

## SUBSCRIPTION AGREEMENT

November 17, 2017  
Whitecap Resources Inc.  
3800, 525 – 8th Avenue S.W.  
Calgary, Alberta T2P 1G1

Attention: Mr. Grant B. Fagerheim

### **Subscription for Subscription Receipts**

[Name redacted] (each, an "**Investor**" and collectively, the "**Investors**") understands that:

- (a) Whitecap Resources Inc. ("**Whitecap**" or the "**Corporation**") has entered into an agreement of purchase and sale dated November 13, 2017 (the "**Acquisition Agreement**") with a public oil and gas company (the "**Vendor**") pursuant to which the Corporation will acquire (the "**Acquisition**") the Assets (as defined below) from the Vendor for the aggregate sum of \$940,000,000 (the "**Purchase Price**"), subject to adjustments as provided for in the Acquisition Agreement;
- (b) the Corporation has entered into a bought deal underwriting commitment dated November 13, 2017 pursuant to which a syndicate of underwriters co-led by National Bank Financial Inc. ("**NB**") and TD Securities Inc. ("**TD**") and including Scotia Capital Inc., GMP Securities L.P., Peters & Co. Limited, RBC Dominion Securities Inc., BMO Nesbitt Burns Inc., CIBC World Markets Inc., Cormark Securities Inc., AltaCorp Capital Inc., Macquarie Capital Markets Canada Ltd. and Canaccord Genuity Corp. (the "**Underwriters**") has agreed to acquire from the Corporation 37,785,000 subscription receipts of the Corporation (the "**Public Receipts**") at a price of \$8.80 per Public Receipt, for an aggregate gross proceeds of \$332,508,000 (the "**Public Offering**") with the proceeds to be used to fund a portion of the Purchase Price;
- (c) the Corporation wishes to enter into this subscription agreement with each Investor, pursuant to which the Corporation will issue to each Investor, and each Investor will subscribe for from the Corporation, the number of subscription receipts of the Corporation (the "**Subscription Receipts**") set forth below at a price of \$8.80 per Subscription Receipt for aggregate gross proceeds of \$52,166,400 (the "**Private Placement**" with the proceeds to be used to fund a portion of the Purchase Price;

[name redacted]	2,970,000 Subscription Receipts
[name redacted]	270,000 Subscription Receipts
[name redacted]	1,344,000 Subscription Receipts
[name redacted]	1,344,000 Subscription Receipts

- (d) the Corporation will enter into a subscription agreement (the "**Additional Subscription Agreement**" and, together with this Agreement, the "**Placement Subscription Agreements**") with an additional investor (the "**Other Investor**" and, together with each Investor, the "**Private Investors**"), pursuant to which the Corporation will issue to the Other Investor, and the Other Investor will subscribe for from the Corporation, 4,584,000 subscription receipts of the Corporation (the "**Additional Subscription Receipts**" and, together with the Subscription Receipts, the "**Private Receipts**") at a price of \$8.80 per Subscription Receipt for aggregate gross proceeds of \$40,339,200 (the "**Additional Private Placement**" and, together with the Private

Placement, the "**Concurrent Private Placement**") with the proceeds to be used to fund a portion of the Purchase Price; and

Each Private Receipt will entitle the Private Investors either:

- (a) to receive one (1) Placement Share (as defined herein) without payment of additional consideration or further action, together with a payment equivalent, on a per share basis, to any dividends declared or paid by the Corporation for which a record date has occurred from the Closing Date (as defined herein) to the time at which such Placement Shares are issued; or
- (b) if at or before the Deadline (as defined herein): (i) the Release Notice (as defined herein) has not been delivered to the Escrow Agent (as defined herein); (ii) the Corporation advises the Underwriters or announces to the public that it does not intend to proceed with the Acquisition; or (iii) the Acquisition Agreement has been terminated in accordance with its terms (the time of occurrence of any such event being "**Termination Time**"), to have the full purchase price of the Private Receipts returned, plus any interest earned by the Escrow Agent on such funds, calculated from the Closing Date to and including the Termination Time.

Subject to the terms and conditions hereof, each Investor hereby agrees to purchase from the Corporation all, but not less than all, of the Subscription Receipts at the Closing Time (as defined herein), and the Corporation hereby agrees to issue and sell to each Investor at the Closing Time all, but not less than all, of the Subscription Receipts at a purchase price of \$8.80 per Subscription Receipt.

The following are the further terms and conditions of this Agreement:

## 1. Definitions

As used in this Agreement, including the paragraphs prior to this definitional section and any amendments hereto, unless the context otherwise requires:

- (a) "**ABCA**" means the *Business Corporations Act* (Alberta), R.S.A. 2000, c. B-9, as amended, including the regulations promulgated thereunder;
- (b) "**Acquisition Reserves Report**" means the independent engineering evaluation of the oil, natural gas liquids and natural gas reserves attributable to the Assets prepared by GLJ effective June 30, 2017 and dated November 10, 2017;
- (c) "**Agreement**" means this agreement, including any schedules or exhibits attached hereto, and not any particular Article or Section or other portion except as may be specified, and words such as "**hereto**", "**herein**" and "**hereby**" refer to this Agreement as the context requires;
- (d) "**AIF**" means the annual information form of the Corporation dated March 6, 2017 for the year ended December 31, 2016;
- (e) "**Applicable Securities Laws**" means all applicable Canadian securities, corporate and other laws, rules, regulations, notices and policies in the Qualifying Provinces;
- (f) "**ASC**" means the Alberta Securities Commission;
- (g) "**Assets**" means those petroleum and natural gas properties, interests and related assets to be acquired by the Corporation from the Vendor pursuant to the Acquisition Agreement;

- (h) "**Business Day**" means a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in the City of Calgary, Alberta, are not open for business;
- (i) "**Closing**" means the issue and sale of the Subscription Receipts by the Corporation and the purchase by each Investor of the Subscription Receipts pursuant to this Agreement and the Subscription Receipt Agreement;
- (j) "**Closing Date**" means December 4, 2017 or such other date as each Investor and the Corporation may agree;
- (k) "**Closing Time**" means 6:00 a.m. (Calgary time), or such other time on the Closing Date as each Investor and the Corporation may agree;
- (l) "**Common Shares**" means the common shares in the capital of the Corporation;
- (m) "**Corporation's auditors**" means PricewaterhouseCoopers LLP, Chartered Accountants, Calgary, Alberta;
- (n) "**Corporation's counsel**" means Burnet, Duckworth & Palmer LLP, or such other legal counsel as the Corporation, with the consent of the Underwriters, may appoint;
- (o) "**Credit Facility**" means the Corporation's amended and restated credit agreement with a syndicate of lenders dated May 1, 2014, as amended on August 22, 2014, October 9, 2014, November 8, 2014, March 11, 2015, February 12, 2016, April 28, 2016, May 13, 2016, January 5, 2017, April 28, 2017 and May 10, 2017;
- (p) "**Deadline**" means 5:00 p.m. (Calgary time) on February 28, 2018 (or such later date not later than 15 days following February 28, 2018 as NBF and TD may jointly elect, in their sole discretion);
- (q) "**Disclosure Record**" means all information filed by or on behalf of the Corporation with the Securities Commissions subsequent to January 1, 2016, including without limitation, the Documents, the Prospectuses, any Supplementary Material and any other information filed with any Securities Commission in compliance, or intended compliance, with any Applicable Securities Laws;
- (r) "**distribution**" means "distribution" or "distribution to the public", as the case may be, as defined under Applicable Securities Laws and "**distribute**" has a corresponding meaning;
- (s) "**Documents**" means, collectively, the documents incorporated by reference in the Prospectuses and any Supplementary Material including, without limitation:
  - (i) the AIF;
  - (ii) the Whitecap Financial Statements;
  - (iii) the management's discussion and analysis of the financial condition and results of operations of the Corporation for the year ended December 31, 2016;

- (iv) the management's discussion and analysis of the financial condition and results of operations of the Corporation for the three and nine month period ended September 30, 2017;
  - (v) the management information circular dated March 15, 2016 in respect of the annual and special meeting of holders of Common Shares held on April 26, 2016;
  - (vi) the management information circular dated March 15, 2017 in respect of the annual meeting of holders of Common Shares held on April 28, 2017 (the "**2017 Circular**");
  - (vii) the material change report of the Corporation in respect of the Acquisition, the Offering and the Concurrent Private Placement;
  - (viii) for purposes of the Prospectus, any marketing materials (including any template version, revised template version or limited use version thereof) provided to a potential investor in connection with the Public Offering; and
  - (ix) any documents of the type required by NI 44-101 to be incorporated by reference in a short form prospectus, including any annual information form, annual financial statements and the auditors' report thereon, interim financial statements, management's discussion and analysis of financial condition and results of operations, material change report (except a confidential material change report), business acquisition report and information circular, filed by the Corporation after the date of the Underwriting Agreement and during the period of distribution;
- (t) "**Due Diligence Responses**" means the written and verbal responses provided by the Corporation together with all materials provided to the Underwriters or Underwriters' counsel during the Due Diligence Session, as given by any director or senior officer of the Corporation, at a Due Diligence Session, including the portion of such responses which relate to the properties and resources of the Corporation and the Assets;
- (u) "**Due Diligence Session**" means the due diligence sessions to be held with the Underwriters and the Corporation on or prior to the filing of the Preliminary Prospectus and the Prospectus and immediately prior to the closing of the Public Offering;
- (v) "**Escrow Agent**" means Computershare Trust Company of Canada in its capacity as escrow agent under the Subscription Receipt Agreement;
- (w) "**Exchange**" means the Toronto Stock Exchange;
- (x) "**GLJ**" means GLJ Petroleum Consultants, independent petroleum consultants of Calgary, Alberta;
- (y) "**Governmental Authorities**" means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law, rule or regulation making organizations, instrumentalities or entities:
- (i) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or

- (ii) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;
- (z) "**IFRS**" means International Financial Reporting Standards;
- (aa) "**insider**" has the meaning ascribed thereto in the *Securities Act* (Alberta);
- (bb) "**material change**", "**material fact**" and "**misrepresentation**" shall have the meanings ascribed thereto under the Applicable Securities Laws;
- (cc) "**McDaniel**" means McDaniel & Associates Consultants Ltd., independent petroleum consultants of Calgary, Alberta;
- (dd) "**NI 44 101**" means National Instrument 44 101 – Short Form Prospectus Distributions, as amended;
- (ee) "**Offered Securities**" has the meaning ascribed thereto in Section 4(a)(xvii);
- (ff) "**Placement Shares**" means the Common Shares issuable upon the conversion of the Placement Receipts in accordance with the terms of the Placement Subscription Agreements and the Subscription Receipt Agreement;
- (gg) "**Preliminary Prospectus**" means the preliminary short form prospectus of the Corporation to be dated November 17, 2017 and any amendments thereto, in respect of the distribution of the Public Receipts, including the Documents;
- (hh) "**Preliminary U.S. Placement Memorandum**" means the preliminary United States private placement memorandum and any amendments thereto, including the Preliminary Prospectus, in the form agreed by the Corporation and the Underwriters, prepared for use in connection with the offer and sale of the Public Receipts in the United States;
- (ii) "**Prospectus**" means the (final) short form prospectus of the Corporation and any amendments thereto, in respect of the distribution of the Public Receipts, including the documents incorporated by reference therein.;
- (jj) "**Prospectuses**" means, collectively, the Preliminary Prospectus and the Prospectus;
- (kk) "**Qualifying Provinces**" means all provinces of Canada;
- (ll) "**Release Notice**" means the notice to be provided by the Corporation to the Escrow Agent in connection with the completion of the Acquisition, pursuant to the Subscription Receipt Agreement;
- (mm) "**SEC**" means the United States Securities and Exchange Commission;
- (nn) "**Securities Commissions**" means the securities commissions or similar regulatory authorities in the Qualifying Provinces;
- (oo) "**SEDAR**" means the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators;

- (pp) "**Subscription Receipt Agreement**" means the agreement to be dated the Closing Date among the Corporation, the Co-Leads and the Escrow Agent governing the terms and conditions of the Public Receipts and the Private Receipts;
- (qq) "**Supplementary Material**" means, collectively, any amendment to the Preliminary Prospectus or Prospectus, any amended or supplemented Preliminary Prospectus or Prospectus and any ancillary material, information, evidence, return, report, application, statement or document which may be filed by or on behalf of the Corporation under the Applicable Securities Laws or pursuant to the requirements of applicable securities laws, rules and regulations in the United States;
- (rr) "**Swaps**" means any transaction which is a rate swap transaction, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross currency rate swap transaction, currency option, forward sale, exchange traded futures contract or any other similar transaction (including any option with respect to any of these transactions or any combination of these transactions);
- (ss) "**to the best of the Corporation's knowledge, information and belief**" or equivalent statement, means, a statement as to the knowledge of each of the senior officers of the Corporation about the facts or circumstances to which such phrase related, after having made due and applicable inquiries and investigations in connection with such facts and circumstances that would ordinarily be made by senior officers of junior exploration and production firms in the discharge of their duties, without special inquiry;
- (tt) "**to the knowledge of the Corporation**", or equivalent statement, means, a statement as to the actual knowledge, without further inquiry or investigation, of each of the senior officers of the Corporation about the facts or circumstances to which such phrase related;
- (uu) "**Transaction Agreements**" means, collectively, the Subscription Agreements, the Subscription Receipt Agreement, the Underwriting Agreement and the Acquisition Agreement;
- (vv) "**Trident**" means Trident Limited Partnership;
- (ww) "**Underlying Shares**" means the Common Shares issuable upon the conversion of the Public Receipts in accordance with the terms of the Underwriting Agreement and the Subscription Receipt Agreement;
- (xx) "**Underwriting Agreement**" means the underwriting agreement to be entered into between the Corporation and the Underwriters in respect of the Public Offering;
- (yy) "**United States**" means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;
- (zz) "**U.S. Exchange Act**" means the United States Securities Exchange Act of 1934, as amended;
- (aaa) "**U.S. Placement Memorandum**" means the U.S. private placement memorandum for the offering of the Public Receipts in the United States, including the Prospectus, in the form agreed to by the Corporation and the Underwriters, as supplemented or amended;

- (bbb) "**U.S. Securities Act**" means the United States Securities Act of 1933, as amended;
- (ccc) "**U.S. Securities Laws**" means all applicable securities legislation in the United States, including without limitation, the U.S. Securities Act, the U.S. Exchange Act, and any applicable state securities laws;
- (ddd) "**Vendor**" means the public oil and gas company from whom the Corporation has agreed to acquire the Assets pursuant to the Acquisition Agreement;
- (eee) "**Whitecap Financial Statements**" means, collectively: (i) the audited comparative financial statements of Whitecap as at and for the years ended December 31, 2016 and 2015, together with the notes thereto and the report of the auditors thereon; and (ii) the unaudited consolidated financial statements of Whitecap for the three and nine months ended September 30, 2017, together with the notes thereto;
- (fff) "**Whitecap McDaniel Reserves Report**" means the independent engineering evaluation of the oil, natural gas liquids and natural gas reserves attributable to the Corporation prepared by McDaniel effective December 31, 2016 and dated February 16, 2017; and
- (ggg) "**Whitecap Subsidiaries**" means, together, Whitecap Energy Inc. and Whitecap Resources Partnership.

## 2. Covenants of the Corporation

The Corporation covenants and agrees:

- (a) that the Subscription Receipts will be duly and validly created and authorized pursuant to the Subscription Receipt Agreement and, upon issuance in accordance with the terms of this Agreement and the Subscription Receipt Agreement, the Subscription Receipts will be legal, valid and binding obligations of the Corporation enforceable in accordance with their terms, subject to the general qualifications set forth in Section 4(a)(xvii) below;
- (b) that the Common Shares issuable upon the conversion of the Subscription Receipts in accordance with the terms of this Agreement and the Subscription Receipt Agreement (the "**Placement Shares**") shall have been duly and validly created and authorized and, upon issuance in accordance with the terms of the Subscription Receipts, the Placement Shares will be validly issued as fully paid and non-assessable Common Shares;
- (c) to use its commercially reasonable efforts to complete the Public Offering and the Concurrent Private Placement and to give effect to the Acquisition as soon as reasonably practicable;
- (d) to comply with all covenants of the Corporation set forth in the Transaction Agreements and to duly, punctually and faithfully perform all the obligations to be performed by it under the Transaction Agreements;
- (e) as soon as reasonably possible, and in any event by the Closing Date, to take any and all commercially reasonable steps to enable the Subscription Receipts (and the Placement Shares issuable upon conversion of the Subscription Receipts) to be offered for sale and sold on a private placement basis to each Investor by way of the "accredited investor" exemption under Applicable Securities Laws and within the United States only to "qualified institutional buyers" ("**Qualified Institutional Buyers**") pursuant to an exemption from the registration requirement of the U.S.

Securities Act provide by Rule 144A thereunder ("**Rule 144A**") and similar exemptions under applicable U.S. States securities laws as contemplated hereby;

- (f) to allow each Investor, prior to the Closing Time, to conduct all due diligence which each Investor may reasonably require with respect to the Corporation and the Assets;
- (g) to furnish promptly to each Investor any material requests from any Governmental Authorities for any information in respect of the Acquisition, the business, operations, financial condition or assets of the Corporation or any material third party complaint, investigation orders or hearings (or investigations indicating the same may be contemplated), including any orders to cease or suspend trading of any securities of the Corporation, and to the extent that it relates to or could have a material adverse effect on the Corporation, any such requests in respect of its properties or assets;
- (h) to use the proceeds from the issuance and sale of the Private Receipts and the Public Offering to fund a portion of the Purchase Price;
- (i) to use its commercially reasonable efforts to obtain, prior to the Closing Time, all necessary approvals of the Exchange for the issuance and listing of the Placement Shares, subject only to filing of required documents and will comply with all requirements of the Exchange in connection with the issuance and listing of the Placement Shares on the Exchange including filing of all necessary documentation in accordance with the requirements of the Exchange;
- (j) to use its commercially reasonable efforts to maintain its status as a reporting issuer not in default of any Applicable Securities Laws for a period of 12 months following the Closing Date, provided that each Investor continues to hold Subscription Receipts or Placement Shares;
- (k) to carry on its business in a prudent manner in accordance with industry standards and good business practice and to keep or cause to be kept proper books of accounts in accordance with applicable law;
- (l) to use its reasonable commercial efforts to expeditiously pursue the satisfaction of all conditions to the completion, and the closing of the Acquisition prior to the Deadline, and to cause the issuance of the Placement Shares upon the conversion of the Subscription Receipts and the Underlying Shares on the conversion of the Public Receipts; and
- (m) to provide prompt notice to each Investor of any termination of the Acquisition Agreement or any determination by the Corporation that it will not be proceeding with the Acquisition.

### **3. Material Change**

- (a) During the period ending at the Closing Time, the Corporation will promptly inform each Investor in writing of the full particulars of:
  - (i) any material change (actual, anticipated or threatened) in or affecting the business, operations, revenues, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Corporation and or Whitecap Subsidiaries (taken as a whole), or in or affecting the Acquisition;

- (ii) any change in any material fact contained or referred to in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material; and
- (iii) the occurrence or discovery of a material fact or event which, in any such case, is, or may be, of such a nature as to:
  - (A) render the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material untrue, false or misleading in any material respect;
  - (B) result in a misrepresentation in the Preliminary Prospectus, the Placement Memorandum, any marketing materials or any Supplementary Material; or
  - (C) result in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any marketing materials or any Supplementary Material not complying in any material respect with the Applicable Securities Laws,

provided that if the Corporation is uncertain as to whether a material change, change, occurrence or event of the nature referred to in this section has occurred or been discovered, the Corporation shall promptly inform each Investor of the full particulars of the occurrence giving rise to the uncertainty and shall consult with each Investor as to whether the occurrence is of such nature prior to making any filing referred to in subsection 3(c).

- (b) During the period ending on the Closing Time, the Corporation will promptly inform each Investor of the full particulars of:
  - (i) any request of any Securities Commission, the SEC or similar regulatory authority for any amendment to, or to suspend or prevent the use of, the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any other part of the Disclosure Record or any Supplementary Material or for any additional information of a material nature;
  - (ii) the issuance by any Securities Commission, the SEC or similar regulatory authority, the Exchange or any other competent authority of any order to cease or suspend trading of any securities of the Corporation or of the institution or threat of institution of any proceedings for that purpose; and
  - (iii) the receipt by the Corporation of any communication from any Securities Commission, the SEC or similar regulatory authority, the Exchange or any other competent authority relating to the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any part of the Disclosure Record or any Supplementary Material or the distribution of the Public Receipts.
- (c) During the period ending at the Closing Time, the Corporation will promptly provide to each Investor, for review by each Investor prior to filing with the Securities Commissions:
  - (i) any financial statements;

- (ii) any proposed document, including without limitation any amendment to the AIF, new annual information form, business acquisition report, material change report, interim report, marketing documents or information circular, which may be incorporated, or deemed to be incorporated, by reference in the Prospectus;
- (iii) any news release of the Corporation; and
- (iv) any Supplementary Material.

#### **4. Representations and Warranties of the Corporation**

- (a) The Corporation represents and warrants to each Investor, and acknowledges that each Investor is relying upon such representations and warranties in entering into this Agreement, that:
  - (i) all of the information and statements (except information and statements furnished in writing by and relating solely to the Underwriters) contained in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material, as applicable, including, without limitation, the documents incorporated by reference, as the case may be:
    - (A) are at the respective dates of such documents, true and correct in all material respects;
    - (B) contain no misrepresentation; and
    - (C) constitute full, true and plain disclosure of all material facts relating to the Corporation, the Offered Receipts, the Underlying Shares, the Acquisition and, to the best of the Corporation's knowledge, information and belief, the Assets (taken as a whole);
  - (ii) the Preliminary Prospectus, the Prospectus, or any Supplementary Material, as applicable, including, without limitation, the documents incorporated by reference, as the case may be, comply in all material respects with the Applicable Securities Laws, including without limitation NI 44 101, and the Preliminary U.S. Placement Memorandum and the U.S. Placement Memorandum and, to the extent applicable, any related Supplementary Material, complies as to form in all material respects with the U.S. Securities Act;
  - (iii) there has been no intervening material change (actual, proposed or prospective, whether financial or otherwise), from the date of the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum and any Supplementary Material to the time of delivery thereof, in the business, operations, revenues, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Corporation and the Whitecap Subsidiaries (taken as a whole), the Acquisition or, the knowledge of the Corporation, the Assets;
  - (iv) the Corporation and Whitecap Energy Inc. are each a corporation duly incorporated, continued or amalgamated and validly subsisting under the laws of the jurisdiction in which they were incorporated, continued or amalgamated, as the case may be, and have the requisite power and authority to carry on their respective businesses as they are now being conducted and as described in the Prospectuses;

- (v) the Corporation and each of the Whitecap Subsidiaries are duly registered to do business and are in good standing in each jurisdiction in which the character of their respective properties, owned or leased, or the nature of their 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 the Corporation and the Whitecap Subsidiaries (taken as a whole);
- (vi) Whitecap Resources Partnership is duly formed and is a valid and subsisting partnership in good standing under the laws of the jurisdiction in which it was formed and has the requisite power and authority to carry on its business as it is now being conducted and as described in the prospectus;
- (vii) other than the Whitecap Subsidiaries and a 10% equity interest in Trident, the Corporation has no Subsidiaries, is not "affiliated" with or a "holding corporation" of any other body corporate (within the meaning of the ABCA), and is not a partner of any partnerships or limited partnerships;
- (viii) the Corporation and each of the Whitecap Subsidiaries have conducted and are conducting and will conduct their respective businesses in compliance in all material respects with all applicable laws, rules and regulations and, in particular, all applicable licensing and environmental legislation, regulations or by laws or other lawful requirements of any governmental or regulatory bodies applicable to them of each jurisdiction in which they carry on business and hold all licences, registrations and qualifications in all jurisdictions in which they carry on business which are necessary or desirable to carry on the business of the Corporation and each of the Whitecap Subsidiaries as now conducted and as contemplated to be conducted in the Prospectuses (except where the failure to so conduct their respective businesses or to hold such licences, registrations or qualifications would not, individually or in the aggregate, have a material adverse effect on the business, operation, capital or condition (financial or otherwise) of the Corporation and the Whitecap Subsidiaries (taken as a whole) or the Corporation's and the Whitecap Subsidiaries' properties or assets (taken as a whole)), all such licences, registrations or qualifications are valid and existing and in good standing (except where the lack of such valid or existing license would not have any material adverse effect on the business of the Corporation and the Whitecap Subsidiaries (taken as a whole)) and none of such licences, registrations or qualifications contains any burdensome term, provision, condition or limitation which has or is likely to have any material adverse effect on the business of the Corporation and the Whitecap Subsidiaries (taken as a whole) as now conducted or as proposed to be conducted, and the Corporation is not aware of any legislation, regulation, rule or lawful requirements presently in force or proposed to be brought into force which the Corporation anticipates the Corporation or either of the Whitecap Subsidiaries will be unable to comply with without materially adversely affecting the Corporation and the Whitecap Subsidiaries (taken as a whole);
- (ix) the minute books of the Corporation and, to the best of the Corporation's knowledge, information and belief, each of the Whitecap Subsidiaries are, in all material respects, true and correct and contain copies of all minutes of all meetings and all resolutions of the directors, committees of directors and shareholders of the Corporation and each of the Whitecap Subsidiaries and all such meetings were duly called and properly held and all consent resolutions were properly adopted;

- (x) the books of account and other records of the Corporation and, to the best of the Corporation's knowledge, information and belief, each of the Whitecap Subsidiaries, whether of a financial or accounting nature or otherwise, have been maintained in accordance with prudent business practices;
- (xi) the Corporation and each of the Whitecap Subsidiaries have duly and, to the best of the Corporation's knowledge, information and belief, on a timely basis, filed all tax returns required to be filed by them, have paid all taxes due and payable by them and have paid all assessments and reassessments and all other taxes, governmental charges, penalties, interest and other fines due and payable by them and which were claimed by any governmental authority to be due and owing and adequate provisions have been made in the Whitecap Financial Statements for taxes payable for any completed fiscal period for which tax returns are not yet required and there are no agreements, waivers, or other arrangements providing for an extension of time with respect to the filing of any tax return or payment of any tax, governmental charge or deficiency by the Corporation or either of the Whitecap Subsidiaries and to the best of the knowledge, information and belief of the Corporation, there are no actions, suits, proceedings, investigations or claims threatened or pending against the Corporation or either of the Whitecap Subsidiaries in respect of taxes, governmental charges or assessments or any matters under discussion with any governmental authority relating to taxes, governmental charges or assessments asserted by any such authority. The Corporation and each of the Whitecap Subsidiaries have duly and timely withheld from any amount paid or credited by them to or for the account or benefit of any person, including any employee, officer, director, or non resident person, the amount of all taxes and other deductions required by applicable law to be withheld and have duly and timely remitted the withheld amount to the appropriate taxing or other authority and have duly and timely issued tax reporting slips or returns in respect of any amount so paid or credited by them as required by applicable law;
- (xii) all filings made by the Corporation and each of the Whitecap Subsidiaries under which the Corporation and each of the Whitecap Subsidiaries have received or are entitled to government incentives, have been made in accordance, in all material respects, with all applicable legislation and contain no misrepresentations of material fact or omit to state any material fact which could cause any material amount previously paid to the Corporation or either of the Whitecap Subsidiaries or previously accrued on the accounts thereof to be recovered or disallowed;
- (xiii) except to the extent that any violation or other matter referred to in this subsection does not have a material adverse effect on the business, financial condition, assets, properties, liabilities or operations of the Corporation and the Whitecap Subsidiaries (taken as a whole):
  - (A) neither the Corporation nor either of the Whitecap Subsidiaries are in violation of any applicable federal, provincial, municipal or local laws, regulations, orders, government decrees or ordinances with respect to environmental, health or safety matters (collectively, "**Environmental Laws**");
  - (B) the Corporation and each of the Whitecap Subsidiaries have operated their respective businesses at all times and have received, handled, used, stored, treated, shipped and disposed of all contaminants without violation of Environmental Laws;

- (C) there have been no spills, releases, deposits or discharges of hazardous or toxic substances, contaminants or wastes into the earth, air or into any body of water or any municipal or other sewer or drain water systems by the Corporation or either of the Whitecap Subsidiaries that have not been remedied or that are not presently being remedied;
  - (D) no orders, directions or notices have been issued and remain outstanding pursuant to any Environmental Laws relating to the business or assets of the Corporation or either of the Whitecap Subsidiaries;
  - (E) neither the Corporation nor either of the Whitecap Subsidiaries have failed to report to the proper Governmental Authority the occurrence of any event which is required to be so reported by any Environmental Law; and
  - (F) the Corporation and each of the Whitecap Subsidiaries hold all licences, permits and approvals required under any Environmental Laws in connection with the operation of their respective businesses and the ownership and use of their respective assets, all such licences, permits and approvals are in full force and effect, and except for (1) notifications and conditions of general application to assets of the type owned by the Corporation and each of the Whitecap Subsidiaries, and (2) notifications relating to reclamation obligations under the *Environmental Protection and Enhancement Act* (Alberta) or equivalent legislation in other provinces, neither the Corporation nor either of the Whitecap Subsidiaries have received any notification pursuant to any Environmental Laws that any work, repairs, constructions or capital expenditures are required to be made by them as a condition of continued compliance with any Environmental Laws, or any licence, permit or approval issued pursuant thereto, or that any licence, permit or approval referred to above is about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated;
- (xiv) any and all operations of the Corporation and each of the Whitecap Subsidiaries and, to the knowledge of the Corporation, any and all operations by third parties on or in respect of the assets and properties of the Corporation and each of the Whitecap Subsidiaries, have been conducted in accordance with good oil and gas industry practices and in material compliance with applicable laws, rules, regulations, orders and directions of governmental and other competent authorities, except where the failure to so operate would not have a material adverse effect on the Corporation and the Whitecap Subsidiaries (taken as a whole) or the Corporation's ability to complete the Acquisition;
- (xv) in respect of the assets and properties of the Corporation and each of the Whitecap Subsidiaries that are operated by them, if any, the Corporation and each of the Whitecap Subsidiaries hold all valid licences, permits and similar rights and privileges that are required and necessary under applicable law to operate the assets and properties of the Corporation and each of the Whitecap Subsidiaries as presently operated, except where a failure to hold such valid licences, permits and similar rights would not have a material adverse effect on the Corporation and the Whitecap Subsidiaries (taken as a whole);
- (xvi) except for any post closing notice filings required under Applicable Securities Laws, no consent, approval, permit, authorization, order or filing with any court or governmental agency, the securities authorities or any other jurisdiction or agency is required by the Corporation or necessary for the execution, delivery and the performance by the

Corporation of its obligations under this Agreement, other than such consents, approvals, authorizations, registrations or qualifications as may be required under Applicable Securities Laws or by the Exchange, all of which will be obtained by the Corporation prior to the Closing Time;

- (xvii) the Corporation has full corporate capacity, power and authority to enter into the Transaction Agreements and to perform its obligations set out herein and therein (including, without limitation, to complete the Acquisition and to issue the Subscription Receipts, the Public Receipts, the Placement Shares and the Underlying Shares, collectively, the "**Offered Securities**"), and this Agreement, the Acquisition Agreement and the Underwriting Agreement have been, and the Subscription Receipt Agreement will, on the Closing Date, be, duly authorized, executed and delivered by the Corporation and this Agreement, the Underwriting Agreement and the Acquisition Agreement are, and the Subscription Receipt Agreement will, on the Closing Date, be, legal, valid and binding obligations of the Corporation enforceable against the Corporation in accordance with their terms, except that the validity, binding effect and enforceability of the terms of this Agreement, the Underwriting Agreement and the Acquisition Agreement are, and the enforceability of the Subscription Receipt Agreement will be, subject to the qualification that such validity, binding effect and enforceability may be limited by: (i) applicable bankruptcy, insolvency, moratorium, reorganization or other laws affecting creditors' rights generally; (ii) equitable remedies, including the remedies of specific performance and injunctive relief, being available only in the discretion of the applicable court; (iii) the statutory and inherent powers of a court to grant relief; from forfeiture, to stay execution of proceedings before it and to stay executions on judgements; (iv) the applicable laws regarding limitations of actions; (v) enforceability of provisions which purport to sever any provision which is prohibited or unenforceable under applicable law without affecting the enforceability or validity of the remainder of such document would be determined only in the discretion of the court; (vi) enforceability of the provisions exculpating a party from liability or duty otherwise owed by it may be limited under applicable law; and (vii) that rights to indemnity, contribution and waiver under the documents may be limited or unavailable under applicable law;
- (xviii) no action, approval, consent or vote on the part of the shareholders of the Corporation is or shall be necessary to consummate the transactions contemplated by the Transaction Agreements;
- (xix) at the Closing Time, the Offered Securities will be duly and validly authorized, allotted and reserved for issuance in accordance with the Subscription Receipt Agreement and, upon receipt of the purchase price therefor, the Subscription Receipts and the Public Receipts will be duly and validly issued and will comply with all requirements of the Exchange, upon the issuance of the Placement Shares pursuant to the Subscription Receipts in accordance with the terms of the Subscription Receipt Agreement, such Placement Shares will be duly and validly issued as fully paid and non assessable and upon the issuance of the Underlying Shares pursuant to the Public Receipts in accordance with the terms of the Subscription Receipt Agreement, such Underlying Shares will be duly and validly issued as fully paid and non assessable;
- (xx) the Corporation has the necessary corporate power and authority to execute, deliver and file (as applicable) the Prospectuses, any applicable Supplementary Material and the Transaction Agreement and, prior to the filing of the Prospectuses, and applicable Supplementary Material, all requisite action will have been taken by the Corporation to

authorize the execution, delivery and filing (as applicable) of the Prospectuses, the Applicable Supplementary Material and the Transaction Agreements;

- (xxi) the Corporation has the necessary corporate power and authority to execute and deliver each of the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum and the Supplementary Material (to the extent not already covered by subsection (xx));
- (xxii) the Offered Securities are not required to be registered under the U.S. Securities Act or any other U.S. state securities laws;
- (xxiii) the attributes and characteristics of the Offered Securities conform in all material respects to the attributes and characteristics thereof described in the Prospectuses;
- (xxiv) the Corporation is not in default or breach of, and the execution and delivery of, and the performance of and compliance with the terms of, the Transaction Agreements by the Corporation or any of the transactions contemplated hereby or thereby, does not and will not result in any breach of, or constitute a default under, and does not and will not create a state of facts which, after notice or lapse of time or both, would result in a breach of or constitute a default under, (i) any term or provision of the articles, by laws or constating documents of the Corporation, as applicable, (ii) any resolutions of shareholders or directors (or any committee thereof) of the Corporation, (iii) any indenture, mortgage, note, contract, agreement (written or oral), instrument, lease or other document to which the Corporation is a party or by which it is bound, or (iv) any law, judgment, decree, order, statute, rule or regulation applicable to the Corporation, which default or breach might reasonably be expected to materially adversely affect the business, operations, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), ownership or condition (financial or otherwise) or results of operations of the Corporation and the Whitecap Subsidiaries (taken as a whole) or would impair the ability of the Corporation to consummate the transactions contemplated hereby or to duly observe and perform any of its covenants or obligations contained in the Transaction Agreements;
- (xxv) the Whitecap Financial Statements fairly present, in accordance with generally accepted accounting principles in Canada, consistently applied, the financial position and condition of the Corporation and the Whitecap Subsidiaries (on a consolidated basis) at the dates thereof and the results of the operations of the Corporation and the Whitecap Subsidiaries (on a consolidated basis) for the periods then ended and reflect in accordance with generally accepted accounting principles in Canada, consistently applied, all material assets, liabilities and obligations (absolute, accrued, contingent or otherwise) of the Corporation and the Whitecap Subsidiaries (on a consolidated basis) as at the dates thereof;
- (xxvi) neither the Corporation nor the Whitecap Subsidiaries have any liabilities, obligations, indebtedness or commitments, whether accrued, absolute, contingent or otherwise, which are not disclosed or referred to in the Whitecap Financial Statements or referred to or disclosed in the Prospectuses, other than liabilities, obligations, or indebtedness or commitments: (i) incurred in the normal course of business; or (ii) which would not have a material adverse effect on the Corporation and the Whitecap Subsidiaries (taken as a whole);

- (xxvii) the Corporation does not have any outstanding obligations to incur and/or renounce any Canadian exploration expenses or Canadian development expenses to any purchaser of the shares of the Corporation that have not yet been fully expended and renounced;
- (xxviii) no director, officer, insider or other non arm's length party to the Corporation or either of the Whitecap 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 the Corporation or either of the Whitecap Subsidiaries;
- (xxix) there has not been any material change in the capital, assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of the Corporation and the Whitecap Subsidiaries (taken as a whole) from the position set forth in the Documents except as disclosed in the Prospectuses and there has not been any adverse material change in the business, operations, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Corporation and the Whitecap Subsidiaries (taken as a whole) since December 31, 2016 except as disclosed in the Prospectuses; and since that date, there have been no material facts, transactions, events or occurrences which could materially adversely affect the business, operations, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Corporation and the Whitecap Subsidiaries (taken as a whole) which have not been disclosed in the Prospectuses;
- (xxx) based upon representations made by the Corporation's auditors, PricewaterhouseCoopers LLP are independent chartered accountants with respect to the Corporation as required by Applicable Securities Laws;
- (xxxi) there has not been any reportable disagreement (within the meaning of Section 4.11 of National Instrument 51-102 of the Canadian Securities Administrators) with the Corporation's auditors and the Corporation has no current intention to change auditors;
- (xxxii) the Corporation maintains a system of internal accounting controls sufficient to provide reasonable assurance that transactions are recorded as necessary to facilitate preparation of financial statements in conformity with Canadian generally accepted accounting principles and to maintain accountability for assets;
- (xxxiii) the Corporation and each of the Whitecap Subsidiaries have their properties and assets insured against loss or damage by insurable hazards or risks on a replacement cost basis. Such insurance coverage is of a type and in an amount typical to the business in which the Corporation and each of the Whitecap Subsidiaries operate as conducted by a reasonably prudent person based on the advice of reputable insurance brokers consulted by such person. In the last twelve months neither the Corporation nor either of the Whitecap Subsidiaries have made any material claim on any policy of insurance or been refused any insurance coverage sought or applied for. The Corporation does not have any reason to believe that it will not be able to renew the existing insurance coverage of the Corporation and the Whitecap Subsidiaries as and when such coverage expires or obtain similar coverage from similar insurers as may be necessary to continue with its businesses at a cost that would not have a material adverse effect on the Corporation and the Whitecap Subsidiaries (taken as a whole);

- (xxxiv) to the best of the Corporation's knowledge, information and belief, all material receivables recorded on the books of the Corporation are bona fide and are good and collectible without set off or counterclaim;
- (xxxv) all material bonuses, commissions, salaries and other amounts owing to employees are reflected and have been accrued in the books of account of the Corporation;
- (xxxvi) other than pursuant to the Transaction Agreements, neither the Corporation nor either of the Whitecap Subsidiaries are party to or bound by any agreement of guarantee, indemnification (other than an indemnification of directors and officers in accordance with the by laws of the Corporation and each of the corporate Whitecap Subsidiaries and applicable laws, indemnification agreements or covenants that are entered into arising in the ordinary course of business, including partnership agreements, operating and similar agreements, indemnification and contribution provisions in agency and underwriting agreements, transfer agency agreements and credit borrowing agreements) or any other like commitment of the obligations, liabilities (contingent or otherwise) of indebtedness of any other person;
- (xxxvii) the Corporation does not have any loans or other indebtedness which have been made to or from any of its shareholders, officers, directors or employees or any other person not dealing at arm's length with the Corporation that are currently outstanding;
- (xxxviii) there are no actions, suits, proceedings or inquiries in existence or, to the knowledge of the Corporation, pending or threatened against or affecting the Corporation or either of the Whitecap Subsidiaries at law or in equity or before or by any federal, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality which in any way materially adversely affects, or may in any way materially adversely affect, the business, operations, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Corporation and the Whitecap Subsidiaries (taken as a whole) or their properties or assets (taken as a whole) or which affects or may affect the distribution of the Offered Securities or which would impair the ability of the Corporation to consummate the transactions contemplated by the Transaction Agreements or to duly observe and perform any of its covenants or obligations contained in the Placement Subscription Agreements, the Underwriting Agreement or the Acquisition Agreement, and to be contained in the Subscription Receipt Agreement, and the Corporation is not aware of any existing ground on which such action, suit, proceeding or inquiry might be commenced with any reasonable likelihood of success;
- (xxxix) the information and statements set forth in the Documents and Disclosure Record were true, correct, and complete and did not contain any misrepresentation, as of the date of such information or statement, and the Corporation has not filed any confidential material change report still maintained on a confidential basis;
- (xl) the authorized capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of preferred shares, of which only 369,834, 837 Common Shares and nil preferred shares are currently issued and outstanding, all of which shares are validly issued, fully paid and non assessable;
- (xli) other than in connection with the issuance of the Subscription Receipts, no person, firm, corporation or other entity holds any securities convertible or exchangeable into

securities of the Corporation or has any agreement, warrant, option, right or privilege (whether pre-emptive or contractual) being or capable of becoming an agreement, warrant, option or right (whether or not on condition(s)) for the purchase or other acquisition of any unissued securities of the Corporation except 4,741,250 awards outstanding under Whitecap's Award Incentive Plan which may be payable in cash or Common Shares at the sole discretion of the Corporation;

- (xlii) none of the directors, officers or employees of the Corporation, or any associate or affiliate of any of the foregoing, had or has any material interest, direct or indirect, in any material transaction or any proposed material transaction with the Corporation which, as the case may be, materially affects, is material to or will materially affect the Corporation other than as set out in the Documents;
- (xliii) Computershare Trust Company of Canada, at its principal offices in the cities of Calgary, Alberta and Toronto, Ontario has been duly appointed registrar and transfer agent of the Common Shares;
- (xliv) Computershare Trust Company of Canada, at its principal offices in the cities of Calgary, Alberta and Toronto, Ontario will, on the Closing Date, be the duly appointed transfer agent of the Private Receipts and the Public Receipts and the and escrow agent under the Subscription Receipt Agreement;
- (xlv) no Securities Commission, other securities commission or similar regulatory authority, the Exchange or other exchange in Canada or the United States has issued any order which is currently outstanding, preventing or suspending trading in any securities of the Corporation, no such proceeding is, to the knowledge of the Corporation, pending, contemplated or threatened and the Corporation is not in default of any material requirement of Applicable Securities Laws;
- (xlvi) the issued and outstanding Common Shares are listed and posted for trading on the Exchange and the Corporation is in compliance in all material respects with the by laws, rules and regulations of the Exchange;
- (xlvii) the Corporation is a reporting issuer in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Nova Scotia, New Brunswick, Newfoundland and Labrador, Québec and Ontario, and is in compliance in all material respects with Applicable Securities Laws;
- (xlviii) to the knowledge of the Corporation, no insider of the Corporation has a present intention to sell any securities of the Corporation;
- (xlix) other than as provided for in the Underwriting Agreement and relating to NB's role as advisor to the Corporation in connection with the Acquisition Agreement, the Corporation has not incurred any obligation or liability, contingent or otherwise, for brokerage fees, finder's fees, underwriter's or agent's commission or other similar forms of compensation with respect to the transactions contemplated hereby and thereby;
- (l) the definitive form of certificates for the Common Shares have been duly approved and adopted by the Corporation and comply with all legal requirements relating thereto;

- (li) the Corporation had made available to McDaniel, prior to the issuance of the Whitecap McDaniel Reserves Report, for the purpose of preparing the Whitecap McDaniel Reserves Report, all information requested by McDaniel, which information did not contain any misrepresentation at the time such information was provided. Except with respect to changes in commodity prices, production and royalties that occurred since the date of the Whitecap McDaniel Reserves Report, there has not been a material adverse change in any production, cost, reserves or other relevant information provided to McDaniel since the dates that such information was so provided. The Corporation believes that the Whitecap McDaniel Reserves Report reasonably presents the quantity and pre tax present worth values on an aggregate basis of the oil and gas reserves attributable to the crude oil, natural gas liquids and natural gas properties evaluated in such report as at December 31, 2016 based upon information available at the time the Whitecap McDaniel Reserves Report was prepared, and the Corporation believes that at the date of such report it did not, and as of the date hereof, except as may be attributable to changes in commodity prices and production since the date of such report does not, overstate the aggregate quantity or pre tax present worth values of such reserves or the estimated monthly production volumes therefrom;
- (lii) the Corporation believes that the Acquisition Reserves Report reasonably presents the quantity and pre tax present worth values on an aggregate basis of the oil and gas reserves attributable to the crude oil, natural gas liquids and natural gas properties as at June 30, 2017 based upon information available at the time the Acquisition Reserves Report was prepared, and the Corporation believes that at the date of such report it did not, and as of the date hereof, except as may be attributable to changes in commodity prices and production since the date of such report does not, overstate the aggregate quantity or pre tax present worth values of such reserves or the estimated monthly production volumes therefrom;
- (liii) the properties and assets of the Corporation and each of the Whitecap Subsidiaries are and, to the knowledge, information and belief of the Corporation, at the closing date of the Acquisition, the Assets will be, free and clear of all mortgages, pledges, liens, charges and encumbrances other than those encumbrances that are standard in the oil and gas industry, encumbrances pursuant to the Corporation's Credit Facility, or which do not and will not have a material adverse effect on the ownership or operation of such assets and properties ("**Permitted Encumbrances**") and, other than Permitted Encumbrances, and neither the Corporation nor either of the Whitecap Subsidiaries have done any act or suffered or permitted any action to be done whereby any person has acquired or may acquire an interest in or to the material properties and assets of the Corporation and the Whitecap Subsidiaries (taken as a whole), nor have they done any act, omitted to do any act or permitted any act to be done that may adversely affect or defeat its title to any of their material properties or assets;
- (liv) although it does not warrant title, the Corporation does not have reason to believe that the Corporation and each of the Whitecap Subsidiaries do not have title to or the right to produce and sell their petroleum, natural gas and related hydrocarbons (for the purpose of this subsection, the foregoing are referred to as the "**Interest**") and does represent and warrant that the Interest is free and clear of adverse claims created by, through or under the Corporation and the Whitecap Subsidiaries (taken as a whole) and except for those arising in the ordinary course of business, and that, to its knowledge, the Corporation and each of the Whitecap Subsidiaries hold their respective Interest under valid and subsisting leases, licenses, permits, concessions, concession agreements, contracts, subleases,

reservations or other agreements except where the failure to so hold their respective Interest would not have a material adverse effect on the Corporation and the Whitecap Subsidiaries (taken as a whole);

- (lv) although it does not warrant title, the Corporation does not have reason to believe that the Vendor does not have title to or the right to produce and sell its petroleum, natural gas and related hydrocarbons (for the purpose of this subsection, the foregoing are referred to as the "Vendor's Interest") and does represent and warrant that, to the Corporation's knowledge, the Vendor's Interest is free and clear of adverse claims created by, through or under the Vendor and except for those arising in the ordinary course of business, and that, to the Corporation's knowledge, the Vendor holds its Vendor's Interest under valid and subsisting leases, licenses, permits, concessions, concession agreements, contracts, subleases, reservations or other agreements except where the failure to so hold its Vendor's Interest would not have a material adverse effect on the Assets;
- (lvi) to the best of the Corporation's knowledge, information and belief, there are no defects, failures or impairments in the title of the Corporation and each of the Whitecap Subsidiaries to their respective oil and 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 items (A), (B) and (C) set forth immediately below and the Corporation is not aware of any pending or threatened action, suit, proceeding or inquiry which, in aggregate, could have a material adverse effect on: (A) the quantity of and pre tax present value of estimated future net revenue from the oil and natural gas reserves of the Corporation as shown in the Whitecap McDaniel Reserves Report; (B) the current production of the Corporation and the Whitecap Subsidiaries (taken as a whole); or (C) the current cash flow of the Corporation and the Whitecap Subsidiaries (taken as a whole);
- (lvii) to the best of the Corporation's knowledge, information and belief, as of the date hereof, there are no defects, failures or impairments in the title of the Vendor to any of the Assets whether or not an action, suit, proceeding or inquiry is pending or threatened or whether or not discovered by any third party which in aggregate could have a material adverse effect on: (A) the quantity of and pre tax present value of estimated future net revenue from the Assets as calculated in the Acquisition Reserves Report; (B) the current production attributable to the Assets; or (C) the current cash flow attributable to the Assets;
- (lviii) the representations and warranties of the Corporation in the Acquisition Agreement, a true copy of which has been provided to the Underwriters, are true and correct as of the date hereof, except as such would not have a material adverse effect on the business, operations, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Corporation and the Whitecap Subsidiaries (taken as a whole);
- (lix) the Corporation has no reason to believe that the representations and warranties of the Vendor in the Acquisition Agreement are not true and correct as of the date hereof or that the Vendor is in breach of any of its covenants in the Acquisition Agreement, except such as would not have a material adverse effect on the Assets or the Corporation and the Whitecap Subsidiaries (taken as a whole), or on the ability of the Vendor or the Corporation to complete the Acquisition;

- (lx) the Corporation is not aware of any material differences in the information provided to the Corporation by the Vendor to the representations and warranties of the Vendor in the Acquisition Agreement except as would not be expected to have a material adverse effect on the Assets or on the ability of the Corporation or the Vendor to complete the Acquisition;
- (lxi) to the best of the knowledge, information and belief of the Corporation, no event has occurred or condition exists which will prevent the transactions contemplated in the Acquisition Agreement from being completed prior to 5:00 p.m. (Calgary time) on February 28, 2018;
- (lxii) to the knowledge of the Corporation, none of its directors or officers are subject to an order or ruling of any securities regulatory authority or stock exchange prohibiting such individual from acting as a director or officer of a public company or of a company listed on a particular stock exchange;
- (lxiii) except as disclosed in the 2017 Circular, the Corporation is not a party to any written contracts of employment which may not be terminated on one month's notice or which provide for payments occurring on a change of control of the Corporation;
- (lxiv) other than the Acquisition Agreement, the Underwriting Agreement, the Placement Subscription Agreements, agreements related to normal course drilling and operations, and the agreements publicly disclosed or disclosed to the Underwriters in writing, there are no material contracts or agreements to which the Corporation or either of the Whitecap Subsidiaries are a party to or by which they are bound or which are required by the Corporation or either of the Whitecap Subsidiaries to carry on their respective businesses as now conducted by them and presently proposed to be conducted by them, and each of such contracts and agreements constitute a legally valid and binding agreement of the Corporation or the Whitecap Subsidiaries, as applicable, enforceable in accordance with their respective terms and, to the knowledge of the Corporation, no party thereto is in default thereunder, which default may have a material adverse effect on the Corporation, the Whitecap Subsidiaries or their properties and assets (taken as a whole);
- (lxv) other than as disclosed in the Whitecap Financial Statements, the Corporation is not a party to any Swaps or arrangements for Swaps outside the normal course of business;
- (lxvi) the Corporation is not a party to any shareholder rights plan or any other form of plan, agreement, contract or instrument that shall trigger any rights to acquire Common Shares or other securities of the Corporation;
- (lxvii) neither the Corporation nor, to its knowledge, any of its shareholders is a party to any unanimous shareholders agreement, pooling agreement, voting trust or other similar type of arrangements in respect of outstanding securities of the Corporation;
- (lxviii) the operations of the Corporation and each of the Whitecap Subsidiaries are and have been conducted at all times in compliance with the anti money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency to which they are subject (collectively, the "**Anti Money Laundering Laws**") and no action, suit or proceeding by or before any Governmental Authority or any arbitrator involving the Corporation or either of the Whitecap Subsidiaries with respect to

the Anti Money Laundering Laws is, to the knowledge of the Corporation, pending or threatened;

- (lxix) neither the Corporation, the Whitecap Subsidiaries nor, to the knowledge of the Corporation, any officer, director, employee or agent of the Corporation has, directly or indirectly (a) paid or delivered any fee, commission or other sum of money or item of property, however characterized, to any broker, finder, agent, client representative, employee, political party or campaign, government official or other person, which any officer, director, employee or agent of any the Corporation or the Whitecap Subsidiaries knew or had reason to believe, or ought to have known, was in violation of the *Corruption of Foreign Public Officials Act* (Canada), the *United States Foreign Corrupt Practices Act of 1977*, as amended, to the extent it applies to the Corporation, or any applicable law implementing the provisions of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada); or (b) made or received a bribe, rebate, payoff, influence payment, kickback or other unlawful payment;
- (lxx) neither the Corporation nor either of the Whitecap Subsidiaries have been, nor to the knowledge of the Corporation, has any director, officer, agent, employee, affiliate or person acting on behalf of the Corporation or either of the Whitecap Subsidiaries been or is currently subject to any United States sanctions administered by the Office of Foreign Assets Control of the United States Treasury Department ("**OFAC**"); and the Corporation will not directly or indirectly use any proceeds of the distribution of the Offered Receipts, or lend, contribute or otherwise make available such proceeds to the Corporation or to any affiliated entity, joint venture partner or other person or entity, to finance any investments in, or make any payments to, any country or person targeted by any of the sanctions of the United States administered by OFAC, to the extent it applies to the Corporation; and
- (lxxi) the Due Diligence Responses will be true and correct in all material respects where they relate to matters of fact as at the time such responses are given and, to the knowledge of the Corporation, such responses taken as a whole shall not omit any fact or information necessary to make any of the responses not misleading in light of the circumstances in which such responses were given, and the Corporation and its directors and officers will have responded in a thorough and complete fashion. Where the Due Diligence Responses reflect the opinion or view of the Corporation or its directors or officers (including, Due Diligence Responses or portions of such Due Diligence Responses, which are forward looking or otherwise related to projections, forecasts or estimates of future performance or results (operating, financial or otherwise)) ("**Forward Looking Statements**"), such opinions or views will be honestly held and believed to be reasonable at the time they are given provided, however, it shall not constitute a breach of this paragraph solely if the actual results vary or differ from those contained in Forward Looking Statements.

## 5. Representations and Warranties of each Investor

Each Investor represents and warrants to the Corporation, and acknowledges that the Corporation is relying upon such representations and warranties, as follows:

- (a) it is authorized to consummate the purchase of the Subscription Receipts;

- (b) it is a Qualified Institutional Buyer;
- (c) it will be acquiring the Subscription Receipts for its own account or for the account of another Qualified Institutional Buyer for which it exercises investment discretion and not with a view to any resale, distribution, or other disposition of the Subscription Receipts or Placement Shares in violation of United States federal or state securities laws;
- (d) it is purchasing the Subscription Receipts as principal for its own account and not for the benefit of any other person, and is an "accredited investor" as described in paragraph (f) of the definition of such term in Section 1.1 of National Instrument 45-106 – *Prospectus & Registration Exemptions* ("**NI 45-106**");
- (e) it has implemented or shall promptly implement, appropriate procedures to ensure that the Subscription Receipts and Placement Shares shall be properly identified in its records as restricted securities that are subject to the restrictions set forth herein notwithstanding the absence of a U.S. restrictive legend;
- (f) it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Subscription Receipts and Placement Shares and it is able to bear the economic risk of loss of its entire investment;
- (g) it has received a copy of any term sheet relating to the Subscription Receipts, the Corporation has provided to it the opportunity to ask questions and receive answers concerning the terms and conditions of this offering and it has had access to such information, financial and other, concerning the Corporation as it has requested or considered necessary or appropriate in connection with its investment decision to acquire the Subscription Receipts and Placement Shares;
- (h) it is not purchasing the Subscription Receipts as a result of any general solicitation or general advertising (as such terms are defined in Regulation D under the U.S. Securities Act);
- (i) it has all requisite power and capacity to execute and deliver this Agreement, to perform its obligations hereunder and to purchase the Subscription Receipts and if it is acquiring any Subscription Receipts as a fiduciary or agent for one or more investors, it has full power to make the foregoing representations, warranties and agreements on behalf of each such investor and that the foregoing representations, warranties and agreements are true and correct as of the Closing Date and will be binding upon each such investor; and
- (j) it has taken all necessary action to authorize the execution and delivery of, and the performance of its obligations under this Agreement and this Agreement has been duly executed and delivered by each Investor.

## **6. Acknowledgements of each Investor**

Each Investor acknowledges for the benefit of the Corporation that:

- (a) the Subscription Receipts have not been qualified for distribution in Canada by the filing of a prospectus with any securities commission or other securities regulatory authority;
- (b) the Subscription Receipts are being offered hereunder in reliance upon the "accredited investor" exemption contained in subsection 2.3 of National Instrument 45-106 and the Subscription

Receipts will bear the appropriate legend required pursuant to National Instrument 45-102 ("**NI 45-102**");

- (c) the Subscription Receipts will be subject to restrictions on resale until such time that:
  - (i) the statutory hold period has expired;
  - (ii) a further statutory exemption may be relied upon by each Investor; or
  - (iii) an appropriate discretionary order is obtained pursuant to applicable Securities Laws;
- (d) the certificates or book-entry registration evidencing the Subscription Receipts shall bear a legend in the case of a certificated issue, or a notation in the case of an electronic deposit to the following effect:

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE  
HOLDER OF THE SECURITIES SHALL NOT TRADE THE SECURITIES  
BEFORE **[INSERT THE DATE THAT IS FOUR MONTHS AND A DAY  
AFTER THE CLOSING DATE]**.

provided that in the case of a certificated issue, subsequent to the expiry date of the legends set forth above certificates representing the Subscription Receipts purchased by each Investor hereunder may be exchanged for certificates bearing no such legends and the Corporation hereby covenants and agrees that it will use commercially reasonable efforts to deliver or to cause to be delivered a certificate or certificates representing the Subscription Receipts, if applicable, bearing no such legends within three business days after receipt of the legended certificate or certificates;

- (e) the Subscription Receipts and Placement Shares subscribed for herein have not been and will not be registered under the U.S. Securities Act or the securities laws of any state and the sale to it of such Subscription Receipts is being made in reliance on the exemption from such registration provided by Section 4(a)(2) under the U.S. Securities Act and Rule 506(b) thereunder and exemptions under applicable state laws;
- (f) the Subscription Receipts and Placement Shares will be "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act and the Subscription Receipts and Placement Shares cannot be resold, pledged or otherwise transferred, directly or indirectly, unless they are registered under the U.S. Securities Act or unless an exemption or exclusion from registration thereunder is available;
- (g) it agrees, on its own behalf and on behalf of any account for which it is purchasing Subscription Receipts and Placement Shares, that if it shall decide to offer, resell, pledge or otherwise transfer any of the Subscription Receipts and Placement Shares, such Subscription Receipts and Placement Shares may be offered, sold, pledged or otherwise transferred, directly or indirectly, only (a) to the Corporation (although the Corporation is under no obligation to purchase any Subscription Receipts or Placement Shares), or (b) outside the United States in accordance with Rule 904 of Regulation S under the U.S. Securities Act ("**Regulation S**");
- (h) the Subscription Receipts and Placement Shares will not be represented by certificates that bear a U.S. restrictive legend or identified by a restricted CUSIP number in reliance on the acknowledgements, representations and agreements contained herein;

- (i) the Subscription Receipts and Placement Shares may only be held in an account at CDS Clearing and Depository Services, Inc., or a successor depository in Canada, and shall not be held in an account at the Depository Trust Company, or a successor depository within the United States;
- (j) the Corporation is not obligated to file, and has no present intention of filing with the SEC or with any state securities regulatory authority any registration statement in respect of resales of the Subscription Receipts and Placement Shares;
- (k) it understands and agrees that the Whitecap Financial Statements have been prepared in accordance with Canadian IFRS, which differ in some respects from United States generally accepted accounting principles, and thus may not be comparable to financial statements of United States companies;
- (l) it understands and agrees that there may be material tax consequences to each Investor of an acquisition, holding or disposition of the Subscription Receipts and Placement Shares, that the Corporation gives no opinion and makes no representation with respect to the tax consequences to each Investor under United States, state, local or foreign tax law of each Investor's acquisition, holding or disposition of the Subscription Receipts and Placement Shares, and each Investor acknowledges that it is solely responsible for determining the tax consequences of its investment, and that, in particular, no determination has been made whether the Corporation is, or will be, a "passive foreign investment company" within the meaning of Section 1297 of the *United States Internal Revenue Code of 1986*, as amended;
- (m) if required by applicable securities legislation, regulatory policy or order or by any securities commission, stock exchange or other regulatory authority, it will execute, deliver and file and otherwise assist the Corporation in filing reports, questionnaires, undertakings and other documents with respect to the offer and sale of the Subscription Receipts and Placement Shares;
- (n) it acknowledges that it is making the representations, warranties, and agreements contained in this agreement with the intent that they may be relied upon by the Corporation in determining its eligibility or (if applicable) the eligibility of others on whose behalf it is contracting to purchase the Subscription Receipts;
- (o) Each Investor consents to the fact that the Corporation is collecting its personal information (as that term is defined under applicable privacy legislation, including, without limitation, the *Personal Information Protection and Electronic Documents Act* (Canada) and any other applicable similar, replacement or supplemental provincial or federal legislation or laws in effect from time to time), for the purpose of completing this Agreement. Each Investor consents to the Corporation retaining such personal information for as long as permitted or required by law or business practices. Each Investor further consents to the fact that the Corporation may be required by Applicable Securities Laws or the rules and policies of any stock exchange to provide regulatory authorities with any personal information provided by each Investor in this Agreement and that such information may also be provided to the Corporation's registrar and transfer agent, and any other parties involved in the offering of the Private Placement Subscription Receipts and may be included in the record books. Each Investor acknowledges and agrees that it has been notified by the Corporation (a) of the delivery to the Ontario Securities Commission (the "OSC") of the full name, residential address and telephone number of each Investor, the number and type of securities purchased, the total purchase price, the exemption relied upon and the date of distribution; (b) that this information is being collected indirectly by the OSC under the authority granted to it in applicable securities legislation; (c) that this information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario; and

(d) that the Administrative Assistant to the Director of Corporate Finance can be contacted at Suite 1903, Box 55, 20 Queen Street West, Toronto, Ontario, M5H 3S8 or at (416) 593-8086 regarding any questions about the OSC's indirect collection of this information. In addition to the foregoing, it agrees and acknowledges that the Corporation may use and disclose its personal information as follows:

- (i) for internal use with respect to managing the relationships between and contractual obligations of the Corporation and each Investor;
- (ii) for use and disclosure for income tax related purposes, including without limitation, where required by law, disclosure to Canada Revenue Agency;
- (iii) disclosure to securities regulatory authorities and other regulatory bodies with jurisdiction with respect to reports of trades and similar regulatory filings;
- (iv) disclosure to a governmental or other authority to which the disclosure is required by court order or subpoena compelling such disclosure and where there is no reasonable alternative to such disclosure;
- (v) disclosure to professional advisers of the Corporation in connection with the performance of their professional services;
- (vi) disclosure to any person where such disclosure is necessary for legitimate business reasons and is made with each Investor's prior written consent;
- (vii) disclosure to a court determining the rights of the parties under this Agreement; or
- (viii) for use and disclosure as otherwise required or permitted by law.

## **7. Indemnity**

- (a) The Corporation shall indemnify and save each of each Investor, and each of each Investor's agents, directors, officers, partners, principals, shareholders and employees, harmless against and from all liabilities, claims, demands, losses (other than losses of profit), costs (including, without limitation, legal fees and disbursements on a full indemnity basis), damages and expenses to which each Investor, or any of each Investor's agents, directors, officers, shareholders or employees, may be subject or which each Investor, or any of each Investor's agents, directors, officers, partners, principals, shareholders or employees, may suffer or incur, 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 information or statement contained in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any Supplementary Material, any part of the Disclosure Record or in any other document or material filed or delivered by or on behalf of the Corporation pursuant hereto (other than any information or statement relating solely to the Underwriters and furnished to the Corporation by the Underwriters in writing expressly for inclusion in the Preliminary Prospectus, Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material or such other document or material) which is or is alleged to be untrue or any omission or alleged omission to provide any information or state any fact (other than any information or fact relating

solely to the Underwriters) the omission of which makes or is alleged to make any such information or statement untrue or misleading in light of the circumstances in which it was made;

- (ii) any misrepresentation or alleged misrepresentation (except a misrepresentation which is based upon information relating solely to the Underwriters and furnished to the Corporation by the Underwriters in writing expressly for inclusion in the Preliminary Prospectus, Prospectus, Preliminary U.S. Placement Memorandum, U.S. Placement Memorandum, any Supplementary Material or in any document or other part of the Disclosure Record) contained in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any Supplementary Material or in any other document or any other part of the Disclosure Record filed by or on behalf of the Corporation;
  - (iii) any breach of any of the representations, warranties or covenants of the Corporation contained in this Agreement or in any other Transaction Agreement to which the Investor is a party;
  - (iv) any prohibition or restriction of trading in the securities of the Corporation or any prohibition or restriction affecting the distribution of the Offered Securities (not based solely upon the activities or the alleged activities of any of the Underwriters or their banking or selling dealer group, if any) imposed by any competent authority if such prohibition or restriction is based on any misrepresentation or alleged misrepresentation of a kind referred to in subsection 8(a)(iii) of the Underwriting Agreement;
  - (v) any order made or any inquiry, investigation (whether formal or informal) or other proceeding commenced or threatened by any one or more competent authorities (not based solely upon the activities or the alleged activities of the Underwriters or their banking or selling dealer group members, if any) prohibiting, restricting, relating to or materially affecting the trading or distribution of the Offered Securities;
  - (vi) any breach of, default under or non compliance by the Corporation with any requirements of the Applicable Securities Laws, the U.S. Securities Laws, the by laws, rules or regulations of the Exchange or any representation, warranty, term or condition of this Agreement or in any certificate or other document delivered by or on behalf of the Corporation hereunder or pursuant hereto; or
  - (vii) the exercise by any subscriber for Public Receipts or any holder of Underlying Shares of any contractual or statutory right of rescission or damages in connection with the purchase of the Public Receipts based on any misrepresentation or alleged misrepresentation of a kind referred to in subsection 8(a)(iii) of the Underwriting Agreement.
- (b) Each Investor will indemnify, defend and hold the Corporation harmless against all losses, liabilities, claims and damages, together with all reasonable costs and expenses related thereto (including reasonable legal fees and expenses), relating to or arising from the untruth, inaccuracy or breach of any of the representations or warranties of such Investor as contained in this Agreement.
- (c) If any claim contemplated by subsection 7(a) shall be asserted against any of the persons or corporations in respect of which indemnification is or might reasonably be considered to be

provided for in such subsection, such person or corporation (the "**Indemnified Person**") shall notify the Corporation (provided that failure to so notify the Corporation of the nature of such claim in a timely fashion shall relieve the Corporation of liability hereunder only if and to the extent that such failure materially prejudices the Corporation's ability to defend such claim) as soon as possible of the nature of such claim and the Corporation shall be entitled (but not required) to assume the defense of any suit brought to enforce such claim, provided however, that the defense shall be through legal counsel selected by the Corporation and acceptable to the Indemnified Person acting reasonably and that no admission of liability or settlement may be made by the Corporation or the Indemnified Person without the prior written consent of the other, such consent not to be unreasonably withheld. The Indemnified Person shall have the right to retain its own counsel in any proceeding relating to a claim contemplated by subsection 7(a) if:

- (i) the Indemnified Person has been advised by counsel that there may be a reasonable legal defense available to the Indemnified Person which is different from or additional to a defense available to the Corporation and that representation of the Indemnified Person and the Corporation by the same counsel would be inappropriate due to the actual or potential differing interests between them (in which case the Corporation shall not have the right to assume the defense of such proceedings on the Indemnified Person's behalf);
- (ii) the Corporation shall not have taken the defense of such proceedings and employed counsel within ten (10) days after notice has been given to the Corporation of commencement of such proceedings; or
- (iii) the employment of such counsel by the Indemnified Person has been authorized by the Corporation in connection with the defense of such proceedings;

and, in any such event, the reasonable fees and expenses of such Indemnified Person's counsel (on a solicitor and his client basis) shall be paid by the Corporation, provided that the Corporation shall not, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the fees and expenses of more than one separate law firm (in addition to any local counsel) for all such Indemnified Persons.

- (d) The Indemnifying Party hereby waives its right to recover contribution from each Investor with respect to any liability of the Indemnifying Party by reason of or arising out of any misrepresentation in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum, any Supplementary Material or any other part of the Disclosure Record provided, however, that such waiver shall not apply in respect of liability caused or incurred by reason of any misrepresentation which is based upon information relating solely to each Investor contained in such document and furnished to the Corporation by each Investor expressly in writing for inclusion in the Preliminary Prospectus, the Prospectus, the Preliminary U.S. Placement Memorandum, the U.S. Placement Memorandum or any Supplementary Material.
- (e) If the Indemnifying Party has assumed the defense of any suit brought to enforce a claim hereunder, the Indemnified Person shall provide the Indemnifying Party copies of all documents and information in its possession pertaining to the claim, take all reasonable actions necessary to preserve its rights to object to or defend against the claim, consult and reasonably cooperate with the Corporation in determining whether the claim and any legal proceeding resulting therefrom should be resisted, compromised or settled and reasonably cooperate and assist in any negotiations to compromise or settle, or in any defense of, a claim undertaken by the

Indemnifying Party. If either the indemnification provided for in this Section 7 is held by a court of competent jurisdiction to be unavailable to an indemnified party with respect to any loss, liability, claim, damage, or expense referred to therein, then the indemnifying party, in lieu of indemnifying such indemnified party hereon, shall contribute to the amount paid or payable by such proportion as is appropriate to reflect the relative fault of the indemnifying party, on the one hand, and of the indemnified party, on the other, in connection with the statement or omissions that resulted in such loss, liability, claim, damage, or expense as well as any other relevant equitable considerations.

- (f) If either the indemnification provided for in this Section 7 is held by a court of competent jurisdiction to be unavailable to an Indemnified Person with respect to any loss, liability, claim, damage, or expense referred to therein, then the Indemnifying Party, in lieu of indemnifying such Indemnified Person hereon, shall contribute to the amount paid or payable by such proportion as is appropriate to reflect the relative fault of the Indemnifying Party, on the one hand, and of the Indemnified Person, on the other, in connection with the statement or omissions that resulted in such loss, liability, claim, damage, or expense as well as any other relevant equitable considerations.

## **8. Expenses**

Each Investor will be responsible for the fees and disbursements of its counsel except as set forth in Section 7. Whether or not the transactions contemplated herein shall be completed, all costs and expenses (including applicable goods and services tax) of or incidental to the transactions contemplated hereby including, without limitation, those relating to the distribution of the Subscription Receipts and the Placement Shares shall be borne by the Corporation including, without limitation, the fees and expenses of the Corporation's counsel, the fees and expenses of the Corporation's transfer agent, auditors and other outside consultants and all stock exchange listing fees.

## **9. Termination**

- (a) Each Investor may, without liability, terminate its obligations hereunder, by written notice to the Corporation in the event that after the date hereof and at or prior to the Closing Time:
  - (i) any order to cease or suspend trading in any securities of the Corporation or prohibiting or restricting the distribution of any of the Subscription Receipts or Common Shares is made, or proceedings are announced, commenced or threatened for the making of any such order, by any securities commission or similar regulatory authority, the Exchange or any other competent authority, and such order or proceeding has not been rescinded, revoked or withdrawn;
  - (ii) any inquiry, action, suit, investigation or other proceeding (whether formal or informal) in relation to the Corporation or either of the Whitecap Subsidiaries or any of their respective directors or senior officers is announced, commenced or threatened by any securities commission or similar regulatory authority, the Exchange or any other competent authority or there is a change in law, regulation or policy or the interpretation or administration thereof, if, in the reasonable opinion of the Underwriters or any one of them, the change, announcement, commencement or threatening thereof adversely affects the trading or distribution of the Public Receipts, the Common Shares or any other securities of the Corporation;

- (iii) there shall have occurred or be discovered any adverse change, as determined by the Underwriters or any one of them in their sole discretion, acting reasonably, in the business, operations, capital or condition (financial or otherwise), business or business prospects of the Corporation or its properties, assets, liabilities or obligations (absolute, accrued, contingent or otherwise) which in the opinion of the Underwriters or any one of them, could reasonably be expected to have a material adverse effect on the market price or value or marketability of the Offered Receipts, the Common Shares or any other securities of the Corporation;
  - (iv) there should develop, occur or come into effect or existence any event, action, state, condition of any nature (including without limitation, terrorism or accident) or financial occurrence of national or international consequence or any law or regulation which, in the sole opinion of each Investor, acting reasonably, seriously adversely affects or involves, or will seriously adversely affect or involve, the financial markets generally or the business, operations or affairs of the Corporation and the Whitecap Subsidiaries (taken as a whole);
  - (v) each Investor shall become aware of any material information with respect to the Corporation or the Acquisition which had not been publicly disclosed or disclosed to the Underwriters at, or prior to the date hereof; and which in the sole opinion of each Investor, acting reasonably, could be expected to have a material adverse effect on the market price or value or the marketability of the Subscription Receipts, the Common Shares or any other securities of the Corporation;
  - (vi) the Corporation shall be in breach of, default under or non compliance with any covenant, term or condition of this Agreement or the Subscription Receipt Agreement or a material breach or default under the Acquisition Agreement that is either not susceptible to being cured or which remains uncured following the completion of any cure period prescribed by such agreement in any material respect, or any representation or warranty given by the Corporation in this Agreement, the Subscription Receipt Agreement or the Acquisition Agreement becomes or are false in any material respect;
  - (vii) any representation or warranty given by the Corporation in the Acquisition Agreement becomes or is false in any material respect and which in the sole opinion of the Underwriters or any one of them, acting reasonably, could be expected to have a material adverse effect on the market price or value or the marketability of the Offered Receipts, the Underlying Shares or any other securities of the Corporation; or
  - (viii) the Termination Time has occurred
- (b) Each Investor, may exercise any or all of the rights provided for in Section 9(a) or Section 10 or Section 13 notwithstanding any material change, change, event or state of facts and (except where each Investor is in breach of its obligations under this Agreement) notwithstanding any act or thing taken or done by each Investor or any inaction by each Investor, whether before or after the occurrence of any material change, change, event or state of facts, and each Investor shall only be considered to have waived or be estopped from exercising or relying upon any of its rights under or pursuant to Section 9(a) or Section 10 or Section 13 if such waiver or estoppel is in writing and specifically waives or estops such exercise or reliance.
- (c) Any termination pursuant to the terms of this Agreement shall be effected by notice in writing delivered to the Corporation, provided that no termination shall discharge or otherwise affect any

obligation of the Corporation under Section 7 or Section 8. The rights of each Investor to terminate its obligations hereunder are in addition to, and without prejudice to, any other remedies it may have.

- (d) If each Investor elects to terminate its obligation to purchase the Subscription Receipts as aforesaid, whether the reason for such termination is within or beyond the control of the Corporation, the liability of the Corporation hereunder shall be limited to the indemnity referred to in Section 7.
- (e) Unless otherwise agreed to in writing by the Corporation and each Investor, this Agreement shall automatically terminate without any further action by each Investor in the event that the Acquisition Agreement has been terminated without any further liability on the part of each Investor and the liability of the Corporation hereunder shall be limited to the indemnity referred to in Section 7.

## **10. Closing Conditions**

The obligations of each Investor hereunder as to the Subscription Receipts to be purchased at the Closing Time shall be conditional upon each Investor receiving at the Closing Time:

- (a) evidence satisfactory to each Investor that the Public Offering shall have closed or shall close simultaneously with the closing of this offering;
- (b) evidence satisfactory to each Investor that the Subscription Receipts and the Placement Shares have been accepted for listing by the Exchange, subject to the usual conditions, and will be accepted for trading on the Exchange;
- (c) an executed copy of the Subscription Receipt Agreement; and
- (d) such other agreements, certificates and documents as each Investor may request, acting reasonably.

## **11. Deliveries**

- (a) The sale of the Subscription Receipts shall be completed at the Closing Time at the offices of the Corporation's counsel in Calgary, Alberta or at such other place as the Corporation and each Investor may agree. Subject to the conditions set forth in Section 10, each Investor, on the Closing Date, shall pay to the Corporation, by wire transfer or such other means as the Corporation and each Investor may agree, the amount of \$8.80 per Subscription Receipt, against delivery by the Corporation of the documents referred to in Section 10.
- (b) The Subscription Receipts will be issued on a non-certificated basis in accordance with the rules and procedures of The Canadian Depository for Securities Limited ("CDS"), and
  - (i) each Investor will provide, or will cause to be provided, a direction to CDS with respect to the crediting of the Subscription Receipts to the account of a participant of CDS, through which each Investor will hold the Subscription Receipts, in writing in sufficient time prior to the Closing Date to permit such crediting; and
  - (ii) the Corporation shall cause Computershare Trust Company of Canada, to electronically deposit to CDS, on behalf of each Investor, the Subscription

Receipts to be purchased hereunder in the name of "CDS & Co." as the nominee of CDS, in accordance with the rules and procedures of CDS.

**12. Notices**

- (a) Any notice or other communication to be given hereunder shall, in the case of notice to be given to the Corporation, be addressed to:

Whitecap Resources Inc.  
3800, 525 – 8th Avenue S.W.  
Calgary, Alberta T2P 1G1

Attention: [redacted]  
Telecopy No.: [redacted]

with a copy to:

Burnet, Duckworth & Palmer LLP  
Suite 2400, 525 – 8th Avenue S.W.  
Calgary, Alberta T2P 1G1

Attention: [redacted]  
Telecopy No.: [redacted]

and, in the case of notice to be given to each Investor, be addressed to:

**[name and address redacted]**

Attention: [redacted]  
Telecopy No.: [redacted]

or to such other address as the party may designate by notice given to the others. Each communication shall be personally delivered to the addressee or sent by facsimile transmission to the addressee;

- (b) a communication which is personally delivered shall, if delivered before 4:30 p.m. (local time at the place of delivery) on a Business Day, be deemed to be given and received on that day and, in any other case be deemed to be given and received on the first business day following the day on which it is delivered; and
- (c) a communication which is sent by facsimile transmission shall, if sent on a business day before 4:30 p.m. (local time at the place of receipt), be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is sent.

**13. Conditions**

All terms, covenants and conditions of this Agreement to be performed by the Corporation shall be construed as conditions, and any breach or failure to comply with any material terms and

conditions which are for the benefit of each Investor shall entitle each Investor to terminate its obligations to purchase the Subscription Receipts, by written notice to that effect given to the Corporation prior to the Closing Time. Each Investor may waive in whole or in part any breach of, default under or non-compliance with any representation, warranty, term or condition hereof, or extend the time for compliance therewith, without prejudice to any of their rights in respect of any other representation, warranty, term or condition hereof or any other breach of, default under or non-compliance with any other representation, warranty, term or condition hereof, provided that any such waiver or extension shall be binding on each Investor only if the same is in writing.

**14. Parties to Discuss Press Releases**

The parties shall cooperate with each other in relaying to third parties information concerning this Agreement and the transactions contemplated herein, and shall discuss drafts of all press releases and other releases of information for dissemination to the public pertaining hereto. However, nothing in this Section 14 shall prevent a party from furnishing any information to any governmental agency or regulatory authority or stock exchange or to the public, insofar only as is required by this Agreement or Applicable Securities Laws, provided that a party which proposes to make such a public disclosure shall, to the extent reasonably possible, provide the other party with a draft of such information in sufficient time prior to its release to enable such other party to review such draft and advise that party of any comments it may have with respect thereto. In particular, the Corporation agrees that it shall, subject to the requirements of Applicable Securities Laws, obtain consent of each Investor to the disclosure of any information regarding each Investor to be contained in any news release or other document filed with any authorized authority or disclosed to the public.

**15. Survival of Representations and Warranties**

All representations, warranties, terms and conditions herein (including, without limitation, those contained in Section 4) or contained in certificates or documents submitted pursuant to or in connection with the transactions contemplated herein shall survive the payment by each Investor for the Common Shares and the termination of this Agreement for a period of three years following the Closing Date and shall continue in full force and effect for the benefit of each Investor regardless of any investigation by or on behalf of each Investor with respect thereto.

**16. Severance**

If one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.

**17. 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. Each of the Corporation and each Investor hereby attorn to the non-exclusive jurisdiction of the courts of the Province of Alberta.

**18. Time of the Essence**

Time shall be of the essence of this Agreement.

**19. Counterpart Execution**

This Agreement may be executed in one or more counterparts each of which so executed shall constitute an original and all of which together shall constitute one and the same agreement. Delivery of counterparts may be effected by facsimile transmission.

**20. Further Assurances**

Each party to this Agreement covenants and agrees that, from time to time, it will, at the request of the requesting party, execute and deliver all such documents and do all such other acts and things as any party hereto, acting reasonably, may from time to time request be executed or done in order to better evidence or perfect or effectuate any provision of this Agreement or of any agreement or other document executed pursuant to this Agreement or any of the respective obligations intended to be created hereby or thereby.

**21. Entire Agreement**

It is understood that the terms and conditions of this Agreement supersede any previous verbal or written agreement between each Investor and the Corporation.

*Remainder of page intentionally left blank.*

If the foregoing is in accordance with your understanding and is agreed to by you, please confirm your acceptance by signing the enclosed copies of this letter at the place indicated and by returning the same to each Investor.

**[name redacted]**

Per: *("Signed")*  
Name: **[redacted]**  
Title: **[redacted]**

ACCEPTED AND AGREED to as of the 17<sup>th</sup> day of November, 2017.

**WHITECAP RESOURCES INC.**

Per: *("Signed")*  
Name: [redacted]  
Title: [redacted]