WHITECAP RESOURCES INC.
CONSOLIDATED BALANCE SHEET
(unaudited)

As at (CAD $000s)	**June 30 2020**	December 31 2019
Assets		
Current Assets		
Accounts receivable	**141,749**	172,225
Deposits and prepaid expenses	**7,816**	6,029
Risk management contracts [Notes 4 & 5]	**39,135**	1,733
Total current assets	**188,700**	179,987
Property, plant and equipment [Notes 6 & 7]	**2,219,339**	4,964,358
Exploration and evaluation [Note 8]	**12,922**	9,506
Right-of-use assets [Note 9]	**71,244**	77,833
Goodwill [Note 10]	**-**	122,682
Risk management contracts [Notes 4 & 5]	**147**	4,099
Deferred income tax	**621,799**	-
Total assets	**3,114,151**	5,358,465
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	**137,550**	183,647
Share awards liability [Note 14]	**3,521**	7,233
Dividends payable	**5,817**	11,674
Lease liabilities [Note 12]	**11,151**	10,568
Risk management contracts [Notes 4 & 5]	**10,482**	3,935
Total current liabilities	**168,521**	217,057
Risk management contracts [Notes 4 & 5]	**14,290**	6
Long-term debt [Note 11]	**1,245,154**	1,176,200
Lease liabilities [Note 12]	**65,336**	70,694
Decommissioning liability [Note 13]	**935,136**	859,143
Share awards liability [Note 14]	**2,768**	5,790
Deferred income tax	**-**	101,365
Total liabilities	**2,431,205**	2,430,255
Shareholders' Equity		
Share capital [Note 14]	**3,860,386**	3,860,962
Contributed surplus [Note 14]	**15,838**	18,413
Deficit	**(3,193,278)**	(951,165)
Total shareholders' equity	**682,946**	2,928,210
Total liabilities and shareholders' equity	**3,114,151**	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 INCOME (LOSS)
For the three months and six months ended June 30
(unaudited)

	Three months ended June 30		Six months ended June 30	
(CAD $000s, except per share amounts)	**2020**	2019	**2020**	2019
Revenue				
Petroleum and natural gas sales [Note 15]	**157,700**	379,344	**429,802**	734,195
Royalties	**(13,017)**	(70,420)	**(52,024)**	(129,696)
Petroleum and natural gas sales, net of royalties	**144,683**	308,914	**377,778**	604,499
Other Income				
Net gain (loss) on commodity contracts [Note 5]	**(57,639)**	17,821	**111,534**	(93,547)
Gain on acquisition [Note 6(a)(i)]	**-**	-	**28,131**	-
Total revenue and other income	**87,044**	326,735	**517,443**	510,952
Expenses				
Operating	**72,045**	80,004	**153,609**	160,646
Transportation	**15,386**	14,114	**30,959**	28,124
Marketing	**4,058**	4,006	**12,016**	15,362
General and administrative	**5,114**	6,714	**11,097**	13,363
Stock-based compensation [Note 5 &14]	**(2,440)**	3,495	**24,898**	8,300
Interest and financing [Note 11]	**12,301**	13,191	**34,284**	27,030
Accretion of decommissioning liabilities [Note 13]	**913**	1,778	**2,633**	5,436
Depletion, depreciation, and amortization [Note 7 & 9]	**80,777**	118,838	**205,895**	235,680
Impairment [Note 7 & 10]	**-**	-	**2,924,275**	-
Exploration and evaluation [Note 8]	**2,207**	619	**2,569**	1,992
Loss on Investment	**-**	1,364	**-**	1,364
Net gain on asset dispositions	**-**	-	**-**	(13)
Total expenses	**190,361**	244,123	**3,402,235**	497,284
Income (loss) before income taxes	**(103,317)**	82,612	**(2,884,792)**	13,668
Taxes				
Deferred income tax expense (recovery)	**(25,032)**	24,255	**(695,033)**	7,872
Net income (loss) and other comprehensive income (loss)	**(78,285)**	58,357	**(2,189,759)**	5,796
Net Income (Loss) Per Share ($/share) [Note 16]				
Basic	**(0.19)**	0.14	**(5.36)**	0.01
Diluted	**(0.19)**	0.14	**(5.36)**	0.01

See accompanying notes to the consolidated financial statements

WHITECAP RESOURCES INC.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six months ended June 30
(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)]	**(10,197)**	(4,996)
Contributed surplus adjustment on vesting of share awards	**9,621**	8,018
Balance, end of period	**3,860,386**	3,873,820
Contributed Surplus [Note 14(e)]		
Balance, beginning of year	**18,413**	15,719
Stock-based compensation	**7,046**	7,109
Share award vesting	**(9,621)**	(8,030)
Common shares repurchased [Note 14(c)]	**-**	-
Balance, end of period	**15,838**	14,798
Deficit		
Balance, beginning of year	**(951,165)**	(656,951)
Net income (loss) and other comprehensive income (loss)	**(2,189,759)**	5,796
Dividends	**(52,354)**	(68,152)
Balance, end of period	**(3,193,278)**	(719,307)

See accompanying notes to the consolidated financial statements

WHITECAP RESOURCES INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
For the three and six months ended June 30
(unaudited)

	Three months ended June 30		Six months ended June 30	
(CAD $000s)	**2020**	2019	**2020**	2019
Operating Activities				
Net income (loss) for the year	**(78,285)**	58,357	**(2,189,759)**	5,796
Items not affecting cash:				
Depletion, depreciation, and amortization [Note 7]	**80,777**	118,838	**205,895**	235,680
Impairment [Note 7 & 10]	**-**	-	**2,924,275**	-
Exploration and evaluation [Note 8]	**2,207**	619	**2,569**	1,992
Deferred income tax expense (recovery)	**(25,032)**	24,255	**(695,033)**	7,872
Stock-based compensation [Note 5 &14]	**2,095**	2,140	**4,972**	4,797
Accretion of decommissioning liabilities [Note 13]	**913**	1,778	**2,633**	5,436
Unrealized (gain) loss on risk management contracts [Note 5]	**97,090**	(29,470)	**(12,619)**	79,025
Loss on investment in limited partnership	**-**	1,364	**-**	1,364
Net gain on asset dispositions	**-**	-	**-**	(13)
Gain on acquisition [Note 6(a)(i)]	**-**	-	**(28,131)**	-
Settlement of decommissioning liabilities [Note 13]	**(1,631)**	(2,344)	**(4,891)**	(5,191)
Net change in non-cash working capital items [Note 17]	**(13,967)**	22,709	**14,751**	(1,660)
Cash flow from operating activities	**64,167**	198,246	**224,662**	335,098
Financing Activities				
Increase (decrease) in long-term debt	**61,178**	(82,275)	**68,954**	(81,229)
Common shares repurchased [Note 14]	**(2,302)**	(4,996)	**(10,197)**	(4,996)
Dividends	**(17,448)**	(34,686)	**(52,354)**	(68,152)
Principal portion of lease payments	**(2,685)**	(2,663)	**(5,295)**	(5,255)
Net change in non-cash working capital items [Note 17]	**(5,811)**	613	**(5,857)**	588
Cash flow from (used in) financing activities	**32,932**	(124,007)	**(4,749)**	(159,044)
Investing Activities				
Expenditures on property, plant and equipment	**(21,301)**	(26,463)	**(160,098)**	(151,367)
Expenditures on property acquisitions [Note 6]	**(5,208)**	(171)	**(5,284)**	(1,561)
Cash from property dispositions	**-**	(69)	**-**	565
Expenditures on corporate acquisitions net of cash acquired [Note 6]	**-**	-	**(16,894)**	-
Net change in non-cash working capital items [Note 17]	**(70,590)**	(47,536)	**(37,637)**	(23,691)
Cash flow used in investing activities	**(97,099)**	(74,239)	**(219,913)**	(176,054)
Change in cash, during the period	**-**	-	**-**	-
Cash, beginning of period	**-**	-	**-**	-
Cash, end of period	**-**	-	**-**	-
Cash Interest Paid	**12,463**	14,929	**22,310**	26,123

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 July 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 June 30, 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 June 30, 2020 and December 31, 2019:

	June 30, 2020			December 31, 2019		
($000s)	Asset	Liability	Net	Asset	Liability	Net
Gross amount	41,456	(26,946)	14,510	8,479	(6,588)	1,891
Amount offset	(2,174)	2,174	-	(2,647)	2,647	-
Net amount	39,282	(24,772)	14,510	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:

	June 30, 2020	December 31, 2019
Accounts receivable	141,749	172,225
Risk management contracts	39,282	5,832
Total exposure	181,031	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 June 30, 2020 pertains to accrued revenue for June 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 25^{th} 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 June 30, 2020, one Commodity Purchaser accounted for approximately 14 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. At June 30, 2020, there was $2.9 million (December 31, 2019 – $2.3 million) of receivables aged over 90 days. Subsequent to June 30, 2020, approximately $1.1 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 June 30, 2020:

($000s)	<1 year	1 to 2 years	2+ years	Total
Accounts payable and accrued liabilities	137,550	-	-	137,550
Dividends payable	5,817	-	-	5,817
Long-term debt (1)	21,605	218,249	1,092,757	1,332,611
Lease liabilities (1)	14,351	14,567	58,344	87,262
Share awards liability	3,521	1,853	915	6,289
Risk management contracts (2)	10,482	9,410	4,880	24,772
Total financial liabilities	193,326	244,079	1,156,896	1,594,301

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)	June 30 2020	December 31 2019
Current Assets		
Crude oil	38,933	304
Natural gas	202	176
Interest	-	829
Power	-	52
Equity	-	372
Total current assets	39,135	1,733
Long-term Assets		
Natural gas	147	-
Interest	-	3,215
Equity	-	884
Total long-term assets	147	4,099
Total fair value	**39,282**	**5,832**

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

($000s)	June 30 2020	December 31 2019
Current Liabilities		
Crude oil	208	3,922
Natural gas	694	13
Interest	2,086	-
Equity	7,494	-
Total current liabilities	10,482	3,935
Long-term Liabilities		
Crude oil	-	6
Natural Gas	429	-
Interest	4,905	-
Equity	8,956	-
Total long-term liabilities	14,290	6
Total fair value	**24,772**	**3,941**

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

	Three months ended June 30		Six months ended June 30	
($000s)	2020	2019	2020	2019
Realized gain (loss) on commodity contracts	50,386	(11,653)	70,175	(14,703)
Unrealized gain (loss) on commodity contracts	(108,025)	29,474	41,359	(78,844)
Net gain (loss) on commodity contracts	(57,639)	17,821	111,534	(93,547)
Realized gain (loss) on interest rate contracts (1)	(459)	3	(318)	95
Unrealized loss on interest rate contracts (1)	(1,317)	(4)	(11,034)	(181)
Realized loss on equity contracts (2)	(4,606)	-	(4,314)	-
Unrealized gain (loss) on equity contracts (2)	12,252	-	(17,706)	-
Net gain (loss) on risk management contracts	(51,769)	17,820	78,162	(93,633)

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 income (loss) before tax:

($000s)		June 30, 2020
	Increase 10%	Decrease 10%
Commodity Price		
Crude Oil	(15,474)	17,587
Natural Gas	(1,996)	1,996
Power	22	(22)
Differential		
Crude Oil	1,111	(1,111)

At June 30, 2020, the following commodity risk management contracts were outstanding with an asset fair market value of $39.3 million and liability fair market value of $1.3 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)
Collar	2020 Jul - Dec	19,000	63.32	82.01
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 Jul - Sep	2,000	MSW	7.00
Swap	2020 Jul - Dec	2,000	MSW	8.00
Swap	2020 Jul - 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 Jul - Oct	24,000	1.76
Swap	2020 Jul - Dec	5,000	1.82
Swap	2020 Nov - 2021 Mar	2,000	2.60
Swap	2021 Jan - Dec	14,000	2.07
Swap	2021 Apr - Oct	2,000	2.33

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 Jul - Dec	4,416	50.50

Note:

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

5) Contracts entered into subsequent to June 30, 2020

a) WTI Crude Oil Derivative Contracts

Type	Term	Volume (bbls/d)	Swap Price (US$/bbl) (1)
Swap	2020 Aug	1,000	40.50

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 June 30, 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 and $0.8 million for the three and six months ended June 30, 2020, respectively ($0.4 million and $0.7 million for the three and six months ended June 30, 2019, respectively). This assumes that the change in interest rate is effective from the beginning of the year and the amount of floating rate debt is at June 30, 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 income (loss) before tax:

($000s)		June 30, 2020
	Increase 0.25%	Decrease 0.25%
Interest rate swaps	2,039	(2,039)

At June 30, 2020, the following interest rate risk management contracts were outstanding with a liability fair market value of $7.0 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 income (loss) before tax:

($000s)		June 30, 2020
	Increase 10%	Decrease 10%
Total return swaps	1,867	(1,867)

At June 30, 2020, the following equity risk management contracts were outstanding with a liability fair market value of $16.5 million (December 31, 2019 – asset of $1.3 million):

1) Equity Derivative Contracts

Type	**Term**		**Notional Amount ($000s)** [(1)]	**Share Volume**
Swap	Jul 1, 2020	Oct 1, 2020	3,032	565,000
Swap	Jul 1, 2020	Oct 1, 2021	14,667	3,342,300
Swap	Jul 1, 2020	Oct 1, 2022	15,338	3,467,300
Swap	Jul 1, 2020	Oct 1, 2023	2,094	1,002,700

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 June 30, 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)	June 30 2020	December 31 2019
Accounts receivable	(141,749)	(172,225)
Deposits and prepaid expenses	(7,816)	(6,029)
Accounts payable and accrued liabilities	137,550	183,647
Dividends payable	5,817	11,674
Working capital deficiency	(6,198)	17,067
Long-term debt	1,245,154	1,176,200
Net debt	1,238,956	1,193,267
Shareholders' equity	682,946	2,928,210
Total capitalization	1,921,902	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 and six months ended June 30, 2020 and 2019 is calculated as follows:

	Three months ended June 30		Six months ended June 30	
($000s)	2020	2019	2020	2019
Cash flow from operating activities	64,167	198,246	224,662	335,098
Net change in non-cash working capital items	13,967	(22,709)	(14,751)	1,660
Funds flow	78,134	175,537	209,911	336,758

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 $3.4 million and operating income of $0.5 million since January 15, 2020. Had the acquisition closed on January 1, 2020, estimated contributed revenues would have been $4.0 million and estimated contributed operating income would have been $0.8 million for the period ended June 30, 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.

ii) Other Acquisitions

In the six months ended June 30, 2020, the Company acquired properties and consolidated working interests on existing assets in the Northwest Alberta and British Columbia and West Central Alberta cash generating units. The acquisitions were accounted for as business combinations under IFRS 3.

Net assets acquired ($000s):	
Petroleum and natural gas properties	6,646
Decommissioning liability	(1,362)
Total net assets acquired	**5,284**

Consideration:	
Cash consideration	5,284
Non-cash consideration	-
Total consideration	**5,284**

7. PROPERTY, PLANT AND EQUIPMENT

a) Net Carrying Amount

Net book value ($000s)	June 30 2020	December 31 2019
Petroleum and natural gas properties	8,675,522	8,420,443
Other assets	5,138	4,857
Property, plant and equipment, at cost	8,680,660	8,425,300
Less: accumulated depletion, depreciation, amortization and impairment	(6,461,321)	(3,460,942)
Total net carrying amount	2,219,339	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	229,430	281	229,711
Property acquisitions	6,646	-	6,646
Corporate acquisitions	17,999	-	17,999
Transfer from evaluation and exploration assets	1,004	-	1,004
Balance at June 30, 2020	8,675,522	5,138	8,680,660

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	198,478	308	198,786
Impairment	2,801,593	-	2,801,593
Balance at June 30, 2020	6,457,471	3,850	6,461,321

At June 30, 2020, $230.7 million of salvage value (June 30, 2019 – $215.7 million) was excluded from the depletion calculation. Future development costs of $3.8 billion (June 30, 2019 – $3.3 billion) were included in the depletion calculation. The Company capitalized $6.1 million (June 30, 2019 – $7.8 million) of administrative costs directly relating to development activities which includes $1.5 million (June 30, 2019 – $3.3 million) of stock-based compensation.

At March 31, 2020, as a result of the significant decrease in forward benchmark commodity prices compared to December 31, 2019, an impairment test on the Company's PP&E assets was performed. 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. 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 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 at March 31, 2020 was primarily a result of lower forecast benchmark commodity prices and the increase to the after-tax discount rate at March 31, 2020 to 13 percent compared to 10 percent at December 31, 2019.

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.

d) Impairment Test of Property, Plant and Equipment

At June 30, 2020, there were no indicators of impairment or impairment reversal.

8. EXPLORATION AND EVALUATION ASSETS

a) Net Carrying Amount

($000s)	June 30 2020	December 31 2019
Exploration and evaluation assets	46,908	40,923
Less: accumulated land expiries and write-offs	(33,986)	(31,417)
Total net carrying amount	12,922	9,506

b) Cost

($000s)	Undeveloped Land
Balance at December 31, 2019	40,923
Additions	6,839
Corporate acquisitions	150
Transfer to property, plant and equipment	(1,004)
Balance at June 30, 2020	46,908

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	2,569
Balance at June 30, 2020	33,986

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

At June 30, 2020, there were no indicators of impairment or impairment reversal.

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	3,612	92,413
Less: accumulated depreciation	(4,900)	(14,487)	(1,782)	(21,169)
Balance at June 30, 2020	23,540	45,874	1,830	71,244

b) Cost

($000s)	Offices	Facilities	Other	Total
Balance at December 31, 2019	28,440	60,361	3,092	91,893
Additions	-	-	520	520
Balance at June 30, 2020	28,440	60,361	3,612	92,413

c) Accumulated Depreciation

($000s)	Offices	Facilities	Other	Total
Balance at December 31, 2019	3,267	9,658	1,135	14,060
Depreciation	1,633	4,829	647	7,109
Balance at June 30, 2020	4,900	14,487	1,782	21,169

10. GOODWILL

At June 30, 2020, the Company had a goodwill balance of nil (December 31, 2019 – $122.7 million). At June 30, 2020 the Company had total accumulated goodwill impairment charges of $249.1 million (December 31, 2019 – $126.4 million). The recoverable amount of goodwill was determined as the FVLCD using a discounted cash flow method and was 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 was 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. 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.

11. LONG-TERM DEBT

($000s)	June 30 2020	December 31 2019
Bank debt	650,454	581,551
Senior secured notes	594,700	594,649
Long-term debt	1,245,154	1,176,200

a) Bank Debt

At June 30, 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. As at June 30, 2020 the amount drawn on the credit facilities was $651.7 million. 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 June 30, 2020:

Covenant Description		June 30 2020
Debt to EBITDA [1] [2]	Maximum Ratio 4.00	2.04
EBITDA to interest expense [1]	Minimum Ratio 3.50	12.73

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.

At June 30, 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

At June 30, 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	199,915	190,005
May 31, 2017	May 31, 2024	3.54%	200,000	199,889	182,599
December 20, 2017	December 20, 2026	3.90%	195,000	194,896	173,595
Balance at June 30, 2020			595,000	594,700	546,199

The senior secured notes are subject to the same debt to EBITDA ratio and EBITDA to interest expense ratio described under the credit facility. At June 30, 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:

($000s)	Three months ended June 30 2020	Three months ended June 30 2019	Six months ended June 30 2020	Six months ended June 30 2019
Interest expense	9,646	12,196	21,149	24,936
Interest expense, lease liabilities [Note 12]	879	994	1,783	2,008
Unrealized losses on interest rate contracts	1,317	4	11,034	181
Realized (gains) losses on interest rate contracts	459	(3)	318	(95)
Interest and financing expense	12,301	13,191	34,284	27,030

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)	June 30 2020	December 31 2019
Current portion	11,151	10,568
Non-current portion	65,336	70,694
Lease liabilities	76,487	81,262

For the three and six months ended June 30, 2020, interest expense of $0.9 million and $1.8 million, respectively, and total cash outflows of $3.6 million and $7.1 million, respectively, were recognized relating to lease liabilities.

For the three and six months ended June 30, 2019, interest expense of $1.0 million and $2.0 million, respectively, and total cash outflows of $3.7 million and $7.3 million, respectively, were recognized relating to lease liabilities.

13. DECOMMISSIONING LIABILITY

($000s)	
Balance at December 31, 2019	859,143
Liabilities incurred	780
Liabilities acquired	3,311
Liabilities settled	(4,891)
Revaluation of liabilities acquired [1]	14,813
Change in estimate	59,347
Accretion expense	2,633
Balance at June 30, 2020	935,136

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 1.0 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 $1.0 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	1,196	-
Common shares repurchased	(2,634)	(10,197)
Contributed surplus adjustment on vesting of share awards	-	9,621
Balance at June 30, 2020	408,181	3,860,386

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.

On May 14, 2020, the Company announced the approval of its renewed NCIB by the TSX (the "2020 NCIB"). The 2020 NCIB allows the Company to purchase up to 20,406,799 common shares over a period of twelve months commencing on May 21, 2020.

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 June 30		Six months ended June 30	
(000s except per share amounts)	2020	2019	2020	2019
Shares repurchased	1,000	1,076	2,634	1,076
Average cost ($/share)	2.30	4.64	3.87	4.64
Amounts charged to				
Share capital	2,302	4,996	10,197	4,996
Share repurchase cost	2,302	4,996	10,197	4,996

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 June 30, 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. Time-based awards and performance awards issued to employees of the Company and independent outside directors have vesting periods ranging from 1 to 3 years.

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 $2.89 per award granted during the period ended June 30, 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	507	2,062	2,569
Forfeited	(20)	(14)	(34)
Vested	(343)	(824)	(1,167)
Balance at June 30, 2020	2,234	6,640	8,874

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	7,046
Share award vesting	(9,621)
Balance at June 30, 2020	15,838

f) Dividends

Dividends declared were $0.04 and $0.13 per common share in the three and six months ended June 30, 2020, respectively ($0.08 and $0.17 in the three and six months ended June 30, 2019).

On July 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 July 31, 2020. The dividend payment date is August 17, 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 June 30		Six months ended June 30	
($000s)	2020	2019	2020	2019
Crude oil	130,626	358,341	375,285	674,292
NGLs	6,338	9,045	12,020	20,059
Natural gas	13,503	7,344	27,479	23,618
Petroleum and natural gas revenues	150,467	374,730	414,784	717,969
Tariffs	(2,686)	(2,788)	(5,772)	(6,347)
Processing & other income	6,141	3,480	8,341	6,740
Marketing revenue	3,778	3,912	12,449	15,833
Petroleum and natural gas sales	157,700	379,334	429,802	734,195

Substantially all of petroleum and natural gas revenues for the three and six months ended June 30, 2020 are derived from variable price contracts based on index prices.

Included in accounts receivable at June 30, 2020 is $90.0 million (June 30, 2019 – $106.7 million) of accrued petroleum and natural gas revenues related to June 2020 production.

16. PER SHARE RESULTS

	Three months ended June 30		Six months ended June 30	
(000s except per share amounts)	2020	2019	2020	2019
Per share income (loss) ($/share)				
Basic	(0.19)	0.14	(5.36)	0.01
Diluted	(0.19)	0.14	(5.36)	0.01
Weighted average shares outstanding				
Basic	408,146	413,192	408,384	413,324
Diluted (1)	408,146	416,626	408,384	416,081

Note:

(1) For the three and six months ended June 30, 2020, 8.9 million share awards (2.1 million and 4.4 million share awards for the three and six months ended June 30, 2019, respectively) 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:

	Three months ended June 30		Six months ended June 30	
($000s)	2020	2019	2020	2019
Accounts receivable	(17,040)	26,196	33,012	(13,330)
Deposits and prepaid expenses	(1,820)	223	(1,786)	1,146
Accounts payable and accrued liabilities	(68,564)	(52,419)	(47,939)	(13,755)
Share awards liability – current	1,911	3,590	(3,712)	1,972
Dividend payable	(5,811)	613	(5,857)	588
Share awards liability	1,627	(2,098)	(3,022)	(397)
Change in non-cash working capital	(89,697)	(23,895)	(29,304)	(23,776)
Related to:				
Operating activities	(13,967)	22,709	14,751	(1,660)
Financing activities	(5,811)	613	(5,857)	588
Investing activities	(70,590)	(47,536)	(37,637)	(23,691)
Items not impacting cash	671	319	(561)	987

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	-	520	-
Cash flows	68,229	(5,295)	-
Amortization of debt issuance costs	725	-	-
Change in dividends payable	-	-	(5,857)
Balance at June 30, 2020	1,245,154	76,487	5,817

18. COMMITMENTS

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

($000s)	2020	2021	2022	2023+	Total
Lease liabilities (1) [Note 12]	7,087	14,459	14,780	50,936	87,262
Service agreements	985	1,968	1,966	9,584	14,503
Transportation agreements	18,618	20,971	28,170	137,861	205,620
CO_2 purchase commitments	19,280	39,011	39,791	101,341	199,423
Long-term debt (1)	10,891	21,605	214,761	1,085,354	1,332,611
Total	56,861	98,014	299,468	1,385,076	1,839,419

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 and six months ended June 30, 2020, the Company incurred $0.1 million and $0.3 million for legal fees and disbursements, respectively (nil and $0.1 million for the three and six months ended June 30, 2019, respectively). 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. At June 30, 2020, no accounts payable amount (nil – June 30, 2019) was outstanding.