



NOTICES OF SPECIAL MEETINGS

-AND-

NOTICE OF APPLICATION TO THE COURT OF QUEEN'S BENCH OF ALBERTA

-AND-

**JOINT MANAGEMENT INFORMATION CIRCULAR CONCERNING THE PLAN OF ARRANGEMENT
INVOLVING**

WHITECAP RESOURCES INC.

-AND-

TORC OIL & GAS LTD.

JANUARY 5, 2021

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LETTER TO TORC SHAREHOLDERS

January 5, 2021

Dear TORC Shareholders:

You are invited to attend a special meeting (the "**TORC Meeting**") of the holders (the "**TORC Shareholders**") of common shares ("**TORC Shares**") of TORC Oil & Gas Ltd. ("**TORC**", "**we**", "**us**", or "**our**") to be held on Thursday, February 18, 2021 at 9:00 a.m. (Calgary time) in a virtual-only format that will be conducted via live webcast accessible at <https://web.lumiagm.com/427778530>.

At the TORC Meeting, the TORC Shareholders will be asked to consider and vote on a special resolution approving the plan of arrangement (the "**Plan of Arrangement**") under section 193 of the *Business Corporations Act* (Alberta), involving the acquisition by Whitecap Resources Inc. ("**Whitecap**") of all of the issued and outstanding TORC Shares (the "**Business Combination**"), as more particularly described in the joint management information circular of Whitecap and TORC dated January 5, 2021 (the "**Information Circular**").

Please complete the enclosed form of proxy and submit it to TORC's transfer agent and registrar, Computershare Trust Company of Canada, as soon as possible but not later than 9:00 a.m. (Calgary time) on February 16, 2021, or 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time of any adjournment or postponement of the TORC Meeting (the "TORC Proxy Deadline"). Registered TORC Shareholders will be able to sign into the TORC Meeting using the control number provided with the meeting materials and password "torc2021" (case sensitive).

Beneficial TORC Shareholders (being TORC Shareholders who hold their TORC Shares through a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary) can appoint themselves or a proxyholder to participate in the virtual TORC Meeting.

Registered TORC Shareholders who appoint a proxyholder, and beneficial TORC Shareholders who appoint themselves or a proxyholder to participate in the virtual TORC Meeting, MUST also visit <https://www.computershare.com/Torc> to register their or their proxyholder's name and e-mail address so that, after the TORC Proxy Deadline, Computershare can send via e-mail a username that will be required (with case-sensitive password "torc2021") to log into the TORC Meeting.

If you do not follow both of these steps, you or your proxyholder will only be able to enter the meeting as a guest.

Registered TORC Shareholders should also complete and return the enclosed letter of transmittal which, when properly completed and returned together with the certificate(s) or direct registration system advice(s) representing TORC Shares and all other required documents, will enable each TORC Shareholder to obtain the consideration that the TORC Shareholder is entitled to receive under the Business Combination.

The Business Combination Agreement

TORC and Whitecap agreed to combine their respective businesses and entered into a business combination agreement dated December 8, 2020 (the "**Business Combination Agreement**") which was unanimously approved by the respective boards of directors of TORC (the "**TORC Board**") and Whitecap (the "**Whitecap Board**"). Pursuant to the Business Combination Agreement and the accompanying Plan of Arrangement, Whitecap will acquire all of the issued and outstanding TORC Shares on the basis of 0.57 of a common share of Whitecap (each whole share, a "**Whitecap Share**") for each TORC Share held.

Based on the currently outstanding TORC Shares and Whitecap Shares and certain assumptions, immediately after completion of the Business Combination, former TORC Shareholders are expected to own approximately 22.06% of the outstanding Whitecap Shares and current shareholders of Whitecap ("**Whitecap Shareholders**") are expected to own approximately 77.94% of the outstanding Whitecap Shares.

The Business Combination is currently anticipated to be completed on or about February 24, 2021, subject to satisfaction or waiver of all conditions precedent in the Business Combination Agreement, including receipt of all court and regulatory approvals. Upon completion of the Business Combination, the combined business will continue to be operated by and under the name "Whitecap Resources Inc.".

Benefits of the Business Combination

TORC believes that the Business Combination will have the following benefits:

- ✓ **Material Size and Scale;**
- ✓ **Improved Free Funds Flow Profile;**
- ✓ **Enhanced Long Term Shareholder Returns;**
- ✓ **Significant Synergies;**
- ✓ **Top Tier Balance Sheet;**
- ✓ **Sustainable Development; and**
- ✓ **Disciplined Leadership and Governance.**

For additional information with respect to these and other anticipated benefits of the Business Combination, see the sections in the Information Circular entitled "*The Business Combination – Reasons for the Business Combination – TORC Board*" and "*Pro Forma Information Regarding the Combined Business*".

Management and Board of Directors

Following completion of the Business Combination, the current executive team of Whitecap will continue to manage the combined business, including Grant Fagerheim as President and Chief Executive Officer, Joel Armstrong as Vice President, Production and Operations, Andrew Bullock as Vice President, Exploration and Geosciences, Darin Dunlop as Vice President, Engineering, Thanh Kang as Chief Financial Officer, Gary Lebsack as Vice President, Land, David Mombourquette as Vice President, Business Development and IT and Jeff Zdunich as Vice President, Finance and Controller.

On closing of the Business Combination and assuming that the Article Amendment Resolution (as defined below) is passed by the Whitecap Shareholders, a designated director agreed to by Whitecap and TORC, will be added to the Whitecap Board which currently consists of Grant Fagerheim, Heather Culbert, Gregory Fletcher, Daryl Gilbert, Glenn McNamara, Stephen Nikiforuk, Kenneth Stickland, Brad Wall and Grant Zawalsky.

Shareholder Votes

The resolution approving the Business Combination (the "**Business Combination Resolution**"), the full text of which is set forth in Appendix A to the Information Circular, must be approved by: (i) not less than 66⅔% of the votes cast by TORC Shareholders present in person (virtually) or represented by proxy at the TORC Meeting; and (ii) a simple majority of the votes cast by TORC Shareholders, present in person (virtually) or represented by proxy at the TORC Meeting after excluding the votes cast by persons whose votes may not be included in determining minority approval of a "business combination" pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in*

Special Transactions, which includes the votes cast with respect to the TORC Shares beneficially owned or over which control or direction is exercised by one executive officer of TORC.

In addition to the approval of the TORC Shareholders of the Business Combination Resolution, completion of the Business Combination is subject to the approval at a special meeting of Whitecap Shareholders to be held on February 18, 2021 (the "**Whitecap Meeting**") of an ordinary resolution approving the issuance of such number of Whitecap Shares (the "**Share Issuance Resolution**") as are required to be issued pursuant to the Business Combination. In addition, at the Whitecap Meeting, the Whitecap Shareholders will be asked to approve a special resolution to amend the articles of Whitecap to increase the maximum number of directors from nine (9) to twelve (12), (the "**Article Amendment Resolution**") and, together with the Share Issuance Resolution, the "**Whitecap Resolutions**") to facilitate the appointment of a designated director agreed to by Whitecap and TORC, to the Whitecap Board on closing of the Business Combination.

Completion of the Business Combination is also subject to, among other things: (i) the approval of the Court of Queen's Bench of Alberta; (ii) the approval of the listing of the Whitecap Shares to be issued pursuant to the Business Combination on the Toronto Stock Exchange; and (iii) the receipt of all other necessary regulatory approvals. If the Business Combination Resolution is not approved at the TORC Meeting, the Business Combination will not be completed. Similarly, if the Share Issuance Resolution is not approved at the Whitecap Meeting, the Business Combination will not be completed.

Support Agreements

All of the directors and executive officers of TORC, then holding an aggregate of 9,516,082 TORC Shares (representing approximately 4.27% of the currently issued and outstanding TORC Shares), and Canada Pension Plan Investment Board, then holding an aggregate of 65,161,136 TORC Shares (representing approximately 29.26% of the currently issued and outstanding TORC Shares) entered into support agreements with Whitecap concurrently with the execution of the Business Combination Agreement, pursuant to which they have agreed to, among other things, vote in favour of the Business Combination Resolution and otherwise support the Business Combination.

Similarly, all of the directors and senior officers of Whitecap, then holding an aggregate of 7,771,502 Whitecap Shares (representing approximately 1.66% of the currently issued and outstanding Whitecap Shares) entered into support agreements with TORC concurrently with the execution of the Business Combination Agreement, pursuant to which they have agreed to, among other things, vote in favour of the Whitecap Resolutions at the Whitecap Meeting and otherwise support the Business Combination.

Fairness Opinion

RBC Dominion Securities Inc. ("**RBC Capital Markets**") acted as financial advisor to TORC and provided the TORC Board with its opinion (the "**TORC Fairness Opinion**") that as of December 8, 2020 and based upon and subject to certain assumptions, limitations and qualifications set forth therein, the consideration to be received by the TORC Shareholders under the Plan of Arrangement is fair, from a financial point of view, to the TORC Shareholders. The full text of the written opinion of RBC Capital Markets, which sets forth assumptions made, procedures followed, matters considered and limitations of the review undertaken in connection with such opinion, is contained in Appendix E to the Information Circular. RBC Capital Markets provided its opinion solely for the information and assistance of the TORC Board in connection with its consideration of the transaction. The TORC Fairness Opinion is not a recommendation as to how any TORC Shareholder should vote with respect to the transaction.

Recommendation

After consulting with TORC's management and with its financial, legal, tax and other advisors, and after considering, among other things, the TORC Fairness Opinion, the TORC Board has unanimously: (i) determined that the Business Combination and the entry into the Business Combination Agreement are in the best interests of TORC and the TORC Shareholders; (ii) determined that the consideration to be received by the TORC Shareholders pursuant to the Business Combination is fair to TORC Shareholders; (iii) approved the Business Combination Agreement and the transactions

contemplated thereby; and (iv) recommended that TORC Shareholders vote in favour of the Business Combination Resolution.

The Information Circular contains a detailed description of the Business Combination, as well as detailed information regarding TORC and Whitecap and certain pro forma and other information of the combined business after giving effect to the Business Combination. It also includes certain risk factors relating to TORC, Whitecap, the Business Combination and the combined business. Please give this material your careful consideration and, if you require assistance, consult your financial, legal, tax or other professional advisors.

Due to the unprecedented public health impact of the novel coronavirus disease, also known as COVID-19, and in alignment with the recommendations of Canadian public health officials to cancel large public gatherings, the TORC Meeting will be held in a virtual-only format conducted via live webcast online at <https://web.lumiagm.com/427778530>. The virtual-only format for the TORC Meeting will help mitigate health and safety risks to the community, shareholders, employees and other stakeholders. At this website, TORC Shareholders and duly appointed proxyholders will be able to hear the meeting live, submit questions and vote their TORC Shares on all items of business while the TORC Meeting is being held. **While TORC Shareholders and duly appointed proxyholders will not be able to attend the TORC Meeting in person, regardless of geographic location and ownership, they will have an equal opportunity to participate at the TORC Meeting and vote on the Business Combination Resolution. Detailed instructions about how to participate in the TORC Meeting can be found in the Notice of Special Meeting of TORC Shareholders and the Information Circular.**

Your vote is important to TORC and we strongly encourage you to participate in the TORC Meeting or submit the enclosed form of proxy or voting information form, as applicable. If you have any questions about any of the information or require assistance in completing your form of proxy or voting instruction form for your TORC Shares, please contact your financial, legal, tax or other professional advisors.

On behalf of the TORC Board, I would like to express our gratitude for the support our shareholders have demonstrated with respect to our decision to take the proposed Business Combination forward. We believe that this is a transformational opportunity for both TORC Shareholders and Whitecap Shareholders and will create a strong, well capitalized light oil weighted company.

We look forward to your participation at the TORC Meeting.

Yours sincerely,

(signed) "*Brett Herman*"

Brett Herman
President & Chief Executive Officer
TORC Oil & Gas Ltd.



LETTER TO WHITECAP SHAREHOLDERS

January 5, 2021

Dear Whitecap Shareholders:

You are invited to attend a special meeting (the "**Whitecap Meeting**") of the holders (the "**Whitecap Shareholders**") of common shares ("**Whitecap Shares**") of Whitecap Resources Inc. ("**Whitecap**", "**we**", "**us**", or "**our**") to be held on Thursday, February 18, 2021 at 10:00 a.m. (Calgary time) in a virtual-only format that will be conducted via live webcast accessible at <https://web.lumiagm.com/240585844>.

Whitecap and TORC Oil & Gas Ltd. ("**TORC**") agreed to combine their respective businesses and entered into a business combination agreement dated December 8, 2020 (the "**Business Combination Agreement**") which was unanimously approved by the respective boards of directors of Whitecap and TORC. Pursuant to the Business Combination Agreement and the accompanying plan of arrangement (the "**Plan of Arrangement**"), Whitecap will acquire all of the issued and outstanding common shares of TORC ("**TORC Shares**") on the basis of 0.57 of a Whitecap Share for each TORC Share held (the "**Business Combination Agreement**").

At the Whitecap Meeting, you will be asked to consider and vote on an ordinary resolution (the "**Share Issuance Resolution**"), the full text of which is set forth in Appendix B to the accompanying joint management information circular of Whitecap and TORC dated January 5, 2021 (the "**Information Circular**"). The Share Issuance Resolution contemplates approving the issuance of the Whitecap Shares pursuant to the Business Combination, all as more particularly described in the Information Circular. In addition to the Share Issuance Resolution, Whitecap Shareholders will be asked to approve a special resolution to amend the articles of Whitecap to increase the maximum number of directors from nine (9) to twelve (12) (the "**Article Amendment Resolution**" and, together with the Share Issuance Resolution, the "**Whitecap Resolutions**") to facilitate the appointment of a designated director agreed to by Whitecap and TORC to the board of directors of Whitecap (the "**Whitecap Board**") on closing of the Business Combination.

Please complete the enclosed form of proxy and submit it to Whitecap's transfer agent and registrar, Odyssey Trust Company, as soon as possible but not later than 10:00 a.m. (Calgary time) on February 16, 2021, or 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time of any adjournment or postponement of the Whitecap Meeting (the "Whitecap Proxy Deadline"). Registered Whitecap Shareholders will be able to sign into the Whitecap Meeting using the control number provided with the meeting materials and password "whitecap2021" (case sensitive).

Beneficial Whitecap Shareholders (being Whitecap Shareholders who hold their Whitecap Shares through a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary) can appoint themselves or a proxyholder to participate in the virtual Whitecap Meeting.

Registered Whitecap Shareholders who appoint a proxyholder, and beneficial Whitecap Shareholders who appoint themselves or a proxyholder to participate in the virtual Whitecap Meeting, must also send an email to whitecap@odysseytrust.com to register their or their proxyholder's name and e-mail address so that, after the Whitecap Proxy Deadline, Odyssey can send via e-mail a username that will be required (with case-sensitive password "whitecap2021" to log into the Whitecap Meeting.

If you do not follow both of these steps, you or your proxyholder will only be able to enter the meeting as a guest.

Based on the currently outstanding TORC Shares and Whitecap Shares and certain assumptions, immediately after completion of the Business Combination, former holders of TORC Shares are expected to own approximately 22.06% of the outstanding Whitecap Shares and current Whitecap Shareholders are expected to own approximately 77.94% of the outstanding Whitecap Shares.

The Business Combination is currently anticipated to be completed on or about February 24, 2021, subject to satisfaction or waiver of all conditions precedent in the Business Combination Agreement, including receipt of all court and regulatory approvals. Upon completion of the Business Combination, the combined business will continue to be operated by and under the name "Whitecap Resources Inc.".

Benefits of the Business Combination

Whitecap believes that the Business Combination will have the following benefits:

- ✓ **Material Size and Scale;**
- ✓ **Improved Free Funds Flow Profile;**
- ✓ **Enhanced Long Term Shareholder Returns;**
- ✓ **Significant Synergies;**
- ✓ **Top Tier Balance Sheet;**
- ✓ **Sustainable Development; and**
- ✓ **Disciplined Leadership and Governance.**

For additional information with respect to these and other anticipated benefits of the Business Combination, see the sections in the Information Circular entitled "*The Business Combination – Reasons for the Business Combination – Whitecap Board*" and "*Pro Forma Information Regarding the Combined Business*".

Management and Board of Directors

Following completion of the Business Combination, the executive team of Whitecap will continue to manage the combined business, including Grant Fagerheim as President and Chief Executive Officer, Joel Armstrong as Vice President, Production and Operations, Andrew Bullock as Vice President, Exploration and Geosciences, Darin Dunlop as Vice President, Engineering, Thanh Kang as Chief Financial Officer, Gary Lebsack as Vice President, Land, David Mombourquette as Vice President, Business Development and IT and Jeff Zdunich as Vice President, Finance and Controller.

On closing of the Business Combination and assuming that the Article Amendment Resolution is passed by the Whitecap Shareholders, a designated director agreed to by Whitecap and TORC, will be added to the Whitecap Board which currently consists of Grant Fagerheim, Heather Culbert, Gregory Fletcher, Daryl Gilbert, Glenn McNamara, Stephen Nikiforuk, Kenneth Stickland, Brad Wall and Grant Zawalsky.

Shareholder Votes

The Share Issuance Resolution must be approved by a simple majority of the votes cast by the Whitecap Shareholders present in person (virtually) or represented by proxy at the Whitecap Meeting and the Article Amendment Resolution must be approved by not less than 66⅔% of the votes cast by the Whitecap Shareholders present in person (virtually) or represented by proxy at the Whitecap Meeting.

In addition to the approval by the Whitecap Shareholders of the Share Issuance Resolution, completion of the Business Combination is subject to, among other things: (i) the approval by TORC Shareholders at the special meeting of holders of TORC Shares to be held on February 18, 2021 (the "**TORC Meeting**") of the resolution approving the Business Combination (the "**Business Combination Resolution**") by (A) not less than 66⅔% of the votes cast by TORC Shareholders present in person (virtually) or represented by proxy at the TORC Meeting, and (B) a simple majority of the votes cast by TORC Shareholders, present in person (virtually) or represented by proxy at the TORC Meeting after excluding the votes cast by persons whose votes may not be included in determining minority approval of a "business combination" pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, which includes the votes cast with respect to the TORC Shares beneficially owned or over which control or direction is exercised by a certain executive officer of TORC; (ii) the approval of the Court of Queen's Bench of Alberta; (iii) the approval of the listing of the Whitecap Shares to be issued pursuant to the Business Combination on the Toronto Stock Exchange; and (iv) the receipt of all other necessary regulatory approvals.

If the Business Combination Resolution is not approved at the TORC Meeting, the Business Combination will not be completed. Similarly, if the Share Issuance Resolution is not approved at the Whitecap Meeting, the Business Combination will not be completed.

Support Agreements

All of the directors and senior officers of Whitecap, then holding an aggregate of 7,771,502 Whitecap Shares (representing approximately 1.66% of the currently issued and outstanding Whitecap Shares) entered into support agreements with TORC concurrently with the execution of the Business Combination Agreement, pursuant to which they have agreed to, among other things, vote in favour of the Whitecap Resolutions at the Whitecap Meeting and otherwise support the Business Combination.

Similarly, all of the directors and executive officers of TORC, then holding an aggregate of 9,516,082 TORC Shares (representing approximately 4.27% of the currently issued and outstanding TORC Shares), and Canada Pension Plan Investment Board, then holding an aggregate of 65,161,136 TORC Shares (representing approximately 29.26% of the currently issued and outstanding TORC Shares) entered into support agreements with Whitecap concurrently with the execution of the Business Combination Agreement, pursuant to which they have agreed to, among other things, vote in favour of the Business Combination Resolution and otherwise support the Business Combination.

Fairness Opinion

National Bank Financial Inc. acted as financial advisor to Whitecap and has provided the Whitecap Board with its opinion (the "**Whitecap Fairness Opinion**") to the effect that, as of December 8, 2020, subject to the assumptions, limitations and qualifications included therein, the consideration to be paid by Whitecap pursuant to the Business Combination is fair, from a financial point of view, to Whitecap.

Recommendation

After consulting with Whitecap's senior management and with its financial, legal, tax and other advisors, and after considering, among other things, the Whitecap Fairness Opinion, the Whitecap Board has unanimously: (i) determined that the Business Combination and entry into the Business Combination Agreement are in the best interests of Whitecap; (ii) determined that the consideration to be paid by Whitecap pursuant to the Business Combination is fair, from a financial point of view, to Whitecap; (iii) approved the Business Combination Agreement and the transactions contemplated thereby; and (iv) recommended that Whitecap Shareholders vote in favour of the Whitecap Resolutions.

The Information Circular contains a detailed description of the Business Combination, as well as detailed information regarding Whitecap and TORC and certain pro forma and other information of the combined business after giving effect to the Business Combination. It also includes certain risk factors relating to Whitecap, TORC, the Business Combination and the combined business. Please give this material your careful consideration and, if you require assistance, consult your financial, legal, tax or other professional advisors.

Due to the unprecedented public health impact of the novel coronavirus disease, also known as COVID-19, and in alignment with the recommendations of Canadian public health officials to cancel large public gatherings, the Whitecap Meeting will be held in a virtual-only format conducted via live webcast online at <https://web.lumiagm.com/240585844>. The virtual-only format for the Whitecap Meeting will help mitigate health and safety risks to the community, shareholders, employees and other stakeholders. At this website, Whitecap Shareholders and duly appointed proxyholders will be able to hear the meeting live, submit questions and vote their Whitecap Shares on all items of business while the Whitecap Meeting is being held. While Whitecap Shareholders and duly appointed proxyholders will not be able to attend the Whitecap Meeting in person, regardless of geographic location and ownership, they will have an equal opportunity to participate at the Whitecap Meeting and vote on the Whitecap Resolutions. Detailed instructions about how to participate in the Whitecap Meeting can be found in the Notice of Special Meeting of Whitecap Shareholders and the Information Circular.

Your vote is important to Whitecap and we strongly encourage you to participate in the Whitecap Meeting or submit the enclosed form of proxy or voting information form, as applicable. If you have any questions about any of the information or require assistance in completing your form of proxy or voting instruction form for your Whitecap Shares, as applicable, please contact your financial, legal, tax or other professional advisors.

We look forward to your participation at the Whitecap Meeting.

Yours sincerely,

(signed) "*Grant Fagerheim*"

Grant Fagerheim
President & Chief Executive Officer
Whitecap Resources Inc.

TORC Q&A

TORC SHAREHOLDERS - QUESTIONS AND ANSWERS ABOUT THE BUSINESS COMBINATION AND THE TORC MEETING

The following is intended to address certain key questions concerning the Business Combination and the TORC Meeting. The information contained below is of a summary nature and therefore is not complete and is qualified in its entirety by the more detailed information contained elsewhere in or incorporated by reference in the Information Circular, including the Appendices thereto, all of which are important and should be reviewed carefully. Capitalized terms used but not otherwise defined in this "*Questions and Answers About the Business Combination and the TORC Meeting*" have the meanings set forth under "*Glossary of Terms*".

Q: Why did I receive this Information Circular?

A: You received the Information Circular because you are a TORC Shareholder who will be asked at the TORC Meeting to approve the Business Combination involving TORC and Whitecap.

Q: What is the Business Combination?

A: On December 8, 2020, TORC and Whitecap agreed to the definitive terms of a transaction to combine the businesses of the two companies pursuant to the terms and conditions of the Business Combination Agreement. Pursuant to the Business Combination Agreement, Whitecap has agreed to acquire all of the issued and outstanding TORC Shares under a court-approved Plan of Arrangement in accordance with the provisions of the ABCA. If completed, the Business Combination will result in Whitecap acquiring all of the TORC Shares. Pursuant to the Business Combination, each TORC Share held by a TORC Shareholder will be exchanged for 0.57 of a Whitecap Share.

Based on the currently outstanding TORC Shares and Whitecap Shares and certain assumptions, former TORC Shareholders are expected to own approximately 22.06% of the outstanding Whitecap Shares immediately after completion of the Business Combination and current Whitecap Shareholders are expected to own approximately 77.94% of the outstanding Whitecap Shares immediately after completion of the Business Combination.

Following completion of the Business Combination, it is anticipated that the TORC Shares will be delisted from the TSX.

Q: Does the TORC Board support the Business Combination?

A: Yes. Following review of a significant amount of information and consideration of a number of factors (including the interests of affected stakeholders) and after considering the TORC Fairness Opinion and following consultation with TORC's senior management and with TORC's legal, financial, tax and other advisors, the TORC Board has unanimously: (i) determined that the Business Combination and the entry into the Business Combination Agreement are in the best interests of TORC and the TORC Shareholders; (ii) determined that the consideration to be received by the TORC Shareholders pursuant to the Business Combination is fair to TORC Shareholders; (iii) approved the Business Combination Agreement and the transactions contemplated thereby; and (iv) recommended that TORC Shareholders vote in favour of the Business Combination Resolution.

THE TORC BOARD UNANIMOUSLY RECOMMENDS THAT TORC SHAREHOLDERS VOTE FOR THE BUSINESS COMBINATION RESOLUTION.

See "*The Business Combination – Recommendation of the TORC Board*" and "*The Business Combination – Reasons for the Business Combination – TORC Board*". The full text of the Business Combination Resolution is set forth in Appendix A to the Information Circular.

Q: What are the benefits of the Business Combination?

A: Management of TORC and Whitecap anticipate that the Business Combination will create a leading oil weighted producer in Western Canada with a focused asset base exhibiting lower production declines, high operating netbacks and strong capital efficiencies thereby unlocking value for TORC Shareholders and Whitecap Shareholders. The following are some, but not all, of the expected long-term benefits of the Business Combination to TORC Shareholders:

- ✓ **Material Size and Scale;**
- ✓ **Improved Free Funds Flow Profile;**
- ✓ **Enhanced Long Term Shareholder Returns;**
- ✓ **Significant Synergies;**
- ✓ **Top Tier Balance Sheet;**
- ✓ **Sustainable Development; and**
- ✓ **Disciplined Leadership and Governance.**

See "*The Business Combination – Reasons for the Business Combination*", "*Pro Forma Information Concerning the Combined Business*" and "*Pro Forma Information Concerning the Combined Business – Directors and Executive Officers after the Business Combination*".

Q: Are there support agreements in place with any TORC Shareholders?

A: Yes. All of the directors and executive officers of TORC, then holding an aggregate of 9,516,082 TORC Shares (representing approximately 4.27% of the currently issued and outstanding TORC Shares), and CPPIB, then holding an aggregate of 65,161,136 TORC Shares (representing approximately 29.26% of the currently issued and outstanding TORC Shares) entered into support agreements with Whitecap concurrently with the execution of the Business Combination Agreement, pursuant to which they have agreed to, among other things, vote in favour of the Business Combination Resolution and otherwise support the Business Combination.

See "*Effect of the Business Combination – Support Agreements*".

Q: Is there a fairness opinion regarding the consideration to be received by TORC Shareholders?

A: Yes. RBC Capital Markets has provided the TORC Board with its opinion, that, as of December 8, 2020 and based upon and subject to the assumptions, limitations and qualifications set forth therein, the consideration to be received by the TORC Shareholders under the Plan of Arrangement is fair, from a financial point of view, to the TORC Shareholders.

See "*The Business Combination – TORC Fairness Opinion*" and "*The Business Combination – Reasons for the Business Combination – TORC Board*".

Q: Why is the TORC Meeting being held?

A: The TORC Meeting is being held for the purposes of obtaining the approval of the TORC Shareholders contemplated by the Business Combination Agreement and the Interim Order. Pursuant to the Interim Order, the Business Combination Resolution must be approved by: (i) not less than 66⅔% of the votes cast by TORC Shareholders present in person (virtually) or represented by proxy at the TORC Meeting; and (ii) a simple

majority of the votes cast by TORC Shareholders, present in person (virtually) or represented by proxy at the TORC Meeting after excluding the votes cast by persons whose votes may not be included in determining minority approval of a "business combination" pursuant to MI 61-101.

The full text of the Business Combination Resolution is set forth in Appendix A to the Information Circular.

Q: When and where is the TORC Meeting being held?

A: There is no physical location for the TORC Meeting. The TORC Meeting will be held on Thursday, February 18, 2021 at 9:00 a.m. (Calgary time) in a virtual-only format that will be conducted via live webcast accessible at <https://web.lumiagm.com/427778530> and password "torc2021" (case sensitive). Such format will be conducted to address public health measures arising from the COVID-19 pandemic in order to limit and mitigate risks to the health and safety of the TORC Shareholders and to TORC's employees, directors and other stakeholders.

Q: How do I access the virtual TORC Meeting?

A: Registered TORC Shareholders and duly appointed proxyholders can access and vote at the TORC Meeting as follows:

- Go to <https://web.lumiagm.com/427778530> in a web browser on a smartphone, tablet or computer at least 30 to 60 minutes prior to the start of the TORC Meeting. The latest versions of Chrome, Safari, Microsoft Edge or Firefox will be needed. Please ensure the browser being used is compatible by logging in early. You should allow ample time to check into the virtual TORC Meeting to check compatibility and complete the related procedures.
- Select "*I have a Control Number/Username*" and enter your control number (your control number is located on your form of proxy) and the password: "torc2021" (case sensitive).

Guests, including non-registered TORC Shareholders who have not duly appointed themselves as proxyholders, can log into the TORC Meeting as set out below. Guests can listen to the TORC Meeting but are not able to vote, as follows:

- Go to <https://web.lumiagm.com/427778530> in a web browser on a smartphone, tablet or computer at least 30 to 60 minutes prior to the start of the TORC Meeting. The latest versions of Chrome, Safari, Microsoft Edge or Firefox will be needed. Please ensure the browser being used is compatible by logging in early. You should allow ample time to check into the virtual TORC Meeting to check compatibility and complete the related procedures.
- Select "*I am a guest*" and then complete the online form.

See "*General Proxy Matters – TORC – How to Participate at the TORC Meeting*". For information on how a non-registered (beneficial) TORC Shareholder can participate in the TORC Meeting and vote its TORC Shares, see the question below "*How can a non-registered TORC Shareholder vote during the TORC Meeting?*".

Q: Who is entitled to vote at the TORC Meeting?

A: Only TORC Shareholders of record at the close of business on January 4, 2021, being the TORC Record Date, will be entitled to receive notice of and vote on the Business Combination Resolution at the TORC Meeting, or any adjournment or postponement thereof. TORC Shareholders will be entitled to one vote on the Business Combination Resolution at the TORC Meeting for each TORC Share held.

Q: What if I acquire ownership of TORC Shares after the TORC Record Date?

A: If a TORC Shareholder transfers TORC Shares after the TORC Record Date and the transferee of those TORC Shares, having produced properly endorsed certificates evidencing such TORC Shares or having otherwise established that the transferee owns such TORC Shares, demands, at least 10 days before the TORC Meeting, that the transferee's name be included in the list of TORC Shareholders entitled to vote at the TORC Meeting, such transferee shall be entitled to vote such TORC Shares on the Business Combination Resolution at the TORC Meeting.

See "*General Proxy Matters – TORC*".

Q: Who is soliciting my proxy?

A: Management of TORC is soliciting your proxy. Solicitation of proxies is done primarily by mail and electronic means. The costs of preparing and distributing the Information Circular and meeting materials will be borne by TORC and Whitecap, as applicable.

Q: When do I have to vote my TORC Shares by?

A: Proxies must be received by no later than the TORC Proxy Deadline, being 9:00 a.m. (Calgary time) on February 16, 2021, or, if the TORC Meeting is adjourned or postponed, 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) before the beginning of any adjourned or postponed TORC Meeting. The time limit for deposit of proxies may be waived or extended by the Chair of the TORC Meeting at the Chair's discretion, without notice.

Q: Can I appoint someone other than the individuals named in the enclosed proxy to vote my TORC Shares?

A: Yes, you have the right to appoint another person of your choice, who need not be a TORC Shareholder to attend and vote on your behalf at the TORC Meeting. If you wish to appoint a person other than those named in the enclosed proxy or Voting Instruction Form, insert the name of your chosen proxyholder in the space provided.

NOTE: It is important for you to ensure that any other person you appoint will attend the TORC Meeting and is aware that his or her appointment has been made to vote your TORC Shares.

The following applies to TORC Shareholders who wish to appoint as their proxyholders individuals other than those named in the proxy or Voting Instruction Form. This includes non-registered TORC Shareholders who wish to appoint themselves as proxyholders to attend, participate in or vote at the TORC Meeting.

TORC Shareholders who wish to appoint as their proxyholders individuals other than those named in the proxy or Voting Instruction Form to attend and participate in the TORC Meeting and vote their shares MUST: (i) submit their proxies or Voting Instruction Forms, as applicable, appointing such individuals as proxyholders; AND (ii) register such proxyholders online, as described below. Registering your proxyholder is an additional step to be completed AFTER you have submitted your proxy or Voting Instruction Form. Failure to register the proxyholder will result in the proxyholder not receiving a username that is required to vote at the TORC Meeting.

Step 1: Submit your proxy or Voting Instruction Form: To appoint someone other than the individuals named in the proxy or Voting Instruction Form as proxyholder, insert that person's name in the blank space provided in the proxy or Voting Instruction Form (if permitted) and follow the instructions for submitting such proxy or Voting Instruction Form. This must be completed before registering such proxyholder, which is an additional step to be completed once you have submitted your proxy or Voting Instruction Form.

If you are a non-registered TORC Shareholder (as your TORC Shares are held in the name of a bank, trust company, securities broker or other financial institution) and wish to vote at the TORC Meeting, you must insert your own name in the space provided on the Voting Instruction Form sent to you by your intermediary, follow all of the applicable instructions provided by your intermediary AND register yourself as your proxyholder, as described below in Step 2. By doing so, you are instructing your intermediary to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your intermediary. Please also see further instructions below under the heading "*How can a non-registered TORC Shareholder vote during the TORC Meeting?*".

If you are a non-registered TORC Shareholder (as your TORC Shares are held in the name of a bank, trust company, securities broker or other financial institution) located in the United States and wish to vote at the TORC Meeting or, if permitted, appoint a third party as your proxyholder, in addition to the steps described below under "*How can a non-registered TORC Shareholder vote during the TORC Meeting?*", you must obtain a valid legal proxy from your intermediary. Follow the instructions from your intermediary included with the legal proxy form sent to you or contact your intermediary to request a legal proxy form if you have not received one. After obtaining a valid legal proxy form from your intermediary, you must then submit such legal proxy to Computershare. Requests for registration from non-registered TORC Shareholders located in the United States that wish to vote at the TORC Meeting or, if permitted, appoint third parties as their proxyholders must be sent by e-mail or by courier to: uslegalproxy@computershare.com (if by e-mail); or Computershare Trust Company of Canada, Attention: Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, Canada (if by courier), and in both cases, must be labeled "*Legal Proxy*" and received no later than the TORC Proxy Deadline.

Step 2: Register your proxyholder: To register a third-party proxyholder, you must visit <https://www.computershare.com/Torc> by the TORC Proxy Deadline and provide Computershare with the required proxyholder contact information so that Computershare may provide the proxyholder with a username via e-mail. Without a username, proxyholders will not be able to vote at the TORC Meeting but will be able to participate as guests.

Q: Should I send my form of proxy or Voting Instruction Form now?

A: Yes. Once you have carefully read and considered the information in the Information Circular, you need to complete and submit the enclosed form of proxy or Voting Instruction Form, as applicable. You are encouraged to vote well in advance of the TORC Proxy Deadline to ensure that your TORC Shares are voted at the TORC Meeting.

Q: Can I revoke my vote after I have voted by proxy?

A: Yes. In addition to revocation in any other manner permitted by law, a TORC Shareholder may revoke a proxy by: (i) accessing the TORC Meeting by following the instructions under the heading "*How to Participate at the TORC Meeting*" in the Information Circular and voting their TORC Shares during the designated time; (ii) an instrument in writing executed by the TORC Shareholder or such TORC Shareholder's attorney authorized in writing or if the TORC Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof, duly authorized, indicating the capacity under which such officer or attorney is signing and deposited with Computershare, the transfer agent of TORC, at the office designated in the Notice of Special Meeting of TORC Shareholders not later than 5:00 p.m. (Calgary time) on the Business Day preceding the day of the TORC Meeting (or any adjournment or postponement thereof); or (iii) a duly executed and deposited proxy as provided herein bearing a later date or time than the date or time of the proxy being revoked.

Q: How can a registered TORC Shareholder vote during the TORC Meeting?

A: Registered TORC Shareholders can vote in one of the following ways:

During the Virtual TORC Meeting If you are a registered TORC Shareholder you can attend the TORC Meeting by going to <https://web.lumiagm.com/427778530> in a web browser on a smartphone, tablet or computer, selecting "*I have a Control Number/Username*" and entering your control number (your control number is located on your form of proxy) and the password: "torc2021" (case sensitive). Follow the instructions to access the TORC Meeting and vote when prompted.

See "*General Proxy Matters – TORC – How to Participate at the TORC Meeting*".

Internet Go to www.investorvote.com. Enter the control number printed on the form of proxy and follow the instructions on screen.

Mail Enter voting instructions, sign the form of proxy and send your completed form of proxy to TORC's registrar and transfer agent in the envelope provided, or to Computershare Trust Company of Canada, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1.

Phone Call 1-866-732-8683 and follow the instructions. You will need to enter the control number printed on the form of proxy, and follow the interactive voice recording instructions to submit your vote.

Q: How can a non-registered TORC Shareholder vote during the TORC Meeting?

A: Non-registered (beneficial) holders of TORC Shares can vote in one of the following ways:

During the Virtual TORC Meeting If you are a non-registered TORC Shareholder (as your TORC Shares are held in the name of a bank, trust company, securities broker or other financial institution), you can attend and vote at the TORC Meeting by filling in your name in the blank space provided on the Voting Instruction Form and appointing yourself as proxy and sending in the completed Voting Instruction Form to the address specified on the Voting Instruction Form in advance of the TORC Meeting.

You must also visit <https://www.computershare.com/Torc> to register your name and e-mail address so that after the TORC Proxy Deadline, Computershare can send you, via e-mail, a username that will be required (with case-sensitive password "torc2021") to log into the TORC Meeting.

You can then attend the TORC Meeting by going to <https://web.lumiagm.com/427778530> in a web browser, on a smartphone, tablet or computer, selecting "*I have a Control Number/Username*", entering the username that you received in an e-mail from Computershare, password "torc2021" (case sensitive), and then follow the instructions to access the TORC Meeting and vote when prompted.

Non-registered TORC Shareholders who have not duly appointed themselves as proxy will not be able to vote online at the virtual TORC Meeting. You will be able to join a live webcast of the TORC Meeting by going to <https://web.lumiagm.com/427778530>, checking on "I am a guest" and filing in the form.

See "*General Proxy Matters – TORC – How to Participate at the TORC Meeting*".

Internet

Go to www.investorvote.com, enter the control number printed on the Voting Instruction Form and follow the instructions on screen.

Mail

Enter voting instructions, sign the Voting Instruction Form and send the completed Voting Instruction Form to the address specified on the Voting Instruction Form.

Phone

Call 1-800-474-7493 or 1-800-474-7501 (French) and follow the instructions. You will need to enter the control number printed on the Voting Instruction Form, and follow the interactive voice recording instructions to submit your vote.

Fax

Enter voting instructions, sign the Voting Instruction Form and fax the completed Voting Instruction Form to 905-507-7793.

Q: Will my securities intermediary vote my TORC Shares for me?

A: Your broker or other securities intermediary will vote your TORC Shares only if you provide instructions to such intermediary on how to vote. If you fail to provide proper instructions, the TORC Shares will not be voted on your behalf at the TORC Meeting. If you do not wish to appoint yourself as proxy, as a non-registered (beneficial) TORC Shareholder, you should instruct your intermediary/ies to vote your TORC Shares on your behalf by following the directions on the Voting Instruction Form provided by such intermediary.

Unless your intermediary/ies give(s) you its proxy to vote at the TORC Meeting, you cannot vote those TORC Shares owned by you at the TORC Meeting.

Q: Will TORC utilize Notice-and-Access for delivery of materials for the TORC Meeting?

A: TORC has elected to use the Notice-and-Access Provisions with respect to delivering materials for the TORC Meeting to the non-registered TORC Shareholders. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials that TORC must physically mail to shareholders by allowing TORC to post the Information Circular and related materials online.

All non-registered TORC Shareholders entitled to receive the meeting materials will receive an N&A Notice along with a form of proxy or Voting Instruction Form.

Electronic copies of the Notice of Special Meeting of TORC Shareholders, the Information Circular and a form of proxy will be available on TORC's website at www.torcoil.com/investors/ and under TORC's profile on SEDAR at www.sedar.com. TORC Shareholders are reminded to review these online materials before voting.

For more information about the notice-and-access procedures, please call TORC at 1-844-453-5507.

TORC Shareholders may choose to receive paper copies of the meeting materials by mail at no cost. In order for TORC Shareholders to receive the paper copies of the meeting materials in advance of any deadline for the submission of voting instructions and the date of the TORC Meeting, it is recommended that requests be made as soon as possible but not later than 9:00 a.m. (Calgary time) on the fifth Business Day prior to the proxy cut-off date of February 16, 2021. If you do request the meeting materials, please note that another Voting Instruction Form will not be sent; please retain your current one for voting purposes.

Requests for TORC Meeting materials can be made to TORC by calling 1-844-453-5507.

Q: What other approvals are required for the Business Combination to be completed?

A: In addition to the approval of the TORC Shareholders as provided for in the Information Circular, in order for the Business Combination to be completed: (i) the Share Issuance Resolution must be approved by a simple majority of the votes cast by Whitecap Shareholders present in person (virtually) or represented by proxy at the Whitecap Meeting; and (ii) other court and regulatory approvals must be obtained, including the approval of the TSX, in respect of the issuance and listing of the Whitecap Shares to be issued to TORC Shareholders pursuant to the Business Combination.

See "*Procedure for the Business Combination to Become Effective*".

Q: When will the Business Combination become effective?

A: The Business Combination will become effective at the time the Articles of Arrangement are filed with the Registrar, which is expected to occur on or about February 24, 2021, provided that all required approvals are obtained. However, completion of the Business Combination is subject to a number of conditions and it is possible that factors outside the control of TORC and/or Whitecap could result in the Business Combination being completed at a later time, or not at all. Subject to certain limitations, each Party may terminate the Business Combination Agreement if the Business Combination is not consummated by March 26, 2021 or such later date as TORC and Whitecap may agree in writing.

See "*Timing*".

Q: How do I receive the Whitecap Shares that I am entitled to under the Business Combination?

A: Registered TORC Shareholders must complete and return the enclosed Letter of Transmittal which, when properly completed and returned together with the certificate(s) or DRS Advice(s) representing TORC Shares and all other required documents, will enable each TORC Shareholder to obtain the consideration that the TORC Shareholder is entitled to receive under the Business Combination. See "*Procedure for the Business Combination to Become Effective – Procedure for Exchange of TORC Share Certificates or DRS Advices*".

TORC Shareholders who do not hold their TORC Shares in their own name should instruct their broker or other intermediary to complete the Letter of Transmittal regarding the Business Combination with respect to such holder's TORC Shares in order to receive the consideration issuable pursuant to the Business Combination in exchange for such holder's TORC Shares.

Q: What will happen if the Business Combination Resolution is not approved or the Business Combination is not completed for any reason?

A: If the Business Combination Resolution is not approved or the Business Combination is not completed for any reason, the Business Combination Agreement may be terminated by one or both of the Parties. Pursuant to the terms of the Business Combination Agreement, TORC has agreed that it will not solicit, initiate, encourage or otherwise facilitate any discussions concerning any other business combination or sale of material assets. The TORC Board may respond to unsolicited Superior Proposals subject to certain requirements and notification to Whitecap, who will have the right to match any Superior Proposals within a

seventy-two hour match period. The Business Combination Agreement provides for a termination amount of \$20 million payable by TORC, in consideration for the disposition of Whitecap's rights under the Business Combination Agreement, if the Business Combination is not completed in certain circumstances, and \$20 million payable by Whitecap, in consideration for the disposition of TORC's rights under the Business Combination Agreement, if the Business Combination is not completed in certain circumstances. In addition, in the event that the Business Combination Agreement is terminated under certain circumstances, Whitecap will be required to pay TORC \$500,000 as reimbursement for the costs incurred by TORC in pursuing the Business Combination.

See "*Effect of the Business Combination – The Business Combination Agreement – Termination*".

Q: What are the Canadian federal income tax consequences of the Business Combination?

A: For a summary of certain of the material Canadian federal income tax consequences of the Business Combination applicable to TORC Shareholders, see "*Certain Canadian Federal Income Tax Considerations*". Such summary is not intended to be legal or tax advice. TORC Shareholders should consult their own tax advisors as to the Canadian and other tax consequences of the Business Combination to them with respect to their particular circumstances.

Q: Are TORC Shareholders entitled to Dissent Rights?

A: Registered TORC Shareholders may, upon compliance with certain conditions and in certain circumstances, exercise Dissent Rights. However, failure to strictly comply with the requirements set forth in section 191 of the ABCA, as modified by the Interim Order and the Plan of Arrangement, may result in the loss of any right of dissent. It is strongly recommended that any TORC Shareholders wishing to dissent seek independent legal advice.

See "*Dissent Rights*".

Q: Who should I contact if I have questions?

A: If you have any questions about the Business Combination or the matters described in the Information Circular, please contact your professional advisors.

WHITECAP Q&A

WHITECAP SHAREHOLDERS – QUESTIONS AND ANSWERS ABOUT THE BUSINESS COMBINATION AND THE WHITECAP MEETING

The following is intended to address certain key questions concerning the Business Combination and the Whitecap Meeting. The information contained below is of a summary nature and therefore is not complete and is qualified in its entirety by the more detailed information contained elsewhere in or incorporated by reference in the Information Circular, including the Appendices thereto, all of which are important and should be reviewed carefully. Capitalized terms used but not otherwise defined in this "*Question and Answers About the Business Combination and the Whitecap Meeting*" have the meanings set forth under "*Glossary of Terms*".

Q: Why did I receive the Information Circular?

A: You received the Information Circular because you are a Whitecap Shareholder and Whitecap Shareholders will be asked at the Whitecap Meeting to approve the Share Issuance Resolution and the Article Amendment Resolution.

Q: What is the Business Combination?

A: On December 8, 2020, TORC and Whitecap agreed to the definitive terms of a transaction to combine the businesses of the two companies pursuant to the terms and conditions of the Business Combination Agreement. Pursuant to the Business Combination Agreement, Whitecap has agreed to acquire all of the issued and outstanding TORC Shares under a court-approved Plan of Arrangement in accordance with the provisions of the ABCA. If completed, the Business Combination will result in Whitecap acquiring all of the TORC Shares. Pursuant to the Business Combination, each TORC Share held by a TORC Shareholder will be exchanged for 0.57 of a Whitecap Share.

Based on the currently outstanding TORC Shares and Whitecap Shares and certain assumptions, current Whitecap Shareholders are expected to own approximately 77.94% of the outstanding Whitecap Shares immediately after completion of the Business Combination and former TORC Shareholders are expected to own approximately 22.06% of the outstanding Whitecap Shares immediately after completion of the Business Combination.

Q: Does the Whitecap Board support the Business Combination?

A: Yes. Following review of a significant amount of information and consideration of a number of factors (including the interests of affected stakeholders) and after considering the Whitecap Fairness Opinion and following consultation with Whitecap's senior management and with Whitecap's legal, financial, tax and other advisors, the Whitecap Board has unanimously: (i) determined that the Business Combination and the entry into the Business Combination Agreement are in the best interests of Whitecap; (ii) determined that the consideration to be paid by Whitecap pursuant to the Business Combination is fair, from a financial point of view, to Whitecap; (iii) approved the Business Combination Agreement and the transactions contemplated thereby; and (iv) recommended that Whitecap Shareholders vote in favour of the Whitecap Resolutions.

THE WHITECAP BOARD UNANIMOUSLY RECOMMENDS THAT WHITECAP SHAREHOLDERS VOTE FOR THE WHITECAP RESOLUTIONS.

See "*The Business Combination – Recommendation of the Whitecap Board*" and "*The Business Combination – Reasons for the Business Combination – Whitecap Board*".

Q: What are the benefits of the Business Combination?

A: Management of Whitecap and TORC anticipate that the Business Combination will create a leading oil weighted producer in Western Canada with a focused asset base exhibiting lower production declines, high operating netbacks and strong capital efficiencies thereby unlocking value for TORC Shareholders and Whitecap Shareholders. The following are some, but not all, of the expected long-term benefits of the Business Combination to Whitecap Shareholders:

- ✓ **Material Size and Scale;**
- ✓ **Improved Free Funds Flow Profile;**
- ✓ **Enhanced Long Term Shareholder Returns;**
- ✓ **Significant Synergies;**
- ✓ **Top Tier Balance Sheet;**
- ✓ **Sustainable Development; and**
- ✓ **Disciplined Leadership and Governance.**

See *"The Business Combination – Reasons for the Business Combination"*, *"Pro Forma Information Concerning the Combined Business"* and *"Pro Forma Information Concerning the Combined Business – Directors and Executive Officers after the Business Combination"*.

Q: Are there support agreements in place with any Whitecap Shareholders?

A: Yes. All of the directors and senior officers of Whitecap, then holding an aggregate of 7,771,502 Whitecap Shares (representing approximately 1.66% of the currently issued and outstanding Whitecap Shares) entered into support agreements with TORC concurrently with the execution of the Business Combination Agreement, pursuant to which they have agreed to, among other things, vote in favour of the Whitecap Resolutions at the Whitecap Meeting and otherwise support the Business Combination.

See *"Effect of the Business Combination – Support Agreements"*.

Q: Is there a fairness opinion regarding the consideration to be paid by Whitecap to TORC Shareholders?

A: Yes. National Bank has provided the Whitecap Board with the Whitecap Fairness Opinion, that, as of December 8, 2020, and, based upon and subject to the assumptions, qualifications and limitations set forth therein, the consideration to be paid by Whitecap pursuant to the Business Combination is fair, from a financial point of view, to Whitecap.

See *"The Business Combination – Whitecap Fairness Opinion"* and *"The Business Combination – Reasons for the Business Combination – Whitecap Board"*.

Q: Why is the Whitecap Meeting being held?

A: The Whitecap Shares to be issued to TORC Shareholders under the Business Combination will constitute greater than 25% of the issued and outstanding Whitecap Shares (on a non-diluted basis) immediately prior to the completion of the Business Combination. Pursuant to the applicable rules of the TSX, the issuance of the Whitecap Shares under the Business Combination requires the approval of a simple majority of the votes cast by the Whitecap Shareholders present in person (virtually) or represented by proxy at the Whitecap Meeting.

As a result, Whitecap Shareholders will be asked to vote on the Share Issuance Resolution, the full text of which is set forth in Appendix B to the Information Circular. If approved, the Share Issuance Resolution will authorize the issuance of the number of Whitecap Shares that would allow Whitecap to meet its obligations under the Business Combination Agreement to issue 0.57 of a Whitecap Share for each TORC Share held by TORC Shareholders.

Based on the 222,672,240 TORC Shares outstanding as at the date hereof and certain assumptions, Whitecap would issue 132,293,618 Whitecap Shares to TORC Shareholders in accordance with the Business Combination. The number of Whitecap Shares that will be issued pursuant to the Plan of Arrangement will depend on the number of TORC Shares outstanding immediately prior to the Effective Time.

In addition, Whitecap Shareholders will also be asked to approve the Article Amendment Resolution, to amend the articles of Whitecap to increase the maximum number of directors from nine (9) to twelve (12). The Article Amendment Resolution requires the approval of not less than 66⅔% of the votes cast by the Whitecap Shareholders present in person (virtually) or represented by proxy at the Whitecap Meeting. If the Article Amendment Resolution is passed, a designate agreed to by Whitecap and TORC, will be appointed to the Whitecap Board after completion of the Business Combination.

Management of Whitecap is soliciting proxies of the Whitecap Shareholders to vote in favour of the Share Issuance Resolution and the Article Amendment Resolution.

Q: When and where is the Whitecap Meeting being held?

A: There is no physical location for the Whitecap Meeting. The Whitecap Meeting will be held on Thursday, February 18, 2021 at 10:00 a.m. (Calgary time) in a virtual-only format that will be conducted via live webcast accessible at <https://web.lumiagm.com/240585844> and password "whitecap2021" (case sensitive). Such format will be conducted to address public health measures arising from the COVID-19 pandemic in order to avoid and mitigate risks to the health and safety of the Whitecap Shareholders and Whitecap's employees, directors and other stakeholders.

Q: How do I access the virtual Whitecap Meeting?

A: Registered Whitecap Shareholders and duly appointed proxyholders can access and vote at the Whitecap Meeting as follows:

- Go to <https://web.lumiagm.com/240585844> in a web browser on a smartphone, tablet or computer at least 30 to 60 minutes prior to the start of the Whitecap Meeting. The latest versions of Chrome, Safari, Microsoft Edge or Firefox will be needed. Please ensure the browser being used is compatible by logging in early. You should have ample time to check into the virtual Whitecap Meeting to check compatibility and complete the related procedures.
- Select "*I have a Control Number/Username*" and enter your control number (your control number is located on your form of proxy) and the password: "whitecap2021" (case sensitive).

Guests, including non-registered Whitecap Shareholders who have not duly appointed themselves as proxyholders, can log in to the Whitecap Meeting as set out below. Guests can attend the Whitecap Meeting but are not able to vote, as follows:

- Go to <https://web.lumiagm.com/240585844> in a web browser on a smartphone, tablet or computer at least 30 to 60 minutes prior to the start of the Whitecap Meeting. The latest versions of Chrome, Safari, Microsoft Edge or Firefox will be needed. Please ensure the browser being used is compatible by logging in early. You should have ample time to check into the virtual Whitecap Meeting to check compatibility and complete the related procedures.
- Select "*I am a guest*" and then complete the online form.

See "*General Proxy Matter – Whitecap – How to Participate at the Whitecap Meeting*". For information on how a non-registered (beneficial) Whitecap Shareholder can participate in the Whitecap Meeting and vote its Whitecap Shares, see the question below "*How can a non-registered Whitecap Shareholder vote during the Whitecap Meeting?*".

Q: Who is entitled to vote at the Whitecap Meeting?

A: Only Whitecap Shareholders of record at the close of business on January 4, 2021, being the Whitecap Record Date, will be entitled to receive notice of and vote at the Whitecap Meeting, or any adjournment or postponement thereof. Whitecap Shareholders will be entitled to one vote at the Whitecap Meeting for each Whitecap Share held.

Q: What if I acquire ownership of Whitecap Shares after the Whitecap Record Date?

A: If a Whitecap Shareholder transfers Whitecap Shares after the Whitecap Record Date and the transferee of those Whitecap Shares, having produced properly endorsed certificates evidencing such Whitecap Shares or having otherwise established that the transferee owns such Whitecap Shares, demands, at least 10 days before the Whitecap Meeting, that the transferee's name be included in the list of Whitecap Shareholders entitled to vote at the Whitecap Meeting, such transferee shall be entitled to vote such Whitecap Shares on the Whitecap Resolutions at the Whitecap Meeting.

See "*General Proxy Matters – Whitecap*".

Q: Who is soliciting my proxy?

A: Management of Whitecap is soliciting your proxy. Solicitation of proxies is done primarily by mail and electronic means. The costs of preparing and distributing the Information Circular and meeting materials will be borne by Whitecap and TORC, as applicable.

Q: When do I have to vote my Whitecap Shares by?

A: Proxies must be received no later than the Whitecap Proxy Deadline, being 10:00 a.m. (Calgary time) on February 16, 2021, or, if the Whitecap Meeting is adjourned or postponed, 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) before the beginning of any adjourned or postponed Whitecap Meeting. The time limit for deposit of proxies may be waived or extended by the Chair of the Whitecap Meeting at the Chair's discretion, without notice.

Q: Can I appoint someone other than the individuals named in the enclosed proxy to vote my Whitecap Shares?

A: Yes, you have the right to appoint another person of your choice, who need not be a Whitecap Shareholder, to attend and vote on your behalf at the Whitecap Meeting. If you wish to appoint a person other than those named in the enclosed proxy or Voting Instruction Form, insert the name of your chosen proxyholder in the space provided.

NOTE: It is important for you to ensure that any other person you appoint will attend the Whitecap Meeting and is aware that his or her appointment has been made to vote your Whitecap Shares.

The following applies to Whitecap Shareholders who wish to appoint as their proxyholders individuals other than those named in the proxy or Voting Instruction Form. This includes non-registered Whitecap Shareholders who wish to appoint themselves as proxyholders to attend, participate in or vote at the Whitecap Meeting.

Whitecap Shareholders who wish to appoint as their proxyholders individuals other than those named in the proxy or Voting Instruction Form to attend and participate in the Whitecap Meeting and vote their Whitecap Shares MUST submit their proxies or Voting Instruction Forms, as applicable, appointing such individuals as proxyholders AND register such proxyholders online, as described below. Registering your proxyholder is an additional step to be completed AFTER you have submitted your proxy or Voting Instruction Form. Failure to register the proxyholder will result in the proxyholder not receiving a username that is required to vote at the Whitecap Meeting.

Step 1: Submit your proxy or Voting Instruction Form: To appoint someone other than the individuals named in the proxy or Voting Instruction Form as proxyholder, insert that person's name in the blank space provided in the proxy or Voting Instruction Form (if permitted) and follow the instructions for submitting such proxy or Voting Instruction Form. This must be completed before registering such proxyholder, which is an additional step to be completed once you have submitted your proxy or Voting Instruction Form.

If you are a non-registered Whitecap Shareholders (as your Whitecap Shares are held in the name of a bank, trust company, securities broker or other financial institution) and wish to vote at the Whitecap Meeting, you must insert your own name in the space provided on the Voting Instruction Form sent to you by your intermediary, follow all of the applicable instructions provided by your intermediary AND register yourself as your proxyholder, as described below in Step 2. By doing so, you are instructing your intermediary to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your intermediary. Please also see further instructions below under the heading "*How can a non-registered Whitecap Shareholder vote during the Whitecap Meeting?*".

If you are a non-registered Whitecap Shareholder (as your Whitecap Shares are held in the name of a bank, trust company, securities broker or other financial institution) located in the United States and wish to vote at the Whitecap Meeting or, if permitted, appoint a third party as your proxyholder, in addition to the steps described below under "*How can a non-registered Whitecap Shareholder vote during the Whitecap Meeting?*", you must obtain a valid legal proxy from your intermediary. Follow the instructions from your intermediary included with the legal proxy form sent to you or contact your intermediary to request a legal proxy form if you have not received one. After obtaining a valid legal proxy from your intermediary, you must then submit such legal proxy to Odyssey. Requests for registration from non-registered Whitecap Shareholders located in the United States that wish to vote at the Whitecap Meeting or, if permitted, appoint third parties as their proxyholders must be sent by e-mail or by courier to: whitecap@odysseytrust.com (if by e-mail); or Odyssey Trust Company, 1230 – 300 5th Avenue S.W., Calgary, Alberta, T2P 3C4 (if by courier), and in both cases, must be labeled "Legal Proxy" and received no later than the Whitecap Proxy Deadline.

Step 2: Register your proxyholder: To register a third-party proxyholder, you must email whitecap@odysseytrust.com by the Whitecap Proxy Deadline and provide Odyssey with the required proxyholder contact information so that Odyssey may provide the proxyholder with a username via e-mail. Without a username, proxyholders will not be able to vote at the Whitecap Meeting but will be able to participate as guests.

Q: Should I send my form of proxy or Voting Instruction Form now?

A: Yes. Once you have carefully read and considered the information in the Information Circular, you need to complete and submit the enclosed form of proxy or Voting Instruction Form, as applicable. You are encouraged to vote well in advance of the Whitecap Proxy Deadline to ensure that your Whitecap Shares are voted at the Whitecap Meeting.

Q: Can I revoke my vote after I have voted by proxy?

A: Yes. In addition to revocation in any other manner permitted by law, a Whitecap Shareholder may revoke a proxy by: (i) accessing the Whitecap Meeting by following the instructions under the heading "*How to Participate at the Whitecap Meeting*" in the Information Circular and voting their Whitecap Shares during the designated time; (ii) instrument in writing executed by the Whitecap Shareholder or such Whitecap

Shareholder's attorney authorized in writing or if the Whitecap Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof, duly authorized, indicating the capacity under which such officer or attorney is signing and deposited with Odyssey, the transfer agent of Whitecap, at the office designated in the Notice of Special Meeting of Whitecap Shareholders not later than 5:00 p.m. (Calgary time) on the Business Day preceding the day of the Whitecap Meeting (or any adjournment or postponement thereof); or (iii) a duly executed and deposited proxy as provided herein bearing a later date or time than the date or time of the proxy being revoked.

Q: How can a registered Whitecap Shareholder vote during the Whitecap Meeting?

A: Registered Whitecap Shareholders can vote in one of the following ways:

During the Virtual Whitecap Meeting If you are a registered Whitecap Shareholder, you can attend the Whitecap Meeting by going to <https://web.lumiagm.com/240585844> in a web browser on a smartphone, tablet or computer, selecting "I have a Control Number/Username" and entering your control number (your control number is located on your form of proxy) and the password: "whitecap2021" (case sensitive). Follow the instructions to access the Whitecap Meeting and vote when prompted.

See "General Proxy Matter – Whitecap – How to Participate at the Whitecap Meeting".

Internet Go to <https://login.odysseytrust.com/pxlogin>. Enter the control number printed on the form of proxy and follow the instructions on screen

Fax 1- 800-517-4553 (North America toll-free)

Mail Enter voting instructions, sign the form of proxy and send your completed form of proxy to Whitecap's registrar and transfer agent in the envelope provided, or to Odyssey Trust Company, 1230 – 300 5th Avenue S.W., Calgary, Alberta, T2P 3C4.

Q: How can a non-registered Whitecap Shareholder vote during the Whitecap Meeting?

A: Non-registered (beneficial) holders of Whitecap Shares can vote in one of the following ways:

During the Virtual Whitecap Meeting If you are a non-registered Whitecap Shareholder (as your Whitecap Shares are held in the name of a bank, trust company, securities broker or other financial institution), you can attend and vote at the Whitecap Meeting by filling in your name in the blank space provided on the Voting Instruction Form and appointing yourself as proxy and sending in your completed Voting Instruction Form to the address specified on the Voting Instruction Form in advance of the Whitecap Meeting.

You must also email whitecap@odysseytrust.com to register your name and e-mail address so that after the Whitecap Proxy Deadline, Odyssey can send you via e-mail a username that will be required (with case-sensitive password "whitecap2021") to log into the Whitecap Meeting.

You can then attend the Whitecap Meeting by going to <https://web.lumiagm.com/240585844> in a web browser on a smartphone, tablet or computer, selecting "*I have a Control Number/Username*", entering the username that you received in an e-mail from Odyssey, password "whitecap2021" (case sensitive), and then follow the instructions to access the Whitecap Meeting and vote when prompted.

Non-registered Whitecap Shareholders who have not duly appointed themselves as proxy will not be able to vote online at the virtual Whitecap Meeting. You will be able to join a live webcast of the Whitecap Meeting by going to, <https://web.lumiagm.com/240585844> clicking on "*I am a guest*" and filling in the form.

See "*General Proxy Matter – Whitecap – How to Participate at the Whitecap Meeting*"

Internet

Go to <https://www.proxyvote.com>, enter the control number printed on the Voting Instruction Form and follow the instructions on screen.

Mail

Enter voting instructions, sign the Voting Instruction Form and send your completed Voting Instruction Form to the address specified on the Voting Instruction Form.

Phone

Call 1-800-474-7493 or 1-800-474-7501 (French) and follow the instructions. You will need to enter the control number printed on the Voting Instruction Form, and follow the interactive voice recording instructions to submit your vote.

Fax

Enter voting instructions, sign the Voting Instruction Form and fax your completed Voting Instruction Form to 905-507-7793.

Q: Will my securities intermediary vote my Whitecap Shares for me?

A: A broker or other securities intermediary will vote your Whitecap Shares only if you provide instructions to such intermediary on how to vote. If you fail to provide proper instructions, the Whitecap Shares will not be voted on your behalf at the Whitecap Meeting. If you do not wish to appoint yourself as proxy, as a non-registered (beneficial) Whitecap Shareholder, you should instruct your intermediary/ies to vote your Whitecap Shares on your behalf by following the directions on the Voting Instruction Form provided by such intermediary. Unless your intermediary/ies give(s) you its proxy to vote at the Whitecap Meeting, you cannot vote those Whitecap Shares owned by you at the Whitecap Meeting.

Q: Will Whitecap utilize Notice-and-Access for delivery of materials for the Whitecap Meeting?

A: Whitecap has elected to use the Notice-and-Access Provisions with respect to delivering materials for the Whitecap Meeting to the Whitecap Shareholders. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials that Whitecap must physically mail to shareholders by allowing Whitecap to post the Information Circular and related materials online.

All non-registered Whitecap Shareholders entitled to receive the meeting materials will receive an N&A Notice along with a form of proxy or Voting Instruction Form.

Electronic copies of the Notice of Special Meeting of Whitecap Shareholders, the Information Circular and a form of proxy will be available on Whitecap's website at www.wcap.ca/investors/ and under Whitecap's

profile on SEDAR at www.sedar.com. Whitecap Shareholders are reminded to review these online materials before voting.

For more information about the notice-and-access procedures, please call Broadridge at 1-855-887-2244.

Whitecap Shareholders may choose to receive paper copies of the meeting materials by mail at no cost. In order for Whitecap Shareholders to receive the paper copies of the meeting materials in advance of any deadline for the submission of voting instructions and the date of the Whitecap Meeting, it is recommended that requests be made as soon as possible but not later than 10:00 a.m. (Calgary time) on the fifth Business Day prior to the proxy cut-off date of February 16, 2021. If you do request the meeting materials, please note that another Voting Instruction Form will not be sent; please retain your current one for voting purposes.

Requests for Whitecap Meeting materials can be made to Broadridge by: visiting www.proxyvote.com or calling 1-877-907-7643 (within North America) and entering the control number located on the enclosed form of proxy or Voting Information Form.

Q: What other approvals are required for the Business Combination to be completed?

A: In addition to the approval of the Whitecap Shareholder provided for in the Information Circular, in order for the Business Combination to be completed: (i) the Business Combination Resolution must be approved by (A) not less than 66⅔% of the votes cast by TORC Shareholders present in person (virtually) or represented by proxy at the TORC Meeting, and (B) a simple majority of the votes cast by TORC Shareholders, present in person (virtually) or represented by proxy at the TORC Meeting after excluding the votes cast by persons whose votes may not be included in determining minority approval of a "business combination" pursuant to MI 61-101; and (ii) other court and regulatory approvals must be obtained, including the approval of the TSX in respect of the issuance and listing of the Whitecap Shares to be issued to TORC Shareholders pursuant to the Business Combination.

See "*Procedure for the Business Combination to Become Effective*".

Q: When will the Business Combination become effective?

A: The Business Combination will become effective at the time the Articles of Arrangement are filed with the Registrar, which is expected to occur on or about February 24, 2021, provided that all required approvals are obtained. However, completion of the Business Combination is subject to a number of conditions and it is possible that factors outside the control of Whitecap and/or TORC could result in the Business Combination being completed at a later time, or not at all. Subject to certain limitations, each Party may terminate the Business Combination Agreement if the Business Combination is not consummated by March 26, 2021.

See "*Timing*".

Q: What will happen if the Share Issuance Resolution is not approved or the Business Combination is not completed for any reason?

A: If the Share Issuance Resolution is not approved or the Business Combination is not completed for any reason, the Business Combination Agreement may be terminated by one or both of the Parties. Pursuant to the terms of the Business Combination Agreement, TORC has agreed that it will not solicit, initiate, encourage or otherwise facilitate any discussions concerning any other business combination or sale of material assets. The TORC Board may respond to unsolicited Superior Proposals subject to certain requirements and notification to Whitecap, who will have the right to match any Superior Proposals within a seventy-two hour match period. The Business Combination Agreement provides for a termination amount of \$20 million payable by TORC, in consideration for the disposition of Whitecap's rights under the Business Combination Agreement, if the Business Combination is not completed in certain circumstances and \$20 million payable by Whitecap, in consideration for the disposition of TORC's rights under the Business Combination Agreement, if the Business Combination is not completed in certain circumstances. In addition,

in the event that the Business Combination Agreement is terminated under certain circumstances, Whitecap will be required to pay TORC \$500,000 as reimbursement for the costs incurred by TORC in pursuing the Business Combination.

See "*Effect of the Business Combination – The Business Combination Agreement – Termination*".

Q: Are Whitecap Shareholders entitled to dissent rights?

A: No. Whitecap Shareholders are not entitled to dissent rights in connection with the Share Issuance Resolution and the Article Amendment Resolution.

Q: Who should I contact if I have questions?

A: If you have any questions about the Business Combination or the matters described in the Information Circular, please contact your professional advisors.



NOTICE OF SPECIAL MEETING OF TORC SHAREHOLDERS

NOTICE IS HEREBY GIVEN that a special meeting (the "**TORC Meeting**") of the holders ("**TORC Shareholders**") of common shares ("**TORC Shares**") of TORC Oil & Gas Ltd. ("**TORC**") will be held at 9:00 a.m. (Calgary time) on Thursday, February 18, 2021 in a virtual-only format that will be conducted via live webcast accessible online at <https://web.lumiagm.com/427778530> for the following purposes:

1. to consider, pursuant to an interim order (the "**Interim Order**") of the Court of Queen's Bench of Alberta dated December 18, 2020, and, if deemed advisable, to approve, with or without variation, a special resolution of the TORC Shareholders (the "**Business Combination Resolution**"), the full text of which is set forth in Appendix A to the accompanying joint management information circular dated January 5, 2021 (the "**Information Circular**"), to approve a plan of arrangement (the "**Plan of Arrangement**") under section 193 of the *Business Corporations Act* (Alberta) (the "**ABCA**") involving TORC, TORC Shareholders and Whitecap Resources Inc. ("**Whitecap**"), whereby, among other things, Whitecap will acquire all of the issued and outstanding TORC Shares (the "**Business Combination**"), all as more particularly described in the Information Circular; and
2. to transact such further and other business as may properly be brought before the TORC Meeting or any adjournment(s) or postponement(s) thereof.

Specific details of the matters to be put before the TORC Meeting are set forth in the Information Circular.

The board of directors of TORC unanimously recommends that TORC Shareholders vote FOR the Business Combination Resolution. It is a condition to the completion of the Business Combination that the Business Combination Resolution be approved by TORC Shareholders at the TORC Meeting. If the Business Combination Resolution is not approved by the TORC Shareholders, the Business Combination cannot be completed.

The full text of the Plan of Arrangement implementing the Business Combination is attached as a Schedule to the Business Combination Agreement, which is attached as Appendix C to the Information Circular.

The Interim Order is attached as Appendix D to the Information Circular.

Each TORC Share entitled to be voted in respect of the Business Combination Resolution will entitle the holder to one vote at the TORC Meeting with respect to such resolution. The Business Combination Resolution must be approved by: (i) not less than 66 $\frac{2}{3}$ % of the votes cast by TORC Shareholders, present in person (virtually) or represented by proxy, at the TORC Meeting; and (ii) a simple majority of the votes cast by TORC Shareholders, present in person (virtually) or represented by proxy at the TORC Meeting, after excluding the votes cast by persons whose votes may not be included in determining minority approval of a "business combination" pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

The record date (the "**TORC Record Date**") for determination of TORC Shareholders, entitled to receive notice of and to vote at the TORC Meeting is the close of business on January 4, 2021. TORC Shareholders whose names have been entered in the register of holders of TORC Shares on the close of business on the TORC Record Date will be entitled to receive notice of and to vote at the TORC Meeting, provided that, to the extent that a TORC Shareholder transfers the ownership of any TORC Shares after the TORC Record Date and the transferee of those shares establishes ownership of such shares and demands, not later than 10 days before the TORC Meeting, to be included in the list of TORC Shareholders eligible to vote at the TORC Meeting, such transferee will be entitled to vote those TORC Shares at the TORC Meeting.

Due to the unprecedented public health impact of the novel coronavirus disease, also known as COVID-19, and in alignment with the recommendations of Canadian public health officials to cancel large public gatherings, the TORC Meeting will be held in a virtual-only format conducted via live webcast in order to help mitigate health and safety risks to the community, shareholders, employees and other stakeholders. TORC's directors and management believe this format will provide TORC Shareholders a safer opportunity to attend the TORC Meeting given ongoing restrictions on travel and public gatherings as well as health concerns. While TORC Shareholders and duly appointed proxyholders will not be able to attend the TORC Meeting in person, regardless of geographic location and ownership, they will have an equal opportunity to participate at the TORC Meeting and vote on the applicable resolution.

Registered TORC Shareholders may attend the TORC Meeting in person (virtually) or may be represented by proxy. TORC Shareholders who are unable to attend the TORC Meeting or any adjournments or postponements thereof in person are requested to date, sign and return the accompanying form of proxy for use at the TORC Meeting or any adjournment or postponement thereof. To be effective, the enclosed form of proxy must be dated, signed and deposited with TORC's registrar and transfer agent, Computershare Trust Company of Canada: (i) by mail using the enclosed return envelope or one addressed to Computershare Trust Company of Canada, 8th Floor North Tower, 100 University Avenue, Toronto, Ontario, M5J 2Y1; (ii) by facsimile 1-866-249-7775; or (iii) through the internet at www.investorvote.com, no later than 9:00 a.m. (Calgary time) on February 16, 2021 or, if the TORC Meeting is adjourned or postponed, no later than 48 hours (excluding Saturdays, Sundays and statutory holidays in Alberta) before the beginning of any adjourned or postponed TORC Meeting. The time limit for the deposit of proxies may be waived or extended by the Chair of the TORC Meeting at his or her discretion without notice. To vote through the internet you will require your control number found on your proxy form.

If a TORC Shareholder receives more than one form of proxy because such holder owns TORC Shares registered in different names or addresses, each form of proxy should be completed and returned.

A proxyholder has discretion under the accompanying form of proxy in respect of amendments or variations to matters identified in this Notice and with respect to other matters which may properly come before the TORC Meeting, or any adjournment or postponement thereof. As of the date hereof, management of TORC knows of no amendments, variations or other matters to come before the TORC Meeting other than the matters set forth in this Notice. TORC Shareholders who are planning to return the form of proxy are encouraged to review the Information Circular carefully before submitting the proxy form.

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote in favour of the Business Combination Resolution.

Pursuant to the Interim Order, registered holders of TORC Shares have been granted the right to dissent with respect to the Business Combination Resolution and, if the Business Combination becomes effective, to be paid the fair value of their TORC Shares in accordance with the provisions of section 191 of the ABCA, as modified by the Interim Order and the Plan of Arrangement. The right of a TORC Shareholder to dissent is more particularly described in the Information Circular and in the Interim Order and the text of section 191 of the ABCA, which are set forth in Appendices D and G, respectively, to the accompanying Information Circular. To exercise such right to dissent, a dissenting TORC Shareholder must send to TORC, c/o McCarthy Tétrault LLP, 4000, 421 - 7th Avenue S.W., Calgary, Alberta, T2P 4K9, Attention: Sean S. Smyth, Q.C., a written objection to the Business Combination Resolution which written objection must be received by 5:00 p.m. (Calgary time) on February 10, 2021 or the fifth Business Day immediately preceding the date of any adjournment or postponement of the TORC Meeting, as applicable.

Failure to strictly comply with the requirements set forth in section 191 of the ABCA, as modified by the Interim Order and the Plan of Arrangement, may result in the loss of any right of dissent. Persons who are beneficial owners of TORC Shares registered in the name of a broker, dealer, bank, trust company or other nominee who wish to dissent should be aware that only the registered holders of such TORC Shares are entitled to dissent. Accordingly, a beneficial owner of TORC Shares desiring to exercise the right of dissent must make arrangements for the TORC Shares beneficially owned by such holder to be registered in the holder's name prior to the time the written objection to the Business Combination Resolution is required to be received by TORC or, alternatively, make arrangements for the registered holder of such TORC Shares to dissent on behalf of the beneficial holder. It is strongly recommended that any TORC Shareholders wishing to dissent seek independent legal advice.

Dated at Calgary, Alberta, this 5th day of January, 2021.

**BY ORDER OF THE BOARD OF DIRECTORS OF
TORC OIL & GAS LTD.**

(signed) "*Brett Herman*"

Brett Herman
President & Chief Executive Officer
TORC Oil & Gas Ltd.



NOTICE OF SPECIAL MEETING OF WHITECAP SHAREHOLDERS

NOTICE IS HEREBY GIVEN that a special meeting (the "**Whitecap Meeting**") of the holders ("**Whitecap Shareholders**") of common shares ("**Whitecap Shares**") of Whitecap Resources Inc. ("**Whitecap**") will be held at 10:00 a.m. (Calgary time) on Thursday, February 18, 2021 in a virtual-only format that will be conducted via live webcast accessible online at <https://web.lumiagm.com/240585844> for the following purposes:

1. to consider and, if deemed advisable, to approve, with or without variation, an ordinary resolution, the full text of which is set forth in Appendix B to the accompanying joint management information circular dated January 5, 2021 (the "**Information Circular**"), to approve and authorize the issuance of such number of Whitecap Shares to allow Whitecap to meet its obligations under the Business Combination Agreement (as defined below) (the "**Share Issuance Resolution**") pursuant to a plan of arrangement (the "**Plan of Arrangement**") under section 193 of the *Business Corporations Act* (Alberta) involving TORC, the holders of common shares of TORC and Whitecap, pursuant to the terms of a business combination agreement dated December 8, 2020 (the "**Business Combination Agreement**") between Whitecap and TORC (the "**Business Combination**"), all as more particularly described in the Information Circular;
2. to consider and, if deemed advisable, to approve, with or without variation, a special resolution (the "**Article Amendment Resolution**" and, together with the Share Issuance Resolution, the "**Whitecap Resolutions**") to amend the articles of Whitecap to increase the number of directors to a maximum of twelve (12); and
3. to transact such further and other business as may properly be brought before the Whitecap Meeting or any adjournments) or postponements) thereof.

Specific details of the matters to be put before the Whitecap Meeting are set forth in the Information Circular.

The Whitecap Board unanimously recommends that Whitecap Shareholders vote FOR the Share Issuance Resolution and the Article Amendment Resolution. It is a condition to the completion of the Business Combination that the Share Issuance Resolution be approved at the Whitecap Meeting. If the Share Issuance Resolution is not approved by the Whitecap Shareholders, the Business Combination cannot be completed.

Each Whitecap Share entitled to be voted in respect of the Whitecap Resolutions will entitle the holder thereof to one vote in respect of each of the Whitecap Resolutions at the Whitecap Meeting. The Share Issuance Resolution must be approved by a simple majority of the votes cast by Whitecap Shareholders present in person (virtually) or represented by proxy at the Whitecap Meeting. The Article Amendment Resolution must be approved by not less than 66⅔% of the votes cast by Whitecap Shareholders present in person (virtually) or represented by proxy at the Whitecap Meeting.

The record date (the "**Whitecap Record Date**") for determination of Whitecap Shareholders entitled to receive notice of and to vote at the Whitecap Meeting is the close of business on January 4, 2021. Whitecap Shareholders whose names have been entered in the register of holders of Whitecap Shares at the close of business on the Whitecap Record Date will be entitled to receive notice of and to vote at the Whitecap Meeting provided that, to the extent that a Whitecap Shareholder transfers the ownership of any Whitecap Shares after the Whitecap Record Date and the transferee of those shares establishes ownership of such shares and demands, not later than 10 days before the Whitecap Meeting, to be included in the list of Whitecap Shareholders eligible to vote at the Whitecap Meeting, such transferee will be entitled to vote those Whitecap Shares at the Whitecap Meeting.

Due to the unprecedented public health impact of the novel coronavirus disease, also known as COVID-19, and in alignment with the recommendations of Canadian public health officials to cancel large public gatherings, the Whitecap Meeting will be held in a virtual-only format conducted via webcast in order to help mitigate health and safety risks to the community, shareholders, employees and other stakeholders. Whitecap's directors and management

believe this format will provide Whitecap Shareholders a safer opportunity to attend the Whitecap Meeting given ongoing restrictions on travel and public gatherings as well as health concerns. While Whitecap Shareholders and duly appointed proxyholders will not be able to attend the Whitecap Meeting in person, regardless of geographic location and ownership, they will have an equal opportunity to participate at the Whitecap Meeting and vote on the Whitecap Resolutions. The vast majority of Whitecap Shareholders vote by proxy in advance of the meeting and all shareholders are encouraged to vote by proxy ahead of the Whitecap Meeting.

Registered Whitecap Shareholders may attend the Whitecap Meeting in person (virtually) or may be represented by proxy. Whitecap Shareholders who are unable to attend the Whitecap Meeting or any adjournments or postponements thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Whitecap Meeting or any adjournment or postponement thereof. A proxy will not be valid unless it is deposited with Odyssey Trust Company, 1230, 300 – 5th Avenue S.W., Calgary, Alberta, T2P 3C4 (Attention: Proxy Department), by facsimile at (800) 517-4553 (if outside North America) or by internet at <https://login.odysseytrust.com/pxlogin> no later than 10:00 a.m. (Calgary time) on February 16, 2021 or, if the Whitecap Meeting is adjourned or postponed, no later than 48 hours (excluding Saturdays, Sundays and statutory holidays in Alberta) before the beginning of any adjourned or postponed Whitecap Meeting. All instructions are listed in the enclosed form of proxy. The time limit for the deposit of proxies may be waived or extended by the Chair of the Whitecap Meeting at his or her discretion without notice. To vote through the internet you will require your control number found on your proxy form.

If a Whitecap Shareholder receives more than one form of proxy because such holder owns Whitecap Shares registered in different names or addresses, each form of proxy should be completed and returned.

A proxyholder has discretion under the accompanying form of proxy in respect of amendments or variations to matters identified in this Notice and with respect to other matters which may properly come before the Whitecap Meeting, or any adjournment or postponement thereof. As of the date hereof, management of Whitecap knows of no amendments, variations or other matters to come before the Whitecap Meeting other than the matters set forth in this Notice. Whitecap Shareholders who are planning to return the form of proxy are encouraged to review the Information Circular carefully before submitting the proxy form.

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote in favour of the Whitecap Resolutions.

Dated at Calgary, Alberta, this 5th day of January, 2021.

**BY ORDER OF THE BOARD OF DIRECTORS OF
WHITECAP RESOURCES INC.**

(signed) "*Grant Fagerheim*"

Grant Fagerheim

President & Chief Executive Officer

Whitecap Resources Inc.

IN THE COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE OF CALGARY

IN THE MATTER OF SECTION 193 OF THE *BUSINESS CORPORATIONS ACT*,

R.S.A. 2000, c. B-9, AS AMENDED

AND IN THE MATTER OF A PROPOSED PLAN OF ARRANGEMENT INVOLVING TORC OIL & GAS LTD., THE HOLDERS OF COMMON SHARES OF TORC OIL & GAS LTD. AND WHITECAP RESOURCES INC.

NOTICE OF APPLICATION

NOTICE IS HEREBY GIVEN that an originating application (the "**Application**") has been filed with the Court of Queen's Bench of Alberta, Judicial Centre of Calgary (the "**Court**") on behalf of TORC Oil & Gas Ltd. ("**TORC**") with respect to a proposed plan of arrangement (the "**Plan of Arrangement**") under section 193 of the *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended (the "**ABCA**"), involving TORC, the holders of common shares of TORC (the "**TORC Shareholders**") and Whitecap Resources Inc. ("**Whitecap**"), which Plan of Arrangement is described in greater detail in the joint management information circular of TORC and Whitecap dated January 5, 2021 accompanying this Notice of Application. At the hearing of the Application, TORC intends to seek:

1. a declaration that the terms and conditions of the Plan of Arrangement, and the procedures relating thereto, are fair to the TORC Shareholders, both from a substantive and procedural perspective;
2. an order approving the Plan of Arrangement pursuant to the provisions of section 193 of the ABCA and pursuant to the terms and conditions of the Business Combination Agreement;
3. a declaration that the Plan of Arrangement will, upon the filing of Articles of Arrangement under the ABCA and the issuance of the proof of filing of Articles of Arrangement under the ABCA, be effective under the ABCA in accordance with its terms and will be binding on and after the Effective Date, as defined in the Plan of Arrangement; and
4. such other and further orders, declarations or directions as the Court may deem just,

(collectively, the "**Final Order**").

AND NOTICE IS FURTHER GIVEN that the said Application is directed to be heard before a Justice of the Court, at the Calgary Courts Centre, 601 – 5th Street, S.W., Calgary, Alberta, Canada, or via video conference if necessary, on February 18, 2021 at 4:00 p.m. (Calgary time) or as soon thereafter as counsel may be heard. **Any TORC Shareholder or other interested party desiring to support or oppose the Application may appear at the time of the hearing in person (virtually) or by counsel for that purpose provided such TORC Shareholder or other interested party files with the Court and serves upon TORC on or before 5:00 p.m. (Calgary time) on February 10, 2021, a notice of intention to appear (the "Notice of Intention to Appear") setting out such TORC Shareholder's or interested party's address for service and indicating whether such TORC Shareholder or interested party intends to support or oppose the Application or make submissions, together with a summary of the position such person intends to advocate before the Court, and any evidence or materials which are to be presented to the Court.** Service on TORC is to be effected by delivery to its solicitors at the address set forth below.

AND NOTICE IS FURTHER GIVEN that, at the hearing and subject to the foregoing, TORC Shareholders and any other interested persons will be entitled to make representations as to, and the Court will be requested to consider, the fairness of the Plan of Arrangement. If you do not attend, either in person (virtually) or by counsel, at that time, the Court may approve or refuse to approve the Plan of Arrangement as presented, or may approve it subject to such terms and conditions as the Court may deem fit, without any further notice.

AND NOTICE IS FURTHER GIVEN that the Court, by the interim order (the "**Interim Order**") of the Court dated December 18, 2020, has given directions as to the calling and holding of a special meeting of the TORC Shareholders for the purposes of such TORC Shareholders voting upon special resolution to approve the Plan of Arrangement and, in particular, has directed that registered TORC Shareholders have the right to dissent under the provisions of section 191 of the ABCA, as modified by the terms of the Interim Order, in respect of the Plan of Arrangement.

AND NOTICE IS FURTHER GIVEN that the Final Order approving the Plan of Arrangement will, if granted, constitute as the basis for an exemption from the registration requirement of the *United States Securities Act* of 1933, as amended, pursuant to section 3(a)(10) thereof with respect to the issuance of common shares of Whitecap to TORC Shareholders pursuant to the Plan of Arrangement.

AND NOTICE IS FURTHER GIVEN that further notice in respect of these proceedings will only be given to those persons who have filed a Notice of Intention to Appear.

AND NOTICE IS FURTHER GIVEN that a copy of the said Application and other documents in the proceedings will be furnished to any TORC Shareholder or other interested party requesting the same by the undermentioned solicitors for TORC upon written request delivered to such solicitors as follows:

Solicitors for TORC:

McCarthy Tétrault LLP
4000, 421 - 7th Avenue S.W.
Calgary, Alberta, T2P 4K9

Facsimile Number: (403) 260-3501
Attention: Sean S. Smyth, Q.C.

DATED at the City of Calgary, in the Province of Alberta, this 5th day of January, 2021.

**BY ORDER OF THE BOARD OF DIRECTORS OF
TORC OIL & GAS LTD.**

(signed) "*Brett Herman*"

Brett Herman
President and Chief Executive Officer
TORC Oil & Gas Ltd.

GLOSSARY OF TERMS

The following is a glossary of certain terms used in this Information Circular including the Summary and Appendices H and I. Terms and abbreviations used in the Appendices to this Information Circular other than Appendices H and I are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated.

"**ABCA**" means the *Business Corporations Act* (Alberta);

"**Acquisition Proposal**" means any inquiry or the making of any proposal or offer to TORC or any of the TORC Shareholders or other securityholders of TORC (including any take-over bid initiated by advertisement or circular) by any person, or group of persons "acting jointly or in concert" (within the meaning of NI 62-104), other than Whitecap or any Person acting jointly or in concert with Whitecap, whether or not subject to due diligence or other conditions and whether such proposal or offer is made orally or in writing, which constitutes, or may reasonably be expected to lead to (in either case, whether in one transaction or a series of transactions):

- (a) any, direct or indirect, acquisition of securities of TORC that, when taken together with the securities of TORC held by the proposed acquirer, would constitute more than 20% of the voting equity securities of TORC;
- (b) any, direct or indirect, acquisition of the assets of TORC that constitutes 20% or more of the consolidated assets of TORC;
- (c) an amalgamation, arrangement, merger, or consolidation involving TORC (and/or any subsidiary of TORC);
- (d) any take-over bid, issuer bid, exchange offer, recapitalization, liquidation, dissolution or similar transaction involving TORC and/or any subsidiary of TORC; or
- (e) any other transaction, the consummation of which would or could reasonably be expected to impede, interfere with, prevent or delay the transactions contemplated by the Business Combination Agreement or the Business Combination or which would or could reasonably be expected to materially reduce the benefits to Whitecap under the Business Combination Agreement or the Business Combination,

except that for the purpose of the definition of "**Superior Proposal**", the references in this definition of "Acquisition Proposal" to "20% or more of the voting equity securities of TORC" shall be deemed to be references to "50% or more of the voting equity securities of TORC", and the references to "20% of the assets of TORC" shall be deemed to be references to "all or substantially all of the assets of TORC";

"**Agreement Date**" means December 8, 2020;

"**allowable capital loss**" has the meaning given to it under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Losses*";

"**Applicable Canadian Securities Laws**" means, collectively, and as the context may require, the securities legislation of each of the provinces and territories of Canada and the rules, regulations and policies published and/or promulgated thereunder, including the rules and policies of the TSX, in each case as such may be amended from time to time prior to the Effective Date;

"**Applicable Laws**" means, in any context that refers to one or more Persons, the Laws that apply to such Person or Persons or his/her/its/their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Person or Persons or his/hers/its/their business, undertaking, property or securities;

"**ARC**" means an advance ruling certificate issued pursuant to section 102 of the Competition Act;

"Area of Exclusion Agreements" means the area of exclusion agreements substantially in the form attached to the TORC Disclosure Letter, to be entered into by each of the executive officers of TORC with Whitecap prior to or concurrent with the Effective Time;

"Article Amendment Resolution" means, the special resolution in respect of the amendment of the articles of Whitecap to increase the maximum number of directors, to be considered by the Whitecap Shareholders at the Whitecap Meeting;

"Articles of Arrangement" means the articles of arrangement in respect of the Plan of Arrangement required under subsection 193(10) of the ABCA to be sent to the Registrar after the Final Order has been granted, to give effect to the Business Combination;

"Beneficial Holders" means TORC Shareholders and Whitecap Shareholders who do not hold their TORC Shares and/or Whitecap Shares, as applicable, in their own name;

"Broadridge" means Broadridge Investor Communication Solutions;

"Business Combination" means the business combination pursuant to section 193 of the ABCA, on the terms and subject to the conditions set out in the Plan of Arrangement;

"Business Combination Agreement" means the business combination agreement (including the schedules thereto) dated December 8, 2020 between Whitecap and TORC, as supplemented, modified or amended, and not to any particular article, section, schedule or other portion thereof;

"Business Combination Resolution" means, the special resolution in respect of the Business Combination to be considered by the TORC Shareholders at the TORC Meeting;

"Business Day" means, with respect to any action to be taken, any day, other than a Saturday, Sunday or a statutory holiday in the place where such action is to be taken;

"Canadian Securities Administrators" means the group of securities regulators from each of the provinces and territories of Canada;

"CDS" means CDS Clearing and Depository Services Inc.;

"Change of Control", unless the context otherwise requires, has the meaning given to it in the TORC Share Award Plan;

"Change of Control Agreements" means the executive change of control payment agreements among TORC and each executive officer of TORC;

"Commissioner" means the Commissioner of Competition appointed under the Competition Act or any Person authorized to exercise the powers and perform the duties of the Commissioner of Competition;

"Competition Act" means the *Competition Act*, R.S.C. 1985, c. C 34, as amended;

"Competition Act Approval" means the occurrence of one or more of the following:

- (a) an ARC shall have been issued by the Commissioner in respect of the transactions contemplated by the Business Combination Agreement on conditions satisfactory to the Parties, each acting reasonably;
- (b) the Commissioner shall have issued a No-Action Letter in connection with the transactions contemplated by the Business Combination Agreement on terms satisfactory to the Parties, each acting reasonably, and such No-Action Letter remains in full force and effect; or

- (c) the Parties shall have notified the Commissioner under section 114 of the Competition Act and the waiting period under section 123 of the Competition Act shall have expired or been terminated and the Commissioner shall have issued a No-Action Letter in connection with the transactions contemplated by the Business Combination Agreement on terms satisfactory to the Parties each acting reasonably, and such No-Action Letter remains in full force and effect;

"Computershare" means Computershare Trust Company of Canada, the registrar and transfer agent of TORC;

"Confidentiality Agreement" means the confidentiality agreement between TORC and Whitecap dated September 2, 2020;

"Contract" means contracts, licences, real property and equipment leases, instruments, agreements, obligations, promises, undertakings, understandings, arrangements, documents, commitments, entitlements or engagements to which TORC is a party or by which it is bound or under which TORC has, or will have, any liability or contingent liability (in each case, whether written or oral, express or implied), and includes any quotations, orders, proposals or tenders which remain open for acceptance and warranties and guarantees;

"Control Shares" has the meaning given to it under the heading *"Information for United States Shareholders"*;

"Court" means the Court of Queen's Bench of Alberta;

"CPPIB" means Canada Pension Plan Investment Board;

"CRA" means the Canada Revenue Agency, or any successor agency thereto;

"Depository" means Odyssey Trust Company, or such other Person that may be appointed by Whitecap for the purpose of receiving deposits of certificates or DRS Advices formerly representing TORC Shares;

"Derivative Contract" means a financial risk management Contract, such as a currency, commodity, interest or equity related instrument, including but not limited to rate swap transactions, basis swaps, forward rate transactions, commodity swaps, commodity options, equity or equity index swaps, equity or equity index options, bond options, interest rate options, foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross currency rate swap transactions, currency options, production sales transactions having terms greater than 90 days or any other similar transactions (including any option with respect to any of such transactions) or any combination of such transactions, but do not include any Marketing and Midstream Agreements;

"Dissent Rights" has the meaning given to it in the Plan of Arrangement;

"Dissenting Shareholders" means registered TORC Shareholders who validly exercise the Dissent Rights provided to them under the Plan of Arrangement and the Interim Order;

"DPSP" has the meaning given to it under the heading *"Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Eligibility for Investment"*;

"DRS Advice" or **"DRS Statement"** means a Direct Registration System (DRS) advice or statement;

"Effective Date" means the date the Business Combination becomes effective under the ABCA;

"Effective Time" means the time on the Effective Date when the Business Combination becomes effective pursuant to the Plan of Arrangement;

"Elected Amount" has the meaning given to it under the heading *"Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Exchange of TORC Shares for Whitecap Shares under the Business Combination – Exchange of TORC Shares for Whitecap Shares – Section 85 Election Made"*;

"Eligible Holder" means a beneficial owner of TORC Shares immediately prior to the Effective Time (other than a Dissenting Shareholder) who is: (a) a resident of Canada for purposes of the Tax Act (other than a person who is exempt from tax under Part I of the Tax Act); (b) a partnership any member of which is a resident of Canada for the purposes of the Tax Act (other than a person who is exempt from tax under Part I of the Tax Act); or (c) an Eligible Non-Resident;

"Eligible Non-Resident" means a beneficial owner of TORC Shares immediately prior to the Effective Time (other than a Dissenting Shareholder) who is not, and is not deemed to be, a resident of Canada for the purposes of the Tax Act and whose TORC Shares are "taxable Canadian property" and not "treaty-protected property", in each case as defined in the Tax Act;

"Encumbrance" means in the case of property or an asset, all mortgages, pledges, charges, liens, debentures, hypothecs, trust deeds, outstanding demands, burdens, capital leases, assignments by way of security, security interests, conditional sales contracts or other title retention agreements or similar interests or instruments charging, or creating a security interest in, or against title to, such property or assets, or any part thereof or interest therein, and any agreements, leases, options, easements, rights of way, restrictions, executions or other charges or encumbrances (including notices or other registrations in respect of any of the foregoing) (whether by Applicable Laws, contract or otherwise) against title to any of the property or asset, or any part thereof or interest therein or capable of becoming any of the foregoing;

"ESG" means environment, social and governance;

"forward-looking statements" has the meaning given to it under the heading *"Forward-Looking Statements"*;

"Final Order" means the order of the Court approving the Business Combination pursuant to subsection 193(9) of the ABCA, as such order may be affirmed, amended or modified by any court of competent jurisdiction;

"GAAP" means accounting principles generally accepted in Canada applicable to public companies at the relevant time and which incorporates IFRS as adopted by the Canadian Accounting Standards Board;

"Governmental Authority" means any Canadian or United States federal, provincial, state, municipal or other political subdivision, government, department, commission, board, bureau, agency or instrumentality;

"Hold Period Agreements" means the hold period agreements substantially in the form attached to the TORC Disclosure Letter, to be entered into by each of the directors and executive officers of TORC, with Whitecap prior to, or concurrent with, the Effective Time;

"Holder" has the meaning given to it under the heading *"Certain Canadian Federal Income Tax Considerations"*;

"IFRS" means International Financial Reporting Standards;

"Information Circular" means this joint information circular and proxy statement of TORC and Whitecap dated January 5, 2021 sent by TORC to the TORC Shareholders in connection with the TORC Meeting and sent by Whitecap to the Whitecap Shareholders in connection with the Whitecap Meeting;

"Interim Order" means the interim order of the Court concerning the Business Combination under subsection 193(4) of the ABCA, containing declarations and directions with respect to the Business Combination and the holding of the TORC Meeting, as such order may be affirmed, amended or modified by any court of competent jurisdiction;

"Issue Date" has the meaning given to it in the TORC Share Award Plan;

"Laws" means all domestic and foreign, federal, provincial, territorial, state, municipal or local laws (including, for greater certainty, common law), all statutes, regulations, by-laws, statutory rules, orders, ordinances, protocols, codes, guidelines, notices and directions enacted by a Governmental Authority (including all Applicable Canadian Securities

Laws) and the terms and conditions of any grant of approval, permission, authority or license of any Governmental Authority or self-regulatory authority;

"Letter of Transmittal" means the letter of transmittal sent to TORC Shareholders pursuant to which TORC Shareholders are required, among other things, to deliver certificate(s) or DRS Advice(s) representing TORC Shares to the Depositary in exchange for the consideration to which the holders of such TORC Shares are entitled under the Business Combination;

"Marketing and Midstream Agreements" means each agreement of each Party or any of its subsidiaries for the processing, compression, treatment, gathering, storage, transportation, purchase, sale or delivery of petroleum and natural gas described in the TORC Disclosure Letter;

"material adverse change" or "material adverse effect" means, with respect to a Party, any matter or action that has an effect or change that is, or would reasonably be expected to be, material and adverse to the business, operations, results of operations, assets, properties, capitalization, liabilities, obligations (whether absolute, accrued, conditional or otherwise), condition (financial or otherwise) or prospects of the Party and its subsidiaries, taken as a whole, except to the extent of any fact or state of facts, circumstance, change, effect, occurrence or event resulting from or arising in connection with:

- (a) any change, development or condition in or relating to global, national or regional political conditions (including strikes, lockouts, riots, blockades or facility takeover for emergency purposes) or in general economic, business, banking, regulatory, currency exchange, interest rate, rates of inflation or market conditions or in national or global financial or capital markets;
- (b) conditions affecting the oil and natural gas exploration, exploitation, development and production industry as a whole;
- (c) any change, development or condition resulting from any act of terrorism or any outbreak of hostilities or declared or undeclared war, or any escalation or worsening of such acts of terrorism, hostilities or war;
- (d) any adoption, proposal, implementation or change in Law or in any interpretation, application or non-application of any Laws by any governmental entity (including, for greater certainty, any change to the Tax Act or other applicable taxing legislation or to tax rates including changes in Laws (including tax Laws) and royalties;
- (e) any climatic, earthquake or other natural event or condition (including weather conditions and any natural disaster);
- (f) any epidemic, pandemic, disease outbreak (including COVID-19), other health crisis or public health event;
- (g) any decline in the market price of crude oil, natural gas or related hydrocarbons on a current or forward basis;
- (h) any change in the market price or trading volume of any securities of Whitecap or TORC (it being understood that the causes underlying such change may be taken into account in determining whether a material adverse change or material adverse effect has occurred);
- (i) any failure by Whitecap or TORC, as the case may be, to meet any internal or published financial or other projections or forecasts, including projections and forecasts provided to the other Party in connection with its due diligence inquiries or the negotiation of the Business Combination Agreement (provided that this clause (i) will not prevent a determination that any change giving rise to such a failure to meet projections or forecasts has resulted in a material adverse change or material adverse effect to the extent it is not otherwise excluded from this definition);

- (j) any matter which has been publicly disclosed or communicated in writing by a Party to the other Party as of the Agreement Date;
- (k) any changes or effects arising, directly or indirectly, from the Business Combination or any other matters or actions permitted or contemplated by the Business Combination Agreement, including any public announcement of the foregoing, or consented to or approved in writing by the other Party; or
- (l) any changes or effects arising, directly or indirectly, as a result of a variation in the terms of the NAL Transaction or a failure to close the NAL Transaction on the timing contemplated or at all;

provided, however, that the change or effect referred to in clauses (a) to (f), does not disproportionately affect either Party, taken as a whole, as the case may be, compared to other entities of similar size and operating in the oil and gas exploration, exploitation, development and production industry, in which case, the relevant exclusion from this definition of material adverse change or material adverse effect referred to in clauses (a) to (e) above will not be applicable;

"**McDaniel**" means McDaniel & Associates Consultants Ltd., independent oil and natural gas reservoir engineers of Calgary, Alberta;

"**Meetings**" means, together the Whitecap Meeting and the TORC Meeting and "**Meeting**" means either one of them, as the context requires;

"**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*;

"**N&A Notice**" means a notice-and-access notification;

"**NAL**" means NAL Resources Limited;

"**NAL Agreement**" means the share purchase and sale agreement between the NAL Vendor, NAL and Whitecap made as of August 30, 2020;

"**NAL Transaction**" means the strategic combination of Whitecap with NAL's western Canadian operated oil and gas business pursuant to the NAL Agreement which was completed on January 4, 2021 and pursuant to which Whitecap issued approximately 58.3 million Whitecap Shares;

"**NAL Vendor**" means The Manufacturers Life Insurance Company;

"**National Bank**" means National Bank Financial Inc.;

"**Notice-and-Access Provisions**" means the "notice-and access" provisions under National Instrument 51-102 – *Continuous Disclosure Obligations* and National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*;

"**NI 51-101**" means National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*;

"**NI 62-104**" means National Instrument 62-104 – *Take-Over Bids and Issuer Bids*;

"**No Action Letter**" means a written confirmation from the Commissioner that he does not, at that time, intend to make an application under section 92 of the Competition Act;

"**Non-Resident Dissenter**" has the meaning given to it under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Dissenting Non-Resident Holders*";

"**Non-Resident Holder**" has the meaning given to it under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada*";

"**Odyssey**" means Odyssey Trust Company, the registrar and transfer agent of Whitecap;

"**Outside Date**" means March 26, 2021, or such later date as may be agreed to by the Parties;

"**Parties**" means Whitecap and TORC; and "**Party**" means either of them;

"**Payout Multiplier**" has the meaning given to it in the TORC Share Award Plan;

"**Person**" or "**person**" includes an individual, limited or general partnership, limited liability company, limited liability partnership, trust, joint venture, association, body corporate, unincorporated organization, trustee, executor, administrator, legal representative, government (including any Governmental Authority) or any other entity, whether or not having legal status;

"**Plan of Arrangement**" means the plan of arrangement substantially in the form set out in Schedule "A" to the Business Combination Agreement, as amended or supplemented from time to time;

"**Pro Forma Financial Statements**" has the meaning given to it under the heading "*Pro Forma Information Concerning the Combined Business – Selected Pro Forma Financial Information*";

"**Proposed Amendments**" has the meaning given to it under the heading "*Certain Canadian Federal Income Tax Considerations*";

"**RBC Capital Markets**" means RBC Dominion Securities Inc.;

"**RDSP**" has the meaning given to it under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Eligibility for Investment*";

"**Registered Plans**" has the meaning given to it under the heading "*Certain Canadian Federal Income Tax Considerations - Holders Resident in Canada – Eligibility for Investment*";

"**Registrar**" means the Registrar of Corporations or a Deputy Registrar of Corporations appointed under section 263 of the ABCA;

"**Representatives**" has the meaning given to it under the heading "*The Business Combination – The Business Combination Agreement – Covenants of TORC Regarding Non-Solicitation; Right to Accept a Superior Proposal*";

"**Resident Dissenter**" has the meaning given to it under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Dissenting Resident Holders of TORC Shares*";

"**Resident Holder**" has the meaning given to it under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada*";

"**Resident Holder's Dissent Shares**" has the meaning given to it under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Dissenting Resident Holders of TORC Shares*";

"**RESP**" has the meaning given to it under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Eligibility for Investment*";

"**RRIF**" has the meaning given to it under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Eligibility for Investment*";

"RRSP" has the meaning given to it under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Eligibility for Investment*";

"SEC" means the United States Securities and Exchange Commission;

"Section 85 Election" has the meaning given to it under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Exchange of TORC Shares for Whitecap Shares under the Business Combination – Exchange of TORC Shares for Whitecap Shares – Section 85 Election Made*";

"Securities Act" means the *Securities Act*, R.S.A. 2000, c. S 4;

"Securities Authorities" means, collectively, the securities commissions or similar securities regulatory authorities in each of the Provinces or Territories of Canada;

"SEDAR" means the System for Electronic Document Analysis and Retrieval;

"Share Issuance Resolution" means the ordinary resolution in respect of the issuance of Whitecap Shares pursuant to the Business Combination to be considered by the Whitecap Shareholders at the Whitecap Meeting;

"Special Committee" means the special committee of the TORC Board;

"Sproule" means Sproule Associates Limited, independent oil and natural gas reserves evaluators of Calgary, Alberta;

"subsidiary" means, with respect to a specified entity, any:

- (a) body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified entity or indirectly by or for the benefit of such specified entity;
- (b) ☐ entity which is not a body corporate, of which more than 50% of the voting or equity interests of such entity (including, for a partnership other than a limited partnership, the voting or equity interests in such partnership) are owned, directly or indirectly, by such specified entity or indirectly by or for the benefit of such specified entity and in the case of a partnership (including a limited partnership), of which such specified entity, or a subsidiary of such specified entity, is a general partner; and
- (c) any issuer that would constitute a subsidiary (as defined in the Securities Act);

"Superior Proposal" has the meaning set out in subsection 3.4(b)(vi)(A) of the Business Combination Agreement;

"Supplementary Information Request" has the meaning given to it under the heading "*Procedure for the Business Combination to Become Effective – Regulatory Approvals – Competition Act Approval*";

"Tax" or "Taxes" means all taxes whether Canadian federal, provincial, territorial, local, municipal or foreign (including income, gross receipts, licence, fees, payroll, employment, excise, severance, premium, windfall profits, customs duties, capital, capital stock, capital gain, value added, franchise, business, profits, withholding, social security (or similar), Saskatchewan Corporation Capital Tax and Resource Surcharge, unemployment, disability, real property, personal property, sales, use, occupation, goods and services, stamp, transfer, registration, alternative or minimum tax, municipal tax, employment insurance contributions and Canada Pension Plan contributions, and including any interest, penalty, or addition thereto, whether disputed or not, imposed, assessed or collected by, for or under the authority of the Tax Act or any Governmental Authority or payable pursuant to the Tax Act or tax-sharing agreement or any other contract relating to the sharing or payment of any such tax, levy, assessment, tariff, duty, deficiency or fee);

"Tax Act" means the *Income Tax Act* (Canada), including the regulations thereto, as amended from time to time;

"Tax Instruction Letter" has the meaning given to it under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Exchange of TORC Shares for Whitecap Shares under the Business Combination – Exchange of TORC Shares for Whitecap Shares – Section 85 Election Made*";

"taxable capital gain" has the meaning given to it under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Losses*";

"TFSA" has the meaning given to it under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Eligibility for Investment*";

"TORC" means TORC Oil & Gas Ltd.;

"TORC AGM Circular" means the information circular and proxy statement dated March 20, 2020 of TORC in respect of the annual and special meeting of TORC Shareholders held on May 6, 2020;

"TORC AIF" means the annual information form of TORC for the year ended December 31, 2019 dated March 20, 2020;

"TORC Annual Financial Statements" means the audited comparative consolidated financial statements of TORC as at and for the years ended December 31, 2019 and 2018, together with the notes thereto and the report of the auditors thereon;

"TORC Annual MD&A" means the management's discussion and analysis for the three months and the years ended December 31, 2019 and 2018;

"TORC Board" means the TORC board of directors;

"TORC Board Recommendation" has the meaning given to it in subsection 2.2(a) of the Business Combination Agreement;

"TORC Disclosure Letter" means the disclosure letter of TORC dated the Agreement Date and delivered by TORC to Whitecap;

"TORC Employee Change of Control Payments" means, collectively: (i) severance payments in the amounts and to the executive officers of TORC as described in the TORC Disclosure Letter payable to certain executive officers of TORC in connection with the termination of their employment and the Business Combination; and (ii) the 2020 proposed bonus compensation pool in the amounts and proposed allocations as described in the TORC Disclosure Letter;

"TORC Employee Obligations" in addition to the TORC Employee Change of Control Payments and the TORC Retirement Obligations, means any obligations of TORC to pay any amount to its officers, directors, employees or consultants other than salary, vacation pay and directors' fees in the ordinary course and in each case in amounts consistent with historic practices and TORC Employee Obligations shall include any obligations of TORC to its officers, directors, employees or consultants for retention, severance, termination or bonus payments in connection with a termination of employment or change of control of TORC or otherwise pursuant to any written agreements (including the TORC Employment Agreements) or resolution of the TORC Board, pension plans or other plans, TORC's severance, retention, bonus or other policies or otherwise in accordance with Applicable Laws;

"TORC Employment Agreements" means the employment agreements entered into between TORC and certain employees of TORC, the details of which (including, without limitation, the parties thereto) are disclosed in the TORC Disclosure Letter;

"TORC Fairness Opinion" means, the opinion of RBC Capital Markets, TORC's financial advisor that, as of the date of such opinion and based upon and subject to certain assumptions, limitations and qualifications set forth therein, the consideration to be received by the TORC Shareholders under the Plan of Arrangement is fair, from a financial point of view, to the TORC Shareholders;

"TORC Interim Financial Statements" means the unaudited comparative consolidated financial statements of TORC as at and for the three and nine months ended September 30, 2020, together with the notes thereto;

"TORC Interim MD&A" means the management's discussion and analysis of TORC for the three and nine months ended September 30, 2020;

"TORC Meeting" means the special meeting of TORC Shareholders, which is to be called to permit the TORC Shareholders to consider the Business Combination Resolution, and any adjournments thereof;

"TORC Net Debt" means TORC's total indebtedness including long term debt, bank debt and working capital deficiency (each as defined in accordance with IFRS) and the mark to market value of all of TORC's Derivative Contracts, and for greater certainty excluding the TORC Transaction Costs and TORC Employee Obligations;

"TORC Performance Award" means a TORC Share Award granted under the TORC Share Award Plan and designated as a "Performance Award" in accordance with the TORC Share Award Plan;

"TORC Proxy Deadline" means 9:00 a.m. (Calgary time) on February 16, 2021, or 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time of any adjournment or postponement of the TORC Meeting;

"TORC Record Date" means the record date for determination of TORC Shareholders entitled to receive notice of and to vote at the TORC Meeting;

"TORC Reserves Report" means the independent reserves evaluation of TORC's oil, natural gas liquids and natural gas interests prepared Sproule effective December 31, 2019 and dated February 27, 2020;

"TORC Retirement Obligations" means TORC's obligation and agreement to pay certain retirement amounts to those employees identified in the TORC Disclosure Letter who have provided retirement notices to TORC prior to the Agreement Date whether or not such employees are offered continued employment following the Effective Time;

"TORC Restricted Award" means a TORC Share Award granted under the TORC Share Award Plan and designated as a "Restricted Award" in accordance with the TORC Share Award Plan;

"TORC Share Award Plan" means TORC's share award incentive plan;

"TORC Share Awards" means awards, whether or not vested, granted under the TORC Share Award Plan;

"TORC Shareholders" means the holders from time to time of TORC Shares;

"TORC Shares" means common shares of TORC, as constituted on the Agreement Date;

"TORC Support Agreements" means the support agreements, substantially in the form attached as Schedule "B" to the Business Combination Agreement attached hereto as Appendix C, entered into between Whitecap and the TORC Supporting Shareholders, in their capacities as holders of TORC Shares, in which the TORC Supporting Shareholders have agreed, among other things, to vote the TORC Shares owned, beneficially or legally, or controlled or subsequently acquired by them in favour of the Business Combination Resolution at the TORC Meeting and to otherwise support the Business Combination Resolution;

"TORC Supporting Shareholders" means each of the directors, executive officers and certain shareholders of TORC;

"TORC Transaction Costs" means all costs and expenses incurred by TORC in connection with the transactions contemplated by the Business Combination Agreement, including all legal, accounting, audit, financial advisory, printing, mailing and other administrative or professional fees, director and officer run-off insurance premiums, and the costs and expenses of third parties incurred by TORC and for greater certainty shall not include any TORC Employee Obligations other than the TORC Employee Change of Control Payments;

"Tribunal" has the meaning given to it under the heading *"Procedure for the Business Combination to Become Effective – Regulatory Approvals – Competition Act Approval"*;

"TSX" means the Toronto Stock Exchange;

"U.S. Exchange Act" means the *United States Securities and Exchange Act* of 1934, as amended;

"U.S. Securities Act" means the *United States Securities Act* of 1933, as amended;

"U.S. Securities Laws" means federal and state securities legislation of the United States and all rules, regulations and orders promulgated thereunder, and all rules, by-laws and regulations governing the New York Stock Exchange;

"U.S. Treaty" means the *Convention Between Canada and the United States of America with Respect to Taxes on Income and on Capital* (1980), as amended;

"Voting Instruction Form" means the voting instruction form provided by Broadridge to Beneficial Holders;

"Whitecap" means Whitecap Resources Inc.;

"Whitecap AGM Circular" means the information circular and proxy statement of Whitecap dated March 6, 2020 in respect of the annual and special meeting of the Whitecap Shareholders held on April 22, 2020;

"Whitecap AIF" means the annual information form of Whitecap for the year ended December 31, 2019 dated February 26, 2020;

"Whitecap Annual Financial Statements" means the audited comparative financial statements of Whitecap as at and for the years ended December 31, 2019 and 2018, together with the notes thereto and the report of the auditors thereon;

"Whitecap Annual MD&A" means the management's discussion and analysis of Whitecap for the years ended December 31, 2019 and 2018;

"Whitecap Awards" means awards granted under Whitecap's award incentive plan;

"Whitecap Board" means the Whitecap board of directors;

"Whitecap Fairness Opinion" means, the opinion of National Bank, Whitecap's financial advisor, to the effect that, as of the date of such opinion, and subject to the assumptions, limitations and qualifications included therein, the consideration to be paid by Whitecap pursuant to the Business Combination is fair, from a financial point of view, to Whitecap;

"Whitecap Financial Statements" means Whitecap Annual Financial Statements and the Whitecap Interim Financial Statements;

"Whitecap Interim Financial Statements" means the unaudited comparative financial statements of Whitecap as at and for the three and nine months ended September 30, 2020, together with the notes thereto;

"Whitecap Interim MD&A" means the management's discussion and analysis of Whitecap for the three and nine months ended September 30, 2020;

"Whitecap Proxy Deadline" means 10:00 a.m. (Calgary time) on February 16, 2021, or 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time of any adjournment or postponement of the Whitecap Meeting;

"Whitecap Record Date" means the record date for determination of Whitecap Shareholders entitled to receive notice of and to vote at the Whitecap Meeting;

"Whitecap Reserves Report" means the independent engineering evaluation of Whitecap's oil, natural gas liquids and natural gas interests prepared by McDaniel effective December 31, 2019 and dated February 13, 2020;

"Whitecap Resolutions" means the Share Issuance Resolution and the Article Amendment Resolution;

"Whitecap Shares" means common shares of Whitecap as constituted on the Agreement Date;

"Whitecap Support Agreements" means the support agreements, substantially in the form attached as Schedule "C" of the Business Combination Agreement attached hereto as Appendix C, entered into between TORC and the Whitecap Supporting Shareholders, in their capacities as holders of Whitecap Shares, in which the Whitecap Supporting Shareholders have agreed, among other things, to vote the Whitecap Shares owned, beneficially or legally, or controlled or subsequently acquired by them in favour of the Whitecap Resolutions at the Whitecap Meeting; and

"Whitecap Supporting Shareholders" means each of the directors and executive officers of Whitecap.

ABBREVIATIONS

The following are abbreviations and definitions used in this Information Circular:

bbl	barrel
bbls	barrels
bbls/d	barrels per day
bcf	billion cubic feet
boe	barrels of oil equivalent
boe/d	barrels of oil equivalent per day
Mboe	thousand barrels of oil equivalent
mcf	thousand cubic feet
mcfe	thousand cubic feet equivalent
Mbbls	thousand barrels
MMbbls	million barrels
MMboe	million barrels of oil equivalent
MMcf	million cubic feet
NGLs	natural gas liquids
WCS	Western Canada Select
WTI	West Texas Intermediate

CONVENTIONS

Unless otherwise indicated, references herein to "\$" or "dollars" are to Canadian dollars and references herein to "US\$" or "U.S. dollars" are to United States dollars. Words importing the singular include the plural and vice versa and words importing any gender include all genders.

JOINT MANAGEMENT INFORMATION CIRCULAR

Introduction

This Information Circular is furnished in connection with the solicitation of proxies by the management of TORC and Whitecap for use at the TORC Meeting and the Whitecap Meeting, as applicable, and at any adjournment(s) or postponements) thereof. No person has been authorized to give any information or make any representation in connection with the Business Combination and the issuance of Whitecap Shares in connection with the Business Combination, or any other matters to be considered at the TORC Meeting and Whitecap Meeting other than those contained in this Information Circular, and if given or made, any such information or representation must not be relied upon as having been authorized.

The information concerning TORC contained and incorporated by reference in this Information Circular, including but not limited to the information in Appendix H to this Information Circular, has been provided by TORC. Although Whitecap has no knowledge that would indicate that any of such information is untrue or incomplete, Whitecap does not assume any responsibility for the accuracy or completeness of such information or the failure by TORC to disclose events which may have occurred or may affect the completeness or accuracy of such information but which are unknown to Whitecap.

The information concerning Whitecap contained and incorporated by reference in this Information Circular, including but not limited to the information in Appendix I to this Information Circular, has been provided by Whitecap. Although TORC has no knowledge that would indicate that any of such information is untrue or incomplete, TORC does not assume any responsibility for the accuracy or completeness of such information or the failure by Whitecap to disclose events which may have occurred or may affect the completeness or accuracy of such information but which are unknown to TORC.

This Information Circular does not constitute an offer to sell or a solicitation of an offer to purchase any securities or the solicitation of a proxy by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation of an offer or a proxy solicitation. Neither the delivery of this Information Circular nor any distribution of the securities referred to in this Information Circular will, under any circumstances, create an implication that there has been no change in the information set forth herein since the date as of which such information is given in this Information Circular.

Information contained in or otherwise accessed through TORC's website or Whitecap's website, or any website, other than those documents incorporated by reference herein and filed on SEDAR, does not constitute part of this Information Circular.

All summaries of, and references to, the Business Combination Agreement, the Business Combination and the Plan of Arrangement in this Information Circular are qualified in their entirety by reference to the complete text of the Business Combination Agreement, a copy of which is attached as Appendix C to this Information Circular, and the Plan of Arrangement, a copy of which is attached as Schedule A to the Business Combination Agreement, copies of which have been made available on SEDAR at www.sedar.com. **You are urged to carefully read the full text of the Business Combination Agreement and the Plan of Arrangement.**

All capitalized terms used in this Information Circular but not otherwise defined herein have the meanings set forth herein under "*Glossary of Terms*".

Information contained in this Information Circular is given as of January 5, 2021, unless otherwise specifically stated.

Details of the Business Combination are set forth under the headings "*The Business Combination*" and "*Effect of the Business Combination*". For details of the matters to be considered by the TORC Shareholders at the TORC Meeting

and the Whitecap Shareholders at the Whitecap Meeting, see "*Matters to be Considered at the TORC Meeting*" and "*Matters to be Considered at the Whitecap Meeting*", respectively.

Supplemental Disclosure - Non-GAAP Measures

This Information Circular makes reference to certain non-GAAP financial measures to assist in assessing TORC's, Whitecap's and the combined business' financial performance, such as free funds flow. These financial measures do not have a standardized meaning as prescribed by IFRS and are therefore considered non-GAAP measures. These measures may not be comparable to similar measures presented by other issuers. These measures have been described and presented in order to provide TORC Shareholders and Whitecap Shareholders, potential investors and analysts with additional measures for analyzing the transaction and the combined business' ability to generate funds to finance its operations and information regarding its liquidity. Such information should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS. For additional information regarding these non-GAAP measures, see the advisories in the TORC Annual MD&A, the TORC Interim MD&A, the Whitecap Annual MD&A and the Whitecap Interim MD&A, as applicable, each of which is incorporated by reference herein.

In addition, certain of TORC's and Whitecap's documents incorporated by reference in this Information Circular use and refer to financial measures commonly used in the oil and gas industry, which do not have standardized meaning prescribed by IFRS. Please refer to the non-IFRS measures advisories in such documents for the definitions and descriptions of such terms.

Information for United States Shareholders

The Whitecap Shares issuable to TORC Shareholders in exchange for their TORC Shares pursuant to the Business Combination have not been and will not be registered under the U.S. Securities Act or the securities Laws of any state of the United States, and such securities will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by section 3(a)(10) thereof, and exemptions under applicable state securities Laws. Section 3(a)(10) of the U.S. Securities Act exempts the issuance of any security in exchange for one or more *bona fide* outstanding securities from the registration requirement of the U.S. Securities Act where the terms and conditions of such issuance and exchange have been approved by a court of competent jurisdiction, after a hearing upon the fairness of the terms and conditions of such issuance and exchange at which all persons to whom the securities will be issued have the right to appear and receive timely notice thereof.

The solicitation of proxies for the TORC Meeting and the Whitecap Meeting by means of this Information Circular is not subject to the requirements of section 14(a) of the U.S. Exchange Act. Accordingly, the solicitations and transactions contemplated in this Information Circular are made in the United States for securities of a Canadian issuer in accordance with Canadian corporate and securities Laws, and this Information Circular has been prepared solely in accordance with disclosure requirements applicable in Canada. TORC Shareholders and Whitecap Shareholders should be aware that such requirements are different from those of the United States applicable to registration statements under the U.S. Securities Act and proxy statements under the U.S. Exchange Act.

Specifically, information concerning the operations of TORC and Whitecap contained herein or in documents incorporated herein by reference has been prepared in accordance with Canadian disclosure standards, which are not comparable in all respects to United States disclosure standards. In particular, and without limiting the foregoing, information included in or incorporated by reference in this Information Circular regarding oil and gas operations and properties and estimates of oil and gas reserves have been prepared in accordance with Canadian disclosure standards, which differ materially from the disclosure standards applicable to information included in reports and other materials filed with the SEC by issuers subject to SEC reporting and disclosure requirements. The SEC generally permits U.S. reporting oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves (defined differently from Canadian disclosure standards) and production, net of royalties and interests of others. The SEC generally does not permit reporting companies to disclose net present value of future net revenue from reserves based on forecast prices and costs. Applicable Canadian Securities Laws permit, among other things, the presentation of certain categories of resources and the disclosure of production on a gross basis before deducting royalties. The SEC prohibits disclosure of oil and gas resources, whereas Canadian issuers may disclose oil and gas resources. Resources are different than, and should not be construed as, reserves. As a consequence, the production volumes and reserve and resource estimates in this Information Circular and the documents incorporated herein by reference may

not be comparable to those of United States oil and gas companies subject to SEC reporting and disclosure requirements. Unless noted otherwise, all disclosures of reserves in this Information Circular and the documents incorporated herein by reference are made on a gross basis using forecast prices and cost assumptions.

The financial statements of TORC and Whitecap and other financial information included or incorporated by reference in this Information Circular have been prepared in Canadian dollars. The financial statements of TORC and Whitecap included or incorporated by reference in this Information Circular have been prepared in accordance with IFRS, and are subject to Canadian auditing and auditor independence standards, each of which differs from United States GAAP and United States auditing and auditor independence standards, respectively, in certain material respects, and thus are not directly comparable to financial statements of companies prepared in accordance with United States GAAP and that are subject to United States auditing and auditor independence standards. The financial statements of TORC and Whitecap do not contain reconciliation to United States GAAP.

The Whitecap Shares issuable to TORC Shareholders pursuant to the Business Combination will be, following completion of the Business Combination, freely tradable under the U.S. Securities Act, except for (i) any Whitecap Shares received in the Business Combination by persons who will be "affiliates" (within the meaning of Rule 144 under the U.S. Securities Act) of Whitecap on the date of sale or were affiliates of Whitecap within 90 days before the date of sale, and (ii) any Whitecap Shares that are acquired after the date of sale held by persons who are then (or were within the preceding 90 days) affiliates of Whitecap (in both cases, "**Control Shares**"). Persons who may be deemed to be "affiliates" of an issuer include individuals or entities that control, are controlled by, or are under common control with, the issuer, whether through the ownership of voting securities, by contract, or otherwise, and generally include executive officers and directors of the issuer as well as principal shareholders of the issuer. Any resale of such Whitecap Shares by such an affiliate (or former affiliate) will be subject to the registration requirements of the U.S. Securities Act, absent an exemption or exclusion therefrom. Subject to certain limitations, persons holding Control Shares may generally resell those shares outside the United States without registration under the U.S. Securities Act pursuant to Regulation S under the U.S. Securities Act. If available, such persons may also resell such shares pursuant to Rule 144 under the U.S. Securities Act. In addition, section 3(a)(10) of the U.S. Securities Act does not exempt the issuance of securities upon the exercise of securities previously issued pursuant to section 3(a)(10) of the U.S. Securities Act. See "*Procedure for the Business Combination to Become Effective – Securities Law Matters – United States*". Further, section 3(a)(10) of the U.S. Securities Act will not apply to recipients in the United States of Whitecap Shares in settlement of the TORC Share Awards, and such Whitecap Shares will be restricted securities under Rule 144(a)(3).

The enforcement by TORC Shareholders or Whitecap Shareholders of civil liabilities under United States federal securities Laws may be affected adversely by the fact that Whitecap and TORC are organized under the Laws of Canada, that some or all of their officers and directors are residents of countries other than the United States, that some or all of the experts named in this Information Circular are residents of countries other than the United States, and that all or substantial portions of the assets of TORC, Whitecap and such persons are or will be located outside the United States. You may not be able to sue a corporation organized under the ABCA or its officers or directors or the named experts in a Canadian court for violations of U.S. Securities Laws and it may be difficult or impossible for TORC Shareholders or Whitecap Shareholders in the United States to effect service of process within the United States upon Whitecap and TORC, as applicable, and their respective directors or officers, or to realize against them upon judgments of courts of the United States predicated upon civil liabilities under the federal securities Laws of the United States or the securities Laws of any state within the United States. In addition, TORC Shareholders and Whitecap Shareholders in the United States should not assume that the courts of Canada: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal securities Laws of the United States or the securities Laws of any state within the United States; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the federal securities Laws of the United States or the securities Laws of any state within the United States.

TORC Shareholders should be aware that the Business Combination and the ownership of Whitecap Shares may have material tax consequences in the United States, including, without limitation, the possibility that the Business Combination is a taxable transaction, in whole or in part, for United States federal income tax purposes. This Information Circular does not contain a description of the United States tax consequences of the Business Combination or the ownership of Whitecap Shares. TORC Shareholders are advised to consult their own tax advisors to determine the particular tax consequences to them of the Business Combination.

ADDITIONALLY, NO BROKER, DEALER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION OTHER THAN THOSE CONTAINED IN THIS INFORMATION CIRCULAR AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY TORC OR WHITECAP.

THE WHITECAP SHARES ISSUABLE TO TORC SHAREHOLDERS PURSUANT TO THE BUSINESS COMBINATION HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES, NOR HAS THE SEC OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES PASSED ON THE FAIRNESS OR MERITS OF THE BUSINESS COMBINATION OR UPON THE ADEQUACY OR ACCURACY OF THIS INFORMATION CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Currency

Except as otherwise indicated, all dollar amounts in this Information Circular are expressed in Canadian dollars. The following table sets forth: (i) the rates of exchange for Canadian dollars, expressed in United States dollars, in effect at the end of each of the periods indicated; and (ii) the high, low and average exchange rates during each such period, based on the daily average exchange rate, published on the Bank of Canada's website as being in effect on each trading day.

	Nine Months Ended September 30		Year Ended December 31	
	2020	2019	2019	2018
Rate at end of Period	US\$0.7497	US\$0.7551	US\$0.7699	US\$0.7330
Average rate during Period	US\$0.7391	US\$0.7524	US\$0.7537	US\$0.7721
High	US\$0.7710	US\$0.7670	US\$0.7699	US\$0.8138
Low	US\$0.6898	US\$0.7353	US\$0.7353	US\$0.7330

On January 4, 2021, the Bank of Canada exchange rate for \$1.00 Canadian dollar was \$0.7843 United States dollars.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Information Circular herein constitute forward-looking information and forward-looking statements (collectively referred to as "**forward-looking statements**") within the meaning of Applicable Canadian Securities Laws about Whitecap's and TORC's current expectations, estimates and projections about the future, based on certain assumptions made in light of experiences and perceptions of historical trends. Although Whitecap and TORC believe that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. These statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions or the negative thereof.

This Information Circular contains forward-looking statements pertaining to the following:

- the expected attributes of the combined business resulting from the Business Combination, including:
 - that the combined business will be a leading oil weighted producer in Western Canada with a focused asset base exhibiting lower production declines, high operating netbacks and strong capital efficiencies;
 - that the combined business will have a light oil focus;
 - that the combined business will have a larger scale and core area presence;

- that the combined business will have over 100,000 boe/d (78% oil and NGLs) of corporate production;
- that the combined business will be able to generate improved free funds flow;
- that the combined production profile will enhance the ability of the combined business to generate free funds flow in 2021 and increase cash returns to Whitecap Shareholders and former TORC Shareholders supported by a base production decline rate of approximately 17%;
- the dividend policy of the combined business, including the proposed monthly dividend of \$0.01508 per Whitecap Share (\$0.18096 per Whitecap Share annualized) which is expected to become effective with the March 2021 dividend payable in April 2021;
- that the combined business will have a strong credit profile and will have ample liquidity to manage commodity price volatility;
- that the combined business will benefit from lower interest expense;
- that the combined business will have an enhanced ability to reduce its debt in 2021;
- the management and members of the board of directors of the combined business;
- the location of the head and registered office of the combined business; and
- the expected benefits of the Business Combination, including:
 - that the Business Combination will unlock additional value for TORC Shareholders and Whitecap Shareholders;
 - that the Business Combination will result in the creation of one of the largest pure play conventional light oil producers in Canada; and
 - that the Business Combination will provide a combined business with an improved free funds flow profile, enhanced long term shareholder returns, a top tier balance sheet, sustainable development and disciplined leadership and governance;
- Whitecap's total return strategy;
- Whitecap plans to remain committed to best-in-class ESG practices and to continuously improving its ESG profile;
- the ability of the combined business to successfully integrate the businesses of Whitecap and TORC;
- the attributes of the combined business' reserves and assets;
- expected pro forma financial and operational projections for 2021 and future years and plans and strategies to realize such projections;
- the expected development and growth of the combined business' business and plans and strategies to realize such expectations;
- that annual production in 2021 from the NAL Transaction will average approximately 22,000 boe/d (7,579 bbls/d of crude oil, 4,345 bbls/d of NGLs and 60,457 Mcf/d of natural gas) with a stable production decline rate of 19%;

- expectations with respect to the effect of the Business Combination on TORC and Whitecap;
- expectations regarding whether the Business Combination will be completed, including whether the conditions to completion of the Business Combination will be satisfied on terms and conditions satisfactory to TORC and Whitecap, and the anticipated timing for the Effective Date;
- the timing, administration and conduct of the Meetings and the timing of the Final Order;
- Whitecap's and TORC's anticipated abilities to obtain the required approvals, including shareholder, stock exchange, Court, regulatory and third-party approvals, for the Business Combination, and the timing of such approvals;
- the satisfaction of conditions for listing of the Whitecap Shares issuable pursuant to the Business Combination on the TSX, and the timing thereof;
- expectations regarding receipt of required approvals of the Business Combination Resolution and the Share Issuance Resolution as well as the Article Amendment Resolution;
- the anticipated application for and filing of the Final Order and Articles of Arrangement with the Registrar under the ABCA, the content and timing of such application, the considerations of the Court in granting the Final Order and the effect of the Final Order;
- the delisting of the TORC Shares from the TSX and the anticipated timing thereof;
- the anticipated treatment and entitlements of Whitecap Shareholders and TORC Shareholders under securities and tax Laws;
- the expected expenses associated with the Business Combination;
- the effect of the Business Combination on Whitecap's share capital, including the total issued and outstanding Whitecap Shares and anticipated percentages of Whitecap Shares that former TORC Shareholders and current Whitecap Shareholders will hold in the combined business;
- the expected obligations of directors and executive officers of TORC pursuant to the Business Combination Agreement;
- the treatment of the Business Combination under government regulatory regimes;
- the sufficiency of budgeted capital expenditures in carrying out planned activities;
- pro forma information, including pro forma financial and operational information pertaining to Whitecap after giving effect to the Business Combination;
- business plans, business prospects and performance, growth potential, financial strength, market profile, revenues, working capital, costs, capital expenditures, investment valuations, income, margins, access to capital, shareholder return and overall strategies and assessments of future plans and operations of the combined business.
- commodity prices and anticipated sensitivity to commodity price fluctuations;
- that TORC has a sustainable, light oil weighted growth platform;
- that TORC is well positioned to provide long-term value creation through the continued development of its high-quality asset base;

- the focus of Whitecap's operations;
- Whitecap's plans to deliver profitable growth to the Whitecap Shareholders over the long term under varying business conditions and business plan; and
- Whitecap's plans focus on providing sustainable monthly dividends and per share growth through a combination of accretive oil-based acquisitions and organic growth on existing and acquired assets.

Additionally, statements relating to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated and can be profitably produced in the future.

The reports of PricewaterhouseCoopers LLP and KPMG LLP included or incorporated by reference in this Information Circular refer exclusively to the historical financial statements described therein and do not extend to the prospective financial information included in this Information Circular and should not be read to do so.

Developing forward-looking statements involves reliance on a number of assumptions and consideration of certain risks and uncertainties, some of which are specific to Whitecap, TORC and the combined business and others that apply to the industry generally. These forward-looking statements are based on certain expectations and assumptions, including expectations and assumptions respecting:

- the perceived benefits of the Business Combination and expected attributes of the combined business resulting from the Business Combination are based upon a number of factors, including the terms and conditions of the Business Combination Agreement and current industry, economic and market conditions (see "*The Business Combination – Reasons for the Business Combination*", "*The Business Combination – Attributes of the Combined Business*", "*The Business Combination – Recommendation of the TORC Board*" and "*The Business Combination – Recommendation of the Whitecap Board*");
- the completion of certain steps in, and timing of, the Business Combination and the Effective Date are based upon the terms of the Business Combination Agreement and advice received from counsel to TORC and Whitecap relating to timing expectations (see "*Effect of the Business Combination*");
- the listing of the Whitecap Shares issuable pursuant to the Business Combination on the TSX and the delisting of the TORC Shares from the TSX are based on receiving approval from, and fulfilling all of the requirements of, the TSX;
- the treatment of TORC Shareholders under tax Laws is subject to the statements under "*Certain Canadian Federal Income Tax Considerations*";
- the effects of the Business Combination on TORC and Whitecap are based on TORC management's current expectations regarding the intentions of Whitecap and Whitecap management's current expectations regarding the intentions of TORC;
- the satisfaction of the conditions to closing of the Business Combination in a timely manner and completion of the Business Combination on the expected terms;
- the expected adherence to the terms of the Business Combination Agreement and agreements related to the Business Combination Agreement, including the TORC Support Agreements and the Whitecap Support Agreements, and the expected timing and termination of such agreements;
- the ability of management of the combined business to successfully integrate the businesses of TORC and Whitecap;
- variation in forecast commodity prices and other assumptions used to develop the forward-looking statements

or identified in the guidance of Whitecap and TORC;

- the projected capital investment levels, the flexibility of capital spending plans and associated sources of funding; the achievement of further cost reductions and sustainability thereof;
- applicable royalty regimes, including expected royalty rates;
- future improvements in availability of product transportation capacity;
- increases to the combined business' share price and market capitalization over the long term;
- the opportunity for the combined business to pay dividends, and the approval and declaration of such dividends by the board of directors of the combined business;
- cash flows, cash balances on hand and access to credit and demand facilities being sufficient to fund capital investments;
- estimates of quantities of oil, natural gas and NGLs from properties and other sources not currently classified as proved; accounting estimates and judgments;
- the future use and development of technology and associated expected future results;
- the combined business' ability to obtain necessary regulatory and partner approvals;
- the successful and timely implementation of capital projects or stages thereof;
- the ability to generate sufficient cash flow to meet current and future obligations;
- the estimated abandonment and reclamation costs, including associated levies and regulations applicable thereto;
- the combined business' ability to obtain and retain qualified staff and equipment in a timely and cost-efficient manner;
- the combined business' ability to carry out transactions on the desired terms and within the expected timelines;
- forecast inflation and other assumptions inherent in the current guidance of Whitecap and TORC;
- the combined business' ability to access and implement all technology necessary to efficiently and effectively operate its assets;
- certain anticipated financial information for the pro forma business contained in this Information Circular is based on assumed average production for the combined business in 2021 of 99,000 – 101,000 boe/d (assuming a closing date of February 24, 2021) on capital investments of \$280 to \$300 million and commodity prices of US\$47/bbl WTI and C\$2.50/GJ AECO; and
- other risks, uncertainties and assumptions described from time to time in the filings made by Whitecap and TORC with securities regulatory authorities.

The forward-looking statements in this Information Circular also include financial outlooks and other forward-looking metrics (including production, financial and oil and gas related metrics) relating to Whitecap, TORC, the combined business and the transaction, including: the expectations of Whitecap and TORC regarding the impact of the transaction on dividends, free funds flow, lower interest expense, and reduction in debt, all of which are subject to the

same assumptions, risk factors, limitations, and qualifications as set forth in this section. The actual results of the combined business and the resulting financial results will likely vary from the amounts set forth herein and such variation may be material. Whitecap and its management believe that this information has been prepared on a reasonable basis, reflecting management's best estimates and judgments. However, because this information is subjective and subject to numerous risks, it should not be relied on as necessarily indicative of future results.

By their very nature, forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements.

TORC and Whitecap believe the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this Information Circular and in the documents incorporated by reference herein should not be unduly relied upon. These statements speak only as of the date of this Information Circular.

The risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements include:

- Whitecap and TORC may fail to realize, or may fail to realize in the expected timeframes, the anticipated benefits resulting from the Business Combination;
- risks related to the integration of TORC's and Whitecap's existing businesses, including that TORC Shareholders and Whitecap Shareholders may be exposed to additional business risks not previously applicable to their investment, as the business mix of the combined business will be different than that of TORC and Whitecap;
- the conditions precedent to completion of the Business Combination, including receiving Court approval, shareholder approvals, and TSX approval for the listing of the Whitecap Shares issuable pursuant to the Business Combination, may not be satisfied or waived by the Outside Date and may result in the Business Combination not being completed in a timely manner or at all;
- the timing of the Meetings and the Final Order and the anticipated Effective Date may be changed or delayed or may not occur at all;
- interloper risk, including actions taken by government entities or others seeking to prevent or alter the terms of the transaction or competing offers for TORC which arise as a result of or in connection with the proposed Business Combination;
- the accuracy of the pro forma financial and operational information of the combined business after the completion of the Business Combination;
- Whitecap and TORC will incur significant costs relating to the Business Combination, regardless of whether the Business Combination is completed or not completed;
- the Business Combination Agreement could be terminated by either Party under certain circumstances, including as a result of the occurrence of a change, event, circumstance or development that would reasonably be likely to have (individually or in the aggregate) a material adverse effect on the other Party;
- if the Business Combination is not completed, either Party may be required to pay a termination amount to the other Party in certain circumstances;
- if the Business Combination is not completed, TORC Shareholders will not realize the anticipated benefits of the Business Combination and TORC's future business and operations could be adversely affected;
- if the Business Combination is not completed, Whitecap Shareholders will not realize the anticipated benefits of the Business Combination and Whitecap's future business and operations could be adversely affected;

- share price volatility, including a material decrease in the trading price of Whitecap Shares may occur which could result in a failure of the Business Combination on the basis of a material adverse effect or could be sustained following the Effective Date;
- litigation relating to the Business Combination may be commenced which may prevent, delay or give rise to significant costs or liabilities on the part of Whitecap or TORC;
- changes in income or other tax Laws or actions taken by taxing authorities could have adverse implications on Whitecap, TORC or their respective shareholders;
- the Parties may discover previously undisclosed liabilities following the Effective Date;
- the focus of management's time and attention on the Business Combination may detract from other aspects of the respective businesses of Whitecap and TORC;
- the loss of key employees and the risk that the combined business may not be able to retain key employees of Whitecap or TORC following completion of the Business Combination in a timely manner or at all;
- the combined business being unable to access the necessary sources of debt and equity capital on acceptable terms or at all;
- the combined business' ability to finance growth and sustaining capital expenditures;
- the ability of the combined business to utilize and apply, or carry forward, tax losses and other tax attributes in the future;
- the combined business' operations near communities may cause such communities to regard its operations as being detrimental to them;
- a lack of adequate and cost effective product transportation including sufficient pipeline or alternate transportation, including to address any gaps caused by constraints in the pipeline system or storage capacity;
- changes in the regulatory framework in any of the locations in which Whitecap or TORC operate, including changes to the regulatory approval process and land-use designations, royalty, tax, environmental, greenhouse gas, carbon, climate change and other Laws or regulations, or changes to the interpretation of such Laws and regulations, as adopted or proposed, the negative impact thereof and the costs associated with compliance;
- discrepancies between actual and estimated production for the combined business;
- increased costs, delays, suspensions and technical challenges associated with the construction of capital projects;
- risk of loss and increased cost due to acts of war, terrorism, sabotage, civil disturbances, fires, explosions, blow-outs, equipment failures, transportation incidents, extreme weather events, technological changes and resource shortages, related to climate change or similar events;
- the global economic climate;
- competition, and the effects of competition and pricing pressures;
- industry overcapacity;

- the speculative nature of the oil and gas industry, including risks and uncertainties involving the geology and geophysics of oil and gas exploration and production;
- operational risks in exploring for, developing and producing crude oil, natural gas and NGLs;
- a continued surge in cases of COVID-19 or the evolution of more transmissible or deadly variants, which has occurred in certain locations and the possibility of which in other locations remains high and creates ongoing uncertainty that could result in restrictions to contain the virus being re-imposed or imposed on a more strict basis, including restrictions on movement and businesses;
- the extent to which COVID-19 impacts the global economy and harms commodity prices;
- the extent to which COVID-19 and fluctuations in commodity prices associated with COVID-19 impacts TORC, Whitecap or the combined business, their results of operations and financial condition, all of which will depend on future developments that are highly uncertain and difficult to predict, including, but not limited to the duration and spread of the pandemic, its severity, the actions taken to contain COVID-19 or treat its impact and how quickly economic activity normalizes; and
- the success of TORC, Whitecap or the combined business' COVID-19 workplace policies.

With regard to the forward-looking statements in TORC's and Whitecap's documents incorporated by reference herein, please refer to the forward-looking statements advisories in such documents in respect of the forward-looking statements contained therein, the assumptions upon which they are based and the risk factors in respect of such forward-looking statements.

Readers are cautioned that the foregoing lists of factors are not exhaustive. Events or circumstances could cause the actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking statements. The forward-looking statements contained in this Information Circular and in the documents incorporated by reference herein are expressly qualified by this cautionary statement. Except as required by Law, neither TORC nor Whitecap undertakes any obligation to publicly update or revise any forward-looking statements.

Readers should also carefully consider the matters discussed under the headings "*Risk Factors*", "*Certain Canadian Federal Income Tax Considerations*" and other risks described elsewhere in this Information Circular and in the documents incorporated by reference herein as they may cause the actual results to differ materially from the forward-looking statements, including Appendices H and I, the TORC AIF, the Whitecap AIF, the TORC Annual MD&A, the Whitecap Annual MD&A, the TORC Interim MD&A and the Whitecap Interim MD&A, each of which is incorporated by reference herein. Additional information on these and other factors that could affect the operations or financial results of TORC or Whitecap are included in documents on file with Applicable Canadian Securities Administrators and may be accessed on TORC's and Whitecap's respective issuer profiles through the SEDAR website (www.sedar.com). Such documents, unless expressly incorporated by reference herein, do not form part of this Information Circular.

ADVISORY REGARDING OIL AND GAS INFORMATION

The reserves information contained in this Information Circular has been prepared in accordance with NI 51-101. Listed below are cautionary statements that are specifically required by NI 51-101:

- The terms "boe" and "mcf" may be misleading, particularly if used in isolation. A boe conversion rate of six thousand cubic feet of natural gas per barrel of oil (6 mcf:1 bbl) and an mcf conversion rate of one barrel of oil per six thousand cubic feet of natural gas (1 bbl:6 mcf) are each based on an energy equivalency conversion method primarily applicable at the burner tip and do not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from an energy equivalency of 6:1, utilizing a conversion ratio of 6:1 may be misleading as an indication of value.

- The estimates of reserves of Whitecap were prepared by McDaniel effective December 31, 2019 and dated February 13, 2020.
- The estimates of reserves of TORC were prepared by Sproule effective December 31, 2019 and dated February 27, 2020.
- The reserves information presented in this Information Circular is based on the Whitecap Reserves Report and the TORC Reserves Report, respectively, which were prepared effective December 31, 2019 in accordance with NI 51-101. Whitecap and TORC did not construct a consolidated reserves report of the combined assets of Whitecap and TORC, and did not engage an independent reserves evaluator to produce such a report in accordance with NI 51-101. Whitecap and TORC employ different methodologies to estimate their reserves information which differences include, but are not limited to, assumptions regarding forecast prices and costs. As a result, the actual reserves of the combined business, if calculated as of December 31, 2019 by an independent reserves evaluator in accordance with NI 51-101, may differ from the reserves information presented in this Information Circular for a number of reasons, and such differences may be material. The reserves information should be read in conjunction with the Whitecap AIF and TORC AIF, each of which is incorporated by reference in this Information Circular. See Appendix H – "*Information Concerning TORC Oil & Gas Ltd.*" and Appendix I – "*Information Concerning Whitecap Resources Inc.*".
- The SEC definitions of proved and probable reserves are different from the definitions contained in NI 51-101; therefore, proved and probable reserves disclosed herein may not be comparable to United States standards. The SEC requires United States oil and gas reporting companies, in their filings with the SEC, to disclose only proved reserves after the deduction of royalties and production due to others, but permits the optional disclosure of probable and possible reserves.
- References to crude oil or natural gas production in this Information Circular refers to the light and medium crude oil and conventional natural gas, respectively, product types as defined in NI 51-101. Disclosure of production on a per boe basis in this Information Circular consists of the constituent product types and their respective quantities as disclosed in the following table (which includes the effect of the NAL Transaction which closed January 4, 2021):

	Crude oil (bbls/d)	NGLs (bbls/d)	Natural gas (Mcf/d)	Total (boe/d)
Pro forma	68,645 – 70,193	8,860 – 8,991	128,970 – 130,896	99,000 – 101,000

INFORMATION FOR BENEFICIAL HOLDERS

The information set forth in this section is of significant importance to many shareholders, as a substantial number of such shareholders do not hold TORC Shares or Whitecap Shares in their own name. Beneficial Holders should note that only proxies deposited by shareholders whose names appear on the records of the registrar and transfer agent for TORC or Whitecap, as applicable, as the registered holders of shares can be recognized and acted upon at the Meetings, as applicable. If shares are listed in an account statement provided to a shareholder by a broker, then, in almost all cases, those shares will not be registered in a holder's name on the records of TORC or Whitecap. Such shares will most likely be registered in the name of the holder's broker or an agent of the broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS, which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their nominees can only be voted (for or against resolutions) upon instructions of the Beneficial Holder. Without specific instructions, brokers/nominees are prohibited from voting shares for their clients. **Beneficial Holders should therefore ensure that instructions regarding the voting of their shares are properly communicated to the appropriate Person or that the shares are duly registered in their name well in advance of the applicable Meeting.**

Applicable regulatory policies require intermediaries/brokers to seek voting instructions from Beneficial Holders in advance of shareholder meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions which should be carefully followed by Beneficial Holders in order to ensure that their shares are voted at the applicable Meeting. Often, the form of proxy supplied to a Beneficial Holder by its broker is identical to that provided to a registered shareholder. However, its purpose is limited to instructing the registered shareholder on

how to vote on behalf of the Beneficial Holder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge. Broadridge typically mails a scannable Voting Instruction Form in lieu of the applicable form of proxy. The Beneficial Holder is requested to complete and return the Voting Instruction Form by mail or facsimile. Alternatively, the Beneficial Holder can call a toll-free telephone number or access the internet to vote the shares held by the Beneficial Holder. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the applicable Meeting. A Beneficial Holder receiving a form of proxy or Voting Instruction Form from its broker or other intermediary (or an agent or nominee of such broker or other intermediary) cannot use that form to vote shares directly at the applicable Meeting. Voting instructions must be communicated to the broker, intermediary, agent or nominee (in accordance with the instructions provided by it or on its behalf) well in advance of the applicable Meeting in order to have the shares to which such instructions relate voted at the applicable Meeting.

If you are a Beneficial Holder and wish to vote at the applicable Meeting, you must insert your own name in the space provided on the Voting Instruction Form sent to you by your intermediary, follow all of the applicable instructions provided by your intermediary AND register yourself as your proxyholder, as described below in Step 2. By doing so, you are instructing your intermediary to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your intermediary. Please also see further instructions on accessing and voting at the applicable virtual Meetings under the heading "*General Proxy Matters – TORC – How to Participate at the TORC Meeting*" and "*General Proxy Matters – Whitecap – How to Participate at the Whitecap Meeting*".

Registering your proxyholder is an additional step to be completed AFTER you have submitted the Voting Instruction Form. Failure to register the proxyholder will result in the proxyholder not receiving a username that is required to vote at the applicable Meeting.

Step 1: Submit the Voting Instruction Form: To appoint someone other than the individuals named in the Voting Instruction Form as proxyholder, insert that person's name in the blank space provided in the Voting Instruction Form (if permitted) and follow the instructions for submitting such Voting Instruction Form. This must be completed before registering such proxyholder, which is an additional step to be completed once you have submitted the Voting Instruction Form.

Step 2: Register your proxyholder: To register a third-party proxyholder, you must:

- in the case of a beneficial TORC Shareholder: visit <https://www.computershare.com/Torc> by the TORC Proxy Deadline and provide Computershare with the required proxyholder contact information so that Computershare may provide the proxyholder with a username via e-mail; or
- in the case of a beneficial Whitecap Shareholder: you must email whitecap@odysseytrust.com by the Whitecap Proxy Deadline and provide Odyssey with the required proxyholder contact information so that Odyssey may provide the proxyholder with a username via e-mail.

WITHOUT A USERNAME, PROXYHOLDERS WILL NOT BE ABLE TO VOTE AT THE APPLICABLE MEETING BUT WILL BE ABLE TO PARTICIPATE AS GUESTS.

TORC Shareholders who do not hold their TORC Shares in their own name should also instruct their broker or other intermediary to complete the Letter of Transmittal regarding the Business Combination with respect to such holder's TORC Shares in order to receive the consideration issuable pursuant to the Business Combination in exchange for such holder's TORC Shares.

SUMMARY

This Summary is qualified in its entirety by the more detailed information appearing elsewhere in this Information Circular, including the Appendices hereto. Terms with initial capital letters in this Summary are defined in the Glossary of Terms or set out elsewhere in this Information Circular.

The Business Combination

On December 8, 2020, TORC and Whitecap agreed to the definitive terms of a transaction to combine the businesses of the two companies pursuant to the terms and conditions of the Business Combination Agreement. Pursuant to the Business Combination Agreement, Whitecap has agreed to acquire all of the issued and outstanding TORC Shares under a court-approved Plan of Arrangement in accordance with the provisions of the ABCA. If completed, the Business Combination will result in Whitecap acquiring all of the TORC Shares (other than TORC Shares held by Dissenting Shareholders) on the basis of 0.57 of a Whitecap Share for each TORC Share held.

Based on the currently outstanding TORC Shares and Whitecap Shares and certain assumptions, immediately after completion of the Business Combination, former TORC Shareholders are expected to own approximately 22.06% of the outstanding Whitecap Shares and current Whitecap Shareholders are expected to own approximately 77.94% of the outstanding Whitecap Shares.

Following completion of the Business Combination, the executive team of Whitecap will continue to manage the combined business, including Grant Fagerheim as President and Chief Executive Officer, Joel Armstrong as Vice President, Production and Operations, Andrew Bullock as Vice President, Exploration and Geosciences, Darin Dunlop as Vice President, Engineering, Thanh Kang as Chief Financial Officer, Gary Lebsack as Vice President, Land, David Mombourquette as Vice President, Business Development and IT and Jeff Zdunich as Vice President, Finance and Controller.

On closing of the Business Combination and assuming that the Article Amendment Resolution is passed by the Whitecap Shareholders, a designated director agreed to by Whitecap and TORC, will be added to the Whitecap Board which currently consists of Grant Fagerheim, Heather Culbert, Gregory Fletcher, Daryl Gilbert, Glenn McNamara, Stephen Nikiforuk, Kenneth Stickland, Brad Wall and Grant Zawalsky. Information about the members of the Whitecap Board is in the Whitecap AIF and Whitecap AGM Circular, each of which is incorporated by reference in this Information Circular. See Appendix H – *"Information Concerning TORC Oil & Gas Ltd."* and Appendix I – *"Information Concerning Whitecap Resources Inc."*

See *"Effect of the Business Combination"*.

TORC Oil & Gas Ltd.

TORC is a Calgary-based company with a sustainable, light oil weighted growth platform. TORC is well positioned to provide long-term value creation through the continued development of its high-quality asset base.

TORC is a reporting issuer or the equivalent under the securities Laws of each of the provinces of Canada. The TORC Shares are listed and posted for trading on the TSX under the symbol "TOG".

Pursuant to the Business Combination, all of the TORC Shares (other than TORC Shares held by Dissenting Shareholders) will be acquired by Whitecap in exchange for Whitecap Shares. Following completion of the Business Combination, it is anticipated that the TORC Shares will be delisted from the TSX.

TORC's head office is located at 1800, 525 – 8th Avenue S.W., Calgary, Alberta and its registered office is located at 2400, 525 – 8th Avenue S.W., Calgary, Alberta.

See Appendix H – *"Information Concerning TORC Oil & Gas Ltd."*.

Whitecap Resources Inc.

Whitecap is a Calgary-based public company focused on the development and production of oil and gas in Western Canada. The primary areas of focus of Whitecap's development programs are in northwest Alberta and British Columbia, west central Alberta, west central Saskatchewan, southwest Saskatchewan and southeast Saskatchewan. Whitecap's business plan is to deliver profitable growth to the Whitecap Shareholders over the long term under varying business conditions. Whitecap is focused on providing sustainable monthly dividends and per share growth through a combination of accretive oil-based acquisitions and organic growth on existing and acquired assets.

Whitecap is a reporting issuer or the equivalent under the securities Laws of each of the provinces of Canada, other than Prince Edward Island. The Whitecap Shares are listed and posted for trading on the TSX under the symbol "WCP".

Whitecap's head office is located at Suite 3800, 525 – 8th Avenue S.W., Calgary, Alberta, and its registered office is located at Suite 2400, 525 – 8th Avenue S.W., Calgary, Alberta.

See Appendix I – "*Information Concerning Whitecap Resources Inc.*".

The TORC Meeting

The TORC Meeting will be held at 9:00 a.m. (Calgary time) on February 18, 2021, in a virtual-only format that will be conducted via live webcast accessible at <https://web.lumiagm.com/427778530>. The business of the TORC Meeting will be for TORC Shareholders to consider and vote on the Business Combination Resolution. See "*The Business Combination*", "*Effect of the Business Combination*" and "*Matters to be Considered at the TORC Meeting*".

The TORC Record Date for determining TORC Shareholders entitled to receive notice of, and to vote at, the TORC Meeting is the close of business on January 4, 2021. Only TORC Shareholders of record as at the TORC Record Date are entitled to receive notice of the TORC Meeting. TORC Shareholders of record will be entitled to vote those TORC Shares included in the list of TORC Shareholders prepared as at the TORC Record Date. If a TORC Shareholder transfers TORC Shares after the TORC Record Date and the transferee of those TORC Shares, having produced properly endorsed certificates evidencing such TORC Shares or having otherwise established that the transferee owns such TORC Shares, demands, at least 10 days before the TORC Meeting, that the transferee's name be included in the list of TORC Shareholders entitled to vote at the TORC Meeting, such transferee shall be entitled to vote such TORC Shares on the applicable resolution at the TORC Meeting. See "*General Proxy Matters – TORC*".

The Whitecap Meeting

The Whitecap Meeting will be held at 10:00 a.m. (Calgary time) on February 18, 2021, in a virtual-only format that will be conducted via live webcast accessible at <https://web.lumiagm.com/240585844>. The business of the Whitecap Meeting will be to consider and vote on the Share Issuance Resolution and the Article Amendment Resolution. See "*Matters to be Considered at the Whitecap Meeting*".

The Whitecap Record Date for determining Whitecap Shareholders entitled to receive notice of, and to vote at, the Whitecap Meeting is the close of business on January 4, 2021. Only Whitecap Shareholders of record as at the Whitecap Record Date are entitled to receive notice of the Whitecap Meeting. Whitecap Shareholders of record will be entitled to vote those Whitecap Shares included in the list of Whitecap Shareholders prepared as at the Whitecap Record Date. If a Whitecap Shareholder transfers Whitecap Shares after the Whitecap Record Date and the transferee of those Whitecap Shares, having produced properly endorsed certificates evidencing such Whitecap Shares or having otherwise established that the transferee owns such Whitecap Shares, demands, at least 10 days before the Whitecap Meeting, that the transferee's name be included in the list of Whitecap Shareholders entitled to vote at the Whitecap Meeting, such transferee shall be entitled to vote such Whitecap Shares on the applicable resolution at the Whitecap Meeting. See "*General Proxy Matters – Whitecap*".

See "*The Business Combination – Details of the Business Combination*".

Effect of the Business Combination

TORC Shares

The Business Combination Agreement provides that each TORC Shareholder (other than Dissenting Shareholders) will exchange their TORC Shares for Whitecap Shares on the basis of 0.57 of a Whitecap Share for each TORC Share held.

Fractional Shares

No certificates or DRS Statements representing fractional Whitecap Shares will be issued under the Business Combination. In lieu of any fractional Whitecap Shares, each registered TORC Shareholder otherwise entitled to a fractional interest in a Whitecap Share will receive the nearest whole number of Whitecap Shares. For greater certainty, where such fractional interest is greater than or equal to 0.5 of a Whitecap Share, the number of Whitecap Shares to be issued will be rounded up to the nearest whole number, and where such fractional interest is less than 0.5 of a Whitecap Share, the number of Whitecap Shares to be issued, without any additional consideration, will be rounded down to the nearest whole number.

Depository

The Plan of Arrangement provides that any certificate or DRS Advice formerly representing TORC Shares not deposited together with all other documents as required by the Plan of Arrangement and the Letter of Transmittal on or before the last Business Day prior to the third anniversary of the Effective Date shall cease to represent a right or claim of any kind or nature, and the right of the former holder of such TORC Shares to receive certificates or DRS Statements representing Whitecap Shares to which such holder was entitled pursuant to the Business Combination, together with all dividends, distributions or cash payments thereon held for such holder, shall be deemed to be surrendered and forfeited to Whitecap for no consideration.

TORC Share Awards

The Business Combination will constitute a Change of Control under the TORC Share Award Plan and, in accordance with the terms of the TORC Share Award Plan, the Issue Date for all outstanding TORC Share Awards will be accelerated to immediately prior to the Effective Date.

The Parties have agreed that, the TORC Share Awards for which the Issue Date is accelerated as a result of the Business Combination, will be settled at the written direction of Whitecap, given on or before the 10th Business Day prior to the Effective Date, through: (A) the issuance of TORC Shares immediately prior to the Effective Time (and TORC may withhold, in its sole discretion, from such issuance of TORC Shares an amount of TORC Shares equal to the amount of Taxes required to be remitted by TORC in connection with such settlement); (B) payment in cash immediately prior to the Effective Time (and TORC may withhold, in its sole discretion, from such cash payment an amount equal to the amount of Taxes required to be remitted by TORC in connection with such settlement); or (C) a combination of (A) and (B).

The Payout Multiplier for all TORC Performance Awards for which vesting has been accelerated in contemplation of the completion of the Business Combination, will be based on the Payout Multipliers as previously determined by the TORC Board for the applicable performance assessment periods and the Payout Multiplier for the performance assessment periods that have not yet been determined has been set by the TORC Board at 2.0.

Background to the Business Combination

The terms of the Business Combination are the result of arm's length negotiations between representatives of TORC and Whitecap, and their respective financial and legal advisors. The Information Circular contains a summary of the events leading up to the negotiation of the Business Combination Agreement and the meetings, negotiations, discussions and actions by the Parties, their respective boards of directors and senior management teams that preceded

the execution and public announcement of the Business Combination Agreement. See "*The Business Combination – Background to the Business Combination*".

Business Combination Agreement

The obligations of TORC and Whitecap to complete the Business Combination are subject to the satisfaction or waiver of certain conditions set out in the Business Combination Agreement. These conditions include, among others, approval of the Business Combination Resolution by the TORC Shareholders and approval of the Share Issuance Resolution by the Whitecap Shareholders; conditional approval of the TSX for the listing of the Whitecap Shares issuable pursuant to the Business Combination and the receipt of all other necessary regulatory approvals, including receipt of the Competition Act Approval. Upon all the conditions being satisfied or waived, TORC is required to file the Articles of Arrangement with the Registrar in order to give effect to the Business Combination.

In addition to certain covenants, representations and warranties made by each of TORC and Whitecap in the Business Combination Agreement, TORC has provided certain non-solicitation covenants, subject to the right of the TORC Board to, prior to obtaining the approval of the TORC Shareholders of the Business Combination Resolution, respond to an Acquisition Proposal that constitutes or would reasonably be expected to constitute or lead to a Superior Proposal, and the right of Whitecap to match any such Superior Proposal within seventy-two hours.

The Business Combination Agreement provides that, upon the occurrence of certain termination events, either of the Parties may be required to pay the other Party a termination amount of \$20 million, in consideration for the disposition of the other Party's rights under the Business Combination Agreement. In addition, in the event that the Business Combination Agreement is terminated under certain circumstances, Whitecap will be required to pay TORC \$500,000 as reimbursement for the costs incurred by TORC in pursuing the Business Combination.

The Business Combination Agreement may be terminated by mutual written consent of Whitecap and TORC and by either Party in certain circumstances as more particularly set forth in the Business Combination Agreement. Subject to certain limitations, either Party may also terminate the Business Combination Agreement if the Business Combination is not consummated by March 26, 2021 or such later date as TORC and Whitecap may agree in writing.

The above is a summary of certain terms of the Business Combination Agreement and is qualified in its entirety by the full text of the Business Combination Agreement, which is attached as Appendix C to this Information Circular, and to the more detailed summary contained elsewhere in this Information Circular.

See "*Effect of the Business Combination – The Business Combination Agreement*" and Appendix C for a copy of the Business Combination Agreement.

Reasons for the Business Combination

TORC Board

The TORC Board, in arriving at its conclusion to unanimously recommend that TORC Shareholders approve the Business Combination Resolution, considered a number of strategic, financial, operational and other factors, including the financial metrics of the Business Combination and the long-term prospects for growth of TORC both on a stand-alone basis and in conjunction with Whitecap.

See "*The Business Combination – Reasons for the Business Combination – TORC Board*" and "*The Business Combination – Recommendation of the TORC Board*".

Whitecap Board

The Whitecap Board, in arriving at its conclusion to unanimously recommend that Whitecap Shareholders approve the Share Issuance Resolution, considered a number of strategic, financial, operational and other factors, including the financial metrics of the Business Combination and the long-term prospects for growth of Whitecap both on a stand-alone basis and in conjunction with TORC.

See "*The Business Combination – Reasons for the Business Combination – Whitecap Board*" and "*The Business Combination – Recommendation of the Whitecap Board*".

Benefits of the Business Combination

Both Whitecap and TORC expect the Business Combination to offer a number of strategic, financial and operational benefits and advantages for shareholders, including the following:

- ✓ **Material Size and Scale;**
- ✓ **Improved Free Funds Flow Profile;**
- ✓ **Enhanced Long Term Shareholder Returns;**
- ✓ **Significant Synergies;**
- ✓ **Top Tier Balance Sheet;**
- ✓ **Sustainable Development; and**
- ✓ **Disciplined Leadership and Governance.**

See "*The Business Combination – Benefits of the Business Combination*".

TORC Fairness Opinion

RBC Capital Markets was retained by TORC to provide a fairness opinion in connection with a potential transaction involving Whitecap. RBC Capital Markets provided the TORC Board with its opinion, that, as of December 8, 2020 and based upon and subject to certain assumptions, limitations and qualifications set forth therein, the consideration to be received by the TORC Shareholders under the Plan of Arrangement is fair, from a financial point of view, to the TORC Shareholders.

The full text of the TORC Fairness Opinion, which sets forth a description of the procedures followed, matters considered, and limitations on the review undertaken, is attached as Appendix E. The TORC Fairness Opinion addresses only the fairness, from a financial point of view, as of December 8, 2020, of the consideration to be received by the TORC Shareholders under the Plan of Arrangement. The TORC Fairness Opinion was provided for the information and assistance of the TORC Board for their exclusive use only in connection with their consideration of the Business Combination. The descriptions of such TORC Fairness Opinion in this Information Circular and the full text of the TORC Fairness Opinion attached hereto do not constitute a recommendation as to how the TORC Shareholders should vote in respect of the Business Combination Resolution.

All summaries and references to the TORC Fairness Opinion in this Information Circular are qualified in their entirety by reference to the full text of such TORC Fairness Opinion.

See "*The Business Combination – TORC Fairness Opinion*". For the full text of the TORC Fairness Opinion, see Appendix E – "*TORC Fairness Opinion*".

Whitecap Fairness Opinion

National Bank was retained by Whitecap to provide financial advisory services in connection with a potential transaction involving TORC. In connection with its engagement, National Bank has provided the Whitecap Board with the Whitecap Fairness Opinion, that, as of December 8, 2020, and, based upon and subject to the assumptions, qualifications and limitations set forth therein, the consideration to be paid by Whitecap pursuant to the Business Combination is fair, from a financial point of view, to Whitecap.

The Whitecap Fairness Opinion was provided for the information and assistance of the Whitecap Board for their exclusive use only in connection with their consideration of the Business Combination. The descriptions of such Whitecap Fairness Opinion in this Information Circular and the full text of the Whitecap Fairness Opinion attached hereto do not constitute a recommendation as to how the Whitecap Shareholders should vote in respect of the Share Issuance Resolution or any other matter.

All summaries and references to the Whitecap Fairness Opinion in this Information Circular are qualified in their entirety by reference to the full text of such Whitecap Fairness Opinion.

See "*The Business Combination – Whitecap Fairness Opinion*". For the full text of the Whitecap Fairness Opinion, see Appendix F – "*Whitecap Fairness Opinion*".

Recommendation of the TORC Board

After considering, among other things, the TORC Fairness Opinion, the TORC Board unanimously: (a) determined that the Business Combination and the entry into the Business Combination Agreement are in the best interests of TORC and the TORC Shareholders and that the consideration to be received by the TORC Shareholders pursuant to the Business Combination is fair to the TORC Shareholders; and (b) recommends that the TORC Shareholders vote in favour of the Business Combination Resolution.

See "*The Business Combination – Recommendation of the TORC Board*".

Recommendation of the Whitecap Board

After considering, among other things, the Whitecap Fairness Opinion, the Whitecap Board unanimously: (a) determined that the Business Combination and the entry into the Business Combination Agreement are in the best interests of Whitecap and that the consideration to be paid by Whitecap pursuant to the Business Combination is fair, from a financial point of view, to Whitecap; and (b) recommends that the Whitecap Shareholders vote in favour of the Whitecap Resolutions.

See "*The Business Combination – Recommendation of the Whitecap Board*".

Support Agreements

On December 8, 2020, the TORC Supporting Shareholders, which includes all of the directors and executive officers of TORC as well as CPPIB, then holding an aggregate of 74,677,218 TORC Shares (or approximately 33.54% of the currently issued and outstanding TORC Shares), entered into the TORC Support Agreements with Whitecap pursuant to which they agreed, among other things, to vote the TORC Shares beneficially owned or controlled or directed by them, directly or indirectly, in favour of the Business Combination Resolution at the TORC Meeting and otherwise support the Business Combination.

On December 8, 2020, the Whitecap Supporting Shareholders, which includes all of the directors and senior officers of Whitecap then holding an aggregate of 7,771,502 Whitecap Shares (representing approximately 1.66% of the currently issued and outstanding Whitecap Shares), entered into the Whitecap Support Agreements with TORC pursuant to which they agreed, among other things, to vote the Whitecap Shares beneficially owned or controlled or directed by them, directly or indirectly, in favour of the Whitecap Resolutions at the Whitecap Meeting and otherwise support the Business Combination.

See "*Effect of the Business Combination – Support Agreements*".

Hold Period Agreements

Pursuant to the terms of the Business Combination Agreement, each of the directors and executive officers of TORC have agreed to enter into Hold Period Agreements, on closing of the Business Combination.

See "*Effect of the Business Combination – Hold Period Agreements*".

Procedure for the Business Combination to Become Effective

Procedural Steps

The Business Combination is proposed to be carried out pursuant to section 193 of the ABCA. The following procedural steps must be taken in order for the Business Combination to become effective:

- (a) the Business Combination Resolution must be approved by the TORC Shareholders at the TORC Meeting in the manner set forth in the Interim Order;
- (b) the Share Issuance Resolution must be approved by the Whitecap Shareholders at the Whitecap Meeting;
- (c) the Court must grant the Final Order approving the Plan of Arrangement;
- (d) all conditions precedent to the Business Combination as set forth in the Business Combination Agreement must be satisfied or waived by the appropriate Party; and
- (e) the Final Order, the Articles of Arrangement and related documents, in the form prescribed by the ABCA, must be filed with the Registrar.

There is no assurance that the conditions set out in the Business Combination Agreement will be satisfied or waived on a timely basis or at all.

Approval of the Article Amendment Resolution is not required in order to complete the Business Combination. If the Whitecap Shareholders do not approve the Article Amendment Resolution at the Whitecap Meeting, but both the Share Issuance Resolution and the Business Combination Resolution are approved at their respective Meetings, and all conditions to closing of the Business Combination are otherwise satisfied or waived, the Parties intend to proceed with the Business Combination.

Upon the conditions precedent set forth in the Business Combination Agreement being satisfied or waived, TORC intends to file a copy of the Final Order and the Articles of Arrangement with the Registrar under the ABCA, together with such other materials as may be required by the Registrar, in order to give effect to the Business Combination.

See "*Procedure for the Business Combination to Become Effective – Procedural Steps*".

Shareholder Approvals

Business Combination Resolution

Pursuant to the Interim Order, the Business Combination Resolution must, subject to further order of the Court, be approved by (i) not less than 66⅔% of the votes cast by TORC Shareholders present in person (virtually) or represented by proxy at the TORC Meeting and (ii) a simple majority of the votes cast by TORC Shareholders, present in person (virtually) or represented by proxy at the TORC Meeting after excluding the votes cast by persons whose votes may not be included in determining minority approval of a "business combination" pursuant to MI 61-101.

If the Business Combination Resolution is not approved by the TORC Shareholders, the Business Combination cannot be completed.

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxy in favour of the Business Combination Resolution set forth in Appendix A to this Information Circular.

Notwithstanding the foregoing, the Business Combination Resolution proposed for consideration by the TORC Shareholders authorizes the TORC Board, without further notice to or approval of TORC Shareholders to the extent permitted by the Business Combination Agreement and the Interim Order, to amend the Business Combination Agreement or the Plan of Arrangement and to not proceed with the Business Combination. See Appendix A to this Information Circular for the full text of the Business Combination Resolution.

Share Issuance Resolution

In accordance with the applicable rules of the TSX, the Share Issuance Resolution must be approved by a simple majority of the votes cast by the Whitecap Shareholders present in person (virtually) or represented by proxy at the Whitecap Meeting. If the Share Issuance Resolution is not approved by Whitecap Shareholders, the Business Combination cannot be completed.

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxy in favour of the Share Issuance Resolution set forth in Appendix B to this Information Circular.

Notwithstanding the foregoing, the Share Issuance Resolution proposed for consideration by the Whitecap Shareholders authorizes the Whitecap Board, without further notice to or approval of Whitecap Shareholders, to the extent permitted by the Business Combination Agreement or the Plan of Arrangement, to amend the Business Combination Agreement or the Plan of Arrangement and to not proceed with the Business Combination.

Article Amendment Resolution

The Article Amendment Resolution must be approved by not less than 66⅔% of the votes cast by the Whitecap Shareholders present in person (virtually) or represented by proxy at the Whitecap Meeting. The Business Combination may proceed if the Article Amendment Resolution is not approved by Whitecap Shareholders.

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxy in favour of the Article Amendment Resolution set forth in under the heading "*Matters to be Considered at the Whitecap Meeting – Article Amendment Resolution*".

Notwithstanding the foregoing, the Article Amendment Resolution proposed for consideration by the Whitecap Shareholders authorizes the Whitecap Board, without further notice to or approval of Whitecap Shareholders to not proceed with the amendment to the articles of Whitecap.

See "*Procedure for the Business Combination to Become Effective – Shareholder Approvals*".

Court Approval

On December 18, 2020, TORC obtained the Interim Order providing for the calling and holding of the TORC Meeting and other procedural matters. The Interim Order is attached as Appendix D to this Information Circular. The ABCA provides that the Business Combination requires final Court approval. Subject to the terms of the Business Combination Agreement, if the Business Combination Resolution is approved at the TORC Meeting and the Share Issuance Resolution is approved at the Whitecap Meeting, TORC will make an application to the Court for the Final Order at the Calgary Courts Centre, 601 – 5th Street, S.W., Calgary, Alberta, Canada, or via video conference if necessary, on February 18, 2021 at 4:00 p.m. (Calgary time) or as soon thereafter as counsel may be heard. The Notice of Application for the Final Order accompanies this Information Circular. At the application the Court will be requested to consider the fairness of the Business Combination.

Any TORC Shareholder, or other interested party desiring to support or oppose the Application with respect to the Business Combination, may appear at the hearing in person (virtually) or by counsel for that purpose, subject to filing with the Court and serving on TORC on or before 5:00 p.m. (Calgary time) on February 10, 2021, a notice of intention to appear setting out their address for service and indicating whether they intend to support or oppose the Application or make submissions, together with any evidence or materials which are to be presented to the Court. Service of such notice on TORC is required to be effected by service upon the solicitors for TORC: McCarthy Tétrault LLP, 4000, 421 - 7th Avenue S.W., Calgary, Alberta, T2P 4K9, Attention: Sean S. Smyth, Q.C.

See "*Procedure for the Business Combination to Become Effective – Court Approval*".

Regulatory Approvals

The Business Combination Agreement provides that receipt of Competition Act Approval is a condition precedent to the Business Combination becoming effective. The Parties received Competition Act Approval on December 30, 2020.

It is also a condition to the completion of the Business Combination that the TSX shall have conditionally approved the listing of the Whitecap Shares to be issued to TORC Shareholders pursuant to the Business Combination. The TSX has conditionally approved the listing of the Whitecap Shares to be issued to TORC Shareholders pursuant to the Business Combination. Listing is subject to Whitecap fulfilling all of the listing requirements of the TSX.

See "*Procedure for the Business Combination to Become Effective – Regulatory Approvals*".

Dissent Rights

Pursuant to the Interim Order, Dissenting Shareholders are entitled, in addition to any other right such Dissenting Shareholder may have, to dissent and to be paid by Whitecap the fair value of the TORC Shares held by such Dissenting Shareholder in respect of which such Dissenting Shareholder dissents, determined as of the close of business on the last Business Day before the day on which the Business Combination Resolution from which such Dissenting Shareholder's dissent was adopted and provided the Business Combination is completed in respect of such TORC Shareholders. A Dissenting Shareholder must provide a written objection to the Business Combination Resolution by the fifth Business Day preceding the TORC Meeting.

A Dissenting Shareholder may dissent only with respect to all of the TORC Shares held by such Dissenting Shareholder, or on behalf of any one beneficial owner and registered in the Dissenting Shareholder's name. Only registered TORC Shareholders may dissent. Persons who are beneficial owners of TORC Shares registered in the name of a broker, dealer, bank, trust company or other nominee (including CDS) who wish to dissent should be aware that they may only do so through the registered owner of such TORC Shares. A registered TORC Shareholder, such as a broker or CDS, who holds TORC Shares as nominee for Beneficial Holders, some of whom wish to dissent, must exercise the Dissent Right on behalf of such beneficial owners with respect to all of the TORC Shares held for such beneficial owners. In such case, the written objection to the Business Combination Resolution should set forth the number of TORC Shares covered by it.

Unless otherwise waived, it is a condition to the completion of the Business Combination that holders of not more than 5% of the issued and outstanding TORC Shares shall have properly exercised Dissent Rights in respect of the Business Combination that have not been withdrawn as of the Effective Date.

See "*Dissent Rights*".

Summary of Canadian Federal Income Tax Considerations

This Information Circular contains a summary of certain Canadian federal income tax considerations generally applicable to certain TORC Shareholders who, under the Business Combination, dispose of TORC Shares. See the discussion under the section entitled "*Certain Canadian Federal Income Tax Considerations*".

TORC Shareholders should consult their own tax advisors for advice with respect to the Canadian income tax consequences to them in respect of the Business Combination.

Other Tax Considerations

This Information Circular discusses certain Canadian federal income tax considerations applicable to certain TORC Shareholders. Tax consequences to TORC Shareholders who are resident in jurisdictions other than Canada are not discussed and such TORC Shareholders should consult their tax advisors with respect to the tax implications of the Business Combination, including any associated filing requirements, in such jurisdictions and with respect to the tax implications in such jurisdictions of owning Whitecap Shares after the Business Combination. All TORC Shareholders should consult their tax advisors regarding the provincial, state, local and territorial tax consequences of the Business Combination and of holding Whitecap Shares.

Timing

If the Meetings are held as scheduled and are not adjourned or postponed and the necessary conditions for completion of the Business Combination are satisfied or waived, TORC will apply for the Final Order approving the Business Combination. If the Final Order is obtained on February 18, 2021 in form and substance satisfactory to TORC and Whitecap, the Effective Date will occur once all other conditions set forth in the Business Combination Agreement are satisfied or waived. TORC and Whitecap expect the Effective Date will occur on or about February 24, 2021.

The Business Combination will become effective upon the filing with the Registrar of the Articles of Arrangement and a copy of the Final Order, together with such other materials as may be required by the Registrar.

The Effective Date could be delayed or may not occur for a number of reasons, including an objection before the Court at the hearing of the application for the Final Order.

See "*Timing*".

Dividend

If the Effective Date occurs on February 24, 2021, then, assuming Whitecap declares a dividend with a record date of February 26, 2021, TORC Shareholders as of the Effective Date will be eligible to receive such dividend, provided that such payment will not be made to any former TORC Shareholders until such holder has submitted a validly completed and duly executed Letter of Transmittal (and accompanying documents) to the Depositary. All dividends and distributions, if any, made with respect to any Whitecap Shares allotted and issued pursuant to the Business Combination but for which a DRS Statement for Whitecap Shares has not been issued shall be paid or delivered to the Depositary to be held by the Depositary in trust for the registered holder thereof until such holder has submitted a validly completed and duly executed Letter of Transmittal (and accompanying documents) to the Depositary.

Attributes of the Combined Business

TORC and Whitecap anticipate that the Business Combination will create a leading sustainable light oil focused entity with an increased ability for free funds flow generation, balance sheet strength and returns to shareholders.

See "*Pro Forma Information Concerning the Combined Business*".

Selected Unaudited Pro Forma Financial and Operational Information for the Combined Business

The Information Circular contains certain unaudited pro forma financial information for the combined business after giving effect to the Business Combination for the year ended December 31, 2019 and for the nine months ended September 30, 2020 and certain pro forma operational information for the year ended December 31, 2019.

See "*Pro Forma Information Concerning the Combined Business*" and Appendix J – "*Unaudited Consolidated Pro Forma Financial Statements of the Combined Business*".

Risk Factors

TORC Shareholders voting in favour of the Business Combination Resolution and Whitecap Shareholders voting in favour of the Share Issuance Resolution, as the case may be, will be choosing to combine the businesses of TORC and Whitecap and, in the case of TORC Shareholders, to invest in Whitecap Shares, as applicable. The completion of the Business Combination and investment in Whitecap Shares involves risks.

An investment in Whitecap Shares is subject to certain risks, which are generally associated with an investment in shares of an oil and gas exploration and development company. **The following is a list of certain additional risk factors associated with the Business Combination and the investment in Whitecap Shares which TORC Shareholders and Whitecap Shareholders should carefully consider before approving the Business Combination Resolution and the Share Issuance Resolution, as applicable:**

- the conditions precedent to completion of the Business Combination, including receiving Court approval, shareholder approvals, TSX approval for the listing of the Whitecap Shares issuable pursuant to the Business Combination, may not be satisfied or waived by the Outside Date and may result in the Business Combination not being completed in a timely manner or at all;
- Whitecap and TORC may fail to realize, or may fail to realize in the expected timeframes, the anticipated benefits and synergies resulting from the Business Combination;
- risks related to the integration of TORC's and Whitecap's existing businesses, including that TORC Shareholders and Whitecap Shareholders may be exposed to additional business risks not previously applicable to their investment, as the business mix of the combined business will be different than that of TORC and Whitecap;
- the market price of the TORC Shares and/or the Whitecap Shares may be subject to material fluctuations if the Business Combination Agreement is delayed or is not completed;
- the Business Combination Agreement could be terminated by either Party under certain circumstances;
- TORC and Whitecap will incur significant costs relating to the Business Combination regardless of whether the Business Combination is completed or not completed;
- if the Business Combination is not completed, TORC Shareholders and Whitecap Shareholders will not realize the benefits of the Business Combination and TORC's and Whitecap's respective future business and operations could be adversely affected;
- TORC and Whitecap are restricted from taking certain actions while the Business Combination is pending;

- the consideration to be received by the TORC Shareholders is fixed and will not be adjusted in the event of any change in either TORC's or Whitecap's respective share prices;
- a substantial delay in obtaining satisfactory approvals or the imposition of unfavourable terms or conditions in the regulatory approvals could adversely affect the business, financial condition or results of operations of Whitecap, TORC or the combined business upon completion of the Business Combination;
- TORC Shareholders have the right to exercise Dissent Rights and, if there are a significant number of Dissenting Shareholders, a substantial cash payment may be required to be made to such TORC Shareholders that could have an adverse effect on Whitecap's financial condition and cash resources if the Business Combination is completed;
- there may be undisclosed liabilities that Whitecap or TORC failed to discover or was unable to quantify in its respective due diligence of the other Party;
- there is no assurance that listing of the Whitecap Shares issuable pursuant to the Business Combination on the TSX, will occur in a timely manner or at all;
- the pro forma financial information provided may not be an accurate depiction of the financial condition or results of operations of the combined business, as it relies on a number of adjustments and assumptions that may not be accurate;
- changes in income or other tax laws or actions taken by taxing authorities could have adverse implications on Whitecap, TORC or their respective shareholders;
- risks relating to the income tax consequences of the Business Combination and the taxation of the combined business;
- future dividends on the Whitecap Shares may not be approved by the Whitecap Board;
- Whitecap and TORC directors and officers, who were involved with negotiating the terms of the Business Combination Agreement, may have interests in the Business Combination that differ from those of Whitecap Shareholders and TORC Shareholders;
- as a result of the Business Combination, Whitecap and TORC may become the targets of litigation or other legal claims including securities class actions or derivative lawsuits;
- risks relating to the ongoing COVID-19 pandemic, including facility shutdowns, reduced cash flows and commodity prices, storage constraints, workforce disruption and access to capital; and
- the timing of the Meetings, the Final Order and the anticipated Effective Date may be changed or delayed.

The risk factors listed above are an abbreviated list of risk facts summarized elsewhere in this Information Circular, the TORC AIF, the TORC Annual MD&A, the TORC Interim MD&A, the Whitecap AIF, the Whitecap Annual MD&A and the Whitecap Interim MD&A, each of which are incorporated by reference herein. See "*Risk Factors*". TORC Shareholders and Whitecap Shareholders should carefully consider all such risk factors.

THE BUSINESS COMBINATION

General

TORC and Whitecap entered into the Business Combination Agreement on December 8, 2020. A copy of the Business Combination Agreement is attached as Appendix C to this Information Circular. The Business Combination Agreement provides for the implementation of the Plan of Arrangement (a copy of which is attached as Schedule A to Appendix C to this Information Circular) pursuant to which, among other things, Whitecap will acquire all of the issued and outstanding TORC Shares on the basis of 0.57 of a Whitecap Share for each TORC Share held.

Based on the currently outstanding TORC Shares and Whitecap Shares and certain assumptions, immediately after completion of the Business Combination, former TORC Shareholders are expected to own approximately 22.06% of the outstanding Whitecap Shares and current Whitecap Shareholders are expected to own approximately 77.94% of the outstanding Whitecap Shares.

Following completion of the Business Combination, the current executive team of Whitecap will continue to manage the combined business, including Grant Fagerheim as President and Chief Executive Officer, Joel Armstrong as Vice President, Production and Operations, Andrew Bullock as Vice President, Exploration and Geosciences, Darin Dunlop as Vice President, Engineering, Thanh Kang as Chief Financial Officer, Gary Lebsack as Vice President, Land, David Mombourquette as Vice President, Business Development and IT and Jeff Zdunich as Vice President, Finance and Controller.

On closing of the Business Combination and assuming that the Article Amendment Resolution is passed by the Whitecap Shareholders, a designated director agreed to by Whitecap and TORC, will be added to the Whitecap Board which currently consists of Grant Fagerheim, Heather Culbert, Gregory Fletcher, Daryl Gilbert, Glenn McNamara, Stephen Nikiforuk, Kenneth Stickland, Brad Wall and Grant Zawalsky. Information about the members of the Whitecap Board is in the Whitecap AIF and Whitecap AGM Circular, each of which is incorporated by reference in this Information Circular. See Appendix H – *"Information Concerning TORC Oil & Gas Ltd."* and Appendix I – *"Information Concerning Whitecap Resources Inc."*.

It is anticipated that, on completion of the Business Combination, the head office of the combined business will continue to be Whitecap's and the registered office of each of Whitecap and TORC will remain unchanged.

Background to the Business Combination

The terms of the Business Combination are the result of arm's length negotiations between representatives of Whitecap and TORC. The following is a summary of the events leading up to the negotiation of the Business Combination Agreement and the key meetings, negotiations, discussions and actions by and between the Parties that preceded the execution and public announcement of the Business Combination Agreement.

Management of Whitecap and the Whitecap Board regularly evaluate Whitecap's business plan and strategy and, in such context, review and discuss the strategic objectives, alternatives and opportunities available to Whitecap as part of their respective ongoing responsibility to enhance the value of Whitecap. In that regard, Whitecap has from time to time considered and assessed strategic transactions with various industry participants and other opportunities to better realize the potential of Whitecap's asset portfolio, support and grow Whitecap's overall position in the industry and enhance shareholder value.

Similarly, in the ordinary course of business, the TORC Board and executive management continually evaluate potential acquisitions, business combinations, joint ventures and other commercial transactions that may be available to support TORC's corporate strategy and enhance shareholder value.

Despite TORC's continued operational success and significant value creation, the market for Canadian energy equities has been structurally challenged in recent years. A number of external factors, including but not limited to global oil price volatility, the impact of COVID-19 on oil prices, the political and regulatory environment in Canada, and

volatility in oil price differentials have resulted in reduced levels of investment in junior and intermediate Canadian oil producers by both equity and debt providers.

In light of these structural challenges, TORC's Board and executive management evaluated all strategic alternatives to position TORC to continue to maximize shareholder value. The TORC Board and management team recognized the market challenges facing junior and intermediate growth companies and determined to evaluate business opportunities to significantly grow the enterprise.

During 2020, management evaluated various opportunities for growth participating in a variety of public and private processes, including bidding on various corporate acquisitions and specific assets, as well as consideration of other initiatives.

Concurrent with TORC's assessment of certain asset and corporate acquisition opportunities, TORC also began engaging in confidential preliminary conceptual discussions with a number of other exploration and production companies regarding potential transactions or mergers with the intent of significantly growing the business to compete in the current environment.

In the middle of August 2020, senior management of TORC met with senior management of Whitecap to discuss each company's strategic outlook. After preliminary discussions, TORC and Whitecap determined that both companies were like minded in their pursuit of building a larger high quality asset base in order to position the company for further sustainable growth and market relevance. Based on these initial discussions TORC and Whitecap entered into a reciprocal confidentiality agreement on September 2, 2020.

Following execution of the confidentiality agreement, TORC and Whitecap commenced extensive due diligence on the financials, business, operations and assets of each other.

During the month of November 2020, TORC and Whitecap engaged in further exploratory discussions about a potential merger transaction to create a larger, high quality company.

On November 23, 2020, TORC received a non-binding written proposal from Whitecap to pursue a merger transaction with TORC. Pursuant to the proposal, Whitecap would acquire all of the issued and outstanding TORC Shares at an "at market" exchange ratio.

On November 24, 2020, the TORC Board met to consider Whitecap's proposal. Following review and consideration of the proposal, the TORC Board determined that further discussion and negotiation was warranted as it was noted that a business combination with Whitecap would result in a combined entity that would be better positioned in the current market with larger size, scale, efficiency and a better cost of capital. The TORC Board also established the Special Committee comprised of independent members of the TORC Board to review, consider and assess the proposal from Whitecap and, as appropriate, any other potential strategic alternatives. Management of TORC was directed to respond to the Whitecap proposal on certain items.

On November 26, 2020, Whitecap submitted a revised proposal to TORC. On November 27, 2020, the Special Committee convened to consider the revised proposal. Following the Special Committee meeting, management was instructed to continue negotiations regarding certain points contained in the revised proposal.

On November 30, 2020, Whitecap submitted another revised proposal to TORC. The Special Committee met the same day to consider the revised proposal. Following this meeting the Special Committee and the TORC Board determined to proceed with the negotiation of a definitive agreement with Whitecap in respect of the proposed business combination transaction. RBC Capital Markets was engaged for purposes of providing a fairness opinion in respect of the proposed business combination.

During the period between December 1 and December 8, 2020, Whitecap and TORC, and their respective advisors, negotiated the terms and conditions of the Business Combination Agreement.

On December 7, 2020, the Whitecap Board met to consider and, if thought appropriate, to approve the Business Combination Agreement. At the Whitecap Board meeting, National Bank delivered its oral opinion to the Whitecap Board that as of December 7, 2020 and based upon and subject to certain assumptions, limitations and qualifications set forth therein, the consideration to be paid by Whitecap pursuant to the Business Combination is fair, from a financial point of view, to Whitecap.

In connection with the Business Combination, the Whitecap Board considered, among other things: (i) the oral fairness opinion delivered by National Bank; (ii) the advice of its financial, legal, tax and other advisors; (iii) the business, operations, assets, financial condition and prospects of Whitecap, including current and prospective industry, commodity and other market conditions affecting Whitecap; and (iv) the risks associated with the completion of the Business Combination.

The Whitecap Board has unanimously: (i) determined that the Business Combination and entry into the Business Combination Agreement are in the best interests of Whitecap; (ii) determined that the consideration to be paid by Whitecap pursuant to the Business Combination is fair, from a financial point of view, to Whitecap; (iii) approved the Business Combination Agreement and the transactions contemplated thereby; and (iv) recommended that Whitecap Shareholders vote in favour of the Whitecap Resolutions.

On December 8, 2020, the TORC Board met to consider and, if thought appropriate, to approve the Business Combination Agreement. At the TORC Board meeting, RBC Capital Markets delivered its oral opinion to the TORC Board that as of December 8, 2020 and based upon and subject to certain assumptions, limitations and qualifications set forth therein, the consideration to be received by the TORC Shareholders under the Plan of Arrangement is fair, from a financial point of view, to the TORC Shareholders.

In connection with the Business Combination, the TORC Board considered, among other things: (i) the oral fairness opinion delivered by RBC Capital Markets; (ii) the advice of its legal counsel; (iii) the business, operations, assets, financial condition and prospects of TORC, including current and prospective industry, commodity and other market conditions affecting TORC; and (iv) the risks associated with the completion of the Business Combination.

The TORC Board unanimously determined that the Business Combination is in the best interests of TORC and the TORC Shareholders and the consideration to be received by the TORC Shareholders pursuant to the Business Combination is fair to the TORC Shareholders and, accordingly, unanimously resolved to recommend that TORC Shareholders vote in favour of the Business Combination Resolution and authorized TORC to enter into the Business Combination Agreement.

On December 8, 2020, the Business Combination Agreement and the TORC and Whitecap Support Agreements were executed and delivered. Thereafter, a joint news release of TORC and Whitecap announcing the proposed Business Combination was disseminated in the evening of December 8, 2020.

On December 18, 2020, the Court granted the Interim Order which is attached as Appendix D to this Information Circular.

Effective December 17, 2020 and January 8, 2021, respectively, the Whitecap Board and the TORC Board each approved the contents and mailing of this Information Circular to TORC Shareholders and Whitecap Shareholders, and respectively ratified their recommendations to TORC Shareholders and Whitecap Shareholders with respect to the Business Combination.

Reasons for the Business Combination

TORC Board

In determining that the Business Combination is in the best interests of TORC and the TORC Shareholders that the consideration to be received by the TORC Shareholders pursuant to the Business Combination is fair to the TORC Shareholders, and in recommending to the TORC Shareholders that they approve the Business Combination, the TORC Board considered and relied upon a number of factors, including, among others, the following:

- the opportunities and risks associated with TORC continuing as a stand-alone entity in order to create value for the TORC Shareholders relative to the opportunities and risks associated with combining the businesses of TORC and Whitecap;
- that TORC Shareholders will continue to participate in the growth opportunities associated with TORC's historic business and Whitecap's business, as the combined business is anticipated to be a leading light oil weighted company;
- the combined business will be led by the Whitecap executive team who have a track record of strong safety performance, operational excellence and cost and capital discipline;
- the Whitecap Board following the Business Combination will be comprised of the current nine (9) members of the Whitecap Board, and if the Article Amendment Resolution is approved by Whitecap Shareholders at the Whitecap Meeting, a designate agreed to by TORC and Whitecap, will be added to the Whitecap Board on closing of the Business Combination;
- the support of TORC's major shareholder, CPPIB, in respect of the Business Combination and the execution by CPPIB of a TORC Support Agreement with Whitecap;
- that the Business Combination is structured in a way so that TORC Shareholders will generally be entitled to an automatic tax deferral for Canadian federal income tax purposes for their TORC Shares which are exchanged for Whitecap Shares pursuant to the Business Combination;
- the fact that the Business Combination Agreement was the result of a comprehensive negotiation process with Whitecap and includes terms and conditions that are reasonable in the judgment of the TORC Board;
- the opinion of RBC Capital Markets, the full text of which can be found at Appendix E to this Information Circular, that, as of December 8, 2020 and based upon and subject to certain assumptions, limitations and qualifications set forth therein, the consideration to be received by the TORC Shareholders under the Plan of Arrangement is fair, from a financial point of view, to the TORC Shareholders;
- the likelihood that the Business Combination would receive all required approvals under Applicable Laws on terms and conditions satisfactory to TORC and Whitecap;
- the TORC Board's belief that the Business Combination is likely to be completed in accordance with its terms and within a reasonable time, with the Effective Date currently expected to be February 24, 2021;
- that under the Business Combination Agreement, until the time that the Business Combination Resolution is approved, the TORC Board retains the ability to consider and respond to Superior Proposals on the specific terms and conditions set forth in the Business Combination Agreement;
- the appropriateness of the termination amount of \$20 million and right to match as an inducement to Whitecap to enter into the Business Combination Agreement and the likely impact of such fee and terms upon any potential subsequent Superior Proposal in respect of TORC;
- the ability of TORC to terminate the Business Combination Agreement and receive the termination amount of \$20 million payable to TORC from Whitecap in certain circumstances, including in the event that the Whitecap Board fails to recommend that Whitecap Shareholders vote in favour of the Share Issuance Resolution;
- that the Business Combination Resolution must be approved by: (i) not less than 66 $\frac{2}{3}$ % of the votes cast by TORC Shareholders present in person (virtually) or represented by proxy at the TORC Meeting; and (ii) a simple majority of the votes cast by TORC Shareholders, present in person (virtually) or represented by proxy

at the TORC Meeting, after excluding the votes cast by persons whose votes may not be included in determining minority approval of a "business combination" pursuant to MI 61-101;

- the Business Combination will only become effective if, after hearing from all interested persons who choose to appear before it, the Court determines that the Business Combination is fair to the TORC Shareholders; and
- the TORC Shareholders will be granted Dissent Rights with respect to the Business Combination and receive the fair value of their TORC Shares through a court proceeding in which a court could determine that the fair value is more than, equal to, or less than the consideration under the Business Combination.

The information and factors described above and considered by the TORC Board in reaching its determinations and making its approvals are not intended to be exhaustive but include material factors considered by the TORC Board. In view of the wide variety of factors considered in connection with its evaluation of the Business Combination and the complexity of these matters, the TORC Board did not find it useful, and did not attempt, to quantify, rank or otherwise assign relative weights to these factors. In addition, individual members of the TORC Board may have given different weight to different factors.

Whitecap Board

In determining that the Business Combination is in the best interests of Whitecap and that the consideration to be paid by Whitecap pursuant to the Business Combination is fair, from a financial point of view, to Whitecap, and in recommending to Whitecap Shareholders that they approve the Whitecap Resolutions, the Whitecap Board considered and relied upon a number of factors, including, among others, the following:

- the combined business will be led by the Whitecap executive team who have a track record of strong safety performance, operational excellence and cost and capital discipline;
- the Whitecap Board following the Business Combination will be comprised of the current nine (9) members of the Whitecap Board, and if the Article Amendment Resolution is approved by Whitecap Shareholders at the Whitecap Meeting, a designate agreed to among TORC and Whitecap, will be added to the Whitecap Board on closing of the Business Combination;
- the opportunities and risks associated with Whitecap continuing as a stand-alone entity in order to create value for the Whitecap Shareholders relative to the opportunities and risks associated with combining the businesses of Whitecap and TORC;
- other various potential transactions involving Whitecap;
- the Business Combination is expected to create a leading light oil weighted company with enhanced free funds flow;
- CPPIB, a significant TORC Shareholder has entered into a TORC Support Agreement with Whitecap;
- that the directors and executive officers of TORC will enter into Hold Period Agreement on the Effective Date which will, subject to certain exceptions, limit their ability to transfer or otherwise dispose of the Whitecap Shares acquired pursuant to the Business Combination for a period of nine (9) months following the Effective Date;
- that certain officers of TORC will enter into Area of Exclusion Agreements on the Effective Date which will restrict them from directly competing with the combined business for a period of time following the completion of the Business Combination;
- the ability of Whitecap to terminate the Business Combination Agreement and receive the termination amount of \$20 million payable to Whitecap from TORC in certain circumstances, including in the event that

the TORC Board fails to recommend that TORC Shareholders vote in favour of the Business Combination Resolution;

- the opinion of National Bank, the full text of which can be found at Appendix F to this Information Circular, that, as of December 8, 2020, subject to the scope of review, assumptions, qualifications and limitations set forth therein, the consideration paid by Whitecap pursuant to the Business Combination is fair, from a financial point of view, to Whitecap;
- the risks associated with the Business Combination; and
- a simple majority of the votes cast by Whitecap Shareholders at the Whitecap Meeting are required to approve the Share Issuance Resolution. It is a condition to the completion of the Business Combination that the Share Issuance Resolution be approved at the Whitecap Meeting.

The information and factors described above and considered by the Whitecap Board in reaching its determinations and making its approvals are not intended to be exhaustive but include material factors considered by the Whitecap Board. In view of the wide variety of factors considered in connection with its evaluation of the Business Combination and the complexity of these matters, the Whitecap Board did not find it useful, and did not attempt, to quantify, rank or otherwise assign relative weights to these factors. In addition, individual members of the Whitecap Board may have given different weight to different factors.

See "*The Business Combination – Recommendation of the Whitecap Board*".

Benefits of the Business Combination

Both Whitecap and TORC expect the Business Combination to offer the following benefits for Whitecap Shareholders and TORC Shareholders:

- **Material Size and Scale.** Significantly increases the scale and core area presence of the combined business as TORC's asset base fits directly into Whitecap's current core areas creating one of the largest pure play conventional light oil producers in Canada with over 100,000 boe/d (78% oil and NGLs) of corporate production.
- **Improved Free Funds Flow Profile.** The combined production profile is expected to enhance the ability of the combined business to generate free funds flow in 2021 and increase cash returns to Whitecap Shareholders and former TORC Shareholders supported by a base production decline rate of approximately 17%.
- **Enhanced Long-Term Shareholder Returns.** Return of capital to shareholders continues to be a priority for Whitecap and is an important component of its total return strategy. The combined business will be able to generate improved free funds flow which will support a 6% increase to the monthly dividend from \$0.01425 per Whitecap Share to \$0.01508 per Whitecap Share (\$0.18096 per Whitecap Share annualized). The dividend increase is expected to be effective with the March 2021 dividend payable in April 2021.
- **Significant Synergies.** Tangible cost savings and inventory optimization opportunities from corporate and operational synergies in the near term.
- **Top Tier Balance Sheet.** The combined business will have a strong credit profile and will have ample liquidity to manage commodity price volatility. Whitecap's credit facilities are covenant based and are not subject to yearly credit determinations. The combined business is expected to benefit from lower interest expense and the combined entity will have an enhanced ability to reduce its debt in 2021.
- **Sustainable Development.** Whitecap remains committed to best-in-class ESG practices and continuously improving its ESG profile. Whitecap is the operator of the Weyburn Unit, one of the largest carbon capture

and utilization storage projects in the world, currently sequestering more than 2 million tonnes of CO₂ annually.

- **Disciplined Leadership and Governance.** The combined business will continue to be led by the Whitecap executive team and Whitecap Board. Pursuant to the Business Combination Agreement and subject to receipt of approval by the Whitecap Shareholders of the Article Amendment Resolution at the Whitecap Meeting, Whitecap has agreed to appoint a designated director from TORC to the Whitecap Board on closing of the Business Combination.

TORC Fairness Opinion

Effective October 30, 2020, RBC Capital Markets was engaged to provide a fairness opinion in connection with a potential transaction involving Whitecap. On December 8, 2020, RBC Capital Markets delivered its oral opinion to the TORC Board that based upon and subject to certain assumptions, limitations and qualifications set forth therein, the consideration to be received by the TORC Shareholders under the Plan of Arrangement is fair, from a financial point of view, to the TORC Shareholders.

A copy of the full text of the TORC Fairness Opinion is attached as Appendix E - "*TORC Fairness Opinion*" to this Information Circular. All summaries and references to the TORC Fairness Opinion in this Information Circular are qualified in their entirety by reference to the full text of such TORC Fairness Opinion. The TORC Board strongly recommends that the TORC Shareholders read the full text of the TORC Fairness Opinion carefully and in its entirety for a description of the procedures followed, matters considered, and limitations on the review undertaken. The TORC Fairness Opinion addresses only the fairness from a financial point of view of the consideration to be received under the Plan of Arrangement to the TORC Shareholders. The TORC Fairness Opinion was provided for the information and assistance of the TORC Board for their exclusive use only in connection with their consideration of the Business Combination. The descriptions of such TORC Fairness Opinion in this Information Circular and the full text of the TORC Fairness Opinion attached hereto do not constitute a recommendation as to how the TORC Shareholders should vote in respect of the Business Combination Resolution.

Pursuant to the terms of the engagement agreement with RBC Capital Markets, TORC has agreed to pay a fixed fee for the delivery of the TORC Fairness Opinion (regardless of its conclusion). Under certain circumstances, RBC Capital Markets could be engaged by the TORC Board under a separate engagement agreement to provide services for which a fee would be contingent on a change of control of TORC or certain other events. TORC has also agreed to reimburse RBC Capital Markets for reasonable expenses and to indemnify RBC Capital Markets against certain potential liabilities arising out of or in connection with its engagement.

The full text of the TORC Fairness Opinion, setting out the assumptions made, procedures followed, matters considered and limitations and qualifications on the scope of review undertaken in connection with the TORC Fairness Opinion, is attached as Appendix E – "*TORC Fairness Opinion*" to this Information Circular. This summary is qualified in its entirety by reference to the full text of the TORC Fairness Opinion.

Whitecap Fairness Opinion

The Whitecap Board retained National Bank pursuant to an engagement letter effective December 2, 2020 to provide financial advisory services in connection with a potential transaction involving TORC. Whitecap maintains regular contact with National Bank regarding a variety of strategic opportunities. As part of its engagement, National Bank was requested to provide the Whitecap Board with its opinion as to the fairness to Whitecap, from a financial point of view, of the consideration to be paid by Whitecap pursuant to the Business Combination.

The Whitecap Fairness Opinion states that, on the basis of the particular assumptions, limitations, and qualifications set forth therein, National Bank is of the opinion that, as of December 8, 2020 the consideration to be paid by Whitecap pursuant to the Business Combination is fair, from a financial point of view, to Whitecap.

The full text of the Whitecap Fairness Opinion, setting out the assumptions made, matters considered and limitations and qualifications on the scope of review undertaken in connection with the Whitecap Fairness

Opinion, is attached as Appendix F – "*Whitecap Fairness Opinion*" to this Information Circular. This summary is qualified in its entirety by reference to the full text of the Whitecap Fairness Opinion.

Details regarding the qualifications, credentials and independence of National Bank, and the assumptions, qualifications and limitations applicable to the Whitecap Fairness Opinion, are set forth under the headings "*Credentials of National Bank*", "*Relationship With Interested Parties*", "*Scope of Review*" and "*Assumptions and Limitations*" in the Whitecap Fairness Opinion.

The Whitecap Fairness Opinion is not a recommendation as to whether the Whitecap Shareholders should vote in favour of the Share Issuance Resolution. The Whitecap Fairness Opinion was one of a number of factors taken into consideration by the Whitecap Board in making its unanimous determinations that the Business Combination is in the best interests of Whitecap, and to recommend that Whitecap Shareholders vote in favour of the Share Issuance Resolution. In evaluating the Business Combination, the Whitecap Board considered, among other things, the advice and financial analyses provided by National Bank referred to above, in addition to the Whitecap Fairness Opinion. In assessing the Whitecap Fairness Opinion, the Whitecap Board considered and assessed the independence of National Bank, taking into account that a substantial portion of the fees payable to National Bank for its services are contingent upon the completion of the Business Combination.

The Whitecap Board urges the Whitecap Shareholders to read the Whitecap Fairness Opinion in its entirety. The above summary of the Whitecap Fairness Opinion is qualified in its entirety by reference to the full text of the Whitecap Fairness Opinion as set out in Appendix F – "*Whitecap Fairness Opinion*". The Whitecap Fairness Opinion was provided solely for the use of the Whitecap Board (solely in its capacity as such) in connection with the Whitecap Board's evaluation of the Business Combination and may not be relied upon by any Whitecap Shareholders or any other person. The Whitecap Fairness Opinion is not intended to and does not constitute a recommendation as to how the Whitecap Shareholders should vote in respect of the Share Issuance Resolution. National Bank expresses no view as to, and the Whitecap Fairness Opinion does not address, any other aspect or implication of the Business Combination or the underlying business decision of the Whitecap Board to effect the Business Combination, the relative merits of the Business Combination as compared to any alternative business strategies that might be available for Whitecap or the effect of any other transaction in which Whitecap might engage.

Recommendation of the TORC Board

At a meeting of the TORC Board held on December 8, 2020 prior to TORC entering into the Business Combination Agreement, the TORC Board considered: (a) the Business Combination on the terms and conditions as provided in the Business Combination Agreement, and (b) the oral opinion of RBC Capital Markets to the TORC Board, subsequently confirmed by delivery of a written opinion dated December 8, 2020 that, as of the date of such opinion and based upon and subject to certain assumptions, limitations and qualifications set forth therein, the consideration to be received by the TORC Shareholders under the Plan of Arrangement is fair, from a financial point of view, to the TORC Shareholders. **After considering the terms of the proposed Business Combination, the TORC Fairness Opinion, the advice from its legal counsel and such other factors as were deemed appropriate, the members of the TORC Board unanimously: (i) determined that the Business Combination and the entry into the Business Combination Agreement are in the best interests of TORC and the TORC Shareholders; (ii) determined that the consideration to be received by the TORC Shareholders pursuant to the Business Combination is fair to the TORC Shareholders; (iii) approved the Business Combination Agreement and the transactions contemplated thereby; and (iv) recommended that TORC Shareholders vote in favour of the Business Combination Resolution.**

The TORC Board unanimously recommends that the TORC Shareholders vote FOR the Business Combination Resolution.

In coming to its conclusion and recommendations the TORC Board considered, among others, the following factors:

- (a) the purpose and anticipated benefits of the Business Combination as outlined elsewhere in this Information Circular including under "*Reasons for the Business Combination – TORC Board*" and "*Benefits of the Business Combination*" above;

- (b) information concerning the financial condition, results of operations, business plans and prospects of TORC, and the resulting potential for the enhancement of the business efficiency, management effectiveness and financial results of the combined business;
- (c) the alternatives available to TORC; and
- (d) the TORC Fairness Opinion. See "*TORC Fairness Opinion*" at Appendix E to this Information Circular.

The foregoing discussion of the information and factors considered and given weight by the TORC Board is not intended to be exhaustive. In addition, in reaching the determination to approve and recommend the Business Combination, the TORC Board did not assign any relative or specific weights to the foregoing factors which were considered, and individual directors may have given differing weights to different factors.

In addition, under the Business Combination Agreement, until the time that the Business Combination Resolution is approved by TORC Shareholders, the TORC Board has retained the ability to consider and respond to Acquisition Proposals on the specific terms and conditions set forth in the Business Combination Agreement, and to accept a Superior Proposal in certain circumstances.

The TORC Board realized that there are risks associated with the Business Combination, including that some of the potential benefits set forth above may not be realized or that there may be significant costs associated with realizing such benefits. The TORC Board believes that the factors in favour of the Business Combination outweigh the risks and potential disadvantages, although there can be no assurance in this regard. See "*Risk Factors*".

Notwithstanding the recommendation of the TORC Board that TORC Shareholders vote in favour of the Business Combination Resolution, TORC Shareholders should make their own decisions whether to vote their TORC Shares in favour of the Business Combination Resolution and, if appropriate, should consult their own legal, tax, financial or other professional advisors in making that decision.

Recommendation of the Whitecap Board

At a meeting of the Whitecap Board held on December 7, 2020 prior to Whitecap entering into the Business Combination Agreement, the Whitecap Board considered the Business Combination on the terms and conditions as provided in the Business Combination Agreement, and the verbal fairness opinion of National Bank that the consideration to be paid by Whitecap pursuant to the Business Combination is fair, from a financial point of view, to Whitecap. **After considering the terms of the proposed Business Combination, the Whitecap Fairness Opinion, the advice from its financial advisors and legal counsel and such other factors as were deemed appropriate, the members of the Whitecap Board unanimously: (i) determined that the Business Combination and entry into the Business Combination are in the best interests of Whitecap; (ii) determined that the consideration to be paid by Whitecap pursuant to the Business Combination Agreement is fair, from a financial point of view, to Whitecap; (iii) approved the Business Combination Agreement and the transactions contemplated thereby; and (iv) recommended that Whitecap Shareholders vote in favour of the Whitecap Resolutions.**

The Whitecap Board unanimously recommends that the Whitecap Shareholders vote FOR the Share Issuance Resolution and the Article Amendment Resolution.

In coming to its conclusion and recommendations, the Whitecap Board consulted with and received advice from legal counsel and considered, among others, the following factors:

- (a) the purpose and anticipated benefits of, and the inherent risks of proceeding, or not, with the Business Combination as outlined elsewhere in this Information Circular including under "*Reasons for the Business Combination – Whitecap Board*" and "*Benefits of the Business Combination*" above;

- (b) information concerning the financial condition, results of operations, business plans and prospects of Whitecap, and the resulting potential for the enhancement of the business efficiency, management effectiveness and financial results of the combined business;
- (c) the alternatives reasonably available to Whitecap, including continuing to operate as a standalone entity; and
- (d) the advice and assistance of National Bank in evaluating the Business Combination. See "*Whitecap Fairness Opinion*" at Appendix F to this Information Circular.

The foregoing discussion of the information and factors considered and given weight by the Whitecap Board is not intended to be exhaustive. In addition, in reaching the determination to approve and recommend the Business Combination, the Whitecap Board did not assign any relative or specific weights to the foregoing factors which were considered, and individual directors may have given differing weights to different factors.

The Whitecap Board realized that there are risks associated with the Business Combination, including that some of the potential benefits set forth above may not be realized or that there may be significant costs associated with realizing such benefits. The Whitecap Board believes that the factors in favour of the Business Combination outweigh the risks and potential disadvantages, although there can be no assurance in this regard. See "*Risk Factors*".

Notwithstanding the recommendation of the Whitecap Board that Whitecap Shareholders vote in favour of the Whitecap Resolutions, Whitecap Shareholders should make their own decision whether to vote their Whitecap Shares in favour of the Whitecap Resolutions and, if appropriate, should consult their own legal, tax, financial or other professional advisors in making that decision.

EFFECT OF THE BUSINESS COMBINATION

General

The Business Combination will result in the issuance of 0.57 of a Whitecap Share for each TORC Share held (other than by Dissenting Shareholders).

As at January 5, 2021, there were 222,672,240 TORC Shares and 467,511,687 Whitecap Shares outstanding (in each case, on a non-diluted basis). In addition, if all outstanding TORC Share Awards are settled in TORC Shares, including taking into account accumulated dividend entitlements and the applicable Payout Multiplier, an additional 9,421,827 TORC Shares would be outstanding immediately prior to the Effective Time.

Upon completion of the Business Combination and assuming that: (i) there are no Dissenting Shareholders; (ii) no Whitecap Shares are issued pursuant to the settlement of outstanding Whitecap Awards prior to the Effective Time; and (iii) all of the outstanding TORC Share Awards are fully settled in TORC Shares immediately prior to the Effective Time, there will be 599,805,305 Whitecap Shares issued and outstanding, of which existing holders of TORC Shares and Whitecap Shares will collectively own approximately 22.06% and 77.94% of the combined business on a non-diluted basis, respectively.

No DRS Statements representing fractional Whitecap Shares will be issued under the Business Combination. In the event that a TORC Shareholder would otherwise be entitled to a fractional Whitecap Share thereunder, the number of Whitecap Shares issued to such TORC Shareholder shall be rounded up to the next greater whole number of Whitecap Shares if the fractional entitlement is equal to or greater than 0.5 and shall, without any additional compensation, be rounded down to the next lesser whole number of Whitecap Shares if the fractional entitlement is less than 0.5. In calculating such fractional interests, all TORC Shares registered in the name of a TORC Shareholder or its nominee shall be aggregated.

The Plan of Arrangement provides that, subject to Applicable Laws, any certificate or DRS Advice formerly representing TORC Shares not deposited together with all other documents as required by the Plan of Arrangement and the Letter of Transmittal on or before the last Business Day prior to the third anniversary of the Effective Date,

and any right or claim by or interest of any kind or nature, including the rights to receive DRS Statements representing Whitecap Shares to which such holder is entitled pursuant to the Business Combination, shall terminate and be deemed to be surrendered and forfeited to Whitecap for no consideration, together with all entitlements to dividends, distributions and interest thereon.

Dividend

If the Effective Date occurs on February 24, 2021, then, assuming Whitecap declares a dividend with a record date of February 26, 2021, TORC Shareholders as of the Effective Date will be eligible to receive such dividend, provided that such payment will not be made to any former TORC Shareholders until such holder has submitted a validly completed and duly executed Letter of Transmittal (and accompanying documents) to the Depositary. All dividends and distributions, if any, made with respect to any Whitecap Shares allotted and issued pursuant to the Business Combination but for which a DRS Statement for Whitecap Shares has not been issued shall be paid or delivered to the Depositary to be held by the Depositary in trust for the registered holder thereof until such holder has submitted a validly completed and duly executed Letter of Transmittal (and accompanying documents) to the Depositary.

TORC Share Awards

The Business Combination will constitute a Change of Control under the TORC Share Award Plan and, in accordance with the terms of the TORC Share Award Plan, the Issue Date for all outstanding TORC Share Awards will be accelerated to immediately prior to the Effective Date.

The Parties have agreed that, the TORC Share Awards for which the Issue Date is accelerated as a result of the Business Combination, will be settled at the written direction of Whitecap, given on or before the 10th Business Day prior to the Effective Date, through: (A) the issuance of TORC Shares immediately prior to the Effective Time (and TORC may withhold, in its sole discretion, from such issuance of TORC Shares an amount of TORC Shares equal to the amount of Taxes required to be remitted by TORC in connection with such settlement); (B) payment in cash immediately prior to the Effective Time (and TORC may withhold, in its sole discretion, from such cash payment an amount equal to the amount of Taxes required to be remitted by TORC in connection with such settlement); or (C) a combination of (A) and (B).

The Payout Multiplier for all TORC Performance Awards for which vesting has been accelerated in contemplation of the completion of the Business Combination, will be based on the Payout Multipliers as previously determined by the TORC Board for the applicable performance assessment periods and the Payout Multiplier for the performance assessment periods that have not yet been determined has been set by the TORC Board at 2.0.

In respect of the settlement of any TORC Share Awards granted under the TORC Share Award Plan following the Agreement Date (including, for greater certainty, settlements made in respect of TORC Share Awards for which vesting has accelerated in contemplation of the Business Combination), TORC has agreed that such payments will be determined in strict accordance with the terms of the TORC Share Award Plan, without the making of any adjustments or other determinations as may be available to the TORC Board or any committee thereof, in their discretion pursuant to the terms of the TORC Share Award Plan or any TORC Share Awards granted thereunder.

As at the date hereof, there are 3,683,362 TORC Performance Awards outstanding and 1,919,123 TORC Restricted Awards outstanding. If all outstanding TORC Share Awards are settled in TORC Shares, including taking into account accumulated dividend entitlements and the applicable Payout Multiplier, TORC could issue an additional 9,421,827 TORC Shares pursuant to the Business Combination.

See "*Effect of the Business Combination – Details of the Business Combination*".

Management and Board

Following completion of the Business Combination, the current executive team of Whitecap will continue to manage the combined business, including Grant Fagerheim as President and Chief Executive Officer, Joel Armstrong as Vice President, Production and Operations, Andrew Bullock as Vice President, Exploration and Geosciences, Darin Dunlop

as Vice President, Engineering, Thanh Kang as Chief Financial Officer, Gary Lebsack as Vice President, Land, David Mombourquette as Vice President, Business Development and IT and Jeff Zdunich as Vice President, Finance and Controller.

On closing of the Business Combination and assuming that the Article Amendment Resolution is passed by the Whitecap Shareholders, a designated director agreed to by Whitecap and TORC, will be added to the Whitecap Board which currently consists of Grant Fagerheim, Heather Culbert, Gregory Fletcher, Daryl Gilbert, Glenn McNamara, Stephen Nikiforuk, Kenneth Stickland, Brad Wall and Grant Zawalsky.

Details of the Business Combination

The following is a summary only of the Plan of Arrangement and reference should be made to the full text of the Business Combination Agreement set forth in Appendix C to this Information Circular and the Plan of Arrangement set forth in Schedule A to Appendix C to this Information Circular.

Pursuant to the Plan of Arrangement, commencing at the Effective Time, each of the following are deemed to occur concurrently without any further act or formality:

- (a) the TORC Shares held by Dissenting Shareholders who have exercised Dissent Rights which remain valid immediately prior to the Effective Time shall be deemed to have been transferred to Whitecap (free and clear of any and all liens, claims and encumbrances), and such Dissenting Shareholders shall cease to have any rights as TORC Shareholders, other than a debt claim against Whitecap for the amount determined in accordance with Article 4 of the Plan of Arrangement; and
- (b) each outstanding TORC Share (other than TORC Shares held by Dissenting Shareholders whose TORC Shares are transferred pursuant to section 3.1(a) of the Plan of Arrangement) shall be transferred to, and acquired by, Whitecap (free and clear of any liens, claims, encumbrances, charges, adverse interests and security interests of any nature or kind whatsoever) in exchange for 0.57 of a Whitecap Share.

The Business Combination Agreement

General

The Business Combination will be effected pursuant to the Business Combination Agreement which provides for the implementation of the Plan of Arrangement. The Business Combination Agreement contains covenants, representations and warranties of and from each of TORC and Whitecap and various conditions precedent, both mutual and with respect to TORC and Whitecap individually.

Unless all conditions are satisfied or waived by the Party for whose benefit such conditions exist, to the extent they may be capable of waiver, the Business Combination will not proceed. There is no assurance that the conditions will be satisfied or waived on a timely basis, or at all.

The following is a summary of certain provisions of the Business Combination Agreement and is qualified in its entirety by the full text of the Business Combination Agreement, set forth in Appendix C to this Information Circular. TORC Shareholders and Whitecap Shareholders are urged to read the Business Combination Agreement in its entirety.

Representations and Warranties and Covenants Relating to the Conduct of Business of the Parties

The Business Combination Agreement contains certain customary representations and warranties of each of TORC and Whitecap relating to, among other things, their respective organization, capitalization, operations, compliance with Laws and regulations and other matters, including their authority to enter into the Business Combination Agreement and to consummate the Business Combination. For the complete text of the applicable provisions, see Article 4 of the Business Combination Agreement.

In addition, pursuant to the Business Combination Agreement, each of the Parties has covenanted, among other things, until the earlier of the Effective Time or the termination of the Business Combination Agreement, to use all reasonable commercial efforts to maintain and preserve their respective businesses and refrain from taking certain actions outside the ordinary course. For the complete text of the applicable provisions, see sections 3.1 and 3.2 of the Business Combination Agreement.

Mutual Conditions

The respective obligations of Whitecap and TORC to consummate the transactions contemplated by the Business Combination Agreement, and in particular the completion of the Business Combination, are subject to the satisfaction, on or before the Effective Time, or such other time specified, of the following conditions, any of which may be waived by the mutual written consent of Whitecap and TORC, without prejudice to their right to rely on any other of such conditions:

- (a) the Interim Order and Final Order shall have been granted in form and substance satisfactory to each of Whitecap and TORC, acting reasonably, and such order shall not have been set aside or modified in a manner unacceptable to Whitecap or TORC, acting reasonably, on appeal or otherwise;
- (b) the Business Combination Resolution, in the form and substance reasonably satisfactory to each of TORC and Whitecap, shall have been approved by the TORC Shareholders at the TORC Meeting in accordance with the Interim Order;
- (c) the Share Issuance Resolution, in the form and substance reasonably satisfactory to each of TORC and Whitecap, shall have been approved by the Whitecap Shareholders at the Whitecap Meeting;
- (d) the Effective Date shall have occurred on or before the Outside Date;
- (e) the TSX shall have conditionally approved the issuance of all of the Whitecap Shares issuable to TORC Shareholders pursuant to the Business Combination subject only to customary conditions reasonably expected to be satisfied;
- (f) all required regulatory, governmental and third party approvals and consents necessary for the completion of the Business Combination, excluding the consent of TORC's lenders under its credit facility, shall have been obtained on terms and conditions satisfactory to TORC and Whitecap, each acting reasonably;
- (g) the Competition Act Approval shall have been obtained on terms and conditions satisfactory to each of Whitecap and TORC, acting reasonably; and
- (h) no action shall have been taken under any existing Applicable Law or regulation, nor any statute, rule, regulation or order which is enacted, enforced, promulgated or issued by any court, department, commission, board, regulatory body, government or Governmental Authority or similar agency, domestic or foreign, that:
 - (i) makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the Business Combination or any other transactions contemplated by the Business Combination Agreement; or
 - (ii) results in a judgment or assessment of material damages directly or indirectly relating to the transactions contemplated by the Business Combination Agreement.

The foregoing conditions are for the mutual benefit of the Parties and may be asserted by either Party regardless of the circumstances and may be waived by any Party (with respect to such Party) in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights that such Party may have.

Additional Conditions to the Obligations of Whitecap

The obligation of Whitecap to complete the transactions contemplated by the Business Combination Agreement, and in particular to complete the Business Combination, is subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

- (a) TORC shall have fulfilled and complied with in all material respects each of its covenants in the Business Combination Agreement to be performed, fulfilled or complied with on or before the Effective Time, and TORC shall have provided to Whitecap a certificate of two senior officers of TORC satisfactory to Whitecap, acting reasonably, certifying, on behalf of TORC, as to such compliance and Whitecap shall have no actual knowledge to the contrary;
- (b)
 - (i) the representations and warranties in sections 4.1(c), (d), (e), (g.), (bbb) and (ccc) of the Business Combination Agreement shall be true and correct in all respects as of the Agreement Date and as of the Effective Date as if made on and as of such date (except to the extent such representations and warranties speak of an earlier date, the accuracy of which shall be determined as of such earlier date), except for such failures to be true and correct that are *de minimis*;
 - (ii) the representations and warranties in sections 4.1(h), (j), (y), (w), (z), (cc), (hh) and (uu) of the Business Combination Agreement shall be true and correct in all material respects as of the Agreement Date and as of the Effective Date as if made on and as of such date; and
 - (iii) all other representations and warranties of TORC set forth in the Business Combination Agreement shall be true and correct as of the Effective Date as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date, the accuracy of which shall be determined as of that specified date), except where any failure or failures of such representations and warranties in the aggregate to be so true and correct would not result in, or would not reasonably be expected to result in, a material adverse effect in respect of TORC and its subsidiaries (taken as a whole) (and, for this purpose, any concept of materiality shall be ignored),

and TORC shall have provided to Whitecap a certificate of two senior officers of TORC satisfactory to Whitecap, acting reasonably, certifying as to such matters on behalf of TORC on the Effective Date;

- (c) TORC shall have furnished Whitecap with:
 - (i) certified copies of the resolutions duly passed by TORC Board approving the Business Combination Agreement and the consummation of the transactions contemplated by the Business Combination Agreement; and
 - (ii) a certified copy of the Business Combination Resolution;
- (d) no material adverse change respecting TORC shall have occurred;
- (e) no act, action, suit, proceeding, objection or opposition shall have been taken against or affecting TORC before or by any domestic or foreign court, tribunal or governmental agency or other regulatory or administrative agency or commission by any elected or appointed public official or private Person in Canada or elsewhere, whether or not having the force of Law and no Law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of Law) shall have been enacted, promulgated, amended or applied, which in the sole judgment of Whitecap, acting reasonably, in either case has had or, if the Business Combination was consummated, would result in a material adverse change respecting TORC or would materially impede the ability of the Parties to complete the Business Combination;

- (f) Whitecap shall be reasonably satisfied that, prior to the Effective Time, all of the outstanding TORC Share Awards shall have been settled in accordance with section 2.8 of the Business Combination Agreement;
- (g) on the Effective Date, each of the directors and executive officers of TORC and any of its subsidiaries shall have provided their resignations and shall have delivered mutual releases in favour of TORC and Whitecap, in a form and substance satisfactory to Whitecap, acting reasonably, and any persons entitled to a payment from TORC for TORC Employee Obligations shall have delivered releases in favour of TORC and Whitecap, in a form and substance satisfactory to Whitecap, acting reasonably;
- (h) the Area of Exclusion Agreements shall have been entered into and delivered to Whitecap by each of the individuals set forth in the TORC Disclosure Letter;
- (i) the Hold Period Agreements shall have been entered into and delivered to Whitecap by each of the directors and executive officers of TORC;
- (j) holders of not more than 5% of the issued and outstanding TORC Shares shall have exercised Dissent Rights;
- (k) the TORC Net Debt as at November 1, 2020 shall not have been greater than as disclosed in the TORC Disclosure Letter; and
- (l) the TORC Transaction Costs shall not be greater than \$13.5 million.

The foregoing conditions are for the exclusive benefit of Whitecap and may be asserted by Whitecap regardless of the circumstances or may be waived by Whitecap in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Whitecap may have, including the right of Whitecap to rely on any other of such conditions.

Conditions to the Obligations of TORC

The obligation of TORC to complete the Business Combination and to take the other actions required to be taken by TORC on or before the Effective Date is subject to the satisfaction or waiver of the following conditions:

- (a) Whitecap shall have fulfilled and complied with in all material respects each of its covenants in the Business Combination Agreement to be performed, fulfilled or complied with on or before the Effective Time, and Whitecap shall have provided to TORC a certificate of two senior officers of Whitecap satisfactory to TORC, acting reasonably, certifying, on behalf of Whitecap, as to such compliance;
- (b)
 - (i) the representations and warranties in sections 4.2(c), (e), (f) and (h) of the Business Combination Agreement shall be true and correct in all respects as of the Agreement Date and as of the Effective Date as if made on and as of such date (except to the extent such representations and warranties speak of an earlier date, the accuracy of which shall be determined as of such earlier date), except for such failures to be true and correct that are *de minimis*;
 - (ii) the representations and warranties in sections 4.2(i), (k), (v), (x), (y), (bb), (ee) and (rr) of the Business Combination Agreement shall be true and correct in all material respects as of the Agreement Date and as of the Effective Date as if made on and as of such date; and
 - (iii) all other representations and warranties of Whitecap set forth in the Business Combination Agreement shall be true and correct as of the Effective Date as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date,

the accuracy of which shall be determined as of that specified date), except where any failure or failures of such representations and warranties in the aggregate to be so true and correct would not result in, or would not reasonably be expected to result in, a material adverse effect in respect of Whitecap and its subsidiaries (taken as a whole) (and, for this purpose, any concept of materiality shall be ignored),

and Whitecap shall have provided to TORC a certificate of two senior officers of Whitecap satisfactory to TORC, acting reasonably, certifying as to such matters on behalf of Whitecap on the Effective Date;

- (c) Whitecap shall have furnished TORC with:
 - (i) certified copies of the resolutions duly passed by the Whitecap Board approving the execution and delivery of the Business Combination Agreement and the performance by Whitecap of its obligations under the Business Combination Agreement and the consummation of the transactions contemplated by the Business Combination Agreement; and
 - (ii) a certified copy of the Share Issuance Resolution;
- (d) no material adverse change respecting Whitecap shall have occurred;
- (e) Whitecap shall have irrevocably deposited such number of Whitecap Shares with the Depositary as required in order to issue the requisite number of Whitecap Shares to the TORC Shareholders in accordance with the Plan of Arrangement and Whitecap shall have irrevocably directed the Depositary to distribute Whitecap Shares to the TORC Shareholders in accordance with the terms of the Plan of Arrangement;
- (f) on the Effective Date, TORC shall be satisfied, acting reasonably, that the Whitecap Shares issued to TORC Shareholders pursuant to the Business Combination shall have been conditionally accepted for listing on the TSX, subject only to the filing of documentation that cannot be filed prior to the Effective Date; and
- (g) no act, action, suit, proceeding, objection or opposition shall have been threatened against or affecting Whitecap before or by any domestic or foreign court, tribunal or governmental agency or other regulatory or administrative agency or commission by any elected or appointed public official or private Person in Canada or elsewhere, whether or not having the force of Law and no Law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of Law) shall have been enacted, promulgated, amended or applied, which in the sole judgment of TORC, acting reasonably, in either case has had or, if the Business Combination was consummated, would result in a material adverse change respecting Whitecap or would materially impede the ability of the Parties to complete the Business Combination.

The foregoing conditions are for the exclusive benefit of TORC and may be asserted by TORC regardless of the circumstances or may be waived by TORC in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which TORC may have.

Covenants of TORC Regarding Non-Solicitation; Right to Accept a Superior Proposal

Under the Business Combination Agreement, TORC has agreed to certain non-solicitation covenants as follows:

- (a) TORC shall immediately cease and cause to be terminated all existing discussions or negotiations (including, without limitation, through any of its officers, directors, employees, advisors, representatives and agents ("**Representatives**")), if any, with any third parties (other than Whitecap) initiated before the Agreement Date with respect to any Acquisition Proposal. As and from the

Agreement Date until termination of the Business Combination Agreement pursuant to Article 8 of the Business Combination Agreement, TORC shall discontinue providing access to any of its confidential information and not allow or establish further access to any of its confidential information, or any data room, virtual or otherwise and shall (pursuant to and in accordance with each applicable confidentiality agreement) promptly request the return or destruction of all information provided to any third parties that have entered into a confidentiality agreement with TORC relating to an Acquisition Proposal and shall use reasonable commercial efforts to cause such requests to be honoured.

- (b) TORC shall not, directly or indirectly, do, or authorize or permit any of its Representatives to do, any of the following:
 - (i) solicit, assist or knowingly facilitate, initiate or encourage or take any action to solicit or knowingly facilitate, initiate, entertain or encourage any Acquisition Proposal, or engage in any communication regarding the making of any proposal or offer that constitutes or may constitute or may reasonably be expected to lead to an Acquisition Proposal, including, without limitation, by way of furnishing information;
 - (ii) withdraw or modify, or propose to withdraw or modify, in any manner adverse to Whitecap, the approval of the Business Combination by the TORC Board or the TORC Board Recommendation;
 - (iii) enter into or participate in any negotiations or any discussions regarding an Acquisition Proposal, or furnish or provide access to any information with respect to its securities, business, properties, operations or conditions (financial or otherwise) in connection with or in furtherance of an Acquisition Proposal, or otherwise cooperate in any way with, or assist or knowingly participate in, facilitate or encourage, any effort or attempt of any other Person to do or seek to do any of the foregoing;
 - (iv) release, waive, or otherwise forbear in the enforcement of, or enter into or participate in any discussions, negotiations or agreements to release, waive or otherwise forbear in respect of, any rights or other benefits under any confidentiality agreements to which TORC is a party, including, without limitation, any "standstill provisions" thereunder; or
 - (v) accept, recommend, approve, agree to, endorse or propose publicly to accept, recommend, approve, agree to or endorse any Acquisition Proposal;

provided, however, that notwithstanding any other provision thereof, TORC and its Representatives may:

- (vi) enter into, or participate in, any discussions or negotiations with a third party who (without any solicitation, initiation or encouragement, directly or indirectly, after the Agreement Date, by TORC or any of its Representatives) seeks to initiate such discussions or negotiations and, subject to execution of a confidentiality agreement substantially similar to the Confidentiality Agreement (provided that such confidentiality agreement shall provide for the disclosure thereof, along with the information provided thereunder, to Whitecap), may furnish to such third party information concerning TORC and its business, affairs, properties and assets, in each case if, and only to the extent that:
 - (A) the third party has first made an unsolicited written *bona fide* Acquisition Proposal and the TORC Board determines in good faith: (1) that funds or other consideration necessary for the consummation of such Acquisition Proposal are available or, in each case as demonstrated to the TORC Board, acting in good faith, that adequate financing arrangements will be in place to ensure that the third party will have the funds necessary for the consummation of the Acquisition

Proposal, if any; (2) after consultation with its financial advisor, that the Acquisition Proposal would or would be reasonably likely to, if consummated in accordance with its terms (but not assuming away any risks of non-completion), result in a transaction financially superior for the TORC Shareholders than the transaction contemplated by the Business Combination Agreement in its current form (including taking into account any modifications to the Business Combination Agreement proposed by Whitecap as contemplated by subsection 3.4(d) of the Business Combination Agreement); and (3) after receiving the advice of outside legal counsel, as reflected in minutes of the TORC Board, that the taking of such action is necessary for the TORC Board in the discharge of its fiduciary duties under Applicable Laws; and

- (B) prior to furnishing such information to or entering into or participating in any such negotiations or initiating any discussions with such third party, TORC provides notice to Whitecap to the effect that it is furnishing information to or entering into or participating in discussions or negotiations with such Person or entity and provides to Whitecap the information required to be provided under subsection 3.4(d) of the Business Combination Agreement;
 - (vii) comply with Division 3 of NI 62-104 and similar provisions under Applicable Canadian Securities Laws relating to the provision of directors' circulars and make appropriate disclosure with respect thereto to its securityholders; and
 - (viii) withdraw any approval or recommendation contemplated by subsection 3.4(b)(ii) of the Business Combination Agreement and accept, recommend, approve or enter into an agreement to implement a Superior Proposal, but only if prior to such acceptance, recommendation, approval or implementation, TORC has complied with its obligations set forth in section 3.4(f) of the Business Combination Agreement and terminates the Business Combination Agreement in accordance with section 8.1(f) of the Business Combination Agreement and concurrently therewith pays the amount required by section 6.1 of the Business Combination Agreement.
- (c) TORC shall promptly (and in any event within 24 hours of receipt by TORC) notify Whitecap (at first orally and then in writing) of any Acquisition Proposal (or any amendment thereto) or any request for non-public information relating to TORC, its assets, or any amendments to the foregoing received by TORC. Such notice shall include a copy of any written Acquisition Proposal (and any amendment thereto) received by TORC or, if no written Acquisition Proposal has been received, a description of the material terms and conditions of, and the identity of the Person making any inquiry, proposal, offer or request (to the extent then known by TORC). TORC shall also provide such further and other details of the Acquisition Proposal or any amendment thereto as Whitecap may reasonably request (to the extent then known by TORC). TORC shall keep Whitecap fully informed of the status, including any change to material terms, of any Acquisition Proposal or any amendment thereto, shall respond promptly to all reasonable inquiries by Whitecap with respect thereto, and shall provide to Whitecap copies of all material correspondence and other written material sent to or provided to TORC by any Person in connection with such inquiry, proposal, offer or request or sent or provided by TORC to Person in connection with such inquiry, proposal, offer or request.
- (d) Following receipt of a Superior Proposal, TORC shall give Whitecap, orally and in writing, at least 72 hours advance notice of any decision by the TORC Board to accept, recommend, approve or enter into an agreement to implement a Superior Proposal, which notice shall confirm that the TORC Board has determined that such Acquisition Proposal constitutes a Superior Proposal, shall identify the third party making the Superior Proposal and shall provide a true and complete copy thereof and any amendments thereto. During the 72 hour period commencing on the delivery of such notice, TORC agrees not to accept, recommend, approve or enter into any agreement to implement such Superior Proposal and not to release the party making the Superior Proposal from any standstill

provisions (which, for greater certainty, shall not prevent the party making the Superior Proposal from making any Acquisition Proposal to the TORC Board that is not solicited, initiated, encouraged or knowingly facilitated by TORC) and shall not withdraw, redefine, modify or change its recommendation in respect of the Business Combination. In addition, during such 72 hour period, TORC shall, and shall cause its financial and legal advisors to, negotiate in good faith with Whitecap and its financial and legal advisors to make such adjustments in the terms and conditions of the Business Combination Agreement and the Business Combination as would enable TORC to proceed with the Business Combination, as amended, rather than the Superior Proposal. In the event Whitecap confirms in writing its commitment to amend the Business Combination Agreement to provide that the TORC Shareholders shall receive a value per TORC Share equal to or having a value greater than the value per TORC Share provided in the Superior Proposal and so advises the TORC Board prior to the expiry of such 72 hour period, the TORC Board shall not accept, recommend, approve or enter into any agreement to implement such Superior Proposal and shall not release the party making the Superior Proposal from any standstill provisions (which, for greater certainty, shall not prevent the party making the Superior Proposal from making any Acquisition Proposal to the TORC Board that is not solicited, initiated, encouraged or knowingly facilitated by TORC) and shall not withdraw, redefine, modify or change the TORC Board Recommendation. Notwithstanding the foregoing, and for greater certainty, Whitecap shall have no obligation to make or negotiate any changes to the Business Combination Agreement in the event that TORC is in receipt of a Superior Proposal. TORC acknowledges that each successive material modification of any Superior Proposal shall constitute a new Superior Proposal for purposes of the requirement under subsection 3.4(d) of the Business Combination Agreement to initiate a new 72 hour notice period.

- (e) The TORC Board shall reaffirm the TORC Board Recommendation by news release promptly, and in any event within 72 hour of being requested to do so by Whitecap (or in the event that the TORC Meeting to approve the Business Combination is scheduled to occur within such 72 hour period, prior to the scheduled date of such meeting), in the event that (i) any Acquisition Proposal is publicly announced unless the TORC Board has determined that such Acquisition Proposal constitutes a Superior Proposal in accordance with section 3.4 of the Business Combination Agreement; or (ii) the Parties have entered into an amended agreement pursuant to subsection 3.4(d) of the Business Combination Agreement that results in any Acquisition Proposal not being a Superior Proposal.
- (f) Whitecap agrees that all information that may be provided to it by TORC with respect to any Superior Proposal pursuant to section 3.4 of the Business Combination Agreement shall be treated as if it were "Evaluation Material" as that term is defined in the Confidentiality Agreement and such information shall not be disclosed or used except in accordance with the Confidentiality Agreement or in order to enforce its rights under the Business Combination Agreement in legal proceedings.
- (g) Each Party shall ensure that its Representatives are aware of the provisions of section 3.4 of the Business Combination Agreement Whitecap shall be responsible for any breach of section 3.4 of the Business Combination Agreement by its Representatives and TORC shall be responsible for any breach of section 3.4 of the Business Combination Agreement by its Representatives.

Termination Amount Payable by TORC

Pursuant to the Business Combination Agreement, if at any time after the Agreement Date:

- (a) the TORC Board: (A) fails to make any of the recommendations or determinations referred to in subsection 2.4(b) of the Business Combination Agreement in a manner adverse to Whitecap; (B) withdraws, modifies or changes any of the recommendations or determinations referred to in subsection 2.4(b) of the Business Combination Agreement in a manner adverse to Whitecap; (C) does not submit the Business Combination to the TORC Shareholders at the TORC Meeting for their approval; or (D) resolves to do any of the foregoing;

- (b) a *bona fide* Acquisition Proposal (or a *bona fide* intention to make one) is proposed, offered or made to TORC or the TORC Shareholders prior to the date of the TORC Meeting and remains outstanding at the time of the TORC Meeting, and the TORC Shareholders do not approve the Business Combination in accordance with either section 2.2 or section 2.3 of the Business Combination Agreement, or the Business Combination is not submitted for their approval and such Acquisition Proposal, as originally proposed or amended (or any other Acquisition Proposal that is announced, proposed, offered or made to TORC or the TORC Shareholders prior to the expiry of the first Acquisition Proposal) is completed within twelve months of the date such Acquisition Proposal is proposed, offered or made;
- (c) the TORC Board or TORC, as applicable, accepts, recommends, approves or enters into an agreement to implement a Superior Proposal or proposes publicly to accept, recommend, approve, agree to, endorse or enter into an agreement to implement a Superior Proposal;
- (d) the TORC Board fails to publicly reaffirm any of its recommendations or determinations referred to in subsection 2.2(a) of the Business Combination Agreement in the manner and within the time period set out in subsection 3.4(e) of the Business Combination Agreement; or
- (e) TORC breaches any of its representations, warranties or covenants made in the Business Combination Agreement, which breach, individually or in the aggregate, causes or would reasonably be expected to cause a material adverse change respecting TORC or materially impedes the completion of the Business Combination, provided that TORC shall have been given written notice of and five Business Days to cure any such breach by Whitecap and such breach shall not have been cured (except that no cure period shall be provided for a breach which by its nature cannot be cured and, in no event, shall any cure period extend beyond the Outside Date);

(each of the above being a "**Whitecap Damages Event**"), then in the event of the termination of the Business Combination Agreement pursuant to subsection 8.1(d) or 8.1(f) of the Business Combination Agreement and provided that no event of the nature set out in section 6.2 of the Business Combination Agreement has occurred, TORC shall pay to Whitecap \$20 million in consideration for the disposition of Whitecap's rights under the Business Combination Agreement in immediately available funds to an account designated by Whitecap within one Business Day after the first to occur of the events described above, and after such event, but prior to payment of such amount, TORC shall be deemed to hold such funds in trust for Whitecap. TORC shall only be obligated to pay a maximum of \$20 million pursuant to section 6.1 of the Business Combination Agreement.

Termination Amount Payable by Whitecap

Pursuant to the Business Combination Agreement if, at any time after the Agreement Date:

- (a) the Whitecap Board: (A) fails to make any of the recommendations or determinations referred to in subsection 2.3(a) of the Business Combination Agreement in a manner adverse to TORC; (B) withdraws, modifies or changes any of the recommendations or determinations referred to in subsection 2.3(a) of the Business Combination Agreement in a manner adverse to TORC; or (C) resolves to do any of the foregoing; or
- (b) Whitecap breaches any of its representations, warranties or covenants made in the Business Combination Agreement, which breach, individually or in the aggregate, causes or would reasonably be expected to cause a material adverse change respecting Whitecap or materially impedes the completion of the Business Combination, provided that TORC shall have been given written notice of and five Business Days to cure any such breach by Whitecap and such breach shall not have been cured (except that no cure period shall be provided for a breach which by its nature cannot be cured and, in no event, shall any cure period extend beyond the Outside Date);

each of the above being a "**TORC Damages Event**"), then in the event of the termination of the Business Combination Agreement pursuant to subsection 8.1(e) of the Business Combination Agreement and provided that no event in the nature of section 6.1 of the Business Combination Agreement has occurred, Whitecap shall pay to TORC \$20 million in consideration for the disposition of TORC's rights under the Business Combination Agreement in immediately available funds to an account designated by TORC. Such payment shall be made within one Business Day of the occurrence of the TORC Damages Event and after such event, but prior to payment of such amount, Whitecap shall be deemed to hold such funds in trust for TORC. Whitecap shall only be obligated to pay a maximum of \$20 million pursuant to section 6.2 of the Business Combination Agreement.

In the event that the Business Combination Agreement is terminated pursuant to the exercise by TORC or Whitecap of their respective termination rights in subsection 8.1(b)(ii) of the Business Combination Agreement, then Whitecap shall pay to TORC an amount equal to \$500,000 within one Business Day of such termination.

Termination

The Business Combination Agreement may be terminated at any time prior to the Effective Date:

- (a) by mutual written consent of Whitecap and TORC;
- (b) by either Whitecap or TORC if: (i) the TORC Shareholders fail to approve the Business Combination Resolution by the requisite vote at the TORC Meeting (including any adjournment or postponement thereof) in accordance with the Interim Order; (ii) the Whitecap Shareholders fail to approve the Share Issuance Resolution by the requisite vote at the Whitecap Meeting (including any adjournment or postponement thereof); or (iii) approval of the Final Order from the Court is not obtained on or prior to the Outside Date except that the right to terminate the Business Combination Agreement under subsection 8.1(b)(iii) of the Business Combination Agreement shall not be available to any Party whose failure to fulfill any of its obligations has been the cause of, or resulted in, the failure of the approval of the Final Order to occur by such date;
- (c) by either Party as provided in subsection 5.4(b) of the Business Combination Agreement, provided that the failure to satisfy the particular condition precedent being relied upon as a basis for termination of the Business Combination Agreement did not occur as a result of a breach by the Party seeking to rely on the condition precedent of any of its covenants or obligations under the Agreement;
- (d) by Whitecap upon the occurrence of a Whitecap Damages Event, as provided in section 6.1 of the Business Combination Agreement;
- (e) by TORC upon the occurrence of a TORC Damages Event, as provided in section 6.2 of the Business Combination Agreement; or
- (f) by TORC upon the occurrence of a Whitecap Damages Event, as set out in section 6.1(c) of the Business Combination Agreement, and the payment by TORC to Whitecap of the amount specified in section 6.1 of the Business Combination Agreement, provided that TORC has complied with its obligations set out in section 3.4 of the Business Combination Agreement.

In the event of the termination of the Business Combination Agreement in the circumstances set out in section 8.1 of the Business Combination Agreement, the Business Combination Agreement shall forthwith become void and be of no further force or effect and no Party shall have any liability or further obligation to the other thereunder except with respect to the obligations set out in any of Article 6, Article 9 and Article 10 of the Business Combination Agreement, all of which shall survive such termination. For greater certainty, the termination of the Business Combination Agreement pursuant to Article 8 of the Business Combination Agreement shall not affect the rights or obligations of any Party under the Confidentiality Agreement which shall remain in full force and effect, subject to any further agreement of the Parties.

Support Agreements

The following is a summary of certain provisions of the Whitecap Support Agreements and TORC Support Agreements and is qualified in its entirety by the full text of the form of such agreements, set forth in Schedules B and C to Appendix C to this Information Circular. TORC Shareholders and Whitecap Shareholders are urged to read the forms of the support agreements in their entirety.

TORC Support Agreements

On December 8, 2020, all of the directors and executive officers of TORC and CPPIB, then collectively holding an aggregate of 74,677,218 TORC Shares (or 33.54% of the currently issued and outstanding TORC Shares), entered into the TORC Support Agreements with Whitecap pursuant to which they agreed, among other things, to vote the TORC Shares beneficially owned or controlled or directed by them, directly or indirectly, in favour of the Business Combination Resolution and all matters related thereto at the TORC Meeting. In addition, each TORC Supporting Shareholder has agreed not to directly or indirectly: (i) solicit, assist, initiate or knowingly facilitate or encourage or take any action to solicit or knowingly facilitate, initiate, entertain or encourage any Acquisition Proposal, or engage in any communication regarding the making of any proposal or offer that constitutes or may constitute or may reasonably be expected to lead to an Acquisition Proposal, including, without limitation, by way of furnishing information or access to properties, facilities or books and records of TORC; or (ii) enter into or participate in any discussions or negotiations regarding an Acquisition Proposal, or furnish to any other person any information with respect to the business, properties, operations, or conditions (financial or otherwise) of TORC in connection with, or performance of an Acquisition Proposal or otherwise cooperate in any way with, or assist or knowingly participate in, facilitate or encourage, any effort or attempt of any other person to do or seek to do any of the foregoing.

The TORC Support Agreements may be terminated on the earlier of: (a) the Effective Time; (b) the date on which the TORC Support Agreement is terminated by the mutual written agreement of the parties thereto; (c) the close of business on the date of the TORC Meeting at which a TORC Shareholder vote is held and the Business Combination Resolution is not approved by the requisite majority of TORC Shareholders; or (d) the date on which the Business Combination Agreement is terminated in accordance with its terms. In addition, the TORC Support Agreements may be terminated by the TORC Supporting Shareholder by notice in writing to Whitecap if the Business Combination and/or Plan of Arrangement is amended to reduce or change the form of consideration payable to the TORC Supporting Shareholder for its TORC Shares pursuant to the Business Combination.

Whitecap Support Agreements

On December 8, 2020 all of the directors and senior officers of Whitecap, then collectively holding an aggregate of 7,771,502 Whitecap Shares (representing approximately 1.66% of the currently issued and outstanding Whitecap Shares), entered into the Whitecap Support Agreements with TORC pursuant to which they agreed, among other things, to vote the Whitecap Shares beneficially owned or controlled or directed by them, directly or indirectly, in favour of the Whitecap Resolutions at the Whitecap Meeting and otherwise support the Business Combination.

The Whitecap Support Agreements may be terminated on the earlier of: (a) the Effective Time; (b) the date on which the Whitecap Support Agreement is terminated by the mutual written agreement of the parties thereto; (c) the close of business on the date of the Whitecap Meeting at which a Whitecap Shareholder vote is held and the Share Issuance Resolution is not approved by the requisite majority of Whitecap Shareholders; (d) the date of the TORC Meeting at which a TORC Shareholder vote is held and the Business Combination Resolution is not approved by the requisite majority of TORC Shareholders; and (e) the date on which the Business Combination Agreement is terminated in accordance with its terms.

Hold Period Agreements

Pursuant to the Business Combination Agreement, it is a condition to closing in favour of Whitecap that the directors and executive officers of TORC enter into Hold Period Agreements, pursuant to which, subject to certain exceptions, the Whitecap Shares acquired pursuant to the Business Combination will be subject to a contractual hold period for nine (9) months, with one-third of the Whitecap Shares freely tradeable three (3) months after the Effective Date, one-

third of the Whitecap Shares freely tradeable six (6) months after the Effective Date and the remaining one-third of the Whitecap Shares freely tradeable nine (9) months after the Effective Date.

PROCEDURE FOR THE BUSINESS COMBINATION TO BECOME EFFECTIVE

Procedural Steps

The Business Combination is proposed to be carried out pursuant to section 193 of the ABCA. The following procedural steps must be taken in order for the Business Combination to become effective:

- (a) the Business Combination Resolution must be approved by: (i) not less than 66 $\frac{2}{3}$ % of the votes cast by TORC Shareholders present in person (virtually) or represented by proxy at the TORC Meeting and (ii) a simple majority of the votes cast by TORC Shareholders, present in person (virtually) or represented by proxy at the TORC Meeting after excluding the votes cast by persons whose votes may not be included in determining minority approval of a "business combination" pursuant to MI 61-101, in the manner set forth in the Interim Order;
- (b) the Share Issuance Resolution must be approved by a simple majority of the votes cast by the Whitecap Shareholders present in person (virtually) or represented by proxy at the Whitecap Meeting;
- (c) the Court must grant the Final Order approving the Plan of Arrangement;
- (d) all conditions precedent to the Business Combination, as set forth in the Business Combination Agreement, must be satisfied or waived by the appropriate Party; and
- (e) the Final Order, the Articles of Arrangement and related documents, in the form prescribed by the ABCA, must be filed with the Registrar.

There is no assurance that the conditions set out in the Business Combination Agreement will be satisfied or waived on a timely basis or at all.

Upon the conditions precedent set forth in the Business Combination Agreement being satisfied or waived, TORC intends to file a copy of the Final Order and the Articles of Arrangement with the Registrar under the ABCA, together with such other materials as may be required by the Registrar in order to give effect to the Business Combination.

Shareholder Approvals

Business Combination Resolution

Pursuant to the Interim Order, the Business Combination Resolution must, subject to further order of the Court, be approved by (i) not less than 66 $\frac{2}{3}$ % of the votes cast by TORC Shareholders present in person (virtually) or represented by proxy at the TORC Meeting and (ii) a simple majority of the votes cast by TORC Shareholders, present in person (virtually) or represented by proxy at the TORC Meeting after excluding the votes cast by persons whose votes may not be included in determining minority approval of a "business combination" pursuant to MI 61-101. If the Business Combination Resolution is not approved by the TORC Shareholders, the Business Combination cannot be completed.

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxy in favour of the Business Combination Resolution set forth in Appendix A to this Information Circular.

Notwithstanding the foregoing, the Business Combination Resolution proposed for consideration by the TORC Shareholders authorizes the TORC Board, without further notice to or approval of TORC Shareholders to the extent permitted by the Business Combination Agreement and the Interim Order, to amend the Business Combination

Agreement or the Plan of Arrangement and to not proceed with the Business Combination. See Appendix A to this Information Circular for the full text of the Business Combination Resolution.

Share Issuance Resolution

In accordance with the applicable rules of the TSX, the Share Issuance Resolution must be approved by a simple majority of the votes cast by the Whitecap Shareholders present in person (virtually) or represented by proxy at the Whitecap Meeting. If the Share Issuance Resolution is not approved by Whitecap Shareholders, the Business Combination cannot be completed.

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxy in favour of the Share Issuance Resolution set forth in Appendix B to this Information Circular.

Notwithstanding the foregoing, the Share Issuance Resolution proposed for consideration by the Whitecap Shareholders authorizes the Whitecap Board, without further notice to or approval of Whitecap Shareholders, to the extent permitted by the Business Combination Agreement or the Plan of Arrangement, to amend the Business Combination Agreement or the Plan of Arrangement and to not proceed with the Business Combination.

Article Amendment Resolution

The Article Amendment Resolution must be approved by not less than 66⅔% of the votes cast by the Whitecap Shareholders present in person (virtually) or represented by proxy at the Whitecap Meeting. The Business Combination may proceed if the Article Amendment Resolution is not approved by Whitecap Shareholders.

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxy in favour of the Article Amendment Resolution set forth in under the heading "*Matters to be Considered at the Whitecap Meeting*".

Court Approval

Interim Order

On December 18, 2020, TORC obtained the Interim Order providing for the calling and holding of the TORC Meeting and other procedural matters. The Interim Order is attached as Appendix D to this Information Circular.

Final Order

The ABCA provides that the Business Combination requires final Court approval. Subject to the terms of the Business Combination Agreement, if the Business Combination Resolution is approved at the TORC Meeting and the Share Issuance Resolution is approved at the Whitecap Meeting, TORC will make an application to the Court for the Final Order at the Calgary Courts Centre, 601 – 5th Street, S.W., Calgary, Alberta, Canada, or via video conference if necessary, on February 18, 2021 at 4:00 p.m. (Calgary time) or as soon thereafter as counsel may be heard. The Notice of Application for the Final Order accompanies this Information Circular. At the application, the Court will be requested to consider the fairness of the Business Combination.

Any TORC Shareholder, or other interested party desiring to support or oppose the application with respect to the Business Combination, may appear at the hearing in person (virtually) or by counsel for that purpose, subject to filing with the Court and serving on TORC on or before 5:00 p.m. (Calgary time) on February 10, 2021, a notice of intention to appear setting out their address for service and indicating whether they intend to support or oppose the application or make submissions, together with any evidence or materials which are to be presented to the Court. Service of such notice on TORC is required to be effected by service upon the solicitors for TORC: McCarthy Tétrault LLP, 4000, 421 - 7th Avenue S.W., Calgary, Alberta, T2P 4K9, Attention: Sean S. Smyth, Q.C.

The Whitecap Shares issuable to TORC Shareholders in exchange for their TORC Shares pursuant to the Business Combination have not been and will not be registered under the U.S. Securities Act or any state securities laws, and will be issued in reliance upon the exemption from the registration requirement of the U.S. Securities Act provided by section 3(a)(10) thereof and exemptions under applicable state securities laws. The Court has been advised that the Final Order, if granted, will constitute the basis for an exemption from the registration requirement of the U.S. Securities Act, pursuant to section 3(a)(10) thereof, with respect to the issuance of the Whitecap Shares to TORC Shareholders pursuant to the Business Combination.

TORC has been advised by its counsel that the Court has broad discretion under the ABCA when making orders with respect to the Plan of Arrangement and that the Court, in hearing the application for the Final Order, will consider, among other things, the fairness of the Business Combination to the TORC Shareholders and any other interested party as the Court determines appropriate. The Court may approve the Business Combination either as proposed or as amended in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court may determine appropriate. Either Whitecap or TORC may, subject to the terms of the Business Combination Agreement, determine not to proceed with the Business Combination in the event that any amendment ordered by the Court is not satisfactory to such Party.

Regulatory Approvals

The Business Combination Agreement provides that receipt of all regulatory approvals including, without limitation, Competition Act Approval and receipt of conditional approval of the TSX for listing of the Whitecap Shares issuable pursuant to the Business Combination, is a condition precedent to the Business Combination becoming effective. See *"Effect of the Business Combination – The Business Combination Agreement – Mutual Conditions"*.

Competition Act Approval

The Business Combination is a "notifiable transaction" for the purposes of Part IX of the Competition Act. When a transaction is a notifiable transaction under the Competition Act, a pre-merger notification must be provided to the Commissioner under Part IX of the Competition Act and the transaction may not be completed until either applicable waiting period under sections 123(1) or 123(2) of the Competition Act has expired or has been terminated, or the Commissioner has waived the obligation to provide the pre-merger notification pursuant to section 113(c) of the Competition Act. Where a pre-merger notification is made, the waiting period is 30 calendar days after the day on which the parties to the transaction submit the pre-merger notification, provided that, before the expiry of this period, the Commissioner has not notified the parties that he requires additional information that is relevant to the Commissioner's assessment of the transaction (a "**Supplementary Information Request**"). If the Commissioner provides the Parties with a Supplementary Information Request, the Parties' waiting period extends to a date that is 30 calendar days after compliance with such Supplementary Information Request, provided that there is no order in effect prohibiting completion at the relevant time.

The Commissioner may, upon application by the parties to a proposed transaction, issue an ARC under section 102 of the Competition Act where he is satisfied that he would not have sufficient grounds on which to apply to the Competition Tribunal (the "**Tribunal**") for an order under section 92 of the Competition Act. Further, if the transaction to which the ARC relates is substantially completed within one year after the ARC is issued, the Commissioner cannot seek an order of the Tribunal under section 92 of the Competition Act in respect of the transaction solely on the basis of information that is the same or substantially the same as the information on the basis of which the ARC was issued. Where the Commissioner declines to issue an ARC he may instead issue a No Action Letter confirming that he does not, at that time, intend to make an application under section 92 of the Competition Act.

Other than in circumstances where an ARC has been issued, for up to one year after the merger has been substantially completed, the Commissioner may apply to the Tribunal for a remedial order under section 92 of the Competition Act if he is of the view that the transaction is likely to prevent or lessen competition substantially. The Commissioner may also apply to the Tribunal under section 104 of the Competition Act for an injunction to prevent closing of the transaction pending the Tribunal's determination of the Commissioner's application for a remedial order. On application by the Commissioner under section 92 of the Competition Act, the Tribunal may, where it finds that the merger prevents or lessens, or is likely to prevent or lessen, competition substantially, order the merger not proceed or, if completed, order its dissolution or the disposition of assets or shares involved in such merger; in addition to, or

in lieu thereof, with the consent of the person against whom the order is directed and the Commissioner, the Tribunal may order a person to take any other action. The Tribunal is prohibited from issuing a remedial order where it finds that the transaction is likely to bring about gains in efficiency that will be greater than, and will offset, the effects of any prevention or lessening of competition that is likely to result from the transaction and that the gains in efficiency would not likely be attained if the order were made.

Completion of the Business Combination is subject to the condition that either: (a) the Commissioner shall have issued an ARC; or (b) both (i) the Commissioner shall have issued a No Action Letter to Whitecap, on terms and conditions satisfactory to Whitecap and TORC, each acting reasonably, and (ii) either the waiting period has expired or been terminated by the Commissioner under sections 123(1) or 123(2), respectively, of the Competition Act, or the obligation to provide a pre-merger notification in accordance with Part IX of the Competition Act has been waived by the Commissioner under section 113(c) thereof.

On December 18, 2020, TORC and Whitecap jointly requested that the Commissioner issue an ARC under section 102 of the Competition Act or, alternatively, a No Action Letter and a waiver of the obligation to notify pursuant to section 113(c) of the Competition Act in respect of the Business Combination and on December 30, 2020, the Parties received Competition Act Approval.

Stock Exchange Listings

TORC is a reporting issuer under the securities Laws of each province of Canada. The TORC Shares are listed and posted for trading on the TSX under the symbol "TOG".

On December 7, 2020 the last trading day on which the TORC Shares traded prior to the announcement of the Business Combination, the closing price of the TORC Shares on the TSX was \$2.47. On January 4, 2021 the last trading day on which the TORC Shares traded prior to the date of this Information Circular, the closing price of the TORC Shares on the TSX was \$2.69.

Whitecap is a reporting issuer under the securities Laws of each province of Canada, other than Prince Edward Island. The Whitecap Shares are listed and posted for trading on the TSX under the symbol "WCP".

On December 7, 2020, the last trading day on which the Whitecap Shares traded prior to announcement of the Business Combination, the closing price of the Whitecap Shares on the TSX was \$4.30. On January 4, 2021, the last trading day on which the Whitecap Shares traded prior to the date of this Information Circular, the closing price of the Whitecap Shares on the TSX was \$4.82.

Following completion of the Business Combination, it is anticipated that the TORC Shares will be delisted from the TSX.

For information with respect to the trading history of the TORC Shares and the Whitecap Shares, see "*Information Concerning TORC Oil & Gas Ltd. – Market for Securities*" and "*Information Concerning Whitecap Resources Inc. – Market for Securities*", in Appendix H and Appendix I to this Information Circular, respectively.

It is a condition to the completion of the Business Combination that the TSX shall have conditionally approved the listing of the Whitecap Shares issuable pursuant to the Business Combination.

The TSX has conditionally approved the listing of the Whitecap Shares issuable pursuant to the Business Combination. Listing is subject to Whitecap fulfilling all of the listing requirements of the TSX.

Securities Law Matters

Canada

General

The Whitecap Shares to be issued to TORC Shareholders pursuant to the Business Combination, will be issued in reliance on exemptions from the prospectus requirements of Applicable Canadian Securities Laws, will generally be "freely tradeable" and the resale of such Whitecap Shares will be exempt from the prospectus requirements (and not subject to any "restricted period" or "hold period") under Applicable Canadian Securities Laws if the following conditions are met: (a) the trade is not a control distribution (as defined in Applicable Canadian Securities Laws); (b) no unusual effort is made to prepare the market or to create a demand for the securities that are the subject of the trade; (c) no extraordinary commission or consideration is paid to a person or company in respect of the trade; and (d) if the selling shareholder is an insider or an officer of Whitecap, the selling shareholder has no reasonable grounds to believe that Whitecap is in default of securities legislation. **TORC Shareholders are urged to consult their legal advisors to determine the applicability to them of the resale restrictions prescribed by Applicable Canadian Securities Laws.**

MI 61-101

Each of TORC and Whitecap is subject to the provisions of MI 61-101. MI 61-101 governs transactions that raise the potential for conflicts of interest, including insider bids, issuer bids, business combinations and related party transactions to ensure equality of treatment among securityholders, generally by requiring enhanced disclosure, minority securityholder approval, and, in certain instances, independent valuations and approval and oversight of certain transactions by a special committee of independent directors.

As described in this Information Circular, all TORC Shares (other than those held by Dissenting Shareholders) will be exchanged for Whitecap Shares under the terms of the Plan of Arrangement. Unless certain exceptions apply, the Business Combination would be considered a "business combination" in respect of TORC pursuant to MI 61-101 since the interest of a holder of a TORC Share (being an "equity security" of TORC within the meaning of MI 61-101) may be terminated without the holder's consent. Accordingly, unless no related party of TORC is entitled to receive a "collateral benefit" (as defined in MI 61-101) in connection with the Business Combination, the transaction would be considered a "business combination" and subject to minority approval requirements at the TORC Meeting.

If "minority approval" is required, MI 61-101 would require that, in addition to the approval of the Business Combination Resolution by not less than 66⅔% of the votes cast by the TORC Shareholders present in person (virtually) or represented by proxy at the TORC Meeting, the Business Combination would also require the approval of a simple majority of the votes cast by TORC Shareholders excluding votes cast in respect of TORC Shares held by "related parties" who receive a "collateral benefit" (as such terms are defined in MI 61-101) as a consequence of the transaction.

MI 61-101 provides that, in certain circumstances, where a related party of an issuer (such as a director or executive officer) is entitled to receive a "collateral benefit" in connection with an arrangement transaction (such as the Business Combination) and such transaction is a "business combination" for the purposes of MI 61-101, the transaction will be subject to minority approval requirements. However, the minority approval requirements of MI 61-101 do not apply to related parties who: (i) have beneficial ownership of or control or direction over less than 1% of the issuer's outstanding equity securities at the time the transaction was agreed to; or (ii) (A) the related party discloses to an independent committee of the issuer the amount of consideration that the related party expects it will be beneficially entitled to receive, under the terms of the transaction, in exchange for the equity securities beneficially owned by the related party; (B) the independent committee, acting in good faith, determines that the value of the benefit, net of any offsetting costs to the related party, is less than 5% of the value referred to in subclause (A); and (C) the independent committee's determination is disclosed in the disclosure document for the transaction.

Following disclosure by each director and executive officer of TORC of the number of securities held by them and the total consideration that they expect to receive pursuant to the Business Combination, Mr. Brett Herman and CPPIB

are the only "related parties" of TORC, within the meaning of MI 61-101, who beneficially own or exercise control or direction over more than 1% of the TORC Shares (calculated in accordance with the provisions of MI 61-101). Mr. Herman is a director and executive officer of TORC and CPPIB has beneficial ownership over more than 10% of the voting rights attached to all of TORC's outstanding voting securities and therefore each are a "related party" of TORC. Mr. Herman is considered to be receiving a collateral benefit under MI 61-101 as the receipt of the value of the benefit, net of offsetting costs, directly or indirectly, would be more than 5% of the value of the consideration to be received by him pursuant to the Business Combination in exchange for the TORC Shares beneficially owned by him. CPPIB is not considered to be receiving a collateral benefit as the Special Committee has determined that the value of the benefit, net of offsetting costs, directly or indirectly, would be less than 5% of the value of the consideration to be received by CPPIB pursuant to the Business Combination in exchange for the TORC Shares beneficially owned by CPPIB.

Accordingly, the Business Combination Resolution requires "minority approval" in accordance with MI 61-101 and must be approved by a majority of the votes cast by TORC Shareholders after excluding those votes attaching to TORC Shares beneficially owned, or over which control or direction is exercised, by Mr. Herman.

The number of TORC Shares beneficially owned, or over which control or direction is exercised, by Mr. Herman and for which the votes attached thereto will be excluded in determining minority approval of the Business Combination Resolution is 2,221,037 TORC Shares representing approximately 1.00% of the issued and outstanding TORC Shares (on a non-diluted basis).

Although the Business Combination is considered a "business combination" under MI 61-101, TORC is not required to obtain a "formal valuation" under MI 61-101 as no "interested party" (as defined in MI 61-101) of TORC is, as a consequence of the Business Combination, directly or indirectly acquiring TORC or its business or combining with TORC and neither the Business Combination nor the transaction contemplated thereunder is a "related party transaction" (as defined in MI 61-101) for which TORC would be required to obtain a formal valuation.

United States

The Whitecap Shares issuable to TORC Shareholders in exchange for their TORC Shares pursuant to the Business Combination, have not been and will not be registered under the U.S. Securities Act or any state securities laws, and will be issued in reliance upon the exemption from the registration requirement of the U.S. Securities Act provided by section 3(a)(10) thereof and exemptions under applicable state securities laws. Section 3(a)(10) of the U.S. Securities Act exempts the issuance of securities issued in exchange for one or more *bona fide* outstanding securities from the general requirement of registration where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction that is expressly authorized by Law to grant such approval, after a hearing upon the fairness of the terms and conditions of the issuance and exchange at which all persons to whom the securities will be issued have the right to appear and receive timely notice thereof. The Court is authorized to conduct a hearing at which the fairness of the terms and conditions of the Business Combination will be considered. The Court granted the Interim Order on December 18, 2020 and, subject to the approval of the Business Combination Resolution by TORC Shareholders and the Share Issuance Resolution by Whitecap Shareholders and satisfaction of certain other conditions, a final hearing on the Business Combination is expected to be held on February 18, 2021 by the Court. All TORC Shareholders are entitled to appear and be heard at this hearing, provided they satisfy the applicable conditions set forth in the Interim Order. See "*Procedure for the Business Combination to Become Effective – Court Approval*". The Final Order of the Court will, if granted, constitute the basis for the exemption from the registration requirement of the U.S. Securities Act with respect to the Whitecap Shares issuable in connection with the Business Combination.

The Whitecap Shares issuable pursuant to the Business Combination will be, following completion of the Business Combination, freely tradeable under the U.S. Securities Act, except for Control Shares. Persons who may be deemed to be "affiliates" of an issuer include individuals or entities that control, are controlled by, or are under common control with, the issuer, whether through ownership of voting securities, by contract, or otherwise, and generally include executive officers and directors of the issuer as well as principal shareholders of the issuer. Any resale of such Whitecap Shares by such an affiliate (or, if applicable, former affiliate) may be subject to the registration requirement of the U.S. Securities Act, absent an exemption therefrom. Subject to certain limitations, persons holding Control Shares may generally resell those shares outside the United States without registration under the U.S. Securities Act

pursuant to and in accordance with Regulation S under the U.S. Securities Act. If available, such persons may also be resold in transactions completed in accordance with Rule 144 under the U.S. Securities Act.

The foregoing discussion is only a general overview of certain provisions of United States federal securities Laws applicable to the resale of Whitecap Shares to be received upon completion of the Business Combination. All holders of such securities are urged to consult with counsel to ensure that the resale of their Whitecap Shares complies with applicable securities legislation.

Procedure for Exchange of TORC Share Certificates or DRS Advices

Registered TORC Shareholders (other than Dissenting Shareholders) must duly complete and return a Letter of Transmittal together with the certificate(s) or DRS Advice(s), as applicable, representing their TORC Shares and all other required documents to the Depositary at one of the offices specified in the Letter of Transmittal. In the event that the Business Combination is not completed, such certificates or DRS Advices will be promptly returned to TORC Shareholders who provided such certificates or DRS Advices to the Depositary.

Enclosed with this Information Circular is a Letter of Transmittal which, when properly completed and returned together with the certificate(s) or DRS Advice(s) representing TORC Shares and all other required documents, will enable each TORC Shareholder to obtain the consideration that the TORC Shareholder is entitled to receive under the Business Combination.

The Letter of Transmittal contains complete instructions on how to exchange TORC Shares for Whitecap Shares.

From and after the Effective Time, certificates or DRS Advices formerly representing TORC Shares shall represent only the right to receive the consideration to which the former TORC Shareholders are entitled under the Business Combination, or as to those held by Dissenting Shareholders, other than those Dissenting Shareholders deemed to have participated in the Business Combination pursuant to the Plan of Arrangement, to receive the fair value of the TORC Shares represented by such certificates or DRS Advices. As soon as practicable following the later of the Effective Date and the date of deposit by a former holder of TORC Shares acquired by Whitecap under the Business Combination of a duly completed Letter of Transmittal, and the certificates or DRS Advices representing such TORC Shares and all other required documents, the Depositary shall either: (a) forward by first class mail to such former holder at the address specified in the Letter of Transmittal; or (b) if requested by such TORC Shareholder in the Letter of Transmittal to make available or cause to be made available at the Depositary for pickup by such TORC Shareholder, DRS Statements representing the number of Whitecap Shares issued to such TORC Shareholder under the Business Combination.

No DRS Statements representing fractional Whitecap Shares will be issued under the Business Combination. In the event that a TORC Shareholder would otherwise be entitled to a fractional Whitecap Share thereunder, the number of Whitecap Shares issued to such TORC Shareholder shall be rounded up to the next greater whole number of Whitecap Shares if the fractional entitlement is equal to or greater than 0.5 and shall, without any additional compensation, be rounded down to the next lesser whole number of Whitecap Shares if the fractional entitlement is less than 0.5. In calculating such fractional interests, all TORC Shares registered in the name of a TORC Shareholder or its nominee shall be aggregated.

Subject to any Applicable Laws relating to unclaimed personal property, any certificate formerly representing TORC Shares that is not deposited, together with all other documents required under the Plan of Arrangement, on or before the last Business Day before the third anniversary of the Effective Date, and any right or claim by or interest of any kind or nature, including the right of a former TORC Shareholder to receive certificates representing Whitecap Shares to which such holder is entitled pursuant to the Business Combination, shall terminate and be deemed to be surrendered and forfeited to Whitecap for no consideration, together with all entitlements to dividends, distributions and interest thereon. In such case, such Whitecap Shares shall be returned to Whitecap for cancellation.

If any certificate which immediately prior to the Effective Time represented an interest in one or more outstanding TORC Shares has been lost, stolen or destroyed, upon satisfying such reasonable requirements as may be imposed by

Whitecap and the Depositary in relation to the issuance of replacement share certificates, the Depositary will issue and deliver in exchange for such lost, stolen or destroyed certificate the consideration to which the holder is entitled pursuant to the Business Combination (and any dividends or distributions with respect thereto) as determined in accordance with the Business Combination, deliverable in accordance with such holder's Letter of Transmittal. The Person who is entitled to receive such consideration shall, as a condition precedent to the receipt thereof, give a bond satisfactory to each of Whitecap, TORC and their respective transfer agents in such form as is satisfactory to Whitecap, TORC and their respective transfer agent, or shall otherwise indemnify Whitecap, TORC and their respective transfer agents, to the reasonable satisfaction of such parties, against any claim that may be made against any of them with respect to the certificate alleged to have been lost, stolen or destroyed.

TORC Shareholders whose TORC Shares are registered in the name of a broker, dealer, bank, trust company or other nominee must contact their nominee to deposit their TORC Shares.

The use of mail to transmit certificates representing TORC Shares or the Letter of Transmittal is at each registered holder's risk. TORC recommends that such certificates and documents be delivered by hand to the Depositary and a receipt therefor be obtained or that registered mail be used and appropriate insurance be obtained.

If a Letter of Transmittal is executed by a person other than the registered holder of the TORC Shares being exchanged or if the DRS Statement(s) representing Whitecap Shares are to be issued in exchange therefor are to be issued to a person other than the registered owner(s) or sent to an address other than the address of the registered holder(s) as shown on the register of TORC Shareholders maintained by the applicable registrar and transfer agent, the signature on the Letter of Transmittal must be medallion guaranteed by an Eligible Institution (as defined in the applicable Letter of Transmittal). If the Letter of Transmittal is executed by a person other than the registered owner(s) of the TORC Shares and in certain other circumstances as set forth in the applicable Letter of Transmittal, then the certificate(s) or DRS Advice(s) representing the TORC Shares must be endorsed or be accompanied by an appropriate transfer power of attorney duly and properly completed by the registered owner(s). The signature(s) on the endorsement panel or the transfer power of attorney must correspond exactly to the name(s) of the registered owner(s) as registered or as appearing on the certificate(s) must be medallion guaranteed by an Eligible Institution.

All questions as to validity, form, eligibility (including timely receipt), and acceptance of any TORC Shares exchanged pursuant to the Business Combination will be determined by Whitecap in its sole discretion. Depositing TORC Shareholders agree that such determination shall be final and binding. Whitecap reserves the absolute right to reject any and all deposits which it determines not to be in proper form or which may be unlawful for it to accept under the Laws of any jurisdiction. Whitecap reserves the absolute right to waive any defect or irregularity in the exchange of TORC Shares. There shall be no duty or obligation on Whitecap, the Depositary or any other person to give notice of any defect or irregularity in any deposit of TORC Shares and no liability shall be incurred by any of them for failure to give such notice.

Notwithstanding the provisions of this Information Circular, the Letter of Transmittal, DRS Statements representing Whitecap Shares representing the consideration to be received pursuant to the Business Combination will not be mailed if Whitecap determines that delivery thereof by mail may be delayed. Persons entitled to DRS Statements which are not mailed for such reason may take delivery thereof at the office of the Depositary in which the deposited certificates or DRS Advices representing TORC Shares were originally deposited until such time that it is determined that the delivery by mail will no longer be delayed.

TORC Shareholders are encouraged to deliver a validly completed and duly executed Letter of Transmittal, as applicable, together with the relevant security certificate(s) or DRS Advice(s), as applicable, to the Depositary as soon as possible.

None of TORC, Whitecap or the Depositary are liable for failure to notify TORC Shareholders, nor do they have any obligation to notify TORC Shareholders, who make a deficient deposit with the Depositary.

INTERESTS OF CERTAIN PERSONS OR COMPANIES IN THE BUSINESS COMBINATION

Except as described below, management of TORC and Whitecap are not aware of any material interest direct or indirect, by way of beneficial ownership or otherwise of any director or executive officer of TORC and Whitecap, respectively, or anyone who has held office as such since the beginning of TORC's and Whitecap's, respectively, last financial year or of any associate or affiliate of any of the foregoing in the Business Combination.

TORC

TORC Shares

As at the date hereof, CPPIB and the directors and executive officers of TORC and their associates beneficially own, control or direct, directly or indirectly, an aggregate of 74,805,268 TORC Shares, representing approximately 33.59% of the outstanding TORC Shares (on a non-diluted basis). All of the TORC Shares held by CPPIB and such directors and executive officers of TORC and their associates will be treated in the same fashion under the Business Combination as TORC Shares held by any other TORC Shareholder. If the Business Combination is completed, CPPIB and the directors and executive officers of TORC and their associates will receive in exchange for such TORC Shares an aggregate of 42,639,004 Whitecap Shares. The TORC Shares held by each director and executive officer of TORC are set out in the table below under "*Summary of Interests of TORC Directors and TORC Executive Officers in the Business Combination*".

TORC Share Awards

As at the date hereof, the directors and executive officers of TORC and CPPIB held an aggregate of 2,850,647 TORC Share Awards, comprised of 964,512 TORC Restricted Awards and 1,886,135 TORC Performance Awards, representing approximately 50.88% of the outstanding TORC Share Awards, 50.26% of the outstanding TORC Restricted Awards and approximately 51.21% of the outstanding TORC Performance Awards. The Business Combination will constitute a Change of Control under the TORC Share Award Plan and the Issue Date of all outstanding TORC Share Awards will be accelerated to immediately prior to the Effective Date and settled in TORC Shares, cash or a combination thereof.

The Payout Multiplier for all TORC Performance Awards for which vesting has been accelerated in contemplation of the completion of the Business Combination, will be based on the Payout Multipliers as previously determined by the TORC Board for the applicable performance assessment periods and the Payout Multiplier for the performance assessment periods that have not yet been determined has been set by the TORC Board at 2.0.

See "*Effect of the Business Combination – Details of the Business Combination*" and "*Effect of the Business Combination – TORC Share Awards*".

The TORC Share Awards held by each individual director and executive officer are set out in the table below under "*Summary of Interests of TORC Directors and TORC Executive Officers in the Business Combination*".

Change of Control Agreements

TORC has entered into the Change of Control Agreements with each executive officer of TORC. Each Change of Control Agreement provides that should there be a "change of control" (as defined in such Change of Control Agreements) (such as the Business Combination), the executive officer will be entitled to a change of control payment. If the Business Combination is completed, the executive officers of TORC will receive an aggregate change of control payment of \$6,322,091 in connection with the Business Combination.

Continuing Insurance Coverage for Directors and Officers of TORC

Pursuant to the Business Combination Agreement, Whitecap has agreed that it will maintain or cause to be maintained in effect for six years from the Effective Time, policies of directors' and officers' liability insurance providing coverage comparable to the coverage provided by the directors' and officers' policies obtained by TORC that are in effect

immediately prior to the Effective Time and providing coverage in respect of claims arising from facts or events that occurred on or prior to the Effective Time and which will cover all claims made prior to the Effective Date or within six years of the Effective Date. Prior to the Effective Time, TORC may, in the alternative, purchase run off directors' and officers' liability insurance for the benefit of its officers and directors having a coverage period of up to six years from the Effective Time.

Whitecap has also agreed, pursuant to the Business Combination Agreement, that all rights to indemnification, expense reimbursement or exculpation now existing in favour of present and former officers and directors of TORC shall survive completion of the Business Combination and, after the Effective Time, TORC and any successor to TORC will not take any action to terminate or adversely affect, and will fulfill its obligations pursuant to, expense advancement and exculpation arrangements and indemnities provided or available to or in favour of past and present officers and directors of TORC pursuant to the provisions of the articles, by-laws or other constating documents of TORC, applicable corporate legislation and any written indemnity agreements (and each of them), which have been entered into between TORC and its past or current officers or directors effective on or prior to the Agreement Date.

Summary of Interests of TORC Directors and TORC Executive Officers in the Business Combination

Name and Position	Number and percentage of TORC Shares owned or controlled	Number and value of Whitecap Shares issuable pursuant to the Plan of Arrangement in exchange for TORC Shares owned or controlled ⁽²⁾⁽³⁾	Number of TORC Restricted Awards ("RAs") and TORC Performance Awards (PA's") held ⁽⁴⁾	Approximate aggregate number and value of Whitecap Shares to be received under the Plan of Arrangement with respect to TORC Share Awards for which vesting will be accelerated as a result of the Plan of Arrangement ⁽²⁾⁽³⁾⁽⁵⁾
Brett Herman President and Chief Executive Officer, Director	2,221,037 1.00%	1,265,991 (\$5,507,060.85)	158,246 RAs 632,980 PAs	95,028 (\$413,371.80) 726,379 (\$3,159,748.65)
Jason Zabinsky Vice President, Finance & Chief Financial Officer	1,597,395 0.72%	910,515 (\$3,960,740.25)	71,156 RAs 284,625 PAs	42,733 (\$185,888.55) 326,620 (\$1,420,797.00)
Sandy Brown Vice President, Geosciences	379,233 0.17%	216,163 (\$940,309.05)	48,786 RAs 195,150 PAs	29,304 (\$127,472.40) 223,940 (\$974,139.00)
Shane Manchester Vice President, Operations	640,623 0.29%	365,155 (\$1,588,424.25)	48,786 RAs 195,150 PAs	29,304 (\$127,472.40) 223,940 (\$974,139.00)
Marvin Tang Vice President & Controller	182,524 0.08%	104,039 (\$452,569.65)	28,000 RAs 111,998 PAs	16,781 (\$72,997.35) 128,333 (\$558,248.55)
Jeremy Wallis Vice President, Business Development	1,309,287 0.59%	746,294 (\$3,246,378.90)	58,280 RAs 233,116 PAs	35,003 (\$152,263.05) 267,511 (\$1,163,672.85)
Michael Wihak Vice President, Production	937,255 0.42%	534,235 (\$2,323,922.25)	58,280 RAs 233,116 PAs	35,003 (\$152,263.05) 267,511 (\$1,163,672.85)
John Brussa Director	427,205 0.19%	243,507 (\$1,059,255.45)	71,585 RAs Nil PAs	42,958 (\$186,867.30) -
M. Bruce Chernoff Director	1,336,193 0.60%	761,630 (\$3,313,090.50)	71,585 RAs Nil PAs	42,958 (\$186,867.30) -
John Gordon Director	51,286 0.02%	29,233 (\$127,163.55)	63,468 RAs Nil PAs	37,640 (\$163,734.00) -
Dale Shwed Director	213,342 0.10%	121,605 (\$528,981.75)	71,585 RAs Nil PAs	42,958 (\$186,867.30) -
Catharine de Lacy Director	23,293 0.01%	13,277 (\$57,754.95)	41,538 RAs Nil PAs	23,911 (\$104,012.85) -

Name and Position	Number and percentage of TORC Shares owned or controlled	Number and value of Whitecap Shares issuable pursuant to the Plan of Arrangement in exchange for TORC Shares owned or controlled ⁽²⁾⁽³⁾	Number of TORC Restricted Awards ("RAs") and TORC Performance Awards (PA's") held ⁽⁴⁾	Approximate aggregate number and value of Whitecap Shares to be received under the Plan of Arrangement with respect to TORC Share Awards for which vesting will be accelerated as a result of the Plan of Arrangement ⁽²⁾⁽³⁾⁽⁵⁾
David Johnson Director	285,335 0.13%	162,641 (\$707,488.35)	71,585 RAs Nil PAs	42,958 (\$186,867.30) -
Mary-Jo Case Director	40,124 0.02%	22,871 (\$99,488.85)	71,585 RAs Nil PAs	42,958 (\$186,867.30) -
Robert Scott Lawrence Director	Nil Nil	Nil Nil	Nil ⁽¹⁾ Nil	Nil ⁽¹⁾ Nil
Canada Pension Plan Investment Board	65,161,136 29.26%	37,141,848 (\$161,567,038.80)	30,047 RAs ⁽¹⁾ Nil PAs	19,047 (\$82,854.45) ⁽¹⁾
Total:	74,805,268	42,639,004 (\$185,479,667.40)	964,512 RAs 1,886,135 PAs	578,544 for accelerated RAs (\$2,516,666.40) 2,164,234 for accelerated PAs (\$9,414,417.90)

Notes:

- (1) 30,047 Restricted Awards are registered to Robert Scott Lawrence, the Managing Director, Head of Infrastructure at CPPIB and have been issued for the benefit of CPPIB.
- (2) The number of Whitecap Shares issued has been rounded up to the next greater whole number of Whitecap Shares if the fractional entitlement is equal to or greater than 0.5 and rounded down to the next lesser whole number of Whitecap Shares if the fractional entitlement is less than 0.5.
- (3) For the purposes of this table, a price of \$4.35, being the closing price of the Whitecap Shares on the TSX on the day of the announcement of the proposed Business Combination was used.
- (4) All of the TORC Share Awards held by the directors and executive officers of TORC in the table above will be subject to accelerated vesting.
- (5) TORC Share Awards are to be settled immediately prior to the Effective Time at the election of Whitecap by either: (a) the issuance of TORC Shares; (b) cash; or (c) a combination of both. Assumes the TORC Share Awards will be fully settled by the issuance of TORC Shares and includes the value of accumulated dividend equivalents on the TORC Share Awards and the application of the applicable Payout Multiplier.

Whitecap***Whitecap Shares***

As at January 4, 2021 TORC did not beneficially own, control or direct, directly or indirectly, any Whitecap Shares. The directors and officers of TORC, as a group, beneficially owned, controlled or directed, directly or indirectly less than 0.03% of the issued and outstanding Whitecap Shares.

As at January 4, 2021, the directors and executive officers of Whitecap and their associates, as a group, beneficially owned, directly or indirectly, or exercised control or direction over, an aggregate of 7,771,502 Whitecap Shares, representing less than 1.67% of the outstanding Whitecap Shares.

TORC Shares

As at January 4, 2021, Whitecap did not beneficially own, control or direct, directly or indirectly, any TORC Shares. The directors and executive officers of Whitecap, as a group, beneficially owned, controlled or directed, directly or indirectly less than 0.001% of the currently issued and outstanding TORC Shares.

Board Appointment

On closing of the Business Combination and assuming that the Article Amendment Resolution is passed by the Whitecap Shareholders, a designated director agreed to by Whitecap and TORC, will be added to the Whitecap Board.

LEGAL DEVELOPMENTS

Section 193 of the ABCA provides that, where it is impracticable for a corporation to effect an arrangement under any other provision of the ABCA, a corporation may apply to the Court for an order approving the arrangement proposed by such corporation. Pursuant to this section of the ABCA, such an application will be made by TORC for approval of the Business Combination. TORC has been advised by its counsel, McCarthy Tétrault LLP that the Court has broad discretion under the ABCA when making orders with respect to plans of arrangement and that the Court will consider, among other things, the fairness and reasonableness of the Business Combination, both from a substantive and a procedural point of view. The Court may approve the Business Combination either as proposed or as amended in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court thinks fit. Depending upon the nature of any required amendments, TORC may determine not to proceed with the Business Combination.

There have been a number of judicial decisions considering section 193 of the ABCA and applications to various arrangements. There have been recent judicial decisions which may apply in this instance, particularly with respect to the role of fairness opinions in a transaction of the nature of a plan of arrangement. **TORC Shareholders should consult their legal advisors with respect to the legal rights available to them in relation to the Business Combination.**

DISSENT RIGHTS

The following description of the right to dissent to which registered TORC Shareholders are entitled is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of such Dissenting Shareholder's TORC Shares and is qualified in its entirety by reference to the full text of Interim Order and the text of section 191 of the ABCA, which are attached to this Information Circular as Appendices D and G, respectively, and the Plan of Arrangement, which is attached as Schedule A to the Business Combination Agreement, which is attached as Appendix C to this Information Circular. A Dissenting Shareholder who intends to exercise the right to dissent should carefully consider and comply with the provisions of the ABCA, as modified by the Plan of Arrangement and by the Interim Order. Failure to adhere to the procedures established therein may result in the loss of all rights thereunder.

Accordingly, each Dissenting Shareholder who might desire to exercise Dissent Rights should consult his or her own legal advisor.

A Court hearing the application for the Final Order has the discretion to alter the Dissent Rights described herein based on the evidence presented at such hearing. Subject to certain tests as described below, pursuant to the Interim Order, Dissenting Shareholders are entitled, in addition to any other right such Dissenting Shareholder may have, to dissent and to be paid by Whitecap the fair value of the TORC Shares held by such Dissenting Shareholder in respect of which such Dissenting Shareholder dissents, determined as of the close of business on the last Business Day before the day on which the Business Combination Resolution from which such Dissenting Shareholder's dissent was adopted and provided the Business Combination is completed in respect of such TORC Shareholders. **A Dissenting Shareholder may dissent only with respect to all of the TORC Shares held by such Dissenting Shareholder, or on behalf of any one beneficial owner and registered in the Dissenting Shareholder's name. Only registered TORC Shareholders may dissent. Persons who are beneficial owners of TORC Shares registered in the name**

of a broker, dealer, bank, trust company or other nominee (including CDS) who wish to dissent, should be aware that they may only do so through the registered owner of such TORC Shares. A registered TORC Shareholder, such as a broker or CDS, who holds TORC Shares as nominee for Beneficial Holders, some of whom wish to dissent, must exercise the Dissent Right on behalf of such beneficial owners with respect to all of the TORC Shares held for such beneficial owners. In such case, the written objection to the Business Combination Resolution should set forth the number of TORC Shares covered by it.

Dissenting Shareholders must provide a written objection to the Business Combination Resolution so that it is received by TORC c/o McCarthy Tétrault LLP, 4000, 421 - 7th Avenue S.W., Calgary, Alberta, T2P 4K9 Attention: Sean S. Smyth, Q.C., by 5:00 p.m. (Calgary time) on February 10, 2021 being the fifth Business Day immediately preceding the date of the TORC Meeting, or the fifth Business Day immediately preceding the date of any adjournment or postponement of the TORC Meeting, as applicable. **No TORC Shareholder who has voted in favour of the Business Combination Resolution shall be entitled to dissent with respect to the Business Combination.**

Either TORC (which for purposes hereof shall include any successor to TORC) or a Dissenting Shareholder, as the case may be, may apply to the Court, after the approval of the Business Combination Resolution to fix the fair value of such Dissenting Shareholder's TORC Shares which fair value shall be determined as of the close of business, in respect of the TORC Shares, on the day before the Business Combination Resolution was adopted. If such an application is made to the Court by either TORC or a Dissenting Shareholder, as the case may be, Whitecap must, unless the Court orders otherwise, send to each Dissenting Shareholder, a written offer to pay such Dissenting Shareholder an amount considered by the Whitecap Board to be the fair value of the TORC Shares held by such Dissenting Shareholder. The offer, unless the Court orders otherwise, must be sent to each Dissenting Shareholder, as the case may be, at least 10 days before the date on which the application is returnable, if TORC is the applicant, or within 10 days after TORC is served a copy of the application, if a Dissenting Shareholder is the applicant. Every offer will be made on the same terms to each Dissenting Shareholder and contain or be accompanied with a statement showing how the fair value was determined.

A Dissenting Shareholder may make an agreement with Whitecap for the purchase of such holder's TORC Shares in the amount of the offer made by Whitecap, or otherwise, at any time before the Court pronounces an order fixing the fair value of the TORC Shares.

A Dissenting Shareholder will not be required to give security for costs in respect of an application and, except in special circumstances, will not be required to pay the costs of the application or appraisal. On the application, the Court will make an order fixing the fair value of the TORC Shares of all Dissenting Shareholders who are parties to the application, giving judgment in that amount against Whitecap and in favour of each of those Dissenting Shareholders, and fixing the time within which Whitecap must pay the amount payable to each Dissenting Shareholder calculated from the date on which such Dissenting Shareholder ceases to have any rights as a TORC Shareholder until the date of payment.

On the Business Combination becoming effective, the TORC Shares held by the Dissenting Shareholder and in respect of which Dissent Rights have been validly exercised shall be deemed to have been transferred to, and acquired by, Whitecap (free and clear of all encumbrances), and:

- (a) the Dissenting Shareholder shall cease to be the holder of such TORC Shares so transferred to Whitecap and to have any rights as a TORC Shareholder other than a debt claim against Whitecap for the amount determined in accordance with Article 4 of the Plan of Arrangement;
- (b) such Dissenting Shareholder's name shall be removed from the applicable register or registers of holders of TORC Shares maintained by or on behalf of TORC as it relates to the TORC Shares so transferred; and
- (c) Whitecap shall become the transferee (free and clear of all Encumbrances) of the TORC Shares so transferred and shall be added to the applicable register or registers of TORC Shares maintained by or on behalf of TORC.

A Dissenting Shareholder who has duly exercised their Dissent Rights in respect of TORC Shares shall be deemed to have transferred the TORC Shares held by them and in respect of which Dissent Rights have been validly exercised to Whitecap (free and clear of all Encumbrances) for cancellation without any further act or formality at the Effective Time, and

- (d) if such Dissenting Shareholder is ultimately entitled to be paid fair value for such TORC Shares then such Dissenting Shareholder: (i) shall be deemed not to have participated in the Business Combination (other than to transfer its TORC Shares to Whitecap); (ii) shall be paid by Whitecap the fair value of such TORC Shares which fair value shall be determined as of the close of business, in respect of the TORC Shares, on the last Business Day before the Business Combination Resolution was adopted; and (iii) will not be entitled to any other payment or consideration, including any payment that would be payable under the Business Combination had such holders not exercised their Dissent Rights in respect of such TORC Shares; or
- (e) if such Dissenting Shareholder is ultimately not entitled, for any reason, to be paid fair value for such TORC Shares such Dissenting Shareholder shall be deemed to have participated in the Business Combination, commencing at the Effective Time, on the same basis as a TORC Shareholder notwithstanding the provisions of section 191 of the ABCA, and such holder shall receive Whitecap Shares for such holder's TORC Shares on the basis set forth in the Plan of Arrangement.

Whitecap shall not make a payment to a Dissenting Shareholder under section 191 of the ABCA, as modified by the Interim Order and the Plan of Arrangement, if there are reasonable grounds for believing that Whitecap is or would after the payment be unable to pay its liabilities as they become due, or that the realizable value of its assets of Whitecap would thereby be less than the aggregate of its liabilities. In such event, Whitecap shall notify each Dissenting Shareholder that it is unable lawfully to pay such Dissenting Shareholder for his or her TORC Share in which case the Dissenting Shareholder may, by written notice to Whitecap within 30 days after receipt of such notice, withdraw such holder's written objection, in which case the holder shall be deemed to have participated in the Business Combination as a TORC Shareholder. If the Dissenting Shareholder does not withdraw such holder's written objection, such Dissenting Shareholder retains status as a claimant against Whitecap to be paid as soon as Whitecap is lawfully entitled to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of Whitecap but in priority to its shareholders.

The above summary does not purport to provide a comprehensive statement of the procedures to be followed by a Dissenting Shareholders who seek payment of the fair value of their TORC Shares. Section 191 of the ABCA, other than as amended by the Business Combination and the Interim Order, requires adherence to the procedures established therein and failure to do so may result in the loss of all rights thereunder. **Accordingly, Dissenting Shareholders who might desire to exercise the right to dissent and appraisal should carefully consider and comply with the provisions of section 191 of the ABCA, the full text of which is set out in Appendix G to this Information Circular and consult their own legal advisor.**

Unless otherwise waived, it is a condition to the completion of the Business Combination that holders of not more than 5% of the issued and outstanding TORC Shares shall have properly exercised Dissent Rights in respect of the Business Combination that have not been withdrawn as of the Effective Date.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of McCarthy Tétrault LLP, Tax counsel to TORC, the following is a summary of the principal Canadian federal income tax considerations generally applicable under the Tax Act to a beneficial owner of TORC Shares who disposes of a TORC Share pursuant to the Business Combination and who, for purposes of the Tax Act and at all relevant times, (1) deals at arm's length with and is not affiliated with TORC or Whitecap, and (2) holds all TORC Shares, and will hold all Whitecap Shares acquired under the Business Combination, as capital property (each, a "**Holder**") for purposes of the Tax Act. Generally, the TORC Shares and the Whitecap Shares, as applicable, will be considered to be capital property to a holder thereof provided the holder does not use or hold such securities in the course of carrying on a business and has not acquired such securities in one or more transactions considered to be an adventure or concern in the nature of trade. This summary does not address all issues relevant to Holders who acquired

their TORC Shares in connection with the TORC Share Award Plan or pursuant to other employee equity compensation plans. Such Holders should consult their own tax advisors.

This summary is based on the current provisions of the Tax Act, and counsel's understanding of the current administrative policies of the CRA published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that all Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in Law or administrative policy whether by legislative, regulation, administrative or judicial action nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ from those discussed herein.

This summary is not applicable to (i) a Holder that is a "specified financial institution", (ii) a Holder an interest in which is a "tax shelter investment", (iii) a Holder that is, for purposes of certain rules (referred to as the mark-to-market rules) a "financial institution", (iv) a Holder that reports its "Canadian tax results" in a currency other than Canadian currency, (v) a Holder that has entered into, or will enter into, with respect to its TORC Shares or Whitecap Shares, as the case may be, a "derivative forward agreement", or (vi) a Holder who, immediately following the Business Combination, will, either alone or together with persons with whom such Holder does not deal at arm's length, beneficially own Whitecap Shares which have a fair market value in excess of 50% of the fair market value of all outstanding Whitecap Shares, each as defined in the Tax Act. Such Holders should consult their own tax advisors.

Additional considerations, not discussed herein, may be applicable to a Holder that is a corporation resident in Canada and is, or becomes, controlled by a non-resident person or a group of non-resident persons not dealing with each other at arm's length for the purposes of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act. All such Holders should consult their own tax advisors.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to a Holder in respect of the transactions described herein. The income or other tax consequences will vary depending on the particular circumstances of the Holder. Accordingly, this summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice or representations to any particular Holder. This summary does not discuss any non-Canadian income or other tax consequences of the Business Combination. Holders resident or subject to taxation in a jurisdiction other than Canada should be aware that the Business Combination may have tax consequences both in Canada and in such other jurisdiction. Such consequences are not described in this summary. Holders should consult their own legal and tax advisors for advice with respect to the tax consequences of the transactions described in this Information Circular based on their particular circumstances.

Holders Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act and any applicable income tax convention, is, or is deemed to be, resident in Canada (a "**Resident Holder**"). Certain Resident Holders may be entitled to make the irrevocable election permitted by subsection 39(4) of the Tax Act, the effect of which is to deem the TORC Shares and Whitecap Shares (and all other "Canadian securities", as defined in the Tax Act) owned by such Resident Holder to be capital property in the taxation year in which the election is made and in all subsequent taxation years. Resident Holders should consult their own tax advisors concerning this election.

Exchange of TORC Shares for Whitecap Shares under the Business Combination

Exchange of TORC Shares for Whitecap Shares – Section 85 Election Not Made

A Resident Holder of TORC Shares (other than a Resident Dissenter that is an Eligible Holder who makes a Section 85 Election with Whitecap as discussed below under "*Holders Resident in Canada – Exchange of TORC Shares for Whitecap Shares – Section 85 Election Made*") will be deemed to have disposed of its TORC Shares under a tax-deferred share-for-share exchange pursuant to section 85.1 of the Tax Act, unless the Resident Holder chooses to recognize a capital gain (or capital loss) as described in paragraph (b) below, such that:

- (a) Where a Resident Holder does not choose to recognize a capital gain (or capital loss) on the exchange, the Resident Holder will be deemed to have disposed of the TORC Shares for proceeds of disposition equal to its aggregate adjusted cost base of those TORC Shares, determined immediately before the exchange, and to have acquired the Whitecap Shares at an aggregate cost equal to such adjusted cost base. This cost will be averaged with the adjusted cost base of all other Whitecap Shares held by the Resident Holder for the purposes of determining the adjusted cost base of each Whitecap Share held by the Resident Holder after the exchange.
- (b) A Resident Holder may choose to recognize a capital gain (or capital loss) on the exchange by including the capital gain (or capital loss) in computing such Resident Holder's income for the taxation year. In such circumstances, the Resident Holder will recognize a capital gain (or capital loss) equal to the amount, if any, by which the fair market value of the Whitecap Shares received, net of any reasonable costs associated with the exchange, exceeds (or is less than) the aggregate of the adjusted cost base of the Resident Holder's TORC Shares, determined immediately before the exchange. For a description of the tax treatment of capital gains and capital losses, see "*Holders Resident in Canada – Taxation of Capital Gains and Losses*" below. The cost of the Whitecap Shares acquired on the exchange will be equal to the fair market value thereof at the time of the exchange. This cost will be averaged with the adjusted cost of all other Whitecap Shares held by the Resident Holder for the purpose of determining the adjusted cost base of each Whitecap Share held by the Resident Holder after the exchange.

The adjusted cost base to the Resident Holder of a Whitecap Share will be determined by averaging the cost of such Whitecap Shares with the adjusted cost base of all other Whitecap Shares held by the Resident Holder at that time.

Exchange of TORC Shares for Whitecap Shares – Section 85 Election Made

Although a tax-deferred rollover generally will be available for a Resident Holder in respect of their exchange of TORC Shares for Whitecap Shares, Resident Holders who are Eligible Holders may also choose to make a joint election with Whitecap pursuant to subsection 85(1) of the Tax Act (or, in the case of a partnership, under subsection 85(2) of the Tax Act, provided all members of the partnership jointly elect) and the corresponding provisions of any applicable provincial tax legislation (collectively, a "**Section 85 Election**") to realize a partial capital gain that they could otherwise defer on the exchange of TORC Shares.

The amount of any capital gain realized where a valid Section 85 Election is filed will depend on the Elected Amount designated and the Resident Holder's adjusted cost base of TORC Shares at the time of the exchange, and is subject to the Section 85 Election requirements being met under the Tax Act.

An Eligible Holder making a Section 85 Election will be required to designate an amount (the "**Elected Amount**") in the election form that will be deemed to be the proceeds of disposition of the Eligible Holder's TORC Shares at the time of exchange. In general, the Elected Amount may not be:

- (a) less than the lesser of (i) the Eligible Holder's adjusted cost base of the TORC Shares immediately before the time of the exchange, and (ii) the fair market value of the TORC Shares, at the time of the exchange; or
- (b) greater than the fair market value of TORC Shares at the time of the exchange.

The Canadian federal income tax treatment to an Eligible Holder who properly makes a valid Section 85 Election generally will be as follows:

- (a) the Eligible Holder will be deemed to have disposed of the Eligible Holder's TORC Shares for proceeds of disposition equal to the Elected Amount;

- (b) to the extent that the Elected Amount exceeds the aggregate of the adjusted cost base of the TORC Shares to the Eligible Holder and any reasonable costs of disposition, the Eligible Holder will in general realize a capital gain equal to such excess; and
- (c) the aggregate cost to the Eligible Holder of Whitecap Shares acquired as a result of the exchange will be equal to the Elected Amount, and such cost will be averaged with the adjusted cost base of all other Whitecap Shares held by the Eligible Holder immediately prior to the exchange for the purpose of determining thereafter the adjusted cost base of each Whitecap Share held by such Eligible Holder.

Whitecap has agreed to make a Section 85 Election with an Eligible Holder at the amount determined by such Eligible Holder, subject to the limitations set out in subsection 85(1) or subsection 85(2), as applicable, of the Tax Act (or any applicable provincial tax legislation).

A tax instruction letter (the "**Tax Instruction Letter**") containing detailed requirements to make a Section 85 Election, together with the relevant tax election forms (including the provincial tax election forms, if applicable) will be promptly delivered by email to a TORC Shareholder that checks the appropriate box on the Letter of Transmittal, provides an email address in the appropriate place in the Letter of Transmittal and submits the Letter of Transmittal to the Depositary. However, a TORC Shareholder who is an Eligible Holder, who does not receive a Letter of Transmittal because such TORC Shareholder is not a Registered TORC Shareholder and who wishes to make a Section 85 Election, will need to email Whitecap at info@wcap.ca to request a Tax Instruction Letter or download a copy of the Tax Instruction Letter which will be available on the website of Whitecap at <https://www.wcap.ca>.

To make a Section 85 Election, an Eligible Holder must provide two signed copies of the necessary joint election forms to an appointed representative, as directed by Whitecap in a Tax Instruction Letter, within 60 days after the Effective Date, duly completed with the details of the TORC Shares transferred and the applicable agreed amount for the purposes of such joint elections.

Whitecap shall, within 30 days after receiving the completed joint election forms from an Eligible Holder, and subject to such joint election forms being correct and complete and in compliance with requirements imposed under the Tax Act (or any analogous provision of provincial income tax Law), sign and return such forms to such Eligible Holder. Each Eligible Holder is solely responsible for ensuring the Section 85 Election is completed correctly and filed with the CRA (and any applicable provincial tax authority) by the required deadline. In its sole discretion, Whitecap or any successor corporation may choose to sign and return a joint election form received by it more than 60 days following the Effective Date, but will have no obligation to do so.

Neither TORC, Whitecap nor any successor corporation shall be responsible for ensuring that an Eligible Holder obtains a Tax Instruction Letter, nor the proper completion and filing of any joint election form, except for the obligation to sign and return the duly completed joint election forms which are received within 60 days of the Effective Date. The Eligible Holder will be solely responsible for the payment of any taxes, interest or penalties arising as a result of the failure of an Eligible Holder to properly or timely complete and file such joint election forms in the form and manner prescribed by the Tax Act (or any applicable provincial legislation).

Any Eligible Holder who does not ensure that information necessary to make a Section 85 Election has been received by Whitecap in accordance with the procedures set out in the Tax Instruction Letter within the time period noted above may not be able to benefit from the tax provisions in subsections 85(1) or 85(2) of the Tax Act (or the corresponding provisions of any applicable provincial tax legislation).

Resident Holders should consult their own tax advisors with respect to the availability and advisability of making a Section 85 Election in their particular circumstances.

Holding and Disposing of Whitecap Shares

Dividends Received on Whitecap Shares

A Resident Holder will be required to include in computing its income for a taxation year any dividends received (or deemed to be received) on the Whitecap Shares. In the case of a Resident Holder that is an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit applicable to any dividends designated by Whitecap as eligible dividends in accordance with the provisions of the Tax Act.

Taxable dividends received by a Resident Holder that is an individual (other than certain trusts) may increase such Resident Holder's liability for alternative minimum tax.

A dividend received (or deemed to be received) by a Resident Holder that is a corporation will generally be deductible in computing the corporation's taxable income. In certain circumstances, however, a taxable dividend received (or deemed to be received) by a Resident Holder that is a corporation may be deemed to be a gain from the disposition of capital property or proceeds of disposition potentially giving rise to a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their own particular circumstances.

A Resident Holder that is a "private corporation", as defined in the Tax Act, or any other corporation controlled, whether because of a beneficial interest in one or more trusts or otherwise, by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts), will generally be liable to pay a refundable tax under Part IV of the Tax Act on dividends received (or deemed to be received) on the Whitecap Shares, to the extent such dividends are deductible in computing the Resident Holder's taxable income for the taxation year.

Disposition of Whitecap Shares

Generally, on a disposition or deemed disposition of a Whitecap Share, a Resident Holder will realize a capital gain (or capital loss) equal to the amount, if any, by which the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to the Resident Holder of the Whitecap Share immediately before the disposition or deemed disposition. See "*Holders Resident in Canada – Taxation of Capital Gains and Losses*" below for a general discussion of the treatment of capital gains and capital losses under the Tax Act.

Taxation of Capital Gains and Losses

Generally, a Holder is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "**taxable capital gain**") realized in the year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder is required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in a taxation year from taxable capital gains realized by the Holder in the year and allowable capital losses in excess of taxable capital gains for the year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized by a Resident Holder that is a corporation on the disposition or deemed disposition of a share may be reduced by the amount of certain dividends received (or deemed to be received) by the Resident Holder on such share (or on a share for which such share was exchanged) to the extent and under the circumstances prescribed by the Tax Act. Similar rules may apply where shares are owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Such Holders should consult their own advisors.

Capital gains realized by a Resident Holder that is an individual (other than certain trusts) may increase such Resident Holder's liability for alternative minimum tax.

Additional Refundable Tax

A Resident Holder that is throughout the taxation year a "Canadian-controlled private corporation", as defined in the Tax Act, is liable for an additional refundable tax on certain investment income, including taxable capital gains realized, dividends received or deemed to be received (but not dividends or deemed dividends that are deductible in computing taxable income) and interest.

Dissenting Resident Holders of TORC Shares

A Resident Holder (a "**Resident Dissenter**") that validly exercises Dissent Rights will be deemed under the Business Combination to have transferred such Resident Holder's TORC Shares (the "**Resident Holder's Dissent Shares**") to Whitecap, and will be entitled to be paid the fair value for the Resident Holder's Dissent Shares. The Resident Dissenter will realize a capital gain (or a capital loss) equal to the amount by which the payment (other than any interest) exceeds (or is exceeded by) the aggregate adjusted cost base of the Resident Holder's Dissent Shares determined immediately before the Effective Time and any reasonable costs of disposition. For a description of the tax treatment of capital gains and capital losses, see "*Holders Resident in Canada – Taxation of Capital Gains and Losses*" above. A Resident Dissenter must include in computing its income any interest awarded to it by a court.

Eligibility for Investment

The Whitecap Shares received by TORC Shareholders pursuant to the Business Combination will be qualified investments under the Tax Act for trusts governed by registered retirement savings plans ("**RRSP**"), registered retirement income funds ("**RRIF**"), registered education savings plans ("**RESP**"), registered disability savings plans ("**RDSP**"), tax-free savings accounts ("**TFSA**" and, together with RRSP, RRIF, RESP, and RDSP, "**Registered Plans**"), and deferred profit sharing plans ("**DPSP**"), at any particular time, provided that, at that time, the Whitecap Shares are listed on a "designated stock exchange" (which currently includes the TSX) or Whitecap is a "public corporation" (each as defined in the Tax Act).

Notwithstanding that Whitecap Shares will be qualified investments for a Registered Plan, the holder, subscriber or annuitant of the Registered Plan, as the case may be, will be subject to a penalty tax as set out in the Tax Act if such securities are a "prohibited investment" for the Registered Plan for purposes of the Tax Act. A security will generally be a "prohibited investment" for a Registered Plan if the holder, subscriber or annuitant, as the case may be, does not deal at arm's length with Whitecap for the purposes of the Tax Act or has a "significant interest" (as defined in the Tax Act) in Whitecap. In addition, the Whitecap Shares will generally not be a prohibited investment if such shares are "excluded property" as defined in the Tax Act for purposes of the prohibited investment rules.

Resident Holders who would receive Whitecap Shares within a Registered Plan pursuant to the Business Combination should consult their own tax advisors in this regard in advance of the Business Combination.

Holders Not Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act, is not, and is not deemed to be, resident in Canada and does not use or hold, and is not deemed to use or hold, the TORC Shares or the Whitecap Shares in a business carried on in Canada (a "**Non-Resident Holder**"). Special rules, which are not discussed in this summary, may apply to certain holders that are insurers carrying on an insurance business in Canada and elsewhere.

Exchange of TORC Shares under the Business Combination

A Non-Resident Holder will not be subject to tax under the Tax Act on any capital gain realized on a disposition of TORC Shares pursuant to the Business Combination unless, at the Effective Time, the TORC Shares are "taxable Canadian property" (as defined in the Tax Act) to the Non-Resident Holder and are not "treaty-protected property" (as defined in the Tax Act) of the Non-Resident Holder. See discussion below under "*Taxable Canadian Property*".

A Non-Resident Holder whose TORC Shares are "taxable Canadian property" and are not "treaty-protected property" will generally have the same tax considerations as those described above under "*Holders Resident in Canada – Exchange of TORC Shares under the Business Combination*".

Such Non-Resident Holders may be entitled to the automatic tax deferral provisions of section 85.1 of the Tax Act as described above if such Non-Resident Holder satisfies the conditions above under the heading "*Holders Resident in Canada – Exchange of TORC Shares under the Business Combination*", and such Non-Resident Holder is not a foreign affiliate of a taxpayer resident in Canada that has included the gain or loss otherwise determined in its "foreign accrual property income" for the taxation year in which the exchange occurs, for purposes of the Tax Act. Where the automatic tax deferral in section 85.1 of the Tax Act applies, the Whitecap Shares received will be deemed to be taxable Canadian property to such Non-Resident Holder for a period of 60 months after the exchange.

An Eligible Non-Resident may make a Section 85 Election jointly with Whitecap to obtain a full or partial deferral for purposes of the Tax Act of the capital gain that would otherwise be realized on the exchange depending on the Elected Amount and such Eligible Non-Resident's adjusted cost base of the TORC Shares immediately before the exchange. The procedures for making a Section 85 Election and the effects of filing such an election under the Tax Act are as described above for a Resident Holder under the heading "*Exchange of TORC Shares for Whitecap Shares – Section 85 Election Made*".

Holding and Disposing of Whitecap Shares

Dividends Received on Whitecap Shares

Dividends paid or credited (or deemed to be paid or credited) on the Whitecap Shares to a Non-Resident Holder will be subject to withholding tax under the Tax Act at the rate of 25% of the gross amount of the dividend, subject to any reduction in the rate of withholding under any applicable income tax treaty. For example, the applicable rate of withholding tax is generally reduced to 15% under the U.S. Treaty, where dividends are considered to be paid to, or derived by, a Non-Resident Holder that is the beneficial owner of the dividends and who is a resident of the United States for purposes of the U.S. Treaty, and is entitled to the benefits of the U.S. Treaty.

Disposition of Whitecap Shares

A Non-Resident Holder will not be subject to tax under the Tax Act on any capital gain realized on a disposition or deemed disposition of Whitecap Shares unless such shares constitute "taxable Canadian property" to the Non-Resident Holder and are not "treaty protected property" at the time of disposition. See "*Taxable Canadian Property*" below.

Pursuant to the provisions of the Tax Act, where TORC Shares constitute "taxable Canadian property" to a Non-Resident Holder, any Whitecap Shares received by the Non-Resident Holder on an exchange utilizing the rollover available under section 85.1 of the Tax Act will be deemed to constitute "taxable Canadian property" to the Non-Resident Holder for a period of 60 months. The result is that such Non-Resident Holder may be subject to tax under the Tax Act on future gains realized on a disposition of those Whitecap Shares. Such Holders should consult their own tax advisers.

Taxable Canadian Property

Generally, the TORC Shares and the Whitecap Shares will not constitute "taxable Canadian property" to a Non-Resident Holder at a particular time provided that such shares are listed at that time on a designated stock exchange (which includes the TSX), unless at any particular time during the 60-month period that ends at that time:

- (a) one or any combination of (i) the Non-Resident Holder, (ii) persons with whom the Non-Resident Holder does not deal with at arm's length, and (iii) partnerships in which the Non-Resident Holder, or a person described in (ii) holds a membership interest directly or indirectly through one or more partnerships, has owned 25% or more of the issued shares of any class of the capital stock of the company; and

- (b) more than 50% of the fair market value of the TORC Shares or the Whitecap Shares, as the case may be, was derived directly or indirectly from one or any combination of: (i) real or immovable properties situated in Canada, (ii) "Canadian resource properties" (as defined in the Tax Act), (iii) "timber resource properties" (as defined in the Tax Act), and (iv) options in respect of, or interests in, or for civil Law rights in, any such properties whether or not the property exists.

Notwithstanding the foregoing, in certain circumstances set out in the Tax Act, TORC Shares or Whitecap Shares could be deemed to be taxable Canadian property. Non-Resident Holders whose shares may constitute taxable Canadian property should consult their own tax advisors.

Even if the TORC Shares or Whitecap Shares, as the case may be, are taxable Canadian property to a Non-Resident Holder, a taxable capital gain resulting from the disposition of such shares will not be included in computing the Non-Resident Holder's income for the purposes of the Tax Act if such shares constitute "treaty-protected property". TORC Shares or Whitecap Shares, as the case may be, will generally be treaty-protected property of a Non-Resident Holder if the gain from the disposition of such shares would, because of an applicable income tax treaty between Canada and the country in which the Non-Resident Holder is resident for purposes of such treaty and in respect of which the Non-Resident Holder is entitled to receive benefits thereunder, be exempt from tax under the Tax Act.

Dissenting Non-Resident Holders

A Non-Resident Holder that validly exercises Dissent Rights (a "**Non-Resident Dissenter**") and consequently is paid by Whitecap the fair value for the Non-Resident Dissenter's TORC Shares will generally realize a capital gain or capital loss as discussed under "*Holders Resident in Canada – Dissenting Resident Holders of TORC Shares*". As discussed above under "*Holders Not Resident in Canada – Exchange of TORC Shares under the Business Combination*", any resulting capital gain would only be subject to tax under the Tax Act if the Non-Resident Dissenter's TORC Shares are taxable Canadian property to the Non-Resident Holder at the Effective Time and are not treaty-protected property of the Non-Resident Holder at that time.

Generally, an amount paid in respect of interest awarded by the court to a Non-Resident Dissenter will not be subject to Canadian withholding tax under the Tax Act provided that such interest is not "participating debt interest" (as defined in the Tax Act).

OTHER TAX CONSIDERATIONS

This Information Circular discusses certain Canadian federal income tax considerations applicable to certain TORC Shareholders. Tax considerations applicable to TORC Shareholders who are resident in jurisdictions other than Canada are not discussed and such TORC Shareholders should consult their own tax advisors with respect to the tax implications of the Business Combination, including any associated filing requirements, in such jurisdictions and with respect to the tax implications in such jurisdictions of owning Whitecap Shares after the Business Combination. All TORC Shareholders should consult their own tax advisors regarding the provincial, state, local and territorial tax considerations relating to the Business Combination and of holding Whitecap Shares.

PRO FORMA INFORMATION CONCERNING THE COMBINED BUSINESS

Notice to Reader

The following information about the combined business following completion of the Business Combination should be read in conjunction with documents incorporated by reference in this Information Circular and the information concerning Whitecap and TORC, as applicable, appearing elsewhere in this Information Circular. See Appendix H – "*Information Concerning TORC Oil & Gas Ltd.*" and Appendix I – "*Information Concerning Whitecap Resources Inc.*".

Information included in this section under the headings "*Selected Pro Forma Financial Information*", "*Selected Pro Forma Operational Information*", and "*Pro Forma Consolidated Capitalization*" pertaining to Whitecap and TORC, as applicable, has been furnished by Whitecap and TORC, respectively. With respect to such information, the

Whitecap Board has relied exclusively upon TORC, without independent verification by Whitecap, and the TORC Board has relied exclusively upon Whitecap, without independent verification by TORC. For further information regarding Whitecap or TORC, please refer to their respective filings available via SEDAR at www.sedar.com.

See "*Forward-Looking Statements*", "*Conventions*", "*Abbreviations*", "*Advisory Regarding Oil and Gas Information*", and Appendix J – "*Unaudited Consolidated Pro forma Financial Statements of the Combined Business*".

General

The Business Combination will result in a strategic business combination of Whitecap and TORC, pursuant to which Whitecap will acquire all of the issued and outstanding TORC Shares in exchange for the issuance of Whitecap Shares.

Based on certain assumptions, current Whitecap Shareholders are expected to own approximately 77.94% of the outstanding Whitecap Shares immediately after completion of the Business Combination and former TORC Shareholders are expected to own approximately 22.06% of the outstanding Whitecap Shares upon completion of the Business Combination.

Organizational Structure

Immediately following completion of the Business Combination, TORC will become a wholly-owned subsidiary of Whitecap, and the combined business will continue the business and operations of Whitecap and TORC on a combined basis.

Narrative Description of the Business

Following the Business Combination, the combined business will carry on the business and operations of Whitecap and TORC on a combined basis and operate under the name "Whitecap Resources Inc.". For a detailed description of the businesses of Whitecap and TORC, including the historical development of their respective businesses and their respective assets, see the Whitecap AIF and the TORC AIF, each of which is incorporated by reference in this Information Circular.

Upon completion of the Business Combination, the combined business will be a leading light oil focused entity.

The combined business' key attributes will be:

- Leading oil weighted producer in Western Canada with a focused asset base exhibiting lower production declines, high operating netbacks and strong capital efficiencies.
- Core area presence as TORC's asset base fits directly into Whitecap's current core areas creating one of the largest pure play conventional light oil producers in Canada with over 100,000 boe/d (78% oil and NGLs) of corporate production.
- Ability to generate enhanced free funds flow to increase cash returns to shareholders.
- Strong credit profile with ample liquidity to manage commodity price volatility.
- Best-in-class ESG practices and continuously improving ESG profile.

See "*The Business Combination – Reasons for the Business Combination*".

Corporate Offices

It is anticipated that, on completion of the Business Combination, the head office of the combined business will continue to be Whitecap's and the registered office of each of Whitecap and TORC will remain unchanged.

Description of Share Capital of the Combined Business

Following the Business Combination, the combined business will be authorized to issue an unlimited number of Whitecap Shares and unlimited number of preferred shares.

Whitecap Shares

The holders of Whitecap Shares are entitled to one vote per share at meetings of Whitecap Shareholders. Subject to the rights of the holders of preferred shares and any other shares having priority over the Whitecap Shares, holders of Whitecap Shares are entitled to dividends if, as and when declared by the Whitecap Board and upon liquidation, dissolution or winding-up to receive, our remaining property. The Whitecap Shares are listed and posted for trading on the TSX.

As at January 5, 2021, there were 222,672,240 TORC Shares and 467,511,687 Whitecap Shares outstanding (in each case, on a non-diluted basis). Upon completion of the Business Combination and assuming that: (i) there are no Dissenting Shareholders; (ii) no Whitecap Shares are issued pursuant to the settlement of outstanding Whitecap Awards prior to the Effective Time; and (iii) all of the outstanding TORC Share Awards are fully settled in TORC Shares immediately prior to the Effective Time, there will be 599,805,305 Whitecap Shares issued and outstanding, of which existing holders of TORC Shares and Whitecap Shares will collectively own approximately 22.06% and 77.94% of the combined business on a non-diluted basis, respectively. The Whitecap Shares will continue to be listed on the TSX.

Selected Pro Forma Financial Information

The following is a summary of selected unaudited pro forma consolidated financial information of the combined business before and after giving effect to the completion of the Business Combination for the dates and periods indicated. The pro forma adjustments are based upon available information and certain assumptions that Whitecap believes are reasonable under the circumstances. The unaudited pro forma consolidated financial information set forth below and the unaudited pro forma consolidated financial statements of Whitecap attached to this Information Circular as Appendix J – *"Unaudited Consolidated Pro Forma Financial Statements of the Combined Business"* (the "**Pro Forma Financial Statements**") are presented for illustrative purposes only and are not necessarily indicative of either the financial position or the results of operations that would have occurred as at or for such dates or periods had the Business Combination been effective as of September 30, 2020 or January 1, 2019, as applicable, of the financial position or results of operations for the combined business in future years if the Business Combination is completed. The actual adjustments will differ from those reflected in such unaudited pro forma consolidated financial statements and such differences may be material. In particular, the Pro Forma Financial Statements do not include the impact of the NAL Transaction, which was completed on January 4, 2021 which is described in Appendix I – *"Information Concerning Whitecap Resources Inc."*.

Reference should also be made to: (a) the TORC Annual Financial Statements; (b) the TORC Interim Financial Statements; (c) the Whitecap Annual Financial Statements; and (d) the Whitecap Interim Financial Statements, each of which is incorporated by reference herein.

Pro Forma Balance Sheet

As at September 30, 2020 (\$ thousands)	Whitecap (before Business Combination)	TORC (before Business Combination)	Pro Forma Adjustments ⁽¹⁾	Pro Forma (after Business Combination)
ASSETS				
Current Assets				
Accounts receivable	116,063	30,599	-	146,662
Deposits and Prepaid expenses	16,244	4,315	-	20,559
Risk management contracts	20,217	431	-	20,648
Total current assets	152,524	35,345	-	187,869
Properties and equipment	2,272,328	1,168,580	(17,330)	3,423,578
Exploration & Evaluation	12,924	-	-	12,924
Right-of-use assets	68,330	12,724	-	81,054
Risk management contracts	104	-	-	104
Deferred income tax	616,714	-	182,684	799,398
Total assets	3,122,924	1,216,649	165,354	4,504,927
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current Liabilities				
Bank debt	-	60,708	-	60,708
Accounts payable and accrued liabilities	122,977	57,145	34,669	214,791
Share awards liability	5,181	-	-	5,181
Dividends payable	5,819	-	-	5,819
Lease liabilities	11,544	1,712	-	13,256
Risk management contracts	12,080	-	-	12,080
Total current liabilities	157,601	119,565	34,669	311,835
Risk management contracts	14,084	-	-	14,084
Long-term debt	1,154,920	275,000	-	1,429,920
Lease liabilities	62,903	11,139	-	74,042
Decommissioning liability	1,048,857	316,890	(212,437)	1,153,310
Share awards liability	4,408	-	-	4,408
Total liabilities	2,442,773	722,594	(177,768)	2,987,599
SHAREHOLDERS' EQUITY				
Share capital	3,860,965	2,040,086	(1,378,093)	4,522,958
Contributed surplus	17,083	21,487	(21,487)	17,083
Deficit	(3,197,897)	(1,567,518)	1,742,702	(3,022,713)
Total shareholders' equity	680,151	494,055	343,122	1,517,328
Total liabilities and shareholders' equity	3,122,924	1,216,649	165,354	4,504,927

Note:

(1) See the Notes to the Pro forma Financial Statements attached as Appendix J to this Information Circular.

Pro Forma Statements of Operations

For the nine months ended September 30, 2020 (\$ thousands)	Whitecap (before Business Combination)	TORC (before Business Combination)	Pro Forma Adjustments⁽¹⁾	Pro Forma (after Business Combination)
Revenue				
Petroleum and natural gas sales	686,717	245,758	-	932,475
Royalties	(86,412)	(39,561)	-	(125,973)
Petroleum and natural gas sales, net of royalties	600,305	206,197	-	806,502
Other Income				
Net gain on commodity contracts	99,498	5,222	-	104,720
Gain on acquisition	28,147	-	-	28,147
Total revenue and other income	727,950	211,419	-	939,369
Expenses				
Operating	227,336	96,558	-	323,894
Transportation	45,906	7,780	-	53,686
Marketing	17,927	-	-	17,927
General and administrative	15,990	7,711	-	23,701
Stock-based compensation	27,276	6,856	-	34,132
Transaction costs	154	30	-	184
Interest and financing	44,793	10,357	-	55,150
Accretion of decommissioning liabilities	4,713	2,793	-	7,506
Depletion, depreciation and amortization	283,885	132,722	(888)	415,719
Impairment	2,924,275	853,000	-	3,777,275
Exploration and evaluation	2,569	-	-	2,569
Net gain on asset dispositions	(2)	-	-	(2)
Other income	-	(562)	-	(562)
Total expenses	3,594,822	1,117,245	(888)	4,711,179
Loss before income taxes	(2,866,872)	(905,826)	888	(3,771,810)
Taxes				
Deferred income tax recovery	(689,948)	19,526	222	(670,200)
Net loss and other comprehensive loss	(2,176,924)	(925,352)	666	(3,101,610)

Note:

(1) See Notes 2 and 3 to the Pro forma Financial Statements attached as Appendix J to this Information Circular.

For the year ended December 31, 2019 (\$ thousands)	Whitecap (before Business Combination)	TORC (before Business Combination)	Pro Forma Adjustments ⁽¹⁾	Pro Forma (after Business Combination)
Revenue				
Petroleum and natural gas sales	1,454,239	581,313	-	2,035,552
Royalties	(253,763)	(100,293)	-	(354,056)
Petroleum and natural gas sales, net of royalties	1,200,476	481,020	-	1,681,496
Other Income				
Net loss on commodity contracts	(108,159)	(5)	-	(108,164)
Total revenue and other income	1,092,317	481,015	-	1,573,332
Expenses				
Operating	320,960	134,851	-	455,811
Transportation	58,627	13,479	-	72,106
Marketing	29,632	-	-	29,632
General and administrative	24,827	13,073	-	37,900
Stock-based compensation	16,743	10,013	-	26,756
Transaction costs	-	-	7,500	7,500
Interest and financing	47,972	14,620	-	62,592
Accretion of decommissioning liabilities	10,184	7,901	-	18,085
Depletion, depreciation and amortization	486,230	242,111	(1,293)	727,048
Impairment	296,914	93,000	-	389,914
Exploration and evaluation	2,314	-	-	2,314
Loss on investment	1,364	-	-	1,364
Net gain on asset dispositions	(105)	-	-	(105)
Total expenses	1,295,662	529,048	6,207	1,830,917
Loss before income taxes	(203,345)	(48,033)	(6,207)	(257,585)
Taxes				
Deferred income tax recovery	(47,472)	(10,903)	(1,550)	(59,925)
Net loss and other comprehensive loss	(155,873)	(37,130)	(4,657)	(197,660)

Note:

(1) See Notes 2 and 3 to the Pro Forma Financial Statements attached as Appendix J to this Information Circular.

See Appendix J – "Unaudited Consolidated Pro Forma Financial Statements of the Combined Business".

Selected Pro Forma Operational Information

The following is a summary of selected: (i) reserves and operational information for Whitecap and TORC before giving effect to the Business Combination for the dates and periods indicated; and (ii) pro forma operational information for the combined business after giving effect to the completion of the Business Combination for the dates and periods indicated. Important information concerning the oil and natural gas properties and operations of Whitecap and TORC is contained in the Whitecap AIF and the TORC AIF, respectively, each of which is incorporated by reference herein. Readers are encouraged to carefully review such information and those documents as the information set forth in the table below is a summary only and is qualified in its entirety by those documents incorporated by reference herein. See "*Advisory Regarding Oil and Gas Information*".

	Whitecap (before Business Combination)	TORC (before Business Combination)	Pro Forma ⁽¹⁾⁽⁴⁾ (after Business Combination)
Average Daily Production⁽³⁾ (for the year ended December 31, 2019)			
Light and Medium Oil (bbls/d)	55,413	23,507	78,920
NGLs (bbls/d)	4,503	1,556	6,059
Conventional Natural Gas (mcf/d)	66,801	19,588	86,389
Total (boe/d)	71,050	28,328	99,378
Average Daily Production⁽³⁾ (for the nine months ended September 30, 2020)			
Light and Medium Oil (bbls/d)	54,042	21,772	75,814
NGLs (bbls/d)	5,018	1,455	6,473
Conventional Natural Gas (mcf/d)	67,441	17,449	84,890
Total (boe/d)	70,300	26,135	96,435
Total Proved Reserves⁽²⁾⁽³⁾ (as at December 31, 2019, forecast prices and costs)			
Light and Medium Oil (Mbbls)	283,789	71,377	
NGLs (Mbbls)	23,023	5,878	
Conventional Natural Gas (MMcf)	334,154	81,530	
Total (Mboe)	362,505	90,844	
Total Proved Plus Probable Reserves⁽²⁾⁽³⁾ (as at December 31, 2019, forecast prices and costs)			
Light and Medium Oil (Mbbls)	384,986	108,781	
NGLs (Mbbls)	35,960	9,075	
Conventional Natural Gas (MMcf)	514,244	131,288	
Total (Mboe)	506,654	139,739	

Notes:

- (1) The numbers in this column were calculated by adding the numbers in the columns for each of Whitecap and TORC. Boe estimates and tables may not sum due to rounding.
- (2) Reserves presented for Whitecap are derived from the Whitecap Reserves Report and the reserves data for TORC are derived from the TORC Reserves Report. For further information regarding the reserves, production and other oil and gas information of Whitecap and TORC, see the Whitecap AIF and TORC AIF, each of which is incorporated by reference herein. See Appendix H – "*Information Concerning TORC Oil & Gas Ltd.*" and Appendix I – "*Information Concerning Whitecap Resources Inc.*".
- (3) Reserves volumes and production volumes are reported on a before-royalties basis.
- (4) The pro forma information in this table does not include the impact of the NAL Transaction, which was completed on January 4, 2021. For further information, see Appendix I – "*Information Concerning Whitecap Resources Inc.*".

Pro Forma Consolidated Capitalization

The following table sets forth the consolidated capitalization of the combined business as at September 30, 2020 on a pro forma basis, after giving effect to the completion of the Business Combination. For detailed information on the debt and share capitalization of Whitecap and TORC as at September 30, 2020, see the Whitecap Interim Financial Statements and the TORC Interim Financial Statements, each of which is incorporated by reference herein. See Appendix H – "Information Concerning TORC Oil & Gas Ltd." and Appendix I – "Information Concerning Whitecap Resources Inc.".

The information below has been derived from, and should be read in conjunction with, the more detailed Pro Forma Financial Statements. Additionally, the Pro Forma Financial Statements are based on, and should be read in conjunction with, the historical condensed consolidated financial statements and related notes thereto of each of Whitecap and TORC for the applicable periods, which are incorporated by reference herein.

Description	Pro Forma as at September 30, 2020 (after Business Combination) ⁽⁵⁾
Bank debt	60,708
Long-term debt ⁽¹⁾	1,429,920
	1,490,628
Shareholders' Equity ⁽²⁾⁽³⁾	
Share Capital	4,522,958
Contributed surplus	17,083
Deficit	(3,022,713)
Total shareholders' equity	1,517,328
Total Capitalization⁽⁴⁾	3,007,956

Notes:

- (1) Whitecap has: (a) \$200 million in senior secured notes on January 5, 2017 which are repayable on January 5, 2022 and have an annual coupon rate of 3.46%; (b) \$200 million in senior secured notes on May 31, 2017 which are repayable on May 31, 2024 and have an annual coupon rate of 3.54%; and (c) \$195 million in senior secured notes on December 20, 2017 which are repayable on December 20, 2026 and have an annual coupon rate of 3.90%.
- (2) Following completion of the Business Combination, the authorized capital of the combined business will consist of: (i) an unlimited number of Whitecap Shares; and (ii) an unlimited number of preferred shares. See "Effect of the Business Combination – Details of the Business Combination". The pro forma shareholders' equity was prepared based on the number of outstanding Whitecap Shares and TORC Shares as at September 30, 2020. See Note 4 to the Pro Forma Financial Statements attached as Appendix J to this Information Circular.
- (3) The pro forma shareholders' equity was prepared on the basis that Whitecap will issue 129.8 million Whitecap Shares pursuant to the Business Combination. See Note 4 to the Pro Forma Financial Statements attached as Appendix J to this Information Circular.
- (4) The current and long-term portion of lease obligations have been excluded from total capitalization.
- (5) The pro forma information in this table does not include the impact of the NAL Transaction, which was completed on January 4, 2021. For further information, see Appendix I – "Information Concerning Whitecap Resources Inc.".

Dividends

The combined business' free cash flow profile is expected to be able to support a 6% increase to the monthly dividend of Whitecap, increasing from \$0.01425 to \$0.01508 per Whitecap Share (\$0.18096 per Whitecap Share on an annualized basis). The dividend increase is expected to be effective with the dividend expected to be paid by Whitecap in April of 2021.

If the Effective Date occurs on February 24, 2021, then, assuming Whitecap declares a dividend with a record date of February 26, 2021, TORC Shareholders as of the Effective Date will be eligible to receive such dividend, provided that such payment will not be made to any former TORC Shareholders until such holder has submitted a validly completed and duly executed Letter of Transmittal (and accompanying documents) to the Depository. All dividends

and distributions, if any, made with respect to any Whitecap Shares allotted and issued pursuant to the Business Combination but for which a DRS Statement for Whitecap Shares has not been issued shall be paid or delivered to the Depository to be held by the Depository in trust for the registered holder thereof until such holder has submitted a validly completed and duly executed Letter of Transmittal (and accompanying documents) to the Depository.

There can be no assurance as to future dividend payments by the combined business on the Whitecap Shares, or the level thereof, if any. Following completion of the Business Combination, Whitecap and TORC anticipate approval by the Whitecap Board of a monthly dividend of \$0.01508 per Whitecap Share.

Any dividends declared in the future will be subject to review by the Whitecap Board taking into account prevailing financial circumstances at the relevant time and any amount distributed in the future will depend on numerous factors, including profitability, debt covenants and obligations, fluctuations in working capital, the timing and amount of capital expenditures, Applicable Law and other factors beyond the combined business' control, including economic conditions in the oil and gas industry.

Principal Holders of Whitecap Shares

After giving effect to the Business Combination and based on certain assumptions, to the knowledge of the directors and executive officers of Whitecap and TORC, no person or company will, beneficially own, or exercise control or direction over, directly or indirectly, Whitecap Shares carrying 10% or more of the voting rights attached to the Whitecap Shares.

Directors and Executive Officers after the Business Combination

Following completion of the Business Combination, the current executive team of Whitecap will continue to manage the combined business, including Grant Fagerheim as President and Chief Executive Officer, Joel Armstrong as Vice President, Production and Operations, Andrew Bullock as Vice President, Exploration and Geosciences, Darin Dunlop as Vice President, Engineering, Thanh Kang as Chief Financial Officer, Gary Lebsack as Vice President, Land, David Mombourquette as Vice President, Business Development and IT and Jeff Zdunich as Vice President, Finance and Controller. For additional information regarding the current executive officers of Whitecap, please refer to the Whitecap AGM Circular which is incorporated by reference in this Information Circular. See Appendix I – *"Information Concerning Whitecap Resources Inc."*.

On closing of the Business Combination and assuming that the Article Amendment Resolution is passed by the Whitecap Shareholders, a designated director agreed to by Whitecap and TORC, will be added to the Whitecap Board which currently consists of Grant Fagerheim, Heather Culbert, Gregory Fletcher, Daryl Gilbert, Glenn McNamara, Stephen Nikiforuk, Kenneth Stickland, Brad Wall and Grant Zawalsky.

Information about the members of the Whitecap Board is in the Whitecap AIF and Whitecap AGM Circular, each of which is incorporated by reference in this Information Circular. See Appendix H – *"Information Concerning TORC Oil & Gas Ltd."* and Appendix I – *"Information Concerning Whitecap Resources Inc."*.

For additional information regarding the composition of board of directors of the combined business upon completion of the Business Combination, see *"The Business Combination – Effect of the Business Combination – Management and Board"*.

Conflicts of Interest

There are potential conflicts of interest to which some of the proposed directors, officers and insiders of the combined business will be subject in connection with the operations of the combined business after completion of the Business Combination. Some of the directors, officers and insiders are involved with and will continue to be involved with corporations or businesses which may be in competition with the business to be conducted by the combined business following completion of the Business Combination. Accordingly, situations may arise where some or all of the directors, officers and insiders will be in direct competition with the combined business. Conflicts, if any, will be

subject to the procedures and remedies as provided under the ABCA. See "*Interests of Certain Persons or Companies in the Business Combination*".

Indebtedness of Directors, Officers and Other Management

As of the date hereof, none of the proposed directors, officers or other members of management or promoters of Whitecap, nor any of their associates or affiliates is indebted to Whitecap or TORC, nor has any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Whitecap or TORC.

Auditors, Transfer Agent and Registrar

Auditors

Following the Business Combination, the auditors of the combined business will be PricewaterhouseCoopers LLP, Chartered Professional Accountants, at their principal offices of Calgary, Alberta, which are the current auditors of Whitecap.

Registrar and Transfer Agent

Odyssey Trust Company will continue to be the registrar and transfer agent for the Whitecap Shares following the Business Combination.

Material Contracts

Other than as disclosed in this Information Circular or in the documents incorporated by reference herein with respect to Whitecap and TORC, there are no contracts to which the combined business will be a party to following completion of the Business Combination that can reasonably be regarded as material to a proposed investor, other than contracts entered into by Whitecap and TORC in the ordinary course of business. For a description of the material contracts of Whitecap and TORC, please refer to the Whitecap AIF and the TORC AIF, each of which is incorporated by reference in this Information Circular. See Appendix H – "*Information Concerning TORC Oil & Gas Ltd.*" and Appendix I – "*Information Concerning Whitecap Resources Inc.*".

Risk Factors

Holding or making an investment in Whitecap Shares is subject to various risks. In addition to the risks set out in the documents incorporated by reference in this Information Circular with respect to the businesses and operations of each of Whitecap and TORC, respectively, the proposed combination of Whitecap and TORC in connection with the Business Combination is subject to certain risks. See "*Risk Factors*". For additional information of the risks of TORC's business, see Appendix H – "*Information Concerning TORC Oil & Gas Ltd.*". For additional information of the risks of Whitecap's business, see Appendix I – "*Information Concerning Whitecap Resources Inc.*". Whitecap Shareholders and TORC Shareholders should carefully consider such risk factors related to the Business Combination.

TIMING

If the Meetings are held as scheduled and are not adjourned or postponed, and the necessary conditions for completion of the Business Combination are otherwise satisfied or waived, TORC is expected to apply for the Final Order approving the Business Combination on or about February 18, 2021. If the Final Order is obtained in form and substance satisfactory to TORC and Whitecap and all other conditions set forth in the Business Combination Agreement are otherwise satisfied or waived, TORC and Whitecap expect the Effective Date will occur on or about February 24, 2021. It is not possible, however, to state with certainty when the Effective Date will occur and it is possible that factors outside the control of TORC and/or Whitecap could result in the Business Combination being completed at a later time, or not at all. Subject to certain limitations, each Party may terminate the Business Combination Agreement if the Business Combination is not consummated by March 26, 2021, or such later date as TORC and Whitecap may agree in writing.

The Business Combination will become effective as of the Effective Time on the Effective Date upon the filing with the Registrar of the Articles of Arrangement and a copy of the Final Order, together with such other materials as may be required by the Registrar.

The Effective Date could be delayed for a number of reasons, including an objection before the Court at the hearing of the application for the Final Order or the failure to receive any regulatory approvals in a timely manner.

RISK FACTORS

The TORC Shareholders voting in favour of the Business Combination Resolution and Whitecap Shareholders voting in favour of the Share Issuance Resolution will be choosing to combine the businesses of TORC and Whitecap and, in the case of TORC Shareholders, to acquire securities of Whitecap. The completion of the Business Combination involves risks. In addition to the risk factors present in each of TORC's and Whitecap's businesses, described under the heading "*Risk Factors*" and elsewhere in the TORC AIF, the Whitecap AIF, the TORC Annual MD&A, the Whitecap Annual MD&A, the TORC Interim MD&A and the Whitecap Interim MD&A, each of which is incorporated by reference herein. The TORC Shareholders and Whitecap Shareholders should carefully consider the following risk factors in evaluating whether to approve the Business Combination Resolution and the Share Issuance Resolution, as applicable. Readers are cautioned that such risk factors are not exhaustive. These risk factors should be considered in conjunction with the other information included in this Information Circular, including the documents incorporated by reference herein and the documents filed by Whitecap and TORC pursuant to Applicable Laws from time to time.

Possible Failure to Realize Anticipated Benefits of the Business Combination

Whitecap and TORC are proposing to complete the Business Combination to create the opportunity to realize certain anticipated benefits including, among other things, those set forth in this Information Circular under the headings "*The Business Combination – Reasons for the Business Combination – TORC Board*", "*The Business Combination – Reasons for the Business Combination – Whitecap Board*" and "*Pro Forma Information Concerning the Combined Business*". The Business Combination is subject to normal commercial risks that such transaction may not be completed on the terms negotiated or at all. Whitecap and TORC are proposing to complete the Business Combination to create a leading light oil focused leader and realize certain benefits including, among other things, potential synergies and cost savings. Achieving the benefits of the Business Combination depends in part on successfully consolidating functions and integrating operations, procedures and personnel in a timely and efficient manner, as well as the combined business' ability to realize the anticipated growth opportunities and synergies from integrating the respective businesses of Whitecap and TORC following completion of the Business Combination.

Achieving the benefits of the Business Combination also depends on the ability of the combined business to effectively capitalize on its scale, scope and leadership position in the oil and natural gas industry, to realize the anticipated capital and operating synergies, to profitably sequence the growth prospects of its asset base and to maximize the potential of its improved growth opportunities and capital funding opportunities as a result of combining the businesses and operations of Whitecap and TORC.

The integration of the Whitecap and TORC assets will require the dedication of substantial management effort, time and resources which may divert management's focus and resources from other strategic opportunities and from operational matters. The integration process may result in the loss of key employees and the disruption of ongoing business and employee relationships that may adversely affect the combined business' ability to achieve the anticipated benefits of the Business Combination. There can be no assurance that management will be able to integrate the operations of each of the businesses successfully or achieve any of the synergies or other benefits that are anticipated to result from the Business Combination. Most operational and strategic decisions and certain staffing decisions with respect to integration have not yet been made. These decisions and the integration of the two companies will present challenges to management, including the integration of systems and personnel of the two companies which may involve unanticipated liabilities and unanticipated costs. It is possible that the integration process could result in the loss of key employees, the disruption of the respective ongoing businesses or inconsistencies in standards, controls, procedures and policies that adversely affect the ability of management to maintain relationships with customers, suppliers, employees or to achieve the anticipated benefits of the Business Combination. The performance of the combined business' operations after completion of the Business Combination could be adversely affected if the combined business cannot retain key employees to assist in the integration and operation of TORC and Whitecap.

Any inability of management to successfully integrate the operations could have a material adverse effect on the business, financial condition and results of operations of the combined business.

Satisfaction of Conditions Precedent

The completion of the Business Combination is subject to a number of conditions precedent, certain of which are outside the control of TORC and Whitecap. Among other things, completion of the Business Combination is subject to the approval of the Court, the approval of the Business Combination Resolution by the TORC Shareholders, the approval of the Share Issuance Resolution by Whitecap Shareholders and obtaining regulatory approvals, including Competition Act Approval and approval of the TSX of the listing Whitecap Shares. A substantial delay in obtaining any required approvals or the imposition of unfavourable terms or conditions could delay the Effective Date and may adversely affect the business, financial condition or results of TORC, Whitecap or the combined business. There is no certainty, nor can TORC or Whitecap provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. If for any reason the Business Combination is not completed, or is materially delayed, the market price of the TORC Shares or the Whitecap Shares may be adversely affected. In addition, if the Business Combination is not completed, TORC or Whitecap could be subject to litigation related to the failure to complete the Business Combination or to require TORC or Whitecap to perform their respective obligations under the Business Combination Agreement.

Even if all approvals and orders are obtained and conditions precedent to the completion of the Business Combination are satisfied, no assurance can be made as to the terms, conditions and timing of such approvals, orders and consents. For example, these approvals, orders and consents may impose conditions on or require divestitures relating to the divisions, operations or assets of Whitecap or TORC or may impose requirements, limitations or costs or place restrictions on the conduct of Whitecap's or TORC's respective businesses, and if such approvals, orders or consents require an extended period of time to be obtained, such extended period of time could increase the chance that an adverse event occurs with respect to Whitecap or TORC. Such extended period of time may also increase the chance that other adverse effects with respect to Whitecap or TORC could occur, such as the loss of key personnel. Each Party's obligation to complete the Business Combination is also subject to the accuracy of the representations and warranties of the other Party (subject to certain qualifications and exceptions) and the performance in all material respects of the other Party's covenants under the Business Combination Agreement. As a result of these conditions, the Parties cannot provide assurance that the Business Combination will be completed on the terms or timeline contemplated in the Business Combination Agreement, or at all.

Entry into New Business Activities

Completion of the Business Combination will result in a combination of the current business activities currently carried on by each of TORC and Whitecap as separate entities. The combination of these activities into the combined business may expose the TORC Shareholders and Whitecap Shareholders to different business risks than those to which they were exposed prior to the Business Combination.

After the completion of the Business Combination, Whitecap will face the same risks that each of TORC and Whitecap currently face, in addition to other risks.

Market Price of Shares

If, for any reason, the Business Combination is not completed or its completion is materially delayed and/or the Business Combination Agreement is terminated, the market price of the TORC Shares and/or the Whitecap Shares may be materially adversely affected. The trading prices of the Whitecap Shares and the TORC Shares may be subject to material fluctuations and may increase or decrease in response to a number of events and factors, including: (i) changes in the market price of the commodities that Whitecap and TORC and, following completion of the Business Combination, the combined business, sell and purchase; (ii) current events, including the COVID-19 pandemic, affecting the economic situation in Canada, the United States and internationally; (iii) trends in the global oil and natural gas industry; (iv) regulatory and/or government actions, rulings or policies; (v) changes in financial estimates and recommendations by securities analysts or rating agencies; (vi) acquisitions and financings; (vii) the economics of current and future projects of Whitecap, TORC or, following completion of the Business Combination, the

combined business; (viii) quarterly variations in operating results; and (ix) the operating and share price performance of other companies, including those that investors may consider to be comparable.

The Business Combination Agreement may be Terminated

Each of TORC and Whitecap has the right to terminate the Business Combination Agreement in certain circumstances. Accordingly, there is no certainty, nor can either of TORC or Whitecap provide any assurance, that the Business Combination Agreement will not be terminated by either TORC or Whitecap before the completion of the Business Combination. For instance, TORC and Whitecap have the right, in certain circumstances, to terminate the Business Combination Agreement if changes occur that have a material adverse effect on the other Party. There is no assurance that a material adverse effect on either TORC or Whitecap will not occur before the Effective Date, in which case the other Party could elect to terminate the Business Combination Agreement and the Business Combination would not proceed.

In addition, certain costs related to the Business Combination, such as legal, accounting and certain financial advisor fees must be paid by TORC and Whitecap even if the Business Combination is not completed.

Under the Business Combination Agreement, each Party is required to pay to the other Party a termination amount in certain circumstances. This termination amount may discourage other parties from attempting to enter into a business transaction with a Party, even if those parties would be willing to enter into an agreement with TORC or Whitecap for a business combination and would be prepared to pay consideration with a higher price per share or cash market value than the per share market value proposed to be received or realized in the Business Combination.

If the Business Combination is not completed for any reason, including in the event the TORC Shareholders or Whitecap Shareholders, respectively, do not approve the Business Combination Resolution and the Share Issuance Resolution, respectively, the ongoing businesses of TORC and Whitecap may be adversely affected and, without realizing any of the anticipated benefits of having completed the Business Combination, TORC and Whitecap would be subject to a number of risks, including the following:

- TORC and Whitecap may experience negative reactions from the financial markets, including a decline of their share prices (which may reflect a market assumption that the Business Combination will be completed);
- TORC and Whitecap may experience negative reactions from the investment community, their customers, suppliers, regulators and employees and other partners in the business community;
- TORC and Whitecap may be required to pay certain costs relating to the Business Combination, whether or not the Business Combination is completed; and
- matters relating to the Business Combination will have required substantial commitments of time and other resources by TORC and Whitecap management, which would otherwise have been devoted to day-to-day operations and strategic opportunities that may have been beneficial to TORC and Whitecap had the Business Combination not been contemplated.

See "*Effect of the Business Combination – The Business Combination Agreement – Termination Amount Payable by TORC*" and "*Effect of the Business Combination – Support Agreements*".

While the Business Combination is Pending, TORC and Whitecap are Restricted from Taking Certain Actions

The Business Combination Agreement restricts TORC and Whitecap from taking specified actions until the Business Combination is completed, without the consent of the other Party. These restrictions may prevent TORC and/or Whitecap from pursuing attractive business opportunities that may arise prior to completion of the Business Combination.

The Share Exchange Ratio Is Fixed and will not be Adjusted in the Event of any Change in either TORC's or Whitecap's Respective Share Prices

Upon closing of the Business Combination, each TORC Shareholder (other than a Dissenting Shareholder) will receive 0.57 of a Whitecap Share for each TORC Share held by such TORC Shareholder. The share exchange ratio is fixed in the Plan of Arrangement and will not be adjusted for changes in the market price of either the TORC Shares or the Whitecap Shares. Changes in the price of the Whitecap Shares prior to the consummation of the Business Combination will affect the market value that the TORC Shareholders will be entitled to receive upon closing. Neither TORC nor Whitecap is permitted to terminate the Business Combination Agreement or, in the case of TORC solely because of changes in the market price of either Party's common shares. Share price changes may result from a variety of factors (many of which are beyond Whitecap's or TORC's control), including the risk factors identified in the TORC AIF, the Whitecap AIF, the TORC Annual MD&A, the Whitecap Annual MD&A, the TORC Interim MD&A and the Whitecap Interim MD&A, each of which is incorporated by reference herein, respectively.

Consents and Approvals

Completion of the Business Combination is conditional upon receiving certain consents and regulatory approvals. A substantial delay in obtaining satisfactory approvals or the imposition of unfavourable terms or conditions in the regulatory approvals could adversely affect the business, financial condition or results of operations of Whitecap, TORC or the combined business.

TORC Dissent Rights

The TORC Shareholders have the right to exercise certain dissent and appraisal rights and demand payment of the fair value of their TORC Shares, in cash in connection with the Business Combination in accordance with the ABCA. If there are a significant number of Dissenting Shareholders, a substantial cash payment may be required to be made to such TORC Shareholders that could have an adverse effect on Whitecap's financial condition and cash resources if the Business Combination is completed. It is a condition to completion of the Business Combination that holders of less than 5% of the outstanding TORC Shares have exercised Dissent Rights in respect of the Business Combination, which condition may be waived by Whitecap, in its sole discretion.

Potential Undisclosed Liabilities Associated with the Business Combination

In connection with the Business Combination, there may be liabilities that Whitecap or TORC failed to discover or were unable to quantify in their respective due diligence, which was conducted prior to the execution of the Business Combination Agreement. It is possible that Whitecap or TORC may not be indemnified for some or all of such undisclosed liabilities.

Trading Access

The TORC Shares are currently listed on the TSX. Following completion of the Business Combination, it is anticipated that the TORC Shares will be delisted from the TSX. Although Whitecap has applied to list the Whitecap Shares issuable pursuant to the Business Combination on the TSX following completion of the Business Combination, there can be no assurance that such listing will occur in a timely manner or at all.

Pro Forma Financial Information may not be Indicative of the Combined Business' Financial Condition or Results following the Business Combination

The unaudited pro forma financial information contained in this Information Circular is presented for illustrative purposes only as of its respective dates and may not be indicative of the financial condition or results of operations of the combined business following completion of the Business Combination for several reasons. The unaudited pro forma financial information has been derived from the respective historical financial statements of Whitecap and TORC, and certain adjustments and assumptions made as of the dates indicated therein have been made to give effect to the Business Combination. The information upon which these adjustments and assumptions have been made is preliminary and these kinds of adjustments and assumptions are difficult to make with complete accuracy. Moreover,

the unaudited pro forma financial information does not include, among other things, estimated costs or synergies, adjustments related to restructuring or integration activities, future acquisitions or disposals not yet known or probable, or impacts of Business Combination-related change of control provisions that are currently not factually supportable and/or likely to occur. Therefore, the pro forma financial information contained herein is presented for informational purposes only and is not necessarily indicative of what the combined business' actual financial condition or results of operations would have been had the Business Combination been completed on the date indicated. Accordingly, the combined business, assets, results of operations and financial condition may differ significantly from those indicated in the unaudited pro forma financial information. See Appendix J – "*Unaudited Consolidated Pro Forma Financial Statements of the Combined Business*".

Income Tax Laws

There can be no assurance that the CRA, or other applicable taxing authorities will agree with the Canadian federal income tax consequences of the Business Combination, as applicable, as summarized in this Information Circular. Furthermore, there can be no assurance that applicable Canadian income tax Laws, regulations or tax treaties will not be changed or interpreted in a manner, or that applicable taxing authorities will not take administrative positions, that are adverse to the TORC Shareholders in respect of the Business Combination or to Whitecap and Whitecap Shareholders following completion of the Business Combination. Such taxation authorities may also disagree with how Whitecap or TORC calculate or have in the past calculated their income for income tax purposes. In addition, the Business Combination and related transactions may restrict the ability of the combined business to use certain pre-combination tax attributes of either or both of Whitecap and TORC. Any such events could adversely affect the combined business, its share price or the dividends or other payments to be paid to Whitecap Shareholders following completion of the Business Combination.

Future Dividends on Whitecap Shares

There can be no assurance as to future dividend payments by Whitecap on the Whitecap Shares and the level thereof, including the anticipated increase (subject to approval of the Whitecap Board) following completion of the Business Combination, as Whitecap's dividend policy and the funds available for the payment of dividends from time to time will be dependent upon, among other things, operating cash flow generated by Whitecap and its subsidiaries, financial requirements for Whitecap's operations, the execution of its growth strategy and the satisfaction of solvency tests imposed by the ABCA for the declaration and payment of dividends.

Disease Outbreaks

A local, regional, national or international outbreak of a contagious disease, including the COVID-19 pandemic, Middle East Respiratory Syndrome, Severe Acute Respiratory Syndrome, H1N1 influenza virus, avian flu or any other similar illness could (i) result in a reduction in the demand for, and prices of, commodities that are closely linked to TORC's and Whitecap's financial performance, including crude oil, refined petroleum products (such as jet fuel and gasoline), natural gas and electricity, (ii) cause shortages of employees to staff TORC's and Whitecap's facilities, (iii) interrupt supplies from third parties upon which TORC and/or Whitecap relies, (iv) result in governmental regulation adversely impacting TORC's and/or Whitecap's respective businesses, and (v) otherwise have a material adverse effect on TORC's and/or Whitecap's respective business, financial condition and results of operations. Such adverse effect could be rapid and unexpected.

The COVID-19 pandemic may increase TORC, Whitecap and the combined business' exposure to, and the magnitude of, risks associated with the demand for crude oil and natural gas consumption and/or lower commodity prices. TORC, Whitecap and the combined business' business, financial condition, results of operations, cash flows, reputation, access to capital, cost of borrowing, access to liquidity, ability to fund dividend payments and/or business plans may, in particular, and without limitation, be adversely impacted as a result of the pandemic and/or decline in commodity prices as a result of:

- the shut-down of facilities or the delay or suspension of work on major capital projects due to workforce disruption or labour shortages caused by workers becoming infected with COVID-19, or government or

health authority mandated restrictions on travel by workers or closure of facilities, workforce camps or worksites;

- suppliers and third-party vendors experiencing similar workforce disruption or being ordered to cease operations;
- reduced cash flows resulting in less funds from operations being available to fund their respective capital expenditure budgets;
- reduced commodity prices resulting in a reduction in the volumes and value of reserves;
- crude oil storage constraints resulting in the curtailment or shutting in of production;
- counterparties being unable to fulfill their contractual obligations on a timely basis or at all;
- the inability to deliver products to customers or otherwise get products to market caused by border restrictions, road or port closures or pipeline shut-ins, including as a result of pipeline companies suffering workforce disruptions or otherwise being unable to continue to operate;
- the capabilities of information technology systems and the potential heightened threat of a cyber-security breach arising from the number of employees working remotely; and
- the ability to obtain additional capital including, but not limited to, debt and equity financing being adversely impacted as a result of unpredictable financial markets, commodity prices and/or a change in market fundamentals.

The extent to which COVID-19 will impact TORC, Whitecap or the combined business will depend on future developments, which are highly uncertain and are difficult to predict, including, but not limited to, the duration and spread of the pandemic, its severity, the actions to contain COVID-19 or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume and its impacts to the business of TORC, Whitecap and the combined business. Even after the COVID-19 pandemic has subsided, there may continue to be adverse impacts to TORC, Whitecap or the combined business as a result of the pandemic's global economic impact.

Whitecap and TORC directors and officers may have interests in the Business Combination different from the interests of Whitecap Shareholders and TORC Shareholders following completion of the Business Combination

Certain of the directors and executive officers of Whitecap and TORC were involved with negotiating the terms of the Business Combination Agreement, and the Whitecap Board has unanimously recommended that Whitecap Shareholders vote in favour of the Whitecap Resolutions and the TORC Board has unanimously recommended that TORC Shareholders vote in favour of the Business Combination Resolution. These directors and executive officers may have interests in the Business Combination that are different from, or in addition to, those of Whitecap Shareholders and TORC Shareholders generally. The Whitecap Board and the TORC Board were each aware of, and considered, these interests when they declared the advisability of the Business Combination Agreement and unanimously recommended that Whitecap Shareholders approve the Whitecap Resolutions and that the TORC Shareholders approve the Business Combination Resolution.

INFORMATION CONCERNING TORC OIL & GAS LTD.

See Appendix H attached to this Information Circular for detailed information concerning TORC.

INFORMATION CONCERNING WHITECAP RESOURCES INC.

See Appendix I attached to this Information Circular for detailed information concerning Whitecap.

MATTERS TO BE CONSIDERED AT THE TORC MEETING

At the TORC Meeting, the TORC Shareholders will be asked to consider the Business Combination Resolution in the form set forth in Appendix A of this Information Circular.

TORC Shareholders are urged to carefully review this Information Circular when considering the Business Combination Resolution. In particular, see, "*The Business Combination*", "*Effect of the Business Combination*" and Appendix I – "*Information Concerning Whitecap Resources Inc.*". For information relating to the impact of the Business Combination on TORC and Whitecap, see "*Pro Forma Information Concerning the Combined Business*".

To pass, the Business Combination Resolution must be approved by (i) not less than 66⅔% of the votes cast by TORC Shareholders present in person (virtually) or represented by proxy at the TORC Meeting and (ii) a simple majority of the votes cast by TORC Shareholders, present in person (virtually) or represented by proxy at the TORC Meeting after excluding the votes cast by persons whose votes may not be included in determining minority approval of a "business combination" pursuant to MI 61-101.

Unless otherwise directed, the persons named in the accompanying forms of proxy for the TORC Meeting intend to vote FOR the Business Combination Resolution.

It is a condition to the completion of the Business Combination that the Business Combination Resolution be approved at the TORC Meeting.

MATTERS TO BE CONSIDERED AT THE WHITECAP MEETING

Share Issuance Resolution

As a condition to its acceptance of an issue or potential issue of listed shares as consideration for an acquisition, the TSX requires shareholder approval if the number of listed shares so issued or issuable exceeds 25% of the number outstanding on a non-diluted basis prior to the acquisition. For TSX purposes, the Business Combination constitutes an acquisition transaction for which Whitecap Shares are issued or issuable in payment of the purchase price, and Whitecap Shareholder approval is required because the maximum number of Whitecap Shares potentially issuable as a result of the Business Combination exceeds 25% of the currently outstanding Whitecap Shares on a non-diluted basis.

To pass, the Share Issuance Resolution must be approved by a simple majority of the votes cast by Whitecap Shareholders present in person (virtually) or represented by proxy at the Whitecap Meeting.

As at January 5, 2021, there were 222,672,240 TORC Shares and 467,511,687 Whitecap Shares outstanding (in each case, on a non-diluted basis). In addition, if all outstanding TORC Share Awards are settled in TORC Shares, including taking into account the value of accumulated dividend entitlements and the applicable Payout Multiplier, an additional 9,421,827 TORC Shares would be outstanding immediately prior to the Effective Time.

Upon completion of the Business Combination and assuming that: (i) there are no Dissenting Shareholders; (ii) no Whitecap Shares are issued pursuant to the settlement of outstanding Whitecap Awards prior to the Effective Time; and (iii) all of the outstanding TORC Share Awards are fully settled in TORC Shares immediately prior to the Effective Time, there will be 599,805,305 Whitecap Shares issued and outstanding, of which existing holders of TORC Shares and Whitecap Shares will collectively own approximately 22.06% and 77.94% of the combined business on a non-diluted basis, respectively.

The Share Issuance Resolution approves the issuance of up to 133,293,618 Whitecap Shares issuable pursuant to the Business Combination, representing approximately 28.5% of the outstanding Whitecap Shares as of the date hereof. The foregoing number includes: (i) 126,923,177 Whitecap Shares to be issued to former holders of TORC Shares; (ii) 5,370,441 Whitecap Shares issuable to the former holders of TORC Share Awards which assumes that an additional 9,421,827 TORC Shares are issued from treasury pursuant to the settlement of outstanding TORC Share Awards prior

to the Effective Time; and (iii) an additional 1,000,000 Whitecap Shares that could be required to be issued to account for clerical and administrative matters, including to settle fractional entitlements.

If the Share Issuance Resolution is approved, the TSX will generally not require further securityholder approval for the issuance of up to an additional 33,323,404 Whitecap Shares in connection with the Business Combination, such number being 25% of the number of Whitecap Shares approved pursuant to the Share Issuance Resolution.

Whitecap Shareholders are urged to carefully review this Information Circular when considering the Share Issuance Resolution. In particular, see, "*The Business Combination*", "*Effect of the Business Combination*" and Appendix H – "*Information Concerning TORC Oil & Gas Ltd.*". For information relating to the impact of the Business Combination on Whitecap, see "*Pro Forma Information Concerning the Combined Business*".

Unless otherwise directed, the persons named in the accompanying form of proxy for the Whitecap Meeting intend to vote FOR the Share Issuance Resolution.

It is a condition to the completion of the Business Combination that the Share Issuance Resolution be approved at the Whitecap Meeting.

Article Amendment Resolution

The Articles of Whitecap currently provide that the Whitecap Board shall consist of not less than three (3) and not more than nine (9) directors. The Whitecap Board has conditionally approved, subject to approval by the Whitecap Shareholders, an amendment to the Articles of Whitecap such that the maximum number of directors of Whitecap be increased to twelve (12) in order to facilitate the appointment of a designated director agreed to by Whitecap and TORC upon completion of the Business Combination.

At the Whitecap Meeting, Whitecap Shareholders will be asked to consider and if deemed advisable, to pass with or without variation, the following special resolution to amend the Articles of Whitecap to increase the maximum number of directors of Whitecap from nine (9) to twelve (12):

"BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. the Articles of Whitecap Resources Inc. are amended by deleting the current minimum and maximum number of directors in its entirety and replacing it with the following pursuant to section 173(1)(l) of the ABCA:

"Minimum of three (3) and maximum of twelve (12)."
2. any director or officer of Whitecap be and is hereby authorized for and on behalf of Whitecap, under the seal of Whitecap, or otherwise, to execute and deliver the Articles of Amendment and any and all other documents, certificates, declarations, notices and other instruments in writing respecting the amendment described herein and to do any and all other acts and things, as may in the opinion of such director or officer, be necessary, desirable or advisable in order to give effect to the amendment described herein or these resolutions, such execution and delivery by such director or officer to be conclusive approval of the same by the Whitecap Shareholders; and
3. without further approval of the Whitecap Shareholders, the Whitecap Board is hereby authorized to determine the timing of implementation, or abandon or postpone, the amendments described herein, at their discretion."

Approval of the Article Amendment Resolution requires the approval of the Whitecap Shareholders by special resolution, being 66⅔% of the votes cast by Whitecap Shareholders present in person (virtually) or represented by proxy at the Whitecap Meeting. The approval of the Article Amendment Resolution is not a condition precedent to the completion of the Business Combination and Whitecap intends to proceed with the Business Combination in the event the Article Amendment Resolution is not approved by Whitecap Shareholders at the Whitecap Meeting.

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxy in favour of the Article Amendment Resolution.

GENERAL PROXY MATTERS – TORC

Solicitation of Proxies

This Information Circular is delivered in connection with the solicitation by or on behalf of management of TORC of proxies for use at the TORC Meeting. The solicitation of proxies for use at the TORC Meeting will be done primarily by mail and electronic means, but may also be solicited personally (virtually), by telephone, facsimile or other similar means by directors, officers, employees or agents of TORC. The costs of preparing and distributing this Information Circular and meeting materials will be borne by TORC and Whitecap, as applicable.

The TORC Meeting is being called pursuant to the Interim Order to seek the requisite approvals of TORC Shareholders to the Business Combination in accordance with section 193 of the ABCA. See "*The Business Combination*", "*Effect of the Business Combination*" and "*Matters to be Considered at the TORC Meeting*".

The information set forth below generally applies to registered TORC Shareholders. If you are a Beneficial Holder of TORC Shares, see "*Information for Beneficial Holders*" at the front of this Information Circular.

Appointment and Revocation of Proxies

Accompanying this Information Circular is a form of proxy for registered TORC Shareholders. The persons named in the enclosed form of proxy are directors and/or officers of TORC. **A registered TORC Shareholder has a choice of voting by proxy on the internet, by phone, by mail or by fax or by using the form of proxy provided by TORC to appoint another person (who need not be a TORC Shareholder) other than the persons designated in the form of proxy provided by TORC to attend the TORC Meeting (virtually) and act for such TORC Shareholder, or voting in person (virtually) by attending the TORC Meeting. If a TORC Shareholder votes by proxy on the internet, by telephone, by mail or by facsimile in advance of the TORC Meeting, such TORC Shareholder's vote will be counted, whether or not such TORC Shareholder attends the TORC Meeting. Even if a TORC Shareholder attends the TORC Meeting, it may be more convenient to vote in advance.** To exercise this right to vote at the TORC Meeting, the TORC Shareholder should strike out the names of management designees in the enclosed form of proxy and insert the name of the desired representative in the blank space provided in the form of proxy or submit another appropriate form of proxy. Completed forms of proxy must be received by the transfer agent and registrar of TORC, Computershare, no later than the TORC Proxy Deadline.

A registered TORC Shareholder may vote in one of the following ways: (i) by internet, at the website indicated on the proxy form, for which the control number which is noted on the proxy form will be required; (ii) by telephone, at 1-866-732-8683 (toll-free in North America), for which the control number as noted on the proxy form will be required (if a TORC Shareholder chooses to vote by telephone, such TORC Shareholder cannot appoint anyone other than the appointees named on the form of proxy as proxyholder); (iii) by mailing a complete, signed and dated form of proxy using the enclosed return envelope or an envelope addressed to the registrar and transfer agent of TORC, Computershare Trust Company of Canada, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1; (iv) by hand delivery to Computershare Trust Company of Canada, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1; or (v) in person (virtually) at the TORC Meeting wherein the form of proxy does not need to be completed or returned in advance of the TORC Meeting.

The following applies to TORC Shareholders who wish to appoint as their proxyholders individuals other than those named in the proxy.

TORC Shareholders who wish to appoint as their proxyholders individuals other than those named in the proxy to attend and participate in the TORC Meeting and vote their TORC Shares MUST submit their proxies appointing such individuals as proxyholders AND register such proxyholders online, as described below. Registering your proxyholder is an additional step to be completed AFTER you have submitted your proxy. Failure to register the proxyholder will result in the proxyholder not receiving a username that is required to vote at the TORC Meeting.

Step 1: Submit your proxy: To appoint someone other than the individuals named in the proxy as proxyholder, insert that person's name in the blank space provided in the proxy and follow the instructions for submitting such proxy. This must be completed before registering such proxyholder, which is an additional step to be completed once you have submitted your proxy.

Step 2: Register your proxyholder: To register a third-party proxyholder, you must visit <https://www.computershare.com/Torc> by the TORC Proxy Deadline and provide Computershare with the required proxyholder contact information so that Computershare may provide the proxyholder with a username via e-mail. **Without a username, proxyholders will not be able to vote at the TORC Meeting but will be able to participate as guests.**

In addition to revocation in any other manner permitted by Law, a TORC Shareholder may revoke or change a previously made proxy vote: (a) by accessing the TORC Meeting by following the instructions under the heading "*How to Participate at the TORC Meeting*" in this Information Circular and voting their TORC Shares during the designated time; (b) by instrument in writing executed by the TORC Shareholder or such TORC Shareholder's attorney authorized in writing or, if the TORC Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof, duly authorized, indicating the capacity under which such officer or attorney is signing and deposited with Computershare, the transfer agent of TORC, at the office designated in the Notice of Special Meeting of TORC Shareholders not later than 5:00 p.m. (Calgary time), on the Business Day preceding the day of the TORC Meeting (or any adjournment or postponement thereof); or (c) by a duly executed and deposited proxy as provided herein bearing a later date or time than the date or time of the proxy being revoked.

Proxy Voting

The TORC Shares represented by an effective form of proxy will be voted or withheld from voting in accordance with the instructions specified therein. **If a TORC Shareholder returns the form of proxy but does not indicate how to vote its securities, and does not appoint a person other than the persons designed on the form of proxy, the TORC Shares will be voted FOR the approval of the Business Combination Resolution.** The enclosed applicable form of proxy confers discretionary authority in respect of amendments or variations to matters identified in the Notice of Special Meeting of TORC Shareholders and with respect to other matters which may properly come before the TORC Meeting or any adjournment or postponement thereof. As of the date hereof, management of TORC is not aware of any amendments, variations or other matters to come before the TORC Meeting. If a TORC Shareholder attends the TORC Meeting (virtually) and is eligible to vote on the applicable resolution, such TORC Shareholder can vote on such amendments, variations or other matters that properly come before the TORC Meeting.

Notice and Access

TORC has elected to use the Notice-and-Access Provisions for the TORC Meeting in respect of mailings to Beneficial Holders, but not in respect of mailings to the registered TORC Shareholders. The Notice-and-Access Provisions are rules developed by the Canadian Securities Administrators that reduce the volume of materials that must be physically 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.

TORC has also elected to use procedures known as 'stratification' in relation to its 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 to some shareholders together with a notice of a meeting of its shareholders. In relation to the TORC Meeting, registered TORC Shareholders will receive a paper copy of each of a notice of the TORC Meeting, this information circular and proxy statement and a form of proxy whereas Beneficial Holders will receive a Notice-and-Access Provisions notification and a request for voting instructions.

TORC will be delivering proxy-related materials directly to non-objecting Beneficial Holders with the assistance of Broadridge and does not intend to pay for intermediaries to deliver proxy-related materials to objecting Beneficial Holders.

Request for Materials

Beneficial Holders who wish to receive a paper copy of this Information Circular should contact TORC at the toll-free number 1-844-453-5507 at any time up to and including the date of TORC Meeting or any adjournment thereof. In order to allow Beneficial Holders a reasonable time to receive paper copies of this Information Circular and related materials and to vote their TORC Shares, any Beneficial Holders wishing to request paper copies as described above should ensure that such request is received as soon as possible but not later than 9:00 a.m. (Calgary time) on the fifth Business Day prior to the proxy cut-off date of February 16, 2021.

Voting Securities of TORC and Principal Holders Thereof

As at January 5, 2021, there are 222,672,240 TORC Shares issued and outstanding. Each TORC Share entitles the holder thereof to one vote per TORC Share on the Business Combination Resolution at the TORC Meeting.

The record date for determination of TORC Shareholders entitled to receive notice of and to vote at the TORC Meeting is the close of business on January 4, 2021. TORC will prepare, as of the TORC Record Date, a list of TORC Shareholders entitled to receive the Notice of Special Meeting of TORC Shareholders, showing the number of TORC Shares held by each such TORC Shareholder. TORC Shareholders whose names have been entered in the register of holders of TORC Shares by the close of business on the TORC Record Date will be entitled to receive notice of and to vote the TORC Shares shown opposite such TORC Shareholder's name at the TORC Meeting; provided that, to the extent that a TORC Shareholder transfers ownership of any TORC Shares after the TORC Record Date and the transferee of those TORC Shares establishes ownership of such TORC Shares and demands, not later than 10 days before the TORC Meeting, to be included in the list of TORC Shareholders eligible to vote at the TORC Meeting such transferee will be entitled to vote such TORC Shares at the TORC Meeting.

To the knowledge of the officers of TORC, as of the date hereof, no person or company beneficially owns, or exercises control or direction over, directly or indirectly, more than 10% of the voting rights attached to all of the outstanding TORC Shares, other than CPPIB, which owns 65,161,136 TORC Shares representing approximately 29.26% of the issued and outstanding TORC Shares.

Procedure and Votes Required

Pursuant to the Interim Order:

- (a) each TORC Share entitles the holder thereof to one vote at the TORC Meeting in respect of the Business Combination Resolution;
- (b) the number of votes required to pass the Business Combination Resolution shall be not less than: (i) than 66⅔% of the votes cast by TORC Shareholders, present in person (virtually) or represented by proxy at the TORC Meeting; and (ii) a simple majority of the votes cast by TORC Shareholders, present in person (virtually) or represented by proxy at the TORC Meeting after excluding the votes cast by persons whose votes may not be included in determining minority approval of a "business combination" pursuant to MI 61-101; and
- (c) the quorum required in respect of the Business Combination Resolution at the TORC Meeting will be two TORC Shareholders present in person (virtually), or represented by proxy, at the opening of the TORC Meeting, and holding or representing at least 5% of the TORC Shares entitled to be voted at the TORC Meeting.

Notwithstanding the foregoing, the Business Combination Resolution authorizes the TORC Board, without further notice to or approval of the TORC Shareholders, to the extent permitted by the Business Combination Agreement and

the Interim Order, to amend the Business Combination Agreement or the Plan of Arrangement and to not proceed with the Business Combination. See Appendix A to this Information Circular for the full text of the Business Combination Resolution.

How to Participate at the TORC Meeting

The TORC Meeting is being held in a virtual, audio only, webcast format due to the COVID-19 pandemic and the recommendations of federal, provincial and municipal governments to mitigate risks to public health and safety. Registered TORC Shareholders and duly appointed proxyholders may only attend and participate in the TORC Meeting virtually via live audio webcast, including by asking questions during the question and answer session and voting online, provided they follow the instructions herein.

- Registered TORC Shareholders and duly appointed proxyholders who participate by attending online will be able to listen to the proceedings of the TORC Meeting, ask questions and vote on the applicable resolution during the specified times, provided they remain connected to the internet.
 - If you are a Beneficial Holder and wish to vote your TORC Shares online during the TORC Meeting, you must follow the instructions above under "*Information for Beneficial Holders*". Beneficial Holders who have not duly appointed themselves as proxyholders may still attend the TORC Meeting as guests, but will not be able to vote.
 - Guests, including Beneficial Holders who have not duly appointed themselves as proxyholder, will be able to login and listen to the proceedings of the TORC Meeting but will not be able to vote.
 - Attendees can login to the TORC Meeting by following the instructions below.
 - Log in online at: <https://web.lumiagm.com/427778530>. The latest versions of Chrome, Safari, Microsoft Edge or Firefox will be needed. TORC recommends that you log in at least 30 to 60 minutes before the TORC Meeting starts. You should allow ample time to log in to the TORC Meeting to check compatibility and complete the related procedures.
 - For registered TORC Shareholders and duly appointed proxyholders, select "*I have a Control Number/Username*" and enter your control number or username and the password: "torc2021" (case sensitive).
- OR
- Click "*I am a guest*" and then complete the online form to access the TORC Meeting.

For registered TORC Shareholders: The control number located on the form of proxy or in the e-mail notification delivered for the TORC Meeting is the control number to log in to the TORC Meeting. For duly appointed proxyholders: Computershare will provide the proxyholder with a username by e-mail after the proxy voting deadline has passed provided that the proxyholder has been duly appointed and registered as described in this Information Circular.

If a TORC Shareholder attends the TORC Meeting online, it is important to remain connected to the internet at all times in order to vote when the applicable balloting commences. It is the responsibility of such TORC Shareholder to ensure internet connectivity is maintained for the duration of the TORC Meeting.

GENERAL PROXY MATTERS – WHITECAP

Solicitation of Proxies

This Information Circular is delivered in connection with the solicitation by or on behalf of management of Whitecap of proxies for use at the Whitecap Meeting. In addition to solicitation by mail, proxies may be solicited by personal interviews, telephone or other means of communication and by directors, officers and employees of Whitecap. The cost of soliciting proxies will be borne by Whitecap. The solicitation of proxies for use at the Whitecap Meeting will be done primarily by mail and electronic means, but may also be solicited personally (virtually), by telephone, facsimile or other similar means by directors, officers, employees or agents of Whitecap. The costs of preparing and distributing this Information Circular and meeting materials will be borne by TORC and Whitecap.

The Whitecap Meeting is being called to seek the requisite approval of Whitecap Shareholders of the Share Issuance Resolution. See *"The Business Combination"*, *"Effect of the Business Combination"* and *"Matters to be Considered at the Whitecap Meeting"*.

The information set forth below generally applies to registered Whitecap Shareholders. If you are a Beneficial Holder of Whitecap Shares, see *"Information for Beneficial Holders"* at the front of this Information Circular.

Appointment and Revocation of Proxies

Accompanying this Information Circular is a form of proxy for registered Whitecap Shareholders. The persons named in the enclosed form of proxy are directors and/or officers of Whitecap. **A registered Whitecap Shareholder has a choice of voting by proxy on the internet, by phone, by mail or by fax or by using the form of proxy provided by Whitecap to appoint another person (who need not be a Whitecap Shareholder) other than the persons designated in the form of proxy provided by Whitecap to attend the Whitecap Meeting (virtually) and act for such Whitecap Shareholder, or voting in person (virtually) by attending the Whitecap Meeting. If a Whitecap Shareholder votes by proxy on the internet, by telephone, by mail or by facsimile in advance of the Whitecap Meeting, such Whitecap Shareholder's vote will be counted, whether or not such Whitecap Shareholder attends the Whitecap Meeting. Even if a Whitecap Shareholder attends the Whitecap Meeting, it may be more convenient to vote in advance.** To exercise this right to vote at the Whitecap Meeting, the Whitecap Shareholder should strike out the names of management designees in the enclosed form of proxy and insert the name of the desired representative in the blank space provided in the form of proxy or submit another appropriate form of proxy. Completed forms of proxy must be received by the transfer agent and registrar of Whitecap, Odyssey, no later than the Whitecap Proxy Deadline.

A registered shareholder may vote in one of the following ways: (i) by internet, at the website indicated on the proxy form, for which the control number which is noted on the proxy form will be required; (ii) by mailing a complete, signed and dated form of proxy using the enclosed return envelope or an envelope addressed to the registrar and transfer agent of Whitecap, Odyssey Trust Company, 1230 – 300 5th Avenue S.W., Calgary, Alberta, T2P 3C4; (iii) by hand delivery to Odyssey Trust Company, 1230 – 300 5th Avenue S.W., Calgary, Alberta, T2P 3C4; (iv) by facsimile, by sending a complete, signed and dated form of proxy to 1- 800-517-4553 (toll-free in North America); or (vi) in person (virtually) at the Whitecap Meeting wherein the form of proxy does not need to be completed or returned in advance of the Whitecap Meeting.

The following applies to Whitecap Shareholders who wish to appoint as their proxyholders individuals other than those named in the proxy.

Whitecap Shareholders who wish to appoint as their proxyholders individuals other than those named in the proxy to attend and participate in the Whitecap Meeting and vote their Whitecap Shares MUST submit their proxies appointing such individuals as proxyholders AND register such proxyholders online, as described below. Registering your proxyholder is an additional step to be completed AFTER you have submitted your proxy. Failure to register the proxyholder will result in the proxyholder not receiving a username that is required to vote at the Whitecap Meeting.

Step 1: Submit your proxy: To appoint someone other than the individuals named in the proxy as proxyholder, insert that person's name in the blank space provided in the proxy and follow the instructions for submitting such proxy. This must be completed before registering such proxyholder, which is an additional step to be completed once you have submitted your proxy.

Step 2: Register your proxyholder: To register a third-party proxyholder, you must email whitecap@odysseytrust.com by the Whitecap Proxy Deadline and provide Odyssey with the required proxyholder contact information so that Odyssey may provide the proxyholder with a username via e-mail. **Without a username proxyholders will not be able to vote at the Whitecap Meeting but will be able to participate as guests.**

In addition to revocation in any other manner permitted by Law, a Whitecap Shareholder may revoke a proxy: (a) by accessing the Whitecap Meeting by following the instructions under the heading "*How to Participate at the Whitecap Meeting*" in this Information Circular and voting their Whitecap Shares during the designated time; (b) by instrument in writing executed by the Whitecap Shareholder or such Whitecap Shareholder's attorney authorized in writing or if the Whitecap Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof, duly authorized, indicating the capacity under which such officer or attorney is signing and deposited with Odyssey, the transfer agent of Whitecap, at the office designated in the Notice of Special Meeting of Whitecap Shareholders not later than 5:00 p.m. (Calgary time) on the Business Day preceding the day of the Whitecap Meeting, (or any adjournment or postponement thereof); or (c) by a duly executed and deposited proxy as provided herein bearing a later date or time than the date or time of the proxy being revoked.

Proxy Voting

The Whitecap Shares represented by an effective form of proxy will be voted or withheld from voting in accordance with such Whitecap Shareholder's instructions. If a Whitecap Shareholder returns the form of proxy but does not indicate how to vote such Whitecap Shares, and does not appoint a person other than the persons designated on the form of proxy, **such Whitecap Shares will be voted FOR approval of the Whitecap Resolutions. In respect of any other matters other than those set forth above which are to be considered at the Whitecap Meeting, where no choice is specified, the Whitecap Shares will be voted in favour of each matter identified in the accompanying Notice of Special Meeting of Whitecap Shareholders.** Whitecap Shareholders have the right to appoint a person other than the persons designated in the enclosed form of proxy as proxyholder to vote the Whitecap Shares on their behalf.

The enclosed form of proxy confers discretionary authority in respect of amendments or variations to matters identified in the Notice of Special Meeting of Whitecap Shareholders and with respect to other matters which may properly come before the Whitecap Meeting or any adjournment or postponement thereof. As of the date hereof, management of Whitecap is not aware of any amendments, variations or other matters to come before the Whitecap Meeting. If a Whitecap Shareholder attends the Whitecap Meeting (virtually) and is eligible to vote, such Whitecap Shareholder can vote on any amendments, variations or other matters that properly come before the Whitecap Meeting in accordance with the wishes of such Whitecap Shareholder. If a Whitecap Shareholder is voting by proxy, the persons named in the form of proxy will have discretionary authority to vote on any such amendments, variations or other matters that may properly come before the Whitecap Meeting, as he or she sees fit for each item of business at the Whitecap Meeting. Whitecap may utilize the Broadridge Quickvote™ service to assist Beneficial Holders with voting their Whitecap Shares over the telephone.

Notice and Access

Whitecap has elected to use the Notice-and-Access Provisions for the Whitecap Meeting in respect of mailings to its Beneficial Holders but not in respect of mailings to the registered Whitecap Shareholders. The Notice-and-Access Provisions are rules developed by the Canadian Securities Administrators that reduce the volume of materials that must be physically 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.

Whitecap has also elected to use procedures known as 'stratification' in relation to its 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 to some shareholders together with a notice of a meeting of its shareholders. In relation

to the Whitecap Meeting, registered Whitecap Shareholders will receive a paper copy of each of a notice of the Whitecap Meeting, this information circular and proxy statement and a form of proxy whereas Beneficial Holders will receive a Notice-and-Access Provisions notification and a request for voting instructions.

Whitecap will be delivering proxy-related materials directly to non-objecting Beneficial Holders with the assistance of Broadridge and intends to pay for intermediaries to deliver proxy-related materials to objecting Beneficial Holders.

Request for Materials

Beneficial Holders who wish to receive a paper copy of this Information Circular should contact Broadridge at www.proxyvote.com or by calling the toll free number at 1-877-907-7643 (within North America) and entering the control number located on the enclosed form of proxy or Voting Information Form at any time up to and including the date of the Whitecap Meeting or any adjournment thereof. In order to allow Beneficial Holders a reasonable time to receive paper copies of this Information Circular and related materials and to vote their Whitecap Shares, any Beneficial Holders wishing to request paper copies as described above should ensure that such request is received as possible but not later than 10:00 a.m. (Calgary time) on the fifth Business Day prior to the proxy cut-off date of February 16, 2021. A Beneficial Holder may also call Whitecap to obtain additional information about the Notice-and-Access Provisions.

Voting Securities of Whitecap and Principal Holders Thereof

As at January 5, 2021, there are 467,511,687 Whitecap Shares issued and outstanding which are its only outstanding voting securities. Each Whitecap Share entitles the holder thereof to one vote on a ballot at the Whitecap Meeting.

Whitecap Shareholders are entitled to vote if they were a holder of Whitecap Shares at the close of business on January 4, 2021, the record date for the Whitecap Meeting. Each holder is entitled to one vote for each Whitecap Share held on such date. Whitecap will prepare, as of the Whitecap Record Date, a list of Whitecap Shareholders entitled to receive the Notice of Special Meeting of Whitecap Shareholders and showing the number of Whitecap Shares held by each such Whitecap Shareholder. Whitecap Shareholders whose names have been entered in the register of holders of Whitecap Shares at the close of business on the Whitecap Record Date will be entitled to receive notice of and to vote the Whitecap Shares shown opposite such Whitecap Shareholder's name at the Whitecap Meeting.

As at January 5, 2021, to the knowledge of the directors and executive officers of Whitecap, no person or company beneficially owns, or exercises control or direction over, directly or indirectly, Whitecap Shares carrying 10% or more of the voting rights attached to all of the outstanding Whitecap Shares, other than the NAL Vendor, which beneficially owns 58,365,559 Whitecap Shares representing approximately 12.48% of the issued and outstanding Whitecap Shares.

How to Participate at the Whitecap Meeting

The Whitecap Meeting is being held in a virtual, audio only, webcast format due to the COVID-19 pandemic and the recommendations of federal, provincial, and municipal governments to mitigate risks to public health and safety. Whitecap Shareholders and duly appointed proxyholders may only attend and participate in the Whitecap Meeting virtually via live audio webcast, including by asking questions during the question and answer session and voting online, provided they follow the instructions herein.

- Registered Whitecap Shareholders and duly appointed proxyholders who participate by attending online will be able to listen to the proceedings of the Whitecap Meeting, ask questions and vote during the specified times, provided they remain connected to the internet.
- If you are a Beneficial Holder and wish to vote your Whitecap Shares online during the Whitecap Meeting, you must follow the instructions above under "*Information for Beneficial Holders*". Beneficial Holders who have not duly appointed themselves as proxyholders may still attend the Whitecap Meeting as guests, but will not be able to vote.

- Guests, including Beneficial Holders who have not duly appointed themselves as proxyholder, will be able to login and listen to the proceedings of the Whitecap Meeting but will not be able to vote.
- Attendees can login to the Whitecap Meeting by following the instructions below.
 - Log in online at: <https://web.lumiagm.com/240585844>. The latest versions of Chrome, Safari, Microsoft Edge or Firefox will be needed. Whitecap recommends that you log in at least 30 to 60 minutes before the Whitecap Meeting starts. You should allow ample time to log in to the Whitecap Meeting to check compatibility and complete the related procedures.
 - For registered Whitecap Shareholders and duly appointed proxyholders, select "*I have a Control Number/Username*" and enter your control number or username and the password: "whitecap2021" (case sensitive).

OR

- Click "*I am a guest*" and then complete the online form to access the Whitecap Meeting.

For registered Whitecap Shareholders: The control number located on the form of proxy or in the e-mail notification delivered for the Whitecap Meeting is the control number to log in to the Whitecap Meeting. For duly-appointed proxyholders: Odyssey Trust Company will provide the proxyholder with a username by e-mail after the proxy voting deadline has passed provided that the proxyholder has been duly appointed and registered as described in this Information Circular.

If a Whitecap Shareholder attends the Whitecap Meeting online, it is important to remain connected to the internet at all times in order to vote when the balloting commences. It is the responsibility of such Whitecap Shareholder to ensure internet connectivity is maintained for the duration of the Whitecap Meeting.

QUESTIONS AND OTHER ASSISTANCE

If you are a TORC Shareholder or a Whitecap Shareholder and you have any questions about the information contained in this Information Circular or require assistance in completing your form of proxy or Letter of Transmittal, please contact your financial, legal, tax or other professional advisors.

APPENDIX "A"

BUSINESS COMBINATION RESOLUTION

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the business combination ("**Business Combination**") under section 193 of the *Business Corporations Act* (Alberta) (the "**ABCA**") involving TORC Oil & Gas Ltd. ("**TORC**"), Whitecap Resources Inc. ("**Whitecap**") and the shareholders of TORC (the "**TORC Shareholders**"), as more particularly described and set forth in the joint management information circular and proxy statement dated January 5, 2021 of TORC and Whitecap accompanying the notices of meeting, as the Business Combination may be modified or amended in accordance with its terms, is hereby authorized, approved and adopted;
2. the plan of arrangement (the "**Plan of Arrangement**") involving TORC, Whitecap and the TORC Shareholders, the full text of which is set out as Schedule "A" to the business combination agreement dated December 8, 2020 between TORC and Whitecap (the "**Business Combination Agreement**"), as may be modified or amended in accordance with its terms, is hereby authorized, approved and adopted;
3. notwithstanding that this resolution has been passed (and the Plan of Arrangement adopted) by the TORC Shareholders or that the Business Combination has been approved by the Court of Queen's Bench of Alberta, the directors of TORC are hereby authorized and empowered without further notice to or approval of the TORC Shareholders: (i) to amend the Business Combination Agreement or the Plan of Arrangement, to the extent permitted by the Business Combination Agreement or the Plan of Arrangement; and (ii) subject to the terms of the Business Combination Agreement, not to proceed with the Business Combination;
4. any one director or officer of TORC be and is hereby authorized and directed for and on behalf of TORC to execute, under the corporate seal of TORC or otherwise, and to deliver to the Registrar under the ABCA for filing articles of arrangement and such other documents as are necessary or desirable to give effect to the Business Combination and the Plan of Arrangement in accordance with the Business Combination Agreement; and
5. any one director or officer of TORC be and is hereby authorized and directed for, on behalf of, and in the name of TORC to execute or cause to be executed, under the corporate seal of TORC or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing."

APPENDIX "B"

SHARE ISSUANCE RESOLUTION

"**BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT** pursuant to the terms of a business combination agreement between Whitecap Resources Inc. ("**Whitecap**") and TORC Oil & Gas Ltd. ("**TORC**") dated December 8, 2020 (the "**Business Combination Agreement**") under which Whitecap will acquire all of the outstanding common shares of TORC (the "**TORC Shares**") (the "**Business Combination**") by way of a plan of arrangement ("**Plan of Arrangement**") under section 193 of the *Business Corporations Act* (Alberta), all as described in the joint management information circular and proxy statement of Whitecap and TORC dated January 5, 2021 and as set forth in the plan of arrangement attached as Schedule "A" to the Business Combination Agreement filed on Whitecap's SEDAR profile at www.sedar.com, subject to all conditions set forth in the Business Combination Agreement being met or waived:

1. the issuance of up to 133,293,618 common shares of Whitecap (which includes common shares, if any, required to be issued to account for clerical and administrative matters, including to settle fractional entitlements) required to be issued pursuant to the Business Combination is hereby authorized and approved;
2. notwithstanding that this resolution has been passed by the holders ("**Whitecap Shareholders**") of common shares of Whitecap, the board of directors of Whitecap is hereby authorized and empowered, without further approval of the Whitecap Shareholders, to not proceed with the Business Combination or otherwise give effect to these resolutions; and
3. any one director or officer of Whitecap is hereby authorized and directed for, on behalf of, and in the name of Whitecap to execute or cause to be executed, under the seal of Whitecap or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing."

APPENDIX "C"

BUSINESS COMBINATION AGREEMENT

BUSINESS COMBINATION AGREEMENT

THIS AGREEMENT is made as of the 8th day of December, 2020;

BETWEEN:

WHITECAP RESOURCES INC., a corporation existing under the laws of the Province of Alberta ("**Whitecap**")

- and -

TORC OIL & GAS LTD., a corporation existing under the laws of the Province of Alberta ("**TORC**")

WHEREAS Whitecap proposes to acquire all of the issued and outstanding common shares of TORC;

AND WHEREAS Whitecap and TORC intend to carry out the transaction contemplated above by way of an arrangement under the ABCA on the terms and subject to the conditions set out in this Agreement;

NOW THEREFORE, in consideration of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), Whitecap and TORC hereby covenant and agree as follows.

ARTICLE 1 INTERPRETATION

1.1 Definitions

Whenever used in this Agreement, unless there is something in the context or subject matter inconsistent therewith, the following defined words and terms have the indicated meanings and grammatical variations of such words and terms have corresponding meanings:

- (a) "**ABCA**" means the *Business Corporations Act* (Alberta);
- (b) "**Acquisition Proposal**" means any inquiry or the making of any proposal or offer to TORC or any of the TORC Shareholders or other securityholders of TORC (including any take-over bid initiated by advertisement or circular) by any person, or group of persons "acting jointly or in concert" (within the meaning of National Instrument 62-104 – *Takeover Bids and Issuer Bids*), other than Whitecap or any Person acting jointly or in concert with Whitecap, whether or not subject to due diligence or other conditions and whether such proposal or offer is made orally or in writing, which constitutes, or may reasonably be expected to lead to (in either case, whether in one transaction or a series of transactions):
 - (i) any, direct or indirect, acquisition of securities of TORC that, when taken together with the securities of TORC held by the proposed acquirer, would constitute more than 20% of the voting equity securities of TORC;
 - (ii) any, direct or indirect, acquisition of the assets of TORC that constitutes 20% or more of the consolidated assets of TORC;
 - (iii) an amalgamation, arrangement, merger, or consolidation involving TORC (and/or any

subsidiary of TORC);

- (iv) any take-over bid, issuer bid, exchange offer, recapitalization, liquidation, dissolution or similar transaction involving TORC and/or any subsidiary of TORC; or
- (v) any other transaction, the consummation of which would or could reasonably be expected to impede, interfere with, prevent or delay the transactions contemplated by this Agreement or the Business Combination or which would or could reasonably be expected to materially reduce the benefits to Whitecap under this Agreement or the Business Combination,

except that for the purpose of the definition of "**Superior Proposal**", the references in this definition of "Acquisition Proposal" to "20% or more of the voting equity securities of TORC" shall be deemed to be references to "50% or more of the voting equity securities of TORC", and the references to "20% of the assets of TORC" shall be deemed to be references to "all or substantially all of the assets of TORC";

- (c) "**Agreement**", "**herein**", "**hereof**", "**hereto**", "**hereunder**" and similar expressions mean and refer to this Business Combination Agreement (including the schedules hereto) as supplemented, modified or amended, and not to any particular article, section, schedule or other portion hereof;
- (d) "**Amendment Resolution**" means, the special resolution in respect of the amendment of the articles of Whitecap to increase the maximum number of directors, to be considered by the Whitecap Shareholders at the Whitecap Meeting;
- (e) "**Applicable Canadian Securities Laws**" means, collectively, and as the context may require, the securities legislation of each of the provinces and territories of Canada and the rules, regulations and policies published and/or promulgated thereunder, including the rules and policies of the TSX, in each case as such may be amended from time to time prior to the Effective Date;
- (f) "**Applicable Laws**" means, in any context that refers to one or more Persons, the Laws that apply to such Person or Persons or his/her/its/their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Person or Persons or his/hers/its/their business, undertaking, property or securities;
- (g) "**Area of Exclusion Agreements**" means the area of exclusion agreements substantially in the form attached to the TORC Disclosure Letter, to be entered into by each of the executive officers of TORC with Whitecap concurrent with the Effective Time;
- (h) "**Articles of Arrangement**" means the articles of arrangement in respect of the Plan of Arrangement required under subsection 193(10) of the ABCA to be sent to the Registrar after the Final Order has been granted, to give effect to the Business Combination;
- (i) "**Business Combination**", "**herein**", "**hereof**", "**hereto**", "**hereunder**" and similar expressions mean and refer to the business combination pursuant to Section 193 of the ABCA, on the terms and subject to the conditions set out in the Plan of Arrangement;
- (j) "**Business Combination Resolution**" means, the special resolution in respect of the Business Combination to be considered by the TORC Shareholders at the TORC Meeting;
- (k) "**Business Day**" means, with respect to any action to be taken, any day, other than a Saturday, Sunday or a statutory holiday in the place where such action is to be taken;

- (l) "**Certificate**" means the certificate or other proof of filing issued by the Registrar pursuant to subsection 193(11) of the ABCA giving effect to the Plan of Arrangement;
- (m) "**Circular**" means the joint information circular and proxy statement of TORC and Whitecap to be sent by TORC to the TORC Shareholders in connection with the TORC Meeting and to be sent by Whitecap to the Whitecap Shareholders in connection with the Whitecap Meeting;
- (n) "**Claim**" means any claim, action, demand, lawsuit, proceeding, notice of non-compliance or violation, order or direction, arbitration or governmental investigation, in each case, whether asserted, threatened, pending or existing;
- (o) "**Commissioner**" means the Commissioner of Competition appointed under the Competition Act or any Person authorized to exercise the powers and perform the duties of the Commissioner of Competition;
- (p) "**Competition Act**" means the *Competition Act*, R.S.C. 1985, c. C 34, as amended;
- (q) "**Competition Act Approval**" means the occurrence of one or more of the following:
 - (i) an advance ruling certificate (an "**ARC**") pursuant to Section 102 of the Competition Act shall have been issued by the Commissioner in respect of the transactions contemplated herein on conditions satisfactory to the Parties, each acting reasonably; or
 - (ii) the Commissioner shall have waived the obligation to notify and supply information under Part IX of the Competition Act pursuant to subsection 113(c) of the Competition Act and confirmed in writing that he has no intention to file an application under Section 92 of the Competition Act (a "**No-Action Letter**") in connection with the transactions contemplated by this Agreement on terms satisfactory to the Parties, each acting reasonably, and such No-Action Letter remains in full force and effect; or
 - (iii) the Parties shall have notified the Commissioner under Section 114 of the Competition Act and the waiting period under Section 123 of the Competition Act shall have expired or been terminated and the Commissioner shall have issued a No-Action Letter in connection with the transactions contemplated by this Agreement on terms satisfactory to the Parties each acting reasonably, and such No-Action Letter remains in full force and effect;
- (r) "**Confidentiality Agreement**" means the confidentiality agreement between TORC and Whitecap dated September 2, 2020;
- (s) "**Contract**" means contracts, licences, real property and equipment leases, instruments, agreements, obligations, promises, undertakings, understandings, arrangements, documents, commitments, entitlements or engagements to which TORC is a party or by which it is bound or under which TORC has, or will have, any liability or contingent liability (in each case, whether written or oral, express or implied), and includes any quotations, orders, proposals or tenders which remain open for acceptance and warranties and guarantees;
- (t) "**Court**" means the Court of Queen's Bench of Alberta;
- (u) "**Depository**" means Odyssey Trust Company, or such other Person that may be appointed by Whitecap for the purpose of receiving deposits of certificates or direct registration system advices formerly representing TORC Shares;

- (v) **"Derivative Contract"** means a financial risk management Contract, such as a currency, commodity, interest or equity related instrument, including but not limited to rate swap transactions, basis swaps, forward rate transactions, commodity swaps, commodity options, equity or equity index swaps, equity or equity index options, bond options, interest rate options, foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross currency rate swap transactions, currency options, production sales transactions having terms greater than 90 days or any other similar transactions (including any option with respect to any of such transactions) or any combination of such transactions, but do not include any Marketing and Midstream Agreements;
- (w) **"Dissent Rights"** has the meaning ascribed thereto in the Plan of Arrangement;
- (x) **"Dissenting Shareholders"** means registered TORC Shareholders who validly exercise the Dissent Rights provided to them under the Plan of Arrangement and the Interim Order;
- (y) **"Effective Date"** means the date the Business Combination becomes effective under the ABCA;
- (z) **"Effective Time"** means the time on the Effective Date when the Business Combination becomes effective pursuant to the Plan of Arrangement;
- (aa) **"Eligible Holder"** means any TORC Shareholder, who holds their TORC Shares as capital property for purposes of the Tax Act, other than a Dissenting Shareholder, immediately prior to the Effective Time who is a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act, or a partnership any member of which is a resident of Canada for the purposes of the Tax Act;
- (bb) **"Employment Information"** has the meaning ascribed to that term in Section 4.1(u)(ii);
- (cc) **"Encumbrance"** means in the case of property or an asset, all mortgages, pledges, charges, liens, debentures, hypothecs, trust deeds, outstanding demands, burdens, capital leases, assignments by way of security, security interests, conditional sales contracts or other title retention agreements or similar interests or instruments charging, or creating a security interest in, or against title to, such property or assets, or any part thereof or interest therein, and any agreements, leases, options, easements, rights of way, restrictions, executions or other charges or encumbrances (including notices or other registrations in respect of any of the foregoing) (whether by Applicable Laws, contract or otherwise) against title to any of the property or asset, or any part thereof or interest therein or capable of becoming any of the foregoing;
- (dd) **"Environment"** means the natural environment (including soil, land surface or subsurface strata, surface waters, groundwater, sediment, ambient air (including all layers of the atmosphere), organic and inorganic matter and living organisms), and any other environmental medium or natural resource;
- (ee) **"Environmental Laws"** means, with respect to any Person or its business, activities, property, assets or undertaking, all federal, provincial, state, municipal or local Laws of any Governmental Authority or of any court, tribunal or other similar body, relating to environmental or health matters in the jurisdictions applicable to such Person or its business, activities, property, assets or undertaking, including legislation governing the use and storage of Hazardous Substances;

- (ff) **"Final Order"** means the order of the Court approving the Business Combination pursuant to subsection 193(9) of the ABCA, as such order may be affirmed, amended or modified by any court of competent jurisdiction;
- (gg) **"Governmental Authority"** means any Canadian or United States federal, provincial, state, municipal or other political subdivision, government, department, commission, board, bureau, agency or instrumentality;
- (hh) **"Hazardous Substances"** means any waste or other substance that is prohibited, listed, defined, designated or classified as dangerous, hazardous, radioactive, explosive or toxic or a pollutant or a contaminant under or pursuant to any applicable Environmental Laws, and specifically including petroleum and all derivatives thereof or synthetic substitutes therefor;
- (ii) **"Hold Period Agreements"** means the hold period agreements substantially in the form attached to the TORC Disclosure Letter, to be entered into by each of the directors and executive officers of TORC, with Whitecap prior to, or concurrent with, the Effective Time;
- (jj) **"IFRS"** means International Financial Reporting Standards;
- (kk) **"Interim Order"** means the interim order of the Court concerning the Business Combination under subsection 193(4) of the ABCA, containing declarations and directions with respect to the Business Combination and the holding of the TORC Meeting, as such order may be affirmed, amended or modified by any court of competent jurisdiction;
- (ll) **"Laws"** means all domestic and foreign, federal, provincial, territorial, state, municipal or local laws (including, for greater certainty, common law), all statutes, regulations, by-laws, statutory rules, orders, ordinances, protocols, codes, guidelines, notices and directions enacted by a Governmental Authority (including all Applicable Canadian Securities Laws) and the terms and conditions of any grant of approval, permission, authority or license of any Governmental Authority or self-regulatory authority;
- (mm) **"Letters of Transmittal"** means the letters of transmittal sent to TORC Shareholders pursuant to which TORC Shareholders are required, among other things, to deliver certificates or direct registration system advices representing TORC Shares to the Depositary in exchange for the consideration to which the holders of such TORC Shares are entitled under the Business Combination;
- (nn) **"Marketing and Midstream Agreements"** means each agreement of each Party or any of its subsidiaries for the processing, compression, treatment, gathering, storage, transportation, purchase, sale or delivery of petroleum and natural gas described in the TORC Disclosure Letter;
- (oo) **"material adverse change" or "material adverse effect"** means, with respect to a Party, any matter or action that has an effect or change that is, or would reasonably be expected to be, material and adverse to the business, operations, results of operations, assets, properties, capitalization, liabilities, obligations (whether absolute, accrued, conditional or otherwise), condition (financial or otherwise) or prospects of the Party and its subsidiaries, taken as a whole, except to the extent of any fact or state of facts, circumstance, change, effect, occurrence or event resulting from or arising in connection with:
 - (i) any change, development or condition in or relating to global, national or regional political conditions (including strikes, lockouts, riots, blockades or facility takeover for emergency

purposes) or in general economic, business, banking, regulatory, currency exchange, interest rate, rates of inflation or market conditions or in national or global financial or capital markets;

- (ii) conditions affecting the oil and natural gas exploration, exploitation, development and production industry as a whole;
- (iii) any change, development or condition resulting from any act of terrorism or any outbreak of hostilities or declared or undeclared war, or any escalation or worsening of such acts of terrorism, hostilities or war;
- (iv) any adoption, proposal, implementation or change in Law or in any interpretation, application or non-application of any Laws by any governmental entity (including, for greater certainty, any change to the Tax Act or other applicable taxing legislation or to tax rates including changes in Laws (including tax Laws) and royalties;
- (v) any climatic, earthquake or other natural event or condition (including weather conditions and any natural disaster);
- (vi) any epidemic, pandemic, disease outbreak (including COVID-19), other health crisis or public health event;
- (vii) any decline in the market price of crude oil, natural gas or related hydrocarbons on a current or forward basis;
- (viii) any change in the market price or trading volume of any securities of Whitecap or TORC (it being understood that the causes underlying such change may be taken into account in determining whether a material adverse change or material adverse effect has occurred);
- (ix) any failure by Whitecap or TORC, as the case may be, to meet any internal or published financial or other projections or forecasts, including projections and forecasts provided to the other Party in connection with its due diligence inquiries or the negotiation of this Agreement (provided that this clause (vii) will not prevent a determination that any change giving rise to such a failure to meet projections or forecasts has resulted in a material adverse change or material adverse effect to the extent it is not otherwise excluded from this definition);
- (x) any matter which has been publicly disclosed or communicated in writing by a Party to the other Party as of the date hereof;
- (xi) any changes or effects arising, directly or indirectly, from the Business Combination or any other matters or actions permitted or contemplated by this Agreement, including any public announcement of the foregoing, or consented to or approved in writing by the other Party; and
- (xii) any changes or effects arising, directly or indirectly, as a result of a variation in the terms of the NAL Transaction or a failure to close the NAL Transaction on the timing contemplated or at all;

provided, however, that the change or effect referred to in clauses (i) to (vi), does not disproportionately affect either Party, taken as a whole, as the case may be, compared to other

entities of similar size and operating in the oil and gas exploration, exploitation, development and production industry, in which case, the relevant exclusion from this definition of material adverse change or material adverse effect referred to in clauses (i) to (v) above will not be applicable;

- (pp) **"material change"** has the meaning ascribed thereto in the Securities Act;
- (qq) **"McDaniel"** means McDaniel & Associates Consultants Ltd., independent oil and natural gas reservoir engineers of Calgary, Alberta;
- (rr) **"misrepresentation"** has the meaning ascribed thereto in the Securities Act;
- (ss) **"NAL Transaction"** means the acquisition of all of the issued and outstanding shares of NAL Resources Limited pursuant to a Share Purchase and Sale Agreement between The Manufacturers Life Insurance Company, NAL Resources Limited and Whitecap made as of August 30, 2020 pursuant to which Whitecap will issue approximately 58.3 million Whitecap Shares;
- (tt) **"Outside Date"** means March 26, 2021, or such later date as may be agreed to by the Parties;
- (uu) **"Parties"** means Whitecap and TORC; and **"Party"** means either of them;
- (vv) **"Plan of Arrangement"** means the plan of arrangement substantially in the form set out in Schedule "A" to this Agreement, as amended or supplemented from time to time;
- (ww) **"Registrar"** means the Registrar of Corporations or a Deputy Registrar of Corporations appointed under Section 263 of the ABCA;
- (xx) **"Release"** means any sudden, intermittent or gradual release, spill, leak, pumping, addition, pouring, emission, emptying, discharge, migration, injection, escape, leaching, disposal, dumping, deposit, spraying, burial abandonment, incineration, seepage, placement or introduction of a Hazardous Substance, whether accidental or intentional, into the Environment;
- (yy) **"Securities Act"** means the *Securities Act*, R.S.A. 2000, c. S 4;
- (zz) **"Securities Authorities"** means, collectively, the securities commissions or similar securities regulatory authorities in each of the Provinces or Territories of Canada;
- (aaa) **"Share Issuance Resolution"** means the ordinary resolution in respect of the issuance of Whitecap Shares pursuant to the Business Combination to be considered by the Whitecap Shareholders at the Whitecap Meeting;
- (bbb) **"Sproule"** means Sproule Associates Limited, independent oil and natural gas reservoir engineers of Calgary, Alberta;
- (ccc) **"subsidiary"** means, with respect to a specified entity, any:
 - (i) body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified entity or indirectly by or for the benefit of such specified entity;

- (ii) entity which is not a body corporate, of which more than 50% of the voting or equity interests of such entity (including, for a partnership other than a limited partnership, the voting or equity interests in such partnership) are owned, directly or indirectly, by such specified entity or indirectly by or for the benefit of such specified entity and in the case of a partnership (including a limited partnership), of which such specified entity, or a subsidiary of such specified entity, is a general partner; and
 - (iii) any issuer that would constitute a subsidiary (as defined in the Securities Act);
- (ddd) "**Superior Proposal**" has the meaning set out in subsection 3.4(b)(vi)(A);
- (eee) "**Tax**" or "**Taxes**" means all taxes whether Canadian federal, provincial, territorial, local, municipal or foreign (including income, gross receipts, licence, fees, payroll, employment, excise, severance, premium, windfall profits, customs duties, capital, capital stock, capital gain, value added, franchise, business, profits, withholding, social security (or similar), Saskatchewan Corporation Capital Tax and Resource Surcharge, unemployment, disability, real property, personal property, sales, use, occupation, goods and services, stamp, transfer, registration, alternative or minimum tax, municipal tax, employment insurance contributions and Canada Pension Plan contributions, and including any interest, penalty, or addition thereto, whether disputed or not, imposed, assessed or collected by, for or under the authority of the Tax Act or any Governmental Authority or payable pursuant to the Tax Act or tax-sharing agreement or any other contract relating to the sharing or payment of any such tax, levy, assessment, tariff, duty, deficiency or fee);
- (fff) "**Tax Act**" means the *Income Tax Act* (Canada);
- (ggg) "**Tax Returns**" shall mean all reports, estimates, elections, designations, forms, declarations of estimated tax, information statements and returns relating to, or required to be filed in connection with, any Taxes;
- (hhh) "**TORC Benefit Plans**" has the meaning ascribed to that term in Section 4.1(u)(xi);
- (iii) "**TORC Board**" means the TORC Board;
- (jjj) "**TORC Board Recommendation**" has the meaning ascribed thereto in Section 2.2(a);
- (kkk) "**TORC Capital Program**" means the capital program and budget of TORC for the period from the date hereof until the Effective Time, as agreed to by the Parties, a copy of which is attached to the TORC Disclosure Letter;
- (lll) "**TORC Disclosure Letter**" means the disclosure letter of TORC dated the date hereof and delivered by TORC to Whitecap;
- (mmm) "**TORC Employee Change of Control Payments**" means, collectively, (i) severance payments in the amounts and to the officers of TORC as described in the TORC Disclosure Letter payable to certain officers of TORC in connection with the termination of their employment and the Business Combination; and (ii) the 2020 proposed bonus compensation pool in the amount as described in the TORC Disclosure Letter;
- (nnn) "**TORC Employee Obligations**" means the TORC Employee Change of Control Payments, the TORC Obligations and means any obligations of TORC to pay any amount to its officers, directors,

employees or consultants other than salary, vacation pay and directors' fees in the ordinary course and in each case in amounts consistent with historic practices and TORC Employee Obligations shall include any obligations of TORC to its officers, directors, employees or consultants for retention, severance, termination or bonus payments in connection with a termination of employment or change of control of TORC or otherwise pursuant to any written agreements (including the TORC Employment Agreements) or resolution of the TORC Board, pension plans or other plans, TORC's severance, retention, bonus or other policies or otherwise in accordance with Applicable Laws;

- (ooo) **"TORC Employment Agreements"** means the written employment agreements entered into between TORC and certain employees of TORC, the details of which (including, without limitation, the parties thereto) are disclosed in TORC Disclosure Letter;
- (ppp) **"TORC Fairness Opinion"** means, the opinion of RBC Dominion Securities Inc., TORC's financial advisor, to the effect that, as of the date of such opinion, and subject to the assumptions made and limitations and qualifications included therein, the consideration to be received by the TORC Shareholders under the Business Combination is fair, from a financial point of view, to the TORC Shareholders;
- (qqq) **"TORC Financial Statements"** means, collectively: (i) the audited comparative consolidated financial statements of TORC as at and for the years ended December 31, 2019 and 2018, together with the notes thereto and the report of the auditors thereon; and (ii) the unaudited comparative consolidated financial statements of TORC as at and for the three and nine months ended September 30, 2020, together with the notes thereto;
- (rrr) **"TORC Information"** means the information describing TORC and its business, operations and affairs required to be included in the Circular (including information incorporated into the Circular by reference) under Applicable Canadian Securities Laws;
- (sss) **"TORC Meeting"** means the special meeting of TORC Shareholders, which is to be called to permit the TORC Shareholders to consider the Business Combination Resolution, and any adjournments thereof;
- (ttt) **"TORC Net Debt"** means TORC's total indebtedness including long term debt, bank debt and working capital deficiency (each as defined in accordance with IFRS) and the mark to market value of all of TORC's Derivative Contracts, and for greater certainty excluding the TORC Transaction Costs and TORC Employee Obligations;
- (uuu) **"TORC Obligations"** means TORC's obligation and agreement to pay certain amounts to those employees identified in the TORC Disclosure Letter who have provided certain notices to TORC prior to the date hereof whether or not such employees are offered continued employment following the Effective Time;
- (vvv) **"TORC Performance Award"** means a TORC Share Award granted hereunder designated as a "Performance Award" in accordance with the TORC Share Award Plan;
- (www) **"TORC Public Record"** means all information filed by or on behalf of TORC on and after December 31, 2019 with the Securities Authorities, in compliance, or intended compliance, with any Applicable Laws;

- (xxx) **"TORC Reserves Report"** means the independent engineering evaluation of TORC's oil, natural gas liquids and natural gas interests prepared Sproule effective December 31, 2019 and dated February 27, 2020;
- (yyy) **"TORC Share Award Plan"** means TORC's share award incentive plan;
- (zzz) **"TORC Share Awards"** means awards, whether or not vested, granted under the TORC Share Award Plan;
- (aaaa) **"TORC Shareholders"** means the holders from time to time of TORC Shares;
- (bbbb) **"TORC Shares"** means common shares of TORC, as constituted on the date hereof;
- (cccc) **"TORC Support Agreements"** means the support agreements, substantially in the form attached as Schedule "B" hereto, to be entered into between Whitecap and the TORC Supporting Securityholders, in their capacities as holders of TORC Shares, in which the TORC Supporting Securityholders will agree, among other things, to vote the TORC Shares owned, beneficially or legally, or controlled or subsequently acquired by them in favour of the Business Combination Resolution at the TORC Meeting and to otherwise support the Business Combination Resolution;
- (dddd) **"TORC Supporting Securityholders"** means each of the directors, executive officers and certain shareholders of TORC;
- (eeee) **"TORC Transaction Costs"** means all costs and expenses incurred by TORC in connection with the transactions contemplated by this Agreement, including all legal, accounting, audit, financial advisory, printing, mailing and other administrative or professional fees, director and officer run-off insurance premiums, and the costs and expenses of third parties incurred by TORC and for greater certainty shall not include any TORC Employee Obligations other than the TORC Employee Change of Control Payments;
- (ffff) **"TSX"** means the Toronto Stock Exchange;
- (gggg) **"U.S. Securities Act"** means the *United States Securities Act of 1933*, as amended;
- (hhhh) **"Whitecap Board"** means the Whitecap Board;
- (iiii) **"Whitecap Board Recommendation"** has the meaning ascribed thereto in Section 2.3(a);
- (jjjj) **"Whitecap Fairness Opinion"** means, the opinion of National Bank Financial Inc., TORC's financial advisor, to the effect that, as of the date of such opinion, and subject to the assumptions made and limitations and qualifications included therein, the consideration to be paid by Whitecap pursuant to the Business Combination is fair, from a financial point of view, to Whitecap;
- (kkkk) **"Whitecap Financial Statements"** means, collectively: (i) the audited comparative financial statements of Whitecap as at and for the years ended December 31, 2019 and 2018, together with the notes thereto and the report of the auditors thereon; and (ii) the unaudited comparative financial statements of Whitecap as at and for the three and nine months ended September 30, 2020, together with the notes thereto;

- (llll) **"Whitecap Information"** means the information describing Whitecap and its business, operations and affairs required to be included in the Circular (including information incorporated into the Circular by reference) under Applicable Canadian Securities Laws;
- (mmmm) **"Whitecap Public Record"** means all information filed by or on behalf of Whitecap on and after December 31, 2019 with the Securities Authorities, in compliance, or intended compliance, with any Applicable Laws;
- (nnnn) **"Whitecap Reserves Report"** means the independent engineering evaluation of Whitecap's oil, natural gas liquids and natural gas interests prepared by McDaniel effective December 31, 2019 and dated February 13, 2020;
- (oooo) **"Whitecap Resolutions"** means the Share Issuance Resolution and the Amendment Resolution;
- (pppp) **"Whitecap Shares"** means common shares of Whitecap as constituted on the date hereof;
- (qqqq) **"Whitecap Support Agreements"** means the support agreements, substantially in the form attached as Schedule "C" hereto, to be entered into between TORC and the Whitecap Supporting Shareholders, in their capacities as holders of Whitecap Shares, in which the Whitecap Supporting Shareholders will agree, among other things, to vote the Whitecap Shares owned, beneficially or legally, or controlled or subsequently acquired by them in favour of the Whitecap Resolutions at the Whitecap Meeting; and
- (rrrr) **"Whitecap Supporting Shareholders"** means each of the directors and executive officers of Whitecap.

1.2 Interpretation Not Affected by Headings, etc.

The division of this Agreement into articles, sections and subsections is for convenience of reference only and does not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "herein" and "hereunder" and similar expressions refer to this Agreement (including Schedule "A" hereto) and not to any particular article, section or other portion hereof and include any agreement or instrument supplementary or ancillary hereto.

1.3 Number, etc.

Words importing the singular number include the plural and vice versa and words importing the use of any gender include all genders.

1.4 Date for Any Action

If any date on which any action is required to be taken hereunder by any of the Parties is not a Business Day, such action is required to be taken on the next succeeding day which is a Business Day.

1.5 Entire Agreement

This Agreement, the Confidentiality Agreement, the TORC Support Agreements, the Whitecap Support Agreements, the Area of Exclusion Agreements and the Hold Period Agreements, together with the agreements and documents herein and therein referred to, constitute the entire agreement among the Parties pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, among the Parties with respect to the subject matter hereof. To the

extent there is any inconsistency between this Agreement and the Confidentiality Agreement, this Agreement shall supersede the Confidentiality Agreement.

1.6 Currency

All sums of money referred to in this Agreement are expressed in lawful money of Canada.

1.7 Accounting Matters

Unless otherwise stated, all accounting terms used in this Agreement shall have the meanings attributable thereto under IFRS and all determinations of an accounting nature that are required to be made shall be made in a manner consistent with IFRS.

1.8 Disclosure in Writing

Reference to disclosure in writing herein shall, in the case of Whitecap, include disclosure to Whitecap or its representatives, or in the case of TORC, include disclosure to TORC or its representatives.

1.9 References to Legislation

References in this Agreement to any statute or sections thereof shall include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.

1.10 Enforceability

All representations, warranties, covenants and opinions in or contemplated by this Agreement as to the enforceability of any covenant, agreement or document are subject to enforceability being limited by applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other Laws relating to or affecting creditors' rights generally, and the discretionary nature of certain remedies (including specific performance and injunctive relief and general principles of equity).

1.11 Knowledge

Where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of a Party, it refers: (i) in the case of Whitecap, to the actual knowledge of the President and Chief Executive Officer, the Chief Financial Officer and any Vice President; and (ii) in the case of TORC, to the actual knowledge of the President and Chief Executive Officer, Chief Financial Officer and any Vice President.

1.12 No Strict Construction

The Parties acknowledge that their respective legal counsel have reviewed and participated in settling the terms of this Agreement, and the Parties hereby agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting party will not be applicable in the interpretation of this Agreement.

1.13 Schedules

The following schedules attached hereto are incorporated into, and form an integral part of, this Agreement:

Schedule "A" – Plan of Arrangement

Schedule "B" – Form of TORC Support Agreement

Schedule "C" – Form of Whitecap Support Agreement

ARTICLE 2
THE BUSINESS COMBINATION AND MEETINGS

2.1 Plan of Arrangement

- (a) The Parties agree to carry out the Business Combination in accordance with the terms of the Plan of Arrangement. Whitecap and TORC further agree that the Business Combination shall be carried out with the intention that, assuming the Final Order is granted by the Court, all Whitecap Shares issuable under the Business Combination to the TORC Shareholders will be issued by Whitecap in reliance on the exemption from the registration requirements of the U.S. Securities Act, provided by Section 3(a)(10) thereof.
- (b) As soon as reasonably practicable after date of this Agreement, but in any event by no later than January 15, 2021, TORC will apply to the Court, in a manner acceptable to Whitecap, acting reasonably, for the Interim Order and thereafter will diligently seek the Interim Order in cooperation with Whitecap. Upon receipt of the Interim Order, TORC will promptly carry out the terms of the Interim Order to the extent applicable to it.
- (c) The application for an Interim Order referred to in Section 2.1(a) shall request that the Interim Order provide, among other things:
 - (i) for the classes of Persons to whom notice is to be provided in respect of the Business Combination and the TORC Meeting and for the manner in which such notice is to be provided;
 - (ii) that the requisite approval for:
 - (A) the Business Combination Resolution to be placed before the TORC Shareholders at the TORC Meeting shall be:
 - (I) 66⅔% of the votes cast on the Business Combination Resolution by TORC Shareholders present in person or represented by proxy at the TORC Meeting (and that each TORC Shareholder is entitled to one vote for each TORC Share held);
 - (II) if required under Applicable Canadian Securities Laws, a simple majority of the votes cast on the Business Combination Resolution by TORC Shareholders present in person or represented by proxy at the TORC Meeting after excluding the votes cast by those persons whose votes are required to be excluded in accordance with National Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*; and
 - (iii) for the method and manner in which amendments, revisions or supplements to the Circular (and any other materials sent by TORC in connection with the TORC Meeting), including material changes, may be mailed, filed or otherwise publicly disseminated to the TORC Shareholders and such other Persons as may be required by the Interim Order;

- (iv) that, in all other respects, other than as ordered by the Court, the terms, restrictions and conditions of the constating documents of TORC, including quorum requirements and all other matters, shall apply in respect of the TORC Meeting;
- (v) for the grant of Dissent Rights to the registered TORC Shareholders as set forth in the Plan of Arrangement;
- (vi) that the TORC Meeting may be adjourned or postponed from time to time in accordance with the terms of this Agreement without the need for additional approval of the Court;
- (vii) confirmation of the record date for the purposes of determining the TORC Shareholders, entitled to receive materials and vote at the TORC Meeting in accordance with the Interim Order;
- (viii) that such record date will not change in respect of any adjournment(s) or postponement(s) of the TORC Meeting, unless required by Applicable Laws;
- (ix) for the notice requirements with respect to the presentation of the application to the Court for the Final Order; and
- (x) for such other matters as the Parties may agree in writing, each acting reasonably.

In the application referred to in Section 2.1(b), TORC shall inform the Court that Whitecap intends to rely on the exemption provided by Section 3(a)(10) of the U.S. Securities Act for the issuance of Whitecap Shares pursuant to the Business Combination and that, in connection therewith, the Court will be required to approve the substantive and procedural fairness of the terms and conditions of the Business Combination to each Person to whom Whitecap Shares will be issued. Each Person to whom Whitecap Shares will be issued on completion of the Business Combination will be given adequate notice in accordance with the Interim Order advising them of their right to attend and appear before the Court at the hearing of the Court for the Final Order and providing them with adequate information to enable such Person to exercise such right.

- (d) On the condition that all necessary approvals for the Business Combination Resolution are obtained from the TORC Shareholders and all necessary approvals for the Share Issuance Resolution are obtained from the Whitecap Shareholders, TORC shall, as soon as reasonably practicable following the TORC Meeting and the Whitecap Meeting but in any event not later than two Business Days after the Business Combination Resolution and the Share Issuance Resolution are duly passed, submit the Business Combination to the Court and apply for the Final Order.

2.2 TORC Board Recommendation

TORC represents and warrants to Whitecap that the TORC Board:

- (a) has unanimously:
 - (i) determined that the Business Combination and the entry into this Agreement are in the best interests of TORC;
 - (ii) determined that the Business Combination is fair to TORC Shareholders;
 - (iii) approved this Agreement and the transactions contemplated hereby; and

- (iv) resolved to recommend that TORC Shareholders vote in favour of the Business Combination Resolution

(collectively, the "**TORC Board Recommendation**"); and

- (b) has received the oral TORC Fairness Opinion.

2.3 Whitecap Board Recommendation

Whitecap represents and warrants to TORC that the Whitecap Board:

- (a) has unanimously:
 - (i) determined that the Business Combination and the entry into this Agreement are in the best interests of Whitecap;
 - (ii) determined that the consideration to be paid by Whitecap pursuant to the Arrangement is fair, from a financial point of view, to Whitecap;
 - (iii) approved this Agreement and the transactions contemplated hereby; and
 - (iv) resolved to recommend that Whitecap Shareholders vote in favour of the Whitecap Resolutions

(collectively, the "**Whitecap Board Recommendation**"); and

- (b) has received the oral Whitecap Fairness Opinion.

2.4 Circular and Meetings

- (a) As promptly as practicable following the execution of this Agreement and in compliance with the Interim Order and Applicable Laws, TORC and Whitecap shall, as applicable and with assistance from and the participation of the other Party, each acting reasonably: (i) prepare the Circular together with any other documents required by Applicable Laws in connection with the Whitecap Meeting and the TORC Meeting, and cause the Circular and such other documents to be mailed to the TORC Shareholders and such other Persons as required by the Interim Order and the Whitecap Shareholders and such other Persons required by the ABCA and filed with applicable Securities Authorities and other Governmental Authorities in all jurisdictions where the same are required to be filed by no later than January 20, 2021; (ii) convene and conduct the TORC Meeting by no later than February 18, 2021 and not adjourn, postpone or cancel (or propose the same) the TORC Meeting without the prior written consent of Whitecap, such consent not to be unreasonably withheld, conditioned or delayed, except in the case of an adjournment or postponement required for quorum purposes or by Applicable Laws or by a Governmental Authority, at which TORC Meeting the Business Combination Resolution shall be submitted to the TORC Shareholders entitled to vote upon such resolutions for approval; and (iii) convene and conduct the Whitecap Meeting by no later than February 18, 2021 and not adjourn, postpone or cancel (or propose the same) the Whitecap Meeting without the prior written consent of TORC, such consent not to be unreasonably withheld, conditioned or delayed, except in the case of an adjournment or postponement required for quorum purposes or by Applicable Laws or by a Governmental Authority, at which Whitecap Meeting the Whitecap Resolutions shall be submitted to the Whitecap Shareholders entitled to vote upon such resolution for approval.

- (b) TORC and Whitecap shall, with assistance from and the participation of the other Party, each acting reasonably, cause the Circular to be prepared in compliance, in all material respects, with Applicable Canadian Securities Laws and to provide the TORC Shareholders and the Whitecap Shareholders with information in sufficient detail to permit them to form a reasoned judgment concerning the matters to be considered at the TORC Meeting and the Whitecap Meeting, respectively, and shall include: (i) or incorporate by reference the TORC Information; (ii) a copy of the TORC Fairness Opinion; (iii) subject to the terms of this Agreement, the TORC Board Recommendation; (iv) or incorporate by reference the Whitecap Information; (v) the Whitecap Board Recommendation; (vi) a copy of the Whitecap Fairness Opinion and (vii) details of the composition of the Whitecap Board following the Effective Time as agreed to by the Parties in accordance with Section 2.7.
- (c) TORC shall use reasonable commercial efforts to, in a timely manner, provide Whitecap with all financial statements and financial information reasonably requested by Whitecap to prepare pro forma financial statements at and for the periods ended September 30, 2020 and December 31, 2019 for inclusion in the Circular in the form prescribed by Applicable Canadian Securities Laws.
- (d) Whitecap shall, in a timely manner, provide TORC with the Whitecap Information, and such other information relating to Whitecap as TORC may reasonably request for inclusion in the Circular, so as to permit compliance with the timeline set out in Section 2.4(a).
- (e) TORC shall, in a timely manner, provide Whitecap with the TORC Information, and such other information relating to TORC as Whitecap may reasonably request for inclusion in the Circular, so as to permit compliance with the timeline set out in Section 2.4(a).
- (f) The Parties shall, subject to compliance with Applicable Canadian Securities Laws, incorporate the Whitecap Information and the TORC Information into the Circular substantially in the form provided by Whitecap and TORC, respectively, and each Party shall provide the other Party and its Representatives with an opportunity to review and comment on the Circular and any other relevant documentation and shall give due consideration to all comments made by the other Party and its representatives (subject to any Applicable Laws). The Circular shall be in form and content satisfactory to TORC and Whitecap, each acting reasonably, and shall comply with Applicable Canadian Securities Laws.
- (g) TORC shall use its reasonable commercial efforts to ensure that the TORC Information included in the Circular does not, at the time of the mailing of the Circular, contain any misrepresentation.
- (h) Whitecap shall use its reasonable commercial efforts to ensure that the Whitecap Information provided by it for inclusion in the Circular does not, at the time of the mailing of the Circular, contain any misrepresentation.
- (i) Each Party shall promptly notify the other Party if it becomes aware that the Circular contains a misrepresentation, or otherwise requires an amendment or supplement. The Parties shall co-operate in the preparation of any such amendment or supplement as is required or appropriate, and Whitecap and TORC shall promptly mail, file or otherwise publicly disseminate any such amendment or supplement to the TORC Shareholders and such other Persons as required by the Interim Order and the Whitecap Shareholders and such other Persons as required by the ABCA and, if required by the Court or by Law, file the same with the applicable securities regulatory authorities and other Governmental Authorities as required.

- (j) The Parties shall cooperate to schedule and convene the TORC Meeting and the Whitecap Meeting on the same date (subject to any adjournments or postponements required or permitted by this Agreement).
- (k) Each Party shall consult with the other Party in fixing the record date of the TORC Meeting and the Whitecap Meeting, and shall not change such record date for the TORC Shareholders or the Whitecap Shareholders, as applicable, entitled to vote at the TORC Meeting or the Whitecap Meeting, as applicable, in connection with any adjournment or postponement of the TORC Meeting or the Whitecap Meeting, as applicable, unless required by Law.
- (l) Each Party shall provide notice to the other Party of the TORC Meeting or the Whitecap Meeting, as applicable, and allow the other Party and its representatives and legal counsel to attend such meeting.
- (m) Each Party shall advise the other Party, as the other Party may reasonably request, and on a daily basis on each of the last 10 Business Days prior to the proxy cutoff date for the TORC Meeting or the Whitecap Meeting, as applicable, as to the aggregate tally of the proxies received by such Party in respect of the Business Combination Resolution and the Whitecap Resolutions, as applicable, and any other matters to be considered at the TORC Meeting or the Whitecap Meeting, as applicable.

2.5 Court Proceedings

In connection with the Court proceedings relating to obtaining the Interim Order and the Final Order, TORC shall:

- (a) provide Whitecap and its legal counsel with reasonable opportunity to review and comment upon drafts of all material to be filed with the Court in connection with the Business Combination, prior to the filing of that material, and give reasonable and due consideration to all comments of Whitecap and its legal counsel;
- (b) provide Whitecap and its legal counsel on a timely basis a description of any information required to be supplied by Whitecap for inclusion in any material to be filed with the Court in connection with the Business Combination, prior to the filing of that material, and will accept the reasonable comments of Whitecap and its legal counsel with respect to any such information required to be supplied by Whitecap and included in such material and any other matters contained therein;
- (c) provide counsel to Whitecap, on a timely basis, with copies of any notice of appearance and evidence served on TORC or its counsel in respect of the application for the Interim Order and the application for the Final Order or any appeal therefrom, and of any notice (written or oral) received by TORC indicating an intention to oppose the granting of the Interim Order or the Final Order or to appeal the Interim Order or the Final Order;
- (d) not object to legal counsel to Whitecap making such submissions on the application for the Interim Order and the application for the Final Order as such counsel considers appropriate, acting reasonably, provided that TORC is advised of the nature of any submissions prior to the hearing and such submissions are consistent in all material respects with this Agreement and the Business Combination;
- (e) subject to Laws, not file any material with, or make any written submissions to, the Court in connection with the Business Combination or serve any such material, and will not agree to modify

or amend materials so filed or served, except as contemplated hereby or with Whitecap's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed; on the condition that nothing herein shall require Whitecap to agree or consent to, and Whitecap shall not be deemed to agree or consent to, any increased purchase price or other consideration or other modification or amendment to such filed or served materials that expands or increases Whitecap's obligations, or diminishes or limits Whitecap's rights, set forth in any such filed or served materials or under this Agreement;

- (f) oppose any proposal from any Person that the Interim Order or the Final Order contain any provision inconsistent with this Agreement, and if required by the terms of the Interim Order or the Final Order or by Law to return to Court with respect to the Interim Order or the Final Order do so only after notice to, and in consultation and cooperation with, Whitecap; and
- (g) if at any time after the issuance of the Final Order and prior to the Effective Date, TORC is required by the terms of the Final Order or by Applicable Law to return to Court with respect to the Final Order, it shall do so after notice to, and in consultation and cooperation with Whitecap.

2.6 Effective Date

The Business Combination shall become effective at the Effective Time on the Effective Date. The Certificate shall be conclusive evidence that the Business Combination has become effective as of the Effective Time. The Parties shall use their reasonable commercial efforts to cause the Effective Date to occur prior to February 25, 2021 or as soon thereafter as reasonably practicable and, in any event, by the Outside Date.

2.7 Board of Directors of Whitecap upon Completion of the Business Combination

Provided that the Amendment Resolution is approved by the Whitecap Shareholders at the Whitecap Meeting, the Whitecap Board from the Effective Date until the next annual general meeting shall be expanded to include one representative from the TORC Board as agreed to by Whitecap and TORC as soon as reasonably possible and in any event no later than 10 Business Days prior to the date scheduled for printing the Circular, and such representative shall be appointed to the Whitecap Board on the Effective Date.

2.8 Treatment of TORC Share Awards

- (a) The particulars of TORC Share Awards outstanding as at date hereof are disclosed in the TORC Disclosure Letter including: (i) the names of holders of TORC Share Awards; (ii) the number and type of TORC Share Awards held by them; (iii) the date of grant; (iv) the date of expiry; and (v) the number of TORC Shares that could be issuable on settlement of each TORC Share Award.
- (b) The Parties acknowledge and agree that pursuant to the terms of the TORC Share Award Plan and the Plan of Arrangement, the Business Combination shall constitute a "Change of Control" (as defined in the TORC Share Award Plan) and the Issue Date (as defined in the TORC Award Plan) for all outstanding TORC Share Awards shall be accelerated to immediately prior to the Effective Date. At the written direction of Whitecap, given on or before the 10th Business Day prior to the Effective Date, with respect to payments to be made in respect of TORC Share Awards for which the Issue Date is accelerated as a result of the Business Combination, TORC shall: (A) issue TORC Shares immediately prior to the Effective Time as settlement of the outstanding TORC Share Awards (and TORC may withhold, in its sole discretion, from such issuance of TORC Shares an amount of TORC Shares equal to the amount of Taxes required to be remitted by TORC in

connection with such settlement); (B) settle the outstanding TORC Share Awards in cash immediately prior to the Effective Time as settlement of the outstanding TORC Share Awards (and TORC may withhold, in its sole discretion, from such cash payment an amount equal to the amount of Taxes required to be remitted by TORC in connection with such settlement); or (C) settle the outstanding TORC Share Awards through a combination of (A) and (B).

- (c) The "Payout Multiplier" (as defined in the TORC Award Plan) for all TORC Performance Awards for which vesting has accelerated as a result of the completion of the Business Combination will be based on the applicable Payout Multipliers as previously determined by the TORC Board for the applicable performance assessment periods and the Payout Multiplier for the most recent performance assessment period to be determined by the TORC Board, acting reasonably, and in a manner consistent with prior practice, based on historical metrics, and, in each case, shall be as set out in the TORC Disclosure Letter.
- (d) In respect of the settlement of any TORC Share Awards granted under the TORC Share Award Plan following the date hereof (including, for greater certainty, payments made in respect of TORC Share Awards for which vesting has accelerated as a result of the Business Combination), TORC hereby covenants and agrees that such payments will be determined in strict accordance with the terms of the TORC Share Award Plan, without the making of any adjustments or other determinations as may be available to the TORC Board, or any committee thereof, in their discretion pursuant to the terms of the TORC Share Award Plan or any TORC Share Awards granted thereunder.
- (e) TORC shall: (i) ensure that it will have available funds, at the Effective Time, to pay the aggregate cash consideration, if any, to be paid to the holders of TORC Share Awards in connection with the Arrangement; and (ii) cause to be taken all necessary corporate action to allot and reserve for issuance the TORC Shares, if any, to be issued in settlement of TORC Share Awards in connection with the Arrangement.
- (f) For greater certainty, Section 2.11(b) shall apply with respect to the settlement of TORC Share Awards.

2.9 Employee Matters

- (a) As at the Effective Time, no officers, employees or consultants of TORC shall be entitled to change of control, termination or severance payments (or both), except such payments the particulars of which are disclosed in the TORC Disclosure Letter.
- (b) Whitecap reserves the right, at its sole discretion, to continue the employment following the Effective Time of any employee (excluding officers) of TORC, or to offer continued employment to any employee (excluding officers) of TORC on terms and conditions substantially similar to the terms under which such persons are currently employed. Each employee of TORC who is not retained by Whitecap shall be terminated at the Effective Time and paid out in accordance with the terms of his/her employment agreement with TORC or, if such employee is not a party to a written employment agreement with TORC, in accordance with the formula agreed upon between TORC and Whitecap as detailed in the TORC Disclosure Letter.

2.10 Indemnities, Directors' and Officers' Insurance and TORC Agreements and Undertakings

- (a) Whitecap agrees that, after the Effective Time, TORC and its successors will not take any action to terminate or adversely affect, and will fulfill its obligations pursuant to, indemnities provided or available to or in favour of past and present officers and directors of TORC pursuant to the provisions of the articles, by-laws or other constating documents of TORC, applicable corporate legislation and any written indemnity agreements (and each of them), which have been entered into between TORC and its past or current officers or directors effective on or prior to the date hereof.
- (b) Prior to the Effective Date, TORC shall be entitled to secure "run off" directors' and officers' liability insurance for its past and present officers and directors, covering claims made prior to or within 6 years after the Effective Date which has a scope and coverage no less advantageous in scope and coverage to that provided pursuant to TORC's current directors' and officers' insurance policy and Whitecap agrees to not take or permit any action to be taken by or on behalf of TORC following the Effective Date to terminate or adversely affect such directors' and officers' insurance.

2.11 Income Tax Election and Withholding

- (a) The exchange of TORC Shares solely for Whitecap Shares will be structured as a tax deferred share-for-share exchange pursuant to subsection 85.1(1) of the Tax Act. In addition, as an alternative, a TORC Shareholder shall be entitled to file a joint income tax election, pursuant to subsection 85(1) of the Tax Act (and the analogous provisions of provincial income tax law), with respect to the exchange of TORC Shares for Whitecap Shares. Whitecap agrees to make joint elections with Eligible Holders in respect of the disposition of their TORC Shares pursuant to subsection 85(1) (or in the case of a partnership, subsection 85(2)) of the Tax Act (or any similar provision of any provincial tax legislation) in accordance with the procedures and within the time limits set out in the Plan of Arrangement. The agreed amount under such joint elections shall be determined by each Eligible Holder in his or her sole discretion within the limits set out in the Tax Act. The obligation of Whitecap in this regard is limited to Eligible Holders that provide Whitecap with a validly completed tax election within the time set out in the Plan of Arrangement, and Whitecap will assume no responsibility for the proper completion of such election. Whitecap will not have any obligation to make such an election in respect of any TORC Shareholder other than an Eligible Holder.
- (b) TORC, Whitecap and the Depositary shall be entitled to deduct or withhold from any amounts otherwise payable or deliverable to any person under the Arrangement or this Agreement, such amounts as TORC, Whitecap or the Depositary determines, acting reasonably, may be required to be deducted or withheld with respect to such payment or delivery under the Tax Act or any provision of federal, provincial, territorial, state, local or foreign tax law, in each case, as amended. To the extent that amounts are so deducted or withheld, such deducted or withheld amounts shall be treated, for all purposes hereof, as having been paid to the person in respect of whom such deduction or withholding was made, provided that such deducted or withheld amounts are actually remitted to the appropriate Governmental Authority. Each of TORC, Whitecap or the Depositary is hereby authorized to sell or otherwise dispose of such portion of any share otherwise deliverable to such person as is necessary to provide sufficient funds to TORC, Whitecap or the Depositary, as the case may be, to enable it to comply with all deduction or withholding requirements applicable to it, and TORC, Whitecap or the Depositary shall notify such person thereof and remit the applicable portion of the net proceeds of such sale to the appropriate Governmental Authority and, if applicable, any portion of such net proceeds that is not required to be so remitted shall be paid to such person.

ARTICLE 3 COVENANTS

3.1 Covenants of Whitecap

From the date hereof until the earlier of the completion of the Business Combination and the termination of this Agreement in accordance with Article 8, except pursuant to the NAL Transaction, with the prior written consent of TORC (such consent not to be unreasonably withheld or delayed), or as otherwise expressly permitted or specifically contemplated by this Agreement, or as otherwise required by Applicable Laws:

- (a) the business of Whitecap and its subsidiaries shall be conducted only in, and Whitecap and its subsidiaries shall not take any action except in, the ordinary course of business and consistent with past practice, with it being acknowledged and agreed by TORC that such covenant is subject to: (i) Whitecap's and its subsidiaries' compliance with Applicable Laws related to the COVID-19 pandemic; and (ii) actions taken as a result of such pandemic's continuing effect on working restrictions and the local, national and global economy (including any work stoppages or operational stoppages necessary to safeguard life or property); provided that any such action taken outside of the ordinary course of business or inconsistent with past practice as a result of such pandemic's continuing effect on working restrictions and the local, national and global economy (including any work stoppages or operational stoppages necessary to safeguard life or property) will be commercially reasonable and, to the extent applicable, not disproportionate compared to actions taken by companies similar to Whitecap, and Whitecap shall use all reasonable commercial efforts to maintain and preserve its and their business organization, assets, employees and advantageous business relationships;
- (b) Whitecap shall not, and shall not permit any of its subsidiaries to, directly or indirectly: (i) amend Whitecap's constituting documents or amend in any material respects the constituting documents of any of its subsidiaries, other than any amendment to effect an internal reorganization; (ii) amend its existing accounting policies, practices, methods and principles or adopt new accounting principles, in each case except as required by IFRS; (iii) declare, set aside or pay any dividend or other distribution or payment in cash, shares or property in respect of its shares owned by any Person in excess of \$0.01425 per Whitecap Share per month; (iv) split, consolidate, redeem, purchase or otherwise acquire any of its outstanding shares or other securities except in accordance with its normal course issuer bid; (v) amend the terms of any of its securities; (vi) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution or reorganization of Whitecap other than an internal reorganization; (vii) pursue any corporate acquisition or disposition, amalgamation, merger, arrangement or purchase or sale of assets or make any material change to the business, capital or affairs of Whitecap, in each case, that would interfere with, prevent or delay the transactions contemplated by this Agreement; or (viii) enter into, modify or terminate any contract, agreement, commitment or arrangement with respect to any of the foregoing, except as permitted above.
- (c) Whitecap shall not take any action that would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect at any time prior to completion of the Business Combination or termination of this Agreement, whichever first occurs;
- (d) Whitecap shall promptly notify TORC in writing of any material change (actual, anticipated, contemplated or, to the knowledge of Whitecap threatened, financial or otherwise) in its business, operations, affairs, assets, capitalization, financial condition, licenses, permits, rights, privileges or

liabilities, whether contractual or otherwise, or of any change in any representation or warranty provided by Whitecap in this Agreement which change is or may be of such a nature to render any representation or warranty misleading or untrue in any material respect and Whitecap shall in good faith discuss with TORC any change in circumstances (actual, anticipated, contemplated, or to the knowledge of Whitecap threatened) which is of such a nature that there may be a reasonable question as to whether notice need to be given to TORC pursuant to this provision;

- (e) Whitecap shall cause its current insurance (or re-insurance) policies not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing providing coverage equivalent to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect and shall pay all premiums in respect of such insurance policies that become due prior to the Effective Date;
- (f) Whitecap shall ensure that it has available funds under its lines of credit or other bank facilities to make, within the time periods contemplated herein, the payment of the amount which may be required by Section 6.2 having regard to its other liabilities and obligations, and shall take all such actions as may be necessary to ensure that it maintains such availability to ensure that it is able to pay such amount when required;
- (g) Whitecap shall use reasonable commercial efforts to ensure that it has available funds or availability under its credit facilities or other debt to allow the amounts owing on TORC's credit facilities to be paid out and discharged at the Effective Time to permit the consummation of the Business Combination;
- (h) Whitecap shall, on the Effective Date, provide to the Depositary an irrevocable direction authorizing and directing the Depositary to issue the Whitecap Shares issuable under the Business Combination to TORC Shareholders and shall irrevocably direct the Depositary to distribute Whitecap Shares to the TORC Shareholders in accordance with the terms of the Business Combination;
- (i) Whitecap shall indemnify and save harmless TORC and the directors, officers and agents of TORC from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which TORC, or any director, officer or agent thereof may be subject or which TORC, or any director, officer or agent thereof may suffer, whether under the provisions of any statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of:
 - (i) any misrepresentation or alleged misrepresentation in the Whitecap Information;
 - (ii) any order made or any inquiry, investigation or proceeding by any securities commission or other competent authority based upon any untrue statement or omission or alleged untrue statement or omission of a material fact or any misrepresentation or any alleged misrepresentation in the Whitecap Information; or
 - (iii) Whitecap not complying with any requirement of Applicable Laws in connection with the transactions contemplated in this Agreement,

except that Whitecap shall not be liable in any such case to the extent that any such liabilities, claims, demands, losses, costs, damages and expenses arise out of, or are caused by, any untrue

statement or omission or alleged untrue statement or omission of a material fact or any misrepresentation or any alleged misrepresentation in the Circular that is based solely on the TORC Information included in the Circular or the negligence of TORC;

- (j) Whitecap shall provide to TORC all such information respecting its operations and affairs as may be reasonably requested from time to time by TORC;
- (k) Whitecap shall maintain its status as a "reporting issuer" (or the equivalent thereof) in all provinces of Canada where it is a reporting issuer at the date of this Agreement, maintain the listing of the Whitecap Shares on the TSX and remain in material compliance with Applicable Canadian Securities Laws;
- (l) Whitecap shall promptly apply to the TSX for its conditional approval of the listing of the Whitecap Shares issuable to TORC Shareholders pursuant to the Business Combination on the TSX and shall take all necessary corporate action to allot and reserve for issuance the Whitecap Shares to be issued in exchange for TORC Shares;
- (m) except for proxies and other non-substantive communications with the holders of Whitecap securities, Whitecap will furnish promptly to TORC or TORC's counsel, a copy of each notice, report, schedule or other document delivered, filed or received by Whitecap in connection with: (i) the Business Combination; (ii) any filings under Applicable Laws in connection with the transactions contemplated hereby; and (iii) any dealings with any Governmental Authority in connection with the transactions contemplated hereby; and
- (n) Whitecap shall use all reasonable commercial efforts to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under all Applicable Laws to complete the Business Combination, in accordance with the terms thereof, including using its reasonable commercial efforts to:
 - (i) obtain all necessary consents, approvals, authorizations and filings as are required to be obtained or made by Whitecap under any Applicable Law and to satisfy any condition provided for under this Agreement;
 - (ii) oppose, lift or rescind any injunction or restraining order or other order or action seeking to stop, or otherwise adversely affect their ability to consummate the Business Combination; and
 - (iii) co-operate with TORC in connection with the performance by it of its obligations hereunder.

3.2 Covenants of TORC

From the date hereof until the earlier of the completion of the Business Combination and the termination of this Agreement in accordance with Section 8.1, except with the prior written consent of Whitecap (such consent not to be unreasonably withheld or delayed), and except as otherwise expressly permitted or specifically contemplated by this Agreement:

- (a) the business of the TORC and its subsidiaries shall be conducted only in, and TORC and its subsidiaries shall not take any action except in, the ordinary course of business and consistent with past practice, with it being acknowledged and agreed by TORC that such covenant is subject to: (i) TORC's and its subsidiaries' compliance with Applicable Laws related to the COVID-19 pandemic;

and (ii) actions taken as a result of such pandemic's continuing effect on working restrictions and the local, national and global economy (including any work stoppages or operational stoppages necessary to safeguard life or property); provided that any such action taken outside of the ordinary course of business or inconsistent with past practice as a result of such pandemic's continuing effect on working restrictions and the local, national and global economy (including any work stoppages or operational stoppages necessary to safeguard life or property) will be commercially reasonable and, to the extent applicable, not disproportionate compared to actions taken by companies similar to TORC, and TORC shall use all reasonable commercial efforts to maintain and preserve its and their business organization, assets, employees and advantageous business relationships;

- (b) TORC shall execute and adhere to the TORC Capital Program, unless otherwise agreed to by Whitecap, and TORC shall consult with Whitecap, on a regular basis, in respect of the ongoing business and affairs of TORC and keep Whitecap apprised of all material developments relating thereto;
- (c) TORC shall not directly or indirectly do or permit to occur any of the following: (i) amend its constating documents; (ii) declare, set aside or pay any dividend or other distribution or payment (whether in cash, shares or property) in respect of its outstanding shares; (iii) issue (other than on exercise of the currently outstanding TORC Share Awards in accordance with their respective terms), grant, sell or pledge or agree to issue, grant, sell or pledge any shares of TORC, or securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire, shares of TORC; (iv) redeem, purchase or otherwise acquire any of its outstanding shares or other securities; (v) split, combine or reclassify any of its securities; (vi) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation or reorganization of TORC; (vii) except as set out in the TORC Disclosure Letter, pursue any corporate acquisition or disposition, amalgamation, merger, arrangement or purchase or sale of assets or make any material change to the business, capital or affairs of TORC; (viii) reduce the stated capital of TORC or any of its outstanding shares; (ix) pay, discharge or satisfy any material claims, liabilities or obligations, other than in the ordinary course of business consistent with past practice; (x) sell, dispose of, transfer, convey, encumber, surrender, release or abandon the whole or any part of its assets, other than production and abandonments in the ordinary course; (xi) terminate any employees, except in accordance with this Agreement; (xii) take any action, refrain from taking any action, permit any action to be taken or not taken, inconsistent with this Agreement, which might directly or indirectly interfere or affect the consummation of the Business Combination; or (xiii) enter into or modify any contract, agreement, commitment or arrangement with respect to any of the foregoing;
- (d) TORC shall not, directly or indirectly, except for expenditures considered necessary by TORC, acting reasonably, to preserve or protect the health or safety of individuals or to preserve or protect of property or the environment, or as contemplated by the TORC Capital Program: (i) sell, pledge, dispose of or encumber any assets, other than production in the ordinary course of business; (ii) expend or commit to expend any amount with respect to any capital expenditures having an individual value in excess of \$50,000; (iii) expend or commit to expend any amounts with respect to any operating expenses other than in the ordinary course of business; (iv) acquire or agree to acquire (by merger, amalgamation, consolidation or acquisition of shares or assets) any corporation, partnership or other business organization or division thereof or make any investment therein either by purchase of shares or securities, contributions of capital or property transfer; (v) acquire any assets with an acquisition cost in excess of \$50,000; (vi) incur any indebtedness for borrowed money in excess of existing credit facilities, or any other material liability or obligation or issue any debt securities or assume, guarantee, endorse or otherwise become responsible for, the obligations of any other individual or entity, or make any loans or advances, other than in respect of fees payable to legal, financial and other advisors in the ordinary course of business or as

otherwise contemplated in this Agreement or in respect of the Business Combination; (vii) authorize, recommend or propose any release or relinquishment or any material contract right; (viii) waive, release, grant or transfer any material rights of value or modify or change in any material respect any existing material license, lease, contract, production sharing agreement, government land concession or other material document; (ix) except as agreed with Whitecap in writing, enter into or terminate any hedges, swaps or other financial instruments or like transactions; or (x) authorize or propose any of the foregoing, or enter into or modify any contract, agreement, commitment or arrangement to do any of the foregoing;

- (e) neither TORC nor its subsidiaries shall make any payment to any employee, officer or director outside of their ordinary and usual compensation for services provided other than as contemplated in this Agreement;
- (f) neither TORC nor its subsidiaries shall adopt or amend or make any contribution to any bonus, employee benefit plan, profit sharing, deferred compensation, insurance, incentive compensation, other compensation or other similar plan, agreement, stock purchase plan, fund or arrangement for the benefit of employees, except as is necessary to comply with the Law or with respect to existing provisions of any such plans, programs, arrangements or agreements;
- (g) other than the payment of TORC Employee Obligations upon completion of the Business Combination, and where such amount is specified in the TORC Disclosure Letter in accordance with this Agreement, not exceeding the amount so specified, neither TORC nor its subsidiaries shall: (i) grant any officer, director or employee an increase in compensation in any form; (ii) grant any general salary increase; (iii) take any action with respect to the amendment or implementation of any severance or termination pay policies or arrangements for any directors, officers or employees, except as contemplated herein; (iv) adopt or amend (other than to permit accelerated vesting of currently outstanding TORC Share Awards) any stock option plan (or any other equity compensation arrangement) or the terms of any outstanding rights thereunder; (v) advance any loan to any officer, director or any other party not at arm's length; (vi) enter into any non-arm's length transactions including with any officers, directors, employees or consultants of TORC or its subsidiaries or transfer any property or assets of TORC or its subsidiaries to any directors, officers, employees or consultants; (vii) reimburse or approve or authorize the reimbursement of any expenses (other than those incurred in the ordinary course of business consistent with past practices) of any officer, employee or consultant of TORC or its subsidiaries; or (viii) enter into any consulting or contract operating agreement that cannot be terminated on 30 days or less notice without penalty or termination payment;
- (h) TORC shall not take any action that would render, or may reasonably be expected to render, any representation or warranty made by TORC in this Agreement untrue in any material respect at any time prior to completion of the Business Combination or termination of this Agreement, whichever first occurs;
- (i) TORC shall promptly notify Whitecap in writing of any material change (actual, anticipated, contemplated or, to the knowledge of TORC threatened, financial or otherwise) in its business, operations, affairs, assets, capitalization, financial condition, licenses, permits, rights, privileges or liabilities, whether contractual or otherwise, or of any change in any representation or warranty provided by TORC in this Agreement which change is or may be of such a nature to render any representation or warranty misleading or untrue in any material respect and TORC shall in good faith discuss with Whitecap any change in circumstances (actual, anticipated, contemplated, or to the knowledge of TORC threatened) which is of such a nature that there may be a reasonable question as to whether notice need to be given to Whitecap pursuant to this provision;

- (j) TORC will promptly provide to Whitecap, for review by Whitecap and its counsel, prior to filing or issuance of the same, any proposed public disclosure document, including without limitation, any news release or material change report, subject to TORC's obligations under Applicable Canadian Securities Laws to make continuous disclosure and timely disclosure of material information, and Whitecap agrees to keep such information confidential until it is filed as part of the TORC Public Record;
- (k) TORC shall use its reasonable commercial efforts to obtain the written consent of its bankers, creditors, lessors and any other third parties to the extent required to permit the consummation of the Business Combination or as otherwise contemplated hereby and shall provide a copy of each such consent to Whitecap on or prior to the Effective Date, provided that nothing in this subsection shall require TORC to make any payments to obtain any of the consents referred to above in this subsection;
- (l) each of TORC and its subsidiaries shall use its reasonable commercial efforts to cause its current insurance (or re-insurance) policies not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect and shall pay all premiums in respect of such insurance policies that become due prior to the Effective Date;
- (m) TORC shall not make any amendments to the terms of the outstanding TORC Share Awards, other than to permit the acceleration of vesting of currently outstanding TORC Share Awards in accordance with the terms of this Agreement;
- (n) TORC shall use reasonable commercial efforts to cause the resignation of its directors at the Effective Time;
- (o) TORC shall use reasonable commercial efforts to secure mutual releases, in a form and substance satisfactory to Whitecap, in favour of TORC and Whitecap by each director of TORC who will not to form part of the Whitecap Board after the Effective Time and any officer or employee identified in the TORC Disclosure Letter who has provided a notice to TORC prior to the date hereof, and use reasonable commercial efforts to secure releases, in a form and substance satisfactory from each employee of TORC who has received or will receive a severance or change of control payment as a result of the Business Combination;
- (p) TORC shall withhold from each payment to be made to any of its present or former employees (which includes officers) and directors and to all other Persons including, without limitation, all Persons who are non-residents of Canada for the purposes of the Tax Act, all amounts that are required to be so withheld by any Applicable Laws and TORC shall remit such withheld amounts to the proper Governmental Authority within the times prescribed by such Applicable Laws;
- (q) TORC shall ensure that it has available funds under its lines of credit or other bank facilities to make, within the time periods contemplated herein, the payment of the amount which may be required by Section 6.1 having regard to its other liabilities and obligations, and shall take all such actions as may be necessary to ensure that it maintains such availability to ensure that it is able to pay such amount when required;

- (r) TORC shall use its reasonable commercial efforts to obtain the written consent of any third parties as are required for the consummation of the Business Combination or as otherwise contemplated hereby;
- (s) TORC shall indemnify and save harmless Whitecap and the directors, officers and agents of Whitecap from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which Whitecap, or any director, officer or agent thereof, may be subject or which Whitecap, or any director, officer or agent thereof, may suffer, whether under the provisions of any statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of:
 - (i) any misrepresentation or alleged misrepresentation by TORC in the Circular;
 - (ii) any order made or any inquiry, investigation or proceeding by any securities commission or other competent authority based upon any untrue statement or omission or alleged untrue statement or omission of a material fact or any misrepresentation or any alleged misrepresentation in the Circular, which prevents or restricts the trading in the TORC Shares; or
 - (iii) TORC not complying with any requirement of Applicable Laws in connection with the transactions contemplated in this Agreement,

except that TORC shall not be liable in any such case to the extent that any such liabilities, claims, demands, losses, costs, damages and expenses arise out of, or are caused by, any untrue statement or omission or alleged untrue statement or omission of a material fact or any misrepresentation or any alleged misrepresentation in the Circular that is based solely on the Whitecap Information included in the Circular or the negligence of Whitecap;

- (t) TORC shall provide to Whitecap all such information respecting its operations and affairs as may be reasonably requested from time to time by Whitecap;
- (u) TORC shall maintain its status as a "reporting issuer" (or the equivalent thereof) in all provinces of Canada where it is a reporting issuer at the date of this Agreement, maintain the listing of the TORC Shares on the TSX and remain in material compliance with Applicable Canadian Securities Laws;
- (v) except for proxies and other non-substantive communications with the holders of Whitecap securities, Whitecap will furnish promptly to TORC or TORC's counsel, a copy of each notice, report, schedule or other document delivered, filed or received by Whitecap in connection with: (i) the Business Combination; (ii) any filings under Applicable Laws in connection with the transactions contemplated hereby; and (iii) any dealings with any Governmental Authority in connection with the transactions contemplated hereby; and
- (w) TORC will furnish promptly to Whitecap or Whitecap's counsel, a copy of each notice, report, schedule or other document delivered, filed or received by TORC in connection with: (i) the Business Combination; (ii) any filings under Applicable Laws in connection with the transactions contemplated hereby; and (iii) any dealings with any Governmental Authority in connection with the transactions contemplated hereby;
- (x) TORC shall, on an as received basis, promptly advise Whitecap of the number of TORC Shares for which TORC receives notices of dissent or written objections to the Business Combination and provide Whitecap with copies of such notices and written objections;

- (y) TORC shall: (i) prepare or cause to be prepared and timely filed all Tax Returns required to be filed by it for all taxable periods ending before the Effective Date which are required to be filed before the Effective Date; and (ii) prepare or cause to be prepared, all Tax Returns of TORC for all taxable periods ending before the Effective Date which are required to be filed after the Effective Date. Such Tax Returns shall be (i) true, complete and correct in all material respects; and (ii) prepared in a manner consistent with practices followed in prior years with respect to similar Tax Returns of TORC except as otherwise required by Law or fact;
- (z) TORC shall: (i) timely pay all material Taxes which are due and payable unless validly contested; (ii) not make or rescind any material election relating to Taxes, or file any material amended Tax Returns, except as required by Law; (iii) not make a request for a Tax ruling with any Governmental Authority; (iv) not settle or compromise any claim, action, suit, litigation, proceeding, arbitration, investigation, audit or controversy relating to Taxes; (v) not change in any material respect any of its methods of reporting income, deductions or accounting for Tax purposes from those employed in the preparation of its Tax Return for a taxation year ending prior to the date hereof, except as required by Law; and (vi) properly reserve (and reflect such reserves in its books and records and financial statements) in accordance with past practice and in the ordinary course of business, for all Taxes accruing in respect of TORC which are not due or payable prior to the Effective Date;
- (aa) TORC will not, directly or indirectly materially reduce the amount or amend the characterization of any of its individual categories of tax attributes outside the ordinary course of business, including, without limitation, any of its resource pools or non-capital loss carry forwards, except as required by Law;
- (bb) TORC shall inform Whitecap if it makes a Tax filing that is outside of the ordinary course of business, including making, amending or rescinding any Tax Return, election or designation;
- (cc) TORC shall use reasonable commercial efforts to preserve intact its business organization, assets, properties and goodwill and maintain satisfactory relationships with suppliers and distributors and others having business relationships with it;
- (dd) TORC shall use all reasonable commercial efforts to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under all Applicable Laws to complete the Business Combination, in accordance with the terms thereof, including using its reasonable commercial efforts to:
 - (i) obtain all necessary consents, approvals, authorizations and filings as are required to be obtained or made by TORC under any Applicable Law and to satisfy any condition provided for under this Agreement;
 - (ii) oppose, lift or rescind any injunction or restraining order or other order or action seeking to stop, or otherwise adversely affect their ability to consummate the Business Combination; and
 - (iii) co-operate with Whitecap in connection with the performance by it of its obligations hereunder; and
- (ee) TORC shall use its commercially reasonable efforts to prepare and provide Whitecap prior to the Effective Date with draft audited financial statements at and for the year ended December 31, 2020 which fairly present, in accordance with IFRS, the financial position and condition of TORC at the dates thereof and the results of the operations of TORC for the periods then ended and reflect in

accordance with IFRS, all material assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of TORC as at the dates thereof and prepared in conformity with IFRS applied on a consistent basis throughout the periods involved.

3.3 Mutual Covenants Regarding the Business Combination

From the date hereof until the earlier of the completion of the Business Combination and the termination of this Agreement in accordance with Article 8, each Party shall:

- (a) use its reasonable commercial efforts to complete the Business Combination on or before the Outside Date;
- (b) use its reasonable commercial efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under Applicable Laws and applicable United States Laws to complete the Business Combination, including using reasonable efforts:
 - (i) to obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases and other contracts;
 - (ii) to obtain all necessary consents, assignments, waivers and amendments to or terminations of any instruments and take such measures as may be appropriate to fulfill its obligations hereunder and to carry out the transactions contemplated by this Agreement, including receipt of the Competition Act Approval;
 - (iii) to effect all necessary registrations and filings and submission of information requested by Governmental Authorities required to be effected by it in connection with the Business Combination, including pursuant to the Competition Act; and
 - (iv) to ensure that the Whitecap Shares issuable to TORC Shareholders under the Business Combination may be issued pursuant to the exemption from the registration requirements of the U.S. *Securities Act of 1933*, as amended, provided under Section 3(a)(10) thereof;
- (c) in connection with the Competition Act Approval:
 - (i) Whitecap and TORC shall within ten (10) Business Days of the date of this Agreement, duly file with the Commissioner a request for an ARC pursuant to Section 102 of the Competition Act and supply the Commissioner with such additional information as the Commissioner may request. Whitecap shall have the primary responsibility for the preparation and submission of a request for an ARC pursuant to Section 102 of the Competition Act. TORC shall furnish to Whitecap such information and assistance as Whitecap may reasonably request in order to prepare and file such request. If requested by Whitecap or TORC, the Parties shall promptly file a pre-merger notification filing pursuant to Section 114 the Competition Act. Whitecap and TORC shall respond as promptly as reasonably practicable under the circumstances to any inquiries received from the Commissioner for additional information or documentation and to all inquiries and requests received from the Commissioner;
 - (ii) the Parties shall coordinate and cooperate in exchanging information and supplying assistance that is reasonably requested in connection with subsection 3.3(c)(i), including

providing each other with advance copies and reasonable opportunities to comment on all filings made to the Commissioner and any additional or supplementary information supplied pursuant thereto in respect of the Competition Act (except for information which Whitecap or TORC, in each case acting reasonably, consider confidential and sensitive, which shall then be provided only on a confidential and privileged basis to outside counsel of the other Party, with redacted versions being provided to the other Party), and all notices and correspondence received from the Commissioner with respect to any filings under the Competition Act;

- (iii) not participate in any substantive meeting or discussion (whether in person, by telephone or otherwise) with the Commissioner or his representatives in respect of obtaining the Competition Act Approval unless it consults with the other Party in advance and gives the other Party the opportunity to attend and participate thereat unless the Commissioner or a representative of the Commissioner requests otherwise;
 - (iv) other than in connection with the NAL Transaction, each of the Parties shall not take any action, including entering into any separate transaction or commercial relation, that will have, or might reasonably be expected to have, the effect of delaying, impairing or impeding the granting of the Competition Act Approval; and
 - (v) notwithstanding any other provision herein, in no event will Whitecap be required hereunder or otherwise to agree to any hold separate, divestiture or other order, decree, condition or restriction on the businesses of Whitecap or TORC, or any other business, the conduct thereof or future transactions;
- (d) use its reasonable commercial efforts to effect all necessary registrations and filings and submissions of information requested by Governmental Authorities or required to be effected or submitted by it in connection with the Business Combination, including, without limitation, under the Competition Act as set out above in subsection 3.3(c), and to obtain all necessary consents, waivers and approvals required to be obtained by it in connection with the Business Combination, and each of Whitecap and TORC will use its reasonable commercial efforts to cooperate with the other in connection with the performance by the other Party of its obligations under this subsection 3.3(d) including, without limitation, assisting with the preparation and filing of any applications and continuing to provide reasonable access to information and to maintain ongoing communications as between officers of Whitecap and TORC, subject in all cases to the Confidentiality Agreement; and
- (e) use its reasonable commercial efforts to cooperate with the other Party in connection with the performance by the other Party of its obligations under this Agreement including, without limitation, continuing to provide reasonable access to information and to maintain ongoing communications as between representatives of Whitecap and TORC, subject in all cases to the Confidentiality Agreement.

3.4 TORC's Covenants Regarding Non-Solicitation

- (a) TORC shall immediately cease and cause to be terminated all existing discussions or negotiations (including, without limitation, through any of its officers, directors, employees, advisors, representatives and agents (in this Section 3.4, "**Representatives**")), if any, with any third parties (other than Whitecap) initiated before the date of this Agreement with respect to any Acquisition Proposal. As and from the date hereof until termination of this Agreement pursuant to Article 8, TORC shall discontinue providing access to any of its confidential information and not allow or

establish further access to any of its confidential information, or any data room, virtual or otherwise and shall (pursuant to and in accordance with each applicable confidentiality agreement) promptly request the return or destruction of all information provided to any third parties that have entered into a confidentiality agreement with TORC relating to an Acquisition Proposal and shall use reasonable commercial efforts to cause such requests to be honoured.

- (b) TORC shall not, directly or indirectly, do, or authorize or permit any of its Representatives to do, any of the following:
- (i) solicit, assist or knowingly facilitate, initiate or encourage or take any action to solicit or knowingly facilitate, initiate, entertain or encourage any Acquisition Proposal, or engage in any communication regarding the making of any proposal or offer that constitutes or may constitute or may reasonably be expected to lead to an Acquisition Proposal, including, without limitation, by way of furnishing information;
 - (ii) withdraw or modify, or propose to withdraw or modify, in any manner adverse to Whitecap, the approval of the Business Combination by the TORC Board or the TORC Board Recommendation;
 - (iii) enter into or participate in any negotiations or any discussions regarding an Acquisition Proposal, or furnish or provide access to any information with respect to its securities, business, properties, operations or conditions (financial or otherwise) in connection with or in furtherance of an Acquisition Proposal, or otherwise cooperate in any way with, or assist or knowingly participate in, facilitate or encourage, any effort or attempt of any other Person to do or seek to do any of the foregoing;
 - (iv) release, waive, or otherwise forbear in the enforcement of, or enter into or participate in any discussions, negotiations or agreements to release, waive or otherwise forbear in respect of, any rights or other benefits under any confidentiality agreements to which TORC is a party, including, without limitation, any "standstill provisions" thereunder; or
 - (v) accept, recommend, approve, agree to, endorse or propose publicly to accept, recommend, approve, agree to or endorse any Acquisition Proposal;

provided, however, that notwithstanding any other provision hereof, TORC and its Representatives may:

- (vi) enter into, or participate in, any discussions or negotiations with a third party who (without any solicitation, initiation or encouragement, directly or indirectly, after the date of this Agreement, by TORC or any of its Representatives) seeks to initiate such discussions or negotiations and, subject to execution of a confidentiality agreement substantially similar to the Confidentiality Agreement (provided that such confidentiality agreement shall provide for the disclosure thereof, along with the information provided thereunder, to Whitecap), may furnish to such third party information concerning TORC and its business, affairs, properties and assets, in each case if, and only to the extent that:
 - (A) the third party has first made an unsolicited written *bona fide* Acquisition Proposal and the TORC Board determines in good faith: (1) that funds or other consideration necessary for the consummation of such Acquisition Proposal are available or, in each case as demonstrated to the TORC Board, acting in good faith, that adequate financing arrangements will be in place to ensure that the third party will have the

funds necessary for the consummation of the Acquisition Proposal, if any; (2) after consultation with its financial advisor, that the Acquisition Proposal would or would be reasonably likely to, if consummated in accordance with its terms (but not assuming away any risks of non-completion), result in a transaction financially superior for the TORC Shareholders than the transaction contemplated by this Agreement in its current form (including taking into account any modifications to this Agreement proposed by Whitecap as contemplated by subsection 3.4(d)); and (3) after receiving the advice of outside legal counsel, as reflected in minutes of the TORC Board, that the taking of such action is necessary for the TORC Board in the discharge of its fiduciary duties under Applicable Laws (a "**Superior Proposal**"); and

- (B) prior to furnishing such information to or entering into or participating in any such negotiations or initiating any discussions with such third party, TORC provides notice to Whitecap to the effect that it is furnishing information to or entering into or participating in discussions or negotiations with such Person or entity and provides to Whitecap the information required to be provided under subsection 3.4(d); or
 - (vii) comply with Division 3 of National Instrument 62-104 — *Take-Over Bids and Issuer Bids* and similar provisions under Applicable Canadian Securities Laws relating to the provision of directors' circulars and make appropriate disclosure with respect thereto to its securityholders; and
 - (viii) withdraw any approval or recommendation contemplated by subsection 3.4(b)(ii) and accept, recommend, approve or enter into an agreement to implement a Superior Proposal, but only if prior to such acceptance, recommendation, approval or implementation, TORC has complied with its obligations set forth in Section 3.4(d) and terminates this Agreement in accordance with Section 8.1(f) and concurrently therewith pays the amount required by Section 6.1.
- (c) TORC shall promptly (and in any event within 24 hours of receipt by TORC) notify Whitecap (at first orally and then in writing) of any Acquisition Proposal (or any amendment thereto) or any request for non-public information relating to TORC, its assets, or any amendments to the foregoing received by TORC. Such notice shall include a copy of any written Acquisition Proposal (and any amendment thereto) received by TORC or, if no written Acquisition Proposal has been received, a description of the material terms and conditions of, and the identity of the Person making any inquiry, proposal, offer or request (to the extent then known by TORC). TORC shall also provide such further and other details of the Acquisition Proposal or any amendment thereto as Whitecap may reasonably request (to the extent then known by TORC). TORC shall keep Whitecap fully informed of the status, including any change to material terms, of any Acquisition Proposal or any amendment thereto, shall respond promptly to all reasonable inquiries by Whitecap with respect thereto, and shall provide to Whitecap copies of all material correspondence and other written material sent to or provided to TORC by any Person in connection with such inquiry, proposal, offer or request or sent or provided by TORC to Person in connection with such inquiry, proposal, offer or request.
- (d) Following receipt of a Superior Proposal, TORC shall give Whitecap, orally and in writing, at least 72 hours advance notice of any decision by the TORC Board to accept, recommend, approve or enter into an agreement to implement a Superior Proposal, which notice shall confirm that the TORC Board has determined that such Acquisition Proposal constitutes a Superior Proposal, shall

identify the third party making the Superior Proposal and shall provide a true and complete copy thereof and any amendments thereto. During the 72 hour period commencing on the delivery of such notice, TORC agrees not to accept, recommend, approve or enter into any agreement to implement such Superior Proposal and not to release the party making the Superior Proposal from any standstill provisions (which, for greater certainty, shall not prevent the party making the Superior Proposal from making any Acquisition Proposal to the TORC Board that is not solicited, initiated, encouraged or knowingly facilitated by TORC) and shall not withdraw, redefine, modify or change its recommendation in respect of the Business Combination. In addition, during such 72 hour period, TORC shall, and shall cause its financial and legal advisors to, negotiate in good faith with Whitecap and its financial and legal advisors to make such adjustments in the terms and conditions of this Agreement and the Business Combination as would enable TORC to proceed with the Business Combination, as amended, rather than the Superior Proposal. In the event Whitecap confirms in writing its commitment to amend this Agreement to provide that the TORC Shareholders shall receive a value per TORC Share equal to or having a value greater than the value per TORC Share provided in the Superior Proposal and so advises the TORC Board prior to the expiry of such 72 hour period, the TORC Board shall not accept, recommend, approve or enter into any agreement to implement such Superior Proposal and shall not release the party making the Superior Proposal from any standstill provisions (which, for greater certainty, shall not prevent the party making the Superior Proposal from making any Acquisition Proposal to the TORC Board that is not solicited, initiated, encouraged or knowingly facilitated by TORC) and shall not withdraw, redefine, modify or change the TORC Board Recommendation. Notwithstanding the foregoing, and for greater certainty, Whitecap shall have no obligation to make or negotiate any changes to this Agreement in the event that TORC is in receipt of a Superior Proposal. TORC acknowledges that each successive material modification of any Superior Proposal shall constitute a new Superior Proposal for purposes of the requirement under this subsection 3.4(d) to initiate a new 72 hour notice period.

- (e) The TORC Board shall reaffirm the TORC Board Recommendation by news release promptly, and in any event within 72 hour of being requested to do so by Whitecap (or in the event that the TORC Meeting to approve the Business Combination is scheduled to occur within such 72 hour period, prior to the scheduled date of such meeting), in the event that (i) any Acquisition Proposal is publicly announced unless the TORC Board has determined that such Acquisition Proposal constitutes a Superior Proposal in accordance with this Section 3.4; or (ii) the Parties have entered into an amended agreement pursuant to subsection 3.4(d) that results in any Acquisition Proposal not being a Superior Proposal.
- (f) Whitecap agrees that all information that may be provided to it by TORC with respect to any Superior Proposal pursuant to this Section 3.4 shall be treated as if it were "Evaluation Material" as that term is defined in the Confidentiality Agreement and such information shall not be disclosed or used except in accordance with the Confidentiality Agreement or in order to enforce its rights under this Agreement in legal proceedings.
- (g) Each Party shall ensure that its Representatives are aware of the provisions of this Section 3.4. Whitecap shall be responsible for any breach of this Section 3.4 by its Representatives and TORC shall be responsible for any breach of this Section 3.4 by its Representatives.

3.5 Access to Information

- (a) From and after the date hereof until the Effective Time or the termination of this Agreement, TORC shall, upon reasonable notice, provide Whitecap and its representatives access, during normal business hours and at such other time or times as Whitecap may reasonably request, to its premises

(including field offices and sites), books, contracts, records, computer systems, properties, employees and management personnel and shall furnish promptly to Whitecap all information concerning its business, properties and personnel as Whitecap may reasonably request in order to permit Whitecap to be in a position to expeditiously and efficiently integrate the business and operations of TORC with those of Whitecap immediately upon but not prior to the Effective Date. From and after the date hereof until the Effective Time or the termination of this Agreement, TORC agrees to keep Whitecap fully apprised in a timely manner of every circumstance, action, occurrence or event occurring or arising after the date hereof that would be relevant and material to a prudent operator of the business and operations of TORC. From and after the date hereof until the Effective Time or the termination of this Agreement, TORC shall confer with Whitecap prior to taking action (other than in emergency situations) with respect to any material operational matters involved in its business and Whitecap representatives may attend at and participate in all weekly operations meetings held by TORC.

- (b) Without limiting the generality of any of the other provisions of this Agreement, TORC shall make available to Whitecap all land, legal, title documents and related files, geologic maps, well files and well logs, books, papers, financial information and pertinent documents or agreements.
- (c) In addition, TORC agrees to:
 - (i) give the legal and professional representatives and agents of Whitecap full access to TORC's books, records and documents, provided that TORC is satisfied, acting reasonably, that the confidentiality of the subject matter of the disclosure can be maintained in accordance herewith; and
 - (ii) endeavour to include in the information furnished to Whitecap, or obtained by Whitecap in the course of the aforesaid investigations, all information which would reasonably be considered to be relevant for the purposes of Whitecap's investigation and not knowingly withhold any information which would make anything contained in the information delivered erroneous or misleading.
- (d) The Parties acknowledge and agree that all information provided by TORC to Whitecap pursuant to this Section 3.5 shall remain subject to the provisions of the Confidentiality Agreement.
- (e) Nothing in this Article 3 shall require TORC to disclose information that it is prohibited from disclosing pursuant to a written confidentiality agreement or confidentiality provision of an agreement with a third party.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of TORC

TORC hereby makes the representations and warranties set out in this Section 4.1 to and in favour of Whitecap and acknowledges that Whitecap is relying upon such representations and warranties in connection with the matters contemplated by this Agreement.

- (a) **Standing:** It is and each of its subsidiaries is a valid corporation, subsisting under the laws of its jurisdiction of formation with the necessary corporate power and capacity to conduct its business in the jurisdiction(s) where its assets are located.

- (b) **Registration:** Each of TORC and its subsidiaries is duly registered to carry on business and is in good standing in each jurisdiction in which the character of its properties, owned or leased, or the nature of its activities make such registration necessary, except where the failure to be so registered or in good standing would not have a material adverse effect on TORC.
- (c) **Requisite Authority:** TORC has the requisite corporate authority to enter into this Agreement and the Whitecap Support Agreements and to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement and the Whitecap Support Agreements, and the consummation by TORC of the transactions contemplated hereunder and thereunder, have been duly authorized by the TORC Board and, subject to the approval of the Business Combination Resolution by TORC Shareholders and the approval of the Circular and matters relating to the TORC Meeting by the TORC Board, no other corporate proceedings on the part of TORC are necessary to authorize this Agreement or the Business Combination. This Agreement and the Whitecap Support Agreements have been duly executed and delivered by TORC and constitute legal, valid and binding obligations of TORC enforceable against it in accordance with the terms thereof, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other Applicable Laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.
- (d) **No Conflicts or Defaults:** Neither the execution and delivery of this Agreement by TORC, the consummation by TORC of the transactions contemplated by this Agreement nor compliance by TORC with any of the provisions hereof will, subject to obtaining the approval of the TORC Shareholders: (i) violate, conflict with, or result in breach of any provision of, require any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or result in a right of termination or acceleration under, or result in a creation of any Encumbrance upon any of the properties or assets of TORC under, any of the terms, conditions or provisions of (A) the articles or bylaws of TORC or other constating documents of TORC or its subsidiaries, or (B) any note, bond, mortgage, indenture, loan agreement, deed of trust, agreement, lien, contract or other instrument or obligation to which TORC or its subsidiaries is a party or to which it, or its properties or assets, may be subject or by which TORC or its subsidiaries is bound (subject to obtaining the consent of TORC's lenders); or (ii) violate any judgment, ruling, order, writ, injunction, determination, award, decree, statute, ordinance, rule or regulation in Canada applicable to TORC or its subsidiaries (except, in the case of each of clauses (i) and (ii) above, for such violations, conflicts, breaches, defaults, terminations which, or any consents, approvals or notices which if not given or received, would not have any material adverse effect on TORC or materially impede the ability of TORC to consummate the transactions contemplated by this Agreement); or (iii) cause a suspension or revocation of any authorization for the consent, approval or license currently in effect which would have a material adverse effect on TORC.
- (e) **Consents:** Other than in connection with or in compliance with the provisions of Applicable Laws in relation to the completion of the Business Combination, the Competition Act Approval, the consent of TORC's lender and the obtaining of the approval of the TORC Shareholders or which are required to be filed post-Arrangement:
 - (i) there is no legal impediment to TORC's consummation of the transactions contemplated by this Agreement; and
 - (ii) no filing or registration with, or authorization, consent or approval of, any domestic or foreign public body or authority is necessary by TORC in connection with the

consummation of the Business Combination, except for such filings or registrations which, if not made, or for such authorizations, consents or approvals, which, if not received, would not materially impede the ability of TORC to consummate the transactions contemplated by this Agreement.

- (f) **Subsidiaries:** As at the date hereof, TORC has no material subsidiaries and no other equity or ownership interests in any other corporation, partnership or trust.
- (g) **Authorized and Issued Share Capital:** TORC has authorized an unlimited number of TORC Shares and an unlimited number of preferred shares. As at the date hereof, 222,629,911 TORC Shares and no preferred shares are issued and outstanding. As of the date hereof, there are no other outstanding securities of TORC or options, warrants, rights of conversion or exchange privileges or other securities entitling anyone to acquire any securities of TORC or any other rights, agreements or commitments of any character whatsoever requiring the issuance, sale or transfer by TORC of any securities other than 5,969,136 TORC Share Awards. All outstanding TORC Shares have been duly authorized and validly issued, and are fully paid and non-assessable and are not subject to, nor have they been issued in violation of, any pre-emptive rights.
- (h) **Public Record:** The information and statements set forth in the TORC Public Record were true, correct, and complete and did not contain any material misrepresentation, as of the date of such information or statements, and TORC has not filed any material change reports which continue to be confidential.
- (i) **Business of TORC:**
 - (i) TORC has all requisite power and authority to carry on its businesses as presently conducted.
 - (ii) Except as would not reasonably be expected to create a material adverse effect on TORC, TORC is not a party to or bound or affected by any commitment, agreement, judgment, injunction, order, decree or document binding upon TORC, containing any covenant expressly prohibiting, restricting or limiting its freedom or ability to: (a) compete in any line of business or geographic region; (b) transfer or move any of its assets or operations; or (c) conduct any business practice of TORC, as now conducted.
- (j) **Conduct of Business:** Since October 1, 2020:
 - (i) there has not been any material adverse change respecting TORC from the position set forth in the TORC Financial Statements;
 - (ii) there have been no material facts, transactions, events or occurrences which, to the knowledge of TORC, could reasonably be expected to result in a material adverse change respecting TORC;
 - (iii) each of TORC and its subsidiaries has conducted its business only in the ordinary and normal course, consistent with past practice; and
 - (iv) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) material to TORC has been incurred by TORC or its subsidiaries other than in the ordinary and normal course of business, consistent with past practice.

- (k) **No Lawsuits or Claims:** As of the date of this Agreement, it has not received notice of any Claims in existence, contemplated, nor, to its knowledge, pending or threatened against it to seek to prevent the consummation of the Business Combination.
- (l) **Proceedings:** There are no material actions, suits, proceedings or investigations pending or, to the knowledge of TORC, threatened, affecting or that would reasonably be expected to affect TORC or any of its subsidiaries or any of its properties or assets at law or equity or before or by any court or Governmental Authority which action, suit, proceeding or investigation involves a reasonable possibility of any judgment against or liability of the TORC or any of its subsidiaries. None of TORC or any of its subsidiaries is subject to any outstanding order, writ, injunction or decree that has had or would have a material adverse effect on TORC or would significantly impede the ability of TORC to consummate the Arrangement.
- (m) **Compliance with Anti-Corruption Legislation:** It and its subsidiaries have not directly or indirectly, (i) made or authorized any contribution, payment or gift of funds or property to any official, employee or agent of any Governmental Authority, authority or instrumentality of any jurisdiction or (ii) made any contribution to any candidate for public office, in either case, where either the payment or the purpose of such contribution, payment or gift was, is, or would be prohibited under the *U.S. Foreign Corrupt Practices Act of 1977*, as amended, or the Canada Corruption of Foreign Public Officials Act, or the rules and regulations promulgated thereunder or under any other applicable legislation of any jurisdiction covering a similar subject matter.
- (n) **Compliance with Anti-Money Laundering Laws:** Its operations and the operations of its subsidiaries are, and have been conducted at all times, in compliance with applicable financial recordkeeping and reporting requirements and applicable money laundering laws and no action, suit or proceeding by or before any court, Governmental Authority or arbitrator involving it or any of its subsidiaries with respect to the or the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) or the rules and regulations promulgated thereunder or under any other applicable legislation of any jurisdiction covering a similar subject matter, is pending or, to its knowledge, threatened.
- (o) **Broker:** Except as set forth in the TORC Disclosure Letter, TORC has not retained any financial advisor, broker, agent or finder, or paid or agreed to pay or have Whitecap pay any financial advisor, broker, agent or finder on account of this Agreement or the Business Combination, any transaction contemplated hereby or any transaction presently ongoing or contemplated. TORC has delivered to Whitecap true and current copies of all agreement(s) between TORC and such financial advisers which could give rise to the payment of any fees to such financial advisers and such agreement(s) accurately reflect the fees payable to such financial advisers.
- (p) **Minute Books:** The corporate records and minute books, books of account and other records of TORC (whether of a financial or accounting nature or otherwise) and its subsidiaries have been maintained in accordance with, in all material respects, all applicable statutory requirements and prudent business practice and will be complete and accurate in all material respects as at the Effective Date.
- (q) **Guarantees:** Other than the indemnification of directors and officers of TORC pursuant to Applicable Laws, the corporate by-laws, customary indemnities in favour of TORC's bankers and the financial advisors and agreements entered into in the ordinary course of business, including letters of credit issued pursuant to, liabilities, and performance obligations under, the Marketing and Midstream Agreements, or as may be imposed on TORC in its capacity as a working interest owner under any of its leases and other title and operating documents or pursuant to Applicable

Laws upon the default or insolvency of a third party working interest owner, TORC has not guaranteed, endorsed, assumed, indemnified or accepted any responsibility for, and do not and will not guarantee, endorse, assume, indemnify or accept any responsibility for, contingently or otherwise, any Indebtedness or the performance of any obligation of any other Person.

- (r) **Shareholder Agreements etc.:** Other than as described in the TORC Disclosure Letter:
 - (i) there are no unanimous shareholder agreements and, to its knowledge, there are no shareholders' agreements, voting agreements, investors' rights agreements or other agreements in force or effect as of the date hereof or will be on the Effective Date which in any manner affects or will affect the voting or control of any of its securities or that materially affects or materially will affect the control of TORC; and
 - (ii) there are no rights of first refusal or similar rights restricting the issuance or transfer of the TORC Shares contained in any shareholder, partnership, joint venture or similar agreements that TORC is a party to or by which it is bound or pursuant to existing financing arrangements of TORC and, there are no outstanding contractual or other obligations of TORC to repurchase, redeem or otherwise acquire any of its securities.
- (s) **Confidentiality Agreements:** All agreements entered into by TORC with Persons other than Whitecap regarding the confidentiality of information provided to such Persons or reviewed by such Persons with respect to the sale of TORC or a substantial portion of its assets or any other business combination or similar transaction with any other party pursuant to which TORC has provided confidential information to such other parties are in substantially the form of the Confidentiality Agreement and TORC has not, as at the date hereof, waived the standstill or other provisions of any such agreements.
- (t) **Related Party Transactions:** No director, officer, insider or other non-arm's length party to TORC or its subsidiaries (or any associate or affiliate thereof) has any right, title or interest in (or the right to acquire any right, title or interest in) any royalty interest, carried interest, participation interest or any other interest whatsoever which are based on production from or in respect of any properties of TORC or its subsidiaries. No director, officer, insider or other non-arm's length party of TORC or its subsidiaries is indebted to TORC or its subsidiaries.
- (u) **Employee Matters:**
 - (i) Other than the TORC Employee Change of Control Payments and the TORC Obligations as described in the TORC Disclosure Letter, there are no payments owing or that will become owing in connection with the Business Combination to directors, officers, employees and consultants (not including financial advisors) of TORC under any contract settlements, bonus plans, equity or non-equity incentive compensation plans, retention arrangements, change of control agreements or severance obligations (whether resulting from termination or alteration of duties).
 - (ii) The TORC Disclosure Letter sets forth a correct and complete list (the "**Employment Information**") of each employee, director, independent contractor, consultant and agent of TORC who currently provides services to TORC, whether actively at work or not, their salaries, wage rates, commissions and consulting fees, bonus arrangements, benefits, positions, status as full-time or part-time employees, location of employment, length of service and expected severance amount. Except as set out in the Employment Information, no such Person has any agreement as to length of notice or severance payment required to

terminate his or her employment, other than such as results by Applicable Laws from the employment of an employee without an agreement as to notice or severance.

- (iii) TORC is in material compliance with all Applicable Laws respecting service providers, including with respect to employment standards, occupational health and safety, human rights, labour relations and workers' compensation, and there are no outstanding or, to the knowledge of TORC, threatened Claims against TORC by or on behalf of any employee or contractor, or former employee or contractor.
- (iv) None of the TORC subsidiaries have any employees, independent contractor or consultants.
- (v) Other than as disclosed in the TORC Disclosure Letter, no employee of TORC is on a leave of absence other than a regularly scheduled vacation.
- (vi) There are no Claims against TORC, or to the knowledge of TORC, threatened to be brought or filed, by or with any Governmental Authority or arbitrator in connection with the employment of any employees or former employees, contractors or former contractors including any Claim relating to unfair labour practices, employment discrimination, harassment, retaliation, pay equity, employment insurance or any other employment-related matter arising under Applicable Laws.
- (vii) There are no disputes, grievances, controversy, Claims, pending Claims nor, to the knowledge of TORC, threatened Claims pursuant to any Laws relating to the employees or former employees or contractors or former contractors of TORC (or any Person acting on behalf of such individuals), including pursuant to Applicable Laws regarding employment standards, human rights, labour relations, occupational health and safety, workers' compensation, accessibility, privacy, or pay equity. There are no outstanding assessments, penalties, fines, liens, charges, surcharges, or other amounts due or owing pursuant to any workplace safety and insurance legislation relating to the employees and contractors, or any former employees or contractors, and all workers' compensation premiums in respect of the Employees have been paid.
- (viii) To the knowledge of TORC, all individuals who are or were performing consulting or other services for TORC are or were correctly classified under all Applicable Laws by TORC as either "independent contractors" or "employees" as the case may be, and TORC has not received any notice from any Governmental Authority disputing such classification.
- (ix) There is no collective agreement, letter of understanding or other legally binding commitment with or to any labour union, trade union or employee organization or group which might qualify as a trade union with respect to the Employees.
- (x) As of the date hereof, there is no strike, labour dispute, work slowdown or work stoppage ongoing or to TORC's knowledge threatened against TORC by its employees or contractors, nor has there been any such strike, labour dispute, work slowdown or work stoppage within the last three years. TORC is not currently engaged in any labour negotiation that may be expected to have a material adverse effect.
- (xi) With respect to any employee or contractor of TORC whose employment or relationship has been terminated within two years prior to the date hereof, all amounts owing have been paid and to the knowledge of TORC, no such former employee or independent contractor

has any legal basis to make any claim for further payment, whether in respect of salary, benefits, severance or termination payment or otherwise.

- (xii) The Employee Information lists all material written and oral benefit plans for the benefit of the current and former employees, officers or directors of TORC that are currently maintained, sponsored or funded by TORC for the benefit of the employees whether funded or unfunded, insured or self-insured, registered or unregistered, other than plans established pursuant to statute (collectively the "**TORC Benefit Plans**").
- (xiii) TORC has furnished to Whitecap copies of all TORC Benefit Plans, together with current employee booklets and, where applicable, related trust or other funding agreements and actuarial reports most recently filed with the applicable Governmental Authority.
- (xiv) Except as would not reasonably be likely to result in a material adverse effect, each TORC Benefit Plan has been administered and funded in accordance with all Applicable Laws and the terms of the applicable TORC Benefit Plan.
- (xv) Except as required by Applicable Laws or as may occur in the ordinary course of business, (i) no amendments or improvements to any TORC Benefit Plan have been promised by TORC or any of its subsidiaries to any employees that are still outstanding; and (ii) no amendments or improvements to any TORC Benefit Plan will be made or promised by TORC or any of its subsidiaries to any employees prior to the Effective Time.
- (v) **Insurance:** TORC is insured against all such losses and risks and in such amounts as are prudent and customary in the oil and gas exploration and production business in the jurisdictions in which it operates; all policies of insurance insuring TORC or its businesses, assets, employees, officers and directors are in full force and effect. TORC is not in default with respect to any of the provisions contained in any such insurance policy and has not failed to give any notice or present any material claim under any such insurance policy in due and timely fashion.
- (w) **Taxes:** Except as provided for in the TORC Financial Statements or as otherwise disclosed in the TORC Disclosure Letter,
 - (i) TORC is a taxable Canadian corporation for purposes of the Tax Act.
 - (ii) TORC has, and on the Effective Date will have, duly and on a timely basis prepared and filed all Tax Returns required to be filed by it, and such Tax Returns are, or will be, true, complete and correct in all material respects.
 - (iii) TORC has duly and timely paid all material Taxes, including all instalments on account of Taxes for the current year that are due and payable by it whether or not assessed by the appropriate Governmental Authority.
 - (iv) TORC has withheld from any amount paid or credited to any Person, including its officers and directors and any non resident of Canada, the amount of all Taxes required by Applicable Laws to be withheld from any amount and duly and in a timely manner remitted the same to the appropriate Governmental Authority.
 - (v) There are no material Encumbrances on any of the assets of TORC for unpaid Taxes (other than in respect of Taxes not yet due and payable).

- (vi) All Tax Returns and all material written communications to or from any Governmental Authority relating to the Taxes of TORC that have been made available to Whitecap, were true, correct and complete in all material respects.
- (vii) None of sections 78, 80, 80.01 to 80.04, 160 or 191.3 of the Tax Act, or any equivalent provision of the Tax legislation of any province or any other jurisdiction, have applied or will apply to TORC at any time up to and including the Effective Date.
- (viii) TORC has collected all amounts on account of any sales or transfer taxes, including goods and services, harmonized sales and provincial or territorial sales taxes, required by Applicable Laws to be collected by it and has duly and timely remitted to the appropriate Governmental Authority any such amounts required by Applicable Laws to be remitted by it.

and, as of the date hereof:

- (ix) To the knowledge of TORC, there are no matters that are the subject of any audit, investigation, objection, appeal, legal proceedings or agreement with any Governmental Authority relating to claims for Taxes now in progress, pending or threatened against TORC in respect of Taxes;
 - (x) there are no agreements, waivers or other arrangements providing for an extension of time with respect to the assessment or reassessment of any Tax or the filing of any Tax Returns or Tax elections by, or the payment of any Tax by, TORC; and
 - (xi) TORC does not have any outstanding obligations to incur and/or renounce any Canadian exploration expenditures or Canadian development expenditures to any purchaser of the shares of TORC that have not yet been fully expended and renounced
- (x) **Material Agreements:** Other than this Agreement, TORC has not entered into any material agreements which are required to be filed by TORC under National Instrument 51-102 – *Continuous Disclosure Obligations*, except for those agreements which have been so filed by TORC.
- (y) **Absence of Undisclosed Liabilities:** TORC has no material obligations or liabilities of any nature (matured or unmatured, fixed or contingent), other than:
- (i) those set forth or adequately provided for in the most recent statement of financial position and associated notes thereto included in the TORC Financial Statements (the "**TORC Balance Sheet**");
 - (ii) those incurred in the ordinary course of business and not required to be set forth in the TORC Balance Sheet under IFRS;
 - (iii) those disclosed in the TORC Disclosure Letter and incurred in the ordinary course of business since the date of the TORC Balance Sheet and consistent with past practice; and
 - (iv) those incurred in connection with the execution of this Agreement.

- (z) **Certain Contracts and Agreements:** TORC is not a party to any Contract or agreement to merge or consolidate with any other Person, to acquire substantially all of the assets or shares of any other Person or to sell all or any material part of its assets or properties.
- (aa) **Off-Balance Sheet Arrangements:** TORC (on a consolidated basis) is not a party to any off-balance sheet arrangements, as that term is understood under IFRS that would in the aggregate have a material adverse effect on TORC.
- (bb) **Title to Assets:** Although TORC does not warrant title to any of its assets, it does represent and warrant that:
 - (i) It does not have reason to believe that TORC does not have title to or the irrevocable right to produce and sell its petroleum, natural gas and related hydrocarbons (for the purposes of this clause, the foregoing are referred to as the "**TORC Interests**") and does represent and warrant that, to the knowledge of TORC, the TORC Interests are free and clear of adverse claims created by, through or under TORC, except as disclosed in the TORC Public Record, related to bank financing or those arising in the ordinary course of business, and, to the knowledge of TORC, TORC holds the TORC Interests under valid and subsisting leases, licenses, permits, concessions, concession agreements, contracts, subleases, reservations or other agreements, except where the failure to so hold the TORC Interests would not have a material adverse effect upon TORC; and
 - (ii) it is not aware of any defects, failures or impairments in the title of TORC to its oil and natural gas properties, whether or not an action, suit, proceeding or inquiry is pending or threatened and whether or not discovered by any third party, which in aggregate could have a material adverse effect on: (i) the quantity and pre-tax present worth values of the oil and natural gas reserves of TORC shown in the TORC Reserves Report; (ii) the current production of TORC; or (iii) the current cash flow of TORC.
- (cc) **Reserves Report:** TORC has no reason to believe that the TORC Reserves Report was not accurate in all material respects as at the effective date of such report, and, except for any impact of changes in commodity prices, which may or may not be material, TORC has no knowledge of a material adverse change in the production, costs, price, reserves, estimates of future net production revenues or other relevant information from that disclosed in the TORC Reserves Report. TORC has provided to Sproule all material information concerning land descriptions, well data, facilities and infrastructure, ownership and operations, future development plans and historical technical and operating data respecting the principal oil and natural gas assets of TORC, in each case as at the effective date of such report, and, in particular, all material information respecting the interests of TORC in its principal oil and natural gas assets and royalty burdens and net profits interest burdens thereon and such information was accurate and correct in all material respects as at the respective dates thereof and did not omit any information necessary to make any such information provided not misleading as at the respective dates thereof and there has been no material adverse change in any of the material information so provided since the date thereof.
- (dd) **Processing and Transportation Commitments:** The TORC Disclosure Letter contains a complete and accurate list of all of the third party processing and transportation agreements of TORC which cannot be terminated within 90 days or less without a material penalty. Other than as set forth in the TORC Disclosure Letter, TORC has no material third party processing or transportation agreements or any obligations to deliver sales volumes to any other Person which cannot be terminated in 90 days or less without a material penalty.

- (ee) **Receipt of Revenues:** To the knowledge of TORC, TORC has been receiving the share of the net proceeds of production from its assets attributable to its interest in such assets and no Person has provided TORC with written notice of, nor does TORC have any knowledge of, a Claim by any Person that TORC is not entitled to such amounts, with the possible exception of: (i) Claims of accounting errors which do not challenge the percentage share of revenues to which it is entitled and which are not material; and (ii) Claims subject to resolution through insolvency, receivership, or bankruptcy proceedings involving third parties.
- (ff) **Outstanding AFEs:** Except as disclosed in the TORC Disclosure Letter there is no authorization for expenditure, cash call or similar approval approved by TORC pursuant to which TORC will be obliged to a third party to make or advance money in respect of expenditures with respect to TORC's assets or properties, TORC's outstanding share of which is reasonably expected to exceed one hundred thousand dollars (\$100,000).
- (gg) **Seismic:** All fees in respect of seismic and well data (including those payable on a change of control or transfer) in respect of which TORC (or the relevant operator) has a licence, that were payable prior to the date hereof have been duly paid.
- (hh) **Environmental:** Except as disclosed in the TORC Disclosure Letter, as at the date of this Agreement:
 - (i) TORC and its subsidiaries have not received any orders or directives that relate to Environmental Matters in respect of any of their assets from any Governmental Authority under any Environmental Law that require any material work, repairs, construction or capital expenditures with respect to such assets operated by TORC or its subsidiaries where such orders or directives have not been complied with in all material respects;
 - (ii) TORC and its subsidiaries have not received any demands or notices from any Governmental Authority issued under any Environmental Law with respect to the material breach of any Environmental Law applicable to the assets operated by TORC or its subsidiaries including in respect of a Release, the use, storage, treatment, transportation, handling or disposition of Environmental contaminants, or the protection of the Environment, which demand or notice remains outstanding on the date hereof and would require material expenditures to remedy;
 - (iii) Except to the extent that any violation or other matter referred to in this subparagraph does not have a material adverse effect on TORC, in respect of TORC and its subsidiaries:
 - (A) it is not in violation of any Environmental Laws;
 - (B) it has operated its business at all times and has received, handled, used, stored, treated, shipped and disposed of all contaminants without violation of Environmental Laws;
 - (C) it has not failed to report to the proper federal, provincial, municipal or other political subdivision, government, department, commission, board, bureau, agency or instrumentality, domestic or foreign the occurrence of any event which is required to be so reported by any Environmental Law; and
 - (D) it holds all licenses, permits and approvals required under any Environmental Laws in connection with the operation of its business and the ownership and use of its

assets, all such licenses, permits and approvals are in full force and effect, and except for notifications and conditions of general application to assets of reclamation obligations under legislation in Saskatchewan and any other jurisdiction in which it conducts its business, neither TORC nor its subsidiaries has received any notification pursuant to any Environmental Laws that any work, repairs, constructions or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws, or any license, permit or approval issued pursuant thereto, or that any license, permit or approval referred to above is about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated.

(ii) **Major Facilities:** To TORC's knowledge, TORC has good and valid title to, or a valid and enforceable leasehold interest in, its material facilities and infrastructure.

(jj) **Tangible Property:** The tangible depreciable property used or intended for use in connection with the oil and natural gas assets of TORC and its subsidiaries:

- (i) for which TORC or its subsidiaries was or is operator, was or has been constructed, operated and maintained in accordance with good and prudent oil and natural gas industry practices in Canada and all Applicable Laws during all periods in which TORC or its subsidiaries was operator thereof and is in good condition and repair, ordinary wear and tear excepted, and is useable in the ordinary course of business; and
- (ii) for which TORC or its subsidiaries was not or is not operator, to the knowledge of TORC, was or has been constructed, operated and maintained in accordance with good and prudent oil and natural gas industry practices in Canada and all Applicable Laws during all periods in which none of TORC or its subsidiaries was operator thereof and is in good condition and repair, ordinary wear and tear excepted, and is useable in the ordinary course of business,

except to the extent that such non-compliance with prudent oil and natural gas industry practices or Applicable Laws would not in the aggregate have a material adverse effect on TORC.

(kk) **No Areas of Mutual Interest or Purchase Rights:** Except as set forth in the TORC Disclosure Letter:

- (i) there are no active areas of mutual interest provisions or areas of exclusion in any of the Contracts or otherwise to which any of TORC's assets are subject; and
- (ii) there are no rights of first refusal, pre-emptive purchase rights or similar rights applicable to any of TORC's assets that apply to or are triggered as a result of the Business Combination,

that would in the aggregate have a material adverse effect on TORC.

(ll) **Take or Pay and Offset Obligations:** Except as disclosed in TORC Disclosure Letter:

- (i) TORC has no take or pay obligations;
- (ii) TORC has not received any offset notices under the terms of any lease that remain outstanding in any material respect; and

- (iii) TORC has not received any advance payments for petroleum or services not already delivered or provided prior to receipt of payment,

that would in the aggregate have a material adverse effect on TORC.

- (mm) **Swaps:** Except as disclosed in the TORC Financial Statements or the TORC Disclosure Letter, TORC does not currently have outstanding Derivative Contracts that would in the aggregate have a material adverse effect on TORC.
- (nn) **Royalties Paid:** To the knowledge of TORC and except to the extent that the failure to pay would not in the aggregate have a material adverse effect on TORC, all royalties payable, or performable, as the case may be, on or prior to the date hereof under, with respect to, or on account of, any direct or indirect assets have been: (i) duly paid in a timely manner; (ii) duly performed; or (iii) provided for in the accounts of TORC.
- (oo) **Joint Venture or Royalty Audits:** There are no ongoing (i) joint venture audits by a third party, or (ii) royalty audits by any owner that would individually or in aggregate have a material adverse effect on TORC.
- (pp) **Possession of Necessary License and Permits:** TORC has obtained and is in compliance with all material licences, permits, approvals, certificates, consents, orders, grants, procedures, standards and other authorizations of or from any Governmental Authority that are applicable to or held by TORC, or are necessary to conduct its business as it is now being conducted, and all such licences, permits, approvals, certificates, consents, orders, grants, procedures, standards and other authorizations are valid and subsisting.
- (qq) **Production Allowables:** None of the wells in which TORC or its subsidiaries holds an interest has been produced in excess of applicable production allowables imposed by any Applicable Laws or any Governmental Authority and TORC does not have any knowledge of any impending change in production allowables imposed by any Applicable Law or any Governmental Authority that may be applicable to any of the wells in which any of them holds an interest, other than changes of general application in the jurisdiction in which such wells are situate except to the extent that such non-compliance or changes would not in the aggregate have a material adverse effect on TORC.
- (rr) **Production Penalties:** Neither TORC nor its subsidiaries have received notice of any production penalty or similar production restriction of any nature imposed or to be imposed by any Governmental Authority and, to TORC's knowledge, none of the wells in which either of them holds an interest is subject to any such penalty or restriction except to the extent that any such penalty or restriction would not have a material adverse effect on TORC.
- (ss) **Leases and Title Documents:**
 - (i) Neither TORC nor its subsidiaries has received notice of any default under any of the leases and other title and operating documents or any other agreement or instrument pertaining to its oil and natural gas assets to which it is a party or by or to which it or any such assets are bound or subject except to the extent that such defaults would not in the aggregate have a material adverse effect on TORC.
 - (ii) To the knowledge of TORC:

- (A) Each of TORC and its subsidiaries is in good standing under all, and is not in default under any; and
 - (B) there is no existing condition, circumstance or matter which constitutes or which, with the passage of time or the giving of notice, would constitute a default under any,
 - (C) leases and other title and operating documents or any other agreements and instruments pertaining to its oil and natural gas assets to which it is a party or by or to which it or such assets are bound or subject and, to the knowledge of TORC, all such leases, title and operating documents and other agreements and instruments are in good standing and in full force and effect and none of the counterparties to such leases, title and operating documents and other agreements and instruments is in default thereunder except to the extent that such defaults would not in the aggregate have a material adverse effect on TORC.
- (tt) **Financial Statements:** The TORC Financial Statements fairly present, in accordance with IFRS, the financial position and condition of TORC at the dates thereof and the results of the operations of TORC for the periods then ended and reflect in accordance with IFRS, all material assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of TORC as at the dates thereof and have been prepared in conformity with IFRS applied on a consistent basis throughout the periods involved.
- (uu) **Internal Controls and Disclosure Controls:**
- (i) TORC and its subsidiaries maintain "internal control over financial reporting" (as such term is defined in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*), such internal control over financial reporting and procedures are effective and TORC and its subsidiaries are not aware of any material weakness in their internal control over financial reporting.
 - (ii) TORC and its subsidiaries maintain "disclosure controls and procedures" (as such term is defined in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*, and such disclosure controls and procedures are effective.
- (vv) **Transfer Agent:** Computershare Trust Company of Canada has been duly appointed as transfer agent and registrar for TORC's Shares.
- (ww) **Absence of Restrictions by Securities Commissions:** No securities commission, stock exchange or similar securities regulatory authority has issued any order which is currently outstanding preventing or suspending trading in any of TORC's securities and, no such proceeding is, to the knowledge of TORC, pending or contemplated or threatened.
- (xx) **Listing:** The issued and outstanding common shares of TORC are listed and posted for trading on the TSX and TORC is not in default of its listing requirements on the TSX in any material respect.
- (yy) **Cease Trade Order:** No securities commission or similar regulatory authority, or stock exchange in Canada has issued any order which is currently outstanding preventing or suspending trading in any securities of TORC, no such proceeding is, to the knowledge of TORC, pending, contemplated or threatened and TORC is not, to its knowledge, in default of any requirement of any Applicable Canadian Securities Laws.

- (zz) **Reporting Issuer:** TORC is a "reporting issuer" (within the meaning of Applicable Securities Laws) in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia and Newfoundland and TORC has not received any correspondence or notice from a securities commission or similar securities regulatory authority in any of the provinces or territories of Canada concerning a review of any of TORC's continuous disclosure documents in respect of which any matters remain outstanding.
- (aaa) **Withheld Information:** To the knowledge of TORC, TORC has not withheld from Whitecap any material information or documents concerning TORC, its subsidiaries or their assets or liabilities during the course of Whitecap's review of TORC, its subsidiaries and their assets. No representation or warranty contained in this Agreement or other disclosure document provided or to be provided to Whitecap by TORC pursuant to this Agreement contains or will contain any untrue statement of a material fact or omits to state a material fact which is necessary in order to make the statements herein or therein not misleading.
- (bbb) **Net Debt:** As at November 1, 2020, the TORC Net Debt did not exceed the amount disclosed in the TORC Disclosure Letter.
- (ccc) **TORC Transaction Costs:** TORC has disclosed in the TORC Disclosure Letter TORC's bona fide good faith estimate of each component of the TORC Transaction Costs and the TORC Transaction Costs will not exceed the aggregate as disclosed in the TORC Disclosure Letter.

4.2 Representations and Warranties of Whitecap

Whitecap hereby makes the representations and warranties set out in this Section 4.2 to, and in favour of, TORC and acknowledges that TORC is relying upon such representations and warranties in connection with the matters contemplated by this Agreement. The Parties also acknowledge and agree that all of the representations and warranties provided by Whitecap in this Section 4.2 to, and in favour of, TORC, are stated as of the date hereof and shall not be considered to be untrue in any respect as of the Effective Time as a result of any matter that results from, or affects Whitecap due to, the completion of the NAL Transaction.

- (a) **Standing:** It is and each of its subsidiaries is a valid corporation, subsisting under the laws of its jurisdiction of formation with the necessary corporate power and capacity to conduct its business in the jurisdiction(s) where its assets are located.
- (b) **Registration:** Each of Whitecap and its subsidiaries is duly registered to carry on business and is in good standing in each jurisdiction in which the character of its properties, owned or leased, or the nature of its activities make such registration necessary, except where the failure to be so registered or in good standing would not have a material adverse effect on Whitecap.
- (c) **Requisite Authority:** Whitecap has the requisite corporate authority to enter into this Agreement, the TORC Support Agreements, the Area of Exclusion Agreements and the Hold Period Agreements and to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement, the TORC Support Agreements, the Area of Exclusion Agreements and the Hold Period Agreements, and the consummation by Whitecap of the transactions contemplated hereunder and thereunder, have been duly authorized by the Whitecap Board and, subject to the approval of the Share Issuance Resolution by Whitecap Shareholders and the approval of the Circular and matters relating to the Whitecap Meeting by the Whitecap Board, no other corporate proceedings on the part of Whitecap are necessary to authorize this Agreement or the Business Combination. This Agreement and the TORC Support Agreements have been duly executed and

delivered by Whitecap and constitute legal, valid and binding obligations of Whitecap enforceable against it in accordance with the terms thereof, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other Applicable Laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.

- (d) **Execution and Enforceability:** This Agreement has been duly executed and delivered by Whitecap and constitutes a legal, valid and binding obligation of Whitecap enforceable against Whitecap in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other Laws relating to or affecting creditors' rights generally and to general principles of equity.
- (e) **No Conflicts or Defaults:** Neither the execution and delivery of this Agreement by Whitecap, the consummation by Whitecap of the transactions contemplated by this Agreement nor compliance by Whitecap with any of the provisions hereof will, subject to obtaining the approval of the Whitecap Shareholders: (i) violate, conflict with, or result in breach of any provision of, require any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or result in a right of termination or acceleration under, or result in a creation of any Encumbrance upon any of the properties or assets of Whitecap under, any of the terms, conditions or provisions of (A) the articles or bylaws of Whitecap or other constating documents of Whitecap or its subsidiaries, or (B) any note, bond, mortgage, indenture, loan agreement, deed of trust, agreement, lien, contract or other instrument or obligation to which Whitecap or its subsidiaries is a party or to which it, or its properties or assets, may be subject or by which Whitecap or its subsidiaries is bound (subject to obtaining the consent of Whitecap's lenders); or (ii) violate any judgment, ruling, order, writ, injunction, determination, award, decree, statute, ordinance, rule or regulation in Canada applicable to Whitecap or its subsidiaries (except, in the case of each of clauses (i) and (ii) above, for such violations, conflicts, breaches, defaults, terminations which, or any consents, approvals or notices which if not given or received, would not have any material adverse effect on Whitecap or materially impede the ability of Whitecap to consummate the transactions contemplated by this Agreement); or (iii) cause a suspension or revocation of any authorization for the consent, approval or license currently in effect which would have a material adverse effect on Whitecap.
- (f) **Consents:** Other than in connection with or in compliance with the provisions of Applicable Laws in relation to the completion of the Business Combination, the Competition Act Approval, the approval of the TSX, the consent of Whitecap's lender and the obtaining of the approval of the Whitecap Shareholders or which are required to be filed post-Arrangement:
 - (i) there is no legal impediment to Whitecap's consummation of the transactions contemplated by this Agreement; and
 - (ii) no filing or registration with, or authorization, consent or approval of, any domestic or foreign public body or authority is necessary by Whitecap in connection with the consummation of the Business Combination, except for such filings or registrations which, if not made, or for such authorizations, consents or approvals, which, if not received, would not materially impede the ability of Whitecap to consummate the transactions contemplated by this Agreement.
- (g) **Subsidiaries:** As at the date hereof, Whitecap has no material subsidiaries other than as disclosed in the Whitecap Public Record.

- (h) **Authorized and Issued Share Capital:** Whitecap has authorized an unlimited number of Whitecap Shares and an unlimited number of preferred shares. As at the date hereof, 408,319,169 Whitecap Shares and no preferred shares are issued and outstanding. As of the date hereof, there are no other outstanding securities of Whitecap or options, warrants, rights of conversion or exchange privileges or other securities entitling anyone to acquire any securities of Whitecap or any other rights, agreements or commitments of any character whatsoever requiring the issuance, sale or transfer by Whitecap of any securities other than 8,398,049 Whitecap Share Awards. All outstanding Whitecap Shares have been duly authorized and validly issued, and are fully paid and non-assessable and are not subject to, nor have they been issued in violation of, any pre-emptive rights. There are no rights of first refusal or similar rights restricting the issuance or transfer of the Whitecap Shares contained in any shareholder, partnership, joint venture or similar agreements that Whitecap is a party to or by which it is bound or pursuant to existing financing arrangements of Whitecap and, there are no outstanding contractual or other obligations of Whitecap to repurchase, redeem or otherwise acquire any of its securities or with respect to the voting or disposition of any of its outstanding securities.
- (i) **Public Record:** The information and statements set forth in the Whitecap Public Record were true, correct, and complete and did not contain any material misrepresentation, as of the date of such information or statements, and Whitecap has not filed any material change reports which continue to be confidential.
- (j) **Business of Whitecap:**
- (i) Whitecap has all requisite power and authority to carry on its businesses as presently conducted.
 - (ii) Except as would not reasonably be expected to create a material adverse effect on Whitecap, Whitecap is not a party to or bound or affected by any commitment, agreement, judgment, injunction, order, decree or document binding upon Whitecap, containing any covenant expressly prohibiting, restricting or limiting its freedom or ability to: (a) compete in any line of business or geographic region; (b) transfer or move any of its assets or operations; (c) conduct any business practice of Whitecap, as now conducted; or (d) effect any acquisition of property by Whitecap (including following the Business Combination).
- (k) **Conduct of Business:** Since October 1, 2020:
- (i) there has not been any material adverse change respecting Whitecap from the position set forth in the Whitecap Financial Statements;
 - (ii) there have been no material facts, transactions, events or occurrences which, to the knowledge of Whitecap, could reasonably be expected to result in a material adverse change respecting Whitecap;
 - (iii) each of Whitecap and its subsidiaries has conducted its business only in the ordinary and normal course, consistent with past practice; and
 - (iv) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) material to Whitecap has been incurred by Whitecap or its subsidiaries other than in the ordinary and normal course of business, consistent with past practice.

- (l) **No Lawsuits or Claims:** As of the date of this Agreement, it has not received notice of any Claims in existence, contemplated, nor, to its knowledge, pending or threatened against it to seek to prevent the consummation of the Business Combination.
- (m) **Proceedings:** There are no material actions, suits, proceedings or investigations pending or, to the knowledge of Whitecap, threatened, affecting or that would reasonably be expected to affect Whitecap or any of its subsidiaries or any of its properties or assets at law or equity or before or by any court or Governmental Authority which action, suit, proceeding or investigation involves a reasonable possibility of any judgment against or liability of the Whitecap or any of its subsidiaries. None of Whitecap or any of its subsidiaries is subject to any outstanding order, writ, injunction or decree.
- (n) **Compliance with Anti-Corruption Legislation:** It and its subsidiaries have not directly or indirectly, (i) made or authorized any contribution, payment or gift of funds or property to any official, employee or agent of any Governmental Authority, authority or instrumentality of any jurisdiction or (ii) made any contribution to any candidate for public office, in either case, where either the payment or the purpose of such contribution, payment or gift was, is, or would be prohibited under the U.S. Foreign Corrupt Practices Act of 1977, as amended, or the Canada Corruption of Foreign Public Officials Act, or the rules and regulations promulgated thereunder or under any other applicable legislation of any jurisdiction covering a similar subject matter.
- (o) **Compliance with Anti-Money Laundering Laws:** Its operations and the operations of its subsidiaries are, and have been conducted at all times, in compliance with applicable financial recordkeeping and reporting requirements and applicable money laundering laws and no action, suit or proceeding by or before any court, Governmental Authority or arbitrator involving it or any of its subsidiaries with respect to the or the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) or the rules and regulations promulgated thereunder or under any other applicable legislation of any jurisdiction covering a similar subject matter, is pending or, to its knowledge, threatened..
- (p) **Minute Books:** The corporate records and minute books, books of account and other records of TORC (whether of a financial or accounting nature or otherwise) and its subsidiaries have been maintained in accordance with, in all material respects, all applicable statutory requirements and prudent business practice.
- (q) **Guarantees:** Other than the indemnification of directors and officers of Whitecap pursuant to Applicable Laws, the corporate by-laws, customary indemnities in favour of Whitecap's bankers and the financial advisors and agreements entered into in the ordinary course of business, including letters of credit issued pursuant to, liabilities, and performance obligations under, the Marketing and Midstream Agreements, or as may be imposed on Whitecap in its capacity as a working interest owner under any of its leases and other title and operating documents or pursuant to Applicable Laws upon the default or insolvency of a third party working interest owner, Whitecap has not guaranteed, endorsed, assumed, indemnified or accepted any responsibility for, and do not and will not guarantee, endorse, assume, indemnify or accept any responsibility for, contingently or otherwise, any Indebtedness or the performance of any obligation of any other Person.
- (r) **Shareholder Agreements etc.:** Except to the extent contemplated in the agreements in respect of the NAL Acquisition:
 - (i) there are no unanimous shareholder agreements and, to its knowledge, there are no shareholders' agreements, voting agreements, investors' rights agreements or other

agreements in force or effect as of the date hereof or will be on the Effective Date which in any manner affects or will affect the voting or control of any of its securities or that materially affects or materially will affect the control of Whitecap; and

- (ii) there are no rights of first refusal or similar rights restricting the issuance or transfer of the Whitecap Shares contained in any shareholder, partnership, joint venture or similar agreements that Whitecap is a party to or by which it is bound or pursuant to existing financing arrangements of Whitecap and, there are no outstanding contractual or other obligations of Whitecap to repurchase, redeem or otherwise acquire any of its securities.
- (s) **Related Party Transactions:** No director, officer, insider or other non-arm's length party to Whitecap or its subsidiaries (or any associate or affiliate thereof) has any right, title or interest in (or the right to acquire any right, title or interest in) any royalty interest, carried interest, participation interest or any other interest whatsoever which are based on production from or in respect of any properties of Whitecap or its subsidiaries. No director, officer, insider or other non-arm's length party of Whitecap or its subsidiaries is indebted to Whitecap or its subsidiaries.
- (t) **Employee Matters:** Whitecap is in material compliance with all Applicable Laws respecting employees and service providers, including with respect to employment standards, occupational health and safety, human rights, labour relations and workers' compensation, and there are no outstanding or, to the knowledge of Whitecap, threatened Claims against Whitecap by or on behalf of any employee or contractor or former employee or contractor.
- (u) **Insurance:** Whitecap is insured against all such losses and risks and in such amounts as are prudent and customary in the oil and gas exploration and production business in the jurisdictions in which it operates; all policies of insurance insuring Whitecap or its businesses, assets, employees, officers and directors are in full force and effect. Whitecap is not in default with respect to any of the provisions contained in any such insurance policy and has not failed to give any notice or present any material claim under any such insurance policy in due and timely fashion.
- (v) **Taxes:** Except as provided for in the Whitecap Financial Statements:
 - (i) Whitecap is a taxable Canadian corporation for purposes of the Tax Act.
 - (ii) Whitecap has, and on the Effective Date will have, duly and on a timely basis prepared and filed all Tax Returns required to be filed by it, and such Tax Returns are, or will be, true, complete and correct in all material respects.
 - (iii) Whitecap has duly and timely paid all material Taxes, including all instalments on account of Taxes for the current year that are due and payable by it whether or not assessed by the appropriate Governmental Authority,
 - (iv) Whitecap has withheld from any amount paid or credited to any Person, including its officers and directors and any non-resident of Canada, the amount of all Taxes required by Applicable Laws to be withheld from any amount and duly and in a timely manner remitted the same to the appropriate Governmental Authority.
 - (v) There are no material Encumbrances on any of the assets of Whitecap for unpaid Taxes (other than in respect of Taxes not yet due and payable).

- (vi) None of sections 78, 80, 80.01 to 80.04, 160 or 191.3 of the Tax Act, or any equivalent provision of the Tax legislation of any province or any other jurisdiction, have applied or will apply to Whitecap at any time up to and including the Effective Date.
- (vii) Whitecap has collected all amounts on account of any sales or transfer taxes, including goods and services, harmonized sales and provincial or territorial sales taxes, required by Applicable Laws to be collected by it and has duly and timely remitted to the appropriate Governmental Authority any such amounts required by Applicable Laws to be remitted by it.

and, as of the date hereof:

- (viii) to the knowledge of Whitecap, there are no matters that are the subject of any audit, investigation, objection, appeal, legal proceedings or agreement with any Governmental Authority relating to claims for Taxes now in progress, pending or threatened against Whitecap in respect of Taxes;
 - (ix) there are no agreements, waivers or other arrangements providing for an extension of time with respect to the assessment or reassessment of any Tax or the filing of any Tax Returns or Tax elections by, or the payment of any Tax by, Whitecap; and
 - (x) Whitecap does not have any outstanding obligations to incur and/or renounce any Canadian exploration expenditures or Canadian development expenditures to any purchaser of the shares of Whitecap that have not yet been fully expended and renounced.
- (w) **Material Agreements:** Other than this Agreement, Whitecap has not entered into any material agreements which are required to be filed by Whitecap under National Instrument 51-102 – *Continuous Disclosure Obligations*, except for those agreements which have been so filed by Whitecap.
- (x) **Absence of Undisclosed Liabilities:** Whitecap has no material obligations or liabilities of any nature (matured or unmatured, fixed or contingent), other than:
- (i) those set forth or adequately provided for in the most recent statement of financial position and associated notes thereto included in the Whitecap Financial Statements (the "**Whitecap Balance Sheet**");
 - (ii) those incurred in the ordinary course of business and not required to be set forth in the Whitecap Balance Sheet under IFRS;
 - (iii) those incurred in the ordinary course of business since the date of the Whitecap Balance Sheet and consistent with past practice; and
 - (iv) those incurred in connection with the execution of this Agreement.
- (y) **Certain Contracts and Agreements:** Except the NAL Transaction, as of the date hereof, Whitecap is not a party to any Contract or agreement to merge or consolidate with any other Person, to acquire substantially all of the assets or shares of any other Person or to sell all or any material part of its assets or properties.

- (z) **Off-Balance Sheet Arrangements:** Whitecap (on a consolidated basis) is not a party to any off-balance sheet arrangements, as that term is understood under IFRS that would in aggregate have a material adverse effect on Whitecap.
- (aa) **Title to Assets:** Although Whitecap does not warrant title to any of its assets, it does represent and warrant that:
 - (i) It does not have reason to believe that Whitecap does not have title to or the irrevocable right to produce and sell its petroleum, natural gas and related hydrocarbons (for the purposes of this clause, the foregoing are referred to as the "**Whitecap Interests**") and does represent and warrant that, to the knowledge of Whitecap, the Whitecap Interests are free and clear of adverse claims created by, through or under Whitecap, except as disclosed in the Whitecap Public Record, related to bank financing or those arising in the ordinary course of business, and, to the knowledge of Whitecap, Whitecap holds the Whitecap Interests under valid and subsisting leases, licenses, permits, concessions, concession agreements, contracts, subleases, reservations or other agreements, except where the failure to so hold the Whitecap Interests would not have a material adverse effect upon Whitecap; and
 - (ii) it is not aware of any defects, failures or impairments in the title of Whitecap to its oil and natural gas properties, whether or not an action, suit, proceeding or inquiry is pending or threatened and whether or not discovered by any third party, which in aggregate could have a material adverse effect on: (i) the quantity and pre-tax present worth values of the oil and natural gas reserves of Whitecap shown in the Whitecap Reserves Report; (ii) the current production of Whitecap; or (iii) the current cash flow of Whitecap.
- (bb) **Reserves Report:** Whitecap has no reason to believe that the Whitecap Reserves Report was not accurate in all material respects as at the effective date of such report, and, except for any impact of changes in commodity prices, which may or may not be material, Whitecap has no knowledge of a material adverse change in the production, costs, price, reserves, estimates of future net production revenues or other relevant information from that disclosed in the Whitecap Reserves Report. Whitecap has provided to McDaniel all material information concerning land descriptions, well data, facilities and infrastructure, ownership and operations, future development plans and historical technical and operating data respecting the principal oil and natural gas assets of Whitecap, in each case as at the effective date of such report, and, in particular, all material information respecting the interests of Whitecap in its principal oil and natural gas assets and royalty burdens and net profits interest burdens thereon and such information was accurate and correct in all material respects as at the respective dates thereof and did not omit any information necessary to make any such information provided not misleading as at the respective dates thereof and there has been no material adverse change in any of the material information so provided since the date thereof.
- (cc) **Receipt of Revenues:** To the knowledge of Whitecap, Whitecap has been receiving the share of the net proceeds of production from its assets attributable to its interest in such assets and no Person has provided Whitecap with written notice of, nor does Whitecap have any knowledge of, a Claim by any Person that Whitecap is not entitled to such amounts, with the possible exception of: (i) Claims of accounting errors which do not challenge the percentage share of revenues to which it is entitled and which are not material; and (ii) Claims subject to resolution through insolvency, receivership, or bankruptcy proceedings involving third parties.

- (dd) **Outstanding AFEs:** There is no authorization for expenditure, cash call or similar approval approved by Whitecap pursuant to which Whitecap will be obliged to a third party to make or advance money in respect of expenditures with respect to Whitecap's assets or properties, Whitecap's outstanding share of which is reasonably expected to exceed one hundred thousand dollars (\$100,000) that would in aggregate a material adverse effect on Whitecap,.
- (ee) **Environmental:** As at the date of this Agreement:
- (i) Whitecap and its subsidiaries have not received any orders or directives that relate to Environmental Matters in respect of any of their assets from any Governmental Authority under any Environmental Law that require any material work, repairs, construction or capital expenditures with respect to such assets operated by Whitecap or its subsidiaries where such orders or directives have not been complied with in all material respects;
 - (ii) Whitecap and its subsidiaries have not received any demands or notices from any Governmental Authority issued under any Environmental Law with respect to the material breach of any Environmental Law applicable to the assets operated by Whitecap or its subsidiaries including in respect of a Release, the use, storage, treatment, transportation, handling or disposition of Environmental contaminants, or the protection of the Environment, which demand or notice remains outstanding on the date hereof and would require material expenditures to remedy;
 - (iii) Except to the extent that any violation or other matter referred to in this subparagraph does not have a material adverse effect on Whitecap, in respect of Whitecap and its subsidiaries:
 - (A) it is not in violation of any Environmental Laws;
 - (B) it has operated its business at all times and has received, handled, used, stored, treated, shipped and disposed of all contaminants without violation of Environmental Laws;
 - (C) it has not failed to report to the proper federal, provincial, municipal or other political subdivision, government, department, commission, board, bureau, agency or instrumentality, domestic or foreign the occurrence of any event which is required to be so reported by any Environmental Law; and
 - (D) it holds all licenses, permits and approvals required under any Environmental Laws in connection with the operation of its business and the ownership and use of its assets, all such licenses, permits and approvals are in full force and effect, and except for notifications and conditions of general application to assets of reclamation obligations under legislation in Saskatchewan and any other jurisdiction in which it conducts its business, neither Whitecap nor its subsidiaries has received any notification pursuant to any Environmental Laws that any work, repairs, constructions or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws, or any license, permit or approval issued pursuant thereto, or that any license, permit or approval referred to above is about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated.
- (ff) **Major Facilities:** To Whitecap's knowledge, Whitecap has good and valid title to, or a valid and enforceable leasehold interest in, its material facilities and infrastructure.

(gg) **Tangible Property:** The tangible depreciable property used or intended for use in connection with the oil and natural gas assets of Whitecap and its subsidiaries:

- (i) for which Whitecap or its subsidiaries was or is operator, was or has been constructed, operated and maintained in accordance with good and prudent oil and natural gas industry practices in Canada and all Applicable Laws during all periods in which Whitecap or its subsidiaries was operator thereof and is in good condition and repair, ordinary wear and tear excepted, and is useable in the ordinary course of business; and
- (ii) for which Whitecap or its subsidiaries was not or is not operator, to the knowledge of Whitecap, was or has been constructed, operated and maintained in accordance with good and prudent oil and natural gas industry practices in Canada and all Applicable Laws during all periods in which none of Whitecap or its subsidiaries was operator thereof and is in good condition and repair, ordinary wear and tear excepted, and is useable in the ordinary course of business,

except to the extent that such non-compliance with prudent oil and natural gas industry practices or Applicable Laws would not in the aggregate have a material adverse effect on Whitecap.

(hh) **No Areas of Mutual Interest or Purchase Rights:**

- (i) there are no active areas of mutual interest provisions or areas of exclusion in any of the Contracts or otherwise to which any of Whitecap's assets are subject; and
- (ii) there are no rights of first refusal, pre-emptive purchase rights or similar rights applicable to any of Whitecap's assets that apply to or are triggered as a result of the Business Combination,

that would in aggregate have a material adverse effect on Whitecap.

(ii) **Take or Pay and Offset Obligations:**

- (i) Whitecap has no take or pay obligations;
- (ii) Whitecap has not received any offset notices under the terms of any lease that remain outstanding in any material respect; and
- (iii) Whitecap has not received any advance payments for petroleum or services not already delivered or provided prior to receipt of payment,

that would in aggregate have a material adverse effect on Whitecap

(jj) **Swaps:** Except as disclosed in the Whitecap Financial Statements, Whitecap does not currently have outstanding Derivative Contracts that would in aggregate have a material adverse effect on Whitecap.

(kk) **Royalties Paid:** To the knowledge of Whitecap and except to the extent that the failure to pay would not in the aggregate have a material adverse effect on Whitecap, all royalties payable in respect of its assets and other payments and obligations due and payable, or performable, as the case may be, on or prior to the date hereof under, with respect to, or on account of, any direct or

indirect assets have been: (i) duly paid in a timely manner; (ii) duly performed; or (iii) provided for in the accounts of Whitecap.

- (ll) **Joint Venture or Royalty Audits:** There are no ongoing (i) joint venture audits by a third party, or (ii) royalty audits by any owner that would individually or in aggregate have a material adverse effect on Whitecap.
- (mm) **Possession of Necessary License and Permits:** Whitecap has obtained and is in compliance with all material licences, permits, approvals, certificates, consents, orders, grants, procedures, standards and other authorizations of or from any Governmental Authority that are applicable to or held by Whitecap, or are necessary to conduct its business as it is now being conducted, and all such licences, permits, approvals, certificates, consents, orders, grants, procedures, standards and other authorizations are valid and subsisting.
- (nn) **Production Allowables:** None of the wells in which Whitecap or its subsidiaries holds an interest has been produced in excess of applicable production allowables imposed by any Applicable Laws or any Governmental Authority and Whitecap does not have any knowledge of any impending change in production allowables imposed by any Applicable Law or any Governmental Authority that may be applicable to any of the wells in which any of them holds an interest, other than changes of general application in the jurisdiction in which such wells are situate except to the extent that such non-compliance or changes would not in the aggregate have a material adverse effect on Whitecap.
- (oo) **Production Penalties:** Neither Whitecap nor its subsidiaries have received notice of any production penalty or similar production restriction of any nature imposed or to be imposed by any Governmental Authority and, to Whitecap's knowledge, none of the wells in which either of them holds an interest is subject to any such penalty or restriction except to the extent that any such penalty or restriction would not have a material adverse effect on Whitecap.
- (pp) **Leases and Title Documents:**
 - (i) Neither Whitecap nor its subsidiaries has received notice of any default under any of the leases and other title and operating documents or any other agreement or instrument pertaining to its oil and natural gas assets to which it is a party or by or to which it or any such assets are bound or subject except to the extent that such defaults would not in the aggregate have a material adverse effect on Whitecap.
 - (ii) To the knowledge of Whitecap:
 - (A) Each of Whitecap and its subsidiaries is in good standing under all, and is not in default under any; and
 - (B) there is no existing condition, circumstance or matter which constitutes or which, with the passage of time or the giving of notice, would constitute a default under any,
 - (C) leases and other title and operating documents or any other agreements and instruments pertaining to its oil and natural gas assets to which it is a party or by or to which it or such assets are bound or subject and, to the knowledge of Whitecap, all such leases, title and operating documents and other agreements and instruments are in good standing and in full force and effect and none of the

counterparties to such leases, title and operating documents and other agreements and instruments is in default thereunder except to the extent that such defaults would not in the aggregate have a material adverse effect on Whitecap.

- (qq) **Financial Statements:** The Whitecap Financial Statements fairly present, in accordance with IFRS, the financial position and condition of Whitecap at the dates thereof and the results of the operations of Whitecap for the periods then ended and reflect in accordance with IFRS, all material assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of Whitecap as at the dates thereof and have been prepared in conformity with IFRS applied on a consistent basis throughout the periods involved.
- (rr) **Internal Controls and Disclosure Controls:**
 - (i) Whitecap and its subsidiaries maintain "internal control over financial reporting" (as such term is defined in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*), such internal control over financial reporting and procedures are effective and Whitecap and its subsidiaries are not aware of any material weakness in their internal control over financial reporting.
 - (ii) Whitecap and its subsidiaries maintain "disclosure controls and procedures" (as such term is defined in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*, and such disclosure controls and procedures are effective.
- (ss) **Transfer Agent:** Odyssey Trust Company has been duly appointed as transfer agent and registrar for Whitecap's Shares.
- (tt) **Absence of Restrictions by Securities Commissions:** No securities commission, stock exchange or similar securities regulatory authority has issued any order which is currently outstanding preventing or suspending trading in any of Whitecap's securities and, no such proceeding is, to the knowledge of Whitecap, pending or contemplated or threatened.
- (uu) **Listing:** The issued and outstanding common shares of Whitecap are listed and posted for trading on the TSX and Whitecap is not in default of its listing requirements on the TSX in any material respect.
- (vv) **Cease Trade Order:** No securities commission or similar regulatory authority, or stock exchange in Canada has issued any order which is currently outstanding preventing or suspending trading in any securities of Whitecap, no such proceeding is, to the knowledge of Whitecap, pending, contemplated or threatened and Whitecap is not, to its knowledge, in default of any requirement of any Applicable Canadian Securities Laws.
- (ww) **Reporting Issuer:** Whitecap is a "reporting issuer" (within the meaning of Applicable Securities Laws) in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia and Newfoundland and Whitecap has not received any correspondence or notice from a securities commission or similar securities regulatory authority in any of the provinces or territories of Canada concerning a review of any of Whitecap's continuous disclosure documents in respect of which any matters remain outstanding.
- (xx) **Investment Canada Act:** Whitecap is a "Canadian" within the meaning of the Investment Canada Act.

- (yy) **Withheld Information:** To the knowledge of Whitecap, Whitecap has not withheld from TORC any material information or documents concerning Whitecap, its subsidiaries or their assets or liabilities during the course of TORC's review of Whitecap, its subsidiaries and their assets. No representation or warranty contained in this Agreement or other disclosure document provided or to be provided to TORC by Whitecap pursuant to this Agreement contains or will contain any untrue statement of a material fact or omits to state a material fact which is necessary in order to make the statements herein or therein not misleading.

4.3 Privacy Issues

- (a) For the purposes of this Section 4.3 the following definitions shall apply:
- (i) **"applicable privacy laws"** means any and all Applicable Laws relating to privacy and the collection, use and disclosure of Personal Information in all applicable jurisdictions, including but not limited to *the Personal Information Protection and Electronic Documents Act* (Canada) and/or any comparable provincial Law including the *Personal Information Protection Act* (Alberta).
 - (ii) **"authorized authority"** means, in relation to any Person, transaction or event, any (a) federal, provincial, municipal or local governmental body (whether administrative, legislative, executive or otherwise), both domestic and foreign, (b) agency, authority, commission, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, (c) court, arbitrator, commission or body exercising judicial, quasi-judicial, administrative or similar functions, and (d) other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange, in each case having jurisdiction over such Person, transaction or event.
 - (iii) **"Personal Information"** means information about an identifiable individual transferred to one Party by another Party in accordance with this Agreement and/or as a condition of the Business Combination.
- (b) The Parties hereto acknowledge that they are responsible for compliance at all times with applicable privacy laws which govern the collection, use and disclosure of Personal Information acquired by or disclosed to either Party pursuant to or in connection with this Agreement (the **"Disclosed Personal Information"**).
- (c) Neither Party shall use the Disclosed Personal Information for any purposes other than those related to the performance of this Agreement and the completion of the Business Combination.
- (d) Each Party acknowledges and confirms that the disclosure of Personal Information is necessary for the purposes of determining if the Parties shall proceed with the Business Combination, and that the disclosure of Personal Information relates solely to the carrying on of the business and the completion of the Business Combination.
- (e) Each Party acknowledges and confirms that it has and shall continue to employ appropriate technology and procedures in accordance with applicable law to prevent accidental loss or corruption of the Disclosed Personal Information, unauthorized input or access to the Disclosed Personal Information, or unauthorized or unlawful collection, storage, disclosure, recording,

copying, alteration, removal, deletion, use or other processing of such Disclosed Personal Information.

- (f) Each Party shall at all times keep strictly confidential all Disclosed Personal Information provided to it, and shall instruct those employees or advisors responsible for processing such Disclosed Personal Information to protect the confidentiality of such information in a manner consistent with the Parties' obligations hereunder. Each Party shall ensure that access to the Disclosed Personal Information shall be restricted to those employees or advisors of the respective Party who have a bona fide need to access to such information in order to complete the Business Combination.
- (g) Each Party shall promptly notify the other Party to this Agreement of all inquiries, complaints, requests for access, and claims of which the Party is made aware in connection with the Disclosed Personal Information. The Parties shall fully co-operate with one another, with the Persons to whom the Personal Information relates, and any authorized authority charged with enforcement of applicable privacy laws, in responding to such inquiries, complaints, requests for access, and claims.
- (h) Upon the expiry or termination of this Agreement, or otherwise upon the reasonable request of either Party, the counterparty shall forthwith cease all use of the Personal Information acquired by the counterparty in connection with this Agreement and shall return to the Party or, at the Party's request, destroy in a secure manner, the Disclosed Personal Information (and any copies).

ARTICLE 5

CONDITIONS PRECEDENT

5.1 Mutual Conditions Precedent

The respective obligations of the Parties to consummate the transactions contemplated by this Agreement, and in particular the completion of the Business Combination, are subject to the satisfaction, on or before the Effective Time, or such other time specified, of the following conditions, each of which may only be waived by the mutual written consent of both Parties without prejudice to each Party's right to rely on any other of such conditions:

- (a) the Interim Order and Final Order shall have been granted in form and substance satisfactory to each of Whitecap and TORC, acting reasonably, and such order shall not have been set aside or modified in a manner unacceptable to Whitecap or TORC, acting reasonably, on appeal or otherwise;
- (b) the Business Combination Resolution, in the form and substance reasonably satisfactory to each of TORC and Whitecap, shall have been approved by the TORC Shareholders at the TORC Meeting in accordance with the Interim Order;
- (c) the Share Issuance Resolution, in the form and substance reasonably satisfactory to each of TORC and Whitecap, shall have been approved by the Whitecap Shareholders at the Whitecap Meeting;
- (d) the Effective Date shall have occurred on or before the Outside Date;
- (e) the TSX shall have conditionally approved the issuance of all of the Whitecap Shares issuable to TORC Shareholders pursuant to the Business Combination subject only to customary conditions reasonably expected to be satisfied;

- (f) all required regulatory, governmental and third party approvals and consents necessary for the completion of the Business Combination, excluding the consent of TORC's lenders under its credit facility, shall have been obtained on terms and conditions satisfactory to TORC and Whitecap, each acting reasonably;
- (g) the Competition Act Approval shall have been obtained on terms and conditions satisfactory to each of Whitecap and TORC, acting reasonably; and
- (h) no action shall have been taken under any existing Applicable Law or regulation, nor any statute, rule, regulation or order which is enacted, enforced, promulgated or issued by any court, department, commission, board, regulatory body, government or Governmental Authority or similar agency, domestic or foreign, that:
 - (i) makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the Business Combination or any other transactions contemplated by this Agreement; or
 - (ii) results in a judgment or assessment of material damages directly or indirectly relating to the transactions contemplated by this Agreement.

The foregoing conditions are for the mutual benefit of the Parties and may be asserted by either Party regardless of the circumstances and may be waived by any Party (with respect to such Party) in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights that such Party may have.

5.2 Additional Conditions to Obligations of Whitecap

The obligation of Whitecap to consummate the transactions contemplated by this Agreement, and in particular to complete the Business Combination, is subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

- (a) TORC shall have fulfilled and complied with in all material respects each of its covenants herein to be performed, fulfilled or complied with on or before the Effective Time, and TORC shall have provided to Whitecap a certificate of two senior officers of TORC satisfactory to Whitecap, acting reasonably, certifying, on behalf of TORC, as to such compliance and Whitecap shall have no actual knowledge to the contrary;
 - (i) the representations and warranties in Section 4.1(c),(d),(e),(g.), (bbb) and (ccc) shall be true and correct in all respects as of the date hereof and as of the Effective Date as if made on and as of such date (except to the extent such representations and warranties speak of an earlier date, the accuracy of which shall be determined as of such earlier date), except for such failures to be true and correct that are *de minimis*;
 - (ii) the representations and warranties in Section 4.1(h), (j), (y), (w), (z), (cc), (hh) and (uu) shall be true and correct in all material respects as of the date hereof and as of the Effective Date as if made on and as of such date; and
 - (iii) all other representations and warranties of TORC set forth in this Agreement shall be true and correct as of the Effective Date as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date, the accuracy of which shall be determined as of that specified date), except where any failure or failures of such representations and warranties in the aggregate to be so true and correct would not result

in, or would not reasonably be expected to result in, a material adverse effect in respect of TORC and its subsidiaries (taken as a whole) (and, for this purpose, any concept of materiality shall be ignored),

and TORC shall have provided to Whitecap a certificate of two senior officers of TORC satisfactory to Whitecap, acting reasonably, certifying as to such matters on behalf of TORC on the Effective Date;

- (b) TORC shall have furnished Whitecap with:
 - (i) certified copies of the resolutions duly passed by the board of directors of TORC approving this Agreement and the consummation of the transactions contemplated by this Agreement; and
 - (ii) a certified copy of the Business Combination Resolution;
- (c) no material adverse change respecting TORC shall have occurred;
- (d) no act, action, suit, proceeding, objection or opposition shall have been taken against or affecting TORC before or by any domestic or foreign court, tribunal or governmental agency or other regulatory or administrative agency or commission by any elected or appointed public official or private Person in Canada or elsewhere, whether or not having the force of Law and no Law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of Law) shall have been enacted, promulgated, amended or applied, which in the sole judgment of Whitecap, acting reasonably, in either case has had or, if the Business Combination was consummated, would result in a material adverse change respecting TORC or would materially impede the ability of the Parties to complete the Business Combination;
- (e) Whitecap shall be reasonably satisfied that, prior to the Effective Time, all of the outstanding TORC Share Awards shall have been settled in accordance with Section 2.8;
- (f) on the Effective Date, each of the directors and officers of TORC and any of its subsidiaries shall have provided their resignations and shall have delivered mutual releases in favour of TORC and Whitecap, in a form and substance satisfactory to Whitecap, acting reasonably, and any persons entitled to a payment from TORC for TORC Employee Obligations shall have delivered releases in favour of TORC and Whitecap, in a form and substance satisfactory to Whitecap, acting reasonably;
- (g) the Area of Exclusion Agreements have been entered into and delivered to Whitecap by each of the individuals set forth in the TORC Disclosure Letter;
- (h) the Hold Period Agreements have been entered into and delivered to Whitecap by each of the directors and executive officers of TORC;
- (i) holders of not more than 5% of the issued and outstanding TORC Shares shall have exercised such rights of dissent;
- (j) the TORC Net Debt as at November 1, 2020 shall not have been greater than as disclosed in the TORC Disclosure Letter; and
- (k) the TORC Transaction Costs shall not be greater than \$13.5 million.

The conditions in this Section 5.2 are for the exclusive benefit of Whitecap and may be asserted by Whitecap regardless of the circumstances or may be waived by Whitecap in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Whitecap may have.

5.3 Additional Conditions to Obligations of TORC

The obligation of TORC to consummate the transactions contemplated by this Agreement, and in particular to complete the Business Combination, is subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

- (a) Whitecap shall have fulfilled and complied with in all material respects each of its covenants herein to be performed, fulfilled or complied with on or before the Effective Time, and Whitecap shall have provided to TORC a certificate of two senior officers of Whitecap satisfactory to TORC, acting reasonably, certifying, on behalf of Whitecap, as to such compliance;
 - (i) the representations and warranties in Section 4.2(c),(e),(f) and (h) shall be true and correct in all respects as of the date hereof and as of the Effective Date as if made on and as of such date (except to the extent such representations and warranties speak of an earlier date, the accuracy of which shall be determined as of such earlier date), except for such failures to be true and correct that are *de minimis*;
 - (ii) the representations and warranties in Section 4.2(i), (k), (v), (x), (y), (bb), (ee) and (rr) shall be true and correct in all material respects as of the date hereof and as of the Effective Date as if made on and as of such date; and
 - (iii) all other representations and warranties of Whitecap set forth in this Agreement shall be true and correct as of the Effective Date as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date, the accuracy of which shall be determined as of that specified date), except where any failure or failures of such representations and warranties in the aggregate to be so true and correct would not result in, or would not reasonably be expected to result in, a material adverse effect in respect of Whitecap and its subsidiaries (taken as a whole) (and, for this purpose, any concept of materiality shall be ignored),

and Whitecap shall have provided to TORC a certificate of two senior officers of Whitecap satisfactory to TORC, acting reasonably, certifying as to such matters on behalf of Whitecap on the Effective Date;

- (b) Whitecap shall have furnished TORC with:
 - (i) certified copies of the resolutions duly passed by the Whitecap Board approving the execution and delivery of this Agreement and the performance by Whitecap of its obligations under this Agreement and the consummation of the transactions contemplated by this Agreement; and
 - (ii) certified copies of the Share Issuance Resolution;
- (c) no material adverse change respecting Whitecap shall have occurred;
- (d) Whitecap shall have irrevocably deposited such number of Whitecap Shares with the Depositary as required in order to issue the requisite number of Whitecap Shares to the TORC Shareholders in

accordance with the Plan of Arrangement and Whitecap shall have irrevocably directed the Depositary to distribute Whitecap Shares to the TORC Shareholders in accordance with the terms of the Plan of Arrangement;

- (e) on the Effective Date, TORC shall be satisfied, acting reasonably, that the Whitecap Shares issued to TORC Shareholders pursuant to the Business Combination shall have been conditionally accepted for listing on the TSX, subject only to the filing of documentation that cannot be filed prior to the Effective Date; and
- (f) no act, action, suit, proceeding, objection or opposition shall have been threatened against or affecting Whitecap before or by any domestic or foreign court, tribunal or governmental agency or other regulatory or administrative agency or commission by any elected or appointed public official or private Person in Canada or elsewhere, whether or not having the force of Law and no Law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of Law) shall have been enacted, promulgated, amended or applied, which in the sole judgment of TORC, acting reasonably, in either case has had or, if the Business Combination was consummated, would result in a material adverse change respecting Whitecap or would materially impede the ability of the Parties to complete the Business Combination.

The conditions in this Section 5.3 are for the exclusive benefit of TORC and may be asserted by TORC regardless of the circumstances or may be waived by TORC in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which TORC may have.

5.4 Notice and Effect of Failure to Comply with Covenants or Conditions

- (a) Each Party shall give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof to the Effective Date of any event or state of facts which occurrence or failure would, or would be likely to, (i) cause any of the representations or warranties of such Party contained herein to be untrue or inaccurate in any material respect, or (ii) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by any Party hereunder; provided, however, that no such notification shall affect the representations or warranties of the Parties or the conditions to the obligations of the Parties hereunder.
- (b) If any of the conditions precedents set forth in Sections 5.1, 5.2 or 5.3 hereof will not be complied with or waived by the parties for whose benefit such conditions are provided on or before the date required for the performance thereof, then a Party for whose benefit the condition precedent is provided may, in addition to any other remedies they may have at Law or equity, rescind and terminate this Agreement as provided for in Section 8.1 hereof provided that, prior to the filing of the Articles of Arrangement, the Party intending to rely thereon has delivered a written notice to the other Party specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Party delivering such notice is asserting as the basis for the non-fulfillment of the applicable conditions precedent and shall provide in such notice that the other Party shall be entitled to cure any breach of a covenant or representation and warranty or other matters within five Business Days after receipt of such notice (except that no cure period shall be provided for a breach which by its nature cannot be cured and, in no event, shall any cure period extend beyond the Outside date). More than one such notice maybe delivered by a Party.

5.5 Satisfaction of Conditions

The conditions set out in this Article 5 are conclusively deemed to have been satisfied, waived or released when, with the agreement of the Parties, Articles of Arrangement are filed under the ABCA to give effect to the Business Combination.

ARTICLE 6 TERMINATION AMOUNTS AND OTHER ARRANGEMENTS

6.1 Whitecap Termination Amount

If at any time after the execution of this Agreement:

- (a) the TORC Board: (A) fails to make any of the recommendations or determinations referred to in subsection 2.4(b) in a manner adverse to Whitecap; (B) withdraws, modifies or changes any of the recommendations or determinations referred to in subsection 2.4(b) in a manner adverse to Whitecap; (C) does not submit the Business Combination to the TORC Shareholders at the TORC Meeting for their approval; or (D) resolves to do any of the foregoing;
- (b) a *bona fide* Acquisition Proposal (or a *bona fide* intention to make one) is proposed, offered or made to TORC or the TORC Shareholders prior to the date of the TORC Meeting and remains outstanding at the time of the TORC Meeting, and the TORC Shareholders do not approve the Business Combination in accordance with either Section 2.2 or Section 2.3 of this Agreement, or the Business Combination is not submitted for their approval and such Acquisition Proposal, as originally proposed or amended (or any other Acquisition Proposal that is announced, proposed, offered or made to TORC or the TORC Shareholders prior to the expiry of the first Acquisition Proposal) is completed within twelve months of the date such Acquisition Proposal is proposed, offered or made;
- (c) the TORC Board or TORC, as applicable, accepts, recommends, approves or enters into an agreement to implement a Superior Proposal or proposes publicly to accept, recommend, approve, agree to, endorse or enter into an agreement to implement a Superior Proposal;
- (d) the TORC Board fails to publically reaffirm any of its recommendations or determinations referred to in subsection 2.2(a) in the manner and within the time period set out in subsection 3.4(e); or
- (e) TORC breaches any of its representations, warranties or covenants made in this Agreement, which breach, individually or in the aggregate, causes or would reasonably be expected to cause a material adverse change respecting TORC or materially impedes the completion of the Business Combination, provided that TORC shall have been given written notice of and five Business Days to cure any such breach by Whitecap and such breach shall not have been cured (except that no cure period shall be provided for a breach which by its nature cannot be cured and, in no event, shall any cure period extend beyond the Outside Date);

(each of the above being a "**Whitecap Damages Event**"), then in the event of the termination of this Agreement pursuant to subsection 8.1(d) or 8.1(f) and provided that no event of the nature set out in Section 6.2 has occurred, TORC shall pay to Whitecap \$20 million in consideration for the disposition of Whitecap's rights under this Agreement in immediately available funds to an account designated by Whitecap within one Business Day after the first to occur of the events described above, and after such event, but prior to payment of such amount, TORC shall be deemed to hold such funds in trust for Whitecap. TORC shall only be obligated to pay a maximum of \$20 million pursuant to this Section 6.1.

6.2 TORC Termination Amount

If, at any time after the execution of this Agreement,

- (a) the Whitecap Board: (A) fails to make any of the recommendations or determinations referred to in subsection 2.3(a) in a manner adverse to TORC; (B) withdraws, modifies or changes any of the recommendations or determinations referred to in subsection 2.3(a) in a manner adverse to TORC; or (C) resolves to do any of the foregoing; or
- (b) Whitecap breaches any of its representations, warranties or covenants made in this Agreement, which breach, individually or in the aggregate, causes or would reasonably be expected to cause a material adverse change respecting Whitecap or materially impedes the completion of the Business Combination, provided that TORC shall have been given written notice of and five Business Days to cure any such breach by Whitecap and such breach shall not have been cured (except that no cure period shall be provided for a breach which by its nature cannot be cured and, in no event, shall any cure period extend beyond the Outside Date);

each of the above being a "**TORC Damages Event**"), then in the event of the termination of this Agreement pursuant to subsection 8.1(e) and provided that no event in the nature of Section 6.1 has occurred, Whitecap shall pay to TORC \$20 million in consideration for the disposition of TORC's rights under this Agreement in immediately available funds to an account designated by TORC. Such payment shall be made within one Business Day of the occurrence of the TORC Damages Event and after such event, but prior to payment of such amount, Whitecap shall be deemed to hold such funds in trust for TORC. Whitecap shall only be obligated to pay a maximum of \$20 million pursuant to this Section 6.2.

In the event that this Agreement is terminated pursuant to the exercise by TORC or Whitecap of their respective termination rights pursuant to Section 8.1(b)(ii) then Whitecap shall pay to TORC an amount equal to \$500,000 within one Business Day of such termination.

6.3 Liquidated Damages

Each of Whitecap and TORC acknowledges that the agreements contained in this Article 6 are an integral part of the transactions contemplated in this Agreement and that, without those agreements, the Parties would not enter into this Agreement.

Each of Whitecap and TORC acknowledges that the payment of the amounts set out in Sections 6.1 or 6.2: (i) is a payment of liquidated damages which are a genuine pre-estimate of the damages which Whitecap or TORC, as applicable, shall suffer or incur as a result of the event giving rise to such damages and resultant termination of this Agreement and is not a penalty; and (ii) represents consideration for the disposition by the payee of its rights under this Agreement. Whitecap and TORC each irrevocably waives any right it may have to raise as a defence that any such liquidated damages are excessive or punitive. For greater certainty, Whitecap and TORC agree that payment of the amount pursuant to Section 6.1 or 6.2, as applicable, is the sole monetary remedy of Whitecap or TORC, as applicable, hereunder; provided, however, that this limitation shall not apply in the event of fraud or intentional breach of this Agreement by either of the Parties. Additionally, nothing herein shall preclude Whitecap or TORC from seeking injunctive relief to restrain any breach or threatened breach of the covenants or agreements set forth in this Agreement, the Confidentiality Agreement, or otherwise to obtain specific performance of any of such act, covenants or agreements, without the necessity of posting bond or security in connection therewith.

ARTICLE 7 AMENDMENT

7.1 Amendment

This Agreement may, at any time and from time to time before or after the holding of the TORC Meeting, be amended by written agreement of the Parties without, subject to Applicable Laws, further notice to, or authorization from, their respective shareholders and any such amendment may, without limitation:

- (a) change the time for performance of any of the obligations or acts of Whitecap or TORC hereunder;
- (b) waive any inaccuracies in, or modify, any representation or warranty contained herein or in any document delivered pursuant hereto;
- (c) waive compliance with, or modify, any of the covenants contained herein and waive or modify performance of any of the obligations of Whitecap or TORC hereunder; or
- (d) waive satisfaction of, or modify, any of the conditions precedent set out herein;

provided that no such amendment reduces or adversely affects the consideration to be received by the TORC Shareholders without approval by the TORC Shareholders given in the same manner as required for the approval of the Business Combination.

ARTICLE 8 TERMINATION

8.1 Termination

This Agreement may be terminated at any time prior to the Effective Date:

- (a) by mutual written consent of Whitecap and TORC;
- (b) by either Whitecap or TORC if: (i) the TORC Shareholders fail to approve the Business Combination Resolution by the requisite vote at the TORC Meeting (including any adjournment or postponement thereof) in accordance with the Interim Order; (ii) the Whitecap Shareholders fail to approve the Share Issuance Resolution by the requisite vote at the Whitecap Meeting (including any adjournment or postponement thereof); and (iii) approval of the Final Order from the Court is not obtained on or prior to the Outside Date except that the right to terminate this Agreement under this subsection 8.1(b)(iii) shall not be available to any Party whose failure to fulfill any of its obligations has been the cause of, or resulted in, the failure of the approval of the Final Order to occur by such date;
- (c) by either Party as provided in subsection 5.4(b), provided that the failure to satisfy the particular condition precedent being relied upon as a basis for termination of this Agreement did not occur as a result of a breach by the Party seeking to rely on the condition precedent of any of its covenants or obligations under the Agreement;
- (d) by Whitecap upon the occurrence of a Whitecap Damages Event, as provided in Section 6.1;
- (e) by TORC upon the occurrence of a TORC Damages Event, as provided in Section 6.2; or

- (f) by TORC upon the occurrence of a Whitecap Damages Event, as set out in Section 6.1(c), and the payment by TORC to Whitecap of the amount specified in Section 6.1, provided that TORC has complied with its obligations set out in Section 3.4.

In the event of the termination of this Agreement in the circumstances set out in this Section 8.1, this Agreement shall forthwith become void and be of no further force or effect and no Party shall have any liability or further obligation to the other hereunder except with respect to the obligations set out in any of Article 6, Article 9 and Article 10, all of which shall survive such termination. For greater certainty, the termination of this Agreement pursuant to this Article 8 shall not affect the rights or obligations of any Party under the Confidentiality Agreement shall remain in full force and effect, subject to any further agreement of the Parties.

Unless otherwise provided herein, the exercise by either Party of any right of termination hereunder shall be without prejudice to any other remedy available to such Party at law or in equity.

ARTICLE 9 NOTICES

9.1 Notices

Any notice that is required to be given pursuant to any provision of this Agreement shall be given or made in writing and shall be delivered personally (including by courier) or sent by facsimile to the Party to whom it is addressed, as follows:

- (a) if to Whitecap, addressed to it at:

Whitecap Resources Inc.
3800, 525 - 8th Avenue SW
Eighth Avenue Place, East Tower
Calgary, Alberta, T2P 1G1

Attention: Grant B. Fagerheim
Facsimile: (403) 266-6975

with a copy to:

Burnet, Duckworth & Palmer LLP
2400, 525 – 8 Avenue SW
Calgary, Alberta, T2P 1G1

Attention: Shannon Gangl
Facsimile: (403) 260-0332

TORC Oil & Gas Ltd.
Suite 1800 Eighth Avenue Place
525 – 8th Avenue SW
Calgary, Alberta, T2P 1G1

Attention: Brett Herman
Facsimile: (403) 930-4159

with a copy to:

McCarthy Tetrault LLP
4000, 421 - 7th Avenue SW
Calgary, Alberta, T2P 4K9

Attention: Gordon Cameron
Facsimile: (403) 260-3501

or to such other address as a Party may, from time to time, advise to the other Party by notice in writing. The date or time of receipt of any such notice shall be deemed to be the date of delivery or the time such facsimile is received.

ARTICLE 10 GENERAL

10.1 Assignment and Enurement

This Agreement shall be binding upon and enure to the benefit of the Parties and their respective successors and assigns; provided that this Agreement may not be assigned by either Party without the prior written consent of the other Party.

10.2 Disclosure

Each Party shall obtain the prior consent, not to be unreasonably withheld, of the other Party prior to issuing or permitting any director, officer, employee or agent to issue, any press release or other written statement with respect to this Agreement or the transactions contemplated by this Agreement. Notwithstanding the foregoing, if either Party is required by Law or administrative regulation to make any disclosure relating to the transactions contemplated by this Agreement, such disclosure may be made, but that Party shall consult with the other Party as to the wording of such disclosure prior to it being made.

10.3 Costs

Except as contemplated herein, each Party covenants and agrees to bear its own costs and expenses in connection with the transactions contemplated by this Agreement. Whitecap and TORC shall incur and bear equally the filing fees payable for the applications made under the Competition Act in respect of the transactions contemplated herein.

10.4 Severability

If any one or more of the provisions (or any part thereof) of this Agreement is determined to be invalid, illegal or unenforceable in any respect in any jurisdiction, such provision or provisions (or part or parts thereof) shall be, and shall be conclusively deemed to be, as to such jurisdiction, severable from the balance of this Agreement and:

- (a) the validity, legality or enforceability of the remaining provisions of this Agreement will not in any way be affected or impaired by the severance of the provisions (or parts thereof) so severed; and
- (b) the invalidity, illegality or unenforceability of any provision (or part thereof) of this Agreement in any jurisdiction shall not affect or impair such provision (or part thereof) or any other provisions of this Agreement in any other jurisdiction.

10.5 Further Assurances

Each Party hereto shall, from time to time and at all times hereafter, at the request of the other Party, but without further consideration, do all such further acts, and execute and deliver all such further documents and instruments as the other Party may reasonably request in order to fully perform and carry out the terms and intent of this Agreement.

10.6 Time of Essence

Time shall be of the essence of this Agreement.

10.7 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein and the Parties hereto irrevocably attorn to the jurisdiction of the courts of the Province of Alberta in respect of all disputes arising under or in relation to this Agreement.

10.8 Waiver

No waiver by a Party shall be effective unless it is set out in a written instrument signed by such Party and any waiver shall affect only the matter, and the occurrence thereof, specifically identified in the applicable written instrument and shall not extend to any other matter or occurrence.

10.9 Third Party Beneficiaries

The provisions of Section 2.10, subsection 3.1(i) and subsection 3.2(s) are: (i) intended for the benefit of all present and former directors and officers of TORC, as and to the extent applicable in accordance with their terms, and shall be enforceable by each of such Persons and his or her heirs, executors, administrators and other legal representatives (collectively, the "**Third Party Beneficiaries**") and Whitecap shall hold the rights and benefits of Section 2.10, subsection 3.1(i) and subsection 3.2(s) in trust for and on behalf of the Third Party Beneficiaries and Whitecap hereby accepts such trust and agrees to hold the benefit of and enforce performance of such covenants on behalf of the Third Party Beneficiaries, and (ii) are in addition to, and not in substitution for, any other rights that the Third Party Beneficiaries may have by contract or otherwise.

10.10 Counterparts

This Agreement may be executed in counterparts and by facsimile or portable document format (PDF), each of which shall be deemed an original, and all of which together constitute one and the same instrument.

[The remainder of this page has intentionally been left blank]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

WHITECAP RESOURCES INC.

By: (signed) "Grant B. Fagerheim"

By: (signed) "Thanh Kang"

TORC OIL & GAS LTD.

By: (signed) "Brett Herman"

SCHEDULE "A"
PLAN OF ARRANGEMENT UNDER SECTION 193
OF THE
BUSINESS CORPORATIONS ACT (ALBERTA)

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Plan, the following defined terms have the meanings hereinafter set forth:

- (a) "**ABCA**" means the *Business Corporations Act*, R.S.A. 2000, c. B-9;
- (b) "**Articles of Arrangement**" means the articles of arrangement in respect of the Plan of Arrangement required under subsection 193(10) of the ABCA to be filed with the Registrar after the Final Order has been made, to give effect to the Business Combination;
- (c) "**Business Combination**", "herein", "hereof", "hereto", "hereunder" and similar expressions mean and refer to the arrangement pursuant to Section 193 of the ABCA, on the terms and subject to the conditions set out in this Plan of Arrangement;
- (d) "**Business Combination Agreement**" means the business combination agreement dated effective as of December 8, 2020 between TORC and Whitecap with respect to the Business Combination and all amendments thereto and amendments and restatements thereof;
- (e) "**Business Combination Resolution**" means, the special resolution in respect of the Business Combination to be considered by the TORC Shareholders at the TORC Meeting;
- (f) "**Business Day**" means, with respect to any action to be taken, any day, other than a Saturday, Sunday or a statutory holiday in the place where such action is to be taken;
- (g) "**Certificate**" means the certificate or other confirmation of filing issued by the Registrar pursuant to subsection 193(11) of the ABCA giving effect to the Plan of Arrangement;
- (h) "**Court**" means the Court of Queen's Bench of Alberta;
- (i) "**Depository**" means Odyssey Trust Company, or such other Person that may be appointed by Whitecap for the purpose of receiving deposits of certificates or direct registration system advices formerly representing TORC Shares;
- (j) "**Dissent Rights**" mean the rights of dissent granted in Section 4.1 hereof to the registered TORC Shareholders in respect of the Business Combination and the Interim Order;
- (k) "**Dissenting Shareholders**" means registered TORC Shareholders who validly exercise the Dissent Rights provided to them under this Plan of Arrangement and the Interim Order;
- (l) "**Effective Date**" means the date that the Business Combination becomes effective under the ABCA;

- (m) **"Effective Time"** means the time that the Certificate is issued;
- (n) **"Final Order"** means the final order of the Court approving the Business Combination pursuant to subsection 193(9) of the ABCA, as such order may be affirmed, amended or modified by any court of competent jurisdiction;
- (o) **"Governmental Authority"** means any Canadian or United States federal, provincial, state, municipal or other political subdivision, government, department, commission, board, bureau, agency or instrumentality;
- (p) **"Interim Order"** means the interim order of the Court concerning the Business Combination under Subsection 193(4) of the ABCA, containing declarations and directions with respect to the Business Combination and the holding of the TORC Meeting, as such order may be affirmed, amended or modified by any court of competent jurisdiction;
- (q) **"Letters of Transmittal"** means the letters of transmittal sent to TORC Shareholders pursuant to which TORC Shareholders are required, among other things, to deliver certificates or direct registration system advices representing TORC Shares to the Depositary in exchange for the consideration to which the holders of such TORC Shares are entitled under the Business Combination;
- (r) **"Parties"** means, collectively, the parties to the Business Combination Agreement, and **"Party"** means any one of them;
- (s) **"Person"** includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate group, body corporate, corporation, unincorporated association or organization, Governmental Authority, syndicate or other entity, whether or not having legal status;
- (t) **"Plan"** or **"Plan of Arrangement"** means this plan of arrangement, as amended or supplemented from time to time in accordance with the terms hereof, and "hereby", "hereof", "herein", "hereunder", "herewith" and similar terms refer to this plan of arrangement and not to any particular provision of this plan of arrangement;
- (u) **"Registrar"** means the Registrar of Corporations or a Deputy Registrar of Corporations appointed under Section 263 of the ABCA;
- (v) **"Tax Act"** means the *Income Tax Act* (Canada), R.S.C. 1985 (5th Supp.)
- (w) **"TORC"** means TORC Oil & Gas Ltd., a corporation existing under the ABCA;
- (x) **"TORC Meeting"** means the special meeting of TORC Shareholders, which is to be called to permit the TORC Shareholders to consider the Business Combination Resolution and related matters, and any adjournment(s) thereof;
- (y) **"TORC Shareholders"** means the holders from time to time of TORC Shares;
- (z) **"TORC Shares"** means the common shares of TORC, as constituted on the date hereof;
- (aa) **"Whitecap"** means Whitecap Resources Inc., a corporation existing under the ABCA; and

(bb) **"Whitecap Shares"** means the common shares of Whitecap as constituted on the date hereof.

1.1 **Interpretation Not Affected by Headings**

The division of this Plan into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan.

1.2 **Article References**

Unless reference is specifically made to some other document or instrument, all references herein to articles, sections and subsections are to articles, sections and subsections of this Plan.

1.3 **Number and Gender**

Unless the context otherwise requires, words importing the singular number shall include the plural and vice versa, and words importing any gender shall include all genders.

1.4 **Date for Any Action**

If any date on which any action is required to be taken hereunder by either Party is not a Business Day in the place where an action is required to be taken, such action is required to be taken on the next succeeding day which is a Business Day in such place.

1.5 **Statutes**

References in this Plan to any statute or sections thereof shall include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.

1.6 **Currency**

Unless otherwise stated, all references in this Plan to sums of money are expressed in lawful money of Canada.

ARTICLE 2 BUSINESS COMBINATION AGREEMENT

2.1 Plan Part of the Business Combination Agreement

The Plan is made pursuant to the Business Combination Agreement and is subject to the provisions of, and forms part of, the Business Combination Agreement.

2.2 Plan Binding

This Plan, upon the filing of the Articles of Arrangement and the issue of the Certificate, shall become effective at the Effective Time, and shall be binding at and after the Effective Time on: (a) the TORC Shareholders; (b) TORC; (c) Whitecap; and (d) all other Persons.

2.3 Filing of the Articles of Arrangement

The Articles of Arrangement and Certificate shall be filed and issued, respectively, with respect to this Arrangement in its entirety. The Certificate shall be conclusive evidence that the

Arrangement has become effective and that each of the provisions of Section 3.1 has become effective in the sequence and at the times set out therein.

ARTICLE 3 ARRANGEMENT

3.1 The Arrangement

Commencing at the Effective Time, each of the events set out below shall occur, and shall be deemed to occur concurrently, without any further act or formality, except as otherwise provided herein:

- (a) the TORC Shares held by Dissenting Shareholders who have exercised Dissent Rights which remain valid immediately prior to the Effective Time shall be deemed to have been transferred to Whitecap (free and clear of any and all liens, claims and encumbrances), and such Dissenting Shareholders shall cease to have any rights as TORC Shareholders, other than the a debt claim against Whitecap for the amount determined in accordance with Article 4; and
- (b) each outstanding TORC Share (other than TORC Shares held by Dissenting Shareholders whose TORC Shares are transferred pursuant to Section 3.1(a)) shall be transferred to, and acquired by, Whitecap (free and clear of any liens, claims, encumbrances, charges, adverse interests and security interests of any nature or kind whatsoever) in exchange for 0.570 of a Whitecap Share.

3.2 Effect of the Arrangement

With respect to each TORC Shareholder, other than Dissenting Shareholders, at the Effective Time upon the transfer of TORC Shares from such TORC Shareholder to Whitecap pursuant to Section 3.1:

- (a) such TORC Shareholder shall cease to be a holder of the TORC Shares so transferred and the name of such holder shall be removed from the register of holders of TORC Shares as it relates to the TORC Shares so transferred;
- (b) Whitecap shall become the holder of the TORC Shares so transferred and shall be added to the register of holders of TORC Shares; and
- (c) Whitecap shall allot and issue to such holder the number of Whitecap Shares issuable to such holder on the basis set forth in subsection 3.1(b), and the name of such holder shall be added to the register of holders of the Whitecap Shares.

ARTICLE 4 DISSENTING SHAREHOLDERS

4.1 Dissent Rights

Each registered TORC Shareholder shall have the right to dissent with respect to the Arrangement, in the same manner as provided for in Section 191 of the ABCA, but as modified by the terms of this Plan and the Interim Order. A Dissenting Shareholder shall, immediately after the step contemplated in subsection 3.1(a), cease to have any rights as a TORC Shareholder and shall only be entitled to be paid by Whitecap the fair value of such Dissenting Shareholder's TORC Shares under the Arrangement net of all withholding or other taxes required to be withheld by Whitecap in accordance with

applicable laws, to the extent applicable. The fair value of the TORC Shares shall be determined as of the close of business on the last Business Day before the day on which the Arrangement is approved by the TORC Shareholders at the TORC Meeting. A Dissenting Shareholder who is entitled to be paid the fair value of his, her or its TORC Shares shall be deemed to have transferred his, her or its TORC Shares (free and clear of all liens, claims, encumbrances, adverse interests and security interests of any nature or kind whatsoever) to Whitecap for cancellation without any further act or formality notwithstanding the provisions of Section 191 of the ABCA. A Dissenting Shareholder who for any reason is not entitled to be paid the fair value of its TORC Shares shall be treated as if such Dissenting Shareholder had participated in the Arrangement on the same basis as a non-dissenting Non-Resident Shareholder that did not elect to be an Exchanging Shareholder in a duly completed Letter of Transmittal, in which case such Person shall be entitled to receive Whitecap Shares which it would have been entitled pursuant to subsection 3.1(b) of this Plan of Arrangement and Whitecap shall issue the Whitecap Shares to which such Person is entitled under the Arrangement. In no event shall Whitecap and TORC or any other Person be required to recognize a Dissenting Shareholder as a TORC Shareholder after the issuance of Whitecap Shares to such Dissenting Shareholder pursuant to subsection 3.1(b) of this Plan of Arrangement. For greater certainty, in addition to any other restrictions in Section 191 of the ABCA, no TORC Shareholder who has voted, or instructed a proxyholder to vote, in favour of the Arrangement shall be entitled to dissent with respect to the Arrangement. In addition, a Dissenting Shareholder may only exercise Dissent Rights in respect of all, and not less than all, of its TORC Shares.

ARTICLE 5 OUTSTANDING CERTIFICATES AND PAYMENTS

5.1 Certificates

From and after the Effective Time, certificates formerly representing TORC Shares shall represent only the right to receive the consideration to which the TORC Shareholders are entitled to receive under the Arrangement.

5.2 Deposit of Whitecap Shares

On the Effective Date, Whitecap shall issue and deliver to the Depositary an irrevocable treasury order authorizing the Depositary, as the registrar and transfer agent for the Whitecap Shares, to issue certificates or make a book-based entry representing the aggregate number of Whitecap Shares to which the TORC Shareholders are entitled in accordance with the terms of the Arrangement. Subject to Section 5.6 hereof, from and after such provision, the Depositary shall be considered to hold such Whitecap Shares for the sole benefit of the TORC Shareholders.

5.3 Delivery of Whitecap Shares by the Depositary

Whitecap shall cause the Depositary to, as soon as practicable following the later of the Effective Date and the date of deposit by a former holder of TORC Shares of a duly completed Letter of Transmittal, the certificates representing such TORC Shares and such other documents and instruments as the Depositary may reasonably require, either:

- (a) forward or cause to be forwarded by first class mail (postage prepaid) to such former holder of TORC Shares at the address specified in the Letter of Transmittal; or
- (b) if requested by such former holder of TORC Shares in the Letter of Transmittal, make available or cause to be made available at the Depositary for pickup by such holder,

the certificates for Whitecap Shares which such holder has the right to receive pursuant to the Arrangement, net of any amounts withheld pursuant to Section 5.8 hereof. Whitecap's transfer agent shall register Whitecap Shares in the name of each former TORC Shareholder entitled thereto or as otherwise instructed in the Letter of Transmittal deposited by such former TORC Shareholder and shall deliver such Whitecap Shares in accordance with this Section 5.3 and the terms and conditions of the Letter of Transmittal.

5.4 Lost Certificates

If any certificate which, immediately prior to the Effective Time, represented an interest in outstanding TORC Shares has been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to have been lost, stolen or destroyed, the Depositary shall deliver in exchange for such lost stolen or destroyed certificate the consideration to which the holder is entitled pursuant to the Arrangement (and any dividends or distributions with respect thereto) as determined in accordance with the Arrangement. The Person who is entitled to receive such consideration shall, as a condition precedent to the receipt thereof, give a bond to each of the Depositary and Whitecap, which bond is in form and substance satisfactory to each of the Depositary and Whitecap or shall otherwise indemnify the Depositary and Whitecap, to the reasonable satisfaction of the Depositary and Whitecap, against any claim that may be made against any of them with respect to the certificate alleged to have been lost, stolen or destroyed.

5.5 Dividends and Distributions

All dividends or other distributions made in respect of Whitecap Shares to which a former TORC Shareholder is entitled in accordance with the terms of the Arrangement, but for which a certificate representing either the Whitecap Shares has not been delivered to such TORC Shareholder in accordance with this Article 5, shall be paid or delivered to the Depositary to be held in trust for such TORC Shareholder for delivery to such shareholder, net of all applicable withholding and other taxes, upon delivery of the certificate in accordance with this Article 5.

5.6 Failure to Deposit Certificates

Subject to any applicable laws relating to unclaimed personal property, any certificate formerly representing TORC Shares that is not deposited, together with all other documents required hereunder, on the last Business Day before the third anniversary of the Effective Date and any right or claim to receive Whitecap Shares or other consideration hereunder that remains outstanding on such day shall cease to represent a right or claim by or interest of any kind or nature including the right of a former holder of TORC Shares to receive the consideration for such TORC Shares pursuant to this Plan (and any dividends or other distributions thereon) shall terminate and be deemed to be surrendered and forfeited to Whitecap, for no consideration. In such case, such Whitecap Shares shall be returned to Whitecap for cancellation and any cash (including any dividends or other distributions in respect of such Whitecap Shares) shall be returned to Whitecap.

5.7 Fractional Shares

Notwithstanding anything herein contained, no fractional Whitecap Shares will be issued. In the event that an TORC Shareholder would otherwise be entitled to a fractional Whitecap Share hereunder, the number of Whitecap Shares issued to such TORC Shareholder shall be rounded up to the next greater whole number of Whitecap Shares if the fractional entitlement is equal to or greater than 0.5 and shall, without any additional compensation, be rounded down to the next lesser whole number of

Whitecap Shares if the fractional entitlement is less than 0.5. In calculating such fractional interests, all TORC Shares registered in the name of a TORC Shareholder or its nominee shall be aggregated.

5.8 Withholdings

Notwithstanding any other provision of this Plan, Whitecap, TORC and the Depositary, as applicable, shall be entitled to deduct or withhold from any amounts otherwise payable or deliverable to any person under the Arrangement such amounts as Whitecap, TORC, or the Depositary, as applicable, determines, acting reasonably, are required to be deducted or withheld with respect to such payment or delivery in accordance with the Tax Act or any provision of federal, provincial, territorial, state, local or foreign tax law, in each case, as amended. To the extent that amounts are so deducted or withheld, such deducted and withheld amounts shall be treated for all purposes as having been paid to the person in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate Governmental Authority. Each of Whitecap, TORC or the Depositary, as applicable, is hereby authorized to sell or otherwise dispose of, on behalf of such person, such portion of any share otherwise deliverable to such person as is necessary to provide sufficient funds to Whitecap, TORC or the Depositary, as the case may be, to enable it to comply with such deduction or withholding requirement and Whitecap, TORC or the Depositary shall notify such person thereof and remit the applicable portion of the net proceeds of such sale to the appropriate taxing authority and, if applicable, any portion of such net proceeds that is not required to be so remitted shall be paid to such person.

ARTICLE 6 AMENDMENTS

6.1 Amendment of this Plan

- (a) Whitecap and TORC may by mutual agreement amend this Plan at any time and from time to time prior to the Effective Time, provided that each such amendment must be: (i) set out in writing; (ii) filed with the Court and, if made following the TORC Meeting, approved by the Court; and (iii) communicated to holders of TORC Shares, if and as required by the Court.
- (b) Other than as may be required under the Interim Order, any amendment to this Plan may be proposed by TORC or Whitecap at any time prior to or at the TORC Meeting (provided that the other Party shall have consented thereto) with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the TORC Meeting, shall become part of this Plan for all purposes.
- (c) Any amendment to this Plan of Arrangement that is approved by the Court following the TORC Meeting shall be effective only if it is consented to by each of Whitecap and TORC and, approved by TORC Shareholders if it adversely affects the TORC Shareholders and such approval is required by the Court or applicable law.
- (d) Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Time by Whitecap, provided that such amendment, modification or supplement concerns a matter which, in the reasonable opinion of Whitecap, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of Whitecap or any former TORC Shareholder.

ARTICLE 7
ADDITIONAL STEPS

7.1 Further Acts

Notwithstanding that the transactions and events set out herein shall occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the Parties shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order further to document or evidence any of the transactions or events set out herein.

SCHEDULE "B"

FORM OF TORC SUPPORT AGREEMENT

FORM OF TORC SUPPORT AGREEMENT

December 8, 2020

To the Undersigned Securityholder of TORC Oil & Gas Ltd.

Dear Sir / Madame:

Re: *Agreement respecting the Business Combination involving Whitecap Resources Inc. and TORC Oil & Gas Ltd.*

Reference is made to the business combination agreement dated on or about December 8, 2020 (the "**Business Combination Agreement**") between Whitecap Resources Inc. ("**Whitecap**") and TORC Oil & Gas Ltd. ("**TORC**") pursuant to which, among other things, Whitecap has agreed to directly or indirectly purchase all of the issued and outstanding common shares in the capital of TORC ("**TORC Shares**") (including all of the TORC Shares issued upon the settlement of the outstanding restricted awards ("**Restricted Awards**") and performance awards ("**Performance Awards**" and together with the Restricted Awards, the "**TORC Share Awards**") granted under the share award incentive plan of TORC) for the consideration set forth in the Business Combination Agreement.

TORC Shares and TORC Share Awards are collectively referred to herein as the "**TORC Securities**". Capitalized words and phrases used but not defined herein shall have the meaning ascribed to them in the Business Combination Agreement.

We understand that you (the "**Securityholder**") beneficially own or exercise control or direction over, directly or indirectly, the number of TORC Securities set forth on the execution page of this letter agreement (the "**Subject Securities**").

Any references in this letter agreement to TORC Securities owned by the Securityholder shall mean such number of TORC Securities owned by the Securityholder as at the date hereof and, where the context requires, shall include all TORC Shares issued to the Securityholder after the date hereof pursuant to the settlement the outstanding TORC Share Awards held by the Securityholder and any other TORC Securities otherwise acquired.

This letter agreement sets forth the agreement between Whitecap and the Securityholder that the Securityholder agrees to vote the following Securityholder's TORC Securities, to the extent that such securities have voting rights under the Business Combination, in favour of the Business Combination (and in favour of any actions or resolutions required in furtherance of completing the Business Combination) at any meeting of the TORC securityholders, however called, for the purpose of approving the Business Combination and any adjournment or postponement thereof (the "**Meeting**"): (i) all of the Subject Securities; and (ii) any and all other TORC Securities hereafter acquired or controlled by the Securityholder in its personal capacity either directly or indirectly before the date of the Meeting; ((i) and (ii) are together referred to as the "**Securityholder's TORC Securities**"), and to otherwise support the Business Combination, subject to the terms and conditions of this letter agreement.

The Securityholder acknowledges and agrees that the completion of the Business Combination is subject to various conditions as set forth in the Business Combination Agreement, which conditions are for the exclusive benefit of Whitecap and/or TORC, which Whitecap and/or TORC has the right, in its sole discretion, to waive in whole or in part, or to rely on in connection with termination of the Business Combination Agreement and this letter agreement and their respective obligations to complete the Business Combination. Further, the Securityholder acknowledges and agrees that the Business Combination

Agreement may be amended or amended and restated and any such amendment or amendment and restatement shall not in any way affect the obligations of the Securityholder hereunder except as provided in Section 5 hereof. By executing this letter agreement, the Securityholder understands and acknowledges that Whitecap is entering into the Business Combination Agreement in reliance on the Securityholder's execution and delivery of this letter agreement and the terms contained herein, and in consideration for Whitecap entering into the Business Combination Agreement with TORC, each of Whitecap and the Securityholder hereby agrees to be bound by the terms set forth herein.

1. Covenants of the Securityholder

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereof, from the date hereof until the termination of this letter agreement in accordance with Section 5 hereof, the Securityholder hereby covenants and agrees, as follows:

- (a) to vote (or cause to be voted), and provide evidence thereof, including if voting by proxy, to Whitecap within five (5) days prior to the Meeting all of the Securityholder's TORC Securities in favour of all resolutions approving the Business Combination, as contemplated by the Business Combination Agreement, and any actions required in furtherance of the actions contemplated thereby at the Meeting and not withdraw any proxies or change the vote thereof;
- (b) to vote (or to cause to be voted) all of the Securityholder's TORC Securities at any meeting of securityholders of TORC against any resolution or transaction which would in any manner, frustrate, prevent, delay or nullify the Business Combination or any of the other transactions contemplated by the Business Combination Agreement;
- (c) except to the extent permitted hereunder, not take any action of any kind which would cause any of its representations or warranties in this letter agreement to become untrue or which may in any way materially adversely affect the success of the Business Combination, the completion of the Business Combination or the purchase of any TORC Shares (including the TORC Shares issuable upon the settlement of any TORC Share Awards or other TORC securities held by the Securityholder) under the Business Combination;
- (d) promptly notify Whitecap upon any of the Securityholder's representations or warranties in this letter agreement becoming untrue or incorrect in any material respect during the period commencing on the date hereof and expiring at the earlier of the Effective Time and the termination of this letter agreement in accordance with Section 5 hereof, and for the purpose of this provision, each representation and warranty shall be deemed to be given at and as of all times during such period (irrespective of any language which suggests that it is only being given as at the date hereof);
- (e) not to grant or agree to grant any proxy or other right to vote any of the Securityholder's TORC Securities (other than as permitted under subsections 1(a) and 1(b) hereof or in respect of any regularly held annual meeting of TORC with respect to matters that do not affect the Business Combination), or enter into any voting trust, vote pooling or other agreement with respect to the right to vote, call meetings of securityholders or give consents or approval of any kind as to any of the Securityholder's TORC Securities (other than in connection with the performance by the Securityholder of its obligations hereunder);

- (f) not to sell, transfer, assign, convey or otherwise dispose of, or enter into any agreement or understanding relating to the sale, transfer, assignment, conveyance or other disposition of, any of the Securityholder's TORC Securities to any person other than to: (i) Whitecap or any subsidiary of Whitecap (as such term is defined in the *Securities Act* (Alberta)); or (ii) an affiliate or associate (as those terms are defined in the *Securities Act* (Alberta)) of such Securityholder provided that such affiliate or associate first agrees with Whitecap to be bound by the terms hereof;
- (g) notwithstanding Section 1(f) hereof, the Securityholder may sell, assign, convey or otherwise transfer or dispose of any or all of the Securityholder's TORC's Securities to a Related Person provided that such Related Person enters into an agreement with Whitecap on the same terms as this letter agreement, or otherwise agrees with Whitecap to be bound by the provisions hereof or as otherwise consented to by Whitecap, which consent may be arbitrarily withheld. For the purposes hereof, "**Related Person**" means: (i) a spouse, parent, grandparent, brother, sister or child of the Securityholder; (ii) a company or family trust if all of the voting securities of such company are held by, or all the beneficiaries of such trust are, one or more of the persons referred to in clause (i); or (iii) an "associate" or "affiliate" within the meaning of the *Securities Act* (Alberta);
- (h) not to exercise any Dissent Rights or appraisal rights in respect of any resolution approving the Business Combination and not to exercise any other securityholder rights or remedies available at common law or pursuant to the ABCA or applicable securities legislation to delay, hinder, upset or challenge the Business Combination;
- (i) except to the extent permitted hereunder, not to take any action, directly or indirectly, which may reasonably be expected to adversely affect, delay, hinder, upset or challenge the successful completion of the Business Combination or the purchase of any TORC Shares (including the TORC Shares issuable upon the settlement of any TORC Share Awards and any and all other TORC Shares hereafter acquired or controlled by the Securityholder either directly or indirectly before the Effective Date) under the Business Combination; and
- (j) to execute and deliver, or cause to be executed and delivered, such additional or further consents, documents or other instruments as Whitecap may reasonably request for the purpose of effectively carrying out the matters contemplated by this letter agreement.

2. Non-Solicitation

The Securityholder agrees that it will not directly or indirectly:

- (a) solicit, assist, initiate or knowingly facilitate or encourage or take any action to solicit or knowingly facilitate, initiate, entertain or encourage any Acquisition Proposal, or engage in any communication regarding the making of any proposal or offer that constitutes or may constitute or may reasonably be expected to lead to an Acquisition Proposal, including, without limitation, by way of furnishing information or access to properties, facilities or books and records of TORC; or
- (b) enter into or participate in any discussions or negotiations regarding an Acquisition Proposal, or furnish to any other person any information with respect to the business, properties, operations, or conditions (financial or otherwise) of TORC in connection with, or performance of an Acquisition Proposal or otherwise cooperate in any way with, or

assist or knowingly participate in, facilitate or encourage, any effort or attempt of any other person to do or seek to do any of the foregoing.

3. Representations and Warranties

The Securityholder represents and warrants to Whitecap that:

- (a) the Securityholder is duly authorized and has the authority to execute and deliver this letter agreement and to carry out the transactions contemplated hereby and this letter agreement is a valid and binding agreement enforceable against the Securityholder in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other applicable laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered;
- (b) neither the execution of this letter agreement by the Securityholder nor the completion by the Securityholder of the transactions contemplated hereby will constitute a violation of or default under, or conflict with, any contract, commitment, agreement, understanding, arrangement or restriction of any kind to which the Securityholder will be a party or by which it will be bound at the time of completion of such transactions;
- (c) (i) the Securityholder is the beneficial owner of or exercises control and direction, directly or indirectly, over the number of TORC Shares and TORC Share Awards, set forth on the execution page of this letter agreement; and (ii) as at the date hereof, the foregoing TORC Shares and TORC Share Awards as set forth on the execution page are the only securities in the capital of TORC (or securities convertible, exchanged or exercisable into TORC Securities) beneficially owned by the Securityholder or over which he, she or it, directly or indirectly, exercises control or direction;
- (d) the TORC Shares beneficially owned by the Securityholder or over which the Securityholder exercises control and direction at the date hereof are held by the Securityholder with valid and marketable title thereto, and the transfer to Whitecap or a subsidiary thereof of such TORC Shares, and any TORC Shares issuable upon the settlement of TORC Share Awards will pass good and marketable title to such shares, free and clear of all claims, liens, charges, encumbrances and security interests;
- (e) other than pursuant to this letter agreement, the TORC Shares (including the TORC Shares issuable upon the settlement of the TORC Share Awards) owned or controlled by the Securityholder are not subject to any securityholder agreements, voting trust or similar agreements or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming a securityholders' agreement, voting trust or other agreement affecting such TORC Shares or any interest therein or right thereto, including, without limitation, the voting of any such securities;
- (f) other than pursuant to this letter agreement, the Securityholder has not previously granted or agreed to grant any proxy or any other right to vote any of the Securityholder's TORC Securities in respect of any meeting of securityholders of TORC that is currently in force, and has not entered into a voting trust, vote pooling or other agreement with respect to his, her or its right to vote, call meetings of securityholders of TORC or give consents or approvals of any kind as to the Securityholder's TORC Securities;

- (g) there are no legal proceedings currently in progress or pending before any Governmental Authority or, to the Securityholder's knowledge, threatened against the Securityholder or any of such Securityholder's affiliates that would materially adversely affect in any manner the ability of the Securityholder to enter into this letter agreement and to perform its obligations hereunder or the title of the Securityholder to any of the Securityholder's TORC Securities, and there is no current and enforceable judgment, decree or order against the Securityholder that would adversely affect in any manner the ability of the Securityholder to enter into this letter agreement and to perform its obligations hereunder or the title of the Securityholder to any of the Securityholder's TORC Securities; and
- (h) no authorization, consent or approval from, or filing, registration, declaration or qualification with, or before, or giving notice to, any person is required to be obtained, given or made in connection with the execution and delivery by the Securityholder of this letter agreement, the performance of the terms hereof by the Securityholder or the consummation of the transactions contemplated hereby by the Securityholder, except for those which have been (or will be with respect to consummation of the Business Combination) duly and unconditionally obtained and are (or will be with respect to consummation of the Business Combination) in full force and effect.

4. Expenses

Whitecap and the Securityholder agree to pay their own respective expenses incurred in connection with this letter agreement.

5. Termination

It is understood and agreed that the respective rights and obligations hereunder of Whitecap and the Securityholder shall cease and this letter agreement shall terminate on the earlier of: (a) the Effective Time; (b) the date on which this letter agreement is terminated by the mutual written agreement of the parties hereto; (c) the close of business on the date of the TORC Meeting at which a TORC Shareholder vote is held and the Business Combination Resolution is not approved by the requisite majority of TORC Shareholders; or (d) the date on which the Business Combination Agreement is terminated in accordance with its terms. In addition, this letter agreement may be terminated by the Securityholder by notice in writing to Whitecap if the Business Combination and/or Plan of Arrangement is amended to reduce or change the form of consideration payable to the Securityholder for its TORC Shares pursuant to the Business Combination.

In the event of termination of this letter agreement, this letter agreement shall forthwith be of no further force and effect, except for Sections 4, 7, 8, 11, 12 and 14 and this Section 5, which provisions shall survive the termination of this letter agreement and there shall be no liability on the part of either the Securityholder or Whitecap or any of its affiliates or associates, except to the extent that either such party is in default of its obligations herein contained.

6. Future Amendments

To the extent that the Business Combination Agreement is amended, modified, restated, replaced or superseded from time to time, all references herein to the Business Combination Agreement shall be to the Business Combination Agreement as amended, modified or restated from time to time or to the agreement which has replaced or superseded it from time to time, and all references to particular sections of the Business Combination Agreement shall be deemed to be references to the analogous provision in the

Business Combination Agreement as amended, modified or restated from time to time or to the agreement which has replaced or superseded it from time to time.

7. Assignment

Except as expressly set forth herein, no party to this letter agreement may assign any of its rights or obligations under this letter agreement without the prior written consent of the other party except that Whitecap may assign its rights and obligations under this letter agreement to any of its affiliates, provided such affiliate executes and delivers a counterpart to this letter agreement pursuant to which it agrees to be bound by the terms of this letter agreement as if it were the purchaser pursuant to the Business Combination, but no such assignment shall relieve Whitecap of its obligations hereunder.

8. Disclosure

Prior to the first public disclosure of the existence and terms and conditions of this letter agreement by Whitecap or TORC or an affiliate thereof, the Securityholder shall not disclose the existence of this letter agreement or any details hereof or the possibility of the Business Combination being effected or any terms or conditions or other information concerning any possible acquisition of the Securityholder's TORC Securities, to any person other than: (i) the Securityholder's advisors (provided that the Securityholder's advisors shall be required to comply with the foregoing disclosure obligations and the Securityholder agrees to be responsible for any breach of such disclosure obligations by any of the Securityholder's advisors); and (ii) TORC and its directors, officers and advisors, without the prior written consent of Whitecap, except to the extent required by applicable law, stock exchange rules or policies of regulatory authorities having jurisdiction which Whitecap after reasonable notice will not consent to, and any disclosure by the Securityholder after the first public disclosure of the existence and terms and conditions of this letter agreement by Whitecap or TORC or an affiliate thereof shall be permitted only to the extent that any such information disclosed by the Securityholder has already been publicly disclosed by one of these parties other than the Securityholder. Notwithstanding anything contained herein or elsewhere, the existence and terms and conditions of this letter agreement may be disclosed by Whitecap and TORC in any press release issued in connection with the execution of the Business Combination Agreement or to the extent required by applicable law.

9. Notices

All notices to be given to a party hereunder shall be in writing and delivered personally, by overnight courier or email transmission, addressed, in the case of the Securityholder, to the address set forth in the signature page of the Securityholder set forth in this letter agreement, and in the case of Whitecap at the following address:

Whitecap Resources Inc.
3800, 525 8 Avenue SW
Calgary, AB T2P 1G1

Attention: Grant Fagerheim
Email: gfagerheim@wcap.ca

with a copy to:

Burnet, Duckworth & Palmer LLP
2400, 525 – 8 Avenue SW
Calgary, Alberta, T2P 1G1

Attention: Shannon Gangl
Email: smg@bdplaw.com

10. Further Assurances

The Securityholder shall from time to time and at all times hereafter at the request of Whitecap but without further consideration, do and perform all such further acts, matters and things and execute and deliver all such further documents, deeds, assignments, agreements, notices and writings and give such further assurances as shall be reasonably required for the purpose of giving effect to this letter agreement.

11. Enurement

This letter agreement will be binding upon and enure to the benefit of Whitecap, the Securityholder and their respective executors, administrators, successors and permitted assigns.

12. Applicable Law

This letter agreement shall be governed and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein and each of the parties hereto irrevocably attorns to the jurisdiction of the courts of the Province of Alberta.

13. Severability

If any provision of this letter agreement is determined to be void or unenforceable, in whole or in part, it shall be severable from all other provisions hereof and shall be deemed not to affect or impair the validity of any other provision hereof and each such provision is deemed to be separate and distinct.

14. Enforcement

The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this letter agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties hereto shall be entitled to an injunction or injunctions without the need for posting of security to prevent breaches of this letter agreement and to enforce specifically the terms and provisions hereof in any court of the Province of Alberta having jurisdiction, this being in addition to any other remedy to which such party is entitled at law or in equity.

15. No Limit on Fiduciary Duty

Nothing contained in this letter agreement will restrict, limit or prohibit the Securityholder from exercising in his or her capacity as a director or officer (if applicable) his or her fiduciary duties to TORC under applicable law or require the Securityholder in his or her capacity as a director or officer (if applicable) of TORC, to take any action in contravention of, or omit to take any action pursuant to, or otherwise take or refrain from taking any actions which are inconsistent with, instructions or directions of the TORC Board of Directors undertaken in the exercise of its fiduciary duties, in compliance with Section 3.4 of the Business Combination Agreement, provided that nothing in this Section 15 will be deemed to relieve the Securityholder from the Securityholder's obligations under any other provision of this letter agreement other than Sections 1 and 2 hereof to the extent that the actions taken by the Securityholder were taken solely in his or her capacity as a director or officer of TORC and in accordance the foregoing.

16. Entire Agreement

This letter agreement supersedes all prior agreements between the parties hereto with respect to the subject matter hereof and contains the entire agreement among the parties with respect to the subject matter hereof. This letter agreement may not be modified or waived, except expressly by an instrument in writing signed by all the parties hereto. No waiver of any provision hereof by any party hereto shall be deemed a waiver by any other party nor shall any such waiver be deemed a continuing waiver of any matter by such party.

17. Counterparts

This letter agreement may be signed in counterparts which together shall be deemed to constitute one valid and binding agreement and delivery of such counterparts may be effected by means of facsimile, e-mail or other electronic transmission.

This letter agreement shall be effective and enforceable in accordance with its terms effective as of the date the Business Combination Agreement is executed by the parties thereto.

[Remainder of page intentionally left blank]

If you are in agreement with the foregoing, please indicate your acceptance thereof by signing and returning this letter to Whitecap.

Yours truly,

WHITECAP RESOURCES INC.

Per: _____
Name: _____
Title: _____

Signature of Securityholder

Name of Securityholder (please print)

Address of Securityholder

Email of Securityholder

Number of TORC Shares beneficially owned by Securityholder,
or over which Securityholder exercises control

Number of Restricted Awards held by Securityholder

Number of Performance Awards held by Securityholder

SCHEDULE "C"

FORM OF WHITECAP SUPPORT AGREEMENT

FORM OF WHITECAP SUPPORT AGREEMENT

_____, 2020

To the Undersigned Securityholder of Whitecap Resources Inc.

Dear Sir / Madame:

Re: *Agreement respecting the Business Combination involving Whitecap Resources Inc. and TORC Oil & Gas Ltd.*

Reference is made to the business combination agreement dated on or about December 8, 2020 (the "**Business Combination Agreement**") between Whitecap Resources Ltd. ("**Whitecap**") and TORC Oil & Gas Ltd. ("**TORC**") pursuant to which, among other things, Whitecap has agreed to directly or indirectly purchase all of the issued and outstanding common shares in the capital of TORC (including all of the TORC Shares issued upon the settlement of the outstanding restricted awards and performance awards granted under the share award incentive plan of TORC) for the consideration set forth in the Business Combination Agreement.

Common shares of Whitecap ("**Whitecap Shares**") and restricted share awards of Whitecap ("**Whitecap Share Awards**") granted pursuant to Whitecap's award incentive plan are collectively referred to herein as the "**Whitecap Securities**". Capitalized words and phrases used but not defined herein shall have the meaning ascribed to them in the Business Combination Agreement.

We understand that you (the "**Securityholder**") beneficially own or exercise control or direction over, directly or indirectly, the number of Whitecap Securities set forth on the execution page of this letter agreement (the "**Subject Securities**").

Any references in this letter agreement to Whitecap Securities owned by the Securityholder shall mean such number of Whitecap Securities owned by the Securityholder as at the date hereof and, where the context requires, shall include all Whitecap Shares issued to the Securityholder after the date hereof pursuant to the settlement the outstanding Whitecap Share Awards held by the Securityholder and any other Whitecap Securities otherwise acquired.

This letter agreement sets forth the agreement between TORC and the Securityholder that the Securityholder agrees to vote the following Securityholder's Whitecap Securities, to the extent that such securities have voting rights under the Business Combination, in favour of the Business Combination (and in favour of any actions or resolutions required in furtherance of completing the Business Combination) at any meeting of the Whitecap securityholders, however called, for the purpose of approving the Business Combination and any adjournment or postponement thereof (the "**Meeting**"): (i) all of the Subject Securities; and (ii) any and all other Whitecap Securities hereafter acquired or controlled by the Securityholder in his or her personal capacity either directly or indirectly before the date of the Meeting ((i) and (ii) are together referred to as the "**Securityholder's Whitecap Securities**"), and to otherwise support the Business Combination, subject to the terms and conditions of this letter agreement.

The Securityholder acknowledges and agrees that the completion of the Business Combination is subject to various conditions as set forth in the Business Combination Agreement, which conditions are for the exclusive benefit of Whitecap and/or TORC, which Whitecap and/or TORC has the right, in its sole discretion, to waive in whole or in part, or to rely on in connection with termination of the Business Combination Agreement and this letter agreement and their respective obligations to complete the Business Combination. Further, the Securityholder acknowledges and agrees that the Business Combination

Agreement may be amended or amended and restated and any such amendment or amendment and restatement shall not in any way affect the obligations of the Securityholder hereunder except as provided in Section 4 hereof. By executing this letter agreement, the Securityholder understands and acknowledges that TORC is entering into the Business Combination Agreement in reliance on the Securityholder's execution and delivery of this letter agreement and the terms contained herein, and in consideration for TORC entering into the Business Combination Agreement with Whitecap, each of TORC and the Securityholder hereby agrees to be bound by the terms set forth herein.

1. Covenants of the Securityholder

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms and conditions hereof, from the date hereof until the termination of this letter agreement in accordance with Section 4 hereof, the Securityholder hereby covenants and agrees, as follows:

- (a) to vote (or cause to be voted), and provide evidence thereof, including if voting by proxy, to TORC within five (5) days prior to the Whitecap Meeting all of the Securityholder's Whitecap Securities in favour of all resolutions required in furtherance of completing the Business Combination, including the Amendment Resolution and the Share Issuance Resolution, as contemplated by the Business Combination Agreement, and any actions required in furtherance of the actions contemplated thereby at the Whitecap Meeting and not withdraw any proxies or change the vote thereof;
- (b) to vote (or to cause to be voted) all of the Securityholder's Whitecap Securities at any meeting of securityholders of Whitecap against any resolution or transaction which would in any manner, frustrate, prevent, delay or nullify the Business Combination or any of the other transactions contemplated by the Business Combination Agreement;
- (c) except to the extent permitted hereunder, not take any action of any kind which would cause any of its representations or warranties in this letter agreement to become untrue or which may in any way materially adversely affect the success of the Business Combination, the completion of the Business Combination or the purchase of any Whitecap Shares (including the Whitecap Shares issuable upon the settlement of any Whitecap Share Awards or other Whitecap securities held by the Securityholder) under the Business Combination;
- (d) promptly notify TORC upon any of the Securityholder's representations or warranties in this letter agreement becoming untrue or incorrect in any material respect during the period commencing on the date hereof and expiring at the earlier of the Effective Time and the termination of this letter agreement in accordance with Section 4 hereof, and for the purpose of this provision, each representation and warranty shall be deemed to be given at and as of all times during such period (irrespective of any language which suggests that it is only being given as at the date hereof);
- (e) not to grant or agree to grant any proxy or other right to vote any of the Securityholder's Whitecap Securities (other than as permitted under subsections 1(a) and 1(b) hereof or in respect of any regularly held annual meeting of Whitecap with respect to matters that do not affect the Business Combination), or enter into any voting trust, vote pooling or other agreement with respect to the right to vote, call meetings of securityholders or give consents or approval of any kind as to any of the Securityholder's Whitecap Securities (other than in connection with the performance by the Securityholder of its obligations hereunder);

- (f) not to sell, transfer, assign, convey or otherwise dispose of, or enter into any agreement or understanding relating to the sale, transfer, assignment, conveyance or other disposition of, any of the Securityholder's Whitecap Securities to any person other than to: (i) TORC or any subsidiary of TORC (as such term is defined in the *Securities Act (Alberta)*); or (ii) an affiliate or associate (as those terms are defined in the *Securities Act (Alberta)*) of such Securityholder provided that such affiliate or associate first agrees with TORC to be bound by the terms hereof;
- (g) notwithstanding Section 1(f) hereof, the Securityholder may sell, assign, convey or otherwise transfer or dispose of any or all of the Securityholder's Whitecap Securities to a Related Person provided that such Related Person enters into an agreement with TORC on the same terms as this letter agreement, or otherwise agrees with TORC to be bound by the provisions hereof or as otherwise consented to by TORC, which consent may be arbitrarily withheld. For the purposes hereof, "**Related Person**" means: (i) a spouse, parent, grandparent, brother, sister or child of the Securityholder; (ii) a company or family trust if all of the voting securities of such company are held by, or all the beneficiaries of such trust are, one or more of the persons referred to in clause (i); or (iii) an "associate" or "affiliate" within the meaning of the *Securities Act (Alberta)*;
- (h) except to the extent permitted hereunder, not to take any action, directly or indirectly, which may reasonably be expected to adversely affect, delay, hinder, upset or challenge the successful completion of the Business Combination; and
- (i) to execute and deliver, or cause to be executed and delivered, such additional or further consents, documents or other instruments as Whitecap may reasonably request for the purpose of effectively carrying out the matters contemplated by this letter agreement.

2. Representations and Warranties

The Securityholder represents and warrants to TORC that:

- (a) the Securityholder is duly authorized and has the authority to execute and deliver this letter agreement and to carry out the transactions contemplated hereby and this letter agreement is a valid and binding agreement enforceable against the Securityholder in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other applicable laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered;
- (b) neither the execution of this letter agreement by the Securityholder nor the completion by the Securityholder of the transactions contemplated hereby will constitute a violation of or default under, or conflict with, any contract, commitment, agreement, understanding, arrangement or restriction of any kind to which the Securityholder will be a party or by which it will be bound at the time of completion of such transactions;
- (c) (i) the Securityholder is the beneficial owner of or exercises control and direction, directly or indirectly, over the number of Whitecap Shares and Whitecap Share Awards, set forth on the execution page of this letter agreement; and (ii) as at the date hereof, the foregoing Whitecap Shares and Whitecap Share Awards as set forth on the execution page hereof are the only securities in the capital of Whitecap (or securities convertible, exchanged or

exercisable into Whitecap Securities) beneficially owned by the Securityholder or over which he, she or it, directly or indirectly, exercises control or direction;

- (d) other than pursuant to this letter agreement, the Whitecap Shares (including the Whitecap Shares issuable upon the settlement of the Whitecap Share Awards) owned or controlled by the Securityholder are not subject to any securityholder agreements, voting trust or similar agreements or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming a securityholders' agreement, voting trust or other agreement affecting such Whitecap Shares or any interest therein or right thereto, including, without limitation, the voting of any such securities;
- (e) other than pursuant to this letter agreement, the Securityholder has not previously granted or agreed to grant any proxy or any other right to vote any of the Securityholder's Whitecap Securities in respect of any meeting of securityholders of Whitecap that is currently in force, and has not entered into a voting trust, vote pooling or other agreement with respect to his, her or its right to vote, call meetings of securityholders of Whitecap or give consents or approvals of any kind as to the Securityholder's Whitecap Securities;
- (f) there are no legal proceedings currently in progress or pending before any Governmental Authority or, to the Securityholder's knowledge, threatened against the Securityholder or any of such Securityholder's affiliates that would materially adversely affect in any manner the ability of the Securityholder to enter into this letter agreement and to perform its obligations hereunder, and there is no current and enforceable judgment, decree or order against the Securityholder that would adversely affect in any manner the ability of the Securityholder to enter into this letter agreement and to perform its obligations hereunder; and
- (g) no authorization, consent or approval from, or filing, registration, declaration or qualification with, or before, or giving notice to, any person is required to be obtained, given or made in connection with the execution and delivery by the Securityholder of this letter agreement, the performance of the terms hereof by the Securityholder or the consummation of the transactions contemplated hereby by the Securityholder, except for those which have been (or will be with respect to consummation of the Business Combination) duly and unconditionally obtained and are (or will be with respect to consummation of the Business Combination) in full force and effect.

3. Expenses

TORC and the Securityholder agree to pay their own respective expenses incurred in connection with this letter agreement.

4. Termination

It is understood and agreed that the respective rights and obligations hereunder of TORC and the Securityholder shall cease and this letter agreement shall terminate on the earlier of: (a) the Effective Time; (b) the date on which this letter agreement is terminated by the mutual written agreement of the parties hereto; (c) the close of business on the date of the Whitecap Meeting at which a Whitecap Shareholder vote is held and the Share Issuance Resolution is not approved by the requisite majority of Whitecap Shareholders; (d) the date of the TORC Meeting at which a TORC Shareholder vote is held and the Business Combination Resolution is not approved by the requisite majority of TORC Shareholders; and (e) the date on which the Business Combination Agreement is terminated in accordance with its terms.

In the event of termination of this letter agreement, this letter agreement shall forthwith be of no further force and effect, except for Sections 3, 6, 7, 10, 11 and 13 and this Section 4, which provisions shall survive the termination of this letter agreement and there shall be no liability on the part of either the Securityholder or TORC or any of its affiliates or associates, except to the extent that either such party is in default of its obligations herein contained.

5. Future Amendments

To the extent that the Business Combination Agreement is amended, modified, restated, replaced or superseded from time to time, all references herein to the Business Combination Agreement shall be to the Business Combination Agreement as amended, modified or restated from time to time or to the agreement which has replaced or superseded it from time to time, and all references to particular sections of the Business Combination Agreement shall be deemed to be references to the analogous provision in the Business Combination Agreement as amended, modified or restated from time to time or to the agreement which has replaced or superseded it from time to time.

6. Assignment

Except as expressly set forth herein, no party to this letter agreement may assign any of its rights or obligations under this letter agreement without the prior written consent of the other party.

7. Disclosure

Prior to the first public disclosure of the existence and terms and conditions of this letter agreement by Whitecap or TORC or an affiliate thereof, the Securityholder shall not disclose the existence of this letter agreement or any details hereof or the possibility of the Business Combination being effected to any person other than: (i) the Securityholder's advisors (provided that the Securityholder's advisors shall be required to comply with the foregoing disclosure obligations and the Securityholder agrees to be responsible for any breach of such disclosure obligations by any of the Securityholder's advisors); and (ii) Whitecap and its directors, officers and advisors, without the prior written consent of TORC, except to the extent required by applicable law, stock exchange rules or policies of regulatory authorities having jurisdiction which TORC after reasonable notice will not consent to, and any disclosure by the Securityholder after the first public disclosure of the existence and terms and conditions of this letter agreement by TORC or Whitecap or an affiliate thereof shall be permitted only to the extent that any such information disclosed by the Securityholder has already been publicly disclosed by one of these parties other than the Securityholder. Notwithstanding anything contained herein or elsewhere, the existence and terms and conditions of this letter agreement may be disclosed by Whitecap and TORC in any press release issued in connection with the execution of the Business Combination Agreement or to the extent required by applicable law.

8. Notices

All notices to be given to a party hereunder shall be in writing and delivered personally, by overnight courier or email transmission, addressed, in the case of the Securityholder, to the address set forth in the signature page of the Securityholder set forth in this letter agreement, and in the case of TORC at the following address:

TORC Oil & Gas Ltd.
Suite 1800 Eighth Avenue Place
525 – 8th Avenue SW
Calgary, AB T2P 1G1

Attention: Jason Zabinsky
Email: jzabinsky@torcoil.com

with a copy to:

McCarthy Tetrault LLP
4000, 421 - 7th Avenue SW
Calgary, Alberta, T2P 4K9

Attention: Gordon Cameron
Email: GCAMERON@mccarthy.ca

9. Further Assurances

The Securityholder shall from time to time and at all times hereafter at the request of TORC but without further consideration, do and perform all such further acts, matters and things and execute and deliver all such further documents, deeds, assignments, agreements, notices and writings and give such further assurances as shall be reasonably required for the purpose of giving effect to this letter agreement.

10. Enurement

This letter agreement will be binding upon and enure to the benefit of TORC, the Securityholder and their respective executors, administrators, successors and permitted assigns.

11. Applicable Law

This letter agreement shall be governed and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein and each of the parties hereto irrevocably attorns to the jurisdiction of the courts of the Province of Alberta.

12. Severability

If any provision of this letter agreement is determined to be void or unenforceable, in whole or in part, it shall be severable from all other provisions hereof and shall be deemed not to affect or impair the validity of any other provision hereof and each such provision is deemed to be separate and distinct.

13. Enforcement

The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this letter agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties hereto shall be entitled to an injunction or injunctions without the need for posting of security to prevent breaches of this letter agreement and to enforce specifically the terms and provisions hereof in any court of the Province of Alberta having jurisdiction, this being in addition to any other remedy to which such party is entitled at law or in equity.

14. Entire Agreement

This letter agreement supersedes all prior agreements between the parties hereto with respect to the subject matter hereof and contains the entire agreement among the parties with respect to the subject matter hereof. This letter agreement may not be modified or waived, except expressly by an instrument in writing signed by all the parties hereto. No waiver of any provision hereof by any party hereto shall be deemed a waiver by any other party nor shall any such waiver be deemed a continuing waiver of any matter by such party.

15. Counterparts

This letter agreement may be signed in counterparts which together shall be deemed to constitute one valid and binding agreement and delivery of such counterparts may be effected by means of facsimile, e-mail or other electronic transmission.

This letter agreement shall be effective and enforceable in accordance with its terms effective as of the date the Business Combination Agreement is executed by the parties thereto.

[Remainder of page intentionally left blank]

If you are in agreement with the foregoing, please indicate your acceptance thereof by signing and returning this letter to TORC.

Yours truly,

TORC OIL & GAS LTD.

Per: _____
Name:
Title:

Signature of Securityholder

Name of Securityholder (please print)

Address of Securityholder

Email of Securityholder

Number of Whitecap Shares beneficially owned by
Securityholder, or over which Securityholder exercises control

Number of Whitecap Share Awards held by Securityholder

APPENDIX "D"
INTERIM ORDER

Court File Number

Court COURT OF QUEEN'S BENCH OF ALBERTA

Judicial Centre Calgary

Matter IN THE MATTER OF SECTION 193 OF THE *BUSINESS CORPORATIONS ACT*, RSA 2000, c. B-9, AS AMENDED

AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING TORC OIL & GAS LTD., WHITECAP RESOURCES INC. AND THE SHAREHOLDERS OF TORC OIL & GAS LTD.

Applicant **TORC OIL & GAS LTD.**

Document **INTERIM ORDER**

Address for Service
and Contact
Information of
Party Filing this
Document **McCARTHY TÉTRAULT LLP**
Barristers and Solicitors
Suite 4000, 421-7th Avenue S.W.
Calgary, Alberta, Canada, T2P 4K9
Attention: Sean S. Smyth, Q.C. / Lyndsey Delamont
Telephone: (403) 260- 3698 / 3647
Facsimile: (403) 260-3501
File No.: 213259-539850

DATE ON WHICH ORDER WAS PRONOUNCED:	December 18, 2020
NAME OF JUDGE WHO MADE THIS ORDER:	The Honourable Alan D. Macleod
LOCATION OF HEARING:	Calgary

UPON the Originating Application (the "**Originating Application**") of TORC Oil & Gas Ltd. ("**TORC**" or the "**Applicant**");

AND UPON reading the Originating Application, the Affidavit of Jason Zabinsky, sworn December 15, 2020 (the "**Zabinsky Affidavit**"), and the Supplemental Affidavit of Jason Zabinsky, sworn December 16, 2020 (the "**Supplemental Zabinsky Affidavit**") and the documents referred to therein;

AND UPON HEARING counsel for the Applicant;

FOR THE PURPOSES OF THIS ORDER:

- (a) the capitalized terms used and not otherwise defined in this Order (the “**Order**”) shall have the meanings attributed to them in the draft Notice of Special Meeting of the Shareholders of TORC, Notice of Application and Joint Management Information Circular and Proxy Statement (the “**Information Circular**”) attached as Exhibit “A” to the Supplemental Zabinsky Affidavit; and
- (b) all references to “**Arrangement**” used herein mean the arrangement as set forth in the plan of arrangement attached as Schedule “A” (the “**Plan of Arrangement**”) to the business combination agreement (the “**Business Combination Agreement**”), which Business Combination Agreement is attached as Exhibit “A” to the Zabinsky Affidavit.

IT IS HEREBY ORDERED THAT:

General

1. The Applicant shall seek approval of the Arrangement as described in the Information Circular of the holders (“**TORC Shareholders**”) of issued and outstanding common shares of TORC (the “**TORC Shares**”) registered as such (the “**Registered TORC Shareholders**”) as at January 4, 2021 (the “**Record Date**”) and which, for greater certainty, includes persons who become Registered TORC Shareholders as at the Record Date through the exercise of the TORC Share Awards in the manner set forth below.

The Meeting

2. The Applicant shall call and conduct a special meeting (the “**Meeting**”) of TORC Shareholders to take place on or about February 18, 2021. At the Meeting, the TORC Shareholders will consider and vote upon: (i) a resolution to approve the Arrangement substantially in the form attached as Appendix “A” to the Information Circular (the “**Arrangement Resolution**”); and (ii) such other business as may properly be brought before the Meeting or any adjournment or postponement thereof, all as more particularly described in the Information Circular.
3. A quorum at the Meeting shall be persons present being not fewer than two (2) in number and holding or representing by proxy not less than 5% of the TORC Shares entitled to be voted at the Meeting.

4. If within 30 minutes from the time appointed for the Meeting, a quorum is not present, the Meeting shall stand adjourned to a date not less than two (2) and not more than 10 days later, as may be determined by the Chair of the Meeting. No notice of the adjourned meeting shall be required and, if at such adjourned meeting a quorum is not present, the TORC Shareholders present at the adjourned meeting in person or represented by proxy shall constitute a quorum for all purposes.
5. The TORC Shareholders entitled to vote at the TORC Meeting shall vote together as one class with each such TORC Shareholder being entitled to one vote for each TORC Share held.
6. Only TORC Shareholders of record as at the Record Date will be entitled to vote at the Meeting, unless in the case of a TORC Shareholder transferring their TORC Shares after the Record Date, the transferee of such TORC Shares: (i) produces properly endorsed certificates evidencing such TORC Shares or otherwise establishes that the transferee owns such TORC Shares; and (ii) demands, at least 10 days before the Meeting, that the transferee's name be included in the list of TORC Shareholders entitled to vote at the Meeting.
7. The Meeting shall be called, held and conducted in accordance with the Information Circular, the articles and by-laws of the Applicant in effect at the relevant time, the applicable provisions of the *Business Corporations Act (Alberta)* (the "**ABCA**"), the rulings and directions of the Chair of the Meeting, this Order and any further Order of this Court. To the extent that there is any inconsistency or discrepancy between this Order and the ABCA or the articles or by-laws of the Applicant, the terms of this Order shall govern.

Conduct of the Meeting

8. The Chair of the Meeting shall be any person nominated by the TORC Board for that purpose.
9. The scrutineer of the Meeting (the "**Scrutineer**") shall be appointed by the Chair of the Meeting at the Meeting.
10. The only persons entitled to attend the Meeting shall be:
 - (a) Registered TORC Shareholders or their authorized proxy holders;

- (b) the Applicant's directors, officers, employees, auditors, and solicitors of the parties to the Arrangement Agreement;
 - (c) the scrutineer and its representatives; and
 - (d) such other persons who may be permitted to attend by the Chair of the Meeting.
11. The number of votes required to pass the Arrangement Resolution shall be:
- (a) not less than 66⅔% of the votes cast by TORC Shareholders present in person or represented by proxy at the Meeting; and
 - (b) not less than a simple majority of the votes cast by TORC Shareholders present in person or represented by proxy at the Meeting after excluding the votes cast by those persons whose votes are required to be excluded in accordance with Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.
12. To be valid, a proxy must be deposited in the manner described in the Information Circular.
13. The accidental omission to give notice of the Meeting or the non-receipt of the notice shall not invalidate any resolution passed or proceedings taken at the Meeting.
14. The Applicant is authorized to adjourn or postpone the Meeting on one or more occasions (whether or not a quorum is present, if applicable) and for such period or periods of time as the Applicant deems advisable, without the necessity of first convening the Meeting or first obtaining any vote of the TORC Shareholders in respect of the adjournment or postponement. Notice of such adjournment or postponement may be given by such method as the Applicant determines is appropriate in the circumstances. If the Meeting is adjourned or postponed in accordance with this Order, the references to the Meeting in this Order shall be deemed to be the Meeting as adjourned or postponed, as the context allows.

Amendments to the Arrangement

15. The Applicant is authorized to make such amendments, revisions or supplements to the Arrangement as it may determine necessary or desirable, provided that such amendments, revisions or supplements are made in accordance with and in the manner

contemplated by the Arrangement and the Business Combination Agreement. The Arrangement so amended, revised or supplemented shall be deemed to be the Arrangement submitted to the Meeting and the subject of the Arrangement Resolution, without need to return to this Court to amend this Order.

Amendments to Meeting Materials

16. The Applicant is authorized to make such amendments, revisions or supplements (“**Additional Information**”) to the Information Circular, form of proxy (“**Proxy**”), notice of the Meeting (“**Notice of Meeting**”), form of letter of transmittal (“**Letter of Transmittal**”), notice of Originating Application (“**Notice of Originating Application**”) and Notice-and-Access Notice (“**N&A Notice**”) as it may determine, and the Applicant may disclose such Additional Information, including material changes, by the method and in the time most reasonably practicable in the circumstances as determined by the Applicant. Without limiting the generality of the foregoing, if any material change or material fact arises between the date of this Order and the date of the Meeting, which change or fact, if known prior to mailing of the Information Circular, would have been disclosed in the Information Circular, then:
- (a) the Applicant shall advise the TORC Shareholders of the material change or material fact by disseminating a news release (a “**News Release**”) in accordance with applicable securities laws and the policies of the Toronto Stock Exchange; and
 - (b) provided that the News Release describes the applicable material change or material fact in reasonable detail, the Applicant shall not be required to deliver an amendment to the Information Circular to the TORC Shareholders or otherwise give notice to the TORC Shareholders of the material change or material fact other than dissemination and filing of the News Release as aforesaid.

Dissent Rights

17. The Registered TORC Shareholders are, subject to the provisions of this Order and the Arrangement, including Article 4.1 of the Plan of Arrangement, accorded the right to dissent under section 191 of the ABCA with respect to the Arrangement Resolution and the right be paid the fair value of their TORC Shares by Whitecap in respect of which such right to dissent was validly exercised.

18. In order for a Registered TORC Shareholder (a “**Dissenting Shareholder**”) to exercise such right to dissent under section 191 of the ABCA as modified and supplemented by this Order:
- (a) the Dissenting Shareholder’s written objection to the Arrangement Resolution must be received by the Applicant, care of McCarthy Tétrault LLP, Suite 4000, 421 – 7 Avenue SW, Calgary, Alberta, T2P 4K9 Attention Sean S. Smyth, Q.C., by not later than 5:00 p.m. (Calgary time) on February 10, 2021 (or the fifth Business Day immediately preceding the date of any TORC Meeting that was adjourned or postponed, as applicable).
 - (b) a vote against the Arrangement Resolution, whether in person or by proxy, shall not constitute a written objection to the Arrangement Resolution as required under subclause (a) hereof;
 - (c) a Dissenting Shareholder shall not have voted his or her TORC Shares at the Meeting, either by proxy or in person, in favour of the Arrangement Resolution;
 - (d) a TORC Shareholder may not exercise the right to dissent in respect of only a portion of the TORC Shareholder’s Shares, but may dissent only with respect to all of the TORC Shares held by the TORC Shareholder; and
 - (e) the exercise of such right to dissent must otherwise comply with the requirements of section 191 of the ABCA, as modified and supplemented by this Order and the Arrangement.
19. The fair value of the consideration to which a Dissenting Shareholder is entitled pursuant to the Arrangement shall be determined as of the close of business on the last business day before the day on which the Arrangement Resolution is approved by the TORC Shareholders and shall be paid to the Dissenting Shareholders by Whitecap as contemplated by the Arrangement and this Order.
20. Dissenting Shareholders who validly exercise their right to dissent, as set out above, and who:
- (a) are determined to be entitled to be paid the fair value of their TORC Shares, shall be deemed to have transferred such TORC Shares as of the Effective Time,

without any further act or formality and free and clear of all liens, claims and encumbrances to Whitecap in exchange for the fair value of the TORC Shares; or

- (b) are, for any reason (including, for clarity, any withdrawal by any Dissenting Shareholder of their dissent) determined not to be entitled to be paid the fair value for their TORC Shares shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting TORC Shareholder and such TORC Shares will be deemed to be exchanged for the consideration under the Arrangement,

but in no event shall the Applicant, Whitecap or any other person be required to recognize such TORC Shareholders as holders of TORC Shares after the Effective Time, and the names of such TORC Shareholders shall be removed from the register of TORC Shares.

- 21. Subject to further order of this Court, the rights available to Registered TORC Shareholders under the ABCA, this Order and the Arrangement to dissent from the Arrangement Resolution shall constitute full and sufficient dissent rights for the Registered TORC Shareholders with respect to the Arrangement Resolution.
- 22. Notice to the Registered TORC Shareholders of their right to dissent with respect to the Arrangement Resolution and to receive, subject to the provisions of the ABCA, this Order and the Plan of Arrangement, the fair value of the consideration to which a Dissenting Shareholder is entitled pursuant to the Arrangement shall be sufficiently given by including information with respect to this right as set forth in the Information Circular which is to be sent to Registered TORC Shareholders in accordance with paragraph 23 of this Order.

Notice

- 23. The Information Circular, substantially in the form attached as Exhibit "A" to the Supplemental Zabinsky Affidavit, with such amendments thereto as counsel to the Applicant may determine necessary or desirable (provided such amendments are not inconsistent with the terms of this Order), and including the Notice of the Meeting, the Proxy, the Notice of Originating Application, the N&A Notice and this Order, together with any other communications or documents determined by the Applicant to be necessary or advisable, including the Letter of Transmittal (collectively, the "**Meeting Materials**"), shall be sent to those TORC Shareholders who are registered as such as at the Record Date, the directors of the Applicant, and the auditors of the Applicant, by one or more of the following methods:

- (a) in the case of registered TORC Shareholders, by pre-paid first class or ordinary mail, by courier or by delivery in person, addressed to each such holder at his, her or its address, as shown on the books and records of the Applicant as of the Record Date not later than 21 days prior to the Meeting;
 - (b) in the case of non-registered TORC Shareholders, by providing sufficient copies of the Meeting Materials to intermediaries, in accordance with National Instrument 54-101 – *Communication With Beneficial Owners of Securities of a Reporting Issuer*, and
 - (c) in the case of the directors and auditors of TORC, transmission of the Meeting Materials to their business e-mail addresses shall be good and sufficient service.
24. TORC has elected to use the "notice-and-access" provisions under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**" or the "**Notice and Access Provisions**") for the TORC Meeting in respect of those TORC Shareholders who do not hold their TORC Shares in their own name ("**Beneficial TORC Shareholders**"). The Notice and Access Provisions provide that Beneficial TORC Shareholders will receive only the Notice-and-Access Notification and a voting instruction form through intermediaries in accordance with NI 54-101 (the "**Notice-and-Access Materials**"). The Notice-and-Access Materials contain certain prescribed information, including the time and place of the TORC Meeting, the matters to be considered, where to find the Meeting Materials and how to obtain a paper copy of the same. Intermediaries may receive standing instructions from their client Beneficial TORC Shareholders to obtain paper copies of the Meeting Materials. The Notice-and-Access Materials will be distributed not less than 30 days before the TORC Meeting to Beneficial TORC Shareholders. A copy of the Notice-and-Access Notification shall be attached as part of Exhibit "A" to the Supplemental Zabinsky Affidavit.
25. Delivery of the Meeting Materials or the Notice-and-Access Materials, as applicable, in the manner directed by this Order shall be deemed to be good and sufficient service upon the TORC Shareholders, the directors and auditors of the Applicant of:
- (a) the Originating Application;
 - (b) this Order;

- (c) the Notice of the Meeting;
- (d) the contents of the Meeting Materials; and
- (e) the Notice of Originating Application.

Final Application

26. Subject to further order of this Court, and provided that the TORC Shareholders have approved the Arrangement in the manner directed by this Court and the directors of the Applicant have not revoked their approval, the Applicant may proceed with an application for a final Order of the Court approving the Arrangement (the “**Final Order**”) at 4 p.m. on February 18, 2021 or so soon thereafter as counsel may be heard. Subject to the Final Order and to the issuance of the proof of filing of the articles of arrangement, the Applicant, all TORC Shareholders and all other persons affected will be bound by the Arrangement in accordance with its terms.
27. Any TORC Shareholder or other interested party (other than Whitecap) (each an “**Interested Party**”) desiring to appear and make submissions at the application for the Final Order is required to file with this Court and serve upon the Applicant, on or before 5:00 p.m. (Calgary time) on February 10, 2021 (or the business day that is five (5) business days prior to the date of the Meeting if it is not held on February 18, 2021), a notice of intention to appear (“**Notice of Intention to Appear**”) including the Interested Party’s address for service (or alternatively, a facsimile number for service by facsimile or an email address for service by electronic mail), indicating whether such Interested Party intends to support or oppose the application or make submissions at the application, together with a summary of the position such Interested Party intends to advocate before the Court, and any evidence or materials which are to be presented to the Court. Service of this notice on the Applicant shall be effected by service upon the solicitors for the Applicant, McCarthy Tétrault LLP, 4000, 421 – 7th Avenue S.W., Calgary, Alberta, T2P 4K9, Attention: Sean S. Smyth, Q.C., or by facsimile at (403) 260-3501 or by e-mail at ssmyth@mccarthy.ca.
28. In the event that the application for the Final Order is adjourned, only those parties appearing before this Court for the Final Order, and those Interested Parties serving a Notice of Intention to Appear in accordance with paragraph 27 of this Order, shall have notice of the adjourned date.

Leave to Vary Interim Order

29. The Applicant is entitled at any time to seek leave to vary this Order upon such terms and the giving of such notice as this Court may direct.

(signed) "*The Honourable Justice Alan D. Macleod*"

Justice of the Court of Queen's Bench of Alberta

APPENDIX "E"

TORC FAIRNESS OPINION



December 8, 2020

The Board of Directors
TORC Oil & Gas Ltd.
Suite 1800 Eighth Avenue Place
525 – 8th Avenue SW
Calgary, AB T2P 1G1

To the Board of Directors:

RBC Dominion Securities Inc. ("RBC"), a member company of RBC Capital Markets, understands that TORC Oil & Gas Ltd. ("TORC" or the "Company") and Whitecap Resources Inc. ("Whitecap") propose to enter into a business combination agreement to be dated December 8, 2020 (the "Agreement") to effect a plan of arrangement (the "Plan of Arrangement") under the Business Corporations Act (Alberta), pursuant to which Whitecap will acquire all of the issued and outstanding common shares of the Company (the "TORC Shares") for consideration of 0.57 common shares of Whitecap (the "Whitecap Shares") for each TORC Share. The terms of the Plan of Arrangement will be more fully described in a joint management information circular (the "Circular"), which will be mailed to holders of the TORC Shares (the "TORC Shareholders") and holders of the Whitecap Shares (the "Whitecap Shareholders") in connection with the Plan of Arrangement.

RBC understands that the Canada Pension Plan Investment Board ("CPPIB"), which owns approximately 29% of the TORC Shares as of the date hereof, intends to enter into a support agreement with Whitecap (the "CPPIB Support Agreement") whereby it will agree, subject to the terms and conditions contained therein, to vote in favour of the Plan of Arrangement.

The board of directors of the Company (the "Board") has retained RBC to prepare and deliver to the Board RBC's opinion (the "Fairness Opinion") as to the fairness of the consideration under the Plan of Arrangement from a financial point of view to the TORC Shareholders. RBC has not prepared a valuation of the Company, Whitecap, or any of their securities or assets and the Fairness Opinion should not be construed as such.

Engagement

The Board initially contacted RBC regarding a potential assignment in October 2020, and RBC was formally engaged by the Board through an agreement between the Company and RBC (the "Engagement Agreement") dated October 30, 2020. The terms of the Engagement Agreement provide that RBC is to be paid a fee for the delivery of the Fairness Opinion (regardless of its conclusion). Under certain circumstances, RBC could be engaged by the Board under a separate engagement agreement to provide services for which a fee would be contingent on a change of control of the Company or certain other events. In addition, RBC is to be reimbursed for its reasonable out-of-pocket expenses and to be indemnified by the Company in certain circumstances. RBC consents to the inclusion of the Fairness Opinion in its entirety and a summary thereof in the Circular and to the filing thereof, as necessary, by the Company with the securities commissions or similar regulatory authorities in each province of Canada.

Relationship With Interested Parties

Neither RBC, nor any of its affiliates is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario)) of the Company, Whitecap or any of their respective associates or affiliates. RBC has not been engaged to provide any financial advisory services nor has it participated in any financing involving the Company, Whitecap, CPPIB or any of their respective associates or affiliates, within the past two years, other than the services provided under the Engagement Agreement and as disclosed herein. In the past two years, RBC has been engaged in the following capacities for CPPIB and its associates or affiliates in CPPIB's private equity, real assets, and relationship investments investment programs: (i) financial advisor on three transactions with an aggregate transaction value of C\$2.4 billion; (ii) sole syndicator or co-manager for two offerings of equity securities for gross proceeds of C\$522 million, and joint bookrunner for one active undisclosed initial public offering of equity securities; and (iii) joint bookrunner, lead arranger, or agent for 15 offerings of debt securities for gross proceeds of C\$10.9 billion. There are no understandings, agreements or commitments between RBC and the Company, Whitecap, CPPIB or any of their respective associates or affiliates with respect to any future business dealings, other than as described herein. RBC may, in the future, in the ordinary course of its business, perform financial advisory or investment banking services for the Company, Whitecap, CPPIB or any of their respective associates or affiliates. The compensation of RBC under the Engagement Agreement does not depend in whole or in part on the conclusions reached in the Fairness Opinion or the successful outcome of the Plan of Arrangement. Royal Bank of Canada, controlling shareholder of RBC, provides banking services to the Company, Whitecap, CPPIB and certain of its associates or affiliates in the normal course of business.

RBC acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of the Company, Whitecap or any of their respective associates or affiliates and, from time to time, may have executed or may execute transactions on behalf of such companies or clients for which it received or may receive compensation. As an investment dealer, RBC conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including with respect to the Company, Whitecap or the Plan of Arrangement.

Credentials of RBC Capital Markets

RBC is one of Canada's largest investment banking firms, with operations in all facets of corporate and government finance, corporate banking, mergers and acquisitions, equity and fixed income sales and trading and investment research. RBC Capital Markets also has significant operations in the United States and internationally. The Fairness Opinion expressed herein represents the opinion of RBC and the form and content herein have been approved for release by a committee of its directors, each of whom is experienced in merger, acquisition, divestiture and fairness opinion matters.

Scope of Review

In connection with our Fairness Opinion, we have reviewed and relied upon or carried out, among other things, the following:

1. the most recent draft, dated December 8, 2020, of the Agreement;
2. the most recent draft, dated December 8, 2020 of the Plan of Arrangement;
3. the most recent draft, dated December 8, 2020, of the form of support agreement to be entered into by TORC's management team and the Board with Whitecap;
4. the most recent draft, dated December 8, 2020, of the form of hold period agreement to be entered into by TORC's management team and the Board with Whitecap;

5. the most recent draft, dated December 8, 2020, of the CPPIB Support Agreement;
6. audited financial statements of each of the Company and Whitecap for each of the five years ended December 31, 2015, 2016, 2017, 2018, and 2019;
7. the unaudited interim reports of each of the Company and Whitecap for the quarters ended March 31, June 30, and September 30, 2020;
8. annual reports of each of the Company and Whitecap for each of the two years ended December 31, 2018 and 2019;
9. the Notice of Annual and Special Meeting and Management Information Circulars of the Company and Whitecap for each of the two years ended December 31, 2018 and 2019;
10. annual information forms of the Company and Whitecap for each of the two years ended December 31, 2018 and 2019;
11. unaudited projected operating and financial information for the years ending December 31, 2020 and 2021 for the Company, prepared by management of the Company;
12. unaudited projected operating and financial information for the years ending December 31, 2020 and 2021 for Whitecap, prepared by management of Whitecap;
13. certain estimates as to the administrative and operational cost savings anticipated by management of each of the Company and Whitecap to result from the Plan of Arrangement;
14. the independent petroleum engineering report of Sproule Associates Limited, dated effective December 31, 2019, evaluating the crude oil and natural gas reserves and associated liquids resources attributable to the Company's properties;
15. the independent petroleum engineering report of McDaniel & Associates Consultants Ltd., dated effective December 31, 2019, evaluating the crude oil and natural gas reserves and associated liquids resources attributable to Whitecap's properties;
16. discussions with senior management of each of the Company and Whitecap;
17. discussions with the Company's legal counsel;
18. public information relating to the business, operations, financial performance and stock trading history of the Company, Whitecap and other selected public companies considered by us to be relevant;
19. public information with respect to other transactions of a comparable nature considered by us to be relevant;
20. public information regarding the Canadian and global oil and gas industries;
21. representations contained in certificates addressed to us, dated as of the date hereof, from senior officers of the Company and from senior officers of Whitecap as to the completeness and accuracy of the information upon which the Fairness Opinion is based; and
22. such other corporate, industry and financial market information, investigations and analyses as RBC considered necessary or appropriate in the circumstances.

RBC has not, to the best of its knowledge, been denied access by the Company to any information requested by RBC.

Assumptions and Limitations

With the Board's approval and as provided for in the Engagement Agreement, RBC has relied upon the completeness, accuracy and fair presentation of all of the financial (including, without limitation, the financial statements of the Company and Whitecap) and other information, data, advice, opinions or representations obtained by it from public sources, senior management of the Company and Whitecap, and their respective consultants and advisors (collectively, the "Information" as it relates

to the Company and the “Whitecap Information” as it relates to Whitecap). The Fairness Opinion is conditional upon such completeness, accuracy and fair presentation of such Information and Whitecap Information. Subject to the exercise of professional judgment and except as expressly described herein, we have not attempted to verify independently the completeness, accuracy or fair presentation of any of the Information or Whitecap Information.

Senior officers of the Company have represented to RBC in a certificate delivered as of the date hereof, among other things, that (i) the Information provided to RBC orally by, or in the presence of, any officer or employee of the Company, or in writing by the Company, any of its affiliates or any of their respective agents or advisors (provided that all material filed by the Company on SEDAR in 2020 shall be considered to have been provided to RBC), for the purpose of preparing the Fairness Opinion was, at the date provided to RBC, and is at the date hereof complete, true and correct in all material respects, did not and does not contain any untrue statement of a material fact, and did not and does not omit to state any material fact necessary to make such Information, or any statement contained therein, not misleading in light of the circumstances in which it was provided to RBC; and that (ii) since the dates on which the Information was provided to RBC, except as disclosed in writing to RBC, there has been no material change or change in material facts, financial or otherwise, in or relating to the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its subsidiaries, material change in the Information, or other material change or change in material facts, in each case, that might reasonably be considered material to the Fairness Opinion.

Senior officers of Whitecap have represented to RBC in a certificate delivered as of the date hereof, among other things, that (i) the Whitecap Information provided to RBC orally by, or in the presence of, any officer or employee of Whitecap, or in writing by Whitecap, any of its affiliates or any of their respective agents or advisors (provided that all material filed by Whitecap on SEDAR in 2020 shall be considered to have been provided to RBC), in connection with RBC providing the Fairness Opinion was, at the date provided to RBC, and is at the date hereof complete, true and correct in all material respects, did not and does not contain any untrue statement of a material fact, and did not and does not omit to state any material fact necessary to make such Whitecap Information, or any statement contained therein, not misleading in light of the circumstances in which it was provided to RBC; and that (ii) since the dates on which the Whitecap Information was provided to RBC, except as disclosed in writing to RBC, there has been no material change or change in material facts, financial or otherwise, in or relating to the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of Whitecap or any of its subsidiaries, material change in the Whitecap Information, or other material change or change in material facts, in each case, that might reasonably be considered material to the Fairness Opinion.

In preparing the Fairness Opinion, RBC has made several assumptions, including that all of the conditions required to implement the Plan of Arrangement will be met.

The Fairness Opinion is rendered on the basis of securities markets, economic, financial and general business conditions prevailing as at the date hereof and the condition and prospects, financial and otherwise, of the Company, Whitecap and their respective subsidiaries and affiliates, as they were reflected in the Information and the Whitecap Information and as they have been represented to RBC in discussions with management of the Company and Whitecap. In its analyses and in preparing the Fairness Opinion, RBC made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of RBC or any party involved in the Plan of Arrangement.

The Fairness Opinion has been provided for the use of the Board and may not be used by any other person or relied upon by any other person other than the Board without the express prior written consent of RBC. The Fairness Opinion is given as of the date hereof and RBC disclaims any

undertaking or obligation to advise any person of any change in any fact or matter affecting the Fairness Opinion which may come or be brought to RBC's attention after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Fairness Opinion after the date hereof, RBC reserves the right to change, modify or withdraw the Fairness Opinion.

RBC believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the Fairness Opinion. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. The Fairness Opinion is not to be construed as a recommendation to any holder of the TORC Shares as to whether to vote in favour of the Plan of Arrangement.

Fairness Analysis

Approach to Fairness

In considering the fairness of the consideration under the Plan of Arrangement from a financial point of view to the TORC Shareholders, RBC principally considered and relied upon: (i) a comparison of the consideration under the Plan of Arrangement to the results of a discounted cash flow analysis of the Company; and (ii) a comparison of the multiples implied by the consideration under the Plan of Arrangement to an analysis of selected precedent transactions. RBC also reviewed trading multiples of publicly traded Canadian oil-weighted companies similar to the Company, but given that public trading values generally reflect minority discount values rather than "en bloc" values, RBC did not rely on this methodology.

Fairness Conclusion

Based upon and subject to the foregoing, RBC is of the opinion that, as of the date hereof, the consideration under the Plan of Arrangement is fair from a financial point of view to the TORC Shareholders.

Yours very truly,

RBC Dominion Securities Inc.

RBC DOMINION SECURITIES INC.

APPENDIX "F"

WHITECAP FAIRNESS OPINION

December 8, 2020

Whitecap Resources Inc.
3800, 525 - 8th Avenue SW
Calgary, Alberta T2P 1G1

To the Board of Directors of Whitecap Resources Inc.:

National Bank Financial Inc. ("**NBF**") understands that pursuant to a business combination agreement dated December 8, 2020 (the "**Business Combination Agreement**") between Whitecap Resources Inc. ("**Whitecap**") and TORC Oil & Gas Ltd. ("**TORC**"), such parties have agreed, among other things and upon the terms and conditions set out in the Business Combination Agreement, that Whitecap will acquire, all of the common shares of TORC, including common shares of TORC that may be issued pursuant the vesting and settlement of restricted and performance awards of TORC (collectively, the "**TORC Shares**") (the "**Business Combination**"), by way of a statutory plan of arrangement pursuant to the provisions of section 193 of the *Business Corporations Act*, R.S.A. 2000, C. B-9 (the "**Plan of Arrangement**").

Pursuant to the Plan of Arrangement, holders of TORC Shares (the "**TORC Shareholders**"), other than dissenting TORC Shareholders, will be entitled to receive 0.57 of a common share of Whitecap (each, a "**Whitecap Share**") for every one TORC Share (the "**Consideration**").

NBF understands that TORC has entered into support agreements with the directors and executive officers of Whitecap (each, a "**Whitecap Supporting Shareholder**"), with respect to the Whitecap Shares beneficially owned, controlled or directed by the Whitecap Supporting Shareholders (the "**Support Agreements**"), representing approximately 1.7% of the outstanding Whitecap Shares, whereby the Whitecap Supporting Shareholders have agreed to vote such securities in favour of, among other things, issuing Whitecap Shares pursuant to the Business Combination (the "**Whitecap Share Issuance**"), subject to the terms and conditions of the Support Agreements.

The terms and conditions of the Business Combination are more fully set forth in the Business Combination Agreement. NBF further understands that the terms and conditions of the Business Combination will be more fully described in a joint information circular (the "**Circular**") to be prepared by Whitecap and TORC and mailed to the holders of Whitecap Shares (the "**Whitecap Shareholders**") and TORC Shareholders in connection with a special meeting of shareholders to be called by Whitecap and TORC to seek shareholder approval of the Whitecap Share Issuance (from the Whitecap Shareholders) and the Business Combination (from the TORC Shareholders).

To assist the board of directors of Whitecap (the "**Board**") in considering the terms of the Business Combination and the making of its recommendation in respect thereof, the Board engaged NBF to provide financial advice to the Board in respect of the Business Combination. As part of its engagement, NBF has been requested to provide its fairness opinion (the "**Fairness Opinion**") as to whether the Consideration to be paid by Whitecap pursuant to the Business Combination is fair, from a financial point of view, to Whitecap, and deliver this written Fairness Opinion to Whitecap for inclusion in the Circular.

ENGAGEMENT OF NATIONAL BANK FINANCIAL INC.

NBF was formally engaged by the Board pursuant to an engagement agreement (the "**Engagement Agreement**") dated effective December 2, 2020 whereby the Board retained NBF as its advisor with respect to the Business Combination (which was publicly announced on December 8, 2020). Pursuant to the Engagement Agreement, NBF agreed to provide services in connection with the Business Combination, including delivery of the Fairness Opinion at the request of the Board. NBF has not been asked to prepare, and has not prepared, a formal valuation of Whitecap or TORC, or any of their respective securities or assets, and this Fairness Opinion should not be construed as such.

The terms of the Engagement Agreement provide that NBF is to be paid a flat fee for its services as advisor to the Board in respect of the Business Combination, and a flat fee in respect of the delivery of the Fairness Opinion. In addition, Whitecap has agreed to reimburse NBF for its reasonable out-of-pocket expenses and indemnify NBF in respect of certain liabilities that might arise out of NBF's engagement. A substantial portion of fees payable to NBF pursuant to the Engagement Agreement are contingent on the success or completion of the Business Combination.

NBF understands that the Fairness Opinion (or a summary thereof) may, at the discretion of the Board, be included in materials (including the Circular) distributed to Whitecap Shareholders with respect to the special meeting of the Whitecap Shareholders to be held to approve the Whitecap Share Issuance among other things, and, subject to the terms of the Engagement Agreement, NBF consents to the inclusion thereof in a form acceptable to NBF.

RELATIONSHIP WITH INTERESTED PARTIES

None of NBF, its affiliates or associates is an insider, associate or affiliate of Whitecap or TORC, or any of their respective associates or affiliates (as such terms are defined in the *Securities Act* (Alberta)) (collectively, the "**Interested Parties**") or a related party of the Interested Parties. NBF acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of any Interested Party and, from time to time, may have executed or may execute transactions on behalf of such companies or clients for which it received or may receive compensation. As an investment dealer, NBF conducts research on securities and has, in the past, in the ordinary course of its business, provided research reports and investment advice to its clients on investment matters, the Interested Parties and may, in the ordinary course of business provide research reports and investment advice to its clients on the Business Combination.

Since 2010, NBF has participated in thirteen (13) of Whitecap's equity financings acting as lead or co-lead financier in eleven (11) financings and co-manager in two (2) financings. NBF has also acted as Whitecap's financial advisor on ten (10) corporate or asset transactions.

Since 2010, NBF has participated in five (5) equity financings for TORC and advised on one (1) asset transaction.

NBF's controlling shareholder, National Bank of Canada (the "**Bank**"), a Canadian chartered bank, is a lender to both Whitecap and TORC and the Bank is expected to be a lender to Whitecap post-Business Combination (the "**Combined Business**"). To the extent that the Bank is required to consent to the Business Combination or approve the continuation of credit to the Combined Entity, NBF has no role in the Bank's determination.

Other than as set forth above, there are no understandings, agreements or commitments between NBF and any Interested Party with respect to any future business dealings. NBF may, in the future, as it has in the past, in the ordinary course of its business, provide financial advisory, credit or investment banking services to any of the Interested Parties.

CREDENTIALS OF NATIONAL BANK FINANCIAL INC.

NBF is a leading Canadian investment banking firm with operations in a broad range of investment banking activities, including corporate finance, mergers and acquisitions, equity and fixed income sales and trading and investment research. The Fairness Opinion expressed herein is the opinion of NBF and the form and content hereof have been reviewed and approved for release by a group of managing directors of NBF, each of whom is experienced in merger, acquisition, divestiture and fairness opinion matters.

This Fairness Opinion has been prepared in accordance with the Disclosure Standards for Formal Valuations and Fairness Opinions of Investment Industry Regulatory Organization of Canada ("**IIROC**") but IIROC has not been involved in the preparation or review of this Fairness Opinion.

SCOPE OF REVIEW

In connection with rendering the Fairness Opinion, NBF has received and/or relied upon or carried out, among other things, the following (without attempting to verify the accuracy or completeness thereof):

Transaction documents:

1. the Business Combination Agreement;
2. the Support Agreements;
3. the support agreements between Whitecap and certain TORC Shareholders, including CPP Investment Board and the directors and executive officers of TORC;
4. a draft of the Circular;
5. the TORC Disclosure Letter;
6. Hold Period Agreements to be entered into by Whitecap and the directors and officers of TORC on closing of the Business Combination;

Financial Disclosure relating to Whitecap:

7. audited comparative financial statements of Whitecap, including the auditor's notes thereon, as at and for the years ended December 31, 2019, 2018 and 2017;
8. Management's Discussion and Analysis prepared by Whitecap management for the years ended December 31, 2019, 2018 and 2017;
9. interim unaudited comparative financial statements of Whitecap for: (i) the three months ended March 31, 2020, 2019 and 2018; (ii) the three and six months ended June 30, 2020, 2019 and 2018; and (iii) the three and nine months ended September 30, 2020, 2019 and 2018;
10. Management's Discussion and Analysis prepared by Whitecap for: (i) the three months ended March 31, 2020, 2019 and 2018; (ii) the three and six months ended June 30, 2020, 2019 and 2018; and (iii) the three and nine months ended September 30, 2020, 2019 and 2018;
11. annual information forms of Whitecap for the years ended December 31, 2019, 2018 and 2017;
12. management information circulars prepared by Whitecap and mailed to Whitecap Shareholders in respect of Whitecap's annual and special meetings held on April 22, 2020 and April 25, 2019;
13. public information related to the business, operations, financial performance and trading histories of Whitecap and other selected oil and gas companies, as we considered relevant;

Reserves and other evaluation information relating to Whitecap:

14. the evaluation report, effective December 31, 2019, of McDaniel and Associates Consultants Ltd., independent engineering consultants of Calgary, Alberta, regarding certain petroleum and natural gas reserves of Whitecap's Canadian oil and gas assets;
15. the internal evaluation report provided by Whitecap with an effective date of October 1, 2020, generated through internal evaluations, regarding certain petroleum and natural gas reserves of Whitecap pro forma Whitecap's acquisition of NAL Resources Limited announced in August 2020;

Other information, interviews and discussions relating to Whitecap:

16. financial and operating information, including internal management forecasts, production data, land summaries and other such information, prepared by Whitecap;

17. discussions with senior officers of Whitecap, regarding financial results, budgets and business plans, key assets and obligations, development projects and abandonment and site reclamation obligations;
18. a letter of representation from senior officers of Whitecap, addressed to us and dated the date hereof, as to matters of fact relevant to the Business Combination and as to the completeness and accuracy of the information upon which the Fairness Opinion is based (the "**Whitecap Representation Letter**");
19. such other financial, market, corporate and industry information, research reports, investigations, discussions and analysis, research and testing of assumptions as we considered necessary or appropriate in the circumstances;

Financial disclosure relating to TORC:

20. audited comparative consolidated financial statements of TORC. Including the auditor's notes thereon, as at and for the years ended December 31, 2019, 2018 and 2017;
21. Management's Discussion and Analysis prepared by TORC management for the years ended December 31, 2019, 2018 and 2017;
22. interim unaudited comparative consolidated financial statements of TORC for: (i) the three months ended March 31, 2020, 2019 and 2018; (ii) the three and six months ended June 30, 2020, 2019 and 2018; and (iii) the three and nine months ended September 30, 2020, 2019 and 2018;
23. Management's Discussion and Analysis prepared by TORC for: (i) the three months ended March 31, 2020, 2019 and 2018; (ii) the three and six months ended June 30, 2020, 2019 and 2018; and (iii) the three and nine months ended September 30, 2020, 2019 and 2018;
24. annual information forms of TORC for the years ended December 31, 2019, 2018 and 2017;
25. management information circulars prepared by TORC and mailed to TORC Shareholders in respect of TORC's annual and special meetings held on May 6, 2020 and May 8, 2019;
26. public information related to the business, operations, financial performance and trading histories of TORC and other selected oil and gas companies, as we considered relevant;

Reserves and other evaluation information relating to TORC:

27. the evaluation report, effective December 31, 2019, of Sproule, independent engineering consultants of Calgary, Alberta, regarding certain petroleum and natural gas reserves of TORC's Canadian oil and gas assets;
28. the internal evaluation report provided by Whitecap with an effective date of October 1, 2020, generated through internal evaluations, regarding certain petroleum and natural gas reserves of TORC;

Other information, interviews and discussions relating to TORC:

29. financial and operating information, including internal management forecasts, well results, production data, land summaries and other such information, prepared by TORC;
30. a letter of representation from senior officers of TORC, addressed to us and dated the date hereof, as to matters of fact relevant to the Business Combination and as to the completeness and accuracy of the information upon which the Fairness Opinion is based (together with the Whitecap Representation Letter, the "**Representation Letters**");
31. such other financial, market, corporate and industry information, research reports, investigations, discussions and analysis, research and testing of assumptions as we considered necessary or appropriate in the circumstances; and

Other information relating to the pro-forma business:

32. financial and operating information, including internal pro-forma management forecasts regarding the Combined Business, prepared by Whitecap management.

In addition to the information described above, NBF also participated in certain meetings and discussions with senior officers Whitecap and Whitecap's external legal counsel regarding the Business Combination.

NBF did not meet with the auditors of Whitecap or TORC and has assumed the accuracy and fair presentation of the audited and unaudited financial statements of the Interested Parties, and, as applicable, the reports of the auditors thereon.

NBF has not, to its knowledge, been denied access to any information.

ASSUMPTIONS AND LIMITATIONS

The Fairness Opinion is subject to the assumptions, explanations and limitations herein before described and as set forth below.

NBF has relied, without independent verification, upon, and has assumed the completeness, accuracy and fair presentation of, all of the financial and other information, data, advice, opinions and representations obtained by it from public sources or provided to NBF by or on behalf of the Interested Parties and their respective advisors or otherwise, including, without limitation, in meetings and discussions referred to above under "Scope of Review" (collectively, the "Information"). The Fairness Opinion is conditional upon the completeness, accuracy and fair presentation of such Information. In accordance with the Engagement Agreement, but subject to the exercise of its professional judgment, NBF has not attempted to verify independently the completeness, accuracy or fair presentation of the Information. With respect to any operating and financial models, forecasts, projections and estimates provided to NBF and used in the analysis supporting the opinion, NBF has noted that projecting future results of any entity is inherently subject to uncertainty and has assumed that such financial models, forecasts, projections and estimates have been reasonably prepared on the basis reflecting the best currently available estimates and judgments of management of the Interested Parties as to the matters covered thereby and in rendering the Fairness Opinion, we express no view as to the reasonableness of such forecasts, projections, estimates or assumptions on which they are based.

Senior officers of Whitecap and TORC have represented to NBF in the Representation Letters, among other things, that: (i) the Information provided orally by, or in the presence of, an officer or employee of Whitecap or TORC (respectively) or in writing by Whitecap or TORC (respectively) or their respective agents to NBF relating to Whitecap or TORC (respectively) or the Business Combination Agreement for the purpose of preparing the Fairness Opinion was, at the dates the Information was provided to NBF and the date of the Representation Letters, as applicable, complete, true and correct in all material respects, and did not and does not (as at the date of the Representation Letters, as applicable) contain any untrue statement of a material fact in respect of Whitecap or TORC (respectively) or the Business Combination Agreement and did not and does not omit to state a material fact in respect of Whitecap or TORC (respectively), or to the knowledge of such senior officers, the Business Combination Agreement, necessary to make the Information not misleading in light of the circumstances under which the Information was made or provided; (ii) since the dates on which the Information was provided to NBF, except as disclosed in writing to NBF, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of Whitecap or TORC (respectively), or to the knowledge of such senior officers, the Business Combination Agreement; (iii) to the best of the knowledge, information and belief after due inquiry of such senior officers, there are no independent appraisals or valuations relating to Whitecap or TORC (respectively) or any of their respective material assets or liabilities which have been prepared as of a date within two years preceding the date of the Representation Letters (as applicable) and which have not been provided to NBF; (iv) since the dates on which the Information was provided to NBF, no material transaction has been entered into by Whitecap or TORC (respectively) other than the Business Combination Agreement and the transactions to be completed in connection therewith; (v) other than as disclosed in the Information, to the best of such senior officers' knowledge, information and belief after reasonable

inquiry, Whitecap or TORC (respectively) do not have any material contingent liabilities and there are no actions, suits, proceedings or inquiries pending or threatened in writing against or affecting Whitecap or TORC (respectively) at law or in equity or before or by any federal, provincial, municipal or other governmental department, commission, bureau, board agency or instrumentality which may in any way materially adversely affect Whitecap or TORC (respectively); and (vi) all financial material, documentation and other data concerning the Business Combination Agreement, Whitecap or TORC (respectively), including any projections or forecasts, provided to NBF, to the knowledge of such senior officers, were prepared on a basis consistent in all material respects with the accounting policies applied in the consolidated financial statements of Whitecap or TORC dated as at September 30, 2020, reflect the assumptions disclosed therein (which assumptions management of Whitecap or TORC, respectively, believe to be reasonable) and, to the knowledge of such senior officers, do not contain any untrue statement of a material fact or omit to state any material fact necessary to make such financial material, documentation or data not misleading in light of the circumstances in which such financial material, documentation and data was provided to NBF.

With respect to all legal and tax matters relating to the Business Combination and the implementation thereof, we have relied upon, without independent verification, the assessment of Whitecap's legal and tax counsel with respect to such matters. We do not express any opinion with respect to the tax consequences to Whitecap or any Whitecap Shareholder that may arise as a result of the Business Combination and have assumed that no material negative tax consequences arise for Whitecap as a result of the Business Combination. The Business Combination is subject to a number of conditions outside of the control of Whitecap and TORC and we have assumed all conditions precedent to the completion of the Business Combination can be satisfied in due course and all consents, permissions, exemptions or orders of relevant regulatory authorities will be obtained, without adverse conditions or qualifications. In rendering this Fairness Opinion, we express no view as to the likelihood that the conditions to the Business Combination will be satisfied or waived.

NBF has also assumed that all of the representations and warranties contained in the Business Combination Agreement are true and correct in all material respects as of the date hereof and that the Business Combination will be completed substantially in accordance with the terms set forth in the Business Combination Agreement and all applicable laws.

The Fairness Opinion is rendered on the basis of securities markets, economic, financial and general business conditions prevailing as at the date hereof and the condition and prospects, financial and otherwise, of Whitecap and TORC and their affiliates, as they were reflected in the Information. In our analyses and in preparing the Fairness Opinion, we made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of any party involved in the Business Combination. While NBF believes these assumptions to be reasonable with respect to Whitecap and TORC in the industry in which they operate, some or all of these assumptions may prove to be incorrect.

The Fairness Opinion has been prepared and provided for the use of the Board and the Board only and may not be relied upon by any other person without the prior written consent of NBF. The Fairness Opinion is provided as of the date hereof and NBF disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Fairness Opinion that may come or be brought to the attention of NBF after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Fairness Opinion after the date hereof, NBF reserves the right to change, modify or withdraw the Fairness Opinion.

NBF expresses no opinion with respect to future trading prices of the securities of TORC or Whitecap (including the Combined Business) and the Fairness Opinion does not constitute an opinion as to whether the Consideration paid by Whitecap is fair to any Whitecap Shareholders or whether the Whitecap Shareholders should vote in favour of the resolution approving the Whitecap Share Issuance.

The Fairness Opinion is based upon a variety of factors. Accordingly, NBF believes that its analyses must be considered as a whole. Selecting portions of its analyses or the factors considered by NBF, without considering all factors and analyses together, could create a misleading view of the process underlying

the Fairness Opinion. The preparation of the Fairness Opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

APPROACH TO FAIRNESS

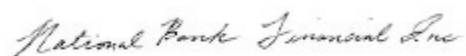
In arriving at our opinion as to whether the Consideration to paid by Whitecap pursuant to the Business Combination is fair, from a financial point of view, to Whitecap, NBF considered a number of factors including, but not limited to:

- (i) the price of Whitecap Shares, prior to giving effect to the Business Combination, based on Whitecap's internal management forecasts and Whitecap equity research analyst estimates relative to trading multiples of selected public companies involved in the Canadian oil and gas exploration and production industry;
- (ii) the price of TORC Shares, prior to giving effect to the Business Combination, based on TORC's internal management forecasts and TORC equity research analyst estimates relative to trading multiples of selected public companies involved in the Canadian oil and gas exploration and production industry;
- (iii) a comparison of selected financial multiples, to the extent publicly available, of selected precedent transactions involving Canadian oil and gas exploration and production companies and assets to the multiples implied by the Business Combination;
- (iv) the pro-forma price of Whitecap Shares, after giving effect to the Business Combination, based on the combined Whitecap internal management forecasts and the combined Whitecap equity research analyst estimates and TORC equity research analyst estimates relative to trading multiples of selected public companies involved in the Canadian oil and gas exploration and production industry;
- (v) the financial impact of the potential cost synergies that could be reasonably expected to be realized by the Combined Business;
- (vi) the debt, production, cash flow, debt adjusted cash flow, reserves and net asset value that each of Whitecap and TORC would contribute to the Combined Business relative to common share ownership and capitalization after giving effect to the Business Combination; and
- (vii) other factors that NBF deemed necessary and appropriate in the circumstances.

CONCLUSION

Based upon and subject to the foregoing and such other matters as NBF considered relevant, NBF is of the opinion that, as of the date hereof, the Consideration to be paid by Whitecap pursuant to the Business Combination is fair, from a financial point of view, to Whitecap.

Yours very truly,



NATIONAL BANK FINANCIAL INC.

APPENDIX "G"

SECTION 191 OF THE *BUSINESS CORPORATIONS ACT* (ALBERTA)

Pursuant to the ABCA, TORC Shareholders have the right to dissent in respect of the Business Combination Resolution in accordance with section 191 of the ABCA. Such right to dissent is described in the Notice of Special Meeting of TORC. The full text of section 191 of the ABCA is set forth below.

191(1) Subject to sections 192 and 242, a holder of shares of any class of a corporation may dissent if the corporation resolves to

- (a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue or transfer of shares of that class,
 - (b) amend its articles under section 173 to add, change or remove any restrictions on the business or businesses that the corporation may carry on,
 - (b.1) amend its articles under section 173 to add or remove an express statement establishing the unlimited liability of shareholders as set out in section 15.2(1),
 - (c) amalgamate with another corporation, otherwise than under section 184 or 187,
 - (d) be continued under the laws of another jurisdiction under section 189, or
 - (e) sell, lease or exchange all or substantially all its property under section 190.
- (2) A holder of shares of any class or series of shares entitled to vote under section 176, other than section 176(1)(a), may dissent if the corporation resolves to amend its articles in a manner described in that section.
- (3) In addition to any other right the shareholder may have, but subject to subsection (20), a shareholder entitled to dissent under this section and who complies with this section is entitled to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the last business day before the day on which the resolution from which the shareholder dissents was adopted.
- (4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the shareholder or on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.
- (5) A dissenting shareholder shall send to the corporation a written objection to a resolution referred to in subsection (1) or (2)
- (a) at or before any meeting of shareholders at which the resolution is to be voted on, or
 - (b) if the corporation did not send notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent, within a reasonable time after the shareholder learns that the resolution was adopted and of the shareholder's right to dissent.
- (6) An application may be made to the Court by originating notice after the adoption of a resolution referred to in subsection (1) or (2),
- (a) by the corporation, or
 - (b) by a shareholder if the shareholder has sent an objection to the corporation under subsection (5),

to fix the fair value in accordance with subsection (3) of the shares of a shareholder who dissents under this section, or to fix the time at which a shareholder of an unlimited liability corporation who dissents under this section ceases to become liable for any new liability, act or default of the unlimited liability corporation.

- (7) If an application is made under subsection (6), the corporation shall, unless the Court otherwise orders, send to each dissenting shareholder a written offer to pay the shareholder an amount considered by the directors to be the fair value of the shares.
- (8) Unless the Court otherwise orders, an offer referred to in subsection (7) shall be sent to each dissenting shareholder
 - (a) at least 10 days before the date on which the application is returnable, if the corporation is the applicant, or
 - (b) within 10 days after the corporation is served with a copy of the originating notice, if a shareholder is the applicant.
- (9) Every offer made under subsection (7) shall
 - (a) be made on the same terms, and
 - (b) contain or be accompanied with a statement showing how the fair value was determined.
- (10) A dissenting shareholder may make an agreement with the corporation for the purchase of the shareholder's shares by the corporation, in the amount of the corporation's offer under subsection (7) or otherwise, at any time before the Court pronounces an order fixing the fair value of the shares.
- (11) A dissenting shareholder
 - (a) is not required to give security for costs in respect of an application under subsection (6), and
 - (b) except in special circumstances must not be required to pay the costs of the application or appraisal.
- (12) In connection with an application under subsection (6), the Court may give directions for
 - (a) joining as parties all dissenting shareholders whose shares have not been purchased by the corporation and for the representation of dissenting shareholders who, in the opinion of the Court, are in need of representation,
 - (b) the trial of issues and interlocutory matters, including pleadings and examinations for discovery,
 - (c) the payment to the shareholder of all or part of the sum offered by the corporation for the shares,
 - (d) the deposit of the share certificates with the Court or with the corporation or its transfer agent,
 - (e) the appointment and payment of independent appraisers, and the procedures to be followed by them,
 - (f) the service of documents, and
 - (g) the burden of proof on the parties.
- (13) On an application under subsection (6), the Court shall make an order
 - (a) fixing the fair value of the shares in accordance with subsection (3) of all dissenting shareholders who are parties to the application,

- (b) giving judgment in that amount against the corporation and in favour of each of those dissenting shareholders,
 - (c) fixing the time within which the corporation must pay that amount to a shareholder, and
 - (d) fixing the time at which a dissenting shareholder of an unlimited liability corporation ceases to become liable for any new liability, act or default of the unlimited liability corporation.
- (14) On
- (a) the action approved by the resolution from which the shareholder dissents becoming effective,
 - (b) the making of an agreement under subsection (10) between the corporation and the dissenting shareholder as to the payment to be made by the corporation for the shareholder's shares, whether by the acceptance of the corporation's offer under subsection (7) or otherwise, or
 - (c) the pronouncement of an order under subsection (13),
- whichever first occurs, the shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shareholder's shares in the amount agreed to between the corporation and the shareholder or in the amount of the judgment, as the case may be.
- (15) Subsection (14)(a) does not apply to a shareholder referred to in subsection (5)(b).
- (16) Until one of the events mentioned in subsection (14) occurs,
- (a) the shareholder may withdraw the shareholder's dissent, or
 - (b) the corporation may rescind the resolution,
- and in either event proceedings under this section shall be discontinued.
- (17) The Court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder, from the date on which the shareholder ceases to have any rights as a shareholder by reason of subsection (14) until the date of payment.
- (18) If subsection (20) applies, the corporation shall, within 10 days after
- (a) the pronouncement of an order under subsection (13), or
 - (b) the making of an agreement between the shareholder and the corporation as to the payment to be made for the shareholder's shares,
- notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.
- (19) Notwithstanding that a judgment has been given in favour of a dissenting shareholder under subsection (13)(b), if subsection (20) applies, the dissenting shareholder, by written notice delivered to the corporation within 30 days after receiving the notice under subsection (18), may withdraw the shareholder's notice of objection, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to the shareholder's full rights as a shareholder, failing which the shareholder retains a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

- (20) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that
- (a) the corporation is or would after the payment be unable to pay its liabilities as they become due, or
 - (b) the realizable value of the corporation's assets would by reason of the payment be less than the aggregate of its liabilities.

APPENDIX "H"

INFORMATION CONCERNING TORC OIL & GAS LTD.

Notice to Reader

Unless the context indicates otherwise, capitalized terms which are used in this Appendix H and not otherwise defined in this Appendix H have the respective meanings given to such terms under the heading "*Glossary of Terms*" in this Information Circular.

Forward-Looking Statements

Certain statements contained in this Appendix H, and in certain documents incorporated by reference in this Appendix H, constitute forward-looking statements or information (collectively, "**forward-looking statements**") within the meaning of Applicable Canadian Securities Laws. Such forward-looking statements relate to future events or TORC's future performance. See "*Forward-Looking Statements*" in this Information Circular. Readers should also carefully consider the matters and cautionary statements discussed under the heading "*Pro Forma Information Concerning the Combined Business*" in this Information Circular, under the heading "*Risk Factors*" in this Appendix H, and the TORC AIF and under the headings "*Business Conditions and Risks*", "*Risk Management – Financial Derivatives*" and "*Environmental Regulation and Risk*" in the TORC Interim MD&A.

General

TORC is a Canadian-based, intermediate light oil producer headquartered in Calgary, Alberta. TORC has a sustainable, light-weighted growth platform with light oil operations in southeast Saskatchewan, low-risk Cardium development in central Alberta, and exposure to the light oil Torquay/Three Forks resource play in southeast Saskatchewan.

Further details concerning TORC, including information with respect to TORC's assets, operations and history, are provided in the TORC AIF. Readers are encouraged to thoroughly review the TORC AIF as it contains important information about TORC.

TORC's head office is located at 1800, 525 8th Avenue SW, Calgary, Alberta. TORC's registered office is located at 2400, 525 8th Avenue SW, Calgary, Alberta.

TORC has no material subsidiaries.

Recent Developments

On December 8, 2020, TORC entered into the Business Combination Agreement with Whitecap, pursuant to which it is proposed that, among other things, Whitecap will acquire all of the issued and outstanding TORC Shares by way of a plan of arrangement under the ABCA. For a full description of the Business Combination and the Business Combination Agreement, see "*The Business Combination*" and "*Effect of the Business Combination*". Also see "*Pro Forma Information Concerning the Combined Business*" in this Information Circular and Appendix I - "*Information Concerning Whitecap Resources Inc.*".

Documents Incorporated by Reference

Information has been incorporated by reference in this Information Circular, including this Appendix H, from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated in this Information Circular by reference may be obtained on request without charge from the Vice President, Finance and Chief Financial Officer of TORC at 1800, 525 8th Avenue SW, Calgary, Alberta, telephone (403) 930-4120. In addition, copies of the documents incorporated by reference herein may be obtained by accessing the disclosure documents available through the Internet on the SEDAR website at www.sedar.com.

The following documents of TORC are filed with the various securities commissions or similar authorities in the provinces of Canada and are specifically incorporated by reference in and form an integral part of this Information Circular:

- (a) the TORC AIF;
- (b) the TORC Annual Financial Statements;
- (c) the TORC Interim Financial Statements;
- (d) the TORC Annual MD&A;
- (e) the TORC Interim MD&A;
- (f) the TORC AGM Circular;
- (g) the material change report of TORC dated March 26, 2020 relating to the reduction of TORC's monthly dividend and ongoing review of capital spending plans for the remainder of 2020;
- (h) the material change report of TORC dated May 14, 2020 relating to the temporary suspension of TORC's monthly dividend; and
- (i) the material change report of TORC dated December 17, 2020 relating to the Business Combination.

Any documents of the type required by National Instrument 41-101 - *Short Form Prospectus Distributions* to be incorporated by reference in a short form prospectus, including any material change reports (excluding confidential reports), comparative interim financial statements, comparative annual financial statements and the auditor's report thereon, management's discussion and analysis of financial condition and results of operations, information circulars, annual information forms, marketing materials and business acquisition reports filed by TORC with the securities commissions or similar authorities in Canada subsequent to the date of this Information Circular and before the Effective Date, are deemed to be incorporated by reference in this Information Circular including this Appendix H.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Information Circular to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Circular.

Risk Factors

Whitecap Shareholders and TORC Shareholders should carefully consider the risk factors described under "Risk Factors" in the Whitecap Annual MD&A and the TORC AIF and the headings "*Business Conditions and Risks*", "*Risk Management – Financial Derivatives*" and "*Environmental Regulation and Risk*" in the TORC Interim MD&A, each of which is incorporated by reference herein. In addition, Whitecap Shareholders and TORC Shareholders should carefully review and consider all other information contained in this Information Circular together with all other information incorporated by reference in this Information Circular, before making a decision to vote for or against the Share Issuance Resolution, the Article Amendment Resolution or the Business Combination Resolution, as applicable, and consult their own experts where necessary. Readers should also carefully consider the matters and cautionary statements discussed under the heading "*Risk Factors*" in this Information Circular.

Dividend Policy

When declared by TORC, cash dividends are made on the 15th day (or if such date is not a business day, on the next business day) following the end of each calendar month to TORC Shareholders of record on the last day of each such calendar month or such other date as determined from time to time by the TORC Board. Dividends are pre-approved on a quarterly basis in the context of prevailing and anticipated commodity prices and reconfirmed when declared.

The following table shows the aggregate amount of the dividends paid per share in respect of TORC's last three financial years ended December 31st for the TORC Shares:

	2020	2019	2018
Dividends per TORC Share	\$0.0600	\$0.2880	\$0.2560

On March 16, 2020, TORC announced a reduction in its monthly dividend from \$0.025 per month to \$0.005 per month in response to weakened commodity prices and reduced global economic activity following the outbreak of COVID-19. On May 5, 2020, TORC announced a suspension of its monthly dividend as a consequence of the weakness in commodity prices and reduced global economic activity following the outbreak of COVID-19.

For information on the anticipated dividend policy of the combined company upon completion of the Business Combination, see "*Pro Forma Information Concerning the Combined Business*" in this Information Circular.

Consolidated Capitalization

There have been no other material changes in the share and loan capital of TORC on a consolidated basis since September 30, 2020.

See the TORC Interim Financial Statements and the TORC Interim MD&A incorporated by reference in this Information Circular for additional information with respect to TORC's consolidated capitalization.

Description of Share Capital

TORC is authorized to issue an unlimited number of TORC Shares and an unlimited number of first preferred shares ("**TORC Preferred Shares**"), issuable in series. As at the date hereof, there are 222,672,240 TORC Shares and no TORC Preferred Shares issued and outstanding. For a description of the TORC Shares and TORC Preferred Shares, see "*Capital Structure*" in the TORC AIF, which is incorporated by reference in this Information Circular.

Prior Sales

TORC has not sold or issued any TORC Shares or TORC Preferred Shares or securities convertible into TORC Shares or TORC Preferred Shares during the 12-month period prior to the date of this Information Circular, other than as set forth below:

TORC Restricted Awards

During the 12-month period prior to the date of this Information Circular, TORC granted an aggregate of 1,083,201 TORC Restricted Awards, the particulars of which are set forth in the following table:

Date	Value/Issue Price (\$)	Number of TORC Restricted Awards Issued ⁽¹⁾
February 10, 2020	3.9106	9,264
March 12, 2020	3.1959	1,073,937
Total		1,083,201

Note:

- (1) Each TORC Restricted Award entitles the holder thereof to a notional payment equal to the equivalent number of TORC Shares (plus accrued dividend equivalents). TORC has the discretion to settle the TORC Restricted Awards in TORC Shares, cash or a combination thereof. The fair value of TORC Restricted Awards is deemed to equal the price of TORC Shares on the date of grant.

TORC Performance Awards

During the 12-month period prior to the date of this Information Circular, TORC granted an aggregate of 2,046,517 TORC Performance Awards, the particulars of which are set forth in the following table:

Date	Value/Issue Price (\$)	Number of TORC Performance Awards Issued⁽¹⁾
February 10, 2020	3.9106	6,174
March 12, 2020	3.1959	2,040,343
Total		2,046,517

Note:

- (1) Each TORC Performance Award entitles the holder thereof to a notional payment equal to the equivalent number of TORC Shares, converted using a multiplier between zero and two (plus accrued dividend equivalents), based on TORC's performance on a set criteria as determined by the TORC Board. TORC has the discretion to settle the TORC Performance Awards in TORC Shares, cash or a combination thereof. The conversion multiplier is determined during the respective earning period and is considered to have been applied at the date of grant. As performance multipliers are known, past grants are adjusted to reflect the multiplier. The fair value of the TORC Performance Awards is deemed to equal the price of TORC Shares on the date of grant.

For information on the treatment of TORC Share Awards upon completion of the Business Combination, see "*Effect of the Business Combination – TORC Share Awards*" and "*Interests of Certain Persons or Companies in the Business Combination – TORC – TORC Share Awards*" in this Information Circular.

Market for TORC Shares

The TORC Shares are listed and trade on the TSX under the symbol "TOG". Following the completion of the Business Combination, the TORC Shares will be de-listed from the TSX. On December 7, 2020, the last trading day prior to the date of the public announcement of the Business Combination, the closing price of the TORC Shares on the TSX was \$2.47. On January 4, 2021, the last trading day prior to the date of this Information Circular, the closing price of the TORC Shares on the TSX was \$2.69.

The following table sets forth the price range and trading volume of the TORC Shares on the TSX as reported by the TSX for the periods indicated.

Date	Price Range		Trading Volume
	High (\$)	Low (\$)	
2020			
January	4.78	3.78	16,424,139
February	4.25	2.98	15,219,628
March	3.45	0.41	68,381,640
April	1.15	0.59	54,480,597
May	1.74	0.97	48,908,860
June	2.13	1.35	42,508,988
July	1.85	1.60	14,387,824

Date	Price Range		Trading Volume
	High (\$)	Low (\$)	
August	2.20	1.67	23,430,788
September	1.805	1.36	27,089,041
October	1.68	1.27	18,842,152
November	2.45	1.365	29,887,591
December	2.99	2.09	36,057,846
2021			
January (1 to 5)	2.96	2.66	2,524,069

Legal Proceedings and Regulatory Actions

TORC is involved in various claims and litigation arising in the ordinary course of business. While the outcomes of these matters are uncertain and there can be no assurance that such matters will be resolved in TORC's favour, TORC does not currently believe that the outcomes of adverse decisions in any pending or threatened proceedings related to these or other matters or any amounts which it may be required to pay by reason thereof would have a material adverse impact on its financial condition, results of operations or liquidity.

Auditors, Transfer Agent and Registrar

The auditors of TORC are KPMG LLP, Chartered Professional Accountants ("**KPMG**"). KPMG has advised they are independent with respect to TORC within the meaning of the rules of professional conduct of the Chartered Professional Accountants of Alberta.

Computershare Trust Company of Canada, at its principal offices in Calgary, Alberta and Toronto, Ontario, is the transfer agent and registrar of the TORC Shares.

Material Changes in the Affairs of TORC

Except as publicly disclosed or otherwise described in this Information Circular, the directors and officers of TORC are not aware of any plans or proposals for material changes in the affairs of TORC.

Interest of Informed Persons in Material Transactions

Except for Scott Lawrence, a director of TORC and the Managing Director, Head of Fundamental Equities at CCPIB, which owns 65,161,136 TORC Shares representing approximately 29.26% of the issued and outstanding TORC Shares, there were no material interests, direct or indirect, of TORC directors or executive officers, or any person who beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the voting rights attached to the TORC Shares, or any other Informed Person (as defined in National Instrument 51-102 - *Continuous Disclosure Obligations* ("**NI 51-102**")) or any known associate or affiliate of such persons, in any transaction since January 1, 2019, or in any proposed transaction, which has materially affected or would materially affect TORC. See "*Interests of Certain Persons or Companies in the Business Combination - TORC*" in this Information Circular.

Interest of Experts

KPMG provided external audit services to TORC for the year ended December 31, 2019. KPMG is TORC's auditor and has confirmed that they are independent with respect to TORC within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

The TORC Fairness Opinion, attached to this Information Circular as Appendix E, has been rendered by RBC Capital Markets. To the knowledge of TORC, as of the date of this Information Circular, RBC Capital Markets owns

beneficially, directly or indirectly, less than 1% of the outstanding common shares of each of TORC or Whitecap or any associate or affiliate of TORC or Whitecap, as applicable.

Sproule prepared the TORC Reserves Report dated February 27, 2020, evaluating TORC's oil, natural gas, natural gas liquids and natural gas interests as at December 31, 2019, a summary of which is contained in the TORC AIF. To TORC's knowledge, none of the designated professionals of Sproule have any registered or beneficial interests, direct or indirect, in any of TORC's securities or other property or of TORC's associates or affiliates either at the time they prepared the statement, report or valuation prepared by it, at any time thereafter or to be received by them.

In addition, none of the aforementioned persons or companies, nor any director, officer or employee of any of the aforementioned persons or companies, is or is expected to be elected, appointed or employed as a director, officer or employee of TORC or of any of TORC's associates or affiliates, except for John Brussa, one of TORC's directors, who is the Chairman and a partner at Burnet, Duckworth & Palmer LLP, which law firm renders legal services to TORC.

Additional Information

Additional information relating to TORC is available on TORC's SEDAR profile at www.sedar.com. Financial information in respect of TORC and its affairs is provided in the TORC Financial Statements, TORC Annual MD&A and TORC Interim MD&A which can be accessed on SEDAR at www.sedar.com.

APPENDIX "I"

INFORMATION CONCERNING WHITECAP RESOURCES INC.

Notice to Reader

Unless the context indicates otherwise, capitalized terms which are used in this Appendix I and not otherwise defined in this Appendix I have the meanings given to such terms under the heading "*Glossary of Terms*" in this Information Circular.

Forward-Looking Statements

Certain statements contained in this Appendix I, and in certain documents incorporated by reference in this Appendix I, constitute forward-looking statements or information (collectively, "**forward-looking statements**") within the meaning of Applicable Canadian Securities Laws. Such forward-looking statements relate to future events or Whitecap's future performance. See "*Forward-Looking Statements*" in this Information Circular. Readers should also carefully consider the matters and cautionary statements discussed under the heading "*Pro Forma Information Concerning the Combined Company*", and under the heading "*Risk Factors*" in this Appendix I and the Whitecap Annual MD&A.

General

Whitecap is a Calgary-based public company focused on the development and production of oil and gas in Western Canada. The primary areas of focus of Whitecap's development programs are in northwest Alberta and British Columbia, west central Alberta, west central Saskatchewan, southwest Saskatchewan and southeast Saskatchewan. Whitecap's business plan is to deliver profitable growth to the Whitecap Shareholders over the long term under varying business conditions. Whitecap is focused on providing sustainable monthly dividends and per share growth through a combination of accretive oil-based acquisitions and organic growth on existing and acquired assets.

Whitecap's head office is located at Suite 3800, 525 - 8th Avenue S.W., Calgary, Alberta, T2P 1G1 and its registered office is located at Suite 2400, 525 - 8th Avenue S.W., Calgary, Alberta, T2P 1G1.

For further information regarding Whitecap and its business activities, including Whitecap's intercorporate relationships and organizational structure, see the Whitecap AIF, which is incorporated by reference in this Information Circular.

Documents Incorporated by Reference

Information in respect of Whitecap has been incorporated by reference in this Information Circular from documents filed with the Canadian Securities Regulators. Copies of the documents incorporated by reference in this Information Circular may be obtained on request without charge from Whitecap's Corporate Secretary at Suite 3800, 525 – 8th Avenue S.W., Calgary, Alberta, T2P 1G1, Telephone (403) 266-0767. These documents are also available through the internet on SEDAR, which can be accessed at www.sedar.com.

As of the date hereof, the following documents filed with, or furnished to, the Canadian Securities Regulators are specifically incorporated by reference in, and form an integral part of, this Information Circular:

- (a) the Whitecap AIF;
- (b) the Whitecap AGM Circular;
- (c) the management information circular and proxy statement of Whitecap dated March 8, 2019 in respect of an annual and special meeting of the Whitecap Shareholders held on April 25, 2019;
- (d) the Whitecap Financial Statements;

- (e) the Whitecap Annual MD&A;
- (f) the Whitecap Interim MD&A;
- (g) the material change report of Whitecap dated March 26, 2020;
- (h) the material change report of Whitecap dated September 9, 2020; and
- (i) the material change report of Whitecap dated December 17, 2020.

Any documents of the type required by National Instrument 44-101 - *Short Form Prospectus Distributions* to be incorporated by reference in this Information Circular, including any annual information form, audited annual consolidated financial statements (together with the auditor's report thereon), information circular, unaudited interim consolidated financial statements, management's discussion and analysis, material change reports (excluding confidential material change reports) or business acquisition reports filed by Whitecap with securities commissions or similar regulatory authorities in the relevant provinces and territories of Canada subsequent to the date of this Information Circular and prior to the Effective Time shall be deemed to be incorporated by reference in this Information Circular. These documents are available through the internet on SEDAR at www.sedar.com. Unless specifically incorporated by reference in this Information Circular, documents filed or furnished by Whitecap on SEDAR are neither incorporated by reference in nor part of this Information Circular. Information on or connected to Whitecap's website, even if referred to in a document incorporated by reference herein, does not constitute part of this Information Circular.

Any statement contained in this Information Circular or in a document (or any part thereof) incorporated by reference, or deemed to be incorporated by reference in this Information Circular shall be deemed to be modified or superseded for purposes of this Information Circular, to the extent that a statement contained herein or in any subsequently filed document (or part thereof) that also is, or is deemed to be, incorporated by reference in this Information Circular modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute part of this Information Circular. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Circular.

Recent Developments

NAL Transaction

On January 4, 2021, Whitecap completed the NAL Transaction and issued 58,270,677 Whitecap Shares. Following completion of the NAL Transaction, NAL was amalgamated into Whitecap. Annual production in 2021 from the NAL Transaction is expected to average approximately 22,000 boe/d (7,579 bbls/d of crude oil, 4,345 bbls/d of NGLs and 60,457 Mcf/d of natural gas) with a stable production decline rate of 19%. Further particulars with respect to the NAL Transaction are set forth in the material change report of Whitecap dated September 9, 2020 incorporated by reference into this Appendix I.

On closing of the NAL Transaction, Whitecap entered into an investor rights agreement (the "**Investor Rights Agreement**") and a registrations rights agreement (the "**Registration Rights Agreement**") with the NAL Vendor which provides the NAL Vendor with certain board observer rights, continued pro rata participation rights in future equity issuances and future registration rights. Copies of the form of Investor Rights Agreement and the form of Registration Rights Agreement are attached to the NAL Agreement which is filed on Whitecap's SEDAR profile at www.sedar.com.

Business Combination Agreement

On December 8, 2020, Whitecap entered into the Business Combination Agreement with TORC, pursuant to which it is proposed that, among other things, Whitecap will acquire all of the issued and outstanding TORC Shares by way of a plan of arrangement under the ABCA. For a full description of the Business Combination and the Business Combination Agreement, see "*The Business Combination*" and "*Effect of the Business Combination*". Also see "*Pro Forma Information Concerning the Combined Business*" in this Information Circular and Appendix H - "*Information Concerning TORC Oil & Gas Ltd.*".

Consolidated Capitalization

Other than the Whitecap Shares issued pursuant to the NAL Transaction, there has been no material change in Whitecap's share or debt capital structure since September 30, 2020. Readers should refer to the Whitecap Financial Statements and the related Whitecap Interim MD&A, which are specifically incorporated by reference herein.

Description of Share Capital

Whitecap is authorized to issue an unlimited number of Whitecap Shares and preferred shares. As at January 5, 2021, there were 467,511,687 Whitecap Shares and no preferred shares issued and outstanding. For a description of the Whitecap Shares and preferred shares of Whitecap, see "*Share Capital*" in the Whitecap AIF, which is incorporated by reference in this Information Circular.

Market for Securities

The Whitecap Shares are listed and posted for trading on the TSX under the trading symbol "WCP". The following table outlines the share price trading range and volume of shares traded as reported by the TSX for the periods indicated.

Date	Price Range		Trading Volume
	High (\$)	Low (\$)	
2020			
January	5.69	4.66	51,639,997
February	4.95	3.61	40,049,579
March	4.13	0.73	159,628,061
April	2.00	1.07	129,813,367
May	2.35	1.45	105,696,008
June	2.90	2.01	87,535,165
July	2.435	2.10	40,855,669
August	2.90	2.19	49,891,392
September	2.79	2.335	66,498,198
October	2.75	2.18	49,307,046
November	4.14	2.375	69,160,792
December	5.33	3.86	82,314,087
2021			
January (to January 5)	5.27	4.72	9,666,410

On December 8, 2020, the last trading day on which the Whitecap Shares were traded prior to the announcement of the Business Combination, the closing price of the Whitecap Common Shares on the TSX was \$4.35. On January 4, 2021, the last trading day prior to the date of this Information Circular, the closing price of the Whitecap Shares on the TSX was \$4.82.

Dividends and Dividend Policy

Whitecap pays a cash dividend on the 15th day (or if such date is not a business day, on the next business day) following the end of each calendar month to its shareholders of record on the last business day of each such calendar month or such other date as determined from time to time by Whitecap. Unless otherwise specified, all dividends paid or to be paid by Whitecap are designated as "eligible dividends" under the Tax Act.

The following monthly cash dividends on the Whitecap Shares were declared by Whitecap for the periods indicated below:

Date Range	Dividend per Whitecap Share
April 2020 to December 2020	\$0.01425
May 2019 to March, 2020	\$0.0285
June 2018 to April 2019	\$0.0270
January 2018 to May 2018	\$0.0257
December 2017	\$0.0245
January 2017 to November 2017	\$0.0233

Whitecap carefully monitors the impact of all issues affecting its business and, the necessity to adjust its monthly dividends and its capital programs as conditions evolve. Dividends will normally be pre-approved on a quarterly basis in the context of prevailing and anticipated commodity prices and reconfirmed when declared. During periods of volatile commodity prices, Whitecap may vary the dividend rate monthly. See "*General Development of our Business – Developments in 2017*", "*General Development of our Business – Developments in 2018*" and "*General Development of our Business – Developments in 2019*" in the Whitecap AIF.

Whitecap's long term objective is to set the dividend policy at prudent levels while withholding sufficient funds to finance capital expenditures required to grow its current production base. This in turn, is expected to provide a stronger base of funds flow leading to consistent dividends into the future. Whitecap's dividend policy is reviewed monthly and is based on a number of factors including current and future commodity prices, foreign exchange rates, Whitecap's commodity hedging program, current operations and available investment opportunities.

Whitecap's extendible revolving credit facility and senior secured notes contain restrictions on the company's ability to pay dividends in certain circumstances. In addition, the payment of dividends by a corporation is governed by the liquidity and insolvency tests described in the ABCA. Pursuant to the ABCA, after the payment of a dividend, Whitecap must be able to pay its liabilities as they become due and the realizable value of Whitecap's assets must be greater than its liabilities and the legal stated capital of its outstanding securities.

In connection with the Business Combination, Whitecap intends to increase to its monthly dividend from \$0.01425 per Whitecap Share to \$0.01508 per Whitecap Share (\$0.18096 per Whitecap Share annualized) (the "**Dividend Increase**"). The Dividend Increase is expected to be effective with the March 2021 dividend payable in April 2021, subject to the approval of the Whitecap Board and satisfaction of the ABCA solvency test.

Cash dividends are not guaranteed nor is the Dividend Increase. Whitecap's historical cash dividends may not be reflective of future cash dividends, which will be subject to review by the Whitecap Board taking into account Whitecap's prevailing financial circumstances at the relevant time. Although Whitecap expects to effect the Dividend Increase and intends to make dividends of its available cash to Whitecap Shareholders, these cash dividends may be reduced or suspended. The actual amount distributed will depend on numerous factors and conditions existing from time to time, including fluctuations in commodity prices, production levels, capital expenditure requirements, debt service requirements, operating costs, royalty burdens, foreign exchange rates and the satisfaction of solvency tests imposed by the ABCA for the declaration and payment of dividends, applicable law and other factors beyond the control of Whitecap. See "*Risk Factors – Dividends*" in the Whitecap AIF.

Risk Factors

An investment in Whitecap Shares is subject to certain risks. Readers should consider carefully the risk factors in this Information Circular, including under the heading "*Risk Factors*", and in the documents pertaining to Whitecap which are specifically incorporated by reference in, and form an integral part of, this Information Circular, including as described under "*Forward-Looking Information*" in the Whitecap Interim MD&A and as described under "*Risk Factors*" in the Whitecap Annual MD&A.

All statements regarding Whitecap's business should be viewed in light of these risk factors. Readers should consider carefully whether an investment in Whitecap Shares is suitable for them in light of the information set forth in this Information Circular and in the documents incorporated by reference in this Information Circular. Such information does not purport to be an exhaustive list. If any of the identified risks were to materialize, Whitecap's business, financial position, results and/or future operations may be materially affected. Additional risks and uncertainties not presently known to Whitecap, or which Whitecap currently deems immaterial, may also have an adverse effect upon Whitecap. Readers should also carefully review and consider all other information contained in this Information Circular and in the documents incorporated by reference in Appendix H - "*Information Concerning TORC Oil and Gas Ltd.*" before making an investment decision and consult their own professional advisors when necessary.

Material Contracts

During the 12 months prior to the date of this Information Circular and other than contracts entered into in the ordinary course of business, Whitecap has not entered into any contracts, nor are there any contracts still in effect and that are material to the business, other than: (i) the Business Combination Agreement; (ii) the NAL Agreement (filed on SEDAR on September 9, 2020); (iii) the Investor Rights Agreement entered into by Whitecap and the NAL Vendor upon completion of the NAL Transaction substantially in the form provided in Schedule 1.1(ooo) to the NAL Agreement; and (iv) the Registration Rights Agreement entered into by Whitecap and the NAL Vendor upon completion of the NAL Transaction, substantially in the form provided in Schedule 1.1(ggggg) to the NAL Agreement.

For more information, see "*Material Contracts*" in the Whitecap AIF, which is incorporated by reference in this Information Circular.

Legal Proceedings and Regulatory Actions

During the 12 months prior to the date of this Information Circular, there were no legal proceedings to which Whitecap is or was a party, or that any of its property is or was the subject of, which involves a claim for damages in an amount, exclusive of interest and costs, that exceeds 10% of Whitecap's current assets and it is not aware of any such legal proceedings that are contemplated.

During the 12 months prior to the date of this Information Circular, there were no penalties or sanctions imposed against Whitecap by a court relating to securities legislation or by a securities regulatory authority, nor have there been any other penalties or sanctions imposed by a court or regulatory body against Whitecap that would likely be considered important to a reasonable investor in making an investment decision, and it has not entered into any settlement agreements before a court relating to securities legislation or with a securities regulatory authority.

Updated Additional Disclosure Relating to Whitecap Directors

Since the date of the Whitecap AGM Circular, the information contained under the heading "*Matters to be Acted Upon at the Meeting – Election of Directors – Additional Disclosure Relating to Proposed Directors*", should be updated to include the following additional disclosure.

Mr. Zawalsky was a director of Zargon Oil & Gas Ltd. ("**Zargon**"), a public company engaged in the exploitation of oil, which filed a Notice of Intention to Make a Proposal to its creditors under the provisions of Part III, Division I of the *Bankruptcy and Insolvency Act* (Canada) on September 8, 2020. Mr. Zawalsky resigned as a director of Zargon on September 8, 2020.

Transfer Agent and Registrar

The transfer agent and registrar for the Whitecap Shares is Odyssey Trust Company at its principal offices in Calgary, Alberta, Vancouver, British Columbia and Toronto, Ontario.

Material Changes in the Affairs of Whitecap

Except as publicly disclosed or otherwise described in this Information Circular, the directors and officers of Whitecap are not aware of any plans or proposals for material changes in the affairs of Whitecap.

Interest of Experts

PricewaterhouseCoopers LLP has provided external audit and tax advisory services to Whitecap for the current fiscal year as well as the fiscal year ended December 31, 2019. PricewaterhouseCoopers LLP has advised that they are independent with respect to Whitecap within the meaning of the Rules of Professional Conduct of Chartered Professional Accountants of Alberta.

McDaniel & Associates Consultants Ltd. prepared the report dated February 13, 2020, evaluating the crude oil, natural gas, NGLs and sulphur reserves attributable to all of Whitecap's oil and natural gas assets as at December 31, 2019, a summary of which is contained in the Whitecap AIF. None of the designated professionals of McDaniel have any registered or beneficial interests, direct or indirect, in any of Whitecap's securities or other property or of Whitecap's associates or affiliates either at the time they prepared the statements, reports or valuations, at any time thereafter or to be received by them.

The Whitecap Fairness Opinion, attached to this Information Circular as Appendix F, has been rendered by National Bank. To the knowledge of Whitecap, as of the date of this Information Circular, National Bank owns beneficially, directly or indirectly, less than 1% of the outstanding common shares of each of Whitecap or TORC or any associate or affiliate of Whitecap or TORC, as applicable.

In addition, none of the aforementioned persons or companies, nor any director, officer or employee of any of the aforementioned persons or companies, is or is expected to be elected, appointed or employed as a director, officer or employee of Whitecap or of any of its associates or affiliates, except for Grant A. Zawalsky, one of Whitecap's directors, who is a partner at Burnet, Duckworth & Palmer LLP, which law firm renders legal services to Whitecap.

Additional Information

Additional information relating to Whitecap is available via the internet on SEDAR at www.sedar.com and on Whitecap's website at www.wcap.ca. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of Whitecap's securities and securities issued and authorized for issuance under the company's equity compensation plans are contained in Whitecap's proxy materials relating to its annual and special shareholders meeting to be held on April 22, 2020. Additional financial information is contained in the Whitecap Financial Statements and the Whitecap Interim MD&A and Whitecap Annual MD&A.

Shareholders of Whitecap may obtain copies of the documents incorporated by reference herein without charge by contacting:

Whitecap Resources Inc.
Suite 3800, 525 – 8 Avenue S.W.
Calgary, Alberta, T2P 1G1
Tel: (403) 266-0767
Fax: (403) 266-6975

Information contained in or otherwise accessible through Whitecap's website does not form a part of this Information Circular and is not incorporated by reference in this Information Circular.

APPENDIX "J"

**UNAUDITED CONSOLIDATED PRO FORMA FINANCIAL STATEMENTS OF THE COMBINED
BUSINESS**

Whitecap Resources Inc.
Pro Forma Consolidated Balance Sheet
As at September 30, 2020
(Unaudited)
(CAD \$000s)

	Whitecap Resources Inc.	TORC		Notes	Pro Forma
		Oil & Gas Ltd.	Adjustments		
ASSETS					
Current Assets					
Accounts receivable	116,063	30,599	-	-	146,662
Deposits and Prepaid expenses	16,244	4,315	-	-	20,559
Risk management contracts	20,217	431	-	-	20,648
Total current assets	152,524	35,345	-	-	187,869
Properties and equipment					
Exploration & Evaluation	2,272,328	1,168,580	(17,330)	2	3,423,578
Right-of-use assets	12,924	-	-	-	12,924
Risk management contracts	68,330	12,724	-	-	81,054
Deferred income tax	104	-	-	-	104
	616,714	-	182,684	2	799,398
Total assets	3,122,924	1,216,649	165,354		4,504,927
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities					
Bank debt	-	60,708	-	-	60,708
Accounts payable and accrued liabilities	122,977	57,145	34,669	2	214,791
Share awards liability	5,181	-	-	-	5,181
Dividends payable	5,819	-	-	-	5,819
Lease liabilities	11,544	1,712	-	-	13,256
Risk management contracts	12,080	-	-	-	12,080
Total current liabilities	157,601	119,565	34,669		311,835
Risk management contracts					
Long-term debt	14,084	-	-	-	14,084
Lease liabilities	1,154,920	275,000	-	-	1,429,920
Decommissioning liability	62,903	11,139	-	-	74,042
Share awards liability	1,048,857	316,890	(212,437)	2	1,153,310
	4,408	-	-	-	4,408
Total liabilities	2,442,773	722,594	(177,768)		2,987,599
SHAREHOLDERS' EQUITY					
Share capital	3,860,965	2,040,086	(1,378,093)	2,4	4,522,958
Contributed surplus	17,083	21,487	(21,487)	2	17,083
Deficit	(3,197,897)	(1,567,518)	1,742,702	2	(3,022,713)
Total shareholders' equity	680,151	494,055	343,122		1,517,328
Total liabilities and shareholders' equity	3,122,924	1,216,649	165,354		4,504,927

See accompanying notes to the pro forma consolidated financial statements

Whitecap Resources Inc.

Pro Forma Consolidated Statement of Operations
For the nine months ended September 30, 2020
(Unaudited)
(CAD \$000s)

	Whitecap Resources Inc.	TORC Oil & Gas Ltd.	Adjustments	Notes	Pro Forma
Revenue					
Petroleum and natural gas sales	686,717	245,758	-	-	932,475
Royalties	(86,412)	(39,561)	-	-	(125,973)
Petroleum and natural gas sales, net of royalties	600,305	206,197	-	-	806,502
Other Income					
Net gain on commodity contracts	99,498	5,222	-	-	104,720
Gain on acquisition	28,147	-	-	-	28,147
Total revenue and other income	727,950	211,419	-	-	939,369
Expenses					
Operating	227,336	96,558	-	-	323,894
Transportation	45,906	7,780	-	-	53,686
Marketing	17,927	-	-	-	17,927
General and administrative	15,990	7,711	-	-	23,701
Stock-based compensation	27,276	6,856	-	-	34,132
Transaction costs	154	30	-	-	184
Interest and financing	44,793	10,357	-	-	55,150
Accretion of decommissioning liabilities	4,713	2,793	-	-	7,506
Depletion, depreciation and amortization	283,885	132,722	(888)	3(a)	415,719
Impairment	2,924,275	853,000	-	-	3,777,275
Exploration and evaluation	2,569	-	-	-	2,569
Net gain on asset dispositions	(2)	-	-	-	(2)
Other income	-	(562)	-	-	(562)
Total expenses	3,594,822	1,117,245	(888)		4,711,179
Loss before income taxes	(2,866,872)	(905,826)	888		(3,771,810)
Taxes					
Deferred income tax expense (recovery)	(689,948)	19,526	222	3(b)	(670,200)
Net loss and other comprehensive loss	(2,176,924)	(925,352)	666		(3,101,610)

See accompanying notes to the pro forma consolidated financial statements
See note 4(b) for net loss per share

Whitecap Resources Inc.

Pro Forma Consolidated Statement of Operations
For the twelve months ended December 31, 2019
(Unaudited)
(CAD \$000s)

	Whitecap Resources Inc.	TORC Oil & Gas Ltd.	Adjustments	Notes	Pro Forma
Revenue					
Petroleum and natural gas sales	1,454,239	581,313	-	-	2,035,552
Royalties	(253,763)	(100,293)	-	-	(354,056)
Petroleum and natural gas sales, net of royalties	1,200,476	481,020	-	-	1,681,496
Other Income					
Net loss on commodity contracts	(108,159)	(5)	-	-	(108,164)
Total revenue and other income	1,092,317	481,015	-	-	1,573,332
Expenses					
Operating	320,960	134,851	-	-	455,811
Transportation	58,627	13,479	-	-	72,106
Marketing	29,632	-	-	-	29,632
General and administrative	24,827	13,073	-	-	37,900
Stock-based compensation	16,743	10,013	-	-	26,756
Transaction costs	-	-	7,500	3(c)	7,500
Interest and financing	47,972	14,620	-	-	62,592
Accretion of decommissioning liabilities	10,184	7,901	-	-	18,085
Depletion, depreciation and amortization	486,230	242,111	(1,293)	3(a)	727,048
Impairment	296,914	93,000	-	-	389,914
Exploration and evaluation	2,314	-	-	-	2,314
Loss on investment	1,364	-	-	-	1,364
Net gain on asset dispositions	(105)	-	-	-	(105)
Total expenses	1,295,662	529,048	6,207		1,830,917
Loss before income taxes	(203,345)	(48,033)	(6,207)		(257,585)
Taxes					
Deferred income tax recovery	(47,472)	(10,903)	(1,550)	3(b)	(59,925)
Net loss and other comprehensive loss	(155,873)	(37,130)	(4,657)		(197,660)

See accompanying notes to the pro forma consolidated financial statements
See note 4(b) for net loss per share

Whitecap Resources Inc.

Notes to Pro Forma Consolidated Financial Statements

For the nine months ended September 30, 2020 and the year ended December 31, 2019

(Unaudited)

(CAD \$000s, unless otherwise specified)

1. BASIS OF PRESENTATION

Whitecap Resources Inc. ("Whitecap") is a Calgary based oil and gas company that is engaged in the business of acquiring, developing and holding interests in petroleum and natural gas properties and assets.

The pro forma financial statements have been prepared to reflect:

- An agreement with TORC Oil & Gas Ltd. ("TORC") to acquire all the issued and outstanding common shares of TORC pursuant to a Plan of Arrangement under the *Business Corporations Act* (Alberta) (the "Agreement").

They have been prepared from information derived from and should be read in conjunction with:

- The audited consolidated financial statements of Whitecap, together with the accompanying notes thereto, as at and for the years ended December 31, 2019 and 2018.
- The audited financial statements of TORC, together with the accompanying notes thereto, as at and for the years ended December 31, 2019 and 2018.
- The unaudited consolidated interim financial statements of Whitecap for the nine months ended September 30, 2020.
- The unaudited interim financial statements of TORC for the nine months ended September 30, 2020.

The pro forma consolidated financial statements have been prepared by management based on the principles of International Financial Reporting Standards ("IFRS"). The pro forma consolidated balance sheet gives effect to the transactions and assumptions described herein as if they had occurred on September 30, 2020 and the pro forma consolidated statement of operations give effect to such transactions and assumptions as if they had occurred on January 1, 2019. The pro forma consolidated financial statements may not be indicative of the results that actually would have occurred if the events reflected therein had been in effect on the dates indicated or of the results which may be obtained in the future.

It is the recommendation of management that this financial information should be read in conjunction with the financial statements and notes referenced above. Accounting policies used in preparation of the pro forma consolidated statements are in accordance with those disclosed in Whitecap's consolidated financial statements for the year ended December 31, 2019 and nine months ended September 30, 2020 as applicable.

2. PRO FORMA CONSOLIDATED BALANCE SHEET ASSUMPTIONS AND ADJUSTMENTS

The unaudited pro forma consolidated balance sheet gives effect to the transaction and adjustments as if they had occurred on September 30, 2020, as well as the following:

Acquisition of TORC

TORC shareholders received 129.8 million Whitecap shares at an exchange of 0.57 Whitecap share for each TORC share held. Whitecap will account for the acquisition using the acquisition method of accounting.

Issuance of common shares	661,993
	661,993
Property and equipment	1,151,250
Deferred income tax	182,684
Right-of-use assets	12,724
Working capital	(111,389)
Long-term debt	(275,000)
Lease liabilities	(11,139)
Decommissioning liability	(104,453)
Net assets acquired	844,677
Gain on acquisition	(182,684)
	661,993

The above preliminary purchase price and recognized amounts of identifiable assets acquired and liabilities assumed has been determined from information that is available to the management of Whitecap at this time and incorporates estimates. No

Whitecap Resources Inc.

Notes to Pro Forma Consolidated Financial Statements

For the nine months ended September 30, 2020 and the year ended December 31, 2019

(Unaudited)

(CAD \$000s, unless otherwise specified)

adjustment has been made to reflect operating synergies that may be realized as a result of the transaction. The acquisition accounting will be finalized after all actual results have been obtained and the final fair values of the assets and liabilities have been determined. The estimated costs of the transaction for TORC are expected to be \$27.2 million and are included in the adjustment to accounts payable and accrued liabilities. In addition, Whitecap estimates its cost of the transaction to be \$7.5 million which has been expensed and included in the adjustment to accounts payable and accrued liabilities. The decommissioning liability was valued using the credit adjusted risk free rate and will be adjusted to the risk free rate upon the closing of the transaction and finalization of the acquisition accounting. The purchase price equation is based on a Whitecap share value of \$5.10 per share, which represents the closing price on December 11, 2020. The unallocated excess of net assets over the purchase price may result in a gain, but has not been recorded in the proforma consolidated statement of operations because it will depend on the final share price.

3. PRO FORMA UNAUDITED CONSOLIDATED STATEMENT OF OPERATIONS ADJUSTMENTS

The unaudited pro forma consolidated statement of operations gives effect to the transaction and adjustments as if they occurred on January 1, 2019.

(a) Depletion

Depletion expenses have been adjusted to reflect the application of the appropriate unit-of-production rate based on proved plus probable reserves following the adjustment of the TORC carrying value of property, plant and equipment to its fair value upon acquisition as determined in the purchase price allocation in Note 2.

(b) Taxes

The provision for income taxes has been adjusted at an approximate rate of 24.97 percent to reflect the deferred income tax provision related to the adjustments to the pro forma statements of operations.

(c) Transaction Costs

Transaction costs for TORC and Whitecap are estimated at \$13.5 million and \$7.5 million, respectively. In addition to TORC's transaction costs, \$13.7 million of payroll withholding taxes related to TORC's accelerated vesting of share awards is estimated to be incurred, and the actual amount of these withholding taxes will be based on TORC's prevailing share price at the closing of the transaction.

4. SHARE CAPITAL

(a) Continuity

A continuity of pro forma consolidated share capital is provided below:

	Shares	\$
Balance, September 30, 2020	408,286	3,860,965
Issued to TORC shareholders ⁽¹⁾	129,802	661,993
Total Pro forma, September 30, 2020	538,088	4,522,958

Note

(1) Shares to be issued to TORC shareholders

The Company will issue 129.8 million Whitecap common shares to TORC shareholders as part of the TORC acquisition.

(b) Net loss per share

The per share amounts have been based on the historical weighted average of Whitecap shares for the applicable period, adjusted for the share issuances noted in Note 4(a).

	Nine month ended September 30, 2020	Twelve months ended December 31, 2019
Per share, basic and diluted	(5.76)	(0.36)
Shares outstanding, basic	538,141	541,802
Shares outstanding, diluted	538,141	541,802