the meeting. The individual voting results will also be reviewed by our corporate governance and compensation committee and will be considered as part of the committee's overall review and assessment of the nominees recommended to shareholders at our next annual meeting of shareholders.

Our by-laws set forth a procedure requiring advance notice to us by any shareholder who intends to nominate a person for election as a director of us. Among other things, the by-laws set a deadline by which such shareholders must notify us in writing of an intention to nominate directors prior to any meeting of shareholders at which directors are to be elected and specify the information that a nominating shareholder must include in the notice in order for director nominees to be eligible for nomination and election at the meeting. These requirements are intended to provide all shareholders with the opportunity to evaluate and review the proposed candidates and vote on an informed and timely manner regarding such nominees. Our by-laws do not affect nominations made pursuant to a "proposal" made in accordance with the Business Corporations Act (Alberta) or a requisition of a meeting of shareholders made pursuant to the Business Corporations Act (Alberta). As of the date of this information circular - proxy statement, we have not received any nominations pursuant to the advance notice provisions contained in our by-laws.

Our board has adopted a policy stipulating that if the votes in favour of the election of a director nominee at a shareholders' meeting represent less than a majority of our common shares voted and withheld, the nominee will submit his or her resignation promptly after the meeting, for our corporate governance and compensation committee's consideration. The committee will make a recommendation to our board after reviewing the matter. The committee will consider all relevant factors, including why shareholders withheld votes, the director’s length of service, qualifications and contributions to us, share ownership, the current mix of skills and attributes of the directors on our board; the impact with respect to covenants in our agreements or plans, if any; and legal requirements, policies or guidelines (regulatory, securities or corporate laws, or stock exchange rules) for director numbers and qualifications. The resignation will be effective if and when accepted by the board. The director will not participate in any deliberations on the matter.

Generally, it is expected that our board will accept the resignation absent exceptional circumstance that warrants the director to stay on our board. In any case, our board shall determine whether or not to accept the resignation within 90 days of the relevant annual shareholders' meeting and we will promptly issue a news release with the board's decision. If the board determines not to accept a resignation, the news release will fully state the reasons for that decision.

Biographies of our Directors

The following information relating to the director nominees is based partly on our records and partly on information received by us from the nominees:

Heather J. Culbert Calgary, Alberta, Canada Age: 60	Director since 2017 Independent Director Shareholder approval rating at the 2019 annual meeting – 94.05%

Ms. Culbert is an independent businesswoman and active philanthropist currently serving as the Vice Chair of Export Development Canada (EDC), Board Chair of the Alberta Research and Innovation Advisory Committee (ARIAC), Founder of Women on Boards (Calgary), Board Chair of the United Way World Leadership Council and on the Strategic Advisory Board of the Charbonneau Cancer Research Institute. Ms. Culbert is also a member of the She Leads Economic Council of Alberta. From 1996 to 2006, Ms. Culbert was the Senior Vice President of Corporate Services with Enerplus Corporation. Prior thereto, she held senior management positions at Cody Energy, Suncor Energy Inc. and her own IT management consulting firm.

Ms. Culbert holds a Computer Technology Diploma from SAIT and completed the Technology Management program at Northeastern University in 1992. Ms. Culbert completed the Executive Program at Queen's University in 2004 and the Not for Profit Governance Program, developed by the Institute of Corporate Directors ("ICD"), in 2011. She is currently enrolled in the ICD Director Education Program. Ms. Culbert also received an Honorary Bachelor of Science from SAIT in 2014.

Board and Committee Participation	Position	Meetings	Attendance
Board of Directors	Member	6/6	100%
Corporate Governance and Compensation Committee	Member	3/3	100%
Sustainability and Advocacy Committee (i)	Member	1/1	100%
Health, Safety and Environment Committee (ii)	Past Member	3/3	100%

Equity Holdings (1)	2019		2018	
	Number	Value (2)	Number	Value (3)
Common Shares	50,819	$282,045	50,819	$221,063
Share Awards	37,000	$205,350	21,300	$92,655
Total	87,819	$487,395	72,119	$313,718

Other Public Board Directorships	Committee Positions
N/A	N/A

(i) Appointed member of the new Sustainability and Advocacy Committee as of July 30, 2019.
(ii) No longer a member of the Health, Safety and Environment Committee as of July 30, 2019.

Grant B. Fagerheim Calgary, Alberta, Canada Age: 61	Director since 2008 Non-Independent Director Shareholder approval rating at the 2019 annual meeting – 99.72%

Mr. Fagerheim has over 30 years of diverse experience in both the upstream and downstream areas of the oil and gas business and is currently our President and Chief Executive Officer. Mr. Fagerheim established Whitecap Resources Inc. in June 2008 and prior thereto, he was the President and Chief Executive Officer and a Director of Cadence Energy Inc. (formerly, Kereco Energy Ltd.), a public oil and gas company, from January 2005 to September 2008. Mr. Fagerheim founded Ketch Resources Ltd. in October 2002 and served as President and Chief Executive Officer until January 2005. Mr. Fagerheim founded Ketch Energy Ltd. in April 2000 and served as President and Chief Executive Officer until October 2002.

Mr. Fagerheim was appointed to the board of The Fraser Institute in January 2020, and he is also a director of the Hockey Canada Foundation.

Mr. Fagerheim received his Bachelor's degree in Education (Economics Minor) from the University of Calgary in 1983 and attended the Executive MBA at Queen's University in 1995.

Mr. Fagerheim currently sits on the board of directors of Advantage Oil & Gas Ltd., a public oil and gas company.

Board and Committee Participation	Position	Meetings	Attendance
Board of Directors	Member	6/6	100%
Health, Safety and Environment Committee	Member	4/4	100%
Sustainability and Advocacy Committee (i)	Member	1/1	100%
Reserves Committee (ii)	Past Member	1/1	100%

Equity Holdings (1)	2019		2018	
	Number	Value (2)	Number	Value (3)
Common Shares	2,860,042	$15,873,233	2,743,424	$11,933,894
Share Awards	962,000	$5,339,100	760,000	$3,306,000
Total	3,822,042	$21,212,333	3,503,424	$15,239,894

Other Public Board Directorships	Committee Positions
Advantage Oil & Gas Ltd.	Independent Reserves Evaluation Committee Compensation Committee

(i) Appointed member of the new Sustainability and Advocacy Committee as of July 30, 2019.
(ii) No longer a member of the Reserves Committee as of July 30, 2019.

Gregory S. Fletcher Calgary, Alberta, Canada Age: 71	Director since 2010 Independent Director Shareholder approval rating at the 2019 annual meeting – 99.65%

Mr. Fletcher has over 40 years of experience in the oil and gas industry and is currently President of Sierra Energy Inc., a private oil and natural gas production company that he founded in 1997.

Mr. Fletcher holds a BSc. in Geology and has completed the Directors' Education Program sponsored by the Institute of Corporate Directors offered at the Haskayne School of Business at the University of Calgary.

Mr. Fletcher currently sits on the board of directors of Calfrac Well Services Ltd., a public oilfield service company, and Peyto Exploration & Development Corp., a public oil and natural gas company.

Board and Committee Participation	Position	Meetings	Attendance
Board of Directors	Member	6/6	100%
Audit Committee	Member	4/4	100%
Reserves Committee	Member	2/2	100%

Equity Holdings (1)	2019		2018	
	Number	Value (2)	Number	Value (3)
Common Shares	121,083	$672,011	116,083	$504,961
Share Awards	33,000	$183,150	21,300	$92,655
Total	154,083	$855,161	137,383	$597,616

Other Public Board Directorships	Committee Positions
Calfrac Well Services Ltd.	Audit Committee (Chair) Compensation Committee Corporate Governance and Nominating Committee
Peyto Exploration & Development Corp.	Audit Committee Compensation & Nominating Committee (Chair) Reserves Committee

Daryl H. Gilbert Calgary, Alberta, Canada Age: 68	Director since 2015 Independent Director Shareholder approval rating at the 2019 annual meeting – 86.84%

Mr. Gilbert is currently a Director and Investment Committee member of JOG Capital Inc., a private equity energy investment firm. Mr. Gilbert is a professional engineer and is the former President and CEO of Gilbert Laustsen Jung Associates Ltd., now GLJ Petroleum Consultants Ltd., an independent engineering consulting firm based in Calgary.

Mr. Gilbert graduated from the University of Manitoba in 1973 with a Bachelor of Science Degree in Civil Engineering. Mr. Gilbert is currently a member of the Association of Petroleum Engineers and Geoscientists of Alberta and the Society of Petroleum Engineering.

Mr. Gilbert currently sits on the board of directors of AltaGas Ltd., Falcon Oil & Gas Ltd., Leucrotta Exploration Inc. and Surge Energy Inc., all public companies. Mr. Gilbert is not standing for re-election as a board member of AltaGas Ltd. at the company's annual shareholder meeting in 2020.

Board and Committee Participation	Position	Meetings	Attendance
Board of Directors	Member	6/6	100%
Health, Safety and Environment Committee	Chair	4/4	100%
Reserves Committee (i)	Member	1/1	100%
Corporate Governance and Compensation Committee (ii)	Past Member	2/2	100%

Equity Holdings (1)	2019		2018	
	Number	Value (2)	Number	Value (3)
Common Shares	61,151	$339,388	61,151	$266,007
Share Awards	33,000	$183,150	21,300	$92,655
Total	94,151	$522,538	82,451	$358,662

Other Public Board Directorships	Committee Positions
AltaGas Ltd. (Mr. Gilbert is not standing for re-election as a board member of AltaGas Ltd. at the company's annual shareholder meeting in 2020.)	Human Resources and Compensation Committee (Chair)
Falcon Oil & Gas Ltd.	Audit Committee Compensation Committee (Chair)
Leucrotta Exploration Inc.	Audit Committee Corporate Governance Committee Reserves Committee (Chair)
Surge Energy Inc.	Compensation, Nominating and Corporate Governance Committee Reserves Committee (Chair)

(i) Appointed member of the Reserves Committee as of July 30, 2019.
(ii) No longer a member of the Corporate Governance and Compensation Committee as of July 30, 2019.

Glenn A. McNamara Calgary, Alberta, Canada Age: 67	Director since 2010 Independent Director Shareholder approval rating at the 2019 annual meeting – 92.66%

Mr. McNamara is the President and Chief Executive Officer and a director of Heritage Resources LP, a wholly owned oil and gas business of the Ontario Teachers' Pension Plan. From September 2010 to May 2016 he was the Chief Executive Officer and a director of PMI Resources Inc. (formerly, Petromanas Energy Inc.), a public oil and gas company. From August 2005 to August 2010, he was the President of BG Canada (part of the BG Group PLC, a public gas company with its head office in the United Kingdom, trading on the London Stock Exchange). Prior thereto he was the President of ExxonMobil Canada Energy (a wholly-owned subsidiary of ExxonMobil).

Mr. McNamara received his MBA from the University of Calgary in 1988, and a B.Sc. in Mining Engineering from the University of Alberta in 1978. Mr. McNamara is a Member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta and past Governor of the Canadian Association of Petroleum Producers.

Mr. McNamara currently sits on the board of directors of Parex Resources Inc., a public oil and natural gas company and Heritage Resources LP, a wholly owned oil and gas business of the Ontario Teachers' Pension Plan.

Board and Committee Participation	Position	Meetings	Attendance
Board of Directors	Member	6/6	100%
Corporate Governance and Compensation Committee	Chair	3/3	100%
Reserves Committee	Chair	2/2	100%

Equity Holdings [1]	2019		2018	
	Number	Value [2]	Number	Value [3]
Common Shares	122,394	$679,287	112,894	$491,089
Share Awards	33,000	$183,150	21,300	$92,655
Total	155,394	$862,437	134,194	$583,744

Other Public Board Directorships	Committee Positions
Parex Resources Inc.	Finance and Audit Committee Health, Safety and Environment & Reserves Committee

Stephen C. Nikiforuk Calgary, Alberta, Canada Age: 51	Director since 2009 Independent Director Shareholder approval rating at the 2019 annual meeting – 99.44%

Mr. Nikiforuk became the Controller of Loram 99 Corporation, a private company, in November 2019. Prior thereto he was the President of MyOwnCFO Professional Corporation and MyOwnCFO Inc. from July 2009 to November 2019, both private companies. Before then, Mr. Nikiforuk was the Corporate Business Manager of 1173373 Alberta Ltd. (a private company) from July 2009 to July 2011 and the Vice President, Finance and Chief Financial Officer of Cadence Energy Inc. (formerly, Kereco Energy Ltd.) a public oil and gas company, from January 2005 to March 2008.

Mr. Nikiforuk holds a B.B.A. with an accounting major from Saint Francis Xavier University. Mr. Nikiforuk is an active Chartered Professional Accountant, CA and in 2013 completed the Directors Education Program developed by the Institute of Corporate Directors and holds their ICD.D designation. In June 2016, Mr. Nikiforuk also obtained the Family Enterprise Advisor designation.

Mr. Nikiforuk is a director of CanAir Nitrogen Inc., a private company that supplies the oil and gas industry in Alberta and British Columbia with cryogenic liquid nitrogen and InPlay Oil Corp., a public light oil production and development company, and serves as both Lead Director and Audit Committee Chair for InPlay Oil Corp.

Board and Committee Participation	Position	Meetings	Attendance
Board of Directors	Member	6/6	100%
Audit Committee	Chair	4/4	100%

Equity Holdings [1]	2019		2018	
	Number	Value [2]	Number	Value [3]
Common Shares	113,180	$628,149	92,780	$403,593
Share Awards	33,000	$183,150	21,300	$92,655
Total	146,180	$811,299	114,080	$496,248

Other Public Board Directorships	Committee Positions
InPlay Oil Corp.	Lead Director Audit Committee (Chair)

Kenneth S. Stickland Calgary, Alberta, Canada Age: 66	Director since 2013 Board Chair Independent Director Shareholder approval rating at the 2019 annual meeting – 93.15%

Mr. Stickland is an independent businessman. Prior to February 1, 2014, he was employed for 13 years by TransAlta Corporation, one of Canada's largest non-regulated power generation and wholesale marketing companies. At TransAlta he held the position of Chief Business Development Officer and prior to that was the Chief Legal Officer. Mr. Stickland has been a member of various professional associations and has served as a director of several publicly listed companies, associations and not-for-profit organizations. Prior to TransAlta, Mr. Stickland was a partner with the Calgary-based law firm of Burnet, Duckworth & Palmer LLP and has over 30 years of experience in the area of commercial law with a specific focus on energy-related matters.

Mr. Stickland holds a B.Comm. and LL.B. from the University of British Columbia.

Board and Committee Participation	Position	Meetings	Attendance
Board of Directors	Chair	6/6	100%
Audit Committee	Member	4/4	100%
Corporate Governance and Compensation Committee	Member	3/3	100%

Equity Holdings (1)	2019		2018	
	Number	Value (2)	Number	Value (3)
Common Shares	69,166	$383,871	49,428	$215,012
Share Awards	33,000	$183,150	21,300	$92,655
Total	102,166	$567,021	70,728	$307,667

Other Public Board Directorships	Committee Positions
N/A	N/A

Bradley J. Wall Swift Current, Saskatchewan, Canada Age: 54	Director since 2019 Independent Director

Mr. Wall joined the board of directors on July 30, 2019. Mr. Wall has 18 years political experience and served as the Premier of Saskatchewan from November 2007 until February 2018. Mr. Wall is currently a special advisor at Osler, Hoskin & Harcourt LLP, a trustee on Avenue Living Core Trust and an Advisory Board member of the Canadian Global Affairs Institute.

Mr. Wall holds an honours degree in Public Administration from the University of Saskatchewan.

Mr. Wall currently sits on the board of directors of Maxim Power Corp. and NexGen Energy Ltd. Mr. Wall is also a director and the Chairman of the board of Canshale Corp., a private company.

Board and Committee Participation	Position	Meetings	Attendance
Board of Directors (i)	Member	4/4	100%
Health, Safety and Environment Committee (ii)	Member	1/1	100%
Sustainability and Advocacy Committee (iii)	Member	1/1	100%

Equity Holdings (1)	2019		2018	
	Number	Value (2)	Number	Value (3)
Common Shares	9,200	$51,060	-	-
Share Awards	15,000	$83,250	-	-
Total	24,200	$134,310	-	-

Other Public Board Directorships	Committee Positions
Maxim Power Corp.	N/A
NexGen Energy Ltd.	N/A

(i) Appointed to the Board of Directors as of July 30, 2019.
(ii) Appointed member of the Health, Safety and Environment Committee as of July 30, 2019.
(iii) Appointed member of the new Sustainability and Advocacy Committee as of July 30, 2019.

Grant A. Zawalsky Calgary, Alberta, Canada Age: 60	Director since 2008 Independent Director Shareholder approval rating at the 2019 annual meeting – 99.47%

Mr. Zawalsky is the Managing Partner of Burnet, Duckworth & Palmer LLP (Barristers and Solicitors) where he has been a partner since 1994.

Mr. Zawalsky holds a B.Comm and LL.B. from the University of Alberta and is a member of the Law Society of Alberta.

Mr. Zawalsky currently sits on the board of directors of a number of private and public companies, including NuVista Energy Ltd., PrairieSky Royalty Ltd. and Zargon Oil & Gas Ltd., and is Corporate Secretary of ARC Resources Ltd. and Bonavista Energy Corporation. Mr. Zawalsky is also a Governor of the Calgary Petroleum Club.

Board and Committee Participation	Position	Meetings	Attendance
Board of Directors	Member	6/6	100%
Health, Safety and Environment Committee	Member	4/4	100%
Sustainability and Advocacy Committee (i)	Chair	1/1	100%

Equity Holdings (1)	2019		2018	
	Number	Value (2)	Number	Value (3)
Common Shares	656,679	$3,644,568	656,679	$2,856,554
Share Awards	33,000	$183,150	21,300	$92,655
Total	689,679	$3,827,718	677,979	$2,949,209

Other Public Board Directorships	Committee Positions
NuVista Energy Ltd.	Executive Committee ESG Committee
PrairieSky Royalty Ltd.	Reserves Committee
Zargon Oil & Gas Ltd.	Governance and Compensation Committee

(i) Appointed chair of the new Sustainability and Advocacy Committee as of July 30, 2019.

Notes:

(1) The information as to voting securities beneficially owned, directly or indirectly, is based upon information furnished to us by the nominees as at December 31, 2019 and December 31, 2018.

(2) The total market value of common shares and share awards for 2019 is the sum of (i) the number of common shares held by each nominee as of December 31, 2019 multiplied by the closing price of the common shares on the Toronto Stock Exchange on December 31, 2019 of $5.55; and (ii) the value of share awards of each nominee based on the number of common shares payable on settlement of the share awards held by the nominee as of December 31, 2019 multiplied by the closing price of the common shares on the Toronto Stock Exchange on December 31, 2019 of $5.55. The number of common shares payable pursuant to share awards does not include the dividend equivalents that will accumulate on the underlying grants.

(3) The total market value of common shares and share awards for 2018 is the sum of (i) the number of common shares held by each nominee as of December 31, 2018 multiplied by the closing price of the common shares on the Toronto Stock Exchange on December 31, 2018 of $4.35; and (ii) the value of share awards of each nominee based on the number of common shares payable on settlement of the share awards held by the nominee as of December 31, 2018 multiplied by the closing price of the common shares on the Toronto Stock Exchange on December 31, 2018 of $4.35. The number of common shares payable pursuant to share awards does not include the dividend equivalents that will accumulate on the underlying grants and assumes a payout multiplier of 1x for the awards.

(4) We have imposed share ownership guidelines for all of our directors and our executive officers. See "Ownership Guidelines".

Additional Disclosure Relating to Proposed Directors

Other than as set out below and to our knowledge, none of our directors (nor any personal holding company of any of such persons) is, as of the date hereof, or was within ten years before the date hereof, a director, chief executive officer or chief financial officer of any company (including us), that was subject to a cease trade order (including a management cease trade order), an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days (collectively, an "Order") that was issued while the director was acting in the capacity as director, chief executive officer or chief financial officer; or was subject to an Order that was issued after the director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

To our knowledge, none of our directors (nor any personal holding company of any of such persons) is, as of the date hereof, or has been within the ten years before the date hereof, a director or executive officer of any company (including us) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets other than described below.

To our knowledge, none of our directors (nor any personal holding company) or any such person has, within the ten years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director other than as described below.

Mr. Nikiforuk was a director of CYGAM Energy Inc., a junior public oil and gas company, which filed a voluntary assignment in bankruptcy under the Bankruptcy and Insolvency Act (Canada) in April 2015. Mr. Gilbert was a director of LGX Oil and Gas Inc. ("LGX"), a public oil and gas company, from August 2013 until June 2016. On June 7, 2016 a consent receivership order was granted by the Alberta Court of Queen's Bench (the "Court") upon an application by LGX's senior lender. LGX's stock was cease traded shortly thereafter. A receiver manager was appointed under The Bankruptcy and Insolvency Act (Canada). Mr. Gilbert resigned as a director of LGX immediately following the appointment of the receiver. Mr. Gilbert was a director of Connacher Oil & Gas Limited ("Connacher") from October 2014 until February 2019. On May 17, 2016, Connacher applied for and was granted protection from its creditors by the Court pursuant to the Companies' Creditors Arrangement Act (Canada), ("CCAA"). On February 16, 2019, Connacher announced that it was proceeding to close on a credit bid transaction with its supporting lenders. Mr. Gilbert was a director of Trident Exploration Corp. ("Trident") from 2010 through year end 2018. On April 30, 2019, Trident announced it had ceased operations and had transferred all assets to the Alberta Energy Regulator. On May 3rd, 2019, PricewaterhouseCoopers LLP was appointed receiver. A liquidation process is currently underway. Mr. Stickland was a director of Millennium Stimulation Services Ltd. ("Millennium") a private energy services company from May 3, 2012 to March 23, 2016. On March 24, 2016, the Court issued an order appointing KPMG Inc. as receiver and manager over Millennium's assets, undertakings and other properties. Mr. Zawalsky was a director of Endurance Energy Ltd. ("Endurance"), a private natural gas company. Endurance filed for creditor protection under the CCAA on May 30, 2016. Mr. Zawalsky resigned as a director of Endurance on November 3, 2016 upon the sale of substantially all of the assets of Endurance.

To our knowledge, none of our directors (nor any personal holding company of any of such persons) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Appointment of Auditors

Management is soliciting proxies, in the accompanying form of proxy, in favour of the appointment of the firm of PricewaterhouseCoopers LLP, of Suite 3100, 111 – 5th Avenue SW, Calgary, Alberta, T2P 5L3, as our auditors, to hold office until the next annual meeting of our shareholders and to authorize the directors to fix their remuneration as such. PricewaterhouseCoopers LLP has been our auditors since October of 2009.

Management recommends that shareholders vote FOR the appointment of PricewaterhouseCoopers LLP as our auditors and to authorize the directors to fix their remuneration as such. The persons named in the enclosed form of proxy intend to vote FOR this resolution unless the shareholder specifies authority to do so is withheld.

The following table summarizes the fees paid by us to our auditors, PricewaterhouseCoopers LLP, for external audit and other services during the period indicated.

Year	Audit Fees [(1)] ($)	Audit-related Fees [(2)] ($)	Tax Fees [(3)] ($)	All Other Fees [(4)] ($)
2018	335,000	35,000	50,000	61,000
2019	335,000	16,700	52,500	61,000

Notes:

(1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of our consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) "Audit-Related Fees" for assurance and related services that are reasonably related to the performance of the audit or review of our consolidated financial statements and are not reported as audit fees. Services provided in this category include due diligence assistance, and accounting consultations on proposed transactions.

(3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice.

(4) "All Other Fees" include all other non-audit services, including French translation of filing documents.

Reduction of Stated Capital

At the meeting, holders of our common shares will be asked to consider and, if deemed advisable, to approve by way of special resolution, a reduction of the stated capital account of our common shares by $1.0 billion and a corresponding increase be made to our contributed surplus account. If approved, the stated capital reduction will be effective as of April 22, 2020.

Reasons for the Reduction of Stated Capital

Under the corporate statute governing us, a corporation is prohibited from taking certain actions, including declaring or paying a dividend, if, among other things, there are reasonable grounds for believing that the realizable value of its assets would as a result of the declaration or payment of the dividend be less than the aggregate of its liabilities and stated capital of all classes of its shares.

The purpose of reducing the stated capital of our common shares is to reduce the aggregate of our liabilities and stated capital so as to increase the difference between such amount and the realizable value of our assets, thereby providing us with additional flexibility to pay dividends if, as and when declared by our board. The proposed reduction in stated capital will have no impact on our day-to-day operations and will not alter our financial condition.

The corporate statute governing us provides that a corporation shall not reduce its stated capital if there are reasonable grounds for believing that (i) the corporation is, or would after the reduction be, unable to pay its liabilities as they become due, or (ii) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities. We do not have reasonable grounds to believe that (i) we are, or would after the proposed stated capital reduction be, unable to pay our liabilities as they become due, or (ii) the realizable value of our assets would, as a result of the proposed stated capital reduction, be less than the aggregate of our liabilities.

The proposed stated capital reduction will have no immediate income tax consequences to a holder of common shares. It may have an effect in the future, in certain circumstances, if we are wound up or make a distribution to our shareholders, or if we redeem, cancel or acquire our common shares. As a general rule, upon such transactions, a holder of common shares will be deemed to have received a dividend to the extent that the amount paid or distributed exceeds the stated capital of the common shares.

Our board unanimously recommends that shareholders vote FOR the resolution outlined below.

Form of Resolution and Approval Requirement

At the meeting, shareholders will be asked to consider and, if thought fit, to pass a special resolution in the form set forth below in connection with the stated capital reduction:

> "BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE SHAREHOLDERS OF WHITECAP RESOURCES INC. (THE "CORPORATION") THAT:
>
> 1. The stated capital account of the common shares of the Corporation be reduced by $1.0 billion and a corresponding increase be made to our contributed surplus account, all as more particularly described in the Corporation's information circular-proxy statement dated March 6, 2020; and
>
> 2. any director or officer of the Corporation is authorized and directed to do all such things and execute all such documents and instruments as may be necessary or desirable to give effect to the foregoing resolution."

In order to be passed, the above special resolution must be approved by not less than two-thirds of the aggregate votes cast by shareholders at the meeting. It is the intention of the persons named in the enclosed form of proxy, if named as proxy and not expressly directed to the contrary in the form of proxy, to vote those proxies FOR the above resolution.

Advisory Vote on Executive Compensation

Our approach to designing compensation plans for our senior executives is focused on rewarding efforts that maximize our financial and operational performance, which we believe is in the best interest of our shareholders. Our board believes that shareholders should have the opportunity to fully understand the objectives, philosophy and principles that guide the executive compensation-related decisions made by our corporate governance and compensation committee. Shareholders are encouraged to review the "Compensation Discussion and Analysis" section on page 26 which outlines how our named executive officers are paid and how their respective levels of compensation are determined.

As part of our commitment to ongoing shareholder communication and engagement, in 2018 our board of directors approved a non-binding advisory vote on executive compensation to be held on an annual basis. This shareholder advisory vote forms an integral part of our ongoing process of engagement between our shareholders and our board of directors. We will disclose the results of the shareholder advisory vote as a part of our report on voting results for the meeting.

As this is an advisory vote, our board, and specifically our corporate governance and compensation committee, will take into account the results of the vote, together with feedback received from our shareholders, in considering our approach to compensation in the future.

In the event that the advisory resolution is not approved by a majority of the votes cast at the meeting, our board of directors will consult with shareholders (particularly those who are known to have voted against it) to understand their concerns and will review our approach to compensation in the context of those concerns. Results from this review, if necessary, will be discussed in our information circular for the annual meeting of shareholders to be held in 2021. Shareholders may contact Mr. Ken Stickland or Mr. Glenn McNamara by mail at our head office at Suite 3800, 525 – 8th Avenue SW, Calgary, Alberta, T2P 1G1, if they wish to share their view on executive compensation with our board of directors.

At the meeting, shareholders will be asked to vote on the following resolution:

> "BE IT RESOLVED, on an advisory basis and not to diminish the role and responsibilities of the board of directors of Whitecap Resources Inc. (the "Corporation") that the shareholders accept the approach to executive compensation disclosed in the Corporation's information circular - proxy statement dated March 6, 2020."

Management recommends that shareholders vote FOR the non-binding advisory resolution regarding our approach to executive compensation. The persons named in the enclosed form of proxy intend to vote FOR the resolution unless the shareholder specifies otherwise.

DIRECTORS' COMPENSATION

General

Our board of directors, through our corporate governance and compensation committee, is responsible for the development and implementation of a compensation plan for our directors who are not also officers. Our officers, who are also directors, are not paid any compensation for acting as a director. For information concerning the compensation paid to Mr. Fagerheim who is also our President and Chief Executive Officer, see "Executive Compensation".

The main objectives of our compensation plan for directors are to attract and retain the services of the most qualified individuals and to compensate the directors in a manner that is commensurate with the risks and responsibilities assumed in board and committee membership and at a level that is similar to the compensation paid to directors of a peer group of oil and gas companies. In addition, our philosophy of using compensation to foster a culture of ownership also extends to our director compensation policies. Our board of directors believes it is important that directors demonstrate their commitment to our stewardship through share ownership.

To meet and maintain these objectives, our corporate governance and compensation committee annually performs a review of our directors' compensation plan, which includes reviewing the compensation paid to directors of an industry specific peer group (see "Executive Compensation – Compensation Review Process – Competitive Factors" for a listing of the peer group members). The corporate governance and compensation committee recommends any changes to the compensation plan to our board for consideration and, if deemed appropriate, approval.

At a meeting held on February 26, 2019, our corporate governance and compensation committee reviewed our compensation plan for directors. As a result of this review, the corporate governance and compensation committee recommended that the directors' compensation remain consistent with the prior year. We pay the independent directors an annual retainer of $60,000, payable quarterly, for their roles on our board and board committees. Additionally, our board Chair also receives an annual amount of $20,000 and the Chair of each committee also receives an annual amount of $6,000, payable quarterly. Our independent directors are also reimbursed for any expenses incurred to attend a board or committee meeting.

Long-Term Incentive Compensation

In 2013, we adopted a full-value Award Plan pursuant to which time-based awards and performance-based awards could be granted to our directors, officers, employees and other service providers. Effective January 1, 2017, we changed our grant policy so that our independent non-management directors are only entitled to receive time-based awards under our Award Plan. Our corporate governance and compensation committee felt time-based awards with no payout multiplier will help to ensure a close, long-term alignment with shareholders' interests.

On April 29, 2019, our corporate governance and compensation committee approved the grant of 15,000 time-based awards to each independent director under our Award Plan. The payment dates for these awards are in February and October of 2022.

Our Award Plan contains the following restrictions on director participation: the number of common shares issuable to non-management directors, in aggregate, is limited to the lesser of 0.25% of our issued and outstanding common shares, and the value of all awards granted to any non-management director during a calendar year, as calculated on the date of grant, cannot exceed $100,000. For further information about our Award Plan, see "Executive Compensation – Award Plan".

The following table shows the number of common shares issuable to our non-management directors pursuant to our Award Plan as at December 31, 2019:

	Common Shares issuable as at December 31, 2019	
	# (1) (2)	% (3)
Share awards	250,000	0.06%

Notes:

(1) We have, in our sole and absolute discretion, the option of settling the value of the notional common shares underlying the award, in cash or common shares. We will not determine whether the payment method will take the form of cash or common shares until the payment date, or some reasonable time prior thereto.

(2) Does not include the dividend equivalents that will accumulate on the underlying grants of time-based awards.

(3) Represents the number of common shares issuable as a percentage of our issued and outstanding common shares as at December 31, 2019.

For further information regarding the outstanding awards held by our independent directors, see "Directors' Outstanding Share-Based Awards" and "Directors' Award Plan – Value Vested or Earned During the Year" below.

Directors' Summary Compensation Table

The following table sets forth for the year ended December 31, 2019, the total compensation paid to our independent directors in 2019. We do not grant option-based awards.

Name	Fees earned ($)	Share-based awards (1) ($)	All other compensation (2) ($)	Total ($)
Heather J. Culbert	60,000	67,800	6,000	133,800
Gregory S. Fletcher	60,000	67,800	6,713	134,513
Daryl H. Gilbert	66,000	67,800	6,000	139,800
Glenn A. McNamara	72,000	67,800	7,250	147,050
Stephen C. Nikiforuk	66,000	67,800	7,250	141,050
Kenneth S. Stickland	80,000	67,800	6,964	154,764
Bradley J. Wall (3)	30,000	57,300	-	87,300
Grant A. Zawalsky (4)	63,000	67,800	6,000	136,800

Notes:

(1) This column reflects the grant date fair value of the share awards, computed in accordance with International Financial Reporting Standards 2 Share-based Payment ("IFRS 2"). We used IFRS 2 as our methodology for computing grant date fair value for purposes of consistency with our financial statements. We calculated the grant date fair value as the closing market price of our common shares on the date of grant. One-half of the awards are payable on February 1, of the third year following the grant date and one-half of the awards are payable on October 1 of the third year following the grant date. This calculation does not include the value of the dividend equivalents received on the time-based awards. The actual value realized on the vesting of the time-based awards may be greater or less than the indicated value. See "Directors' Outstanding Share-Based Awards" which reflect the value at December 31, 2019.

(2) This column reflects reimbursement of amounts under our health care spending account, travel reimbursements and any other fees paid.

(3) Mr. Wall joined our board on July 30, 2019.

(4) Mr. Zawalsky is the Managing Partner of Burnet, Duckworth & Palmer LLP, a law firm which receives fees for the provision of legal services to us. Our corporate governance and compensation committee has reviewed and considered this relationship and determined that it does not interfere with the exercise of Mr. Zawalsky's independent judgement in his role as a member of our board of directors.

Directors' Outstanding Share-Based Awards

The following table sets forth all share-based awards outstanding as at December 31, 2019 for each of our independent directors. No option-based awards were outstanding at December 31, 2019.

Name	Share-Based Awards	
	Number of share awards that have not vested (#)	Estimated payout value of share awards that have not vested [1] ($)
Heather J. Culbert	37,000	205,350
Gregory S. Fletcher	33,000	183,150
Daryl H. Gilbert	33,000	183,150
Glenn A. McNamara	33,000	183,150
Stephen C. Nikiforuk	33,000	183,150
Kenneth S. Stickland	33,000	183,150
Bradley J. Wall [2]	15,000	83,250
Grant A. Zawalsky	33,000	183,150

Notes:

(1) Calculated by multiplying the number of awards by the market price of our common shares at December 31, 2019 ($5.55). This calculation does not include the value of the dividend equivalents received on the time-based awards.

(2) Mr. Wall joined our board on July 30, 2019.

Directors' Award Plan – Value Vested or Earned During the Year

The following table sets forth for each of our independent directors, the value of share-based awards, which vested during the year ended December 31, 2019. We do not grant option-based awards. We did not have a non-equity incentive compensation plan in 2019 for our directors.

Name	Share-based awards – Value vested during the year [1] ($)
Heather J. Culbert	-
Gregory S. Fletcher	32,882
Daryl H. Gilbert	32,882
Glenn A. McNamara	32,882
Stephen C. Nikiforuk	32,882
Kenneth S. Stickland	32,882
Bradley J. Wall [2]	-
Grant A. Zawalsky	32,882

Notes:

(1) Calculated based on the market price of our common shares on the vesting date multiplied by the number of common shares vesting on that date. Includes the dividend equivalents accumulated on the underlying grants and is based on the actual payout multiplier of 1.61x. The awards vested during the year ended December 31, 2019 were the final performance-based awards granted to independent non-management directors in the year ended December 31, 2016. Effective January 1, 2017, independent non-management directors are only entitled to receive time-based awards.

(2) Mr. Wall joined our board on July 30, 2019.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

General

We have developed an executive compensation strategy built on offering a competitive compensation package, which is oriented toward developing a culture of ownership by providing long-term equity-based incentives. As a result, the awarding of performance-based awards is a significant component of our executive compensation. This approach is based on the assumption that our share price performance over the long-term is an important indicator of long-term performance.

Our compensation philosophy is based on the following fundamental principles:

- Our compensation programs must be aligned with shareholder interests by aligning the goals of executives with maximizing long term shareholder value.

- Our compensation to our executive officers must be performance sensitive by linking compensation to our operating and market performance.

- Our compensation programs must be market competitive in terms of value and structure in order to retain existing employees who are performing according to their objectives and to attract new individuals of the highest calibre.

The objectives of our executive compensation program were developed based on the above-mentioned compensation philosophy as follows:

- To attract and retain a high quality management and employee team and to motivate performance by aligning a significant portion of the compensation to enhancement in share value and to encourage all employees to become significant shareholders.

- To evaluate executive performance on the basis of key measurements that correlate to long-term shareholder value.

- To tie compensation directly to those measurements and rewards based on achieving and exceeding predetermined objectives.

Compensation Governance

Our corporate governance and compensation committee assists our board in fulfilling its responsibilities by monitoring our compensation plans and practices and ensuring their congruence with our objectives and goals by assessing and making recommendations regarding compensation, benefits, short and long-term incentive programs and employee retention. A summary of the mandate of the corporate governance and compensation committee is set forth under "Corporate Governance Disclosure".

Our corporate governance and compensation committee is currently composed of three directors, Mr. McNamara (Chair), Ms. Culbert and Mr. Stickland. All of the members of our corporate governance and compensation committee are independent directors. All of our corporate governance and compensation committee members have direct experience in establishing and operating executive and corporate compensation programs. See each member's biography found under "Election of Directors" above.

Compensation Risks

In establishing our executive compensation program our corporate governance and compensation committee also considers the implication of the risks associated with our compensation program, including:

- The risk of executives taking inappropriate or excessive risks.
- The risk of inappropriate focus on achieving short-term goals at the expense of long-term return to shareholders.
- The risk of encouraging aggressive accounting practices.
- The risk of excessive focus on financial returns and operational goals at the expense of regulatory, environmental and health and safety.

While no program can fully mitigate these risks, we believe that many of these risks are mitigated by:

- Weighting our long-term incentives towards share ownership and vesting our long-term incentives over a number of years.
- Awarding a significant portion of long-term incentive compensation in the form of performance-based awards which, through the payout multiplier, provide a direct link between corporate performance and the level of payout received. If threshold performance is not met, the payout multiplier will be 0x and no payouts will be made under the performance-based awards.
- Avoiding narrowly focused performance goals which may encourage loss of focus on providing long-term shareholder return and retaining adequate discretion to ensure that the corporate governance and compensation committee and board retain their business judgment in assessing actual performance.
- Establishing a uniform incentive program for all executive officers and employees.
- Establishing a formal recoupment or "clawback" policy pursuant to which some or all awards made to executives are subject to recoupment in the event of an accounting restatement resulting from misconduct.
- Establishing share ownership guidelines and imposing short selling restrictions.
- Establishing a strong "tone at the top" for accounting, regulatory, environmental and health and safety compliance.

Incentive Plan Design

The ability of our corporate governance and compensation committee to consider factors such as personal contributions to corporate performance and non-financial, non-production or non-reserves based elements of corporate performance allows the corporate governance and compensation committee to consider whether executive officers have attempted to bolster short-term results at the expense of our long-term success in determining executive compensation. In addition, as the compensation program consists of fixed (base salary) and variable (annual cash bonuses and long-term incentive plan grants), the incentive for short-term risk taking is balanced with the incentive to focus on generating long-term sustainable value for shareholders. Performance-based awards which make up a significant portion of an executive officer's total compensation, generally cliff vest in the third year after the grant date, which acts to further mitigate against the potential for inappropriate short-term risk taking. There are no compensation policies and practices that are structured significantly different for any named executive officers. Our corporate governance and compensation committee and board of directors will continue to monitor compensation risk assessment practices on an ongoing basis to ensure that our compensation program is appropriately structured.

Clawback Policy

We have a formal recoupment or "clawback" policy on executive incentive compensation, including, without limitation, bonuses and performance-based awards, that may be awarded to our executive officers when (i) the executive engages in willful misconduct or fraud which causes or significantly contributes to a restatement of our financial statements due to our material noncompliance with any applicable financial reporting requirement under securities laws, (ii) the executive receives incentive compensation calculated on the achievement of those financial results, and (iii) the incentive compensation received would have been lower had the financial statements been properly reported. The policy provides that when a clawback is triggered, upon the recommendation of our corporate governance and compensation committee, our board may, in its sole discretion and to the extent that it determines it is in our best interests to do so, require the executive to repay the amount of incentive compensation relating to the year(s) subject to the restatement or received upon exercise or payment of incentive compensation in or following the year(s) subject to the restatement that is in excess of the incentive compensation the executive would have received if the incentive compensation had been computed in accordance with the results as restated, calculated on an after tax basis.

Prohibition on Hedging

Pursuant to our Code of Conduct, our directors, officers and employees are not permitted to engage in short selling in our common shares or to purchase financial instruments (including, for greater certainty but not limited to, puts, options, calls, prepaid variable forward contracts, equity swaps, collars or units of exchange funds) that are designed to hedge or offset a change in the market value of our common shares or other securities held by such director, officer or employee.

Share Ownership Requirements

Our executive officers are required to maintain a significant equity investment in us to align their interests with those of our shareholders and mitigate against the likelihood of undue risk taking. Our share ownership guidelines establish minimum share ownership levels for executives based on a multiple of their salary and executive level. See "Ownership Guidelines".

Identification of Named Executive Officers

We are required to disclose the compensation paid to our Chief Executive Officer, Chief Financial Officer and each of the three other most highly compensated executive officers whose total annual compensation was more than $150,000. For the year ended December 31, 2019 our named executive officers were Mr. Fagerheim, our President and Chief Executive Officer, Mr. Kang, our Chief Financial Officer, Mr. Armstrong, our Vice President, Production and Operations, Mr. Dunlop, our Vice President, Engineering, and Mr. Mombourquette, our Vice President, Business Development and IT.

Compensation Review Process

Our President and Chief Executive Officer presents recommendations to our corporate governance and compensation committee regarding salary adjustments and bonuses for all of our staff, including our named executive officers. The focus of the discussion is on the individual executive salaries, bonuses and long-term awards with a review of the aggregate level of salary, bonuses and long-term awards for the balance of the staff. The corporate governance and compensation committee makes specific recommendations to our board on our President and Chief Executive Officer's salary, bonus payments and long-term awards. The corporate governance and compensation committee also recommends the salaries, bonus and long-term awards payments of all other officers. Our board reviews all recommendations of the corporate governance and compensation committee before final approval. Any director who is also an officer is excused from the directors' meeting during any discussion of their compensation.

Performance

In establishing overall compensation levels, our corporate governance and compensation committee uses current levels of compensation as the starting point. Our corporate governance and compensation committee then considers overall corporate performance, performance across a number of operating measures including but not limited to production, funds flow, reserves growth per share and recycle ratio. In addition, the corporate governance and compensation committee considers the development and execution of our business strategy and other subjective elements together with total shareholder returns and the competitive environment.

The corporate governance and compensation committee then assesses the individual performance of our President and Chief Executive Officer and each of our other officers. Our President and Chief Executive Officer assists the corporate governance and compensation committee with the performance assessment of the other officers.

Competitive Factors

For us to attract and retain qualified and experienced officers and employees, our overall compensation levels must be competitive with other participants in the Canadian oil and gas industry. As part of the comparative compensation analysis, our corporate governance and compensation committee is provided with a summary (based on publicly available information) of the compensation paid to officers of an industry-specific peer group prepared by our President and Chief Executive Officer at the direction of the corporate governance and compensation committee. For 2019, the members of our peer group ("Peer Group") were:

Advantage Oil & Gas Ltd.	Crescent Point Energy Corp.	Pengrowth Energy Corporation
ARC Resources Ltd.	Crew Energy Inc.	Peyto Exploration & Development Corp.
Baytex Energy Corp.	Enerplus Corporation	Seven Generations Energy Ltd.
Bellatrix Exploration Ltd.	Kelt Exploration Ltd.	Surge Energy Inc.
Birchcliff Energy Ltd.	NuVista Energy Ltd.	TORC Oil & Gas Ltd.
Bonavista Energy Corporation	Obsidian Energy Ltd.	Tourmaline Oil Corp.
Bonterra Energy Corp.	Painted Pony Energy Ltd.	Vermilion Energy Inc.
Cardinal Energy Ltd.	Paramount Resources Ltd.	

As a final check on the reasonableness of our overall compensation, our President and Chief Executive Officer compares our general and administrative costs per unit of production to the average for the members of our Peer Group listed above. Our President and Chief Executive Officer's expectation is that our general and administrative costs per unit of production should approximate the average for our Peer Group. Based on publicly reported data for the nine month period ended September 30, 2019, our general and administrative costs per unit of production of $1.04/boe were approximately 21% lower than the peer group average of $1.31/boe. We prepared this calculation using Peer Group public disclosure and the per unit general and administrative costs net of capitalized general and administrative costs.

Compensation Consultant

For the year ended December 31, 2018, we paid Mercer (Canada) Limited ("Mercer") $43,300 in fees associated with its assessment of the competitiveness of our employee compensation plan, including executive compensation practices. For the year ended December 31, 2019, we paid Mercer $18,000 in fees to assess the competitiveness of our non-executive employee and director compensation plans.

Compensation Program Components

Our executive compensation program provides a balanced set of components designed to deliver the objectives of our compensation philosophy. The salary component provides a base of secure compensation necessary to attract and retain executive talent and is targeted to be the median of our Peer Group. The variable components, bonus and long-term incentives are designed to balance short-term performance with our long-term interests and motivate the superior performance of both. Our Award Plan also aligns our officers with shareholders and helps retain executive talent.

2019 Strategic Plan

To determine base salaries, bonuses and long-term incentives we consider achievements during the year as compared to our long-term strategic plan. Achievements on the three components of our strategic plan are shown below.

Financial Performance

- ✓ Funds flow decreased 4% to $675.6 million in 2019 from $704.4 million (2% per share) in 2018 due to lower expenditures on property, plant and equipment ("PP&E") in 2019 and the resulting decrease in average production.
- ✓ Free funds flow increased 3% to $271.6 million in 2019 from $263.9 million in 2018.
- ✓ Operating netbacks remained strong at $29.73/boe in 2019 compared to $29.33/boe in 2018.
- ✓ Increased our monthly dividend by 5.6%.

- ✓ Delivered on our business model of self funded growth including dividends. The total payout ratio was 80% after expenditures on PP&E of $404.0 million and dividend payments of $138.3 million.
- ✓ Reduced our common shares outstanding by 4.6 million shares through our normal course issuer bid.
- ✓ Strengthened our balance sheet by reducing net debt $103.1 million year-over-year with net debt at $1.2 billion on debt capacity of $1.77 billion, providing significant unutilized capacity for financial flexibility.
- ✓ Debt to earnings before interest, taxes, depreciation and amortization ("EBITDA") was 1.6x in 2019. Refer to Note 12(a) "Bank Debt" in the audited annual consolidated financial statements for the year ended December 31, 2019.

Operational Excellence

- ✓ Achieved annual production of 71,050 boe/d (consisting of 55,413 bbl/d of light and medium crude oil, 4,503 bbl/d of natural gas liquids and 66,801 mcf/d of conventional natural gas) compared to 74,415 boe/d (consisting of 58,511 bbl/d of light and medium crude oil, 4,397 bbl/d of natural gas liquids and 69,042 mcf/d of conventional natural gas) in the prior year, a decrease of 5% (3% per share) despite an 8% reduction in expenditures on PP&E.
- ✓ Efficiently executed on the 2019 capital budget drilling 193 (166.3 net) wells.
- ✓ The operational results in southeast Saskatchewan were greater than our expectations. The Weyburn property averaged 14,304 boe/d (consisting of 13,845 bbl/d of light and medium crude oil, 457 bbl/d of natural gas liquids and 15 mcf/d of conventional natural gas) in 2019 and maintained a production decline rate of less than 3% by spending only 23% ($37 million) of its operating income. This asset continues to be a significant free funds flow engine for us generating $124 million of operating income after capital expenditures.
- ✓ The southwest Saskatchewan business unit continues to generate significant operating income after capital expenditures as we only invested $80 million to maintain average production of 14,975 boe/d (consisting of 14,599 bbl/d of light and medium crude oil, 7 bbl/d of natural gas liquids and 2,213 mcf/d of conventional natural gas) resulting in operating income after capital expenditures of $109 million in 2019.
- ✓ We successfully negotiated a joint venture with a private company with a large land footprint located in the optimal oil rich Montney window in the Alberta Deep Basin. The joint venture includes provisions that will result in us, over a 2-year period, earning an interest in 34 (21.5 net) sections of Montney development lands that have potential for 144 (84.2 net) drilling locations across numerous separate Montney zones. Post-earning we will operate 88% of the lands with a 65% working interest while having a 50% working interest in the remaining non-operated lands.
- ✓ Proved developed producing reserves as at December 31, 2019, as evaluated by independent reserves evaluator McDaniel & Associates Consultants Ltd. ("McDaniel"), increased 7% per debt-adjusted share to 225.3 MMboe. Finding, development and acquisition cost, excluding future development cost, for proved developed producing reserves was $15.42/boe resulting in a recycle ratio of 1.9 times. This reflects our ability to efficiently convert non-production reserves into proved developed producing reserves.
- ✓ Achieved 11% per debt-adjusted share growth in proved plus probable reserves as at December 31, 2019, as evaluated by independent reserves evaluator McDaniel, to 507.4 MMboe. Finding, development and acquisition cost, excluding future development cost, for proved plus probable

reserves was $9.10/boe resulting in a recycle ratio of 3.3 times. This reflects the strength of the asset base and our ability to consistently generate profits on capital invested.

Health, Safety and Environment

- ✓ We posted a combined employee and contractor total recordable injury frequency rate of 0.6. This rate is within our average range from the past three years and well below oil and gas industry averages.
- ✓ The total number of our pipeline failures decreased for a third consecutive year while at the same time, growing our inventory of active pipe. This trend speaks to the success of our asset integrity team and their initiatives performed throughout the year.
- ✓ We executed on an aggressive program of asset retirement, spending $9.4 million on liability reduction in Alberta, British Columbia and Saskatchewan. We received 30 Reclamation Certificates throughout the year.
- ✓ In 2019, we disclosed a Sustainability Data table that showed a year over year decline in total greenhouse gas ("GHG") emissions, a 5th straight year posting a decline in emissions intensity (emissions/boe) and significant reductions in both flared and vented gas intensity.
- ✓ In response to GHG related regulatory initiatives, we invested in data management tools to help provide real time and disaggregated emissions data. This data will allow for improved compliance and identify opportunities.
- ✓ In 2019, we safely stored more CO_2 underground at Weyburn as part of an enhanced oil recovery process than we emitted from all operations.
- ✓ We received our first allocation of carbon credits from pneumatic controller changeouts performed in 2018. Annual credits will continue to be received for reductions generated in 2019 and will continue to accumulate each year through 2022. The credits will be used to offset compliance obligations under the Alberta TIER program.
- ✓ Through registration in provincial programs, our operations in Alberta and Saskatchewan are now fully exempt from Federal carbon tax on fuels.
- ✓ Our Alberta Licensee Liability Ratio ("LLR") remained strong at 4.93, in British Columbia our LLR is 2.27 and in Saskatchewan, 5.12.

Base Salaries

In setting base salaries, our corporate governance and compensation committee reviews executive compensation for the members of our Peer Group listed above. Historically we have encouraged an executive compensation philosophy where a significant component of compensation is variable, and salaries are targeted to be at market medians. This philosophy reflects our focus on control of general and administrative cash costs and emphasis on executive compensation being linked to share performance. Salaries of senior executive officers also reflect market conditions and levels of responsibility.

Base salaries in 2018, for our named executive officers, were increased to the 50th percentile for our Peer Group. Factors considered by our corporate governance and compensation committee included corporate and individual performance and competitive factors in the local marketplace. Our corporate governance and compensation committee met on December 5, 2018 to discuss base salaries for our executive officers for 2019. The committee determined that the 2019 base salaries would remain consistent with the salaries paid in 2018.

The following table summarizes annual base salaries for our named executive officers at December 31, 2019 and December 31, 2018:

Name and principal position	2019 Base Salary ($)	2018 Base Salary ($)	Percentage Change
Grant B. Fagerheim President and Chief Executive Officer	425,000	425,000	-
Thanh C. Kang Chief Financial Officer	330,000	330,000	-
Joel M. Armstrong Vice President, Production and Operations	275,000	275,000	-
Darin R. Dunlop Vice President, Engineering	275,000	275,000	-
David M. Mombourquette Vice President, Business Development and IT	275,000	275,000	-

Bonuses

Bonuses are intended to reward performance by our executive officers in the achievement of our strategic goals and objectives and are consistent with our compensation philosophy where a significant component of executive compensation is variable and performance related. Cash bonuses are performance based designed to provide a multiplier between 0% and 250% of base salary for the President and CEO based solely on achieving predetermined corporate performance measures. Our named executive officers (excluding the President and CEO) have a bonus multiplier between 0% and 175% of base salary based on achieving predetermined corporate performance measures, the named executive officers' level of responsibility and individual performance.

On February 26, 2019, our corporate governance and compensation committee established the corporate performance measures listed in the table below (and the weighting of each measure) for purposes of calculating our percentile ranking. Our percentile ranking is then used to determine the target bonus multiplier (as a percentage of salary) for calculating the cash bonuses. On February 24, 2020, our corporate governance and compensation committee met to assess our performance relative to such corporate performance measures and to establish our percentile ranking. Listed below are the results of the assessment.

Performance Measure	P25	P50	P75	P90	Weighting	Result	Weighted Score
Relative Total Shareholder Return (TSR) for a one-year period compared to the Peer Group	4th Quartile in Peer Group	3rd Quartile in Peer Group	2nd Quartile in Peer Group	1st Quartile in Peer Group	25%	1st Quartile in Peer Group	25
Debt adjusted production per share growth	< 0%	0-3%	3-5%	> 5%	25%	2.7%	12.5
PDP F&D funds flow recycle ratio (including future development costs) compared to the Peer Group	4th Quartile in Peer Group	3rd Quartile in Peer Group	2nd Quartile in Peer Group	1st Quartile in Peer Group	25%	1st Quartile in Peer Group	25
Health, safety & environment	Underperform	Average	Above Expectations	Exceptional	25%	Above Expectations	18.75
					100%		81.25

For 2019, our corporate performance, based on these pre-determined performance criteria, was determined to be in the 81st percentile, which resulted in a target bonus multiplier of 150% to 250% for the President and CEO and 75% to 175% for our other named executive officers.

	≤P25	> P25 to ≤ P50	> P50 to ≤ P75	> P75
President and CEO	0%	25% – 40%	40% - 150%	150% - 250%
Other named executive officers	0%	25% – 40%	40% - 100%	75% - 175%

The following table summarizes annual bonuses for our named executive officers at December 31, 2019 and December 31, 2018:

NEO	2019 Bonus ($)	Percentage of Base 2019 Salary	2018 Bonus ($)	Percentage of Base 2018 Salary
Grant B. Fagerheim	590,000	139%	550,000	129%
Thanh C. Kang	360,000	109%	325,000	98%
Joel M. Armstrong	300,000	109%	265,000	96%
Darin R. Dunlop	300,000	109%	265,000	96%
David M. Mombourquette	300,000	109%	265,000	96%

Long-Term Incentive Compensation

Our only form of long-term compensation is our full-value Award Plan pursuant to which time-based awards and performance-based awards may be granted to our directors, officers, employees and other service providers. For further information with respect to our Award Plan, see "Executive Compensation – Award Plan".

Each time-based award entitles the holder to an amount computed by the value of a notional number of common shares designated in the award (plus dividend equivalents) on the third anniversary of the date of grant (or such earlier or later dates as may be determined by our board). Each performance-based award entitles the holder to an amount computed by the value of a notional number of common shares designated in the award (plus dividend equivalents) multiplied by a payout multiplier on the third anniversary of the date of grant (or such earlier or later dates as may be determined by our board). The payout multiplier is dependent on our performance relative to pre-defined corporate performance measures for a particular period and can be one of 0x (for fourth quartile ranking), 1x (for third quartile ranking), 1.5x (for second quartile ranking) and 2x (for first quartile ranking) and will be the arithmetic average of the payout multiplier for each of the three preceding fiscal years.

The corporate governance and compensation committee is responsible for determining the allocation of the awards between time-based and performance-based awards. The performance-based awards, through the payout multiplier, provide a direct link between corporate performance and the level of payout received. The corporate governance and compensation committee believes that the pay for performance orientation of the performance-based awards is aligned with shareholder interests. The portion of performance-based awards received relative to time-based awards increases with greater levels of responsibility. 25% to 75% of awards granted to employees are performance-based awards and 100% of the awards granted to our President and Chief Executive Officer and our other officers are performance-based awards.

2019 Awards and Payout Multiplier

An aggregate of 2.7 million performance-based awards were granted to our officers, employees and other service providers during 2019.

The following table details the performance-based awards granted to each of our named executive officers during 2019. One-half of these awards are payable on February 1 of the third year following the grant date and one-half of these awards are payable on October 1 of the third year following the grant date.

Name	Number of Performance Awards Granted
Grant B. Fagerheim	392,000
Thanh C. Kang	174,000
Joel M. Armstrong	138,000
Darin R. Dunlop	138,000
David M. Mombourquette	138,000

On February 26, 2019, our corporate governance and compensation committee established the corporate performance measures listed in the table below (and the weighting of each measure) for purposes of calculating the 2019 payout multiplier. On February 24, 2020, our corporate governance and compensation committee met to assess our performance relative to such corporate performance measures and to establish the 2019 payout multiplier. Listed below are the results of the assessment.

2019 Payout Multiplier								
Performance Measure	P25	P50	P75	P90	Weighting	Result	Multiplier	Weighted Multiplier
Relative Total Shareholder Return (TSR) for a three-year period compared to the Peer Group	4th Quartile in Peer Group	3rd Quartile in Peer Group	2nd Quartile in Peer Group	1st Quartile in Peer Group	25%	1st Quartile in Peer Group	2.0	0.5
Debt adjusted production per share growth	< 0%	0-3%	3-5%	> 5%	25%	2.7%	1.0	0.25
TP FD&A funds flow recycle ratio (including future development costs) compared to the Peer Group	4th Quartile in Peer Group	3rd Quartile in Peer Group	2nd Quartile in Peer Group	1st Quartile in Peer Group	25%	2nd Quartile in Peer Group	1.5	0.375
Development and Execution of Strategic Plan	Underperform	Average	Above Expectations	Exceptional	25%	Exceptional	2.0	0.5
					100%			1.625

For 2019, the members of our Peer Group used for determining the payout multiplier were the companies listed on page 30 of this Information Circular. The payout multiplier for performance awards is calculated as the arithmetic average of the payout multiplier for each of the three preceding fiscal years. The payout multiplier for 2017 is 1.67x, the payout multiplier for 2018 is 1.5x and the payout multiplier for 2019 is 1.625x.

Historical Grant Information

The following table shows the number of common shares potentially issuable to all of our directors, officers and employees pursuant to our Award Plan as at December 31, 2019:

	Common Shares Potentially issuable as at December 31, 2019 (1)(2)	
	#	% (3)
Award Plan		
Time-Based Awards	2,089,021	0.5
Performance-Based Awards	5,416,666	1.3
Total	7,505,687	1.8

Notes:

(1) We have, in our sole and absolute discretion, the option of settling the value of the notional common shares underlying the award, in cash or common shares. We will not determine whether the payment method will take the form of cash or common shares until the payment date, or some reasonable time prior thereto.

(2) Does not include the dividend equivalents that will accumulate on the underlying grants.

(3) Represents the number of common shares potentially issuable pursuant to such awards as a percentage of the issued and outstanding common shares and assumes an average payout multiplier of 1x for performance-based awards. If the payout multiplier was 2x, the total number of common shares would increase to 12,922,353 which represents 3.2% of the issued and outstanding common shares.

The following table summarizes the number of awards granted to all of our directors, officers and employees during the periods noted below and the potential dilutive effect of such awards:

Period	Awards Granted		Weighted Average Common Shares Outstanding [1]	Burn Rate [2][3]			
	Time-based	Performance-based		0x	1x	1.5x	2x
2017	740,250	1,923,658	371,847,642	0.2%	0.7%	1.0%	1.2%
2018	698,936	1,701,289	417,060,846	0.2%	0.6%	0.8%	1.0%
2019	736,547	1,998,664	411,999,869	0.2%	0.7%	0.9%	1.1%

Notes:

(1) Pursuant to the requirements of the Toronto Stock Exchange, the weighted average number of common shares outstanding during the period is the number of common shares outstanding at the beginning of the period, adjusted by the number of common shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the common shares are outstanding as a proportion of the total number of days in the period.

(2) The burn rate for a given period is calculated by dividing the number of awards granted during such period by the weighted average number of common shares outstanding during such period.

(3) The payout multiplier under our Award Plan is only applicable to performance-based awards.

For further information regarding the share awards held by our named executive officers, see "Outstanding Share-Based Awards" and "Award Plan – Value Vested or Earned During the Year" below.

Share Savings Plan

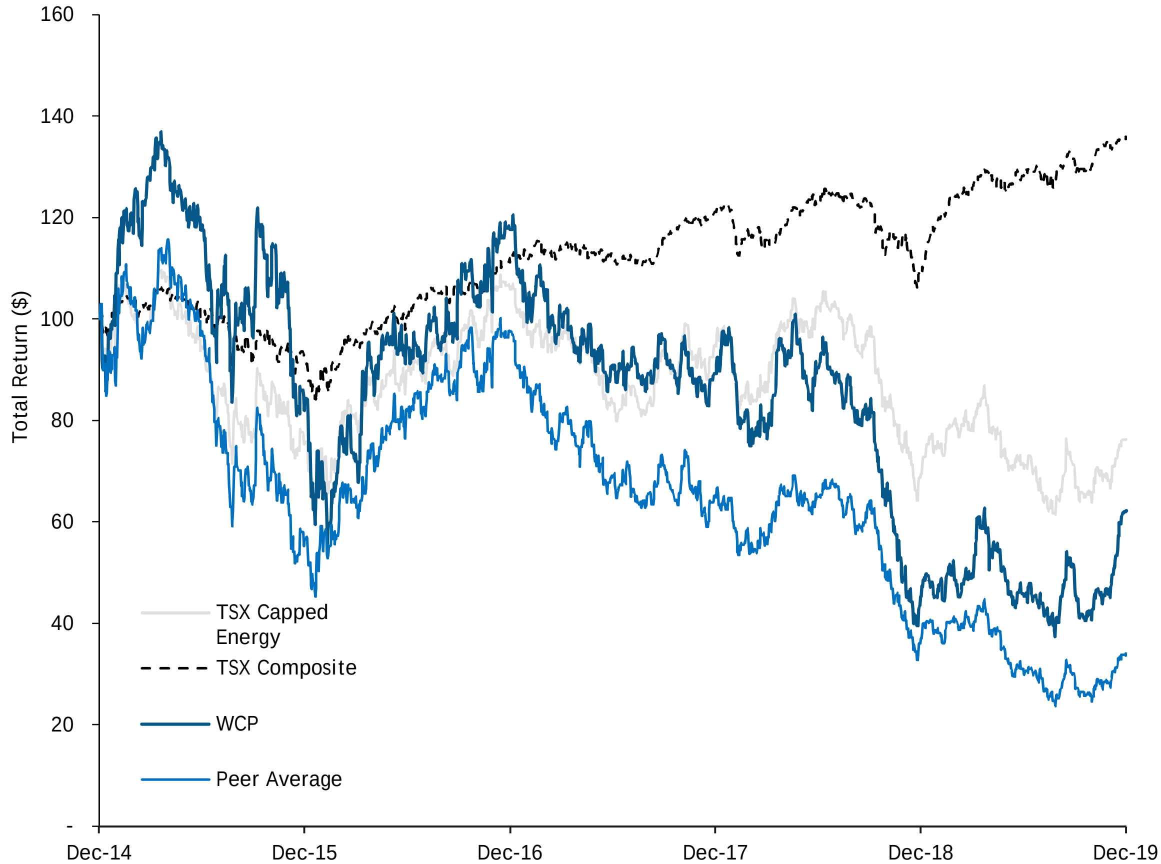
We provide executives and all other employees with a 50% match of up to 10% of base salary which is directed towards the purchase of our shares in registered or non-registered accounts within a group plan.

Other Benefits

The employment benefits provided to employees are generally typical of those provided by participants in the Canadian oil and gas industry and include life and disability insurance and extended health and dental coverage. Officers are eligible to claim health, medical and dental expenses for themselves and their spouses up to a maximum of $12,500 per annum per officer pursuant to Health Spending Accounts established for each officer. Officers also receive a parking allowance.

Performance Graph

The following graph compares on a yearly basis the cumulative total shareholders' return from December 31, 2014 to December 31, 2019 of $100 invested in our common shares versus the total return of $100 invested in the S&P/TSX Capped Energy Index, the S&P/TSX Capped Composite Index, and our peer group average, with all dividends reinvested.



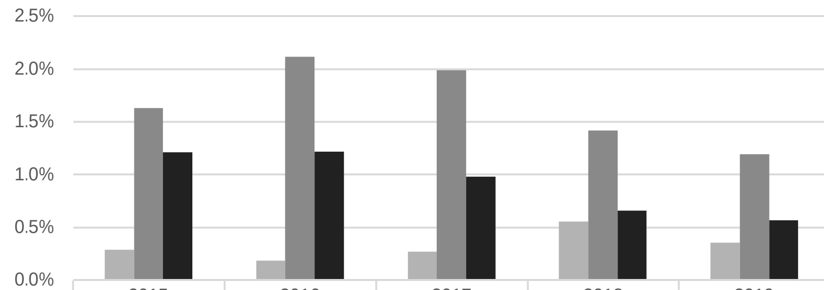
	31-Dec-14	31-Dec-15	31-Dec-16	31-Dec-17	31-Dec-18	31-Dec-19
Whitecap	$100	$84	$118	$89	$45	$62
S&P TSX Capped Energy Index	$100	$76	$106	$95	$70	$76
S&P TSX Composite Index	$100	$92	$111	$121	$110	$136
Peer Group Average	$100	$57	$98	$65	$37	$34

Our cumulative shareholder return performance reflects both operational and financial performance within our control as well as volatile commodity prices and economic and market conditions beyond our control. We continued to achieve strong financial, operational, and health and safety results with our focus on long term value creation for our shareholders. The events outside our and the Canadian energy industry's control such as crude oil price differential volatility due to lack of market access, regulation change, and tax changes have put negative pressure on our share price and the S&P TSX Capped Energy index. We have remained focused on executing our strategic plan which has allowed us to outperform our peer group over the past five years.

Salaries and bonuses for our executive officers are based in part on the achievement of certain pre-determined performance metrics at the beginning of each fiscal year. The achievement of these objectives is measured against corporate and individual targets, as described earlier, and does not necessarily track the changes in the market value of our common shares. Our long-term incentive plans are designed to align the interests of all our employees with shareholders by linking a component of compensation to our share performance.

Five Year NEO Compensation Measures

We measure NEO compensation on a long-term basis compared to key financial metrics. The following table includes the aggregate total direct compensation for all NEO's as a percentage of certain financial measures.



	2015	2016	2017	2018	2019
Total NEO Compensation as a % of Total Market Capitalization	0.3%	0.2%	0.3%	0.6%	0.4%
Total NEO Compensation as a % of Funds Flow	1.6%	2.1%	2.0%	1.4%	1.2%
Total NEO Compensation as a % of Revenue	1.2%	1.2%	1.0%	0.7%	0.6%
Total NEO Compensation ($)	7.8	8.1	10.1	10.0	8.0

Over the past five years, the changes in NEO compensation are primarily attributed to incentive plan compensation. Management elected to reduce salaries for 2016 and 2017 and salaries were then increased in 2018. Management elected to reduce bonuses in 2015 and 2016 from the predetermined performance amounts considering external market conditions.

Total NEO compensation relative to the key financial metrics has remained consistent over the past five years. In 2019, the percentage of compensation compared to market capitalization, funds flow and revenue all decreased. The decrease is attributed to lower incentive plan compensation.

Summary Compensation of Named Executive Officers

The following table sets forth for the years ended December 31, 2019, December 31, 2018 and December 31, 2017, information concerning the compensation paid to our named executive officers:

Name and principal position	Year	Salary ($)	Non-equity incentive plan compensation ($) Annual incentive plans	Long-term incentive plans	Option-based awards	Share-based awards [1] ($)	All other compensation [2]	Total compensation ($)
Grant B. Fagerheim	2019	425,000	590,000	-	-	1,771,840	34,476	2,821,316
President and Chief Executive Officer	2018	425,000	550,000	-	-	2,554,900	23,406	3,553,306
	2017	297,000	600,000	-	-	2,635,400	23,308	3,555,708
Thanh C. Kang	2019	330,000	360,000	-	-	786,480	35,539	1,512,019
Chief Financial Officer	2018	330,000	325,000	-	-	1,145,300	23,406	1,823,706
	2017	247,500	370,000	-	-	1,193,880	23,270	1,834,650
Joel M. Armstrong	2019	275,000	300,000	-	-	623,760	33,591	1,232,351
Vice President, Production and Operations	2018	275,000	265,000	-	-	969,100	23,351	1,532,451
	2017	225,000	325,000	-	-	998,640	23,179	1,571,819
Darin R. Dunlop	2019	275,000	300,000	-	-	623,760	33,538	1,232,298
Vice President, Engineering	2018	275,000	265,000	-	-	969,100	23,351	1,532,451
	2017	225,000	325,000	-	-	998,640	23,062	1,571,702
David M. Mombourquette	2019	275,000	300,000	-	-	623,760	33,591	1,232,351
Vice President, Business Development and IT	2018	275,000	265,000	-	-	969,100	23,351	1,532,451
	2017	225,000	325,000	-	-	998,640	23,062	1,571,702

Notes:

(1) All of the share awards granted to our NEOs are performance-based awards. This column reflects the grant date fair value of the performance-based awards, computed in accordance with IFRS 2. We used IFRS 2 as our methodology for computing grant date fair value for purposes of consistency with our financial statements. We calculated the grant date fair value as the closing market price of our common shares on the date of grant. One-half of the awards granted in 2017, 2018 and 2019 are payable on February 1 of the third year following the grant date and one-half of these awards are payable on October 1 of the third year following the grant date. This calculation assumes a payout multiplier of 1x and does not include the value of the dividend equivalents received on the awards. The actual value realized pursuant to such performance-based awards may be greater or less than the indicated value.

(2) All other compensation includes employment benefits and matching under the employee share purchase plan. For a further description of the employment benefits received by our NEOs, see "Share Savings Plan" and "Other Benefits" above.

Outstanding Share-Based Awards

The following table sets forth for each named executive officer, all share-based awards outstanding at the end of the year ended December 31, 2019. We do not grant option-based awards.

Name	Performance-Based Awards: Number of share-based awards that have not vested (#)	Estimated payout value of share-based awards that have not vested [1] ($)
Grant B. Fagerheim	962,000	5,339,100
Thanh C. Kang	431,000	2,392,050
Joel M. Armstrong	354,000	1,964,700
Darin R. Dunlop	354,000	1,964,700
David M. Mombourquette	354,000	1,964,700

Note:

(1) Calculated by multiplying the number of performance-based awards by the market price of our common shares at December 31, 2019 ($5.55). This calculation assumes a payout multiplier of 1x and does not include the value of the dividend equivalents received on the performance-based awards.

Award Plan – Value Vested or Earned During the Year

The following table sets forth for each named executive officers, the value of share-based awards which vested during the year ended December 31, 2019. We do not grant option-based awards and we did not have a non-equity incentive compensation plan in 2019.

Name	Performance-based awards – Value vested during the year (1) ($)
Grant B. Fagerheim	1,562,722
Thanh C. Kang	740,237
Joel M. Armstrong	616,832
Darin R. Dunlop	616,832
David M. Mombourquette	616,832

Note:

(1) Calculated based on the market price of our common shares on the vesting date multiplied by the number of common shares vesting on that date. Includes the dividend equivalents accumulated on the underlying grants and is based on the actual payout multiplier of 1.61x.

Award Plan

Our Award Plan is of a full-value award plan pursuant to which time-based awards and performance-based awards may be granted to our directors, officers, employees and other service providers. Listed below is a summary of the principal terms of our Award Plan. A copy of the Award Plan was filed on our profile on the SEDAR website at www.sedar.com on August 26, 2019 under the category "Other Securityholders Documents".

The principal purposes of the Award Plan are: (i) to retain and attract the qualified directors, officers, consultants, employees and other service providers that we require; (ii) to promote a proprietary interest in us by such persons and to encourage such persons to remain in our employ and put forth maximum efforts for the success of our business; and (iii) to focus our management on operating and financial performance and long-term total shareholder return.

Incentive-based compensation is an integral component of our compensation package. The attraction and retention of qualified directors, officers, employees and other service providers has been identified as one of the key risks to our long-term strategic growth plan. Our Award Plan is intended to maintain our competitiveness within the Canadian oil and gas industry to facilitate the achievement of our long-term goals. In addition, this incentive-based compensation is intended to reward our directors, officers, consultants, employees and other service providers for meeting certain predefined operational and financial goals which have been identified for increasing long-term total shareholder return.

Our Award Plan is administered by our board of directors, although the board has the authority to appoint a committee of the board of directors to administer the Award Plan.

The maximum number of common shares reserved for issuance from time to time pursuant to outstanding awards under the Award Plan shall not exceed 3.755% of the aggregate number of our issued and outstanding common shares ("Total Common Shares").

The aggregate number of awards granted to any single grantee may not exceed 1% of the Total Common Shares. In addition: (i) the number of common shares issuable to insiders at any time, under all of our security based compensation arrangements, may not exceed 10% of the Total Common Shares; and (ii) the number of common shares issued to insiders, within any one year period, under all of our security based compensation arrangements, may not exceed 10% of the Total Common Shares.

Our Award Plan also limits the number of common shares issuable pursuant to non-management directors, in aggregate, to the lesser of 0.25% of the Total Common Shares and the value of all awards granted to any non-management director during a calendar year, as calculated on the date of grant, cannot exceed $100,000 (for purposes of monitoring compliance with these limitations, a payout multiplier of 1x will be assumed for any performance-based awards).

Under the terms of the Award Plan, we may grant time-based awards or performance-based awards. In determining the persons to whom awards may be granted, the number of common shares to be covered by each award and the allocation of the award between time-based awards and performance-based awards, our board of directors may take into account such factors as it shall determine in its sole discretion, including any one or more of the following factors:

- compensation data for comparable benchmark positions among our peer comparison group;
- the duties, responsibilities, position and seniority of the grantee;
- various corporate performance measures for the applicable period compared with internally established performance measures approved by our board and/or similar performance measures of members of our peer comparison group for such period;
- the individual contributions and potential contributions of the grantee to our success;
- any bonus payments paid or to be paid to the grantee in respect of his or her individual contributions and potential contributions to our success;
- the fair market value or current market price of our common shares at the time of such award; and
- such other factors as our board of directors deems relevant in its sole discretion in connection with accomplishing the purposes of the Award Plan.

Each time-based award entitles the holder to an amount computed by the value of a notional number of common shares designated in the award (plus dividend equivalents) on the third anniversary of the date of grant (or such earlier or later dates as may be determined by our board). Each performance-based award entitles the holder to an amount computed by the value of a notional number of common shares designated in the award (plus dividend equivalents) multiplied by a payout multiplier on the third anniversary of the date of grant (or such earlier or later dates as may be determined by our board). Unless otherwise determined by our board, one-half of awards granted to directors and officers will be payable on February 1 of the third year following the grant date and one-half of awards granted will be payable on October 1 of the third year following the grant date to reduce the market impact of a potential share issuance.

The payout multiplier for performance-based awards is determined by our board based on an assessment of the achievement of predefined corporate performance measures in respect of the applicable period. These corporate performance measures may include: relative total shareholder return; activities related to our growth; average production volumes; unit costs of production; total proved reserves; health, safety and environmental performance; the execution of our strategic plan and such additional measures as our board of directors considers appropriate in the circumstances. The payout multiplier for a particular period will be determined by our board from time to time but is initially expected to be one of 0x (for fourth quartile ranking), 1x (for third quartile ranking), 1.5x (for second quartile ranking) or 2x (for first quartile ranking).

The payment date of awards will be extended as a result of trading blackouts and, unless otherwise determined by our board, for certain leaves of absences. Notwithstanding any provision of the Award Plan, no payment date in respect of any award may occur after December 15th of the third year following the year in which the award was granted.

In the event of a change of control, the payment dates of applicable outstanding awards will be accelerated to the closing date of the change of control and the payout multiplier applicable to any performance-based awards will be determined by our board.

On the payment date, we have, in our sole and absolute discretion, the option of settling the value of the notional common shares underlying the award, by any of the following methods or by a combination of such methods: (i) payment in common shares issued from treasury; (ii) payment in cash; or (iii) payment in common shares acquired by us on the open market. We will not determine whether the payment method will take the form of cash or common shares until the payment date, or some reasonable time prior thereto and a holder of an award will not have any right to demand to be paid in, or receive, common shares in connection with an award, at any time.

The Award Plan does not contain any provisions for financial assistance by us in respect of any awards granted thereunder.

Unless otherwise determined by our board or unless otherwise provided in an award agreement pertaining to a particular award or any written employment or consulting agreement, the following provisions apply in the event that a holder ceases to be a director, officer, consultant, employee or other service provider:

> <u>Termination for death or disability</u> – If a holder ceases to be a service provider due to death or disability, then a certain number of unvested awards held by such holder which have not vested will vest and become payable. The balance of the awards held by such holder will immediately terminate and become null and void.
>
> <u>Termination upon retirement</u> – If a holder retires, then a certain number of awards shall not change as a result of the retirement and the balance of such holders awards will immediately terminate and become null and void.
>
> <u>Other Termination</u> – In all other cases, all outstanding award agreements under which awards have been made shall immediately terminate and become null and void and all awards shall immediately terminate and become null and void.

Except in the case of death, the right to receive common shares pursuant to an award granted to a holder may only be exercised personally. Except as otherwise provided in the Award Plan, no assignment, sale, transfer, pledge or charge of an award, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such award whatsoever in any assignee or transferee and, immediately upon any assignment, sale, transfer, pledge or charge or attempt to assign, sell, transfer, pledge or charge, such award shall terminate and be of no further force or effect.

The Award Plan and any awards granted pursuant thereto may, subject to any required approval of the Toronto Stock Exchange, be amended, modified or terminated without the approval of our shareholders. Notwithstanding the foregoing, the Award Plan or any award may not be amended without the approval of our shareholders to: (a) increase the percentage of common shares reserved for issuance pursuant to awards in excess of the prescribed limit; (b) extend the expiry date of any awards held by insiders; (c) permit a grantee to transfer awards to a new beneficial holder other than for estate settlement purposes; (d) change the limitations on the granting of awards described above; and (e) change the amending provision of the Award Plan.

The Award Plan contains anti-dilution provisions which allow our board to make such adjustments to the Award Plan, to any awards as our board may, in its sole discretion, consider appropriate in the circumstances to prevent dilution or enlargement of the rights granted to holders thereunder.

On August 2, 2019, our board approved the following amendments to the Award Plan, which amendments did not require shareholder approval pursuant to the terms of the Award Plan:

- an amendment to provide for a definition of "Retirement" and to provide that if a holder ceases to be a service provider as a result of such holder's retirement, then the terms of a certain number of awards will not change as a result of such retirement with the balance of the awards held by such holder immediately terminating and becoming null and void;

- an amendment to change the calculation of the number of awards that will immediately vest in the case of a holder ceasing to be a service provider upon death or disability; and

- amendments that are housekeeping in nature.

As of March 6, 2020, there were an aggregate of 2.1 million time-based awards and 5.0 million performance-based awards outstanding, representing 1.7% of our issued and outstanding common shares on that date, leaving approximately 8.2 million common shares (representing 2.0% of our issued and outstanding common shares on that date) reserved and available for issuance pursuant to the settlement of awards that may be granted in the future (assumes a payout multiplier of 1x for the performance-based awards).

Employment Contracts

We have entered into employment agreements with each of our named executive officers. In 2018, we amended each of these employment contracts to, among other things, provide for a "double trigger" upon a change of control. Pursuant to these amended employment agreements, each individual is entitled to: (i) an annual base salary and benefits; (ii) discretionary bonuses as determined by our board; and (iii) performance-based awards. Under each agreement, we have agreed to compensate each named executive officer in the event of the termination of employment: (i) for any reason except just cause, voluntary retirement, voluntary resignation, death of the named executive officer or permanent incapacity, and (ii) if the executive terminates employment for "good reason" (an adverse change in the executive's terms of employment) occurring in the one year period following a change of control.

Assuming that the triggering event occurred on December 31, 2019 for the scenarios outlined in the paragraph above: (a) Mr. Fagerheim would be entitled to receive $1.6 million (being 1.5 times his Annual Compensation, which is defined in all of the executive employment agreements as annual salary, plus the average of the annual bonuses in the 3 years prior to termination, plus 20% of annual salary in lieu of benefits); (b) Mr. Kang would be entitled to receive $0.7 million (being 1.0 times his Annual Compensation); (c) Messrs. Armstrong, Dunlop and Mombourquette would each be entitled to receive $0.6 million (being 1.0 times their Annual Compensation). In addition, all of the executives' unvested share awards would become fully vested upon a change of control, the impact of which has been quantified in the section entitled "Outstanding Share-Based Awards" above. In the case of termination other than in connection with a change of control, a pro-rata portion of the awards based on the number of the months of the vesting period completed accelerate and vest on the termination date.

Each of the employment agreements provides that the executive shall not during the term of his employment and thereafter disclose any of our confidential information. The executive continues to owe us a duty of loyalty, good faith and avoidance of conflict of duty following termination of his employment.

Liability Insurance of Directors and Officers

We maintain directors' and officers' liability insurance coverage for losses to us if we are required to reimburse directors and officers, where permitted, and for direct indemnity of directors and officers where corporate reimbursement is not permitted by law. This insurance protects us against liability (including costs), subject to standard policy exclusions, which may be incurred by directors and/or officers acting in such capacity for us. All of our directors and officers are covered by the policy and the amount of insurance applies collectively to all. The annual cost for this insurance in 2019 was $0.1 million.

In addition, we have entered into indemnity agreements with each of our directors and officers pursuant to which we have agreed to indemnify such directors and officers from liability arising in connection with the performance of their duties. Such indemnity agreements conform to the provisions of the Business Corporations Act (Alberta).

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following sets forth information in respect of securities authorized for issuance under our equity compensation plans as at December 31, 2019:

Plan Category	Number of securities to be issued upon exercise of outstanding awards (2)(3) (a)	Weighted average exercise price of outstanding awards (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders (1)	7,505,687	Nil	7,875,514
Equity compensation plans not approved by securityholders	-	-	-
Total	7,505,687	Nil	7,875,514

Notes:

(1) The only compensation plan under which any of our equity securities may be issued is our Award Plan. The Award Plan currently reserves for issuance a maximum of 3.755% of our issued and outstanding common shares at any given time.

(2) The number of common shares issuable pursuant to the Award Plan does not include the dividend equivalents that will accumulate on the underlying grants and assumes a payout multiplier of 1x for the performance-based awards. Represents 1.8% of our issued and outstanding common shares as at December 31, 2019.

(3) During the year ended December 31, 2019, we issued 1.1 million common shares to settle outstanding awards paid during the year. Represents 0.3% of our issued and outstanding common shares as at December 31, 2019.

OWNERSHIP GUIDELINES

Our board believes it is important that our directors and our executive officers demonstrate their commitment to our stewardship through common share ownership.

We have established an equity ownership policy that our independent directors and our President and Chief Executive Officer must acquire and hold common shares having a market value of at least three times their total annual board retainer plus the value of the annual share-based compensation and in the case of our President and Chief Executive Officer, three times the annual base salary. Directors have five years following their appointment to comply with the policy. Our other executive officers are required to acquire and hold common shares having a market value equal to at least three times their annual base salary within two years. Following the phase-in period, directors and executive officers are expected to be in continuous compliance with these guidelines. In the event that an individual who has achieved the target ownership level subsequently falls below such target ownership level due solely to a decline in the market price of our common shares, such individual will be considered to be in compliance with the ownership guidelines as long as the adjusted cost base of his or her common shares exceeds the target ownership level.

The following table sets out the common share ownership levels of each independent director, our President and Chief Executive Officer and our named executive officers as at March 6, 2020:

Name	Ownership Value Guideline ($)	Ownership Value [(1)] ($)	Guideline Met (Y) or Investment Required to Meet Guideline (N)
Named Executive Officers:			
Grant B. Fagerheim	1,275,000	10,241,766	Y
Thanh C. Kang	990,000	2,437,036	Y
Joel M. Armstrong	825,000	875,296	Y
Darin R. Dunlop	825,000	1,684,005	Y
David M. Mombourquette	825,000	4,142,242	Y
Directors:			
Heather J. Culbert	383,400	181,424	N [(2)]
Gregory S. Fletcher	383,400	432,266	Y
Daryl H. Gilbert	401,400	218,309	Y [(3)]
Glenn A. McNamara	419,400	436,947	Y
Stephen C. Nikiforuk	401,400	404,053	Y
Kenneth S. Stickland	443,400	246,923	Y [(4)]
Bradley J. Wall	261,900	32,844	N [(5)]
Grant A. Zawalsky	392,400	2,344,344	Y

Notes:

(1) Based on the closing price of the common shares on the Toronto Stock Exchange on March 6, 2020 (being $3.57).

(2) Ms. Culbert joined our board on May 16, 2017 and has until May 16, 2022 to comply with the policy.

(3) Based on the adjusted cost base of Mr. Gilbert's common shares, he is in compliance with the ownership guidelines.

(4) Based on the adjusted cost base of Mr. Stickland's common shares, he is in compliance with the ownership guidelines.

(5) Mr. Wall joined our board on July 30, 2019 and has until July 30, 2024 to comply with the policy.

CORPORATE GOVERNANCE DISCLOSURE

Board of Directors

Oversight and accountability are the cornerstones of good governance. Shareholders elect the board to supervise the management of our business and affairs. Our board assumes overall responsibility for our strategic direction, including the annual consideration of a strategic plan and budget, the acquisition and disposition of material oil and natural gas properties and other investments. Our board represents a cross-section of experience in matters relevant to us, most particularly in oil and gas. The board oversees all matters which may have a material impact upon our business and management's design and implementation of risk mitigation programs as appropriate. Our board meets at the end of its regular quarterly meetings without members of management being present. The mandate of our board is attached as Appendix "A" and is also available on our website at www.wcap.ca.

Our management has been delegated the responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on our business in the ordinary course, managing cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. Our board facilitates its independent supervision over management by reviewing and approving long-term strategic, business and capital plans, material contracts and business transactions, and all debt and equity financing transactions. Through the audit committee, our board examines the effectiveness of our internal control processes and information systems.

Independence

The role of the Chair of the board is to act in a leadership role, ensuring that the board is functioning independently of management. Our board Chair is independent and presides at all meetings of the board and shareholders, has responsibility for identifying any issues of independence and conflict, and provides independent leadership to the board.

The status of the board Chair and each of the other director nominees, as independent or not independent, is outlined below.

Directors are considered to be independent if they have no direct or indirect material relationship with us. A "material relationship" is a relationship which could, in the view of our board, be reasonably expected to interfere with the exercise of a director's independent judgment.

	Status of Director Nominee		
Director	Independent	Not independent	Reason for Non-Independence
Heather J. Culbert	√		
Grant B. Fagerheim		√	President and CEO
Gregory S. Fletcher	√		
Daryl H. Gilbert	√		
Glenn A. McNamara	√		
Stephen C. Nikiforuk	√		
Kenneth S. Stickland	√		
Bradley J. Wall	√		
Grant A. Zawalsky	√		

With respect to Mr. Zawalsky, although the law firm of which he is the Managing Partner provides legal services to us, we have determined that he is independent of us after considering such matters as the magnitude of his personal holdings of shares, the annual billings of his law firm to us and his involvement with other issuers.

Although our independent directors do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance, in accordance with the mandate of the board, at the end of or during each meeting of our board, the members of our management who are present at such meeting leave the meeting in order that the independent directors can discuss any necessary matters without management being present. We follow the same process for our board committee meetings. Since the beginning of our most recently completed financial year, our independent directors have held four such board meetings.

Board Mandate

The board, either directly or through its committees, is responsible for the supervision of the management of our business and affairs with the objective of enhancing shareholder value. The board's duties are set out in the Board Mandate which is found in Appendix "A" and on our website at www.wcap.ca.

Board Committees

In 2019, we amended the membership of certain of our committees and established a sustainability and advocacy committee. We now have five committees consisting of: an audit committee, a corporate governance and compensation committee, a reserves committee, a health, safety and environment committee and a sustainability and advocacy committee.

Set forth below is information with respect to each of the committees of our board, including current membership and a brief description of their board approved mandate which outlines the roles and responsibilities of the committee. The full text of the mandate of each committee is available on our website at www.wcap.ca.

Audit Committee	
Current Members	All members of the audit committee are independent and financially literate. • Stephen C. Nikiforuk (Chair) • Gregory S. Fletcher • Kenneth S. Stickland
100% independent	This committee is required to be composed of at least three individual members appointed by our board from amongst its members, all of which are to be independent and financially literate within the meaning of National Instrument - 52-110 - Audit Committees.
Membership changes during 2019	There were no changes to the composition of the audit committee during 2019.

Audit Committee	
Mandate	In addition to any other duties and authorities delegated to it by the board from time to time, the audit committee's mandate includes: • overseeing the work of the external auditors, including resolution of disagreements between management and the external auditors regarding financial reporting; • satisfying itself on behalf of the board with respect to our internal control systems, including identifying, monitoring and mitigating business risks and ensuring compliance with legal, ethical and regulatory requirements; • review our annual and interim financial statements and the notes thereto prior to their submission to the board for approval; • reviewing financial information included in prospectuses, management discussion and analysis, annual information forms, business acquisition reports, annual reports and all public disclosure; • overseeing engagement of the external auditor and conduct of external auditor; • reviewing with external auditors their assessment of our internal controls, their written reports containing recommendations for improvement, and management's response and follow-up to any identified weaknesses; and • reviewing and approving all non-audit services performed by the external auditor, and reviewing the scope and plans of audits and reviews; • reviewing our enterprise risk management system including risk management policies and procedures (i.e. hedging, litigation, climate change and insurance) and reporting to the board with respect to risk assessment process and the appropriateness of risk management policies and procedures in managing risk; and • overseeing complaint procedures and the administration of the complaints submitted pursuant to the whistleblower policy. A complete copy of the audit committee mandate is available on our website at www.wcap.ca.
Mandate changes in 2019	There were no substantive changes to the mandate of the audit committee in 2019.

For more information relating to the background of the audit committee members, see "Biographies of our Directors" above under "Matters to be Acted Upon at the Meeting".

The audit committee pre-approves all audit and non-audit services performed by our external auditor. For more information relating to the fees billed by our external auditor for audit services in 2019 and 2018, see "Appointment of Auditors" above under "Matters to be Acted Upon at the Meeting".

Corporate Governance and Compensation Committee	
Current Members	Each of the members of the corporate governance and compensation committee is independent and is familiar with corporate governance and compensation practices. • Glenn A. McNamara (Chair) • Heather J. Culbert • Kenneth S. Stickland
100% independent	This committee is required to be composed of at least three individual members appointed by our board from amongst its members, a majority of which are to be independent within the meaning of National Instrument 58-101 - Disclosure of Corporate Governance Practices ("NI 58-101").
Membership changes during 2019	There were no changes to the composition of the corporate governance and compensation committee during 2019 except that Mr. Gilbert ceased to be a member as of July 30, 2019.
Mandate	Our board has delegated to the corporate governance and compensation committee responsibility to review matters relating to corporate governance and our human resource policies and compensation of our directors, officers and employees. These responsibilities include, but are not limited to: • facilitating independent functioning of the board; • annually reviewing the mandates of the board and its committees and recommending to the board such amendments to those mandates as the committee believes are necessary or desirable; • reviewing on a periodic basis the composition of the board and ensuring that an appropriate number of independent directors sit on the board, analyzing the needs of the board and recommending nominees who meet such needs; • assessing, at least annually, the effectiveness of the board as a whole, the committees of the board and the contribution of individual directors, including considering the appropriate size of the board; • recommending suitable candidates for nominees for election or appointment as directors, and recommending the criteria governing the overall composition of the board and governing the desirable individual characteristics for directors; • establishing, reviewing and updating periodically a Code of Conduct and Code of Ethics for Senior Officers and ensuring that management has established a system to monitor compliance with these codes;

Corporate Governance and Compensation Committee	
	• reviewing and recommending to the board compensation; • reviewing the compensation and benefits package for senior management positions; • approving our compensation and variable pay plans; and • assessing at least annually, the compensation of our President and Chief Executive Officer. A complete copy of the corporate governance and compensation committee mandate is available on our website at www.wcap.ca.
Mandate changes in 2019	There were no substantive changes to the mandate of the corporate governance and compensation committee in 2019.

See "Executive Compensation – Compensation Discussion and Analysis" for more information in relation to the role of our corporate governance and compensation committee in determining executive compensation.

For more information relating to the background of the corporate governance and compensation committee members, see "Biographies of our Directors" above under "Matters to be Acted Upon at the Meeting".

Reserves Committee	
Current Members	All members of the reserves committee are independent and are familiar with oil and gas reserve and resource evaluation practices. • Glenn A. McNamara (Chair) • Gregory S. Fletcher • Daryl H. Gilbert
100% independent	This committee is required to be composed of a minimum of three directors appointed by the board, the majority of whom shall meet the independence requirements set forth in National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities ("NI 51-101") and each of whom shall be familiar with oil and gas reserve and resource evaluation practices.
Membership changes during 2019	There were no changes to the composition of the reserves committee during 2019 except that Mr. Gilbert replaced Mr. Fagerheim on this committee as of July 30, 2019.

Reserves Committee	
Mandate	Our board has delegated to the reserves committee responsibility for matters set forth in respect of the responsibilities of the board in relation to NI 51-101. These responsibilities include, but are not limited to: • reviewing our procedures relating to the disclosure of information with respect to oil and gas activities including reviewing our procedures for complying with the disclosure requirements and restrictions set forth under NI 51-101 and applicable securities requirements; • meeting with management and the independent evaluator to determine whether any restrictions affect the ability of the evaluator to report on reserves data without reservation and to review the reserves data and the report of the evaluator; • reviewing the appointment of the independent evaluator and, in the case of any proposed change to change the independent evaluator, determine the reason therefor and whether there have been any disputes with management; • making recommendations to the board as to whether to approve the content and filing of forms 51-101F1, 51-101F2 and 51-101F3; • reviewing our procedures for reporting other information associated with oil and gas producing activities including resources; and • generally, reviewing all matters relating to the preparation and public disclosure of estimates of our reserves and resources. A complete copy of the reserves committee mandate is available on our website at www.wcap.ca.
Mandate changes in 2019	There were no substantive changes to the mandate of the reserves committee in 2019.

Health, Safety and Environment Committee	
Current Members	Three of the four members of the health, safety and environment committee are independent. Mr. Fagerheim is not independent because he is our President and CEO. • Daryl H. Gilbert (Chair) • Grant B. Fagerheim • Bradley J. Wall • Grant A. Zawalsky
75% independent	This committee is required to be composed of at least three individual members appointed by our board from amongst its members, a majority of which are to be independent within the meaning of NI 58-101.

Health, Safety and Environment Committee	
Membership changes during 2019	There were no changes to the composition of the Health, Safety and Environment Committee in 2019 except that Mr. Wall replaced Ms. Culbert on this committee as of July 30, 2019.
Mandate	Our board has delegated to the health, safety and environment committee the responsibility to review, report and make recommendations to the board on the development and implementation of our policies, standards and practices with respect to health, safety and environment. These responsibilities include, but are not limited to: • reviewing our policies, programs and internal control systems with respect to health, workforce safety, security and environmental protection; • reviewing our policies and programs for achieving full and continuous compliance with engineering standards, codes, regulations and applicable laws; and • reviewing and reporting to our board, with respect to both workforce safety and environmental protection. A complete copy of the health, safety and environment committee mandate is available on our website at www.wcap.ca.
Mandate changes in 2019	There were no changes to the mandate of the health, safety and environment committee during 2019.

Sustainability and Advocacy Committee	
Current Members	Three of the four members of the Sustainability and Advocacy Committee are independent. Mr. Fagerheim is not independent because he is our President and CEO. • Grant A. Zawalsky (Chair) • Heather J. Culbert • Grant B. Fagerheim • Bradley J. Wall
75% independent	This committee is required to be composed of at least three individual members appointed by our board from amongst its members, a majority of which are to be independent within the meaning of NI 58-101.
Membership changes during 2019	Not applicable as this committee was established in 2019.

Sustainability and Advocacy Committee	
Mandate	Our board has delegated to the sustainability and advocacy committee the responsibility for: (a) oversight of climate related and other sustainability-based risks and opportunities by reviewing, reporting and making recommendations to the board on the development, implementation and monitoring of our policies, procedures, practises and strategies with respect to climate related issues and sustainability; and (b) oversight of advocacy initiatives to governments, communities and the public relating to policy issues affecting our sustainability or the Canadian energy industry. These responsibilities include, but are not limited to: • overseeing our policies, procedures, practises and strategies relating to climate related issues and other sustainability matters to ensure due consideration of risks, opportunities and potential performance improvement relating thereto; • reviewing and reporting to the board with respect to the consideration and integration of climate related and sustainability issues in the development of our business strategy and financial planning; • considering and reviewing the setting and performance against appropriate targets, benchmarking, procedures and reporting methods used by us to measure our climate, safety, environmental and other relevant sustainability performance; • reviewing our enterprise risk management program relating to identifying, assessing and managing climate related risks, whether physical or transition related and in view of plausible future scenarios, as well as other sustainability related risks, and report to our audit committee; and • reviewing our disclosure, reporting and external communication practices pertaining to climate and sustainability issues, including but not limited to assessments of materiality, ESG or Sustainability Report development and approach to analogous disclosure, media and social media campaigns and other written communication with stakeholders.
Mandate changes in 2019	Not applicable as this committee was established in 2019.

Position Descriptions

Our board has approved written position descriptions or terms of reference for our board chairman and the chairman of each of our audit committee, our corporate governance and compensation committee, our reserves committee, our health, safety and environment committee and our sustainability and advocacy committee. Our board has developed a written position description for our President and Chief Executive Officer.

Serving as a Director

Ethical Business Conduct

Our board has adopted a Code of Conduct, a copy of which is available to review at www.sedar.com and on our website at www.wcap.ca. It is expected that each of our officers and directors will confirm his or her understanding, acceptance and compliance of the code on an annual basis. Any reports of variance from the code will be reported to our board.

Our board has also adopted a whistleblower policy which provides employees with the ability to have procedures in place to address the confidential, anonymous submission by employees of concerns regarding serious improper conduct or a suspected violation of our policies, including but not limited to policies relating to our accounting, internal accounting controls or auditing matters. Our board believes that providing a forum for employees to raise concerns about ethical conduct and treating all complaints with the appropriate level of seriousness fosters a culture of ethical conduct.

In accordance with the Business Corporations Act (Alberta), directors who are party to, or are a director or officer of a person which is a party to, a material contract or material transaction or a proposed material contract or a proposed material transaction with us are required to disclose the nature and extent of their interest and not to vote on any resolution to approve the contract or transaction. In addition, in certain cases, an independent committee of our board may be formed to deliberate on such matters in the absence of the interested party.

Strategic Planning Oversight

At least annually, our board holds a separate and dedicated strategy session, during which our senior management, financial advisors and other third parties are invited to present on certain topics related to strategic planning. The board then engages in extensive discussions with management regarding enterprise risk management, corporate opportunities, operational and financial matters, strategic objectives and overall strategy. Throughout the year, the board oversees our development and progress in the execution of the strategy. Management provides monthly reports to the board, which allows the directors to assess our performance against its strategic plan.

In addition to the ongoing strategic planning process, the board addresses emerging strategic issues as they arise throughout the year.

Risk Management Oversight

Our board has responsibility for the oversight of management's identification and evaluation of our principal risks and the implementation of policies, processes and systems to manage or mitigate the risks to achieve an appropriate balance between the risks incurred and potential benefits to our stakeholders. Our board reviews risks through regular updates from management regarding the risks and opportunities identified by management and the enterprise risk management processes and systems in place to manage and mitigate risks, and through the execution of the duties of the various committees which have been delegated responsibilities with regard to the board's oversight over our enterprise risk management policies, processes and systems, as well as through the strategic planning process.

Succession Planning

Board Succession Planning

Our board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out our board's duties effectively and to maintain a diversity of views and experience.

Our corporate governance and compensation committee acts as the nominating committee of our board and reviews the size and composition of our board and nominating functions are then performed by the board as a whole. Our corporate governance and compensation committee is comprised of a majority of independent directors.

When considering nominations, the committee considers: (i) what competencies and skills the board, as a whole, should possess; (ii) the competencies and skills the board considers each existing director to possess; (iii) the competencies and skills each proposed nominee will bring to the board; and (iv) whether the new nominee can devote sufficient time and resources to his or her duties as a member of the board.

Directors are selected for their integrity and character, sound and independent judgement, breadth of experience, open-mindedness, insight into and knowledge of our business and industry and overall business acumen. Each of our directors is expected to have these personal qualities and to apply sound and reasonable business judgment in aiding our board of directors to make the most thoughtful and informed decisions possible and to provide the best counsel to our senior management.

Executive Succession Planning

Our board has developed a formal succession plan process for each of the executive officers, including our President and Chief Executive Officer. Our process includes:

- the presentation of formal written succession plans to the corporate governance and compensation committee and board of directors;
- the succession plans include details around each possible successor's competencies and areas requiring development, as well as a timeline and development plan;
- these plans are reviewed by the board annually with the President and Chief Executive Officer; and
- the board reviews the President and Chief Executive Officer's plan in an in-camera meeting of the independent directors.

Our board receives regular updates on the status of the succession plans and the professional development of individuals within our organization. Consistent with our board diversity policy, our board believes that executive officer appointments should be made on the basis of the skills, knowledge, experience and character of individual candidates. We are committed to a meritocracy and believe that considering the broadest group of individuals who have the skills, knowledge, experience and character required to provide the leadership needed to achieve our business objectives, without reference to their age, gender, race, ethnicity or religion, is in our best interests and all of our stakeholders and as such no such quotas or targets have been imposed. For the foregoing reasons, we do not have quotas or targets in place for female executive officers. We currently have no female executives and five women in management positions (approximately 24% of the number of our management positions).

Composition and Diversity

Skills Matrix

The corporate governance and compensation committee believes that our board's membership should represent a diversity of backgrounds, experience and skills and has established a "skills matrix" outlining the skills and experience which they believe are required by the members of our board of directors. This skills matrix is reviewed annually by the committee and updated as necessary.

SKILLS MATRIX	
Executive Leadership	Experience as a CEO or equivalent.
Enterprise Risk Assessment	Board or executive experience in evaluating and managing risks in the oil and natural gas business.
Value Creation	Board or executive experience in evaluating, and executing on, value creation opportunities through acquisitions, divestiture, mergers or developmental opportunities.
Health, Safety & Environment	Board or management experience with environmental compliance and workplace health and safety in the oil and gas industry.
Operations	Management experience with oil and natural gas operations.
Reserves and Resource Evaluation	Board experience with, or management responsibility for, oil and natural gas reserve and resource evaluation and reporting.
Compensation and Human Resources	Management experience in human resources and executive compensation.
Accounting & Finance	Financial literacy in reading financial statements, financial accounting and operational accounting experience as well as corporate finance knowledge and experience usually from senior accounting and financial management, audit firm background or banking experience.
Legal, Regulatory and Governmental	Broad understanding of corporate, securities, land tenure and oil and natural gas law, regulatory regimes in Western Canada and governmental royalty, incentive and taxation policies usually through management experience or a legal background.
Information Technology	Experience in managing information technology commonly used in the oil and gas industry or responsibility for the information technology role.
Corporate Governance	Broad understanding of good corporate governance usually through experience as a board member or as a senior executive officer.
Sustainability	Management or executive experience with, or knowledge of, risks and opportunities related to a broad range of climate-related and other sustainability issues such as emissions, water use and waste reduction, land and energy use and overall stakeholder and government engagement and communications.

Tenure

We do not have a retirement age policy for directors. In addition, our board of directors does not believe that fixed term limits are in the best interests of our company. Our corporate governance and compensation committee considers both the term of service of individual directors, the average term of the board as a whole and turnover of directors over the prior three years when proposing a slate of nominees. The committee considers the benefits of regular renewal in the context of the needs of the board at the time and the benefits of the institutional knowledge of the board members.

As at December 31, 2019, our board was comprised of nine directors with an average tenure of approximately 7 years.

The tenure of the directors currently on our board is summarized below:

- three of our directors (33%) have been on our board for more than 10 years;
- three of our directors (33%) have been on our board for more than 5 years but less than 10 years;
- two of our directors (22%) have been on our board for more than 2 years but less than 5 years; and
- one of our directors (12%) has been on the board for less than 2 years.

Diversity

Our board has adopted a policy regarding board and executive officer diversity. Our board believes that board nominations and executive officer appointments should be made on the basis of the skills, knowledge, experience and character of individual candidates and the requirements of the board or the particular position at the time. We are committed to a merit based system for board composition within a diverse and inclusive culture which solicits multiple perspectives and views and is free of conscious or unconscious bias and discrimination. We believe that considering the broadest group of individuals who have the skills, knowledge, experience and character required to provide the leadership needed to achieve our business objectives, having due regard to the benefits of diversity and the needs of the board, including the existing level of representation of women on the board, is in our best interests and all of our stakeholders. For the foregoing reasons, our policy does not include quotas or targets for female directors. However, our board of directors recognizes the benefits of diversity and we added a female director to our board in 2017. Of our nine directors, one woman is currently serving on our board, which represents 11.1% of our directors.

To ensure the effectiveness of the board diversity policy, our corporate governance and compensation committee will continue to review the number of women considered or brought forward as potential nominees for board positions when the board is looking to add additional members or replace existing members. The Committee will evaluate the skills, knowledge, experience and character of any such women candidates relative to other candidates to ensure that women candidates are being fairly considered relative to other candidates. The corporate governance and compensation committee will also review the number of women actually appointed and serving on our board to evaluate whether it is desirable to adopt additional requirements or policies with respect to the diversity of the board.

In seeking nominees, our corporate governance and compensation committee encourages input from all members of our board. The committee considers both the "skills matrix" and board diversity. The corporate governance and compensation committee is authorized under its mandate to retain search firms to assist it in fulfilling its responsibilities. To the extent that the committee retains a search firm to assist it in "board searches" for qualified candidates, our Board Diversity and Term Limit Policy provides that the board will direct such firms to bring forward diverse candidates, and multiple women candidates in particular, for consideration as nominees to the board. It also provides that women candidates will be included in the evergreen list of potential board nominees.

Other Directorships

We do not currently have a formal policy on board interlocks, but it is something that our corporate governance and compensation considers when it is evaluating and recommending candidates to be nominated for election or appointment to the board. A board interlock occurs when two directors also serve together on the board of another reporting issuer. As of the date of this circular, there are no such board interlocks among the board members.

Director	Names of Other Issuers
Heather J. Culbert	N/A
Grant B. Fagerheim	Advantage Oil & Gas Ltd.
Gregory S. Fletcher	Calfrac Well Services Ltd. and Peyto Exploration & Development Corp.
Daryl H. Gilbert (1)	Falcon Oil & Gas Ltd., Leucrotta Exploration Inc. and Surge Energy Inc.
Glenn A. McNamara	Parex Resources Inc.
Stephen C. Nikiforuk	InPlay Oil Corp.
Kenneth S. Stickland	N/A
Bradley J. Wall	Maxim Power Corp. and NexGen Energy Ltd.
Grant A. Zawalsky	NuVista Energy Ltd., PrairieSky Royalty Ltd. and Zargon Oil & Gas Ltd.

Note:

(1) Does not include AltaGas Ltd., as Mr. Gilbert is not standing for re-election at the 2020 shareholders' meeting.

Board Performance and Development

Assessment

Our corporate governance and compensation committee annually assesses our board and its committees. In addition, our corporate governance and compensation committee reviews the skills and experience of our current directors and assesses the knowledge and character of all nominees to our board of directors to ensure general compliance with the skills matrix approved by the committee. Our board has satisfied itself that the board, its committees and individual directors are performing effectively through this process and our board has determined that the required skills are well represented by the current slate of director nominees for election at the meeting.

We have a formal process of assessing our board and its committees, under the direction of our corporate governance and compensation committee. This process consists of an annual written questionnaire which includes a review of the effectiveness of our board and its committees, preparation for and performance at meetings and overall corporate governance matters. The most recent review was completed on February 14, 2020.

The committee also annually reviews the skills and experience of our current directors. The committee also assesses the knowledge and character of all nominees to our board of directors to ensure general compliance with our skills matrix.

The committee and our board of directors has determined that the required skills are well represented by the current slate of director nominees for election at the meeting. The following outlines the experience and background of, but not necessarily the technical expertise of, our proposed nominees based on information provided by such individuals:

Name	Executive Leadership	Enterprise Risk Assessment	Value Creation	Health, Safety & Environment	Operations	Reserves and Resource Evaluation	Compensation and Human Resources	Accounting & Finance	Legal, Regulatory and Governmental	Information Technology	Corporate Governance	Sustainability
Grant B. Fagerheim	√	√	√	√	√	√	√	√	√	-	√	√
Heather J. Culbert	√	√	√	√	-	-	√	√	-	√	√	√
Gregory S. Fletcher	√	√	√	√	√	√	√	√	√	-	√	-
Daryl H. Gilbert	√	√	√	√	-	√	√	-	-	-	√	√
Glenn A. McNamara	√	√	√	√	√	√	√	√	√	-	√	√
Stephen C. Nikiforuk	-	√	√	-	-	-	√	√	√	√	√	-
Kenneth S. Stickland	√	√	√	√	-	-	√	√	√	-	√	√
Bradley J. Wall	√	-	-	√	-	-	√	-	√	-	√	√
Grant A. Zawalsky	√	√	√	√	-	-	√	√	√	-	√	√

Orientation and Continuing Education

While we do not currently have a formal orientation and educational program for new recruits to our board, we provide such orientation and education on an informal basis. We provide new board members with our corporate policies, historical information about us, as well as information on our performance and our strategic plan with an outline of the general duties and responsibilities entailed in carrying out their duties. Our board believes that these procedures are a practical and effective approach in light of our particular circumstances, including our size and limited turnover of the directors and the experience and expertise of the members of our board.

No formal continuing education program currently exists for our directors; however, we encourage directors to attend, enrol in or participate in courses and/or seminars dealing with financial literacy, corporate governance and related matters. Each director has the responsibility for ensuring that he or she maintains the skill and knowledge necessary to meet his or her obligations as a director.

CORPORATE SUSTAINABILITY

We are committed to conducting our business in a safe and responsible manner to protect both the health and safety of employees, contractors, stakeholders, and the public as well as the environment. Safeguarding the environment and maintaining the integrity of our infrastructure are inherent in our day-to-day operations. Our culture promotes responsibility and accountability for health, safety and environmental performance throughout the entire organization.

Our policies relating to health and safety management, environmental management and asset and infrastructure integrity management outline performance objectives, procedures and accountabilities. They are reviewed annually by management and the board and compared against best practices. Our system includes the monitoring of air emissions and other contaminants, GHG emissions, spills and safety incidents, the investigation of all such events and comprehensive training and awareness for all employees. All spills and incidents are recorded and reported as required by applicable law and the learnings applied to corrective and preventative action.

Our environmental management system is based upon ISO-14001:2015 principles, addresses all significant aspects of environmental performance for existing and new assets and aims to meet or exceed regulatory requirements. It includes:

- A comprehensive environmental assessment process for new wells and pipelines.
- Emissions tracking processes to calculate and report volumes from production and energy consumption and indirect emissions from the electricity we consume.
- Water management processes that manage surface run-off from facilities, produced water and diversion licenses for fresh water, and track the volume and proportion of all fresh and non-potable water used in producing oil and gas.
- A thorough spill response and clean up process.
- Waste management processes to address safe storage, transportation and disposal of waste.
- Procedures to minimize the environmental footprint of operations and to manage vegetation at operated sites.
- A robust site closure program to complete well abandonment, remediate operating sites when required and achieve final site reclamation.

Sustainability Highlights

These sustainability highlights represent our actions, activities, programs, initiatives and responses to select issues that are of interest to our stakeholders and our business. They demonstrate our ability to manage risks and capture opportunities. A copy of our Sustainability Report is available for review on our website at www.wcap.ca.

Continuous safety commitment, advancing our safety culture

We strive to create a workplace where we make sure everyone stays safe - a continuous improvement safety culture where workers are obligated to ensure the safety of themselves and their colleagues.

We have developed a comprehensive health and safety program based on ISO 18001. The program is overseen by our Vice President of Health, Safety and Environment, implemented by our contractors and employees and supported by a team of health, safety and environmental advisors located in each of our core areas. This program, in combination with the efforts of our safety conscious personnel, has delivered outstanding safety performance over time. While our lost time and recordable frequency performance is strong, we are committed to continuous improvement

Incident management throughout 2019

We track and manage incident workflow, from initial identification of the issue, through tracking and final confirmation that corrective actions are completed. When contractor incidents occur, we are fully engaged in the process. We complete our own incident investigation, evaluate the contractor's investigation and meet with the contractor and their management to discuss root causes, identify corrective actions and contribute to their response to the incident. We do not distinguish between an injury to an employee or to a contractor on our worksites and we combine both employees and contractors in the calculation of our injury frequency rate.

In 2019, we posted a combined employee and contractor total recordable injury frequency rate of 0.6. This rate is within our average range from the past three years and well below oil and gas industry averages.

Spill disclosure and performance

We comply with Alberta energy regulations by reporting, tracking and cleaning up all spills in compliance with provincial regulations, and by working to reduce spills. Spills are reported publicly on the Alberta Energy Regulatory web page: http://www1.aer.ca/compliancedashboard/incidents.html.

Our asset integrity team follows a comprehensive program to prevent, detect and manage leaks and spills. The process involves completing annual pipeline risk assessments, evaluating leak detection systems and making recommendations to our operations teams.

We are a member in good standing of spill response co-operatives in our business unit areas.

The total number of our pipeline failures decreased for a fourth consecutive year while at the same time, growing our inventory of active pipe. This trend speaks to the success of our asset integrity team and their initiatives performed throughout the year.

Environmental stewardship

The majority of our operations occur in developed areas and therefore, have little exposure to sensitive or protected areas. Regardless, we consistently strive to find innovative ways to minimize our impact on land and wildlife, reduce our water use and manage our emissions. Our goal is to minimize the impact of our operations on the natural environment in every area in which we operate, including minimizing the impact on land resources. All developments and new assets are subject to third-party environmental assessments to identify potential impacts.

In 2019, we executed on an aggressive program of asset retirement spending $9.4 million on liability reduction in Alberta, British Columbia and Saskatchewan. We received 30 reclamation certificates throughout the year.

GHG emissions

We are committed to minimizing the amount of GHGs released. In 2019, we disclosed a Sustainability Data table that showed a year over year decline in total GHG emissions, a 5th straight year posting a decline in emissions intensity (emissions/boe) and significant reductions in both flared and vented gas intensity. In addition, in response to greenhouse gas related regulatory initiatives, we invested in data management tools to help provide real time and disaggregated emissions data. This data will allow for improved compliance and identify opportunities to reduce emissions even further.

In 2019, we safely stored more CO_2 underground at Weyburn as part of our enhanced oil recovery process than we emitted from all of our operations.

We also received our first allocation of carbon credits from pneumatic controller changeouts performed in 2018. Annual credits will continue to be received for reductions generated in 2019 and will accumulate each year through 2022. The credits will be used to offset compliance obligations under the Alberta TIER program.

Through registration in provincial programs, our operations in Alberta and Saskatchewan are now fully exempt from Federal carbon tax on fuels.

Water use

Fresh water is a cherished public asset. We endeavor to reuse water and establish sources of non-potable and produced water wherever possible to minimize the amount of fresh water used in our operations. Our operations are not water intensive. The majority of our completion activities use a fraction of the water required to stimulate unconventional shale resources. Further, our waterflood activities rely heavily on produced water and non-potable source wells, rather than on fresh water.

Maintaining a healthy liability management rating

Our Alberta LLR remained strong at 4.93, in British Columbia, our LLR is 2.27 and in Saskatchewan, our LLR is 5.12. This value is a measure of our deemed assets versus deemed liabilities, as determined in accordance with regulatory guidelines. Higher LLR's indicate companies are better positioned to handle end of life decommissioning and reclamation commitments.

Meaningful community engagement, sponsorships and volunteerism

All of our operations and assets are in western Canada and are subject to Canadian human rights and labour laws that protect the rights of workers. As a result, human rights and self-determination questions, and a supply chain management system that addresses them, are less of a concern for us than they might be for an international producer in a developing country.

We are actively involved in community engagement to ensure the concerns of communities and landowners relating to our operations are considered and to provide support to local youth related organizations. While the location of our assets and the nature of our operations currently create little interface with indigenous people, we are mindful of the importance of Indigenous relations and, in the event that we acquire lands that put them in issue, we intend to apply best practices for consultation.

Our community investment policy is focused on supporting charities with an emphasis on education, children and health. We have two community giving programs: a corporate level program administered from our head office and a field-based program administered for each business unit through our operations team. Additionally, our company matching program allows employees to make an annual charitable or community donation to the organization of their choice at annually determined amounts and have it matched by us. At the local level, we look to our employees for interests and causes that are important to them and their families. Being in the communities and listening to our stakeholders ensures that support goes towards meaningful and lasting change.

In 2019, our corporate and field-based program supported numerous organizations with donations and sponsorships totalling $450,000. Our corporate and field-based community spending has included a variety of contributions including:

- Sponsoring school programs, including educational, recreational and breakfast and lunch programs
- Donating to hospitals
- Donating to charitable organizations that research and provide support for people with diverse diseases
- Sponsoring youth sports
- Supporting food banks

OTHER MATTERS COMING BEFORE THE MEETING

Management knows of no other matters to come before the meeting other than those referred to in the accompanying notice of meeting. Should any other matters properly come before the meeting, the common shares represented by proxy solicited by this information circular – proxy statement will be voted on such matters in accordance with the best judgment of the person voting such proxy.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

None of our directors or officers, or any person who has held such a position since the beginning of the our last completed financial year, nor any nominee for election as a director, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the meeting other than as disclosed herein.

INTEREST OF INFORMED PERSONS AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed elsewhere herein, none of our directors, officers, principal shareholders, or informed persons (as defined in National Instrument 51-102), and no associate or affiliate of any of them, has or has had any material interest in any transaction since the commencement of our most recently completed financial year or in any proposed transactions which has materially affected or would materially affect us.

AUDITORS, TRANSFER AGENT AND REGISTRAR

Our auditors are PricewaterhouseCoopers LLP, Suite 3100, 111 – 5th Avenue SW, Calgary, Alberta, T2P 5L3.

The transfer agent and registrar for our common shares is Odyssey Trust Company at its principal office in Calgary, Alberta.

ADDITIONAL INFORMATION

Financial information is provided in our comparative audited financial statements and related management's discussion and analysis for the year ended December 31, 2019. To receive a copy of these financial statements and related management's discussion and analysis please contact us at Suite 3800, 525 – 8th Avenue SW, Calgary, Alberta T2P 1G1. This information and additional information relating to us may also be accessed on our website at www.wcap.ca or on SEDAR at www.sedar.com.

ADVISORIES

Non-GAAP Measures and Other Management Performance Measures

Throughout this document, we use terms that are commonly used in the oil and natural gas industry, but do not have any standardized meaning as prescribed by IFRS and therefore may not be comparable with the calculations of similar measures for other entities. Management believes that the presentation of these Non-GAAP measures provide useful information to investors and shareholders as the measures provide increased transparency and the ability to better analyze performance against prior periods on a comparable basis.

"Free funds flow" represents funds flow less dividends paid or declared and expenditures on PP&E. Management believes that free funds flow provides a useful measure of Whitecap's capital reinvestment and dividend policy.

"Operating income" is determined by adding blending revenue and processing & other income, deducting realized hedging losses or adding realized hedging gains and deducting tariffs, royalties, operating expenses, transportation expenses and blending expenses from petroleum and natural gas revenues. Operating income is used in operational and capital allocation decisions. Management uses operating income to better analyze performance among its management units.

"Operating income after capital expenditures" represents operating income less expenditures on PP&E. Management believes that operating income after capital expenditures provides a useful measure of Whitecap's operational and capital allocation decisions.

"Operating netbacks" see "Oil and Gas Advisories".

"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.

Oil and Gas Advisories

Management also makes reference to the following oil and gas terms in this document: "finding and development ("F&D") costs", "finding, development and acquisition ("FD&A") costs", "operating netback" and "recycle ratio" which have been prepared by management and do not have standardized meanings or standard calculations and therefore such measures may not be comparable to similar measures used by other entities, and therefore should not be used to make such comparisons.

"Acquisition capital" includes net property acquisitions less any non-cash amounts and the announced purchase price of corporate acquisition including any estimated working capital deficit or surplus rather than the amounts allocated to property, plant and equipment for accounting purposes and the aggregate exploration and development capital spending within the year on reserves that are categorized as acquisitions less the disposition of certain processing facilities.

"Development capital" means the aggregate exploration and development costs incurred in the financial year on reserves that are categorized as development. Development capital excludes capitalized administration costs.

"F&D costs" are calculated as the sum of development capital of $396.1 million plus the change in in future development capital for the period of -$25.1 million (proved developed producing reserves ("PDP")), $218.8 million (total proved reserves ("TP")) and $524.2 million (total proved plus probable reserves ("TPP")), when appropriate, divided by the change in reserves that are characterized as development for the period.

"FD&A costs" are calculated as the sum of development capital of $396.1 million plus acquisition capital of $3.1 million plus the change in future development capital for the period of -$25.1 million (PDP), $218.8 million (TP) and $524.2 million (TPP), when appropriate, divided by the change in total reserves, other than from production, for the period.

"Operating netbacks" are determined by dividing operating income by total production for the period. 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. Our operating netback in 2019 was $29.73/boe.

"Recycle ratio" is measured by dividing operating or funds flow netback by F&D or FD&A cost per boe for the year.

"Reserves per debt-adjusted share" is calculated by dividing reserves by debt adjusted shares. Debt adjusted shares is calculated by dividing the change in net debt in the period by the average share price for the period.

To provide a single unit of production for analytical purposes, natural gas production and reserves volumes are converted mathematically to equivalent barrels of oil ("boe"). We use the industry-accepted standard conversion of six thousand cubic feet of natural gas to one barrel of oil (6 Mcf = 1 bbl). The 6:1 boe ratio is based on an energy equivalency conversion method primarily applicable at the burner tip. It does not represent a value equivalency at the wellhead and is not based on either energy content or current prices. While the boe ratio is useful for comparative measures and observing trends, it does not accurately reflect individual product values and might be misleading, particularly if used in isolation. As well, given that the value ratio, based on the current price of crude oil to natural gas, is significantly different from the 6:1 energy equivalency ratio, using a 6:1 conversion ratio may be misleading as an indication of value.

Drilling Locations

This information circular - proxy statement discloses 144 (84.2 net) Montney joint venture drilling locations. Of the 144 (84.2 net) locations identified herein, 22 (14.3 net) are proved locations, 37 (24.0 net) are probable locations and 85 (45.9 net) are unbooked locations. Proved locations and probable locations are derived from McDaniel's reserves evaluation effective December 31, 2019 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. 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 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 de-risked 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.

APPENDIX "A"

BOARD OF DIRECTORS MANDATE

The board of directors (the "Board") of Whitecap Resources Inc. (the "Corporation") directly, and through its committees is responsible for the stewardship of the Corporation, and any subsidiaries and partnerships of Whitecap Resources Inc. (collectively, "Whitecap"). In discharging its responsibility, the Board will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances and will act honestly and in good faith with a view to the best interests of Whitecap. In general terms, the Board will:

- in consultation with the chief executive officer of the Corporation (the "CEO"), define the principal objectives of Whitecap;
- supervise the management of the business and affairs of Whitecap with the goal of achieving Whitecap's principal objectives as defined by the Board in association with the CEO;
- discharge the duties imposed on the Board by applicable laws; and
- for the purpose of carrying out the foregoing responsibilities, take all such actions as the Board deems necessary or appropriate.

Without limiting the generality of the foregoing, the Board will perform the following duties:

Strategic Direction and Capital and Financial Plans

- require the CEO to present annually to the Board a longer range strategic plan and a shorter range business plan for Whitecap's business, which plans must:
    - be designed to achieve Whitecap's principal objectives;
    - identify the principal strategic and operational opportunities and risks of Whitecap's business; and
    - be approved by the Board as a pre-condition to the implementation of such plans;
- review progress towards the achievement of the goals established in the strategic, operating and capital plans;
- identify the principal risks of Whitecap's business and take all reasonable steps to ensure the implementation of the appropriate systems to manage and mitigate these risks;
- approve the annual operating and capital plans;
- approve acquisitions and dispositions in excess of pre-approved expenditure limits established by the Board;
- approve the establishment of credit facilities;

- approve issuances of additional common shares, other securities and other instruments to the public; and
- approve the repurchase of common shares in accordance with applicable securities laws.

Monitoring and Acting

- monitor Whitecap's progress towards achieving its goals, and to revise and alter its direction through management in light of changing circumstances;
- monitor overall human resources policies and procedures, including compensation and succession planning;
- appoint the CEO and determine the terms of the CEO's employment with Whitecap;
- approve any payment of dividends;
- ensure systems are in place for the implementation and integrity of Whitecap's internal control and management information systems;
- evaluate the performance of the CEO on an ongoing basis through the in camera session held at the end of each regularly scheduled Board meeting;
- in consultation with the CEO, establish the limits of management's authority and responsibility in conducting Whitecap's business;
- in consultation with the CEO, appoint all officers of Whitecap and approve the terms of each officer's employment with Whitecap;
- develop a system under which succession to senior management positions will occur in a timely manner;
- approve any proposed significant change in the management organization structure of Whitecap;
- approve all retirement plans for officers and employees of Whitecap;
- in consultation with the CEO, establish and maintain a disclosure and trading policy for Whitecap;
- generally provide advice and guidance to management; and
- approve all matters relating to a takeover bid for the securities of Whitecap.

Finances and Controls

- review Whitecap's systems to manage and mitigate the risks of Whitecap's business and, with the assistance of management, Whitecap's auditors and others (as required), evaluate the appropriateness of such systems;
- monitor the appropriateness of Whitecap's capital structure;

- ensure that the financial performance of Whitecap is properly reported to shareholders, other security holders and regulators on a timely and regular basis;

- in consultation with the CEO, establish the ethical standards to be observed by all officers and employees of Whitecap and use reasonable efforts to ensure that a process is in place to monitor compliance with those standards;

- require that the CEO institute and monitor processes and systems designed to ensure compliance with applicable laws by Whitecap and its officers and employees;

- require the CEO institute, and maintain the integrity of, internal control and information systems, including maintenance of all required records and documentation;

- approve material contracts to be entered into by the Corporation;

- recommend to shareholders of Whitecap a firm of chartered accountants to be appointed as Whitecap's auditors;

- review dividend levels based on information from and consultation with management;

- ensure Whitecap's oil and gas reserve and/or resource report fairly represents the quantity and value of corporate reserves and/or resources in accordance with generally accepted engineering principles and applicable securities laws; and

- take reasonable actions to gain reasonable assurance that all financial information made public by Whitecap (including Whitecap's annual and quarterly financial statements) is accurate and complete and represents fairly the Corporation's financial position and performance.

Governance

- selecting nominees for election to the Board in compliance with Whitecap’s Board Diversity and Term Limit Policy;

- facilitate the continuity, effectiveness and independence of the Board by, amongst other things:

  - appointing a Chairman of the Board;

  - appointing from amongst the directors an audit committee and such other committees of the Board as the Board deems appropriate;

  - defining the mandate of each committee of the Board;

  - ensuring that processes are in place and are utilized to assess the effectiveness of the Chairman of the Board, the Board as a whole, each committee of the Board and each director; and

  - establishing a system to enable any director to engage an outside adviser at the expense of Whitecap;

- review annually the composition of the Board and its committees and assess directors' performance on an ongoing basis, and propose new members to the Board; and

- review annually the adequacy and form of the compensation of directors.

Delegation

- the Board may delegate its duties to, and receive reports and recommendations from, any committee of the Board to the extent permitted by the Business Corporations Act (Alberta).

Composition

- the Board should be composed of at least 4 individuals elected by the shareholders at the annual meeting;

- a majority of Board members should be "independent" directors (within the meaning of National Instrument 58-101) and free from any business or other relationship that could impair the exercise of independent judgment;

- members should have or obtain sufficient knowledge of Whitecap and the oil and gas business to assist in providing advice and counsel on relevant issues; and

- Board members should offer their resignation from the Board to the Chairman of the Board following:

    - change in personal circumstances which would reasonably interfere with the ability to serve as a director; and

    - change in personal circumstances which would reasonably reflect poorly on Whitecap (for example, finding by a Court of fraud, or conviction under Criminal Code or securities legislation); and

    - if applicable, in accordance with the Corporation's Majority Voting Policy, should a Board member receive a greater number of votes "withheld" from his or her election than votes "for" his or her election.

Meetings

- the Board shall meet at least four times per year and/or as deemed appropriate by the Chairman of the Board;

- absent extenuating circumstances or scheduling conflicts, Board members are expected to attend all Board meetings;

- the Board shall meet at the end of each meeting without members of management being present;

- minutes of each meeting shall be prepared;

- the CEO and Chief Financial Officer shall be available to attend all meetings of the Board upon invitation by the Board; and

- Vice-Presidents and such other staff as appropriate to provide information to the Board shall attend meetings at the invitation of the Board.

Authority

- the Board shall have the authority to review any corporate report or material and to investigate activity of Whitecap and to request any employees to cooperate as requested by the Board; and

- the Board may retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling its responsibilities at the expense of Whitecap.

Approved by the Board of Directors on October 29, 2019.

TSX: WCP

WHITECAP RESOURCES INC.

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CALGARY, ALBERTA

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