WHITECAP RESOURCES INC.
CONSOLIDATED BALANCE SHEET
(unaudited)

As at (CAD $000s)	**March 31 2020**	December 31 2019
Assets		
Current Assets		
Accounts receivable	**124,710**	172,225
Deposits and prepaid expenses	**5,996**	6,029
Risk management contracts [Notes 4 & 5]	**144,434**	1,733
Total current assets	**275,140**	179,987
Property, plant and equipment [Notes 6 & 7]	**2,257,837**	4,964,358
Exploration and evaluation [Note 8]	**14,255**	9,506
Right-of-use assets [Note 9]	**74,489**	77,833
Goodwill [Note 10]	**-**	122,682
Risk management contracts [Notes 4 & 5]	**2,218**	4,099
Deferred income tax	**596,767**	-
Total assets	**3,220,706**	5,358,465
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	**206,116**	183,647
Share awards liability [Note 14]	**1,610**	7,233
Dividends payable	**11,628**	11,674
Lease liabilities [Note 12]	**10,841**	10,568
Risk management contracts [Notes 4 & 5]	**12,711**	3,935
Total current liabilities	**242,906**	217,057
Risk management contracts [Notes 4 & 5]	**22,341**	6
Long-term debt [Note 11]	**1,183,976**	1,176,200
Lease liabilities [Note 12]	**67,998**	70,694
Decommissioning liability [Note 13]	**924,271**	859,143
Share awards liability [Note 14]	**1,141**	5,790
Deferred income tax	**-**	101,365
Total liabilities	**2,442,633**	2,430,255
Shareholders' Equity		
Share capital [Note 14]	**3,853,226**	3,860,962
Contributed surplus [Note 14]	**22,392**	18,413
Deficit	**(3,097,545)**	(951,165)
Total shareholders' equity	**778,073**	2,928,210
Total liabilities and shareholders' equity	**3,220,706**	5,358,465

Commitments (Note 18)

See accompanying notes to the consolidated financial statements

Approved on behalf of the Board:

(signed) *"Stephen C. Nikiforuk"*
Stephen C. Nikiforuk
Director

(signed) *"Grant B. Fagerheim"*
Grant B. Fagerheim
Director

WHITECAP RESOURCES INC.

CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS
For the three months ended March 31
(unaudited)

(CAD $000s, except per share amounts)	**2020**	2019
Revenue		
Petroleum and natural gas sales [Note 15]	**272,102**	354,861
Royalties	**(39,007)**	(59,276)
Petroleum and natural gas sales, net of royalties	**233,095**	295,585
Other Income		
Net gain (loss) on commodity contracts [Note 5]	**169,173**	(111,368)
Gain on acquisition [Note 6(a)(i)]	**28,131**	-
Total revenue and other income	**430,399**	184,217
Expenses		
Operating	**81,564**	80,642
Transportation	**15,573**	14,010
Blending	**7,958**	11,356
General and administrative	**5,983**	6,649
Stock-based compensation [Note 5 &14]	**27,338**	4,805
Interest and financing [Note 11]	**21,983**	13,839
Accretion of decommissioning liabilities [Note 13]	**1,720**	3,658
Depletion, depreciation, and amortization [Note 7 & 9]	**125,118**	116,842
Impairment [Note 7 & 10]	**2,924,275**	-
Exploration and evaluation [Note 8]	**362**	1,373
Net gain on asset dispositions	**-**	(13)
Total expenses	**3,211,874**	253,161
Loss before income taxes	**(2,781,475)**	(68,944)
Taxes		
Deferred income tax recovery	**(670,001)**	(16,383)
Net loss and other comprehensive loss	**(2,111,474)**	(52,561)
Net Loss Per Share ($/share) [Note 16]		
Basic	**(5.17)**	(0.13)
Diluted	**(5.17)**	(0.13)

See accompanying notes to the consolidated financial statements

WHITECAP RESOURCES INC.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the three months ended March 31
(unaudited)

(CAD $000s)	**2020**	2019
Share Capital [Note 14(b)]		
Balance, beginning of year	**3,860,962**	3,870,798
Common shares repurchased [Note 14(c)]	**(7,895)**	-
Contributed surplus adjustment on vesting of share awards	**159**	66
Balance, end of period	**3,853,226**	3,870,864
Contributed Surplus [Note 14(e)]		
Balance, beginning of year	**18,413**	15,719
Stock-based compensation	**4,138**	3,948
Share award vesting	**(159)**	(66)
Common shares repurchased [Note 14(c)]	**-**	-
Balance, end of period	**22,392**	19,601
Deficit		
Balance, beginning of year	**(951,165)**	(656,951)
Net loss and other comprehensive loss	**(2,111,474)**	(52,561)
Dividends	**(34,906)**	(33,466)
Balance, end of period	**(3,097,545)**	(742,978)

See accompanying notes to the consolidated financial statements

WHITECAP RESOURCES INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
For the three months ended March 31
(unaudited)

(CAD $000s)	**2020**	2019
Operating Activities		
Net loss for the year	**(2,111,474)**	(52,561)
Items not affecting cash:		
Depletion, depreciation, and amortization [Note 7]	**125,118**	116,842
Impairment [Note 7 & 10]	**2,924,275**	-
Exploration and evaluation [Note 8]	**362**	1,373
Deferred income tax recovery	**(670,001)**	(16,383)
Stock-based compensation [Note 5 &14]	**2,877**	2,657
Accretion of decommissioning liabilities [Note 13]	**1,720**	3,658
Unrealized loss (gain) on risk management contracts [Note 5]	**(109,709)**	108,495
Net gain on asset dispositions	**-**	(13)
Gain on acquisition [Note 6(a)(i)]	**(28,131)**	-
Settlement of decommissioning liabilities [Note 13]	**(3,260)**	(2,847)
Net change in non-cash working capital items [Note 17]	**28,718**	(24,369)
Cash flow from operating activities	**160,495**	136,852
Financing Activities		
Increase in long-term debt	**7,776**	1,046
Common shares repurchased [Note 14]	**(7,895)**	-
Dividends	**(34,906)**	(33,466)
Principal portion of lease payments	**(2,610)**	(2,592)
Net change in non-cash working capital items [Note 17]	**(46)**	(25)
Cash flow used in financing activities	**(37,681)**	(35,037)
Investing Activities		
Expenditures on property, plant and equipment	**(138,797)**	(124,904)
Expenditures on property acquisitions	**(76)**	(1,390)
Cash from property dispositions	**-**	634
Expenditures on corporate acquisitions net of cash acquired [Note 6]	**(16,894)**	-
Net change in non-cash working capital items [Note 17]	**32,953**	23,845
Cash flow used in investing activities	**(122,814)**	(101,815)
Change in cash, during the period	**-**	-
Cash, beginning of year	**-**	-
Cash, end of period	**-**	-
Cash Interest Paid	**9,847**	11,194

See accompanying notes to the consolidated financial statements

1. NATURE OF BUSINESS

Whitecap Resources Inc. (also referred to herein as “Whitecap” or the “Company”) is a Calgary based oil and gas company that is engaged in the business of acquiring, developing and holding interests in petroleum and natural gas properties and assets. Whitecap's common shares are traded on the Toronto Stock Exchange (“TSX”) under the symbol WCP. The Company’s principal place of business is located at 3800, 525 – 8th Avenue SW, Calgary, Alberta, Canada, T2P 1G1.

2. BASIS OF PRESENTATION

a) Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles, specifically International Accounting Standard (“IAS”) 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board. They are condensed as they do not include all of the information required for full annual consolidated financial statements, and they should be read in conjunction with the financial statements for the year ended December 31, 2019.

The policies applied in these condensed interim consolidated financial statements are based on International Financial Reporting Standards (“IFRS”) issued and outstanding as at April 28, 2020, the date the Board of Directors approved these statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The unaudited interim consolidated financial statements follow the same accounting policies as the most recent annual audited consolidated financial statement. The interim consolidated financial statements note disclosures do not include all of those required by IFRS applicable for annual consolidated financial statements. Accordingly, these interim consolidated financial statements should be read in conjunction with the Company’s audited annual consolidated financial statements for the year ended December 31, 2019.

4. DETERMINATION OF FAIR VALUES

A number of the Company’s accounting policies and disclosures require the determination of fair value for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The Company’s financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

- Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

- Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations for commodity, interest and foreign exchange (“FX”) contracts are based on inputs including quoted forward prices for commodities, forward interest rates and forward exchange rates, respectively, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

- Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The carrying value of deposits, accounts receivable, bank debt, dividends payable, accounts payable and accrued liabilities included in the balance sheet approximate fair value due to the short-term nature of those instruments or the indexed rate of interest on the bank debt. The fair value measurement of the risk management contracts and the senior notes have a fair value hierarchy of Level 2. The fair value measurement of property, plant and equipment (“PP&E”), exploration and evaluation (“E&E”), right-of-use assets, and goodwill have a fair value hierarchy of Level 3. The Company's finance department is responsible for performing the valuation of financial instruments, including the calculation of Level 3 fair values. Refer to Notes 7, 8, 9, and 10 for changes in the Company's Level 3 assets.

a) PP&E and E&E Assets

The fair value of PP&E recognized is based on market values. The market value of PP&E is the estimated amount for which PP&E could be exchanged on the acquisition date between a willing buyer and a willing seller in an arm’s length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The market value of oil and natural gas interests (included in PP&E) are generally estimated with reference to the discounted cash flows expected to be derived from oil and natural gas production based on internally and externally prepared reserve reports. The risk-adjusted discount rate is specific to the asset with reference to general market conditions. The market value of E&E assets is estimated with reference to the market values of current arm’s length transactions in comparable locations.

b) Deposits, Accounts Receivable, Long-term Debt, Dividends Payable, Accounts Payable and Accrued Liabilities

The fair value of deposits, accounts receivable, bank debt, senior notes, dividends payable, accounts payable and accrued liabilities is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. As at March 31, 2020 and December 31, 2019, the fair value of these balances, other than senior notes, approximated their carrying value. The fair value of the bank debt is equal to its carrying amount as the bank debt bears interest at floating rates and credit spreads within the facility are indicative of market rates.

c) Derivatives

The fair value of financial derivatives are recurring measurements and are determined whenever possible based on observable market data. If not available, the Company uses third party models and valuation methodologies that utilize observable market data including forward commodity prices, forward interest rates and forward exchange rates to estimate the fair value of financial derivatives. In addition to market information, the Company incorporates transaction specific details that market participants would utilize in a fair value measurement, including the impact of non-performance risk. The valuation technique used has not changed in the year.

d) Share Awards

The fair values of share awards are measured using a Black-Scholes option pricing model. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility, weighted average expected life of the instruments, expected dividends and the risk-free interest rate.

5. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Financial Assets and Financial Liabilities Subject to Offsetting

Financial assets and liabilities are only offset if Whitecap has the current legal right to offset and intends to settle on a net basis or settle the asset and liability simultaneously. Whitecap offsets risk management assets and liabilities when the counterparty, commodity, currency and timing of settlement are the same. The following table summarizes the gross asset and liability positions of the Company’s financial derivatives by counterparty that are offset on the balance sheet as at March 31, 2020 and December 31, 2019:

	March 31, 2020			December 31, 2019		
($000s)	Asset	Liability	Net	Asset	Liability	Net
Gross amount	146,902	(35,302)	111,600	8,479	(6,588)	1,891
Amount offset	(250)	250	-	(2,647)	2,647	-
Net amount	146,652	(35,052)	111,600	5,832	(3,941)	1,891

b) Credit Risk

Credit risk is the risk of financial loss to Whitecap if a partner or counterparty to a product sales contract or financial instrument fails to meet its contractual obligations. Whitecap is exposed to credit risk with respect to its cash, accounts receivable and risk management contracts. Most of Whitecap's accounts receivable relate to oil and natural gas sales or joint interest billings and are subject to typical industry credit risks. Whitecap manages this credit risk as follows:

- By entering into sales contracts with only established creditworthy counterparties as verified by a third-party rating agency, through internal evaluation or by requiring security such as letters of credit;
- By limiting exposure to any one counterparty; and
- By restricting cash equivalent investments and risk management transactions to counterparties that, at the time of transaction, are not less than investment grade.

The maximum exposure to credit risk is as follows:

	March 31, 2020	December 31, 2019
Accounts receivable	124,710	172,225
Risk management contracts	146,652	5,832
Total exposure	271,362	178,057

Joint interest receivables are typically collected within one to three months following production. The majority of the credit exposure on accounts receivable at March 31, 2020 pertains to accrued revenue for March 2020 production volumes. Whitecap transacts with a number of oil and natural gas marketing companies and commodity end users ("Commodity Purchasers"). Commodity Purchasers typically remit amounts to Whitecap by the 25th day of the month following production. The Company monitors the exposure to any single counterparty along with its financial position. If it is deemed that a counterparty has become materially weaker, the Company will work to reduce the credit exposure to that counterparty. At March 31, 2020, one Commodity Purchaser accounted for approximately 11 percent of the total accounts receivable balance and is not considered a credit risk.

Whitecap applies the simplified approach to providing for expected credit losses prescribed by IFRS 9 which permits the use of the lifetime expected loss provision for all trade receivables. Prior credit losses in the collection of accounts receivable by Whitecap have been negligible and the Company does not anticipate any significant future credit losses based on forward looking information. Accordingly, no provision has been recorded for expected credit losses.

When determining whether amounts that are past due are collectable, management assesses the creditworthiness and past payment history of the counterparty, as well as the nature of the past due amount. Whitecap considers all amounts greater than 90 days to be past due. As at March 31, 2020, there was $1.8 million (December 31, 2019 – $2.3 million) of receivables aged over 90 days. Subsequent to March 31, 2020, approximately $0.8 million (December 31, 2019 – $1.1 million) has been collected and the remaining balance is not considered to be a credit risk.

c) Liquidity Risk

Liquidity risk is the risk that Whitecap will not be able to meet its financial obligations as they become due. Whitecap actively manages its liquidity through cash, debt and equity management strategies. Such strategies include continuously monitoring forecasted and actual cash flows from operating, financing and investing activities, available credit under existing banking arrangements and opportunities to issue additional common shares and/or long-term debt. Whitecap actively monitors its credit and working capital facilities to ensure that it has sufficient available funds to meet its dividend payments and financial requirements at a reasonable cost. Management believes that future funds generated from these sources will be adequate to settle Whitecap's financial liabilities.

The following table details the contractual maturities of Whitecap's financial liabilities as at March 31, 2020:

($000s)	<1 year	1 to 2 years	2+ years	Total
Accounts payable and accrued liabilities	206,116	-	-	206,116
Dividends payable	11,628	-	-	11,628
Long-term debt (1)	21,605	19,975	1,235,240	1,276,820
Lease liabilities (1)	14,153	14,306	62,007	90,466
Share awards liability	1,610	803	338	2,751
Risk management contracts (2)	12,711	12,470	9,871	35,052
Total financial liabilities	267,823	47,554	1,307,456	1,622,833

Notes:

(1) These amounts include the notional principal and interest payments.

(2) Interest rate swaps are included in risk management contracts

The following table details Whitecap's financial liabilities as at December 31, 2019:

($000s)	<1 year	1 to 2 years	2+ years	Total
Accounts payable and accrued liabilities	183,647	-	-	183,647
Dividends payable	11,674	-	-	11,674
Long-term debt (1)	21,605	21,605	1,231,220	1,274,430
Lease liabilities (1)	13,993	14,288	65,493	93,774
Share awards liability	7,233	3,482	2,308	13,023
Risk management contracts (2)	3,935	6	-	3,941
Total financial liabilities	242,087	39,381	1,299,021	1,580,489

Notes:

(1) These amounts include the notional principal and interest payments.

(2) Interest rate swaps are included in risk management contracts.

d) Market Risk

Market risk is the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk is composed of commodity price risk, interest rate risk, equity price risk and foreign exchange risk as discussed below.

Whitecap's consolidated balance sheet included the following risk management assets recorded at fair value:

($000s)	March 31 2020	December 31 2019
Current Assets		
Crude oil	144,334	304
Natural gas	100	176
Interest	-	829
Power	-	52
Equity	-	372
Total current assets	144,434	1,733
Long-term Assets		
Crude oil	2,218	-
Interest	-	3,215
Equity	-	884
Total long-term assets	2,218	4,099
Total fair value	**146,652**	**5,832**

Whitecap's consolidated balance sheet included the following risk management liabilities recorded at fair value:

($000s)	March 31 2020	December 31 2019
Current Liabilities		
Crude oil	163	3,922
Natural gas	192	13
Interest	1,792	-
Power	10	-
Equity	10,554	-
Total current liabilities	12,711	3,935
Long-term Liabilities		
Crude oil	-	6
Natural Gas	311	-
Interest	3,881	-
Equity	18,149	-
Total long-term liabilities	22,341	6
Total fair value	**35,052**	**3,941**

Whitecap's net loss includes the following realized and unrealized gains (losses) on risk management contracts:

	Three months ended March 31	
($000s)	2020	2019
Realized gain (loss) on commodity contracts	19,789	(3,050)
Unrealized gain (loss) on commodity contracts	149,384	(108,318)
Net gain (loss) on commodity contracts	169,173	(111,368)
Realized gain on interest rate contracts (1)	141	92
Unrealized loss on interest rate contracts (1)	(9,717)	(177)
Realized gain on equity contracts (2)	292	-
Unrealized loss on equity contracts (2)	(29,958)	-
Net gain (loss) on risk management contracts	129,931	(111,453)

Notes:
(1) The gain (loss) on interest rate risk management contracts is included in interest and financing expense.
(2) The gain (loss) on equity contracts is included in stock-based compensation expenses.

i) Commodity Price Risk

The Company's operational results and financial condition are largely dependent on the commodity price received for its oil and natural gas production. Commodity prices have fluctuated widely in recent years due to global and regional factors including supply and demand fundamentals, inventory levels, weather, economic and geopolitical factors.

Whitecap manages the risks associated with changes in commodity prices by entering into a variety of risk management contracts. The Company assesses the effects of movement in commodity prices on income before tax. When assessing the potential impact of these commodity price changes, the Company believes a ten percent volatility is a reasonable measure. A ten percent increase or decrease in commodity prices would have resulted in the following impact to unrealized gains (losses) on risk management contracts and net loss before tax:

($000s)	March 31, 2020	
	Increase 10%	Decrease 10%
Commodity Price		
Crude Oil	(23,135)	24,285
Natural Gas	(1,526)	1,526
Power	32	(32)
Differential		
Crude Oil	4,334	(4,334)

At March 31, 2020, the following commodity risk management contracts were outstanding with an asset fair market value of $146.7 million and liability fair market value of $0.7 million (December 31, 2019 – asset of $0.5 million and liability of $3.9 million):

1) WTI Crude Oil Derivative Contracts

Type	Term	Volume (bbls/d)	Bought Put Price (C$/bbl) (1)	Sold Call Price (C$/bbl) (1)	Swap Price (C$/bbl) (1)
Swap	2020 Apr – Jun	2,000			80.93
Collar	2020 Apr – Jun	11,000	68.18	87.45	
Collar	2020 Apr – Dec	10,000	62.30	80.23	
Collar	2020 Jul – Dec	9,000	64.44	83.99	
Collar	2021 Jan – Jun	2,000	60.00	81.53	

Note:
(1) Prices reported are the weighted average prices for the period.

2) WTI Crude Oil Differential Derivative Contracts

Type	Term	Volume (bbls/d)	Basis (1)(2)	Swap Price (C$/bbl) (3)
Swap	2020 Apr – Jun	10,000	MSW	6.18
Swap	2020 Jul – Sep	2,000	MSW	7.00
Swap	2020 Jul – Dec	2,000	MSW	8.00
Swap	2020 Apr – Jun	4,000	WCS	21.80
Swap	2020 Apr – Sep	2,000	WCS	19.75
Swap	2020 Jul – Dec	2,000	WCS	21.65

Notes:
(1) Mixed Sweet Blend (“MSW”).
(2) Western Canadian Select (“WCS”)
(3) Prices reported are the weighted average prices for the period.

3) Natural Gas Derivative Contracts

Type	Term	Volume (GJ/d)	Swap Price (C$/GJ) (1)
Swap	2020 Apr – Oct	15,000	1.66
Swap	2020 Apr – Dec	5,000	1.82
Swap	2021 Jan – Dec	10,000	1.95

Note:
(1) Prices reported are the weighted average prices for the period.

4) Power Derivative Contracts

Type	Term	Volume (MWh)	Fixed Rate ($/MWh) (1)
Swap	2020 Apr – Dec	6,600	50.50

Note:
(1) Prices reported are the weighted average prices for the period.

5) Contracts entered into subsequent to March 31, 2020

a) WTI Crude Oil Derivative Contracts

Type	Term	Volume (bbls/d)	Swap Price (C$/bbl) (1)
Swap	2020 May	10,000	23.61

Note:
(1) Prices reported are the weighted average prices for the period.

b) Natural Gas Derivative Contracts

Type	Term	Volume (GJ/d)	Swap Price (C$/GJ) (1)
Swap	2020 May – Oct	9,000	1.92
Swap	2020 Nov – 2021 Mar	2,000	2.60
Swap	2021 Jan – Dec	4,000	2.36
Swap	2021 Apr – Oct	2,000	2.33

Note:
(1) Prices reported are the weighted average prices for the period.

ii) Interest Rate Risk

The Company is exposed to interest rate risk on its credit facility. The credit facility consists of a $1.1 billion revolving syndicated facility and a $75 million revolving operating facility. The revolving syndicated facility and revolving operating facility bear interest at the bank's prime lending or bankers' acceptance rates plus applicable margins. Changes in interest rates could result in an increase or decrease in the amount Whitecap pays to service the variable interest rate debt. The Company mitigates its exposure to interest rate changes by entering into interest rate swap transactions and/or fixed rate debt.

If interest rates applicable to floating rate debt at March 31, 2020 were to have increased or decreased by 25 basis points, it is estimated that the Company’s income before tax would change by approximately $0.4 million for the three months ended March 31, 2020 ($0.4 million for the three months ended March 31, 2019). This assumes that the change in interest rate is effective from the beginning of the year and the amount of floating rate debt is as at March 31, 2020.

When assessing the potential impact of forward interest rate changes on the Company’s interest rate swaps, the Company believes an interest rate volatility of 25 basis points is a reasonable measure. A 25 basis point increase or decrease in forward interest rates would have resulted in the following impact to unrealized gains (losses) on risk management contracts and net loss before tax:

($000s)		March 31, 2020
	Increase 0.25%	Decrease 0.25%
Interest rate swaps	2,133	(2,133)

At March 31, 2020, the following interest rate risk management contracts were outstanding with a liability fair market value of $5.7 million (December 31, 2019 – asset of $4.0 million):

1) Interest Rate Contracts

Type	Term		Amount ($000s)	Fixed Rate (%) (1)	Index (2)
Swap	Aug 6, 2019	Aug 6, 2024	200,000	1.554	CDOR

Notes:
(1) Rates reported are the weighted average rates for the period.
(2) Canadian Dollar Offered Rate (“CDOR”).

iii) Equity Price Risk

The Company is exposed to equity price risk on its own share price in relation to awards issued under the award incentive plan, which affects earnings through the revaluation of awards that are accounted for as cash-settled transactions at each period end. Changes in share price could result in an increase or decrease in the amount that Whitecap recognizes as stock-based compensation and the amount Whitecap pays to cash settle awards. The Company mitigates its exposure to fluctuations in its share price by entering into equity derivative contracts such as total return swaps.

When assessing the potential impact of share price on the Company's total return swaps, the Company believes a share price volatility of ten percent is a reasonable measure. A ten percent increase or decrease in share price would have resulted in the following impact to unrealized gains (losses) on risk management contracts and net loss before tax:

($000s)		March 31, 2020
	Increase 10%	Decrease 10%
Total return swaps	800	(800)

At March 31, 2020, the following equity risk management contracts were outstanding with a liability fair market value of $28.7 million (December 31, 2019 – asset of $1.3 million):

1) Equity Derivative Contracts

Type	**Term**		**Notional Amount ($000s)** [1]	**Share Volume**
Swap	Apr 1, 2020	Oct 1, 2020	10,867	2,025,000
Swap	Apr 1, 2020	Oct 1, 2021	12,584	2,345,000
Swap	Apr 1, 2020	Oct 1, 2022	13,255	2,470,000

Note:

(1) Notional amount is calculated as the share volume for the period multiplied by the weighted average prices for the period.

iv) Foreign Exchange Risk

The Company is exposed to the risk of changes in the U.S./Canadian dollar exchange rate on crude oil sales based on U.S. dollar benchmark prices and commodity contracts that are settled in U.S. dollars. Foreign exchange risk is mitigated by entering into Canadian dollar denominated commodity risk management contracts or foreign exchange contracts. At March 31, 2020, Whitecap did not have any foreign exchange contracts outstanding.

e) Capital Management

The Company's policy is to maintain a strong capital base for the objectives of maintaining financial flexibility, creditor and market confidence and to sustain the future development of the business. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying petroleum and natural gas assets. The Company considers its capital structure to include shareholders' equity, long-term debt and working capital.

i) Net Debt and Total Capitalization

Management considers net debt a key measure to assess the Company's liquidity. Total capitalization is used by Management and investors in analyzing the Company's balance sheet strength and liquidity.

The following is a breakdown of the Company's capital structure:

($000s)	March 31 2020	December 31 2019
Accounts receivable	(124,710)	(172,225)
Deposits and prepaid expenses	(5,996)	(6,029)
Accounts payable and accrued liabilities	206,116	183,647
Dividends payable	11,628	11,674
Working capital deficiency	87,038	17,067
Long-term debt	1,183,976	1,176,200
Net debt	1,271,014	1,193,267
Shareholders' equity	778,073	2,928,210
Total capitalization	2,049,087	4,121,477

ii) Funds Flow

Management considers funds flow to be a key measure of operating performance as it demonstrates Whitecap's ability to generate the cash necessary to pay dividends, repay debt, make capital investments, and/or to repurchase common shares under the Company's normal course issuer bid ("NCIB"). Management believes that by excluding the temporary impact of changes in non-cash operating working capital, funds flow provides a useful measure of Whitecap's ability to generate cash that is not subject to short-term movements in non-cash operating working capital. Funds flow is not a standardized measure and therefore may not be comparable with the calculation of similar measures by other entities.

Funds flow for the three months ended March 31, 2020 and 2019 is calculated as follows:

	Three months ended March 31	
($000s)	2020	2019
Cash flow from operating activities	160,495	136,852
Net change in non-cash working capital items	(28,718)	24,369
Funds flow	131,777	161,221

6. ACQUISITIONS

The revenue and operating income for the post-acquisition period of the acquisitions listed below are included in the statement of comprehensive income (loss).

The below amounts are estimates which were made by management at the time of the preparation of these consolidated financial statements based on information then available. Amendments may be made to these amounts as values subject to estimate are finalized for a period of up to one year. The pro-forma information disclosed below is not necessarily indicative of the actual results that would have been achieved had the business combinations closed on January 1, 2020.

a) 2020 Acquisitions

i) Hyak Energy ULC ("Hyak") Acquisition

On January 15, 2020, the Company closed the acquisition of Hyak by acquiring all of the issued and outstanding common shares of Hyak for cash consideration of $16.2 million, net of acquired working capital. The corporate acquisition has been accounted for as a business combination under IFRS 3.

The acquisition of Hyak has contributed revenues of $2.0 million and operating income of $0.4 million since January 15, 2020. Had the acquisition closed on January 1, 2020, estimated contributed revenues would have been $2.6 million and estimated contributed operating income would have been $0.6 million for the three months ended March 31, 2020.

Net assets acquired ($000s):	
Working capital	711
Petroleum and natural gas properties	17,999
Exploration and evaluation	150
Decommissioning liability	(1,949)
Deferred income tax	28,131
Total identifiable net assets acquired	45,042
Gain on acquisition	(28,131)
	16,911

Cash consideration:	
Total consideration	**16,911**

The gain on acquisition represents the excess of the $45.0 million total identifiable net assets acquired over the $16.9 million cash consideration paid.

7. PROPERTY, PLANT AND EQUIPMENT

a) Net Carrying Amount

Net book value ($000s)	March 31 2020	December 31 2019
Petroleum and natural gas properties	8,636,891	8,420,443
Other assets	5,068	4,857
Property, plant and equipment, at cost	8,641,959	8,425,300
Less: accumulated depletion, depreciation, amortization and impairment	(6,384,122)	(3,460,942)
Total net carrying amount	2,257,837	4,964,358

b) Cost

Cost ($000s)	Petroleum and natural gas properties	Other assets	Total
Balance at December 31, 2019	8,420,443	4,857	8,425,300
Additions	197,369	211	197,580
Property acquisitions	76	-	76
Corporate acquisitions	17,999	-	17,999
Transfer from evaluation and exploration assets	1,004	-	1,004
Balance at March 31, 2020	8,636,891	5,068	8,641,959

c) Accumulated Depletion, Depreciation, Amortization and Impairment

Accumulated depletion, depreciation, amortization and impairment ($000s)	Petroleum and natural gas properties	Other assets	Total
Balance at December 31, 2019	3,457,400	3,542	3,460,942
Depletion, depreciation and amortization	121,438	149	121,587
Impairment	2,801,593	-	2,801,593
Balance at March 31, 2020	6,380,431	3,691	6,384,122

At March 31, 2020, $226.3 million of salvage value (March 31, 2019 – $218.4 million) was excluded from the depletion calculation. Future development costs of $3.8 billion (March 31, 2019 – $3.3 billion) were included in the depletion calculation. The Company capitalized $1.4 million (March 31, 2019 – $5.1 million) of administrative costs directly relating to development activities which includes $0.03 million (March 31, 2019 – $2.0 million) of stock-based compensation.

d) Impairment Test of Property, Plant and Equipment

The recoverable amount of PP&E is determined as the fair value less cost of disposal (“FVLCD”) using a discounted cash flow method and is assessed at the cash generating unit (“CGU”) level. As a result of the significant decrease in forward benchmark commodity prices at March 31, 2020 compared to December 31, 2019, an impairment test on the Company’s PP&E assets was performed. The fair value measurement of the Company’s PP&E is designated Level 3 on the fair value hierarchy. Refer to Note 4 – “Determination of Fair Values” for a description of the methodology used in the determination of fair values.

The following table outlines the forecast benchmark commodity prices used in the impairment calculation of property, plant and equipment at March 31, 2020. Forecast benchmark commodity price assumptions tend to be stable because short-term increases or decreases in prices are not considered indicative of long-term price levels but are nonetheless subject to change. The Company used an after-tax discount rate of 13 percent (December 31, 2019 ─ 10 percent).

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029 (2)
WTI crude oil (US$/bbl) (1)	29.17	40.45	49.17	53.28	55.66	56.87	58.01	59.17	60.35	61.56
AECO natural gas ($/MMBtu) (1)	1.74	2.20	2.38	2.45	2.53	2.60	2.66	2.72	2.79	2.85
Exchange Rate (CAD/USD)	0.71	0.73	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75

Notes:

(1) The forecast benchmark commodity prices listed are adjusted for quality differentials, heat content, transportation and marketing costs and other factors specific to the Company's operations in performing the Company's impairment tests.

(2) Forecast benchmark commodity prices are assumed to increase by 2% in each year after 2029 to the end of the reserve life. Forecast exchange rate is assumed to remain at 0.75 CAD/USD each year after 2029 to the end of the reserve life.

The following table outlines the forecast benchmark commodity prices used in the impairment calculation of property, plant and equipment at December 31, 2019:

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029 (2)
WTI crude oil (US$/bbl) (1)	61.00	63.75	66.18	67.91	69.48	71.07	72.68	74.24	75.73	77.24
AECO natural gas ($/MMBtu) (1)	2.04	2.32	2.62	2.71	2.81	2.89	2.96	3.03	3.09	3.16
Exchange Rate (CAD/USD)	0.76	0.77	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79

Notes:

(1) The forecast benchmark commodity prices listed are adjusted for quality differentials, heat content, transportation and marketing costs and other factors specific to the Company's operations in performing the Company's impairment tests.

(2) Forecast benchmark commodity prices are assumed to increase by 2% in each year after 2029 to the end of the reserve life. Forecast exchange rate is assumed to remain at 0.79 CAD/USD each year after 2029 to the end of the reserve life.

The impairment test of PP&E at March 31, 2020 concluded that the carrying amounts of each of the Company's CGUs exceeded their FVLCD:

($000s)	FVLCD	Carrying Value	Impairment
Northwest Alberta & British Columbia	521,508	1,164,965	643,457
Southeast Saskatchewan	559,345	900,438	341,093
Southwest Saskatchewan	387,844	895,683	507,839
West Central Alberta	549,188	1,287,248	738,060
West Central Saskatchewan	360,167	931,311	571,144
Total	2,378,052	5,179,645	2,801,593

The full amount of the impairment was attributed to PP&E and, as a result, a total impairment loss of $2.8 billion was recorded in impairment expense. The impairment expense in 2020 was primarily a result of lower forecast benchmark commodity prices and the increase to the after-tax discount rate at March 31, 2020 compared to December 31, 2019.

Changes in any of the key judgments, such as an increase in the after-tax discount rate, a downward revision in reserves, a decrease in forecast benchmark commodity prices, changes in foreign exchange rates, an increase in royalties or an increase in operating costs would decrease the recoverable amounts of assets and any impairment charges or reversals would affect net income (loss).

As at March 31, 2020, a one percent increase in the assumed discount rate and/or a five percent decrease in the forecast operating cash flows would result in the following pre-tax impairment expense being recognized:

Impairment expense (reversal) ($000s)	1% increase in discount rate	5% decrease in cash flows	1% increase in discount rate and 5% decrease in cash flows
Northwest Alberta & British Columbia	59,507	39,240	91,287
Southeast Saskatchewan	68,060	50,882	101,934
Southwest Saskatchewan	36,705	24,935	60,717
West Central Alberta	51,818	32,678	85,827
West Central Saskatchewan	22,901	12,267	45,759
Total	238,991	160,002	385,524

Impairment losses can be reversed in future periods if the estimated recoverable amount of the CGU exceeds its carrying value. The impairment recovery is limited to a maximum of the estimated depleted historical cost if the impairment had not been recognized.

8. EXPLORATION AND EVALUATION ASSETS

a) Net Carrying Amount

($000s)	March 31 2020	December 31 2019
Exploration and evaluation assets	46,034	40,923
Less: accumulated land expiries and write-offs	(31,779)	(31,417)
Total net carrying amount	14,255	9,506

b) Cost

($000s)	Undeveloped Land
Balance at December 31, 2019	40,923
Additions	5,965
Corporate acquisitions	150
Transfer to property, plant and equipment	(1,004)
Balance at March 31, 2020	46,034

c) Accumulated Land Expiries and Write-Offs

($000s)	Accumulated land expiries and write-offs
Balance at December 31, 2019	31,417
Land expiries and write-offs	362
Balance at March 31, 2020	31,779

E&E assets consist of the Company's exploration projects which are pending the determination of proved reserves. Additions represent the Company's share of costs acquired or incurred on E&E assets during the year.

d) Impairment Test of Exploration and Evaluation Assets

There were no indicators of impairment at March 31, 2020.

9. RIGHT-OF-USE ASSETS

Whitecap recognizes right-of-use assets and corresponding lease liabilities related to certain office facilities, operating facilities, vehicles and equipment. See Note 12 – "Lease Liabilities" for additional information regarding the Company's leases.

a) Net Carrying Amount

($000s)	Offices	Facilities	Other	Total
Right-of-use assets	28,440	60,361	3,279	92,080
Less: accumulated depreciation	(4,084)	(12,072)	(1,435)	(17,591)
Balance at March 31, 2020	24,356	48,289	1,844	74,489

b) Cost

($000s)	Offices	Facilities	Other	Total
Balance at December 31, 2019	28,440	60,361	3,092	91,893
Additions	-	-	187	187
Balance at March 31, 2020	28,440	60,361	3,279	92,080

c) Accumulated Depreciation

($000s)	Offices	Facilities	Other	Total
Balance at December 31, 2019	3,267	9,658	1,135	14,060
Depreciation	817	2,414	300	3,531
Balance at March 31, 2020	4,084	12,072	1,435	17,591

10. GOODWILL

At March 31, 2020, the Company had a goodwill balance of nil (December 31, 2019 – $122.7 million). At March 31, 2020 the Company had total accumulated goodwill impairment charges of $249.1 million (December 31, 2019 – $126.4 million). The recoverable amount of goodwill is determined as the FVLCD using a discounted cash flow method and is assessed at the corporate level. The Company's key assumptions used in determining the FVLCD include reserves, discount rate, future commodity prices, operating costs and capital expenditures of the Company. The values of these assumptions have been assigned based on internal and external reserve and market price information. The fair value measurement of the Company's goodwill is designated Level 3 on the fair value hierarchy. Refer to Note 4 – "Determination of Fair Values" for a description of the methodology used in the determination of fair values.

a) Impairment Test of Goodwill

As at March 31, 2020, the Company determined that the corporate carrying amount, consisting of PP&E and goodwill net of associated deferred income tax, of $2.5 billion exceeded the recoverable amount of $2.4 billion. The full amount of the impairment was attributed to goodwill and, as a result, an impairment loss of $122.7 million was recorded in impairment expense. The impairment expense in 2020 was primarily a result of lower forecast benchmark commodity prices at March 31, 2020 compared to December 31, 2019. Refer to Note 7(d) – "Impairment Test of Property, Plant and Equipment" for the after-tax discount rate and forecast benchmark commodity prices used in the impairment calculation.

11. LONG-TERM DEBT

($000s)	March 31 2020	December 31 2019
Bank debt	589,301	581,551
Senior secured notes	594,675	594,649
Long-term debt	1,183,976	1,176,200

a) Bank Debt

As at March 31, 2020, the Company had a $1.175 billion credit facility with a syndicate of banks. The credit facility consists of a $1.1 billion revolving syndicated facility and a $75 million revolving operating facility, with a maturity date of May 31, 2023. Prior to any anniversary date, being May 31 of each year, Whitecap may request an extension of the then current maturity date, subject to approval by the banks. Following the granting of such extension, the term to maturity of the credit facilities shall not exceed four years. The credit facility provides that advances may be made by way of direct advances, banker's acceptances or letters of credit/guarantees. The credit facility bears interest at the bank's prime lending or bankers' acceptance rates plus applicable margins. The applicable margin charged by the bank is dependent upon the Company's debt to earnings before interest, taxes, depreciation and amortization ("EBITDA") ratio for the most recent quarter. The bankers' acceptances bear interest at the applicable banker's acceptance rate plus an explicit stamping fee based upon the Company's debt to EBITDA ratio. The credit facilities are secured by a floating charge debenture on the assets of the Company. The following table lists Whitecap's financial covenants as at March 31, 2020:

Covenant Description		March 31 2020
	Maximum Ratio	
Debt to EBITDA (1) (2)	4.00	1.69
	Minimum Ratio	
EBITDA to interest expense (1)	3.50	14.04

Notes:
(1) The EBITDA used in the covenant calculation is adjusted for non-cash items, transaction costs and extraordinary and non-recurring items such as material acquisitions or dispositions.
(2) The debt used in the covenant calculation includes bank indebtedness, letters of credit, and dividends declared.

As of March 31, 2020, the Company was compliant with all covenants provided for in the lending agreement. Copies of the Company's credit agreements may be accessed through the SEDAR website (www.sedar.com).

b) Senior Secured Notes

As at March 31, 2020, the Company had issued $595 million senior secured notes. The notes rank equally with Whitecap's obligations under its credit facility. The terms, rates, principals and carrying amounts of the Company's outstanding senior notes are detailed below:

($000s)					
Issue Date	Maturity Date	Coupon Rate	Principal	Carrying Value	Fair Value
January 5, 2017	January 5, 2022	3.46%	200,000	199,901	163,826
May 31, 2017	May 31, 2024	3.54%	200,000	199,882	151,188
December 20, 2017	December 20, 2026	3.90%	195,000	194,892	140,250
Balance at March 31, 2020			595,000	594,675	455,264

The senior secured notes are subject to the same debt to EBITDA ratio and EBITDA to interest expense ratio described under the credit facility. As of March 31, 2020, the Company was compliant with all covenants provided for in the lending agreements.

c) Interest and Financing Expense

The following table summarizes the components of interest and financing expense during the period:

	Three months ended March 31	
($000s)	2020	2019
Interest expense	11,504	12,740
Interest expense, lease liabilities [Note 12]	903	1,014
Unrealized losses on interest rate contracts	9,717	177
Realized (gains) losses on interest rate contracts	(141)	(92)
Interest and financing expense	21,983	13,839

12. LEASE LIABILITIES

The Company incurs lease payments related to office facilities, operating facilities, vehicles and equipment. Leases are entered into and exited in coordination with specific business requirements which includes the assessment of the appropriate durations for the related leased assets.

($000s)	March 31 2020	December 31 2019
Current portion	10,841	10,568
Non-current portion	67,998	70,694
Lease liabilities	78,839	81,262

For the three months ended March 31, 2020, interest expense of $0.9 million and total cash outflows of $3.5 million were recognized relating to lease liabilities (March 31, 2019 - $1.0 million and $3.6 million, respectively).

13. DECOMMISSIONING LIABILITY

($000s)	
Balance at December 31, 2019	859,143
Liabilities incurred	718
Liabilities acquired	1,949
Liabilities settled	(3,260)
Revaluation of liabilities acquired [1]	11,723
Change in estimate	52,278
Accretion expense	1,720
Balance at March 31, 2020	924,271

Note:

(1) Revaluation of liabilities acquired is the revaluation of acquired decommissioning liabilities at the end of the period using the risk-free discount rate. At the date of acquisition, acquired decommissioning liabilities are fair valued.

The Company's decommissioning liability results from its ownership interest in oil and natural gas assets including well sites and gathering systems. The total decommissioning liability is estimated based on the Company's net ownership interest in all wells and facilities, estimated costs to reclaim and abandon these wells and facilities and the estimated timing of the costs to be incurred in future years. The key assumptions, on which the carrying amount of the decommissioning liability is based, include a risk-free rate of 1.3 percent (1.8 percent at December 31, 2019) and inflation rate of 2.0 percent (2.0 percent at December 31, 2019). The total undiscounted amount of the estimated cash flows required to settle the obligations was $1.1 billion (December 31, 2019 – $1.0 billion). The expected timing of payment of the cash flows required for settling the obligations extends up to 44 years.

14. SHARE CAPITAL

a) Authorized

Unlimited number of common shares without nominal or par value.

b) Issued and outstanding

(000s)	Shares	$
Balance at December 31, 2019	409,619	3,860,962
Issued on share award vesting	15	-
Common shares repurchased	(1,634)	(7,895)
Contributed surplus adjustment on vesting of share awards	-	159
Balance at March 31, 2020	408,000	3,853,226

c) Normal Course Issuer Bid

On May 16, 2018, the Company announced the approval of its renewed NCIB by the TSX (the "2018 NCIB"). The 2018 NCIB allowed the Company to purchase up to 20,864,806 common shares over a period of twelve months commencing on May 18, 2018.

On May 16, 2019, the Company announced the approval of its renewed NCIB by the TSX (the "2019 NCIB"). The 2019 NCIB allows the Company to purchase up to 20,657,914 common shares over a period of twelve months commencing on May 21, 2019.

Purchases are made on the open market through the TSX or alternative platforms at the market price of such common shares. All common shares purchased under the NCIB are cancelled. The total cost paid, including commissions and fees, is first charged to share capital to the extent of the average carrying value of Whitecap's common shares and the excess is charged to contributed surplus.

The following table summarizes the share repurchase activities during the year:

	Three months ended March 31	
(000s except per share amounts)	2020	2019
Shares repurchased	1,634	-
Average cost ($/share)	4.83	-
Amounts charged to		
Share capital	7,895	-
Share repurchase cost	7,895	-

d) Award Incentive Plan

The Company implemented an Award Incentive Plan effective April 30, 2013. The Award Incentive Plan has time-based awards and performance awards which may be granted to directors, officers, employees of the Company and other service providers. Effective January 1, 2017, independent outside directors will receive only time-based awards as the primary form of long-term compensation. As at March 31, 2020, the maximum number of common shares issuable under the plan shall not at any time exceed 3.755 percent of the total common shares outstanding. Vesting is determined by the Company's Board of Directors. Currently, time-based awards and performance awards issued to employees of the Company vest three years from date of grant. Time-based awards issued to independent outside directors have vesting periods ranging from 1 to 3 years. Performance awards issued to officers of the Company vest in two tranches with one half of such awards vesting February 1 and one half vesting October 1 of the third year following the grant date.

Each time-based award may in the Company's sole discretion, entitle the holder to be issued the number of common shares designated in the time-based award plus dividend equivalents or payment in cash. Decisions regarding settlement method for insider and non-insider awards are mutually exclusive. On October 1, 2018, consistent with the terms of the Award Incentive Plan, awards vesting for insiders were settled in cash. As a result, the remaining insider awards were accounted for as cash-settled, resulting in the recognition of share award liabilities on the consolidated balance sheet. Performance awards are also subject to a performance multiplier. This multiplier, ranging from zero to two, will be applied on vesting and is dependent on the performance of the Company relative to predefined corporate performance measures set by the Board of Directors for the associated period.

Based on the terms of the Award Incentive Plan, the fair value of share awards is equal to the underlying share price on grant date. The fair value of awards that are accounted for as cash-settled transactions are subsequently adjusted to the underlying share price at each period end. Performance awards are also adjusted by an estimated payout multiplier. The amount of compensation expense is reduced by an estimated forfeiture rate on the grant date, which has been estimated at 4 percent of outstanding share awards. The forfeiture rate is adjusted to reflect the actual number of shares that vest. Fluctuations in compensation expense may occur due to changes in estimating the outcome of the performance conditions as well as changes in fair value for awards that are accounted for as cash-settled. Upon the vesting of the awards that are accounted for as equity-settled, the associated amount in contributed surplus is recorded as an increase to share capital.

The estimated weighted average fair value for equity-settled share awards at the measurement date is $5.48 per award granted during the period ended March 31, 2020.

(000s)	Number of Time-based Awards	Number of Performance Awards [1]	Total Awards
Balance at December 31, 2019	2,090	5,416	7,506
Granted	24	14	38
Vested	(29)	(408)	(437)
Balance at March 31, 2020	2,085	5,022	7,107

Note:

[1] Based on underlying awards before performance multiplier and dividends accrued.

e) Contributed Surplus

($000s)	
Balance at December 31, 2019	18,413
Stock-based compensation	4,138
Share award vesting	(159)
Balance at March 31, 2020	22,392

f) Dividends

Dividends declared were $0.09 per common share in the three months ended March 31, 2020 ($0.08 in the three months ended March 31, 2019).

On April 15, 2020, the Board of Directors declared a dividend of $0.01425 per common share designated as an eligible dividend, payable in cash to shareholders of record on April 30, 2020. The dividend payment date is May 15, 2020.

15. REVENUE

Whitecap sells its production pursuant to fixed and variable-price contracts. The transaction price for fixed price contracts represents the stand-alone selling price per the contract terms. The transaction price for variable priced contracts is based on the commodity price, adjusted for quality, location or other factors, whereby each component of the pricing formula can be either fixed or variable, depending on the contract terms. Under its contracts, Whitecap is required to deliver fixed or variable volumes of crude oil, natural gas and natural gas liquids to the contract counterparty. The amount of revenue recognized is based on the agreed transaction price, whereby any variability in revenue relates specifically to the Company's efforts to transfer production, and therefore the resulting revenue is allocated to the production delivered in the period during which the variability occurs. As a result, none of the variable consideration is considered constrained.

The contracts generally have a term of one year or less, whereby delivery occurs throughout the contract period. Commodity purchasers typically remit amounts to Whitecap by the 25th day of the month following production.

A breakdown of petroleum and natural gas sales is as follows:

	Three months ended March 31	
($000s)	2020	2019
Crude oil	244,659	315,951
NGLs	5,682	11,014
Natural gas	13,976	16,274
Petroleum and natural gas revenues	264,317	343,239
Tariffs	(3,086)	(3,559)
Processing & other income	2,200	3,260
Blending revenue	8,671	11,921
Petroleum and natural gas sales	272,102	354,861

Substantially all of petroleum and natural gas revenues for the three months ended March 31, 2020 are derived from variable price contracts based on index prices.

Included in accounts receivable at March 31, 2020 is $61.3 million (March 31, 2019 – $133.4 million) of accrued petroleum and natural gas revenues related to March 2020 production.

16. PER SHARE RESULTS

(000s except per share amounts)	Three months ended March 31 2020	2019
Per share loss ($/share)		
Basic	($5.17)	($0.13)
Diluted	($5.17)	($0.13)
Weighted average shares outstanding		
Basic	408,622	413,458
Diluted [1]	408,622	413,458

Note:

[1] For the three months ended March 31, 2020, 7.1 million share awards (5.9 million share awards for the three months ended March 31, 2019) were excluded from the diluted weighted average shares calculation as they were anti-dilutive.

17. SUPPLEMENTAL CASH FLOW INFORMATION

a) Changes in Non-Cash Working Capital

Changes in non-cash working capital, excluding acquired working capital:

($000s)	Three months ended March 31 2020	2019
Accounts receivable	50,052	(39,526)
Deposits and prepaid expenses	34	923
Accounts payable and accrued liabilities	20,625	38,664
Share awards liability – current	(5,623)	(1,618)
Dividend payable	(46)	(25)
Share awards liability	(4,649)	1,701
Change in non-cash working capital	60,393	119
Related to:		
Operating activities	28,718	(24,369)
Financing activities	(46)	(25)
Investing activities	32,953	23,845
Items not impacting cash	(1,232)	668

b) Reconciliation of Financing Liabilities Arising from Financing Activities

The following table provides a detailed breakdown of the cash and non-cash changes in financing liabilities arising from financing activities:

($000s)	Long-term debt	Lease liabilities	Dividend payable
Balance at December 31, 2019	1,176,200	81,262	11,674
Additions	-	187	-
Cash flows	7,379	(2,610)	-
Amortization of debt issuance costs	397	-	-
Change in dividends payable	-	-	(46)
Balance at March 31, 2020	1,183,976	78,839	11,628

18. COMMITMENTS

The Company is committed to future payments under the following agreements:

($000s)	2020	2021	2022	2023+	Total
Lease liabilities [(1)] [Note 12]	10,547	14,356	14,698	50,865	90,466
Service agreements	1,507	2,006	2,004	9,769	15,286
Transportation agreements	23,127	20,674	27,916	136,769	208,486
CO_2 purchase commitments	28,815	39,011	39,790	119,246	226,862
Long-term debt [(1)]	16,278	21,681	14,685	1,224,176	1,276,820
Total	80,274	97,728	99,093	1,540,825	1,817,920

Note:

(1) These amounts include the notional principal and interest payments.

19. RELATED PARTY TRANSACTIONS

The Company has retained the law firm of Burnet, Duckworth & Palmer LLP ("BD&P") to provide Whitecap with legal services. A director of Whitecap is a partner of this firm. During the three months ended March 31, 2020, the Company incurred $0.2 million for legal fees and disbursements ($0.1 million for the three months ended March 31, 2019). These amounts have been recorded at the amounts that have been agreed upon by the two parties. The Company expects to retain the services of BD&P from time to time. As of March 31, 2020, no accounts payable amount ($0.1 million – March 31, 2019) was outstanding.