WHITECAP RESOURCES INC.

Notice of
Annual Meeting of Shareholders
to be held on April 28, 2017

The annual meeting of the shareholders of Whitecap Resources Inc. will be held in the Devonian Room of the Calgary Petroleum Club, 319 – 5th Avenue SW, Calgary, Alberta on April 28, 2017 at 9:00 a.m. (Calgary time) to:

1. receive and consider our financial statements for the year ended December 31, 2016, together with the report of the auditors;

2. fix the number of directors to be elected at the meeting at seven members;

3. elect seven directors;

4. appoint the auditors and authorize the directors to fix their remuneration as such; and

5. transact such other business as may properly be brought before the meeting or any adjournment or postponement thereof.

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

If you are unable to attend the meeting in person, we request that you date and sign the enclosed form of proxy and deposit it with Computershare Trust Company of Canada by mail or courier at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 (Attention: Proxy Department) not less than 48 hours before the time for holding the meeting or any adjournment or postponement thereof. Registered shareholders may also vote via telephone by calling 1-866-732-VOTE (8683) Toll Free if inside North America and 312-588-4290 if outside North America. Shareholders will be prompted to enter the control number which is located on the form of proxy. A vote submitted via telephone must be received at least 48 hours prior to the time of the meeting or any adjournment or postponement thereof. Registered shareholders may also vote via the internet at *www.investorvote.com.* A vote submitted via the internet must be received at least 48 hours prior to the time of the meeting or any adjournment or postponement thereof. Shareholders can also appoint a proxy holder to attend and vote at the meeting on the shareholder's behalf and to convey a shareholder's voting instructions.

Only shareholders of record at the close of business on March 15, 2017, will be entitled to vote at the meeting, unless that shareholder has transferred any shares subsequent to that date and the transferee shareholder, not later than 10 days before the meeting, establishes ownership of the shares and demands that the transferee's name be included on the list of shareholders entitled to vote at the meeting.

DATED at Calgary, Alberta this 15th day of March, 2017.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Grant B. Fagerheim"

Grant B. Fagerheim
President and Chief Executive Officer

WHITECAP RESOURCES INC.

Information Circular – Proxy Statement
for the Annual Meeting to be held on April 28, 2017

SOLICITATION OF PROXIES

This information circular - proxy statement is furnished in connection with the solicitation of proxies for use at the annual meeting of our shareholders to be held on April 28, 2017 in the Devonian Room of the Calgary Petroleum Club, 319 – 5th Avenue SW, Calgary, Alberta at 9:00 a.m. (Calgary time) and any adjournment or postponement thereof.

Forms of proxy must be deposited with Computershare Trust Company of Canada by mail or courier at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 (Attention: Proxy Department) not less than 48 hours before the time for holding the meeting or any adjournment or postponement thereof. Registered shareholders may also vote via telephone by calling 1-866-732-VOTE (8683) Toll Free if inside North America and 312-588-4290 if outside North America. Shareholders will be prompted to enter the control number which is located on the form of proxy. A vote submitted via telephone must be received at least 48 hours prior to the time of the meeting or any adjournment or postponement thereof. Registered shareholders may also vote via the internet at *www.investorvote.com.* Shareholders will be prompted to enter the control number which is located on the form of proxy. A vote submitted via the internet must be received at least 48 hours prior to the time of the meeting or any adjournment or postponement thereof. Shareholders can also appoint a proxy holder to attend and vote at the meeting on the shareholder's behalf and to convey a shareholder's voting instructions.

Only shareholders of record at the close of business on March 15, 2017, will be entitled to vote at the meeting, unless that shareholder has transferred any shares subsequent to that date and the transferee shareholder, not later than 10 days before the meeting, establishes ownership of the shares and demands that the transferee's name be included on the list of shareholders entitled to vote at the meeting.

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

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

ADVICE TO BENEFICIAL HOLDERS OF COMMON SHARES

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

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

NOTICE-AND-ACCESS

We have elected to use the "notice-and-access" provisions under National Instrument 54-101 *Communications with Beneficial Owners of Securities of a Reporting Issuer* for the meeting in respect of mailings to beneficial holders of our common shares (i.e., a shareholder who holds their shares in the name of a broker or an agent) but not in respect of mailings to registered holders of our common shares (i.e., a shareholder whose name appears on our records as a holder of common shares). These provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials which are mailed to shareholders by allowing a reporting issuer to post an information circular in respect of a meeting of its shareholders and related materials online.

We have also elected to use procedures known as 'stratification' in relation to our use of the notice-and-access provisions. Stratification occurs when a reporting issuer using the notice-and-access provisions provides a paper copy of an information circular and, if applicable, a paper copy of financial statements and related management's discussion and analysis, to some shareholders together with a notice of a meeting of its shareholders. In relation to the meeting, registered holders of our common shares will receive a paper copy of the notice of the meeting, this information circular – proxy statement and a form of proxy whereas beneficial holders of our common shares will receive a notice containing information prescribed by the notice-and-access provisions and a voting instruction form. In addition, a paper copy of the notice of meeting, this information circular – proxy statement, and a voting direction will be mailed to those shareholders who do not hold their common shares in their own name but who have previously requested to receive paper copies of these materials. Furthermore, a paper copy of our financial statements and related management's discussion and analysis in respect of our most recently completed financial year will be mailed to those registered and beneficial holders of our common shares who previously requested to receive such information.

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

REVOCABILITY OF PROXY

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

PERSONS MAKING THE SOLICITATION

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

EXERCISE OF DISCRETION BY PROXY

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

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

We are authorized to issue an unlimited number of common shares and an unlimited number of preferred shares, without nominal or par value. As at March 15, 2017, there were 369.0 million common shares and no preferred shares issued and outstanding. As a holder of common shares, you are entitled to one vote for each common share you own.

Based on information supplied to them, to the knowledge of our directors and executive officers, as at March 15, 2017, no person or company beneficially owns, or controls or directs, directly or indirectly, more than 10% of our common shares.

MATTERS TO BE ACTED UPON AT THE MEETING

Fixing the Number of Directors

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

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

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

Election of Directors

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

Grant B. Fagerheim
Gregory S. Fletcher
Daryl H. Gilbert
Glenn A. McNamara
Stephen C. Nikiforuk
Kenneth S. Stickland
Grant A. Zawalsky

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

Voting for the election of directors will be conducted on an individual, and not slate, basis. **Management recommends that shareholders vote FOR the election of each of these nominees. The persons named in the enclosed form of proxy intend to vote FOR the election of each of these nominees unless the shareholder specifies authority to do so is withheld.**

Our board has adopted a policy stipulating that if the votes in favour of the election of a director nominee at a shareholders' meeting represent less than a majority of our common shares voted and withheld, the nominee will submit his resignation promptly after the meeting, for our corporate governance and compensation committee's consideration. The committee will make a recommendation to our board after reviewing the matter, and our board's decision to accept or reject the resignation offer will be disclosed to the public within 90 days of the applicable shareholders' meeting. Resignations are expected to be accepted except in situations where extenuating circumstances would warrant the applicable director to continue to serve as a board member. The nominee will not participate in any committee or board deliberations on the resignation offer. The policy does not apply in circumstances involving contested director elections.

The following is a brief description of the proposed nominees, including their age, place of residence, committee memberships, shareholder approval rating at the 2016 annual meeting, the year in which they became a director, a brief biography and the number of common shares beneficially owned or controlled or directed, by them directly or indirectly as at December 31, 2016 and December 31, 2015. This information is based partly on our records and partly on information received by us from the nominees.

Nominee for Election as Director	Age	Director Since	Common Shares Owned, Controlled or Directed (1)		Options and Performance Share Awards		Total Market Value of Common Shares, Options and Share Awards (2)(3)	
			2016	2015	2016	2015	2016	2015
Grant B. Fagerheim Calgary, Alberta	58	2008	2,735,278	2,743,240	418,000	297,000	$38,343,860	$27,481,527

Member of:
- Reserves Committee
- Health, Safety and Environment Committee

Shareholder approval at the 2016 annual meeting: 97.61%

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

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

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

Nominee for Election as Director	Age	Director Since	Common Shares Owned, Controlled or Directed (1)		Options and Performance Share Awards		Total Market Value of Common Shares, Options and Share Awards (2)(3)	
			2016	2015	2016	2015	2016	2015
Gregory S. Fletcher Calgary, Alberta	68	2010	95,851	81,948	11,000	12,067	$1,299,308	$836,101

Member of:
- Audit Committee
- Reserves Committee

Shareholder approval at the 2016 annual meeting: 88.78%

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

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

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

Nominee for Election as Director	Age	Director Since	Common Shares Owned, Controlled or Directed (1)		Options and Performance Share Awards		Total Market Value of Common Shares, Options and Share Awards (2)(3)	
			2016	2015	2016	2015	2016	2015
Daryl H. Gilbert Calgary, Alberta	65	2015	21,740	-	14,000	10,000	$434,598	$90,700

Member of:
- Corporate Governance and Compensation Committee
- Health, Safety and Environment Committee (chair)

Shareholder approval at the 2016 annual meeting: 76.35%

Mr. Gilbert is the Managing Director and Investment Committee member of JOG Capital Inc. since May 2008, a private equity energy investment firm. Mr. Gilbert is a professional engineer and is the former President and CEO of Gilbert Lausten Jung Associates Ltd., now GLJ Petroleum Consultants Ltd., an independent engineering consulting firm based in Calgary.

Mr. Gilbert currently sits on the board of directors of AltaGas Ltd., Leucrotta Exploration Inc., Surge Energy Inc., Falcon Oil and Gas Ltd., Cequence Energy Ltd. and Connacher Oil and Gas Limited, all public companies.

Nominee for Election as Director	Age	Director Since	Common Shares Owned, Controlled or Directed (1)		Options and Performance Share Awards		Total Market Value of Common Shares, Options and Share Awards (2)(3)	
			2016	2015	2016	2015	2016	2015
Glenn A. McNamara Calgary, Alberta	64	2010	112,894	96,589	11,000	9,400	$1,506,551	$961,320

Member of:
- Corporate Governance and Compensation Committee (chair)
- Reserves Committee (chair)
- Lead Director

Shareholder approval at the 2016 annual meeting: 97.09%

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

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

Mr. McNamara currently sits on the board of directors of Parex Resources Inc., a public oil and natural gas company.

Nominee for Election as Director	Age	Director Since	Common Shares Owned, Controlled or Directed (1) 2016	2015	Options and Performance Share Awards 2016	2015	Total Market Value of Common Shares, Options and Share Awards (2)(3) 2016	2015
Stephen C. Nikiforuk Calgary, Alberta	48	2009	96,780	96,780	11,000	9,400	$1,310,605	$963,053

Member of:
- Audit Committee (chair)

Shareholder approval at the 2016 annual meeting: 99.50%

Mr. Nikiforuk has been the President of MyOwnCFO Professional Corporation since October 2011 and was the President of MyOwnCFO Inc. from July 2009 to June 2012, both private companies. Before then, Mr. Nikiforuk was the Corporate Business Manager of 1173373 Alberta Ltd. (a private company) from July 2009 to July 2011 and the Vice President, Finance and Chief Financial Officer of Cadence Energy Inc. (formerly, Kereco Energy Ltd.) a public oil and gas company, from January 2005 to March 2008.

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

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

Nominee for Election as Director	Age	Director Since	Common Shares Owned, Controlled or Directed (1) 2016	2015	Options and Performance Share Awards 2016	2015	Total Market Value of Common Shares, Options and Share Awards (2)(3) 2016	2015
Kenneth S. Stickland Calgary, Alberta	63	2013	41,218	19,952	11,000	9,400	$634,971	$266,223

Member of:
- Audit Committee
- Corporate Governance and Compensation Committee

Shareholder approval at the 2016 annual meeting: 98.44%

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

Mr. Stickland is also a director of Trinidad Drilling Ltd., a public oilfield services company.

Nominee for Election as Director	Age	Director Since	Common Shares Owned, Controlled or Directed (1)		Options and Performance Share Awards		Total Market Value of Common Shares, Options and Share Awards (2)(3)	
			2016	2015	2016	2015	2016	2015
Grant A. Zawalsky Calgary, Alberta	57	2008	646,841	638,279	11,000	12,067	$7,999,347	$5,882,023
Member of: - Health, Safety and Environment Committee Shareholder approval at the 2016 annual meeting: 89.07%	Mr. Zawalsky is the Managing Partner of Burnet, Duckworth & Palmer LLP (Barristers and Solicitors) where he has been a partner since 1994. Mr. Zawalsky holds a B.Comm and LL.B. from the University of Alberta and is a member of the Law Society of Alberta. Mr. Zawalsky currently sits on the board of directors of a number of private and public companies, including NuVista Energy Ltd., PrairieSky Royalty Ltd. and Zargon Oil & Gas Ltd., and is Corporate Secretary of ARC Resources Ltd., Bonavista Energy Corporation and RMP Energy Inc. Mr. Zawalsky is also a Governor of the Calgary Petroleum Club.							

Notes:

(1) The information as to voting securities beneficially owned, directly or indirectly, is based upon information furnished to us by the nominees as at December 31, 2016 and December 31, 2015.

(2) The total market value of common shares and share awards for 2016 is the sum of (i) the number of common shares held by each nominee as of December 31, 2016 multiplied by the closing price of the common shares on the Toronto Stock Exchange on December 30, 2016 of $12.16; and (ii) the value of share awards of each nominee is based on the number of common shares payable on settlement of the share awards held by the nominee as of December 31, 2016 multiplied by the closing price of the common shares on the Toronto Stock Exchange on December 30, 2016 of $12.16. The number of common shares payable pursuant to share awards does not include the dividend equivalents that will accumulate on the underlying grants and assumes a payout multiplier of 1x for the awards.

(3) The total market value of common shares, options and share awards for 2015 is the sum of (i) the number of common shares held by each nominee as of December 31, 2015 multiplied by the closing price of the common shares on the Toronto Stock Exchange on such date of $9.07; (ii) the value of unexercised in-the-money options of each nominee based on the number of common shares issuable upon exercise of the options held by the nominee as of December 31, 2015 multiplied by the difference between the closing price of the common shares on the Toronto Stock Exchange on such date of $9.07 and the exercise price of the applicable option; and (iii) the value of share awards of each nominee based on the number of common shares payable on settlement of the share awards held by the nominee as of December 31, 2015 multiplied by the closing price of the common shares on the Toronto Stock Exchange on such date of $9.07. The number of common shares payable pursuant to share awards does not include the dividend equivalents that will accumulate on the underlying grants and assumes a payout multiplier of 1x for the awards.

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

Additional Disclosure Relating to Proposed Directors

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

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

Mr. Fagerheim was formerly a director of The Resort at Copper Point Ltd., a private real estate development company, which was placed in receivership in February 2009. Mr. Nikiforuk was a director of CYGAM Energy Inc. (a junior public oil and gas company) which filed a voluntary assignment in bankruptcy under the *Bankruptcy and Insolvency Act* (Canada) in April 2015. Mr. Gilbert was a director of Globel Direct Inc. ("**Globel**"), a public business process outsource company from December 1998 to June 2009. Globel was granted protection under the *Companies' Creditors Arrangement Act* (Canada) ("**CCAA**") in June 2007. After a failed restructuring effort, Globel was placed in receivership in December 2007. Globel ceased operations and the stock was cease traded in September 2008. Mr. Gilbert was a director of LGX Oil and Gas Inc. ("**LGX**"), a public oil and gas company, from August 2013 until June 2016. On June 7, 2016 a consent receivership order was granted by the Alberta Court of Queen's Bench (the "**Court**") upon an application by LGX's senior lender. LGX's stock was cease traded shortly thereafter. A receiver manager was appointed and a liquidation process is underway. Mr. Gilbert has been a director of Connacher Oil & Gas Limited ("**Connacher**"), a public oil and gas company, since October 2014. On May 17, 2016, Connacher applied for and was granted protection from its creditors by the Court pursuant to the CCAA. Connacher was delisted immediately following the Court order. A restructuring process is currently underway. Mr. Stickland was a director of Millennium Stimulation Services Ltd. ("**Millennium**") a private energy services company from May 3, 2012 to March 23, 2016. On March 24, 2016, the Court issued an order appointing KPMG Inc. as receiver and manager over Millennium's assets, undertakings and other properties. As at March 1, 2017, Millennium is still under receivership. Mr. Zawalsky was a director of Endurance Energy Ltd. ("**Endurance**"), a private natural gas company. Endurance filed for creditor protection under the CCAA on May 30, 2016. Mr. Zawalsky resigned as a director of Endurance on November 3, 2016 upon the sale of substantially all of the assets of Endurance.

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

Appointment of Auditors

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

DIRECTORS' COMPENSATION

General

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

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

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

In 2016, fees paid to independent directors for their roles on our board and board committees remained flat at 2015 levels ($42,000, payable quarterly). Our independent directors are also reimbursed for any expenses incurred to attend a board or committee meeting.

Long-Term Incentive Compensation

In 2013, we adopted a full-value award incentive plan pursuant to which time-based awards and performance-based awards may be granted to our directors, officers, employees and other service providers. The award incentive plan replaced our stock option plan as our primary form of long-term compensation incentive. On July 28, 2016 our corporate governance and compensation committee approved the grant of 4,000 performance-based awards to each independent director under our share award plan. The payment dates for these awards are in February and October of 2019.

Our award incentive plan contains the following restrictions on director participation: (1) the number of common shares issuable pursuant to non-management directors, in aggregate, is limited to a maximum of 0.25% of our issued and outstanding common shares, and (2) the value of all awards granted to any non-management director during a calendar year, as calculated on the date of grant, cannot exceed $100,000 (for purposes of monitoring compliance with these limitations, a payout multiplier of 1x will be assumed for any performance-based awards). For further information about our award incentive plan, see "*Executive Compensation – Award Incentive Plan*".

Prior to the adoption of our award incentive plan in 2013, our independent directors were eligible to receive options under our stock option plan. There have been no stock options granted to our non-management directors since 2012. Effective December 31, 2016, all outstanding stock options granted under our stock option plan have been exercised, cancelled or expired and the stock option plan is no longer in place.

Effective January 1, 2017, our independent outside directors will receive only time-based awards as the primary form of long-term compensation. Our corporate governance and compensation committee felt time-based awards with no payout multiplier will help to ensure a close, long-term alignment with shareholders' interests, provide for both up- and downside potential, and bear a low risk of disproportionate payouts compared to performance-based awards.

The following table shows the number of common shares issuable to our non-management directors pursuant to our award incentive plan as at December 31, 2016:

	Common Shares issuable as at December 31, 2016	
	# (1) (2)	**%** (3)
Performance-based awards	69,000	0.02%

Notes:

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

(2) Does not include the dividend equivalents that will accumulate on the underlying grants and assumes a payout multiplier of 1x. If the payout multiplier was 2x, the total number of common shares would increase to 138,000, which represents 0.04% of our issued and outstanding common shares as at December 31, 2016.

(3) Represents the number of common shares issuable as a percentage of our issued and outstanding common shares as at December 31, 2016.

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

Directors' Summary Compensation Table

The following table sets forth for the year ended December 31, 2016, the total compensation paid to our independent directors in 2016. No option-based awards were outstanding at December 31, 2016.

Name	Fees earned ($)	Performance Share awards (1) ($)	Total ($)
Gregory S. Fletcher	42,000	41,080	83,080
Daryl H. Gilbert	42,000	41,080	83,080
Glenn A. McNamara	42,000	41,080	83,080
Stephen C. Nikiforuk	42,000	41,080	83,080
Kenneth S. Stickland	42,000	41,080	83,080
Grant A. Zawalsky (2)	42,000	41,080	83,080

Notes:

(1) This column reflects the grant date fair value of the performance share awards, computed in accordance with International Financial Reporting Standards 2 Share-based Payment ("IFRS 2"). We used IFRS 2 as our methodology for computing grant date fair value for purposes of consistency with our financial statements. We calculated the grant date fair value as the closing market price of our common shares on the date of grant. One-half of the awards are payable on February 1, of the third year following the grant date and one-half of the awards are payable on October 1 of the third year following the grant date. This calculation assumes a payout multiplier of 1x for the performance awards and does not include the value of the dividend equivalents received on the performance awards. The actual value realized pursuant to such performance awards may be greater or less than the indicated value. See "Directors' Outstanding Share-Based Awards" which reflect the value at December 31, 2016.

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

Directors' Outstanding Share-Based Awards

The following table sets forth all performance share awards outstanding as at December 31, 2016 for each of our independent directors. No option-based awards were outstanding at December 31, 2016.

Name	Performance Share Awards	
	Number of share awards that have not vested (#)	Estimated payout value of share awards that have not vested (1) ($)
Gregory S. Fletcher	11,000	133,760
Daryl H. Gilbert	14,000	170,240
Glenn A. McNamara	11,000	133,760
Stephen C. Nikiforuk	11,000	133,760
Kenneth S. Stickland	11,000	133,760
Grant A. Zawalsky	11,000	133,760

Note:
(1) Calculated by multiplying the number of performance share awards by the market price of our common shares at December 30, 2016 ($12.16). This calculation assumes a payout multiplier of 1x and does not include the value of the dividend equivalents received on the performance share awards.

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

The following table sets forth for each of our independent directors, the value of share-based awards, which vested during the year ended December 31, 2016. No option-based awards were outstanding at December 31, 2016. We did not have a non-equity incentive compensation plan in 2016 for our directors.

Name	Performance share awards – Value vested during the year (1) ($)
Gregory S. Fletcher	52,608
Glenn A. McNamara	52,608
Daryl H. Gilbert	-
Stephen C. Nikiforuk	52,608
Kenneth S. Stickland	52,608
Grant A. Zawalsky	52,608

Note:
(1) Calculated based on the market price of our common shares on the vesting date multiplied by the number of common shares vesting on that date. Does not include the dividend equivalents accumulated on the underlying grants and is based on the actual payout multiplier of 2.0x.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

General

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

Our compensation philosophy is based on the following fundamental principles:

- Our compensation programs must be aligned with shareholder interests by aligning the goals of executives with maximizing long-term shareholder value.
- Our compensation to our executive officers must be performance sensitive by linking compensation to our operating and market performance.
- Our compensation programs must be market competitive in terms of value and structure in order to retain existing employees who are performing according to their objectives and to attract new individuals of the highest calibre.

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

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

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

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

Compensation Governance

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

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

Compensation Risks

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

- The risk of executives taking inappropriate or excessive risks.

- The risk of inappropriate focus on achieving short-term goals at the expense of long-term return to shareholders.

- The risk of encouraging aggressive accounting practises.

- The risk of excessive focus on financial returns and operational goals at the expense of regulatory, environmental and health and safety.

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

- Weighting our long-term incentives towards share ownership and vesting our long-term incentives over a number of years.

- Awarding a significant portion of long-term incentive compensation in the form of performance-based awards which, through the payout multiplier, provide a direct link between corporate performance and the level of payout received. If threshold performance is not met, the payout multiplier will be 0x and no payouts will be made under the performance-based awards.

- Avoiding narrowly focused performance goals which may encourage loss of focus on providing long-term shareholder return and retaining adequate discretion to ensure that the corporate governance and compensation committee and board retain their business judgment in assessing actual performance.

- Establishing a uniform incentive program for all executive officers and employees.
- Establishing a formal recoupment or "clawback" policy pursuant to which some or all incentive awards made to executives are subject to recoupment in the event of an accounting restatement resulting from misconduct.
- Establishing share ownership guidelines and imposing short selling restrictions.
- Establishing a strong "tone at the top" for accounting, regulatory, environmental and health and safety compliance.

Incentive Plan Design

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

Clawback Policy

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

Short Selling and Restrictions

Our directors and officers are not permitted to knowingly sell, directly or indirectly, any of our securities that he or she does not own or has not fully paid for. Directors and officers may not: (i) sell a call option or buy a put option in respect of our common shares or any other of our securities; (ii) enter into any financial instrument or other transaction designed to hedge or offset a decrease in the market value of our common shares; or (iii) enter into any other derivative instruments, agreements, arrangements or understanding (commonly known as equity monetization transactions) the effect of which is to alter, directly or indirectly, the director's or officer's economic interest in our securities, or the director's or officer's economic exposure to us.

Notwithstanding these prohibitions, solely in connection with the administration of our compensation plans, our directors and officers are permitted to sell through our compensation agent, currently Solium Capital Inc., common shares that are not yet owned by such director or officer provided that he or she holds stock options or other compensation related rights to acquire an equivalent number of our common shares and such director or officer has provided a notice of exercise for such stock options or other compensation rights to our compensation agent in order to facilitate the orderly settlement of such options or rights.

Share Ownership Requirements

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

Identification of Named Executive Officers

We are required to disclose the compensation paid to our Chief Executive Officer, Chief Financial Officer and each of the three other most highly compensated executive officers whose total annual compensation was more than $150,000. For the year ended December 31, 2016 our named executive officers were Mr. Fagerheim, our President and Chief Executive Officer, Mr. Kang, our Chief Financial Officer, Mr. Mombourquette, our Vice President, Business Development, Mr. Dunlop, our Vice President, Engineering, and Mr. Armstrong, our Vice President, Production and Operations.

Compensation Review Process

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

Performance

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

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

Competitive Factors

For us to attract and retain qualified and experienced officers and employees, our overall compensation levels must be competitive with other participants in the Canadian oil and gas industry.

In 2016, the corporate governance and compensation committee engaged Mercer Human Resource Consulting Ltd. ("**Mercer**"), an independent human resource consulting firm, to help assess the competitiveness of our employee compensation plan including executive compensation practices and independent director compensation. Mercer's annual survey of compensation practices within the Canadian energy industry and recent information circulars for our peer group were used as a benchmark to assess our employee compensation plan (including executive compensation practices) and independent director compensation. The peer group used for the Mercer analysis ("**Mercer Peer Group**") included the following companies:

Advantage Oil & Gas Ltd.	Crew Energy Inc.	Penn West Petroleum Ltd.
ARC Resources Ltd.	Enerplus Corporation	Peyto Exploration & Development Corp.
Baytex Energy Corp.	Kelt Exploration Ltd.	Raging River Exploration Inc.
Birchcliff Energy Ltd.	MEG Energy Corp.	Seven Generations Energy Ltd.
Bonavista Energy Corporation	Northern Blizzard Resources Inc.	TORC Oil & Gas Ltd.
Bonterra Energy Corp.	NuVista Energy Ltd.	Tourmaline Oil Corp.
Cardinal Energy Ltd.	Paramount Resources Ltd.	Trilogy Energy Corp.
Crescent Point Energy Corp.	Pengrowth Energy Corporation	Vermilion Energy Inc.

Mercer’s assessment found that base salaries for our executives were generally near or below the 25^{th} percentile and generally aligned with the 50^{th} percentile for bonuses. However, our targeted total cash compensation was near or below the 25^{th} percentile given base salaries lag the market. Our long-term incentive compensation for executives was generally between the 50^{th} and 75^{th} percentile and, therefore, total direct compensation falls near the 50^{th} percentile or between the 50^{th} and 75^{th} percentile. Our corporate governance and compensation committee believes that base salaries should remain flat for 2017 in light of the difficult industry conditions, but the bonus amounts and long-term incentive compensation combined with salaries should bring executive compensation closer to the 75^{th} percentile.

For the year ended December 31, 2016, we paid Mercer $45,000 in fees associated with its assessment of the competitiveness of our employee compensation plan (including executive compensation practices) and independent director compensation. We did not retain Mercer for any other services in 2016 and did not retain Mercer in 2015.

As a final check on the reasonableness of our overall compensation, our President and Chief Executive Officer compares our general and administrative costs per unit of production to the average for the members of the Mercer Peer Group. The President and Chief Executive Officer's expectation is that our general and administrative costs per unit of production should approximate the average for the Mercer Peer Group. Based on publicly reported data for the nine month period ended September 30, 2016, our general and administrative costs per unit of production of $1.35/boe were approximately 19% lower than the Mercer Peer Group average of $1.66/boe.

Compensation Program Components

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

Base Salaries

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

Our corporate governance and compensation committee met on November 4, 2015 to establish base salaries for our executive officers for 2016. Factors considered by our corporate governance and compensation committee included corporate and individual performance and competitive factors in the local marketplace. The corporate governance and compensation committee recommended that 2016 salaries remain flat at 2015 levels but management determined to reduce salaries for the executive officers by 10% in 2016 in recognition of continued weak commodity prices.

The following table summarizes annual base salaries for our named executive officers at December 31, 2016 and December 31, 2015:

Name and principal position	**2016 Base Salary ($)**	**2015 Base Salary ($)**	**Decrease**
Grant B. Fagerheim President and Chief Executive Officer	297,000	330,000	(10%)
Thanh C. Kang Chief Financial Officer	247,500	275,000	(10%)
Joel M. Armstrong Vice President, Production and Operations	225,000	250,000	(10%)
Darin R. Dunlop Vice President, Engineering	225,000	250,000	(10%)
David M. Mombourquette Vice President, Business Development	225,000	250,000	(10%)

Bonuses

Bonuses are intended to reward performance by our executive officers in the achievement of our strategic goals and objectives and are consistent with our compensation philosophy where a significant component of executive compensation is variable and performance related. Cash bonuses are performance based designed to provide a multiplier between 0% and 200% for the President and CEO based solely on achieving predetermined corporate performance measures. Our named executive officers (excluding the President and CEO) have a bonus multiplier between 0% and 150% based on achieving predetermined corporate performance measures, the named executive officers level of responsibility and individual performance.

On November 1, 2016, our corporate governance and compensation committee established the corporate performance measures listed in the table below (and the weighting of each measure) for purposes of calculating our percentile ranking. Our percentile ranking is then used to determine the bonus multiplier (as a percentage of salary) for calculating the cash bonuses.

Performance Measure	**P25**	**P50**	**P75**	**P90**	**Weighting**	**Result**	**Weighted Score**
Debt adjusted production per share growth	< 0%	0-3%	3-5%	> 5%	25%	0%	12.5
Debt adjusted reserves per share growth	< 0%	0-3%	3-5%	> 5%	25%	13%	22.5
TP F&D funds flow recycle ratio (including future development costs)	< 1.0 x	1.0-1.5 x	1.5-1.8 x	>1.8 x	25%	9.5 x	22.5
Health, safety & environment	Underperform	Average	Above Expectations	Exceptional	25%	Exceptional	22.5
					100%	100%	80

For 2016, our corporate performance, based on these pre-determined performance criteria, was determined to be in the 80th percentile which resulted in a bonus multiplier of 200% for the President and CEO and 150% for our other named executive officers.

	≤P25	**> P25 to ≤ P50**	**> P50 to ≤ P75**	**> P75**
President and CEO	0%	100%	150%	200%
Other named executive officers	0%	75%	100%	150%

In recognition of continued weak commodity prices in 2016, despite our achievement of the predetermined performance measures and improving commodity prices in 2017, management recommended and the Board agreed to reduce the annual cash bonus for all of our named executive officers (including our CEO and President) by approximately 18% from the bonus payments that would have been payable based on the above percentile rankings and bonus multipliers.

NEO	2016 Salary ($)	Bonus Multiplier	Calculated Bonus ($)	Actual Payout ($)	Difference ($)
Grant B. Fagerheim	297,000	200%	594,000	485,000	(109,000)
Thanh C. Kang	247,500	150%	371,250	305,000	(66,250)
Joel M. Armstrong	225,000	150%	337,500	275,000	(62,500)
Darin R. Dunlop	225,000	150%	337,500	275,000	(62,500)
David M. Mombourquette	225,000	150%	337,500	275,000	(62,500)

Long-Term Incentive Compensation

In 2013, we adopted a full-value award incentive plan pursuant to which time-based awards and performance-based awards may be granted to our directors, officers, employees and other service providers which replaced our stock option plan as our primary form of long-term compensation incentive. There have been no stock options granted since 2012. Effective December 31, 2016, all outstanding stock options granted under our stock option plan have been exercised, cancelled or expired and therefore the stock option plan is no longer in place. For further information with respect to our share award incentive plan, see "*Executive Compensation – Award Incentive Plan*".

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

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

2016 Awards and Payout Multiplier

An aggregate of 1.2 million performance-based awards were approved for grant to our directors, officers, employees and other service providers during 2016.

The following table details the performance-based awards granted to each of our named executive officers during 2016. One-half of these awards are payable on February 1 of the third year following the grant date and one-half of these awards are payable on October 1 of the third year following the grant date.

Name	Number of Performance Awards Granted
Grant B. Fagerheim	190,000
Thanh C. Kang	90,000
Joel M. Armstrong	75,000
Darin R. Dunlop	75,000
David M. Mombourquette	75,000

On July 28, 2016, our corporate governance and compensation committee established the corporate performance measures listed in the table below (and the weighting of each measure) for purposes of calculating the 2016 payout multiplier. On March 6, 2017, our corporate governance and compensation committee met to assess our performance relative to such corporate performance measures and to establish the 2016 payout multiplier. Listed below are the results of the assessment.

2016 Payout Multiplier				
Corporate Performance Measure	**Results / Quartile Ranking**	**Multiplier**	**Weighting**	**Weighted Multiplier**
Total Shareholder Return ("TSR") for the one-year ended December 31, 2016 compared to the S&P TSX Capped Energy Index and peer group	Whitecap's 2016 TSR was 3rd quartile in its peer group, Whitecap performance was consistent with S&P TSX Capped Energy Index resulting in an overall 3rd quartile ranking.	1.0	33.33%	0.333
2P FD&A Funds Flow Recycle Ratio for a 1-year period ended December 31, 2016 (including future development costs)	Whitecap's 2P FD&A recycle ratio of 2.0 was assigned a 1st quartile ranking.	2.0	33.33%	0.667
Development and Execution of Strategic Plan.	The corporate governance and compensation committee evaluated management's performance and assigned a 1st quartile ranking.	2.0	33.33%	0.667
			Payout Multiplier	1.67

For 2016, the members of our peer group used for determining the payout multiplier were:

ARC Resources Ltd.	Crescent Point Energy Corp.	TORC Oil & Gas Ltd.
Bonavista Energy Corporation	Enerplus Corporation	Vermilion Energy Inc.
Bonterra Energy Corp.	Northern Blizzard Resources Inc.	
Cardinal Energy Ltd.	Peyto Exploration & Development Corp.	

The payout multiplier for performance awards is calculated as the arithmetic average of the payout multiplier for each of the three preceding fiscal years. The payout multiplier for 2014 was 2.0x, the payout multiplier for 2015 was 2.0x and the payout multiplier for 2016 is 1.67x.

Historical Grant Information

The following table shows the number of common shares issuable to our named executive officers pursuant to our incentive award plan as at December 31, 2016:

	Common Shares issuable as at December 31, 2016	
	# (1) (2)	**%** (3)
Performance-based awards	1,238,500	0.3%

Notes:

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

(2) Does not include the dividend equivalents that will accumulate on the underlying grants and assumes a payout multiplier of 1x for the performance-based awards. If the payout multiplier was 2x, the total number of common shares would increase to 2.5 million, which represents 0.7% of our issued and outstanding common shares as at December 31, 2016.

(3) Represents the number of common shares issuable as a percentage of our issued and outstanding common shares as at December 31, 2016.

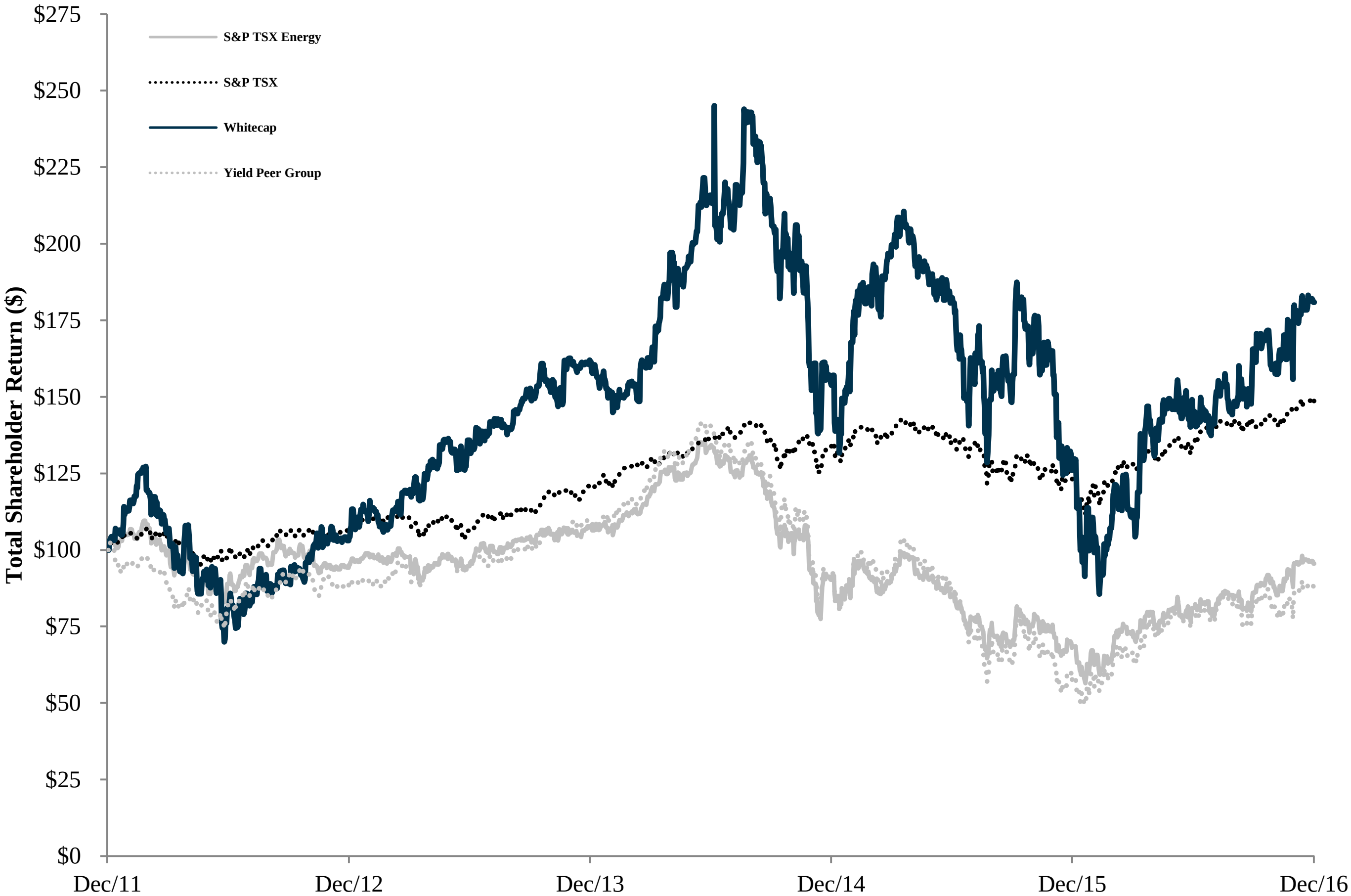
For further information regarding the share awards held by our named executive officers, see "*Outstanding Share-Based Awards*" and "*Award Incentive Plan – Value Vested or Earned During the Year*" below.

Other Benefits

The employment benefits provided to employees are generally typical of those provided by participants in the Canadian oil and gas industry and include life and disability insurance and extended health and dental coverage. Officers also receive a parking allowance.

Performance Graph

The following graph compares on a yearly basis the accumulative total shareholders' return from December 31, 2011 to December 31, 2016 of $100 invested in our common shares versus the total return of $100 invested in the S&P/TSX Capped Energy Index, the S&P/TSX Capped Composite Index, and our peer group average, with all dividends reinvested.



	31-Dec-11	31-Dec-12	31-Dec-13	31-Dec-14	31-Dec-15	31-Dec-16
Whitecap	$100	$104	$161	$154	$130	$181
S&P TSX Capped Energy Index	$100	$95	$108	$90	$68	$96
S&P TSX Composite Index	$100	$107	$121	$134	$123	$149
Peer Group Average	$100	$90	$110	$90	$58	$88

Our cumulative shareholder return performance reflects both operational and financial performance within our control as well as volatile commodity prices and economic and market conditions beyond our control with the impact of the decline in the global economy and more recently with the collapse of North American natural gas prices and world oil prices.

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

Summary Compensation of Named Executive Officers

The following table sets forth for the years ended December 31, 2016, December 31, 2015 and December 31, 2014, information concerning the compensation paid to our named executive officers:

Name and principal position	Year	Salary ($)	Non-equity incentive plan compensation ($)		Option-based awards (1) ($)	Share-based awards (2) ($)	All other compensation (3)	Total compensation ($)
			Annual incentive plans	Long-term incentive plans				
Grant B. Fagerheim	2016	297,000	485,000	-	-	1,951,300	-	2,733,300
President and Chief	2015	330,000	400,000	-	-	1,635,600	-	2,365,600
Executive Officer	2014	330,000	594,000	-	-	1,605,960	-	2,529,960
Thanh C. Kang	2016	247,500	305,000	-	-	924,300	-	1,476,800
Chief Financial Officer	2015	275,000	230,000	-	-	1,008,620	-	1,513,620
	2014	275,000	344,000	-	-	1,040,900	-	1,659,900
Joel M. Armstrong	2016	225,000	275,000	-	-	770,250	-	1,270,250
Vice President, Production	2015	250,000	210,000	-	-	851,875	-	1,311,875
and Operations	2014	250,000	312,000	-	-	862,460	-	1,424,460
Darin R. Dunlop	2016	225,000	275,000	-	-	770,250	-	1,270,250
Vice President,	2015	250,000	210,000	-	-	851,875	-	1,311,875
Engineering	2014	250,000	312,000	-	-	862,460	-	1,424,460
David M. Mombourquette	2016	225,000	275,000	-	-	770,250	-	1,270,250
Vice President, Business	2015	250,000	210,000	-	-	851,875	-	1,311,875
Development	2014	250,000	312,000	-	-	862,460	-	1,424,460

Notes:

(1) Effective December 31, 2016, all outstanding stock options granted under our stock option plan have been exercised, cancelled or expired and therefore the stock option plan is no longer in place.

(2) All of the share awards granted to our NEOs are performance-based awards. This column reflects the grant date fair value of the performance-based awards, computed in accordance with IFRS 2. We used IFRS 2 as our methodology for computing grant date fair value for purposes of consistency with our financial statements. We calculated the grant date fair value as the closing market price of our common shares on the date of grant. One-half of the awards granted in 2014, 2015 and 2016 are payable on February 1 of the third year following the grant date and one-half of these awards are payable on October 1 of the third year following the grant date. This calculation assumes a payout multiplier of 1x and does not include the value of the dividend equivalents received on the awards. **The actual value realized pursuant to such performance-based awards may be greater or less than the indicated value.**

(3) The value of the perquisites and employment benefits received by each of the named executive officers, including life and disability insurance, health coverage, dental coverage and parking, were not in aggregate greater than $50,000 or 10% of the named executive officer's total salary for the financial year.

Outstanding Share-Based Awards

The following table sets forth for each named executive officer, all share-based awards outstanding at the end of the year ended December 31, 2016. No option-based awards were outstanding at December 31, 2016.

Name	Performance Share Awards	
	Number of share awards that have not vested (#)	Estimated payout value of share awards that have not vested [(1)] ($)
Grant B. Fagerheim	418,000	5,082,880
Thanh C. Kang	234,000	2,845,440
Joel M. Armstrong	195,500	2,377,280
Darin R. Dunlop	195,500	2,377,280
David M. Mombourquette	195,500	2,377,280

Note:
(1) Calculated by multiplying the number of performance-based awards by the market price of our common shares at December 30, 2016 ($12.16). This calculation assumes a payout multiplier of 1x and does not include the value of the dividend equivalents received on the performance-based awards.

Award Incentive Plan – Value Vested or Earned During the Year

The following table sets forth for each named executive officers, the value of share-based awards which vested during the year ended December 31, 2016. No option-based awards were outstanding at December 31, 2016 and we did not have a non-equity incentive compensation plan in 2016.

Name	Performance share awards – Value vested during the year [(1)] ($)
Grant B. Fagerheim	1,183,680
Thanh C. Kang	789,120
Joel M. Armstrong	657,600
Darin R. Dunlop	657,600
David M. Mombourquette	657,600

Note:
(1) Calculated based on the market price of our common shares on the vesting date multiplied by the number of common shares vesting on that date. Does not include the dividend equivalents accumulated on the underlying grants and is based on the actual payout multiplier of 2.0x.

Award Incentive Plan

Our award incentive plan is of a full-value award plan pursuant to which time-based awards and performance-based awards may be granted to our directors, officers, employees and other service providers. Listed below is a summary of the principal terms of our award incentive plan. A copy of the plan was filed on our profile on the SEDAR website at *www.sedar.com* on August 11, 2016 under the category "Other Securityholders Documents".

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

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

Our award incentive plan is administered by our board of directors, although the board has the authority to appoint a committee of the board of directors to administer the plan.

The maximum number of common shares reserved for issuance from time to time pursuant to outstanding awards under the plan shall not exceed 3.755% of the aggregate number of our issued and outstanding common shares (including common shares issuable upon exchange of exchangeable shares and other fully paid securities of us and our affiliates exchangeable into common shares) ("**Total Common Shares**").

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

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

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

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

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

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

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

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

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

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

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

> Death or Disability – In the case of the death or disability of a holder, all outstanding awards have been made and which have vested shall be terminated on earlier of: (i) the expiry date of the applicable award; and (ii) date that is six months from the date of death or disability. All awards which have not vested at the date of death or disability shall immediately terminate and, our President and Chief Executive Officer in the case of a holder who is not a director or officer, and our board in all other cases, taking into consideration the performance of such grantee and our performance since the date of grant of the award(s), may determine the payout multiplier to be applied to any performance-based awards held by the holder.
>
> Other Termination –In all other cases, all outstanding awards which have vested shall be terminated and all rights to receive common shares thereunder shall be forfeited by the holder effective as of the date that is 30 days from the cessation date, provided that, upon the termination of any employee for cause, our board may, in its sole discretion, determine that all outstanding vested awards shall immediately terminate and become null and void. All awards which have not vested at the cessation date shall immediately terminate and become null and void.

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

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

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

As of March 15, 2017, there were an aggregate of 1.0 million time-based awards and 2.7 million performance-based awards outstanding, representing 1.0% of our issued and outstanding common shares on that date, leaving approximately 10.2 million common shares (representing 2.8% of our issued and outstanding common shares on that date) reserved and available for issuance pursuant to the settlement of awards that may be granted in the future (assumes a payout multiplier of 1x for the performance-based awards).

Employment Contracts

We have entered into employment agreements with each of our named executive officers. Pursuant to such employment agreements, each individual is entitled to: (i) an annual base salary and benefits; (ii) discretionary bonuses as determined by our board; and (iii) stock options and share awards. Under each agreement, we have agreed to compensate each named executive officer in the event of the termination of employment: (i) for any reason except just cause, voluntary retirement, voluntary resignation, death of the named executive officer or permanent incapacity, and (ii) if the executive terminates employment by giving thirty days' notice to us within ninety (90) days of a change of control.

Assuming that the triggering event occurred on December 31, 2016 for the scenarios outlined in the paragraph above: (a) Mr. Fagerheim would be entitled to receive $0.5 million (being 18 months of salary plus 20% of salary in lieu of benefits); (b) Mr. Kang would be entitled to receive $0.3 million (being 12 months of salary plus 20% of salary in lieu of benefits); (c) Messrs. Mombourquette, Armstrong and Dunlop would each be entitled to receive $0.3 million (being 12 months of salary plus 20% of salary in lieu of benefits). In addition, all of the executives' unvested share awards would become fully vested upon a change of control, the impact of which has been quantified in the section entitled *"Outstanding Share-Based Awards"* above.

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

Liability Insurance of Directors and Officers

We maintain directors' and officers' liability insurance coverage for losses to us if we are required to reimburse directors and officers, where permitted, and for direct indemnity of directors and officers where corporate reimbursement is not permitted by law. This insurance protects us against liability (including costs), subject to standard policy exclusions, which may be incurred by directors and/or officers acting in such capacity for us. All of our directors and officers are covered by the policy and the amount of insurance applies collectively to all. The annual cost for this insurance in 2016 was $0.1 million.

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

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following sets forth information in respect of securities authorized for issuance under our equity compensation plans as at December 31, 2016:

Plan Category	**Number of securities to be issued upon exercise of outstanding share awards** (2)(3) **(a)**	**Weighted average exercise price of outstanding share awards (b)**	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)**
Equity compensation plans approved by securityholders (1)	4,035,200	Nil	9,796,367
Equity compensation plans not approved by securityholders	-	-	-
Total	4,035,200	Nil	9,796,367

Notes:

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

(2) The number of common shares issuable pursuant to the award incentive plan does not include the dividend equivalents that will accumulate on the underlying grants and assumes a payout multiplier of 1x for the performance-based awards.

(3) During the year ended December 31, 2016, we issued 2.5 million common shares to settle outstanding share awards paid during the year.

OWNERSHIP GUIDELINES

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

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

The following table sets out the common share ownership levels of each independent director, our President and Chief Executive Officer and our named executive officers as at March 15, 2017:

Name	Ownership Value Guideline ($)	Ownership Value [(1)] ($)	Guideline Met (Y) or Investment Required to Meet Guideline (N)
Named Executive Officers:			
Grant B. Fagerheim	891,000	26,752,455	Y
Thanh C. Kang	495,000	6,200,267	Y
Joel M. Armstrong	450,000	1,869,658	Y
Darin R. Dunlop	450,000	3,489,471	Y
David M. Mombourquette	450,000	10,846,805	Y
Directors:			
Gregory S. Fletcher	249,240	1,011,242	Y
Daryl H. Gilbert [(2)]	249,240	224,792	N
Glenn A. McNamara	249,240	1,167,324	Y
Stephen C. Nikiforuk	249,240	1,000,705	Y
Kenneth S. Stickland	249,240	426,194	Y
Grant A. Zawalsky	249,240	6,696,639	Y

Notes:
(1) Based on the closing price of the common shares on the Toronto Stock Exchange on March 13, 2017 (being $10.34).
(2) Mr. Gilbert joined our board in 2015 and has until July 2020 to comply with the policy.

CORPORATE GOVERNANCE DISCLOSURE

Board of Directors

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

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

The independent members of our board are Gregory S. Fletcher, Daryl H. Gilbert, Glenn A. McNamara, Stephen C. Nikiforuk, Kenneth S. Stickland and Grant A. Zawalsky. Grant B. Fagerheim is a non-independent director since he is also our President and Chief Executive Officer. A majority of our board is independent.

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

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

Our Chairman, Mr. Grant B. Fagerheim, is not considered independent. To provide leadership for the independent board members, the independent directors have determined that given the size of the board of directors they are capable of providing effective governance without an independent chair. We have also appointed Mr. Glenn A. McNamara as lead director.

The following directors are presently directors of other reporting issuers (or the equivalent):

Director	Names of Other Issuers
Grant B. Fagerheim	Advantage Oil & Gas Ltd.
Gregory S. Fletcher	Calfrac Well Services Ltd., Total Energy Services Inc. and Peyto Exploration & Development Corp.
Daryl H. Gilbert	AltaGas Ltd., Leucrotta Exploration Inc., Surge Energy Inc., Falcon Oil and Gas Ltd., Cequence Energy Ltd. and Connacher Oil and Gas Limited.
Glenn A. McNamara	Parex Resources Inc.
Stephen C. Nikiforuk	InPlay Oil Corp.
Kenneth S. Stickland	Trinidad Drilling Ltd.
Grant A. Zawalsky	NuVista Energy Ltd., PrairieSky Royalty Ltd. and Zargon Oil & Gas Ltd.

Meeting Attendances

The following is a summary of attendance of our directors at meetings of our board of directors and its committees for 2016:

Name	Board Meetings Attended	Audit Committee Meetings Attended	Reserves Committee Meetings Attended	Corporate Governance and Compensation Committee Meetings Attended	Health, Safety and Environment Committee Meetings Attended
Grant B. Fagerheim	6/6	-	2/2	-	4/4
Gregory S. Fletcher	6/6	4/4	2/2	-	-
Daryl H. Gilbert	6/6	-	-	4/4	4/4
Glenn A. McNamara	6/6	-	2/2	4/4	-
Stephen C. Nikiforuk	6/6	4/4	-	-	-
Kenneth S. Stickland	6/6	4/4	-	4/4	-
Grant A. Zawalsky	6/6	-	-	-	4/4

Board Mandate

Our board assumes overall responsibility for our strategic direction, including the annual consideration of a strategic plan and budget, the acquisition and disposition of material oil and natural gas properties and other investments. Our board represents a cross-section of experience in matters relevant to us, most particularly in oil and gas. The board oversees all matters which may have a material impact upon our business and management's design and implementation of risk mitigation programs as appropriate. The mandate of our board is attached as Appendix "A".

Board Committees

Our board has four committees: an audit committee, a corporate governance and compensation committee, a reserves committee and a health, safety and environment committee.

Committee Composition

The following table outlines the composition of our board committees as at December 31, 2016:

Name	Independent	Committee Composition			
		Audit	Corporate Governance and Compensation	Reserves	Health, Safety and Environment
Grant B. Fagerheim [(1)]	No	-	-	√	√
Gregory S. Fletcher	Yes	√	-	√	-
Daryl H. Gilbert	Yes	-	√	-	Chair
Glenn A. McNamara	Yes	-	Chair	Chair	-
Stephen C. Nikiforuk	Yes	Chair	-	-	-
Kenneth S. Stickland	Yes	√	√	-	-
Grant A. Zawalsky	Yes	-	-	-	√

Note:
(1) Mr. Fagerheim is our President and CEO.

Audit Committee

Our audit committee is currently comprised of Stephen C. Nikiforuk (Chair), Gregory S. Fletcher and Kenneth S. Stickland. A copy of our audit committee mandate and terms of reference is available for review in our annual information form.

Corporate Governance and Compensation Committee

Our corporate governance and compensation committee is currently comprised of Glenn A. McNamara (Chair), Daryl H. Gilbert and Kenneth S. Stickland.

The primary responsibility of this committee is to assist our board in fulfilling its responsibility by reviewing matters relating to corporate governance and our human resource policies and compensation of our directors, officers and employees.

Subject to the powers and duties of the board, the committee is required under its charter to perform the following duties:

Corporate Governance Matters

- annually review the mandates of the board and its committees and recommend to the board such amendments to those mandates as the committee believes are necessary or desirable;
- considering and, if thought fit, approving requests from directors or committees of directors of the engagement of special advisors from time to time;

- preparing and recommending to the board annually corporate governance disclosure to be included in our annual report or information circular as required by the Toronto Stock Exchange and any other regulatory authority;

- making recommendations to the board as to which directors should be classified as "independent directors", "related" directors or "unrelated" directors pursuant to any such report or circular;

- reviewing on a periodic basis the composition of the board and ensuring that an appropriate number of independent directors sit on the board, analyzing the needs of the board and recommending nominees who meet such needs;

- assessing, at least annually, the effectiveness of the board as a whole, the committees of the board and the contribution of individual directors, including considering the appropriate size of the board;

- recommending suitable candidates for nominees for election or appointment as directors, and recommending the criteria governing the overall composition of the board and governing the desirable individual characteristics for directors;

- as required, developing, for approval by the board, an orientation and education program for new recruits to the board;

- acting as a forum for concerns of individual directors in respect of matters that are not readily or easily discussed in a full board meeting, including the performance of management or individual members of management or the performance of the board or individual members of the board;

- developing and recommending to the board for approval and periodic review structures and procedures designed to ensure that the board can function effectively and independently of management;

- reviewing and considering the engagement at our expense of professional and other advisors by any individual director when so requested by any such director;

- establishing, reviewing and updating periodically a Code of Business Conduct and Ethics (the "**Code**") and ensuring that management has established a system to monitor compliance with this code; and

- reviewing management's monitoring of our compliance with the organization's Code.

Compensation Matters

- reviewing the compensation philosophy and remuneration policy for our employees and to recommend to the board changes to improve our ability to recruit, retain and motivate employees;

- reviewing and recommending to the board compensation to be paid to members of the board;

- reviewing and recommending to the board performance objectives and the compensation package for the Chief Executive Officer;

- reviewing and recommending to the board, on the recommendation of the Chief Executive Officer, the compensation and benefits package for our senior management positions;

- reviewing management's recommendations for proposed stock option or share purchase plans and make recommendations in respect thereof to the board;

- determining and recommending for approval of the board in conjunction with the Chief Executive Officer bonuses to be paid to our officers and employees and to establish targets or criteria for the payment of such bonuses, if appropriate; and

- preparing and submitting a report of the committee for inclusion of annual disclosure required by applicable securities laws to be made by us including the report required to be included in our information circular – proxy statement.

Reserves Committee

The members of our reserves committee are Glenn A. McNamara (Chair), Gregory S. Fletcher and Grant B. Fagerheim.

Our board has delegated to the reserves committee responsibility for matters set forth in respect of the responsibilities of the board in relation to National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* ("**NI 51-101**"). These responsibilities include, but are not limited to:

- reviewing our procedures relating to the disclosure of information with respect to oil and gas activities including reviewing its procedures for complying with its disclosure requirements and restrictions set forth under NI 51-101 and applicable securities requirements;

- reviewing our procedures for providing information to the independent evaluator;

- meeting, as considered necessary, with management and the independent evaluator to determine whether any restrictions placed by management affect the ability of the evaluator to report without reservation on the Reserves Data (as defined in NI 51-101) (the "**Reserves Data**") and to review the Reserves Data and the report of the independent evaluator thereon (if such report is provided);

- reviewing the appointment of the independent evaluator and, in the case of any proposed change to such independent evaluator, determining the reason therefor and whether there have been any disputes with management;

- providing a recommendation to the board as to whether to approve the content or filing of the statement of the Reserves Data and other information that may be prescribed by applicable securities requirements including any reports of the independent engineer and of management in connection therewith;

- reviewing our procedures for reporting other information associated with oil and gas producing activities; and

- generally reviewing all matters relating to the preparation and public disclosure of estimates of our reserves.

Health, Safety and Environment Committee

The members of our health, safety and environment committee are Daryl H. Gilbert (Chair), Grant B. Fagerheim and Grant A. Zawalsky.

Our board has delegated to the health, safety and environment committee the responsibility to review, report and make recommendations to the board on the development and implementation of our policies, standards and practices with respect to health, safety and environment.

Nomination of Directors

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

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

Our board has adopted a policy regarding board diversity and term length. Our board believes that board nominations should be made on the basis of the skills, knowledge, experience and character of individual candidates and the requirements of the board at the time. We are committed to a meritocracy and believe that considering the broadest group of individuals who have the skills, knowledge, experience and character required to provide the leadership needed to achieve our business objectives, without reference to their age, gender, race, ethnicity or religion, is in our best interests and all of our stakeholders. Our board recognizes the benefits of diversity within the board and will encourage the consideration of women who have the necessary skills, knowledge, experience and character for nomination to the board. However, the board will not compromise the principles of a meritocracy by imposing quotas or targets regarding the representation of women on the board and as such no such quotas or targets have been imposed. We currently do not have any women directors, however in the normal course, we are currently looking to improve our board diversity.

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

The corporate governance and compensation committee is authorized under its mandate to retain experts to assist it in fulfilling its responsibilities. To the extent that the committee retains an expert to assist it in "board searches" for qualified candidates, the committee will provide direction to such experts to endeavour to bring forward women candidates for consideration as nominees to the board.

Our corporate governance and compensation committee has established the following "skills matrix" outlining the skills and experience which they believe are required by the members of our board of directors. This skills matrix is reviewed annually by the committee and updated as necessary.

SKILLS MATRIX	
Executive Leadership	Experience as a CEO or equivalent.
Enterprise Risk Assessment	Board or executive experience in evaluating and managing risks in the oil and natural gas business.
Value Creation	Board or executive experience in evaluating, and executing on, value creation opportunities through acquisitions, divestiture, mergers or developmental opportunities.
Health, Safety & Environment	Board or management experience with environmental compliance and workplace health and safety in the oil and gas industry.
Operations	Management experience with oil and natural gas operations.
Reserves and Resource Evaluation	Board experience with, or management responsibility for, oil and natural gas reserve and resource evaluation and reporting.
Compensation and Human Resources	Management experience in human resources and executive compensation.
Accounting & Finance	Financial literacy in reading financial statements, financial accounting and operational accounting experience as well as corporate finance knowledge and experience usually from

	senior accounting and financial management, audit firm background or banking experience.
Legal, Regulatory and Governmental	Broad understanding of corporate, securities, land tenure and oil and natural gas law, regulatory regimes in Western Canada and governmental royalty, incentive and taxation policies usually through management experience or a legal background.
Corporate Governance	Broad understanding of good corporate governance usually through experience as a board member or as a senior executive officer.

Board Assessment

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

In 2016, we implemented a more formal process of assessing our board and its committees, under the direction of our corporate governance and compensation committee. This process will consist of an annual written questionnaire which includes a review of the effectiveness of our board and its committees, preparation for and performance at meetings and overall corporate governance matters.

Our corporate governance and compensation committee has established the following "skills matrix" outlining the skills and experience which they believe are required by the members of our board of directors. This skills matrix is reviewed annually by the committee and updated as necessary. The committee also annually reviews the skills and experience of our current directors. The committee also assesses the knowledge and character of all nominees to our board of directors to ensure general compliance with the skills matrix.

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

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

Orientation and Continuing Education

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

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

Ethical Business Conduct

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

Our board has also adopted a Whistleblower Policy which provides employees with the ability to have procedures in place to address the confidential, anonymous submission by employees of concerns regarding accounting, internal accounting controls or auditing matters, or to address the receipt, retention and treatment of concerns regarding accounting, internal accounting controls or auditing matters. Our board believes that providing a forum for employees to raise concerns about ethical conduct and treating all complaints with the appropriate level of seriousness fosters a culture of ethical conduct.

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

Succession Planning

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

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

Our board receives regular updates on the status of the succession plans and the professional development of individuals within our organization. We do not consider the level of representation of women in executive officer positions when making executive officer appointments. Consistent with our board diversity policy, our board believes that executive officer appointments should be made on the basis of the skills, knowledge, experience and character of individual candidates. We are committed to a meritocracy and believe that considering the broadest group of individuals who have the skills, knowledge, experience and character required to provide the leadership needed to achieve our business objectives, without reference to their age, gender, race, ethnicity or religion, is in our best interests and all of our stakeholders and as such no such quotas or targets have been imposed. We currently do not have any women serving in executive officer positions, although we have four women in management positions, which represent approximately 31% of the number of our management positions.

Director Term Limits

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

Position Descriptions

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

OTHER MATTERS COMING BEFORE THE MEETING

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

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

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

INTEREST OF INFORMED PERSONS AND OTHERS IN MATERIAL TRANSACTIONS

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

AUDITORS, TRANSFER AGENT AND REGISTRAR

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

The transfer agent and registrar for our common shares is Computershare Trust Company of Canada at its principal offices in Calgary, Alberta and Toronto, Ontario.

ADDITIONAL INFORMATION

Financial information is provided in our comparative audited financial statements and related management's discussion and analysis for the year ended December 31, 2016. To receive a copy of these financial statements and related management's discussion and analysis please contact us at Suite 3800, 525 – 8th Avenue SW, Calgary, Alberta T2P 1G1. This information and additional information relating to us may also be accessed on our website at *www.wcap.ca* or on SEDAR at *www.sedar.com*.

APPENDIX "A"

MANDATE
OF THE
BOARD OF DIRECTORS

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

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

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

Strategic Direction and Capital and Financial Plans

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

- approve issuances of additional common shares, other securities and other instruments to the public.

Monitoring and Acting

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

Finances and Controls

- review Whitecap's systems to manage the risks of Whitecap's business and, with the assistance of management, Whitecap's auditors and others (as required), evaluate the appropriateness of such systems;
- monitor the appropriateness of Whitecap's capital structure;
- ensure that the financial performance of Whitecap is properly reported to shareholders, other security holders and regulators on a timely and regular basis;
- in consultation with the CEO, establish the ethical standards to be observed by all officers and employees of Whitecap and use reasonable efforts to ensure that a process is in place to monitor compliance with those standards;
- require that the CEO institute and monitor processes and systems designed to ensure compliance with applicable laws by Whitecap and its officers and employees;
- require the CEO institute, and maintain the integrity of, internal control and information systems, including maintenance of all required records and documentation;

- approve material contracts to be entered into by the Corporation;
- recommend to shareholders of Whitecap a firm of chartered accountants to be appointed as Whitecap's auditors;
- ensure Whitecap's oil and gas reserve and/or resource report fairly represents the quantity and value of corporate reserves and/or resources in accordance with generally accepted engineering principles and applicable securities laws; and
- take reasonable actions to gain reasonable assurance that all financial information made public by Whitecap (including Whitecap's annual and quarterly financial statements) is accurate and complete and represents fairly the Corporation's financial position and performance.

Governance

- selecting nominees for election to the Board in compliance with Whitecap's Board Diversity and Term Limit Policy;
- facilitate the continuity, effectiveness and independence of the Board by, amongst other things:
    - appointing a Chairman of the Board;
    - appointing from amongst the directors an audit committee and such other committees of the Board as the Board deems appropriate;
    - defining the mandate of each committee of the Board;
    - ensuring that processes are in place and are utilized to assess the effectiveness of the Chairman of the Board, the Board as a whole, each committee of the Board and each director; and
    - establishing a system to enable any director to engage an outside adviser at the expense of Whitecap;
- review annually the composition of the Board and its committees and assess Directors' performance on an ongoing basis, and propose new members to the Board; and
- review annually the adequacy and form of the compensation of directors.

Delegation

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

Composition

- the Board should be composed of at least 4 individuals elected by the shareholders at the annual meeting;
- a majority of Board members should be "independent" directors (within the meaning of National Instrument 58-101) and free from any business or other relationship that could impair the exercise of independent judgment;
- members should have or obtain sufficient knowledge of Whitecap and the oil and gas business to assist in providing advice and counsel on relevant issues; and
- board members should offer their resignation from the Board to the Chairman of the Board following:
    - change in personal circumstances which would reasonably interfere with the ability to serve as a director; and

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

Meetings

- the Board shall meet at least four times per year and/or as deemed appropriate by the Board Chair;
- the Board shall meet at the end of its regular quarterly meetings without members of management being present;
- minutes of each meeting shall be prepared;
- the CEO and Chief Financial Officer shall be available to attend all meetings of the Board upon invitation by the Board; and
- Vice-Presidents and such other staff as appropriate to provide information to the Board shall attend meetings at the invitation of the Board.

Authority

- the Board shall have the authority to review any corporate report or material and to investigate activity of Whitecap and to request any employees to cooperate as requested by the Board; and
- the Board may retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling its responsibilities at the expense of Whitecap.

Approved by the Board of Directors on November 1, 2016.