NEWS RELEASE

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August 20, 2014

WHITECAP RESOURCES INC. ANNOUNCES ACQUISITION OF A CONTROLLING INTEREST IN A PREMIER SWEET LIGHT OIL POOL, $125 MILLION FINANCING, INCREASED DIVIDEND BY 12% AND INCREASED 2014 GUIDANCE

CALGARY, ALBERTA – Whitecap Resources Inc. ("Whitecap" or the "Company") (TSX: WCP) is pleased to announce that we have successfully entered into agreements to acquire and consolidate a controlling interest in a premier conventional Nisku light sweet oil pool at Elnora, Alberta located just 50 miles east of our Garrington core area for total cash consideration of approximately $266.7 million (the "Acquisition"). The Acquisition adds 2,500 boe/d (90% oil and NGLs) of high netback production of which 2,000 boe/d (96% oil and NGLs) is associated with the Elnora Nisku light oil pool. The Acquisition also includes strategic facilities consisting of two oil batteries, water disposal infrastructure and pipelines which will be important for future low cost production growth.

Whitecap also announces that it has entered into an unrelated letter of intent with a private oil and gas company to dispose of approximately 600 boe/d of non-core production for proceeds of $57 million (the "Disposition").

The Acquisition will be funded with a concurrent $125 million bought deal equity financing (the "Financing"), proceeds from the Disposition and bank debt.

STRATEGIC RATIONALE

The key benefits to Whitecap shareholders pro forma the Acquisition, Disposition and the Financing are as follows:

- Adds significant and controllable free cash flow of $6.1 million in 2014, $49.6 million in 2015 and $73.1 million in 2016. Whitecap expects the free cash flow over the next 5 years to be in excess of $273 million.
- 2014 accretion on a fully diluted share basis of 1% on cash flow, production, net asset value and on total proved plus probable reserves based on an estimated closing date of October 1, 2014.
- 2015 accretion on a fully diluted share basis of 5% on cash flow and production.
- Acquisition adds high netback, light oil production with 0% decline over the next 2 years and reduces our base production decline rate by 1% to 23% in 2015.
- Improves our corporate capital efficiencies as minimal future development capital is required to significantly grow production and cash flow.
- Expands Whitecap's control of high netback, long life waterflood assets under management.

The Acquisition generates free cash flow and further strengthens the sustainability of our dividend-growth strategy. We estimate the Acquisition will positively impact Whitecap's forecasts as follows:

	2014	2015	2016
Average production (boe/d)	600	3,700	4,700
Cash flow ($MM) (1) (2)	$10.1	$64.6	$81.1
Development capital ($MM)	$4.0	$15.0	$8.0
Free cash flow ($MM) (2)	$6.1	$49.6	$73.1

Note: Current acquired production is 2,500 boe/d. The impact on 2014 is based on an estimated closing date of October 1, 2014 and therefore 2014 numbers do not represent full year 2014 average production, cash flow, development capital spending and free cash flow.

ASSET DESCRIPTION

The Elnora Nisku pool was discovered in December of 2011 and since that time has been delineated and developed with full 3-D seismic coverage and includes 16 current producing vertical oil wells. The Nisku pool is light (35^{o} API) sweet oil with less than 5% (1.3 MMbbls) recovered to date. A full field simulation of this property has been conducted by a third party engineering firm that predicts an ultimate recovery of 65% of the discovered oil originally in place. Currently, the internal reserves assigned to the Elnora Pool reflect a 36% and 47.5% recovery on a proven and proven plus probable basis, respectively. Current gross production from the pool is limited by a maximum rate limitation (“MRL”) of 2,470 bopd imposed by the Alberta Energy Regulator until such time that a secondary recovery (waterflood) scheme is applied for and granted.

The application for, and implementation of, a waterflood in this pool has been prolonged due to the inability of the multiple parties involved to agree on common unitized pool working interest. As a result of the Acquisition, the 6 parties have now been consolidated to only 2 parties having interest in the pool. Whitecap believes that we will now be able to accelerate the application and approval such that we anticipate having the MRL lifted and waterflood in place by mid-2015. With the waterflood in place we expect to be able to increase our net production in the pool by 145% to 4,900 boe/d with minimal capital spending.

The outstanding production capability of the wells and reservoir in conjunction with the waterflood support leads to very low production declines. Declines will be flat (0%) until such time as the MRL is removed and the waterflood is implemented in mid-2015. After this time the simulation predicts that pool production declines will be flat for the first 2 years and 8 – 16% per year thereafter.

The Elnora assets are in very close proximity to Whitecap’s existing assets at Garrington and will be operated by the same field personnel. Whitecap will not be adding any corporate or field level staff with this Acquisition.

In addition to the Elnora Nisku asset, 513 boe/d (57% oil) of medium grade oil (28^{o} API) production was acquired in the Killam area. There are 31 locations that have been identified of which 14 have been booked in the reserves evaluation.

SUMMARY OF THE TRANSACTION

The Acquisition has the following characteristics:

Total net purchase price	$266.7 million
Current production	2,500 boe/d (90% light oil and NGLs)
2015/2016 base decline	0%
Proved reserves (3)	9,368 Mboe (94% light oil and NGLs)
Proved NPV10 (3) (4)	$245.3 million
Proved plus probable reserves (3)	13,626 Mboe (94% light oil and NGLs)
Proved plus probable NPV10 (3) (4)	$347.4 million
Proved plus probable RLI (5)	15 years
2014 operating netback (1) (2)	$46.28/boe

Acquisition metrics are as follows:

Current production	$106,700/boe/d
2015 production	$72,100/boe/d
2015 cash flow multiple	4.1x
Proved reserves	$28.47/boe
Proved plus probable reserves	$19.57/boe
Recycle ratio	2.4x
Proved NPV10	1.1x
Proved plus probable NPV10	0.8x

DIVIDEND INCREASE

Whitecap takes a disciplined approach to its dividend policy with the objective of providing shareholders with meaningful and consistent dividends in the near-term with potential increases in the future. Based on our improved decline profile, per share cash flow growth, significant free cash flow and financial strength, Whitecap's Board of Directors has approved a 12% increase to our monthly dividend from $0.0625 to $0.0700 per share ($0.84 per share annualized). The dividend increase is expected to start with our January 2015 dividend payable in February 2015 and is consistent with our objective of providing our shareholders with long-term sustainable dividends.

INCREASED 2014 GUIDANCE

The Company's increased guidance for 2014, after giving effect to the Acquisition, Financing, Disposition and dividend increase (the "Transaction") is as follows:

2014 Guidance	Whitecap Pre-Transaction	Whitecap Post-Transaction	% Increase
Average production (boe/d)	31,600	32,050	1%
Per share (fully diluted)	136	137	1%
% oil and NGLs	73%	73%	0%
Q4 Average production (boe/d)	34,800	36,750	6%
Development capital ($MM)	$307	$311	1%
Cash flow ($MM) (1) (2)	$492.5	$501.4	1%
Per share (fully diluted)	$2.13	$2.14	1%
Net debt to cash flow (5)	1.3x	1.3x	0%

Capital spending on the acquired assets in 2014 of $4 million will be focused on the drilling of one well in Elnora and consolidating and expanding facilities for the upcoming MRL removal as well as production optimization initiatives.

Historically low operating costs associated with the acquired assets of $7.40/boe will result in Whitecap's operating cost post-Transaction of less than $11.00/boe.

Whitecap looks forward to releasing our 2015 budget (post-Transaction) in November of 2014.

FINANCING

In connection with the Acquisition, Whitecap has entered into an agreement with a syndicate of underwriters led by National Bank Financial Inc. and including GMP Securities L.P., TD Securities Inc., CIBC World Markets, RBC Capital Markets, Scotia Capital Inc., FirstEnergy Capital Corp., Macquarie Capital Markets Canada Ltd., Peters & Co. Limited, BMO Nesbitt Burns Inc., Cormark Securities Inc., and Dundee Securities Inc. (collectively, the "Underwriters"), pursuant to which the Underwriters have agreed to purchase for resale to the public, on a bought deal basis, 7,553,000 subscription receipts ("Subscription Receipts") of Whitecap at a price of $16.55 per Subscription Receipt for gross proceeds of approximately $125.0 million. Members of the Whitecap Board of Directors, management team and employees intend to participate in the Financing for approximately $1.6 million. The gross proceeds from the sale of Subscription Receipts will be held in escrow pending the completion of the Acquisition. If all outstanding conditions to the completion of the Acquisition (other than funding) are met and all necessary approvals for the Financing and the Acquisition have been obtained on or before October 31, 2014, the net proceeds from the sale of the Subscription Receipts will be released from escrow to Whitecap and each Subscription Receipt will be exchanged for one common share of Whitecap for no additional consideration. If the Acquisition is not completed on or before October 31, 2014, then the purchase price for the Subscription Receipts will be returned to subscribers, together with a *pro rata* portion of interest earned on the escrowed funds.

The Subscription Receipts will be distributed by way of a short form prospectus in all provinces of Canada except Quebec and Prince Edward Island and in the United States, the United Kingdom and certain other jurisdictions as the Company and the Underwriters may agree on a private placement basis. Completion of the Acquisition and the Financing is subject to certain conditions including the receipt of all necessary regulatory approvals, including the approval of the Toronto Stock Exchange. Closing of the Financing is expected to occur on September 11, 2014 and the Acquisition is expected to close on or about October 1, 2014.

This press release is not an offer of the securities for sale in the United States. The securities have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an exemption from registration. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

ADVISOR

National Bank Financial Inc. has acted as financial advisor to Whitecap with respect to the Acquisition.

Notes to the Tables above

(1) Based on actual commodity prices for 1H/2014 and a WTI price of US$98.00/bbl, CAD/USD exchange rate of $0.92, Edmonton Par differential of (C$9.00) and C$4.00/GJ AECO for 2H/2014. 2015 and 2016 WTI price of US$95.00/bbl, CAD/USD exchange rate of $0.90, Edmonton Par differential of (C$5.00) and C$4.00/GJ AECO.

(2) Cash flow, free cash flow, net debt and operating netback are non-GAAP measures. Refer to the Non-GAAP Measures section of this press release.

(3) Working interest reserves before the calculation for royalties, and before the consideration of royalty interest reserves. Reserve estimates are based on Whitecap's internal evaluation and were prepared by a member of Whitecap's management who is a qualified reserves evaluator in accordance with National Instrument 51-101 effective July 1, 2014.

(4) Before tax net present value based on a 10% discount rate and McDaniel's July 1, 2014 forecast prices. Estimated values of future net revenues do not represent the Fair Market Value of the reserves.

(5) Based on current production of 2,500 boe/d.

(6) Whitecap post-Transaction net debt to cash flow ratio based on a run-rate cash flow of $47.9 million per month.

Forward-Looking Statements and Other Advisories

This press release contains forward-looking statements and forward-looking information (collectively "forward-looking information") within the meaning of applicable securities laws relating to the Company’s plans and other aspects of Whitecap's anticipated future operations, management focus, objectives, strategies, financial, operating and production results and business opportunities. In addition, and without limiting the generality of the foregoing, this press release contains forward-looking information regarding the Acquisition, the Financing, the Disposition, the dividend increase and the benefits to be acquired therefrom including anticipated production, drilling and reserves potential, recovery factors, waterflood potential, decline rates, drilling inventory, recycle ratios, reserve life index, anticipated rates of return, operating costs, operating netbacks, cash flow and other economics related to the Acquisition, and the impact of the Acquisition and Disposition on Whitecap financial and operating results and development plans, including Whitecap's product mix, expected 2014, 2015 and 2016 production, cash flow, operating and cash flow netbacks, net debt to cash flow, capital expenditure program, drilling and development plans and the timing thereof, sources of funding, decline rates, recovery factors, reserves, development capital spending, dividend sustainability and policy, including the anticipated dividend increase and the amount and timing of such increase, total payout ratio, debt levels, debt to cash flow ratio and free cash flow. This press release also contains forward-looking information relating to the estimated purchase price of the Acquisition and Disposition, the sources of funding of the Acquisition, the anticipated closing date for the Acquisition and the Financing and the anticipated timing and removal of the MRL referred to in this press release. Forward-looking information typically uses words such as "anticipate", "believe", "project", "expect", "goal", "plan”, "intend" or similar words suggesting future outcomes, statements that actions, events or conditions "may", "would", "could" or "will" be taken or occur in the future. The forward-looking information is based on certain key expectations and assumptions made by Whitecap's management, including expectations and assumptions concerning prevailing commodity prices, exchange rates, interest rates, applicable royalty rates and tax laws; future production rates and estimates of operating costs; performance of existing and future wells; reserve and resource volumes; anticipated timing and results of capital expenditures; the success obtained in drilling new wells; the sufficiency of budgeted capital expenditures in carrying out planned activities; the timing, location and extent of future drilling operations; the state of the economy and the exploration and production business; results of operations; performance; business prospects and opportunities; the availability and cost of financing, labor and services; the impact of increasing competition; ability to market oil and natural gas successfully; Whitecap's ability to access capital, and obtaining the necessary regulatory approvals, including the approval of the Toronto Stock Exchange and satisfaction of the other conditions to closing the Acquisition, the Financing and the other transactions referred to in this press release and on the timeframes contemplated.

This press release contains future-oriented financial information and financial outlook information (collectively, "FOFI") about Whitecap's prospective results of operations, cash flows, and components thereof, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraphs. FOFI contained in this document was made as of the date of this document and was provided for the purpose of describing the anticipated effects of the Financing, the Acquisition, the Disposition and the dividend increase on Whitecap's business operations. Whitecap disclaims any intention or obligation to update or revise any FOFI contained in this document, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. Readers are cautioned that the FOFI contained in this document should not be used for purposes other than for which it is disclosed herein.

Statements relating to "reserves" are also 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 that the reserves can be profitably produced in the future. Actual reserve values may be greater than or less than the estimates provided herein.

Although the Company believes that the expectations and assumptions on which such forward-looking information and FOFI is based are reasonable, undue reliance should not be placed on the forward-looking information and FOFI because Whitecap can give no assurance that they will prove to be correct. Since forward-looking information and FOFI addresses future events and conditions, by its very nature they involve inherent risks and uncertainties. The

Acquisition and the Financing and the other transactions referred to in this press release may not be completed on the anticipated time frames or at all and the Company's actual results, performance or achievement could differ materially from those expressed in, or implied by, the forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits that the Company will derive there from. Management has included the above summary of assumptions and risks related to forward-looking information provided in this press release in order to provide securityholders with a more complete perspective on Whitecap's future operations and such information may not be appropriate for other purposes.

Readers are cautioned that the foregoing lists of factors are not exhaustive. Additional information on these and other factors that could affect our operations or financial results are included in reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com).

These forward-looking statements are made as of the date of this press release and Whitecap disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

Non-GAAP Measures

This press release contains the terms “cash flow”, “free cash flow”, “operating netbacks”, “cash flow netbacks”, “net debt” and “total payout ratio” which do not have a standardized meaning prescribed by International Financial Reporting Standards (“IFRS” or, alternatively, “GAAP”) and therefore may not be comparable with the calculation of similar measures by other companies. Whitecap uses cash flow, free cash flow, operating netbacks, cash flow netbacks and total payout ratio to analyze financial and operating performance. Whitecap feels these benchmarks are key measures of profitability and overall sustainability for the Company. Each of these terms is commonly used in the oil and gas industry. Cash flow, free cash flow, operating netbacks, cash flow netbacks and total payout ratio are not intended to represent operating profits nor should they be viewed as an alternative to cash flow provided by operating activities, net earnings or other measures of financial performance calculated in accordance with GAAP. Cash flows are calculated as cash flows from operating activities adjusted for changes in non-cash working capital, transaction costs and asset retirement settlements. Free cash flows are calculated as cash flow minus development capital expenditures and dividends paid or declared. Operating netbacks are determined by deducting royalties, production expenses and transportation and selling expenses from oil and gas revenue. Cash flow netbacks are determined by deducting interest, general and administrative expenses and taxes from operating netbacks. Net debt is calculated as bank debt plus working capital deficiency adjusted for risk management contracts. Net debt is used by management to analyze the financial position and leverage of Whitecap. Total payout ratio is calculated as development capital expenditures and dividends paid or declared divided by cash flow.

Note: "Boe" means barrel of oil equivalent on the basis of 6 mcf of natural gas to 1 bbl of oil. Boe's may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6 Mcf: 1 Bbl, utilizing a conversion ratio at 6 Mcf: 1 Bbl may be misleading as an indication of value.

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