

Good afternoon,

I am emailing to inform you that on February 7, 2023, Imperial was issued an Environmental Protection Order by the Alberta Energy Regulator regarding industrial wastewater seepage at our Kearl Oil Sands Operating site. Imperial is committed to complying with this order.

The company has been working with the regulator since first identifying the issue. This order will help facilitate regulatory approvals to implement mitigation measures that have been proposed by Imperial. We regret this incident and are making every effort to learn from it and apply preventative measures. Based on our monitoring to date, there are no reported impacts to wildlife or fish in the area and no measurable impact to local waterways.

Imperial notified the provincial regulator and communities of this issue in May 2022 after ongoing monitoring programs identified pooled surface water in the area. Since that time, we have been working to determine the cause and have implemented mitigations, including installing additional monitoring and pumping wells. Imperial has been providing regular updates to the regulator and plans to share monitoring results at the Q1 meetings with communities. Based on work to date, the issues are related to gaps within the seepage interception system. Separate to the seepage issue, there was also an overflow from one of system's holding ponds. The cause of that release is still being determined.

Imperial is committed to continuing to take action on this issue, and will continue to work with local communities to resolve their concerns. Imperial apologies for any disruption that this issue has caused the local communities. Some of the actions that Imperial plans to implement include additional monitoring and control measures (including water catchment features) and additional monitoring and pumping wells. Imperial will continue to update the communities in a timely manner and will also be posting updates on a publicly available website.

Please reach out to myself and with any questions or concerns.

