

Meadow Creek West



Project overview:

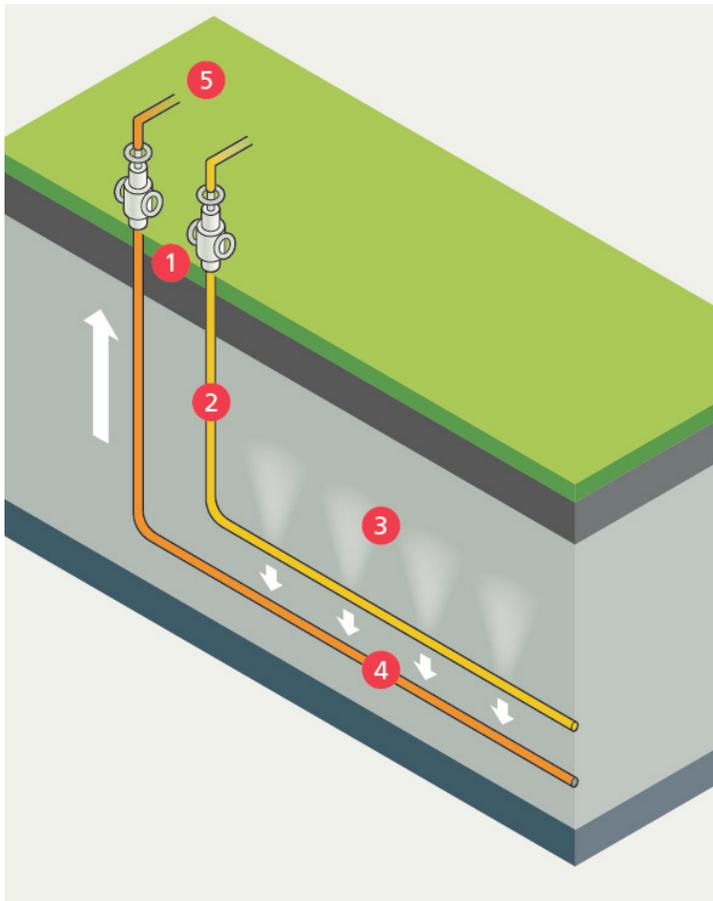
Meadow Creek West will be a steam assisted gravity drainage (SAGD) oil sands development in northeast Alberta. Meadow Creek West is an additional phase to our Meadow Creek project and is jointly owned with Nexen, with Suncor as operator.

Meadow Creek West is an in situ project with an estimated total production of 40,000 bpd and an operational life of up to 40 years. Including the Meadow Creek East project, expected total production for Meadow Creek is 120,000 bpd. Project facilities will include a central processing plant, well pads, electrical power lines, storage tanks, pipelines, as well as access roads. Other infrastructure that may be constructed to support the project includes a cogeneration facility, laydown yard and lodges.

As a result of the current economic environment, Suncor has deferred the Meadow Creek development; however, we are continuing with the regulatory and early stakeholder consultation work as scheduled. Suncor will submit an application for the Meadow Creek West in situ project in 2017.



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SAGD process:

Steam assisted gravity drainage – or SAGD – is an in situ process that uses steam to heat bitumen (a thick form of crude oil) so it can be pumped to the surface.

The process works as follows:

- 1 Two horizontal, parallel wells are drilled one on top of the other into the oil sands reservoir.
- 2 The upper well introduces steam into the reservoir.
- 3 The steam heats and softens the bitumen, which then flows by gravity down to the lower well.
- 4 The bitumen and water are pumped to the surface and transported to processing facilities to be separated.
- 5 The bitumen is refined into products such as gasoline and diesel or sent directly to the sales market.



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Environment:

With more than 40 years of oil sands experience, Suncor is exploring new processes and technologies to enhance environmental performance. This includes decreasing water and natural gas usage, limiting greenhouse gas emissions levels and air contaminants, and reducing the time it takes to reclaim disturbed lands.

Suncor will work to incorporate the latest information and technology developments into the Meadow Creek project to minimize our impact on the environment. Suncor will not use water from lakes or streams to produce steam for the Meadow Creek project. This will minimize the impacts to fish, wildlife and plants in water bodies in and around the project area.

More than 90 per cent of the water used in the process will be recycled to make more steam. The water that cannot be recycled will be put back deep underground where it will not impact lakes, streams or drinking water.



Reclamation:

Suncor is committed to returning lands disturbed by our oil sands operations to a natural state as close to pre-disturbance conditions as possible. As such, we will use best practices to minimize the environmental footprint of the Meadow Creek project.

For example, existing disturbances will be used for access routes wherever practical. Where land is disturbed by the Meadow Creek project, Suncor will pursue reclamation efforts.

Local benefits:

We believe that the people and communities affected by our activities should be able to benefit from energy development through opportunities such as employment, business development, education, training and community investment. Suncor works with government, industry and community groups to develop a co-ordinated, long-term approach to address the social and economic effects of oil sands development. Strong economic performance, along with social responsibility and environmental stewardship, is an important part of being a sustainable energy company.

Suncor's investment in the Meadow Creek project will benefit the economy, people and nearby communities through:

- Creating well-paying jobs
- Promoting economic growth and contracting opportunities
- Providing governments with valuable tax and royalty revenues
- Education and training
- Community investment

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Public consultation :

The best business decisions are made when we listen and respond to stakeholder needs. Through information sharing, consultation and collaboration, we work with stakeholders to understand their issues and concerns, and strive to reach mutually beneficial solutions.

Consultation with stakeholders will continue throughout the project regulatory approval process. Suncor's Stakeholder and Aboriginal Relations group, with the support of project operations, will maintain ongoing engagement with stakeholders throughout the life of the project.

Consultation milestones:

As Suncor is seeking regulatory approval for the proposed Meadow Creek West project, our consultation plans will include the following:

Consultation milestones		
Project summary table and consultation	<ul style="list-style-type: none">• Share development plan updates with stakeholders and regulators• Consultation tailored to each community, including individual meetings, presentations to stakeholders, and community meetings	<ul style="list-style-type: none">• Started consultation in 2016• Ongoing
Environmental impact assessment (EIA) and terms of reference (TOR)	<ul style="list-style-type: none">• Provide TOR to stakeholders for review• Continue to work with impacted stakeholder communities to collect socio-economic and traditional knowledge information to include in EIA	<ul style="list-style-type: none">• Started consultation in 2016• Ongoing
File amended joint application and EIA	<ul style="list-style-type: none">• Provide to stakeholders for review• Provide regular project updates to stakeholders in person or on suncor.com/meadowcreek	<ul style="list-style-type: none">• Planned submission for 2017
Project updates	<ul style="list-style-type: none">• Collect stakeholder feedback and follow-up	<ul style="list-style-type: none">• Ongoing

Responsibility to Aboriginal communities:

We know Aboriginal Peoples want to play a larger role in how energy is developed – from the project concept through to reclaiming the land back to its original state. We recognize this and are committed to focusing on strengthening our relationships with Aboriginal Peoples in Canada.

Environmental, social, economic and traditional land use impacts associated with Meadow Creek will be the subject of an environmental assessment and a socio-economic impact assessment. Suncor is committed to updating existing traditional land use and ecological knowledge by consulting with Aboriginal communities.

We work with Aboriginal communities throughout this process seeking to:

- Ensure we listen and communicate with Aboriginal people directly and openly about events, issues and ideas
- Build effective, long-term and mutually beneficial relationships
- To achieve this, we will strive for relationships that are based on transparency, mutual respect and trust.



Suncor is Canada's leading integrated energy company. Suncor's operations include oil sands development and upgrading, conventional and offshore oil and gas production, petroleum refining, and product marketing under the Petro-Canada brand. While working to responsibly develop petroleum resources, Suncor is also developing a growing renewable energy portfolio.

Sustainability has been an important part of the company's decision making for almost two decades and guides us as we work toward our mission: **We create energy for a better world.**

Contact information:

For more information about the proposed Meadow Creek West project, contact:

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Forward-looking statements:

This document contains certain forward-looking statements that are based on Suncor's current expectations, projections and assumptions. All statements that address expectations or projections about the future, including statements about Suncor's strategy for growth and the impact of future commitments are forward-looking statements. These statements are not guarantees of future performance as they are based on current facts and assumptions and involve a number of risks and uncertainties. Suncor's actual results may differ materially from those expressed in this document.

