



# MESSAGE TO SHAREHOLDERS

2021 was a transformational year for Enerplus. During the first half of the year, we completed two strategic and highly accretive acquisitions in North Dakota which significantly increased our cash flow, expanded the depth of our North Dakota drilling inventory and enhanced our operational scale. These acquisitions helped drive company record free cash flow of over \$400 million and substantial value creation during the year, with our share price increasing by 235% in 2021.

Importantly, our employees rose to the challenge of successfully integrating the acquired assets while maintaining a clear focus on safely executing our operational plan. We had zero lost time injuries during 2021—I consider this to be an outstanding accomplishment. I am extremely proud of our organization for continuing to prioritize the safety of our colleagues, particularly during such a busy and transitional year.

Consistent with our track record, we returned a meaningful portion of free cash flow to shareholders in 2021. Our dividend, which was increased three times over the year, combined with share repurchases totaled over \$150 million in 2021.

We also advanced our environmental initiatives in 2021. Relative to emissions, we achieved our 20% methane emissions intensity reduction target one year ahead of schedule and made further progress towards our target of a 50% reduction in greenhouse gas emissions intensity by 2030.

While 2021 was an exceptional year for Enerplus, the outlook for 2022 is also compelling. Our balance sheet and liquidity position are strong, and we have an efficient capital plan that is expected to deliver annual production growth of approximately 6%. Assuming an \$85 per barrel WTI oil price, this plan is expected to generate 50% free cash flow growth year-over-year.

With this robust free cash flow outlook, we will continue to prioritize debt reduction and returning capital to shareholders. We believe that maintaining a strong balance sheet is critical to enhancing sustainability throughout the commodity price cycle and offers strategic advantages as we clearly demonstrated with our acquisitions last year. We also expect to continue to provide competitive cash returns to shareholders in 2022. In February, we announced plans to fully execute the remaining authorization under our normal course issuer bid by the end of July 2022. Upon completion, we will have repurchased 10% of our shares outstanding since initiating our share repurchase program last August.

With our disciplined strategy, strong financial position, and commitment to operating safely and responsibly, Enerplus remains well positioned to deliver another year of strong value creation in 2022.

I want to recognize our employees for their commitment and dedication to delivering exceptional results and thank our shareholders for their continued support and confidence in our ability to create long-term value.

Lastly, as I pen this letter, Russia's invasion of Ukraine continues. This act of aggression has inflicted suffering, threatened the security of millions, and is creating significant global economic challenges. My thoughts go out to the millions of people impacted by these events.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ian C. Dundas', written over a horizontal line.

Ian C. Dundas  
President & Chief Executive Officer