Whitecap Resources Inc. (WCPRF)

Updated August 3rd, 2026, by Nikolaos Sismanis

Key Metrics

Current Price:	$11.39	**5 Year Annual Expected Total Return:**	-3.5%	**Market Cap:**	$14.4 B
Fair Value Price:	$8.00	**5 Year Growth Estimate:**	-3.0%	**Ex-Dividend Date:**	07/31/2026
% Fair Value:	142%	**5 Year Valuation Multiple Estimate:**	-6.8%	**Dividend Payment Date:**	08/17/2026
Dividend Yield:	4.6%	**5 Year Price Target**	$6.87	**Years Of Dividend Growth:**	0
Dividend Risk Score:	F	**Sector:**	Energy	**Rating:**	Sell

Overview & Current Events

Whitecap Resources is a Canadian energy company engaged in the acquisition, development, and production of oil and natural gas across Western Canada. Whitecap operates through four core regions: Northern Alberta & British Columbia, Central Alberta, Eastern Saskatchewan, and Western Saskatchewan. Its asset base is characterized by high-netback, low-decline production and significant infrastructure ownership. The company's portfolio has both light and medium crude oil assets, supported by owned and operated infrastructure such as gas plants and processing facilities. It markets its production domestically and into the U.S., with exposure to benchmark pricing through various sales channels. It pays dividends on a monthly basis. It reports its financials in CAD. All figures in this report have been converted to USD unless otherwise noted. The stock trades at a market cap of $14.4 billion.

On July 29th, 2026, Whitecap Resources reported its Q2 results for the period ending June 30th, 2026. For the quarter, petroleum and natural gas revenues were about $1.90 billion, up from $986 million in Q2 2025. Funds flow came in at $979 million, while capital spending totaled $311 million, resulting in $668 million of free funds flow. The company realized losses of roughly $137 million on commodity contracts. Net income was $643 million, or $0.53 per share, compared with $224 million, or $0.24 per share, in Q2 2025.We expect EPS of $1.00 for this year.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$0.37	($0.27)	$0.11	($0.29)	($3.55)	$2.33	$1.99	$1.10	$0.95	$0.72	***$1.00***	***$0.86***
DPS	$0.26	$0.22	$0.23	$0.26	$0.17	$0.16	$0.29	$0.46	$0.51	$0.53	***$0.52***	***$0.55***
Shares[1]	341.9	371.8	420.6	412.0	408.4	603.1	621.1	608.6	598.1	997.3	***1115.0***	***1200.0***

Whitecap's earnings over the past decade have been heavily influenced by the oil price cycle and acquisition activity. From 2016 to 2020, the company experienced persistent earnings volatility, with several years of negative EPS. This period included the 2015–2016 price crash, which led to impairments and weak cash flow, followed by a short recovery that didn't hold. The 2020 pandemic brought a severe downturn, with record-low oil prices and large write-downs, resulting in the lowest EPS of the period.

A sharp turnaround came in 2021 and 2022, as global oil markets tightened. Whitecap benefited from higher commodity prices and transformative acquisitions including NAL, TORC, and XTO Canada, which significantly boosted production and scale. These years marked the company's strongest earnings.

EPS fell from peak levels in 2023–2024 as oil prices softened, differentials widened, and inflation increased costs. Still, Whitecap remained profitable thanks to higher production and stronger operating leverage. The trend endured in 2025, when the Veren acquisition nearly doubled production and expanded tax pools, offsetting a 15% YoY drop in WTI prices.

Moving forward, we forecast an annual decline of 3% in EPS from its 2026 levels, due to the possibility of weak oil prices, potential FX headwinds, and a relatively shaky macro environment. We have also assumed a 1% growth rate per year on the dividend, as we don't believe management will be aggressive with dividend hikes considering the current outlook.

---

[1] Share count is in millions.

Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

Whitecap Resources Inc. (WCPRF)

Updated August 3rd, 2026, by Nikolaos Sismanis

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	22.6	---	59.5	---	---	1.7	3.4	6.9	7.8	9.9	***11.4***	***8.0***
Avg. Yld.	3.1%	3.0%	3.5%	6.5%	6.8%	3.9%	4.3%	6.1%	6.9%	7.4%	***4.6%***	***8.0%***

Investors have historically valued Whitecap at low P/E ratios largely because of the highly cyclical and volatile nature of its earnings. As a commodity producer, Whitecap's profitability is tightly linked to swings in oil and gas prices, which are influenced by global supply-demand dynamics, geopolitical events, and macroeconomic conditions. All of these factors are outside the company's control. Today, shares trade at 11.4 times our projected EPS for the year. We believe this is a rather rich multiple for the stock. We believe a P/E of 8x better reflects the significant risks of its dividend sustainability.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	70%	---	209%	---	---	7%	15%	42%	54%	74%	***52%***	***64%***

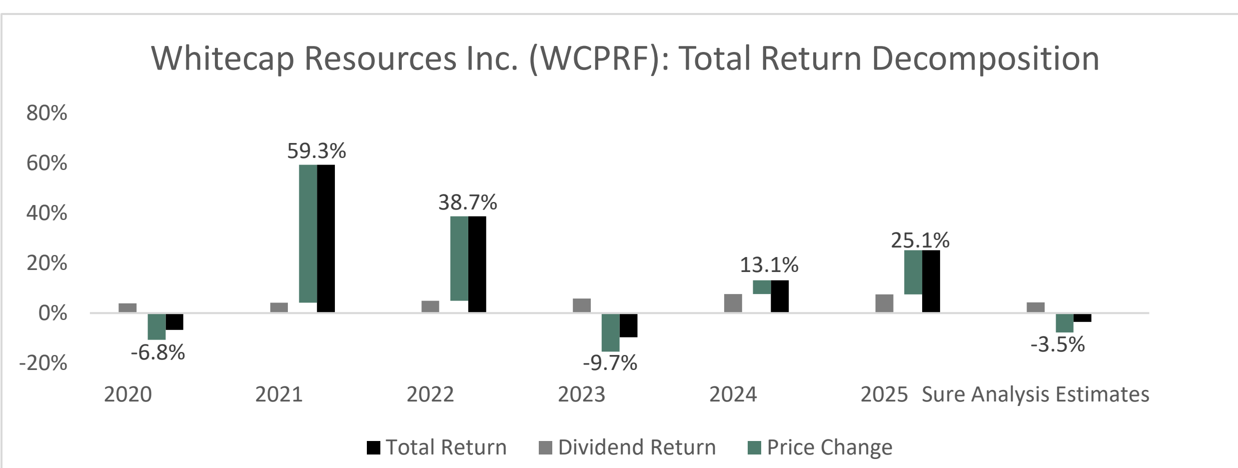
Whitecap operates a high-quality portfolio of low-decline, conventional oil and gas assets across Western Canada, with a strong safety and environmental track record. Its ownership of key infrastructure like gas plants and processing facilities provides cost advantages, operational control, and reliability. The company has also reduced its net debt and improving liquidity, enhancing its ability to weather commodity downturns.

That said, as a pure upstream producer, Whitecap is highly exposed to oil and gas price swings. Earnings can swing wildly with market conditions, limiting recession resilience. The lack of downstream or midstream diversification amplifies this risk. Additionally, regulatory pressures, including emissions targets and carbon pricing, could impact long-term costs and project economics. Despite its scale and efficiency, the business model is fundamentally tied to volatile global energy markets, which is why we remain wary regarding the safety of the dividend despite the modest payout ratio today.

Final Thoughts & Recommendation

Whitecap offers investors leveraged exposure to oil prices through a high-quality, infrastructure-backed asset base with strong free cash flow potential. Its disciplined capital returns, operational control, and scale make it a compelling choice for those comfortable with commodity risk. However, at its current valuation, we question whether the company will be able to achieve noteworthy returns moving forward, as the starting yield could be more than offset by declining earnings and a valuation headwind. Regardless, we note that this is a highly speculative stock, as returns will be highly correlated to oil prices that are impossible to predict over many years. The stock earns a sell rating.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

Whitecap Resources Inc. (WCPRF)

Updated August 3rd, 2026, by Nikolaos Sismanis

Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	480	780	1,177	1,096	696	2,149	3,674	2,850	2,873	3,700
Gross Profit	395	371	586	538	338	1,382	2,392	1,751	1,724	1,155
Gross Margin	82.4%	47.5%	49.8%	49.1%	48.6%	64.3%	65.1%	61.4%	60.0%	31.2%
SG&A Exp.	29	34	33	54	47	172	305	275	264	265
D&A Exp.	-	-	-	-	-	-	7	7	9	1,259
Operating Profit	220	118	243	189	14	671	1,377	759	684	852
Operating Margin	45.8%	15.1%	20.6%	17.3%	2.0%	31.2%	37.5%	26.6%	23.8%	23.0%
Net Profit	129	(96)	50	(117)	(1,377)	1,417	1,288	658	593	705
Net Margin	26.9%	-12.3%	4.3%	-10.7%	-198%	66.0%	35.1%	23.1%	20.6%	19.1%
Free Cash Flow	(319)	(631)	195	179	186	450	1,144	457	508	436
Income Tax	52	(28)	22	(36)	(428)	475	422	209	192	244

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	3,809	4,741	4,375	4,102	2,652	5,395	7,022	7,238	6,933	14,080
Cash & Equivalents		-	-	-	-	-	-	-	252	43
Accounts Receivable	76	111	89	132	91	239	354	302	294	616
Goodwill & Int. Ass.	91	98	90	94	-	-	-	-	-	-
Total Liabilities	1,485	2,090	2,004	1,860	1,870	2,462	3,301	3,110	2,928	6,050
Accounts Payable	110	121	119	141	96	314	405	384	534	970
Long-Term Debt	574	1,021	922	900	864	828	1,359	1,022	713	2,748
Shareholder's Equity	2,323	2,651	2,371	2,242	782	2,933	3,721	4,129	4,005	8,026
LTD/E Ratio	0.25	0.39	0.39	0.40	1.10	0.28	0.37	0.25	0.18	0.34

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	3.8%	-2.2%	1.1%	-2.8%	-40.8%	35.2%	20.8%	9.2%	8.4%	6.7%
Return on Equity	6.2%	-3.8%	2.0%	-5.1%	-91.1%	76.3%	38.7%	16.8%	14.6%	11.7%
ROIC	4.8%	-2.9%	1.4%	-3.7%	-57.5%	52.4%	29.1%	12.9%	12.0%	9.1%
Shares Out.	341.9	371.8	420.6	412.0	408.4	603.1	621.1	608.6	598.1	997
Revenue/Share	1.40	2.10	2.80	2.66	1.70	3.56	5.92	4.68	4.80	3.71
FCF/Share	(0.93)	(1.70)	0.46	0.43	0.45	0.75	1.84	0.75	0.85	0.44

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.