WHITECAP RESOURCES INC.
CONSOLIDATED BALANCE SHEET
(unaudited)

As at (CAD $000s)	**September 30 2017**	December 31 2016
Assets		
Current Assets		
Accounts receivable	**108,813**	102,168
Deposits and prepaid expenses	**10,717**	8,998
Risk management contracts [Notes 4 & 5]	**7,326**	28
	126,856	111,194
Property, plant and equipment [Notes 6 & 7]	**4,720,001**	4,699,548
Exploration and evaluation [Note 8]	**12,008**	14,115
Investment in limited partnership [Note 9]	**13,203**	13,625
Goodwill [Note 10]	**122,682**	122,682
Risk management contracts [Notes 4 & 5]	**1,612**	-
Deferred income tax	**198,513**	173,776
	5,194,875	5,134,940
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	**151,402**	147,768
Dividends payable	**8,617**	8,583
Risk management contracts [Notes 4 & 5]	**34,171**	75,065
	194,190	231,416
Risk management contracts [Notes 4 & 5]	**5,644**	49,393
Long-term debt [Note 11]	**802,408**	773,395
Decommissioning liability [Note 12]	**608,332**	609,729
Deferred income tax	**406,245**	338,814
	2,016,819	2,002,747
Shareholders' Equity		
Share capital [Note 13]	**3,472,496**	3,452,671
Contributed surplus [Note 13]	**36,139**	40,412
Deficit	**(330,579)**	(360,890)
	3,178,056	3,132,193
	5,194,875	5,134,940

Commitments (Note 16)

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 and nine months ended September 30
(unaudited)

	Three months ended September 30		Nine months ended September 30	
(CAD $000s, except per share amounts)	**2017**	2016	**2017**	2016
Revenue				
Petroleum and natural gas sales	**232,882**	178,498	**716,334**	426,157
Royalties	**(31,398)**	(27,158)	**(103,878)**	(58,783)
Petroleum and natural gas sales, net of royalties	**201,484**	151,340	**612,456**	367,374
Net gain (loss) on commodity and foreign exchange contracts [Note 5]	**(8,573)**	4,457	**74,775**	34,100
	192,911	155,797	**687,231**	401,474
Expenses				
Operating	**56,498**	41,322	**162,681**	112,646
Transportation	**9,863**	3,446	**23,665**	10,236
General and administrative	**6,924**	6,072	**20,321**	16,352
Stock-based compensation [Note 13]	**3,833**	3,975	**13,317**	15,556
Transaction costs	**-**	-	**-**	350
Interest and financing	**5,926**	7,274	**20,195**	23,524
Accretion of decommissioning liabilities [Note 12]	**4,265**	2,928	**11,077**	8,909
Depletion, depreciation and amortization [Note 7]	**98,773**	80,382	**284,552**	225,399
Exploration and evaluation [Note 8]	**397**	540	**1,912**	4,596
Net (gain) loss on asset dispositions [Note 7]	**-**	-	**(944)**	6,240
	186,479	145,939	**536,776**	423,808
Income (loss) before income taxes	**6,432**	9,858	**150,455**	(22,334)
Taxes				
Deferred income tax expense (recovery)	**2,743**	3,508	**42,694**	(1,978)
Net income (loss) and other comprehensive income (loss)	**3,689**	6,350	**107,761**	(20,356)
Net Income (Loss) Per Share ($/share) [Note 14]				
Basic	**0.01**	0.02	**0.29**	(0.06)
Diluted	**0.01**	0.02	**0.29**	(0.06)

See accompanying notes to the consolidated financial statements

WHITECAP RESOURCES INC.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the nine months ended September 30
(unaudited)

(CAD $000s)	**2017**	2016
Share Capital [Note 13(b)]		
Balance, beginning of year	**3,452,671**	2,881,762
Issued for cash through public prospectus offering	**-**	563,823
Share issue costs, net of deferred income tax	**-**	(19,670)
Issued on exercise of options	**-**	2,561
Common shares repurchased [Note 13(c)]	**(3,980)**	-
Contributed surplus adjustment on exercise of options	**-**	988
Contributed surplus adjustment on vesting of share awards	**23,805**	16,895
Balance, end of period	**3,472,496**	3,446,359
Contributed Surplus [Note 13(e)]		
Balance, beginning of year	**40,412**	39,971
Award incentive plan and option-based awards	**19,538**	22,859
Option exercises	**-**	(988)
Share award vesting	**(23,805)**	(16,895)
Common shares repurchased [Note 13(c)]	**(6)**	-
Balance, end of period	**36,139**	44,947
Deficit		
Balance, beginning of year	**(360,890)**	(415,117)
Net income (loss) and other comprehensive income (loss)	**107,761**	(20,356)
Dividends	**(77,450)**	(90,776)
Balance, end of period	**(330,579)**	(526,249)

See accompanying notes to the consolidated financial statements

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

	Three months ended September 30		Nine months ended September 30	
(CAD $000s)	**2017**	2016	**2017**	2016
Operating Activities				
Net income (loss) for the period	**3,689**	6,350	**107,761**	(20,356)
Items not affecting cash:				
Depletion, depreciation and amortization [Note 7]	**98,773**	80,382	**284,552**	225,399
Exploration and evaluation [Note 8]	**397**	540	**1,912**	4,596
Deferred income tax expense (recovery)	**2,743**	3,508	**42,694**	(1,978)
Stock-based compensation [Note 13]	**3,833**	3,975	**13,317**	15,556
Accretion of decommissioning liabilities [Note 12]	**4,265**	2,928	**11,077**	8,909
Unrealized (gain) loss on risk management contracts [Note 5]	**6,060**	8,880	**(93,553)**	29,174
Net (gain) loss on asset dispositions [Note 7]	**-**	-	**(944)**	6,240
Settlement of decommissioning liabilities [Note 12]	**(781)**	(237)	**(1,732)**	(607)
Net change in non-cash working capital items [Note 15]	**(18,716)**	(16,855)	**(3,197)**	(598)
	100,263	89,471	**361,887**	266,335
Financing Activities				
Increase (decrease) in long-term debt	**41,458**	(39,109)	**29,013**	(81,166)
Option exercises	**-**	568	**-**	2,561
Common shares repurchased [Note 13]	**(877)**	-	**(3,986)**	-
Dividends	**(25,851)**	(25,698)	**(77,450)**	(90,776)
Issuance of share capital, net of share issue costs	**-**	-	**-**	536,883
Net change in non-cash working capital items [Note 15]	**1**	2	**34**	(10,222)
	14,731	(64,237)	**(52,389)**	357,280
Investing Activities				
Expenditures on property, plant and equipment	**(90,033)**	(33,134)	**(282,063)**	(94,655)
Expenditures on property acquisitions	**(24,962)**	(987)	**(28,378)**	(601,020)
Cash from property dispositions	**-**	281	**2,054**	97,471
Partnership investment income received [Note 9]	**142**	142	**422**	659
Net change in non-cash working capital items [Note 15]	**(141)**	8,464	**(1,533)**	(26,070)
	(114,994)	(25,234)	**(309,498)**	(623,615)
Change in cash, during the period	**-**	-	**-**	-
Cash, beginning of period	**-**	-	**-**	-
Cash, end of period	**-**	-	**-**	-
Cash Interest Paid	**8,754**	8,565	**21,810**	27,142

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, 2016.

The policies applied in these condensed interim consolidated financial statements are based on International Financial Reporting Standards ("IFRS") issued and outstanding as at October 31, 2017, 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 statements except as discussed below. 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, 2016.

a) Standards issued but not yet effective

The Company has reviewed the new and revised accounting pronouncements listed below that have been issued, but are not yet effective. There are no other standards or interpretations issued, but not yet adopted, that are anticipated to have a material effect on the reported income or net assets of the Company.

i) IFRS 9 Financial Instruments ("IFRS 9") (2013 & 2014)

IFRS 9 (2013) significantly revises the existing hedge accounting guidance in IAS 39 *Financial Instruments: Recognition and Measurement* and is intended to align hedging with an entity's risk management strategies. IFRS 9 (2014) incorporates a further amendment to classification categories for financial assets, and includes a new impairment model. IFRS 9 (2013 & 2014) are effective for annual periods beginning on or after January 1, 2018. The impact of the standard has been evaluated and is expected to have no material impact on the Company's financial statements.

ii) IFRS 15 Revenue from Contracts with Customers ("IFRS 15")

IFRS 15 was issued in May 2014 and replaces IAS 18 *Revenue*, IAS 11 *Construction Contracts* and related interpretations. The standard is required to be adopted either retrospectively or using a modified transaction approach for fiscal years beginning on or after January 1, 2018 with earlier adoption permitted. The impact of the standard has been evaluated and is expected to have no material impact on the Company's financial statements. Additional disclosure may be required upon implementation of IFRS 15 in order to provide sufficient information to enable users to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from the contracts with customers.

iii) IFRS 16 Leases ("IFRS 16")

IFRS 16 was issued in January 2016 and replaces IAS 17 *Leases* and related interpretations. The standard is required to be adopted either retrospectively or by recognising the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 is effective for fiscal years beginning on or after January 1, 2019 with earlier adoption permitted if IFRS 15 *Revenue from Contracts with Customers* has also been adopted. Whitecap is currently evaluating the impact of the standard on the Company's consolidated financial statements.

b) Financial Instruments

The Company has accounted for its forward physical delivery sales contracts, which were entered into and continue to be held for the purpose of receipt or delivery of non-financial items, in accordance with its expected purchase, sale or usage requirements as executory contracts. As such, these contracts are not considered to be derivative financial instruments and have not been recorded at fair value on the consolidated balance sheet. Realized gains or losses from commodity physical delivery sales contracts are recognized in petroleum and natural gas sales as the contracts are settled.

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 market place.

- 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 has a fair value hierarchy of Level 2. The fair value measurement of PP&E, E&E, goodwill, and the investment in limited partnership 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 investments.

a) Property, Plant and Equipment ("PP&E") and Exploration and Evaluation ("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 are estimated with reference to the market values of current arm's length transactions in comparable locations.

b) Deposits, Accounts Receivable, Bank Debt, Dividends Payable, Accounts Payable and Accrued Liabilities

The fair value of deposits, accounts receivable, bank debt, 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 September 30, 2017 and December 31, 2016, the fair value of these balances approximated their carrying value.

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.

d) Stock Options and Share Awards

The fair values of stock options and 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.

e) Investment in Limited Partnership

The fair value of the investment in limited partnership is based on the Company's share of the fair value of the limited partnership's cash, accounts receivable, prepaid expenses and deposits, risk management contracts, loan to parent, PP&E, accounts payable and accrued liabilities and decommissioning obligations. The fair values are determined using the methods in the preceding paragraphs as applicable.

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 September 30, 2017 and December 31, 2016:

	September 30, 2017			December 31, 2016		
($000s)	Asset	Liability	Net	Asset	Liability	Net
Gross amount	13,669	(44,546)	(30,877)	1,804	(126,234)	(124,430)
Amount offset	(4,731)	4,731	-	(1,776)	1,776	-
Net amount	8,938	(39,815)	(30,877)	28	(124,458)	(124,430)

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:

	September 30, 2017	December 31, 2016
Accounts receivable	108,813	102,168
Risk management contracts	8,938	28
	117,751	102,196

Joint interest receivables are typically collected within one to three months following production. The majority of the credit exposure on accounts receivable at September 30, 2017 pertains to accrued revenue for September 2017 production volumes. Whitecap transacts with a number of oil and natural gas marketing companies and commodity end users ("commodity purchasers"). Commodity purchasers and marketing companies 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 September 30, 2017, two commodity purchasers and marketing companies accounted for approximately 17 percent and 9 percent of the total accounts receivable balance and are not considered a credit risk.

Whitecap has not previously experienced any material credit loss in the collection of accounts receivable.

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 September 30, 2017, there was $1.8 million (December 31, 2016 – $0.8 million) of receivables aged over 90 days. Subsequent to September 30, 2017, approximately $0.7 million (December 31, 2016 – $0.6 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. 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 Whitecap's financial liabilities as at September 30, 2017:

($000s)	<1 year	1 to 2 years	2+ years	Total
Accounts payable and accrued liabilities	151,402	-	-	151,402
Dividends payable	8,617	-	-	8,617
Long-term debt (1)	14,000	416,408	448,732	879,140
Risk management contracts (1)	34,171	5,644	-	39,815
Total financial liabilities	208,190	422,052	448,732	1,078,974

Note:

(1) These amounts include the notional principal and interest payments. Interest rate swaps are included in risk management contracts.

The following table details Whitecap's financial liabilities as at December 31, 2016:

($000s)	<1 year	1 to 2 years	2+ years	Total
Accounts payable and accrued liabilities	147,768	-	-	147,768
Dividends payable	8,583	-	-	8,583
Long-term debt [(1)]	13,522	602,053	186,499	802,074
Risk management contracts [(1)]	75,065	49,040	353	124,458
Total financial liabilities	244,938	651,093	186,852	1,082,883

Note:

(1) These amounts include the notional principal and interest payments. 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 and foreign exchange risk as discussed below.

Whitecap's consolidated balance sheet included the following fair value on risk management assets outstanding:

($000s)	September 30 2017	December 31 2016
Current Assets		
Crude oil	1,317	-
Natural gas	3,524	-
Interest	-	28
Foreign exchange	2,485	-
Total current assets	7,326	28
Long-term Assets		
Crude oil	549	-
Interest	19	-
Power	27	-
Foreign exchange	1,017	-
Total long-term assets	1,612	-
Total fair value	**8,938**	**28**

Whitecap's consolidated balance sheet included the following fair value on risk management liabilities outstanding:

($000s)	September 30 2017	December 31 2016
Current Liabilities		
Crude oil	31,581	51,702
Natural gas	-	3,443
Interest	2,135	5,023
Power	338	582
Foreign exchange	117	14,315
Total current liabilities	34,171	75,065
Long-term Liabilities		
Crude oil	5,636	34,957
Interest	8	3,786
Power	-	370
Foreign exchange	-	10,280
Total long-term liabilities	5,644	49,393
Total fair value	**39,815**	**124,458**

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

	Three months ended September 30		Nine months ended September 30	
($000s)	2017	2016	2017	2016
Realized gain (loss) on commodity and FX contracts	424	14,830	(12,122)	66,804
Unrealized gain (loss) on commodity and FX contracts	(8,997)	(10,373)	86,897	(32,704)
Net gain (loss) on commodity and FX contracts	(8,573)	4,457	74,775	34,100
Realized loss on interest rate contracts (1)	(1,026)	(1,276)	(3,581)	(3,822)
Unrealized gain on interest rate contracts (1)	2,937	1,493	6,656	3,530
Net gain (loss) on risk management contracts	(6,662)	4,674	77,850	33,808

Note:
(1) The gain (loss) on interest rate risk management contracts is included in interest and financing expense.

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 before tax:

($000s)		September 30, 2017
	Increase 10%	Decrease 10%
Commodity Price		
Crude Oil	(32,452)	32,210
Natural Gas	(935)	935
Power	265	(265)
Differential		
Crude oil	6,994	(6,994)

At September 30, 2017, the following risk management contracts were outstanding with an asset fair market value of $5.4 million and a liability fair market value of $37.6 million (December 31, 2016 – liability of $91.1 million):

1) WTI Crude Oil Derivative Contracts

Type	**Term**	**Volume (bbls/d)**	**Sold Call Price ($/bbl) (1)**	**Sold Put Price ($/bbl)**	**Bought Put Price ($/bbl)**	**Swap Price ($/bbl) (1)**
Swap	2017 Oct – Dec	4,000				C$69.80
Swap (2)	2017 Oct – Dec	10,450				US$50.40
Sold put/call (3)	2017 Oct – Dec	3,000	US$85.83	US$60.00		
Collar	2017 Oct – Dec	1,000	C$82.83		C$60.00	
Swap	2018 Jan – Jun	4,000				C$63.06
Swap	2018 Apr – Dec	1,000				C$65.14
Swap	2018	5,000				C$62.41
Swap	2018	4,000				US$53.28
Sold put/call (3)	2018	3,000	US$85.83	US$60.00		

Notes:

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

(2) 1,500 bbls/d at US$48.00/bbl and 1,500 bbls/d at US$48.05/bbl are extendable through 2018 at the option of the counterparties through the exercise of a one-time option on December 29, 2017.

(3) In the third quarter of 2015, Whitecap optimized its previous 6,000 bbls/d sold puts with an average strike price of US$66.68/bbl in 2016 by lowering the strike price to US$50.00/bbl and concurrently sold 2017 and 2018 put and call options with strike prices of US$60.00/bbl and US$85.83/bbl respectively. The optimization was completed on a costless basis.

2) WTI Crude Oil Differential Derivative Contracts

Type	**Term**	**Volume (bbls/d)**	**Basis (1)(2)**	**Swap Price (C$/bbl) (3)**
Swap	2017 Oct – Dec	19,000	MSW	4.19 (4)
Swap	2018 Jan – Jun	2,000	MSW	4.53
Swap	2018	6,000	MSW	4.69
Swap	2017 Oct – Dec	8,000	WCS	20.16 (4)
Swap	2018 Jan – Jun	4,000	WCS	19.45
Swap	2018 Jul – Dec	3,000	WCS	19.33
Swap	2018	3,000	WCS	19.75

Notes:

(1) Mixed Sweet Blend (“MSW”).

(2) Western Canadian Select (“WCS”).

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

(4) Contracts executed in USD were converted to CAD through a foreign exchange contract.

3) Natural Gas Derivative Contracts

Type	**Term**	**Volume (GJ/d)**	**Sold Call Price ($/GJ)**	**Bought Put Price ($/GJ)**	**Swap Price ($/GJ)** (1)
Swap	2017 Oct – Dec	31,000			2.96
Collar	2017 Oct – 2018 Mar	2,500	3.47	2.75	
Collar	2018 Jan – Jun	2,500	3.08	2.55	

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	2017 Oct – Dec	13,248	43.15
Swap	2018	43,800	47.19
Swap	2019	8,760	43.30

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

5) Contracts entered into subsequent to September 30, 2017

a) WTI Crude Oil Derivative Contracts

Type	**Term**	**Volume (bbls/d)**	**Swap Price ($/bbl)** (1)
Swap	2018 Jul – Dec	3,000	C$65.18
Swap	2019 Jan – Jun	1,000	C$65.13

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

b) WTI Crude Oil Differential Derivative Contracts

Type	**Term**	**Volume (bbls/d)**	**Basis** (1)(2)	**Swap Price (C$/bbl)** (3)
Swap	2018	3,000	MSW	4.40
Swap	2018 Jul – Dec	1,000	WCS	18.50

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

c) Natural Gas Derivative Contracts

Type	**Term**	**Volume (GJ/d)**	**Swap Price ($/GJ)** (1)
Swap	2018 Jan – Mar	5,000	2.34

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 an $850 million revolving production facility and a $50 million revolving operating facility. The revolving production 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 September 30, 2017 were to have increased or decreased by 25 basis points, it is estimated that the Company’s income (loss) before tax would change by approximately $0.3 million and $0.8 million for the three and nine months ended September 30, 2017, respectively ($0.3 million and $0.7 million for the three and nine months ended September 30, 2016, respectively). This assumes that the change in interest rate is effective from the beginning of the quarter and the amount of floating rate debt is as at September 30, 2017.

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 before tax:

($000s)		September 30, 2017
	Increase 0.25%	Decrease 0.25%
Interest rate swaps	1,284	(1,284)

At September 30, 2017, the following interest rate contracts were outstanding with a liability fair market value of $2.1 million (December 31, 2016 – asset of $0.1 million and liability of $8.8 million):

1) Interest Rate Contracts

Type	Term		Amount ($000s)	Fixed Rate (%)	Index [1]
Swap	03-Oct-13	03-Oct-18	200,000	2.45	CDOR
Swap	01-May-14	01-May-19	200,000	1.97	CDOR

Note:

(1) Canadian Dollar Offered Rate ("CDOR").

iii) Foreign Exchange Risk

The Company is exposed to the risk of changes in the U.S./Canadian dollar exchange rate ("USD/CAD") 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. The Company assesses the effects of movement in USD/CAD on income before tax. When assessing the potential impact of these USD/CAD changes, the Company believes 0.01 volatility is a reasonable measure. An increase or decrease of 0.01 in USD/CAD would have resulted in the following impact to unrealized gains (losses) on risk management contracts and net income before tax:

($000s)		September 30, 2017
	Increase 0.01	Decrease 0.01
Foreign exchange	(1,166)	1,216

At September 30, 2017, the following foreign exchange contracts were outstanding with an asset fair market value of $3.5 million and a liability fair market value of $0.1 million (December 31, 2016 – liability of $24.6 million):

1) Foreign exchange contracts

Type	Term	Monthly Notional Amount	USD/CAD [1]
Monthly average rate forward	2017 Oct – Dec	US$5.0 million	1.2580
Monthly average rate forward	2018 Jan – Jun	US$3.0 million	1.2424

Note:

(1) Rates reported are the weighted average rates for the period.

Type	Term	Monthly Notional Amount	Floor [1]	Ceiling [1]	Conditional Ceiling [1] [2]
Average rate variable collar	2017 Oct – Dec	US$11.0 million	1.2482	1.3188	1.2614
Average rate variable collar	2018 Jan – Jun	US$8.0 million	1.2535	1.3914	1.2858
Average rate variable collar	2018 Jul – Dec	US$11.0 million	1.2500	1.4359	1.3071

Notes:

(1) Rates reported are the weighted average rates for the period.

(2) If the USD/CAD average monthly rate settles above the ceiling rate the settlement amount is based on the conditional ceiling.

e) Physical Purchase and Sale Contracts

i) Contracts entered into subsequent to September 30, 2017

1) WTI Crude Oil Differential Derivative Contracts

Type	Term	Volume (bbls/d)	Basis [(1)]	Swap Price (C$/bbl) [(2)]
Swap	2018	3,000	MSW	4.15

Notes:

(1) Mixed Sweet Blend ("MSW").

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

f) 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.

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

($000s)	September 30 2017	December 31 2016
Current assets [(1)]	(119,530)	(111,166)
Current liabilities [(1)]	160,019	156,351
Working capital deficiency	40,489	45,185
Long-term debt	802,408	773,395
Net debt	842,897	818,580
Shareholders' equity	3,178,056	3,132,193
Total capitalization	4,020,953	3,950,773

Note:

(1) Excluding risk management contracts.

6. ACQUISITIONS

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

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. 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, 2017.

a) 2017 Acquisitions

i) Boundary Lake Property Acquisition

On July 6, 2017, the Company closed the acquisition of certain light oil assets in the Boundary Lake area. The property acquisition was accounted for as a business combination under IFRS 3.

The light oil assets acquired have contributed revenues of $0.7 million and operating income of $0.4 million since July 6, 2017. Had the acquisition closed on January 1, 2017, estimated contributed revenues would have been $2.6 million and estimated contributed operating income would have been $1.6 million for the period ended September 30, 2017.

Net assets acquired ($000s)	
Petroleum and natural gas properties	17,588
Decommissioning liability	(168)
	17,420

Cash consideration	
Total consideration	**17,420**

ii) Other Property Acquisitions

In the nine months ended September 30, 2017, the Company acquired strategic tuck-in properties and working interests that complement existing assets in the Northwest Alberta and British Columbia ("NABC") cash generating unit ("CGU") and the West Central Alberta ("WCAB") CGU. The property acquisitions were accounted for as business combinations under IFRS 3.

Net assets acquired ($000s) (1)	
Petroleum and natural gas properties	14,691
Cash	197
Decommissioning liability	(242)
	14,646

Consideration (1)	
Cash consideration	10,958
Non-cash consideration	3,688
Total consideration	**14,646**

Note:
(1) Net assets acquired and consideration include the impact of an asset swap transaction which closed on January 26, 2017 in which $3.5 million of PP&E assets and $0.2 million of cash were received in exchange for properties in northwest Alberta. The net book value of the properties disposed in the asset swap transaction was $2.7 million.

7. PROPERTY, PLANT AND EQUIPMENT

Net book value ($000s)	September 30 2017	December 31 2016
Petroleum and natural gas properties	6,257,541	5,954,201
Other assets	2,608	2,163
Property, plant and equipment, at cost	6,260,149	5,956,364
Less: accumulated depletion, depreciation, amortization and impairment	(1,540,148)	(1,256,816)
Total net carrying amount	4,720,001	4,699,548

Cost ($000s)	Oil and natural gas properties	Other assets	Total
Balance at December 31, 2016	5,954,201	2,163	5,956,364
Additions	277,626	445	278,071
Property acquisitions	29,370	-	29,370
Transfer from evaluation and exploration assets	2,300	-	2,300
Disposals	(5,956)	-	(5,956)
Balance at September 30, 2017	6,257,541	2,608	6,260,149

a) Non-Core Asset Dispositions

During the nine months ended September 30, 2017, the Company recognized a net gain of $0.9 million, ($6.2 million net loss for the nine months ended September 30, 2016). The gain was attributable to an asset swap transaction in which Whitecap disposed of certain non-core producing properties in northwest Alberta.

b) Accumulated Depletion, Depreciation, Amortization and Impairment

Accumulated depletion, depreciation, amortization and impairment ($000s)	Oil and natural gas properties	Other assets	Total
Balance at December 31, 2016	1,255,212	1,604	1,256,816
Depletion, depreciation and amortization	284,207	345	284,552
Disposals	(1,220)	-	(1,220)
Balance at September 30, 2017	1,538,199	1,949	1,540,148

At September 30, 2017, $193.1 million of salvage value (September 30, 2016 – $191.9 million) was excluded from the depletion calculation. Future development costs of $1.6 billion (September 30, 2016 – $1.9 billion) were included in the depletion calculation. The Company capitalized $11.8 million (September 30, 2016 – $10.6 million) of administrative costs directly relating to development activities which includes $6.2 million (September 30, 2016 – $7.3 million) of stock-based compensation.

c) Impairment Test of Property, Plant and Equipment

There were no indicators of impairment at September 30, 2017.

8. EXPLORATION AND EVALUATION

($000s)	September 30 2017	December 31 2016
Exploration and evaluation assets	39,977	40,172
Less: accumulated land expiries and write-offs	(27,969)	(26,057)
Total net carrying amount	12,008	14,115

($000s)	Undeveloped Land
Balance at December 31, 2016	40,172
Property acquisitions	2,909
Disposals	(804)
Transfer to property, plant and equipment	(2,300)
Balance at September 30, 2017	39,977

($000s)	Accumulated land expiries and write-offs
Balance at December 31, 2016	26,057
Land expiries and write-offs	1,912
Balance at September 30, 2017	27,969

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 period.

a) Impairment Test of Exploration and Evaluation

There were no indicators of impairment at September 30, 2017.

9. INVESTMENT IN LIMITED PARTNERSHIP

($000s)	September 30 2017	December 31 2016
Investment in limited partnership, beginning of year	13,625	24,256
Unrealized loss on investment	-	(9,787)
Partnership distributions	(422)	(844)
Investment in limited partnership, end of period	13,203	13,625

On June 26, 2014, the Company acquired a ten percent interest in an oil and gas limited partnership. The investment is recorded at fair value and any subsequent gains or losses recorded in net income. At September 30, 2017, the investment is recorded at a fair value of $13.2 million which was $29.6 million less than the original cost of the investment. See Note 4 - "Determination of Fair Values" for additional information regarding the Company's Level 3 investment. The Company's key assumptions used in determining the fair value include reserves, discount rate, future commodity prices, operating costs and capital expenditures. Refer to Note 4 – "Determination of Fair Values" for a description of the methodology used in the determination of fair values.

10. GOODWILL

At September 30, 2017, the Company had goodwill of $122.7 million (December 31, 2016 - $122.7 million). The recoverable amount of goodwill is determined as the fair value less costs of disposal using a discounted cash flow method and is assessed at the corporate level. The Company's key assumptions used in determining the fair value less costs of disposal 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

There were no indicators of impairment at September 30, 2017.

11. LONG-TERM DEBT

($000s)	September 30 2017	December 31 2016
Bank debt	402,841	773,395
Senior secured notes	399,567	-
Long-term debt	802,408	773,395

a) Bank Debt

As at September 30, 2017, the Company had a $900 million credit facility with a syndicate of Canadian banks. The credit facility consists of an $850 million revolving production facility and a $50 million revolving operating facility. At the end of the revolving period, being April 29, 2018, the revolving credit facility converts into a 366-day term loan if not renewed. The revolving facilities may be extended for a further 364-day revolving period upon the request of Whitecap, subject to approval by the banks. 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 fixed and floating charge debenture on the assets of the Company. In the second quarter of 2017, Whitecap repaid its $372 million term loan facility with banker's acceptances under the Company's revolving production facility.

The credit facility has two financial covenants, whereby the Company's ratio of Debt to EBITDA shall not exceed 4.00:1.00 and the ratio of EBITDA to interest expense shall not be less than 3.50:1.00. The EBITDA used in the covenant calculation is adjusted for non-cash items, transaction costs and extraordinary and non-recurring items. The debt used in the covenant calculation includes bank indebtedness, letters of credit, and dividends declared. As of September 30, 2017, the Company was compliant with all covenants provided for in the lending agreement. The next review is scheduled to be completed by April 29, 2018.

b) Senior Secured Notes

On January 5, 2017, the Company closed an issuance of $200 million senior secured notes which have an annual coupon rate of 3.46% and mature on January 5, 2022. The notes were issued by way of a private placement, pursuant to a note purchase and private shelf agreement and rank equally with Whitecap's obligations under its credit facility.

On May 31, 2017, the Company closed an issuance of $200 million senior secured notes which have an annual coupon rate of 3.54% and mature on May 31, 2024. The notes were issued by way of a private placement, pursuant to a note purchase agreement and rank equally with Whitecap's obligations under its credit facility.

The senior secured notes are subject to the same Debt to EBITDA ratio and EBITDA to interest expense ratio described under the credit facility. The Company is subject to a third financial covenant in the senior secured note agreements, whereby Whitecap's borrowing base may not be less than $750 million. As of September 30, 2017, the Company was compliant with all covenants provided for in the lending agreements.

12. DECOMMISSIONING LIABILITY

($000s)	
Balance at December 31, 2016	609,729
Liabilities incurred	9,928
Liabilities acquired	410
Liabilities settled	(1,732)
Liabilities disposed	(789)
Revaluation of liabilities acquired (1)	2,548
Change in discount rate	(22,839)
Accretion expense	11,077
Balance at September 30, 2017	608,332

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 2.5 percent (2.3 percent at December 31, 2016) and inflation rate of 2.0 percent (2.0 percent at December 31, 2016). The total undiscounted amount of the estimated cash flows required to settle the obligations was $1.1 billion (December 31, 2016 – $1.1 billion). The expected timing of payment of the cash flows required for settling the obligations extends up to 48 years.

13. SHARE CAPITAL

a) Authorized

Unlimited number of common shares without nominal or par value.

b) Issued and outstanding

(000s)	Shares	$
Balance at December 31, 2016	368,351	3,452,671
Issued on share award vesting	1,906	-
Common shares repurchased	(439)	(3,980)
Contributed surplus adjustment on vesting of share awards	-	23,805
Balance at September 30, 2017	369,818	3,472,496

c) Normal Course Issuer Bid ("NCIB")

On May 16, 2017, the Company announced the approval of its NCIB by the TSX. The NCIB allows the Company to purchase up to 18,457,076 common shares over a period of twelve months commencing on May 18, 2017. Purchases will be 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.

During the three month period ended September 30, 2017, the Company purchased for cancellation 99,900 common shares at an average cost of $8.77 per common share for total consideration of $0.9 million. During the nine month period ended September 30, 2017, the Company purchased for cancellation 438,611 common shares at an average cost of $9.09 per common share for total consideration of $4.0 million. The total cost paid, including commissions and fees, was first charged to share capital to the extent of the average carrying value of Whitecap's common shares and the excess was charged to contributed surplus.

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 the directors, officers and employees of the Company. Effective January 1, 2017, independent outside directors will receive only time-based awards as the primary form of long-term compensation. 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 and performance share awards issued to employees of the Company vest three years from date of grant. Time-based awards issued to independent outside directors and performance awards issued to officers of the Company vest in two tranches with one half of such awards vesting February 1 of the third year following the grant date and one half vesting October 1 of the third year following the grant date.

Each time-based award may entitle the holder to be issued the number of common shares designated in the time-based award plus dividend equivalents. Performance awards are also subject to a performance multiplier. This multiplier, ranging from zero to two, will be applied at vesting and is dependent on the performance of the Company relative to pre-defined 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 and, for performance awards, 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 4.0% 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. Upon the vesting of the awards, the associated amount in contributed surplus is recorded as an increase to share capital.

The estimated weighted average fair value for share awards at the measurement date is $9.61 per award granted during the period ended September 30, 2017.

(000s)	Number of Time-based Awards	Number of Performance Awards[1]	Total Awards
Balance at December 31, 2016	1,018	3,017	4,035
Granted	398	1,405	1,803
Forfeited	(25)	(34)	(59)
Vested	(372)	(711)	(1,083)
Balance at September 30, 2017	1,019	3,677	4,696

Note:

(1) Based on underlying awards before performance multiplier.

e) Contributed Surplus

($000s)	
Balance at December 31, 2016	40,412
Stock-based compensation	19,538
Share award vesting	(23,805)
Common shares repurchased	(6)
Balance at September 30, 2017	36,139

14. PER SHARE RESULTS

(000s except per share amounts)	Three months ended September 30 2017	2016	Nine months ended September 30 2017	2016
Per share income (loss) ($/share)				
Basic	$0.01	$0.02	$0.29	($0.06)
Diluted	$0.01	$0.02	$0.29	($0.06)
Weighted average shares outstanding				
Basic	369,840	367,623	369,333	330,121
Diluted [(1)]	371,995	370,227	371,536	330,121

Note:

(1) For the three and nine months ended September 30, 2017, 0.2 million and 1.8 million share awards (0.8 million and 4.3 million share awards for the three and nine months ended September 30, 2016, respectively) were excluded from the diluted weighted average shares calculation as they were anti-dilutive.

15. SUPPLEMENTAL CASH FLOW INFORMATION

Changes in non-cash working capital, excluding long-term debt and acquired working capital:

($000s)	Three months ended September 30 2017	2016	Nine months ended September 30 2017	2016
Accounts receivable	(13,869)	(11,059)	(6,645)	(3,844)
Deposits and prepaid expenses	(2,958)	(1,047)	(1,719)	(1,280)
Accounts payable and accrued liabilities	(2,030)	3,715	3,634	(21,544)
Dividend payable	1	2	34	(10,222)
Change in non-cash working capital	(18,856)	(8,389)	(4,696)	(36,890)
Related to:				
Operating activities	(18,716)	(16,855)	(3,197)	(598)
Financing activities	1	2	34	(10,222)
Investing activities	(141)	8,464	(1,533)	(26,070)

16. COMMITMENTS

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

($000s)	2017	2018	2019	2020+	Total
Operating leases	3,309	15,002	15,728	110,054	144,093
Transportation agreements	7,125	17,625	13,200	35,766	73,716
Long-term debt [(1)]	3,529	416,408	14,000	445,203	879,140
Total	13,963	449,035	42,928	591,023	1,096,949

Note:

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

17. 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 nine months ended September 30, 2017, the Company incurred $0.1 million and $0.2 million for legal fees and disbursements, respectively ($0.1 million and $0.5 million for the three and nine months ended September 30, 2016, 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. As of September 30, 2017 a payable balance of nil ($0.1 million – September 30, 2016) was outstanding.

18. INVESTMENTS IN SUBSIDIARIES

The Company has the following material subsidiaries, each owned 100% directly, at September 30, 2017:

Name of Subsidiary	Jurisdiction of Incorporation or Formation
Whitecap Energy Inc.	Canada
Whitecap Resources Partnership	Canada