

MESSAGE TO SHAREHOLDERS

As I write this message, collectively we are dealing with an unprecedented event in modern history. COVID-19 is having a profound impact on people around the world—from the loss of loved ones and social isolation to financial hardship. The oil supply shock stemming from the breakdown between OPEC and Russia to limit oil production, combined with the demand shock from the worldwide pandemic has also resulted in extreme market volatility. As a stakeholder of Enerplus, please know we are thinking of you; your health, safety and wellbeing matter deeply to us.

Reflecting on 2019, our solid operational and financial performance have left us well positioned as we enter this challenging period. Our commitment to creating value for shareholders has centered on two foundational principles: returns-focused capital allocation and a conservative financial strategy. The result is an operational plan that has generated free cash flow and attractive liquids production growth. During 2019, we continued to build on this track record by growing crude oil and natural gas liquids production by 9% compared to 2018, and generating free cash flow of approximately \$90 million. We also prioritized returning capital to shareholders through our dividend and additional share repurchases. In total, we returned over \$200 million to shareholders in 2019. Importantly, we continue to operate with low financial leverage, ending the year with a net debt to adjusted funds flow ratio of 0.6 times—one of the lowest leverage ratios in our oil and gas exploration and production sector peer group.

Looking ahead, the significant volatility in the global economy since the start of 2020, including the reduced outlook for both crude oil and natural gas prices, is a challenging backdrop for the energy industry. However, Enerplus is well positioned to navigate this uncertain environment. Our strong financial position offers us significant flexibility and allows us to be agile and responsive to changing economic conditions.

In addition to our foundational principles, we also want shareholders to know we are committed to developing our resources responsibly and profitably—it is an integral part of our core values and business strategy. In 2020, we further integrated environmental, social and governance (ESG) factors into our strategy, establishing targets in two of our six ESG focus areas. The first focus area relates to greenhouse gas (GHG) emissions where we are targeting a 10% year-over-year reduction in GHG emissions per barrel of oil equivalent. The second target area focuses on water management. Although most of the water in our operations is currently reused, it is our goal to reduce year-over-year freshwater use in North Dakota by 15% per well, on average, by using produced water during hydraulic fracturing. The remaining material focus areas identified in our ESG strategy include our culture, stakeholder engagement, health and safety, and oversight and engagement by our board of directors.

We believe the continued integration of these focus areas into our strategy and operations will enhance business resilience and support long-term value creation. If you are interested in learning more about our material ESG focus areas, please visit enerplus.com/investors/presentations-events.cfm to see our latest ESG presentation.

Sincerely,



Ian C. Dundas
President & Chief Executive Officer

