

Canadian Natural

PEACE RIVER IN SITU PROJECT DIRECTIVE 54 ANNUAL PERFORMANCE PRESENTATION

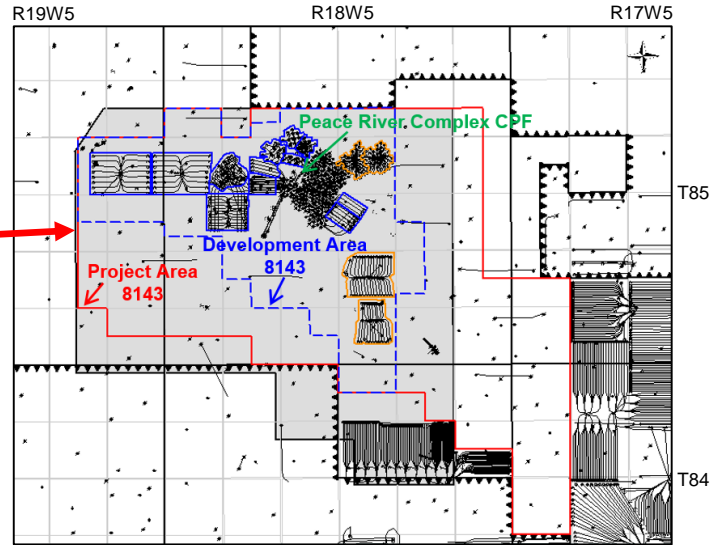
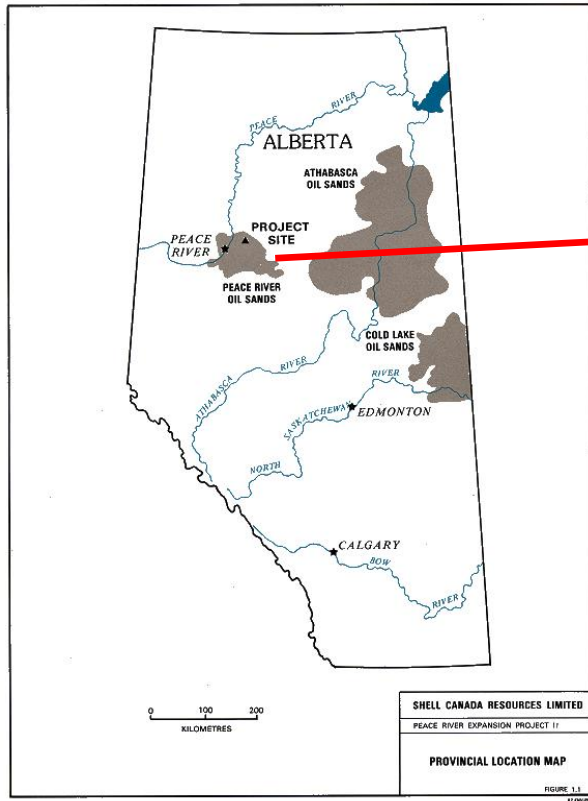
Commercial Scheme Approval 8143 (as amended)

June 30, 2022



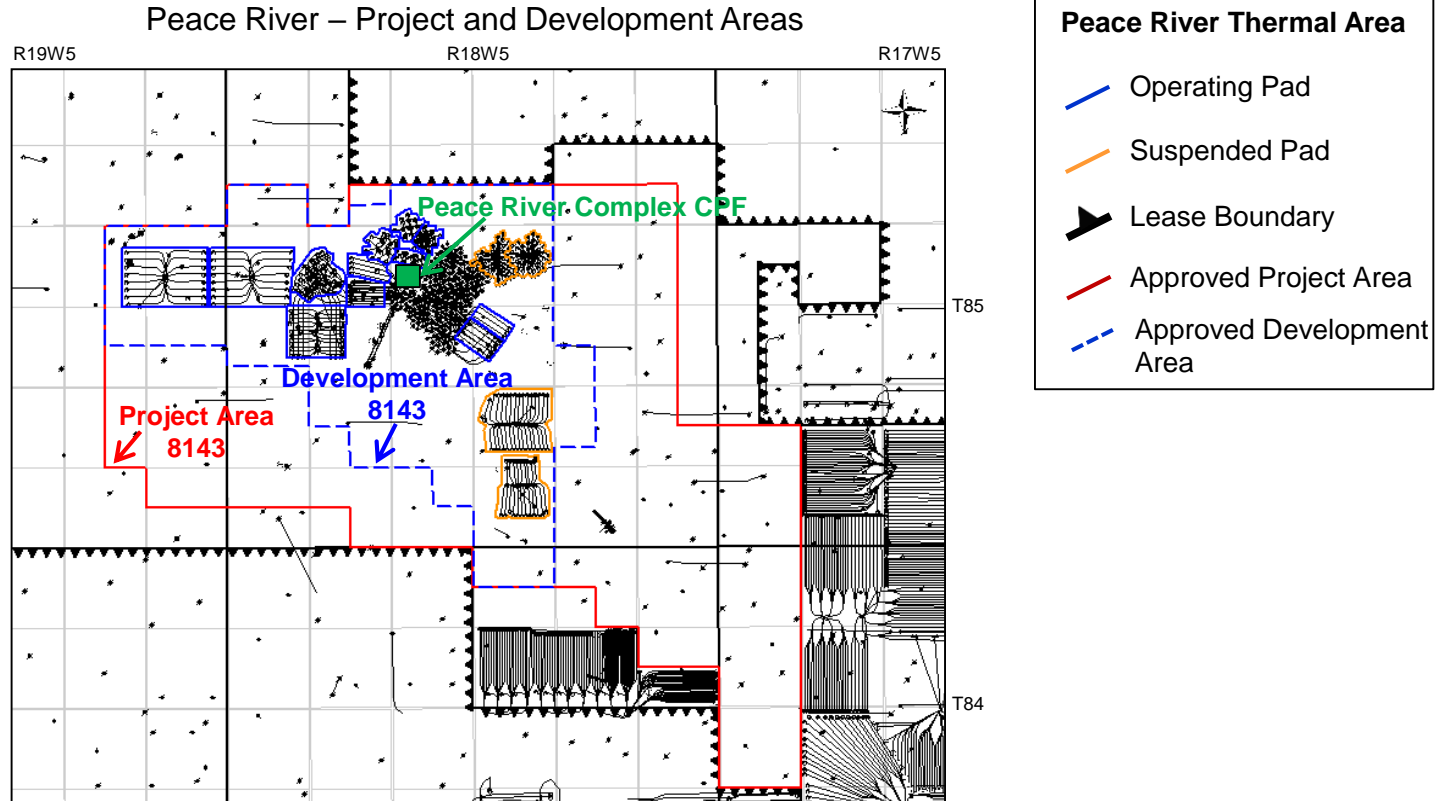
4.1 Introduction

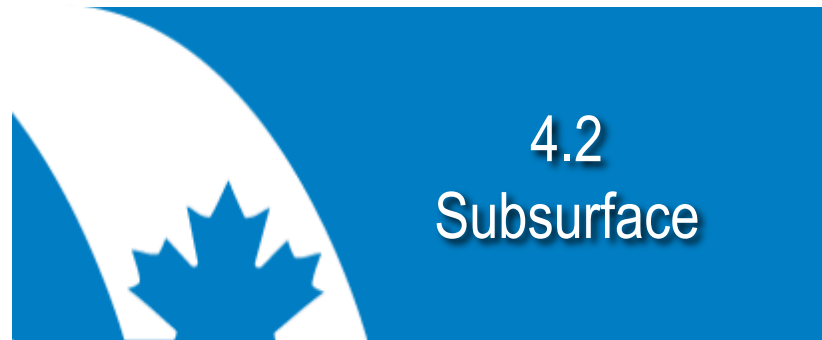
4.1, 1) Scheme Setting and Background



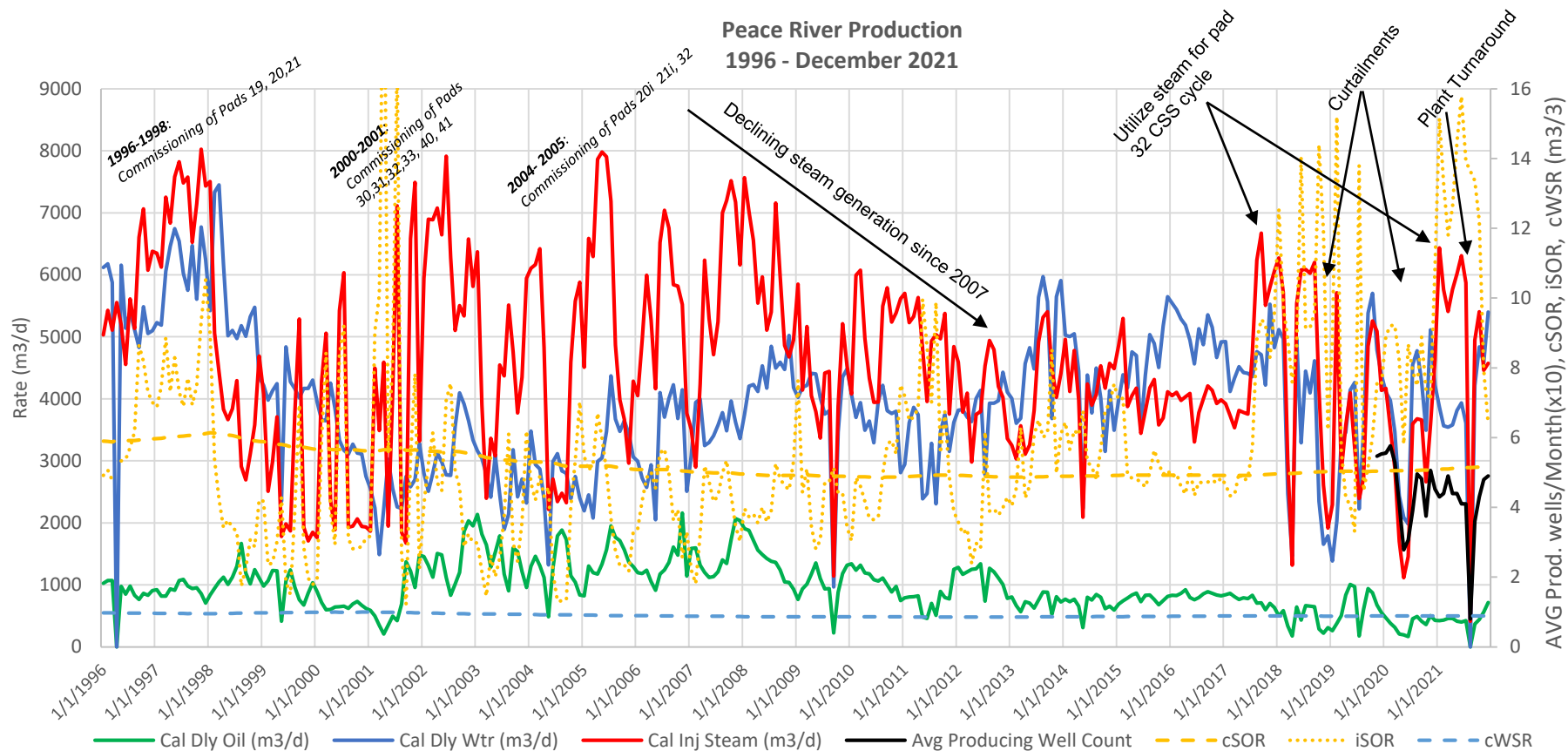
- Located in Northwestern Alberta
- Bluesky Formation
- SAGD, CSS and Steam Flood

4.1, 1) Scheme Setting and Background (cont'd)

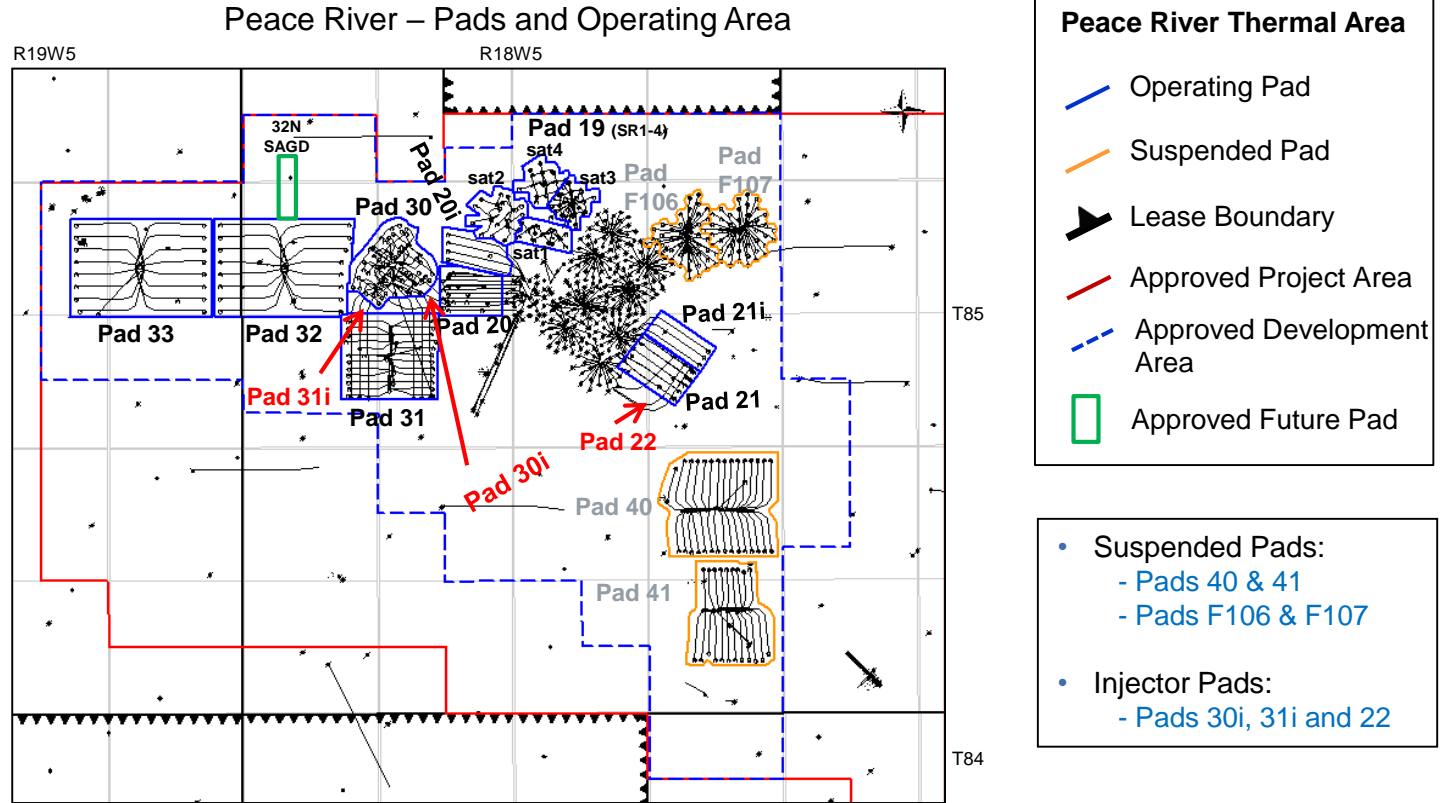




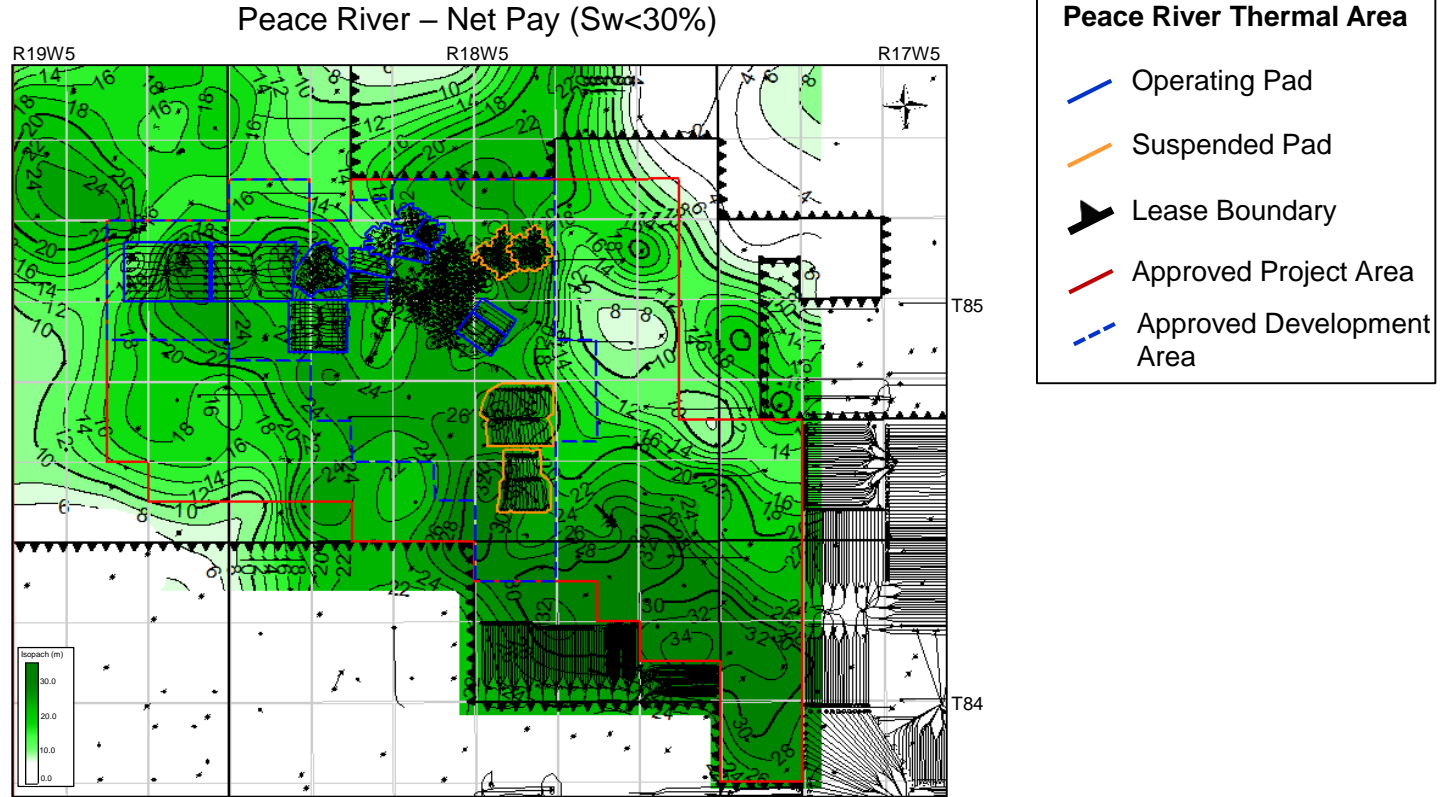
4.2, 2) Production Plot - Peace River



4.2, 3 a) Drilled and Approved Drainage Boxes



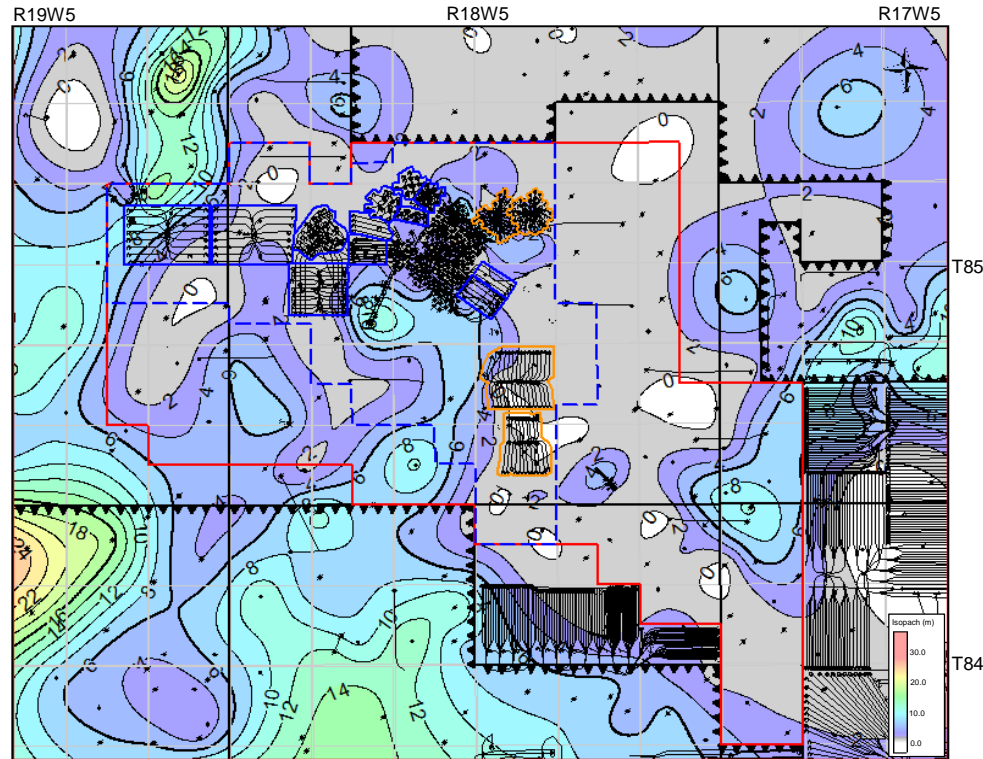
4.2, 3 b) Pay Isopach and Resource Cut-off



4.2, 3 c) Major Gas and Water Intervals

Net Water Sand Isopach

Peace River – Basal Transition and Basal Water Thickness Map ($S_w > 30\%$)



Peace River Thermal Area

- Operating Pad
- Suspended Pad
- Lease Boundary
- Approved Project Area
- Approved Development Area

- This thickness map includes a basal transition zone (BTZ) with $S_w = 30-50\%$; and a basal water zone (BWZ) with $S_w > 50\%$

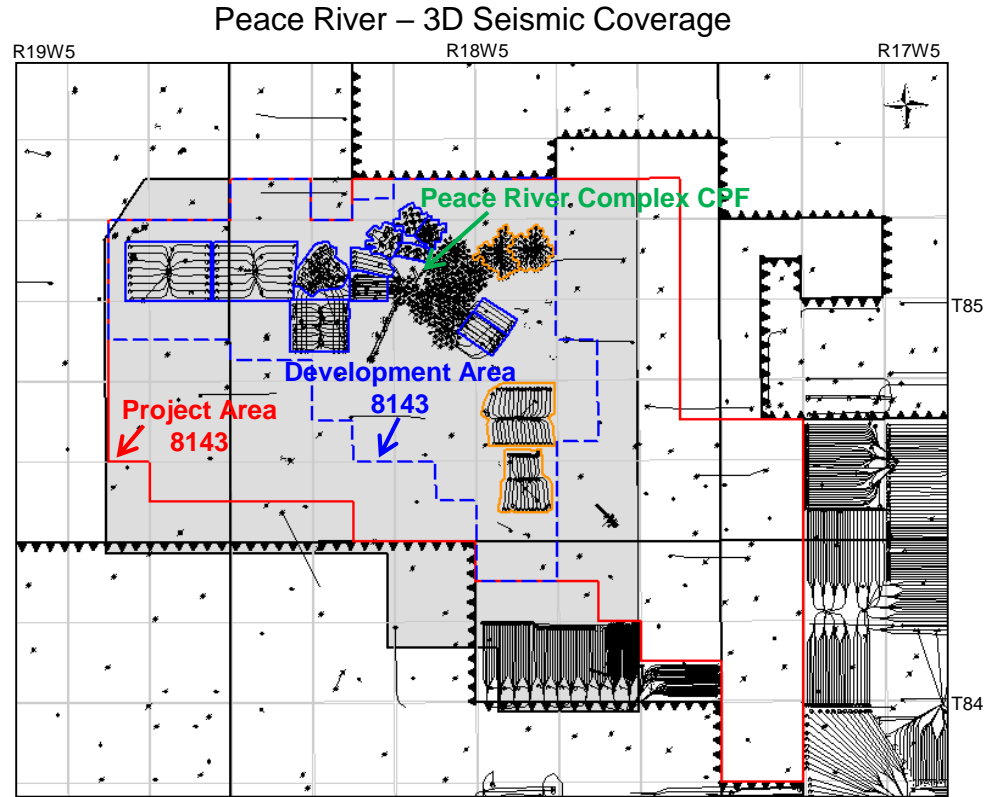
4.2, 3 c) Major Gas and Water Intervals

- No major gas intervals in communication with pay in the project area.

4.2, 3 d) Geomechanical Anomalies

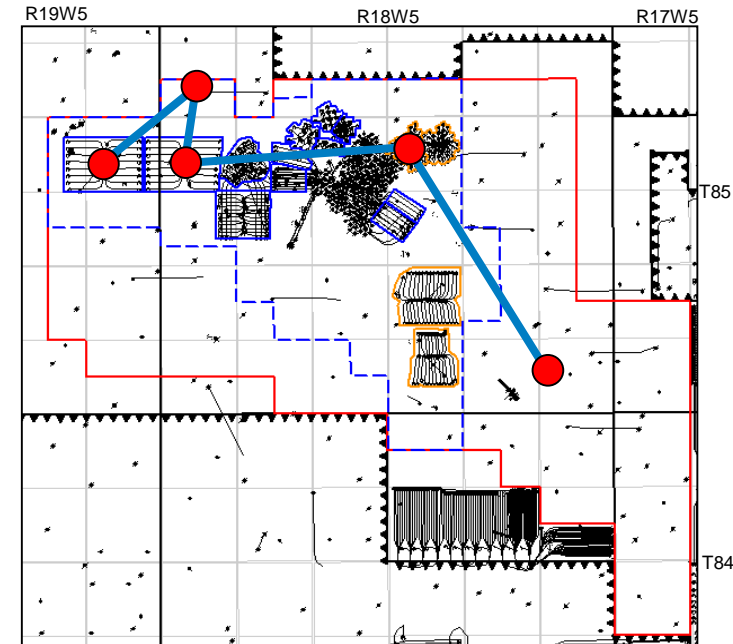
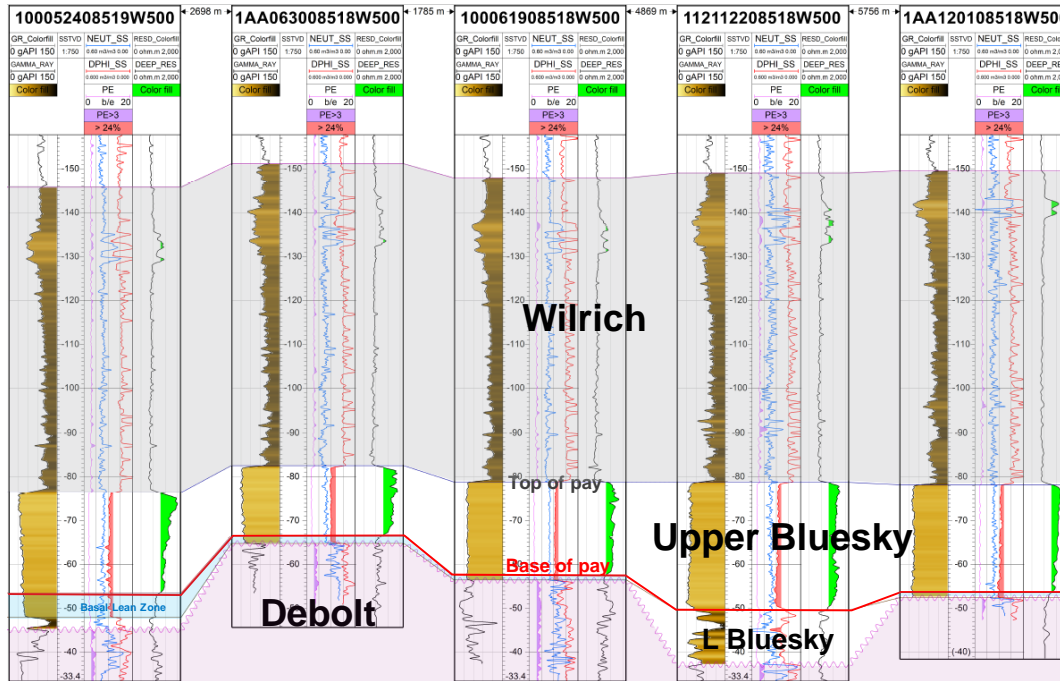
- No known geomechanical anomalies identified since last reporting period.

4.2, 3 e) Seismic



4.2, 4) Peace River Structural Cross-Section

- Wilrich Member of Spirit River Formation (primary caprock) ~ 80m
- Spirit River Formation minimum continuous caprock thickness ~ 240m
- Upper Bluesky Sand sitting on Debolt unconformity or Lower Bluesky filling lows in Debolt
- Reservoir Base defined Sw = 30% cut-off (equivalent to resistivity ~40ohms)



4.2, 5) Project, Development and Combined Active Well Pattern Volumetrics

	OBIP/PBIP (E ⁶ m ³)	General Properties	Approval Area
Project Area	441	Target Formation	Bluesky
Development Area	220	Pay Thickness	15 – 30m
Active Well Pattern Area	57	Depth	550 - 600 m TVD
		Porosity	0.25 – 0.30
		Viscosity	10,000 – 1,000,000 cP (dead oil)
		Horizontal permeability	0.1 – 10 D (air)
		Kv / Kh	0.3 – 0.9
		Oil Saturation	0.70 – 0.85

Includes all active and suspended wells; does not include well pads
106/107
OBIP = PBIP

- Cumulative percentage bitumen recovery of active well pad area: 14%

4.2, 6) Well Patterns Volumetrics

Pad	OBIP/PBIP (e³m³)	Area (m²)	Pay Thickness (m)	Oil Saturation (%)	Porosity (%)	Average Permeability KH (mD)	Cumulative Oil (e³m³)	Current Recovery	Ultimate Recovery
Pad 19 S1	1,055	199,000	23	83%	28	3,806	273	26%	26%
Pad 19 S2	1,370	361,000	16	84%	28.5	3,806	249	18%	28%
Pad 19 S3	1,110	238,000	21	80%	28	3,806	378	34%	34%
Pad 19 S4	1,202	249,000	20	84%	29	3,806	227	19%	29%
Pad 20	2,041	423,000	22	82%	27	1,482	707	35%	34%
Pad 20i	1,503	339,000	20	83%	27	5,867	223	15%	20%
Pad 21	2,345	431,000	25	82%	27	2,404	681	29%	30%
Pad 21i	1,524	287,000	25	83%	26	2,404	258	17%	31%
Pad 30	4,246	765,000	24	83%	28	2,798	860	20%	33%
Pad 31	6,520	1,232,000	23	83%	28	2,678	822	13%	34%
Pad 40	8,794	1,676,000	25	80%	26.5	1,154	847	10%	26%
Pad 41	5,994	1,134,000	26	79%	26	1,055	483	8%	23%
Pad 32	9,650	1,953,000	22	83%	27.5	4,026	1114	12%	18%
Pad 33	9,797	2,044,000	22	80%	27.5	2,761	964	10%	14%
Total	57,151						8,086	14%	24%

OBIP = Original Bitumen in Place; PBIP = Producible Bitumen In Place; PBIP = OBIP

Volumetric calculation = Area within drainage box boundary x pay thickness x avg. oil saturation x avg. porosity

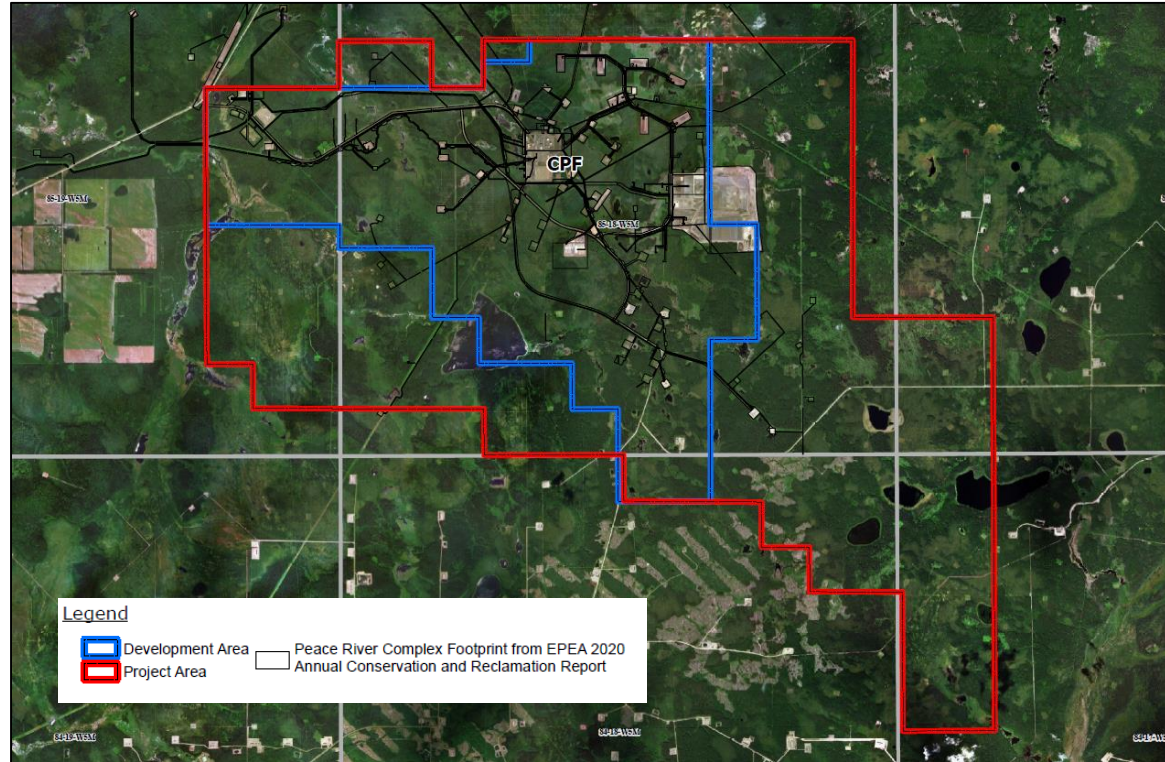
4.2, 7) Co-Injection

- No co-injection during reporting period.



4.3 Surface

4.3, 8 a) Built and Planned Surface Infrastructure Map



No surface infrastructure changes in 2021

4.3, 8 b) Modifications to the Central Processing Facility

- No facility modifications made in 2021 requiring AER approval.

4.3, 8 c) Annual Operational Bitumen and Steam Rates

	Actual Operational	Facility Design
Bitumen	440 m ³ /cd	2,000 m ³ /sd
Steam	6,076 t/d	8,000 t/d



4.4

Historical &
Upcoming Activity

4.4, 9) Suspension and Abandonment Activity

- No suspension or abandonment activity in 2021.

4.4, 10 a) Regulatory Approvals

Application Description	Application Number	Submission Date	Approval Date
Peace River Complex Pad 34 Development	1933874	8/3/2021	01/06/2022

4.4, 10 b) Events with Potential to Impact to Scheme Performance

- Scheme Performance:
 - Learnings from the Pad 32/33 CSS cycles will impact scheme performance go-forward.

4.4, 10 c) Peace River Learnings

- Lessons Learned:
 - Well pads 32 / 33 steaming cycle concluded Q4 2021
 - Performance and thermal efficiencies will continue to be evaluated

4.4, 10 d) Regulatory and Operational Changes

- There have been no pilots or major technical innovations conducted at the Peace River Project associated with Scheme Approval No. 8143 during 2021.

4.4, 11) Compliance History

- Reportable Incidents
 - Releases: 1 release incident with a volume of 6 m³
- All releases were recovered and associated remediation actions were taken if required.
 - November 12, 2021 - Ref. # IR21-43707
- Voluntary Self Disclosures
 - No VSD during the 2021 reporting period

4.4, 11) Compliance History (cont'd)

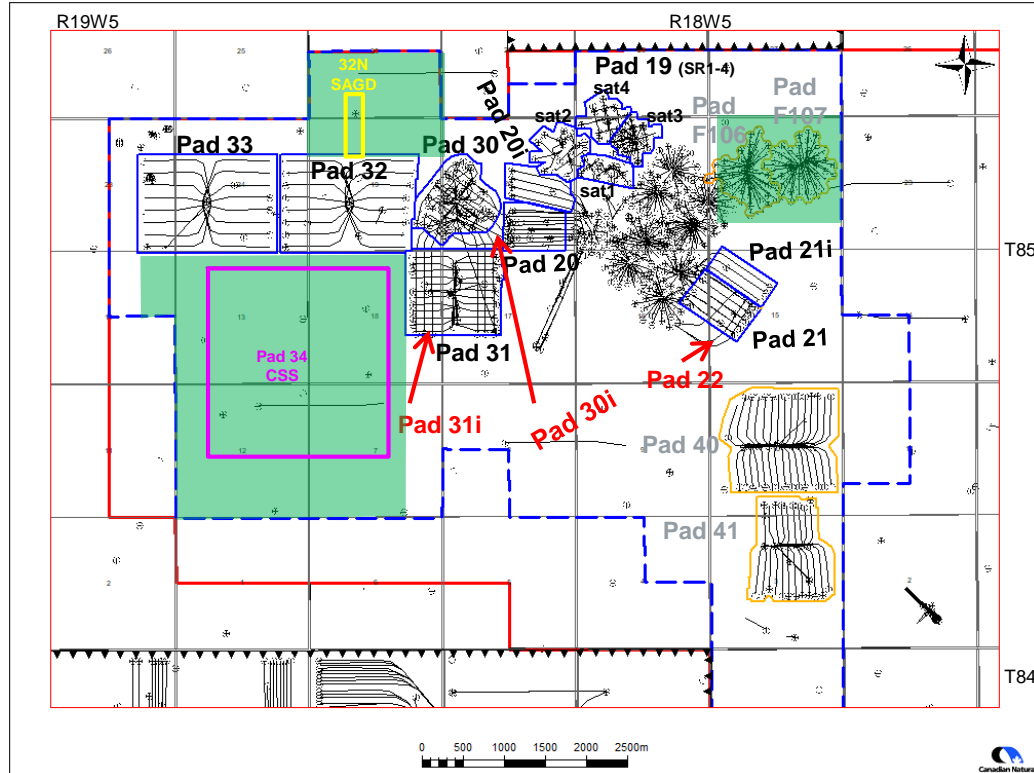
- Contraventions – Air
 - January 20, 2021: Temporary elevated H₂S reading due to tank cleaning. Exceedance recorded by the PRC compliance ambient air monitoring trailer. (Ref. # 20210170)
 - April 24, 2021: 59 m³ of natural gas was released while emptying a vessel due to procedural error. (Ref. # 20210971)
 - May 26, 2021: Ambient air monitoring analyzer went offline due to fuel (H₂) gas depletion. Fuel replacement had been ordered prior to depletion, but supply issues delayed shipment. (Ref. # 20211185)
 - June 1, 2021: System rejected submission due to AEP description variance resulting in missed deadline. (Ref. # 20211953)
 - July 22, 2021: Tank vapour release due to tank corrosion. Upon detection the active tank was emptied and a spare tank was put into service. (Ref. # 20211659)
 - September 16, 2021: Operational time will be less than 90% for August and September due to analyzers failed flow sensor. (Ref. # 20212151)
- Contraventions - Water
 - None

4.4, 12 a) Future Plans: Upcoming 12 Month Activity

- Pending favorable economic conditions, the following potential future plans are under evaluation for 2022:
 - CSS Pad 34 Development
 - Application submitted in 2021. Approval received January 2022.
 - Further de-risk reservoir performance
 - Continued Water Treatment Technology Evaluation

4.4, 12 b) 5-Year Potential Development Plan

Peace River – Pads and Operating Area with Future Plans



Peace River Thermal Area

- Operating Pad
- Suspended Pad
- Lease Boundary
- Approved Project Area
- Approved Development Area
- 5 Year Development Area

- Pad 32N is approved, but undeveloped
- Pad 34 and development area increase was approved in January 2022
- 5 year development will be contingent on the outcome of subsurface trials, internal approval, market conditions.

4.4, 12 c) Future Plans: Upcoming 12 Month Applications

- Continuing to evaluate future development opportunities. Currently no planned applications.

Special Note Regarding Forward-Looking Statements

Certain statements relating to Canadian Natural Resources Limited (the "Company") in this document or documents incorporated herein by reference constitute forward-looking statements or information (collectively referred to herein as "forward-looking statements") within the meaning of applicable securities legislation. Forward-looking statements can be identified by the words "believe", "anticipate", "expect", "plan", "estimate", "target", "continue", "could", "intend", "may", "potential", "predict", "should", "will", "objective", "project", "forecast", "goal", "guidance", "outlook", "effort", "seeks", "schedule", "proposed", "aspiration" or expressions of a similar nature suggesting future outcome or statements regarding an outlook. Disclosure related to expected future commodity pricing, forecast or anticipated production volumes, royalties, production expenses, capital expenditures, income tax expenses and other targets provided throughout this presentation and the Company's Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of the Company, constitute forward-looking statements. Disclosure of plans relating to and expected results of existing and future developments, including, without limitation, those in relation to the Company's assets at Horizon Oil Sands ("Horizon"), the Athabasca Oil Sands Project ("AOSP"), Primrose thermal oil projects, the Pelican Lake water and polymer flood projects, the Kirby Thermal Oil Sands Project, the Jackfish Thermal Oil Sands Project, the North West Redwater bitumen upgrader and refinery, construction by third parties of new, or expansion of existing, pipeline capacity or other means of transportation of bitumen, crude oil, natural gas, natural gas liquids ("NGLs") or synthetic crude oil ("SCO") that the Company may be reliant upon to transport its products to market, the development and deployment of technology and technological innovations, and the financial capacity of the Company to complete its growth projects and responsibly and sustainably grow in the long term also constitute forward-looking statements. These forward-looking statements are based on annual budgets and multi-year forecasts, and are reviewed and revised throughout the year as necessary in the context of targeted financial ratios, project returns, product pricing expectations and balance in project risk and time horizons. These statements are not guarantees of future performance and are subject to certain risks. The reader should not place undue reliance on these forward-looking statements as there can be no assurances that the plans, initiatives or expectations upon which they are based will occur.

In addition, statements relating to "reserves" are deemed to be forward-looking statements as they involve the implied assessment based on certain estimates and assumptions that the reserves described can be profitably produced in the future. There are numerous uncertainties inherent in estimating quantities of proved and proved plus probable crude oil, natural gas and NGLs reserves and in projecting future rates of production and the timing of development expenditures. The total amount or timing of actual future production may vary significantly from reserves and production estimates.

The forward-looking statements are based on current expectations, estimates and projections about the Company and the industry in which the Company operates, which speak only as of the earlier of the date such statements were made or as of the date of the report or document in which they are contained, and are subject to known and unknown risks and uncertainties that could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks and uncertainties include, among others: general economic and business conditions (including as a result of effects of the novel coronavirus ("COVID-19") pandemic and the actions of the Organization of the Petroleum Exporting Countries Plus ("OPEC+") which may impact, among other things, demand and supply for and market prices of the Company's products, and the availability and cost of resources required by the Company's operations; volatility of and assumptions regarding crude oil and natural gas and NGLs prices including due to actions of OPEC+ taken in response to COVID-19 or otherwise; fluctuations in currency and interest rates; assumptions on which the Company's current targets are based; economic conditions in the countries and regions in which the Company conducts business; political uncertainty, including actions of or against terrorists, insurgent groups or other conflict including conflict between states; industry capacity; ability of the Company to implement its business strategy, including exploration and development activities; impact of competition; the Company's defense of lawsuits; availability and cost of seismic, drilling and other equipment; ability of the Company and its subsidiaries to complete capital programs; the Company's and its subsidiaries' ability to secure adequate transportation for its products; unexpected disruptions or delays in the mining, extracting or upgrading of the Company's bitumen products; potential delays or changes in plans with respect to exploration or development projects or capital expenditures; ability of the Company to attract the necessary labour required to build, maintain, and operate its thermal and oil sands mining projects; operating hazards and other difficulties inherent in the exploration for and production and sale of crude oil and natural gas and in mining, extracting or upgrading the Company's bitumen products; availability and cost of financing; the Company's and its subsidiaries' success of exploration and development activities and its ability to replace and expand crude oil and natural gas reserves; the Company's ability to meet its targeted production levels; timing and success of integrating the business and operations of acquired companies and assets; production levels; imprecision of reserves estimates and estimates of recoverable quantities of crude oil, natural gas and NGLs not currently classified as proved; actions by governmental authorities (including production curtailments mandated by the Government of Alberta); government regulations and the expenditures required to comply with them (especially safety and environmental laws and regulations and the impact of climate change initiatives on capital expenditures and production expenses); asset retirement obligations; the sufficiency of the Company's liquidity to support its growth strategy and to sustain its operations in the short, medium, and long term; the strength of the Company's balance sheet; the flexibility of the Company's capital structure; the adequacy of the Company's provision for taxes; the continued availability of the Canada Emergency Wage Subsidy ("CEWS") or other subsidies; and other circumstances affecting revenues and expenses.

The Company's operations have been, and in the future may be, affected by political developments and by national, federal, provincial, state and local laws and regulations such as restrictions on production, changes in taxes, royalties and other amounts payable to governments or governmental agencies, price or gathering rate controls and environmental protection regulations. Should one or more of these risks or uncertainties materialize, or should any of the Company's assumptions prove incorrect, actual results may vary in material respects from those projected in the forward-looking statements. The impact of any one factor on a particular forward-looking statement is not determinable with certainty as such factors are dependent upon other factors, and the Company's course of action would depend upon its assessment of the future considering all information then available.

Readers are cautioned that the foregoing list of factors is not exhaustive. Unpredictable or unknown factors not discussed in this presentation or the Company's MD&A could also have adverse effects on forward-looking statements. Although the Company believes that the expectations conveyed by the forward-looking statements are reasonable based on information available to it on the date such forward-looking statements are made, no assurances can be given as to future results, levels of activity and achievements. All subsequent forward-looking statements, whether written or oral, attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Except as required by applicable law, the Company assumes no obligation to update forward-looking statements in this presentation or the Company's MD&A, whether as a result of new information, future events or other factors, or the foregoing factors affecting this information, should circumstances or the Company's estimates or opinions change.

Reporting Disclosures

Special Note Regarding non-GAAP and Other Financial Measures

This presentation includes references to financial measures commonly used in the crude oil and natural gas industry, such as: adjusted net earnings (loss) from operations, adjusted funds flow and net capital expenditures. These financial measures are not defined by International Financial Reporting Standards ("IFRS") and therefore are referred to as non-GAAP financial measures. The non-GAAP financial measures used by the Company may not be comparable to similar measures presented by other companies. The Company uses these non-GAAP financial measures to evaluate its performance. The non-GAAP financial measures should not be considered an alternative to or more meaningful than net earnings (loss), cash flows from operating activities, and cash flows used in investing activities as determined in accordance with IFRS, as an indication of the Company's performance. The non-GAAP financial measure adjusted net earnings (loss) from operations is reconciled to net earnings (loss), as determined in accordance with IFRS, in the "Financial Highlights" section of the Company's MD&A. Additionally, the non-GAAP financial measure adjusted funds flow is reconciled to cash flows from operating activities, as determined in accordance with IFRS, in the "Financial Highlights" section of the Company's MD&A. The non-GAAP financial measure net capital expenditures is reconciled to cash flows used in investing activities, as determined in accordance with IFRS, in the "Net Capital Expenditures" section of the Company's MD&A. The Company also presents certain non-GAAP financial ratios and their derivation in the "Liquidity and Capital Resources" section of the Company's MD&A.

Adjusted net earnings (loss) from operations is a non-GAAP financial measure that represents net earnings (loss) as presented in the Company's consolidated Statements of Earnings (Loss), adjusted for the after-tax effects of certain items of a non-operational nature. The Company considers adjusted net earnings (loss) from operations a key measure in evaluating its performance, as it demonstrates the Company's ability to generate after-tax operating earnings from its core business areas. Adjusted net earnings (loss) from operations may not be comparable to similar measures presented by other companies.

Adjusted funds flow is a non-GAAP financial measure that represents cash flows from operating activities as presented in the Company's consolidated Statements of Cash Flows, adjusted for the net change in non-cash working capital, abandonment expenditures excluding the impact of government grant income under the provincial well-site rehabilitation programs, and movements in other long-term assets, including the unamortized cost of the share bonus program, accrued interest on subordinated debt advances to North West Redwater Partnership ("NWRP"), and prepaid cost of service tolls. The Company considers adjusted funds flow a key measure in evaluating its performance, as it demonstrates the Company's ability to generate the cash flow necessary to fund future growth through capital investment and to repay debt. Adjusted funds flow may not be comparable to similar measures presented by other companies.

Net capital expenditures is a non-GAAP financial measure that represents cash flows used in investing activities as presented in the Company's consolidated Statements of Cash Flows, adjusted for the net change in non-cash working capital, the repayment of NWRP subordinated debt advances, abandonment expenditures including the impact of government grant income under the provincial well-site rehabilitation programs, and the settlement of long-term debt assumed in acquisitions. The Company considers net capital expenditures a key measure in evaluating its performance, as it provides an understanding of the Company's capital spending activities in comparison to the Company's annual capital budget. Net capital expenditures may not be comparable to similar measures presented by other companies.

Free cash flow is a non-GAAP measure that represents cash flows from operating activities as presented in the Company's consolidated Statements of Cash Flows, adjusted for the net change in non-cash working capital from operating activities, abandonment, certain movements in other long-term assets, less net capital expenditures and dividends on common shares. The Company considers free cash flow a key measure in demonstrating the Company's ability to generate cash flow to fund future growth through capital investment, pay returns to shareholders, and to repay debt.

Adjusted EBITDA is a non-GAAP measure that represents net earnings (loss) as presented in the Company's consolidated Statements of Earnings (Loss), adjusted for interest, taxes, depletion, depreciation and amortization, stock based compensation expense (recovery), unrealized risk management gains (losses), unrealized foreign exchange gains (losses), and accretion of the Company's asset retirement obligation. The Company considers adjusted EBITDA a key measure in evaluating its operating profitability by excluding non-cash items.

Long-term debt, net and net debt are other financial measures that are calculated as net current and long-term debt less cash and cash equivalents.

Debt to adjusted EBITDA is a non-GAAP measure that is derived as the current and long-term portions of long-term debt, divided by the 12 month trailing Adjusted EBITDA, as defined above. The Company considers this ratio to be a key measure in evaluating the Company's ability to pay off its debt.

Debt to book capitalization is a non-GAAP measure that is derived as net current and long-term debt, divided by the book value of common shareholders' equity plus net current and long-term debt. The Company considers this ratio to be a key measure in evaluating the Company's ability to pay off its debt.

Available liquidity is a non-GAAP measure that is derived as cash and cash equivalents, total bank and term credit facilities and short term investments, less amounts drawn on the bank and credit facilities including under the commercial paper program. The Company considers available liquidity a key measure in evaluating the sustainability of the Company's operations and ability to fund future growth. See note 8 - Long-term Debt in the Company's consolidated financial statements.

Special Note Regarding Currency, Financial Information and Production

This presentation should be read in conjunction with the unaudited interim consolidated financial statements for the three months ended March 31, 2021 and the Company's MD&A and audited consolidated financial statements for the year ended December 31, 2020. All dollar amounts are referenced in millions of Canadian dollars, except where noted otherwise. The Company's unaudited interim consolidated financial statements for the three months ended March 31, 2021 and the Company's MD&A have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB").

Production volumes and per unit statistics are presented throughout the Company's MD&A on a "before royalties" or "company gross" basis, and realized prices are net of blending and feedstock costs and exclude the effect of risk management activities. In addition, reference is made to crude oil and natural gas in common units called barrel of oil equivalent ("BOE"). A BOE is derived by converting six thousand cubic feet ("Mcf") of natural gas to one barrel ("bbl") of crude oil (6 Mcf:1 bbl). This conversion may be misleading, particularly if used in isolation, since the 6 Mcf:1 bbl ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. In comparing the value ratio using current crude oil prices relative to natural gas prices, the 6 Mcf:1 bbl conversion ratio may be misleading as an indication of value. In addition, for the purposes of the Company's MD&A, crude oil is defined to include the following commodities: light and medium crude oil, primary heavy crude oil, Pelican Lake heavy crude oil, bitumen (thermal oil), and SCO. Production on an "after royalties" or "company net" basis is also presented for information purposes only.

The Company's 2021 targeted annual adjusted funds flow, free cash flow and net debt are based upon forecasted commodity prices of US\$60.47 WTI/bbl, WCS discount of US\$11.95/bbl, AECO price of C\$2.74/GJ and FX of US\$1.00 to C\$1.26. Forecasted net debt reflects estimated timing of cash receipts and expenditures.

Additional information relating to the Company, including its Annual Information Form for the year ended December 31, 2020, is available on SEDAR at www.sedar.com, and on EDGAR at www.sec.gov. Information on the Company's website does not form part of and is not incorporated by reference in the Company's MD&A.

A large graphic on the right side of the slide, consisting of two overlapping circles. The left circle is white and the right circle is blue. They overlap in the center, creating a shape that resembles a stylized 'C' or a partial moon. The background of the entire slide is blue.

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