



enerPLUS

MESSAGE TO SHAREHOLDERS

In 2017 we completed the repositioning of our business to thrive in a lower commodity price environment, and marked another year of strong, safe and responsible operations. It was a critical year for us as we extended our track record and demonstrated sustainable performance.

I am proud to say that we met or exceeded the commitments we made, including our goal to grow liquids volumes by over 25%. We also completed the majority of our multi-year non-core divestment goals which have been essential to improving the efficiency of our business and strengthening our financial position. Our 2017 cash flow more than fully funded both our capital program and dividend, with proved plus probable reserves additions replacing 189% of annual production.

The strong adjusted funds flow in 2017 was supported by margin expansion through lower corporate costs and stronger realized pricing due to structural improvements in both our Bakken and Marcellus differentials. The cash generating capability of our business has significantly increased, supporting our profitable growth strategy and financial position. With a balance sheet that is one of the strongest in our North American peer group, we are committed to maintaining this competitive advantage.

In 2018, the plan is to continue with an affordable capital program that will drive efficient and profitable liquids growth. The majority of capital will once again be spent on our drilling program in the Bakken/Three Forks light oil shale play in North Dakota. While our capital plans are largely focused on North Dakota, our core Canadian waterflood projects and Marcellus position in northeast Pennsylvania are expected to continue to contribute meaningful free cash flow for our business in 2018.

Enerplus is well positioned to continue to generate value through a disciplined capital investment strategy that is focused on corporate level returns. The key elements of our plan are unchanged – we are committed to delivering profitable growth, managing risk, preserving our balance sheet, and delivering responsible and consistent execution.

Sincerely,

Ian C. Dundas
President & Chief Executive Officer
March 2018

ERF
LISTED
NYSE

ERF
LISTED ON
TMX | TSX-V

All amounts in this document are stated in Canadian dollars unless otherwise specified. This document includes forward-looking statements and information and makes references to certain financial measures that do not have a standardized meaning or definition as prescribed by U.S. GAAP. Readers should review the forward-looking information and "Non-GAAP Measures" advisories contained in the MD&A dated February 23, 2018. Furthermore, readers are urged to review the "Presentation of Oil and Gas Reserves, Contingent Resources, and Production Information" contained within Enerplus' 2017 Annual Information Form. These documents can be found on our website at www.enerplus.com or under our SEDAR profile at www.sedar.com.