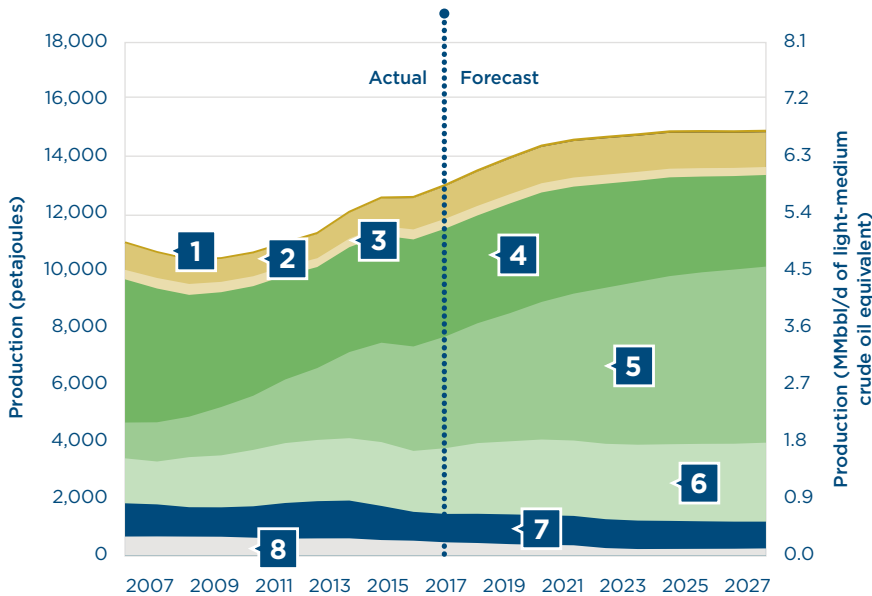


PRODUCTION FORECAST



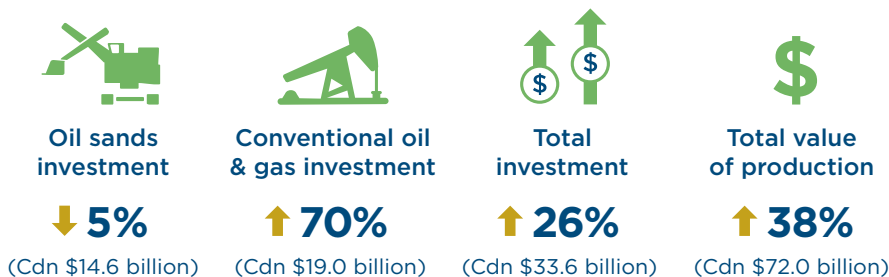
Fast Facts:

- Alberta's economy started to recover in 2017, with real GDP growth estimated to be 4.0% compared to -3.7% in 2016.
- Total drilling increased by 71% in 2017 because producers were able to find cost savings and improved efficiencies.
- Total crude bitumen production was up 12% in 2017 as production recovered following last year's wildfires around Fort McMurray.

- 1 Hydro, wind, and other renewables
- 2 Natural gas liquids
- 3 Unconventional natural gas
- 4 Conventional natural gas
- 5 Nonupgraded bitumen
- 6 Upgraded bitumen
- 7 Conventional crude oil
- 8 Coal

2017 HIGHLIGHTS

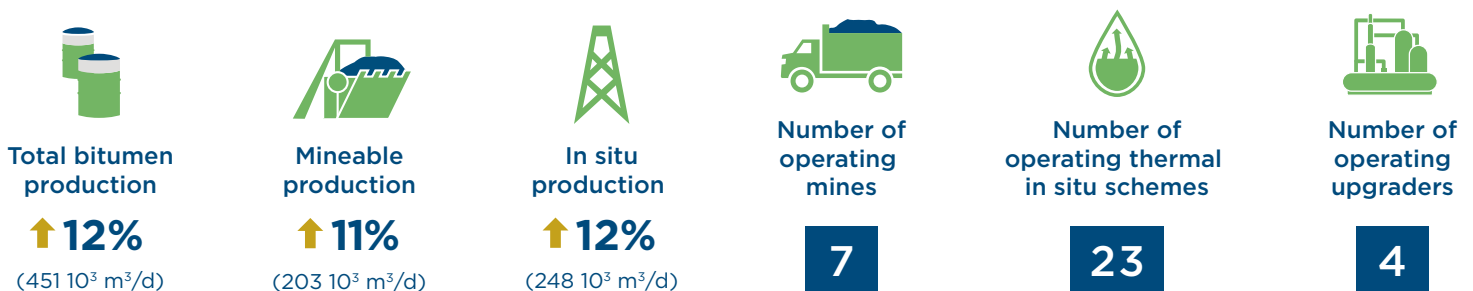
CAPITAL EXPENDITURES



Fast Facts:

- Conventional oil and gas investment increased by 70% in 2017 due to operators investing in projects with shorter payout times, increased land sales and more drilling.
- Oil sands capital expenditures decreased by 5% in 2017 reflecting continued deferral of projects, companies capitalizing on cost-saving opportunities and major projects completing construction.

CRUDE BITUMEN



CRUDE OIL



Total crude oil production

↑ 0.4%
(70 10³ m³/d)



Wells placed on production

↑ 157%
(1,682)



WTI crude oil price

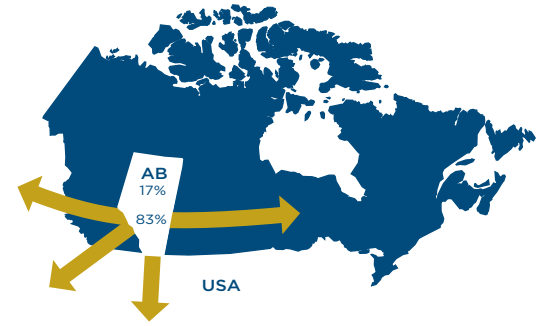
↑ 17%
(US \$50.95/bbl)



Number of operating refineries

4

Deliveries of total oil (including bitumen)



NATURAL GAS



Marketable gas production

↑ 2%
(306 10⁶ m³/d)



Wells placed on production

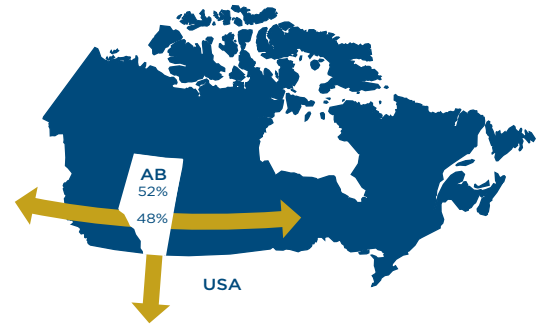
↑ 49%
(1,294)



AECO-C natural gas price

↑ 10%
(Cdn \$2.25/GJ)

Deliveries of gas



NATURAL GAS LIQUIDS



Propane

↑ 11%
(29 10³ m³/d)



Butane

↑ 10%
(17 10³ m³/d)



Ethane

↓ 2%
(35 10³ m³/d)



Pentanes plus

↑ 4%
(37 10³ m³/d)

Fast Facts:

- Construction has begun for the propane dehydrogenation (PDH) and polypropylene (PP) plant, designed to convert 3.5 10³ m³/day of propane into polymer grade propylene.
- A propane export terminal is under construction in British Columbia with a proposed annually export capacity of up to 2.7 10⁶ m³.
- NOVA Chemicals began commercial shipments at the Polyethylene 1 Expansion Project.

COAL/SULPHUR



Total coal production

↓ 7%
(24 10⁶ t)



Coal used for electricity generation

↓ 5%
(21 10⁶ t)



Sulphur production

↑ 3%
(4 10⁶ t)

Deliveries of bituminous coal

