



Imperial Investor Day

November 7, 2018

Opening Remarks

Rich Kruger

Chairman, President and Chief Executive Officer

Q3 recap

Results consistent with expectations for strong second half performance



393,000 boepd

Upstream production



388,000 bpd

Refinery throughput



516,000 bpd

Petroleum product sales



\$749 million

Net income



\$1.2 billion

Cash from operations



\$573 million

Returned to shareholders

Global energy outlook

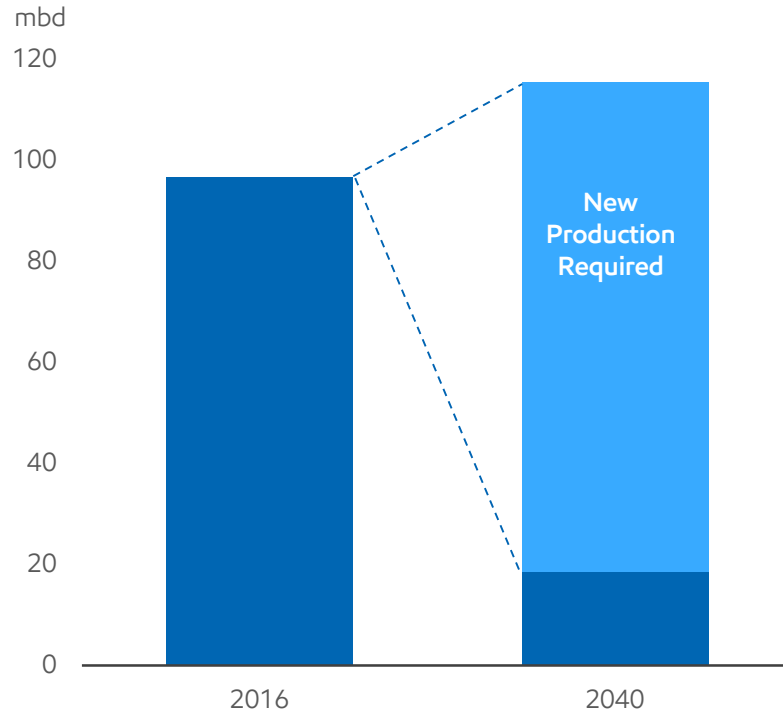
Energy demand to increase 25% by 2040, oil and gas to remain key

- ▶ Energy is required to power economic growth and improve standards of living
- ▶ Demand increases driven by population growth and rising incomes
- ▶ Increased energy use expected in wide range of sectors
- ▶ World will need all practical and economic energy sources
- ▶ Oil and natural gas will continue to meet 55-60% of total demand
- ▶ Society faces a dual challenge with energy development
- ▶ Technology is key to addressing the challenge

Global liquids outlook

Oil to remain the world's largest energy source well into the future

Demand



- ▶ Growth driven by transportation, chemicals
- ▶ Global resources sufficient to meet demand
- ▶ New supplies required from multiple regions
- ▶ Major ongoing investments required
- ▶ Must be globally competitive for capital

Canada's opportunity

Highest quality oil sands expected to be competitive on a global basis

Breakeven Brent price

\$US/bbl

125

100

75

50

25

0

Brazil

North Sea

GOM

West Africa

Canada
oil sands

North
America
tight oil

mining

in situ

- ▶ 3rd largest liquid reserves globally
- ▶ Track record of innovation, responsible development
- ▶ Historically conducive investment climate
- ▶ Canada-specific challenges must be addressed
- ▶ New technologies key to competitiveness

Source: 2016 IHS, Assumes a 10% internal rate of return

Imperial's operations

High quality, integrated, balanced, coast to coast asset portfolio



Business model

Deliver superior, long-term shareholder value



Long-life, competitively advantaged assets



Disciplined investment and cost management



Value chain integration and synergies



High-impact technologies and innovation

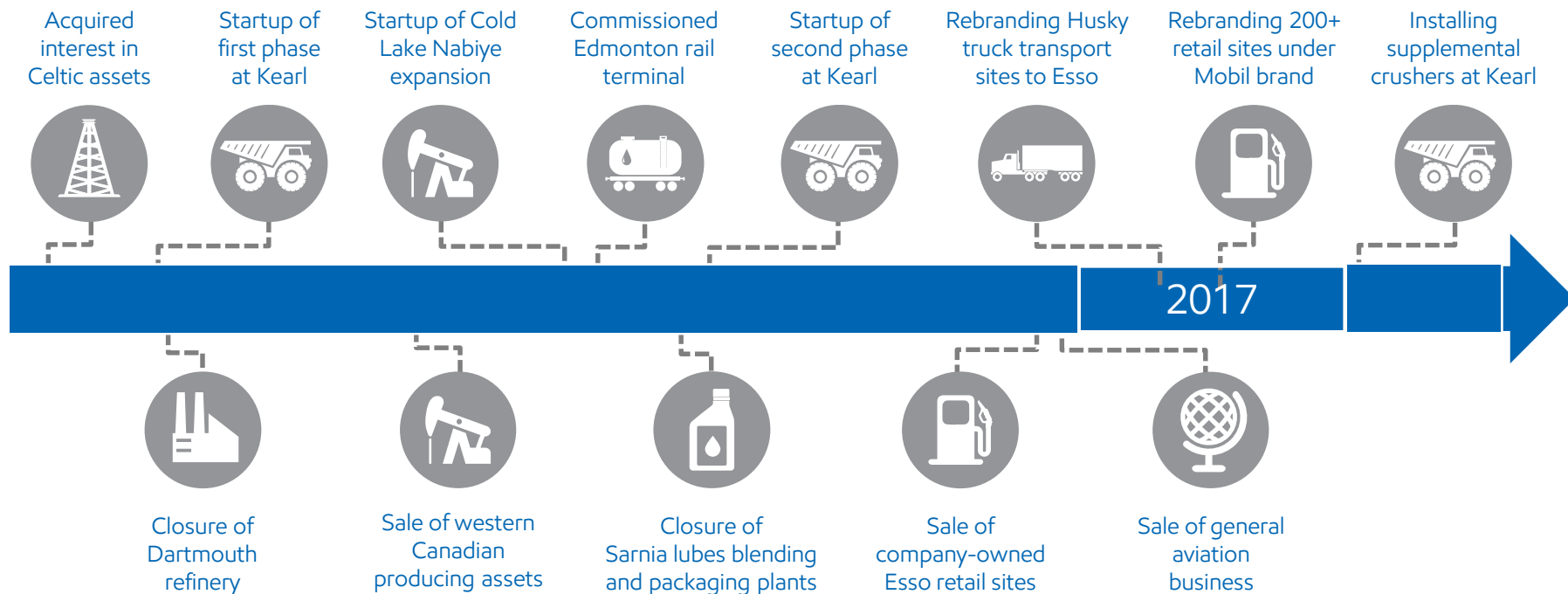


Operational excellence and responsible growth

ExxonMobil relationship

Portfolio enhancement

Focusing on highest value assets and competitive core competencies



Upstream assets

Increasing concentration in long-life, high quality oil sands assets



Kearn

Mining - PFT
71% interest



Syncrude

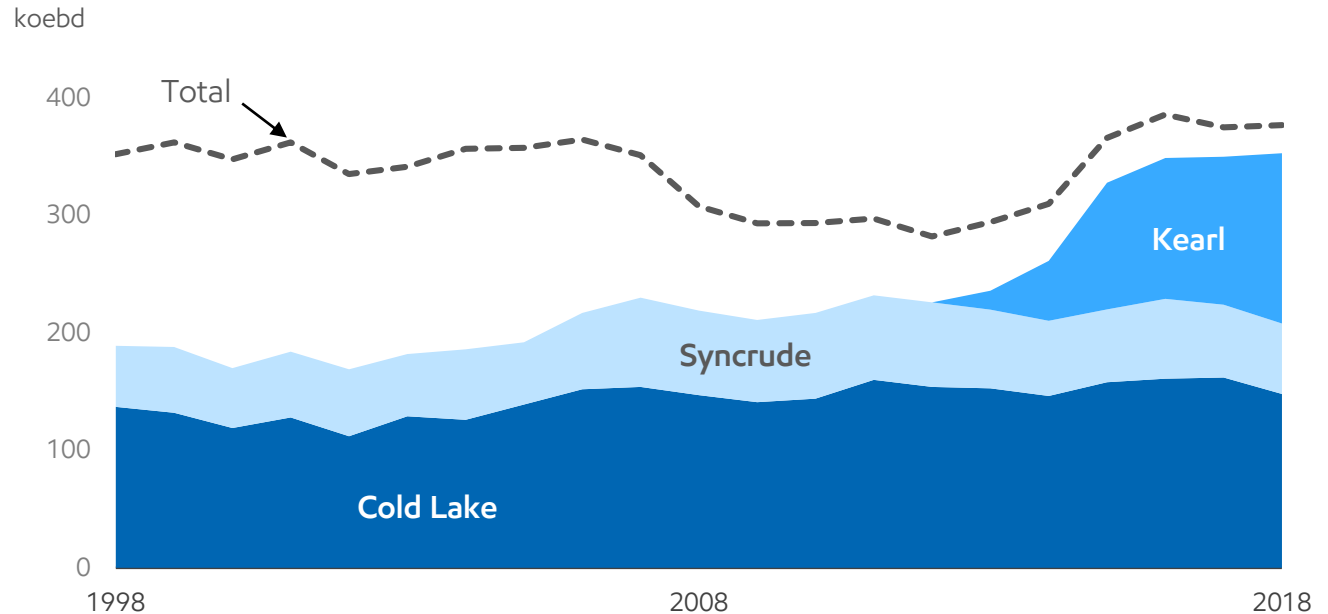
Mining - upgrader
25% interest



Cold Lake

In situ – CSS/other
100% interest

Production



Gross production, IMO share

Downstream assets

Leveraging operational excellence, scale and integration to capture value



Strathcona refinery

191 kbd capacity



Sarnia refinery

119 kbd capacity



Nanticoke refinery

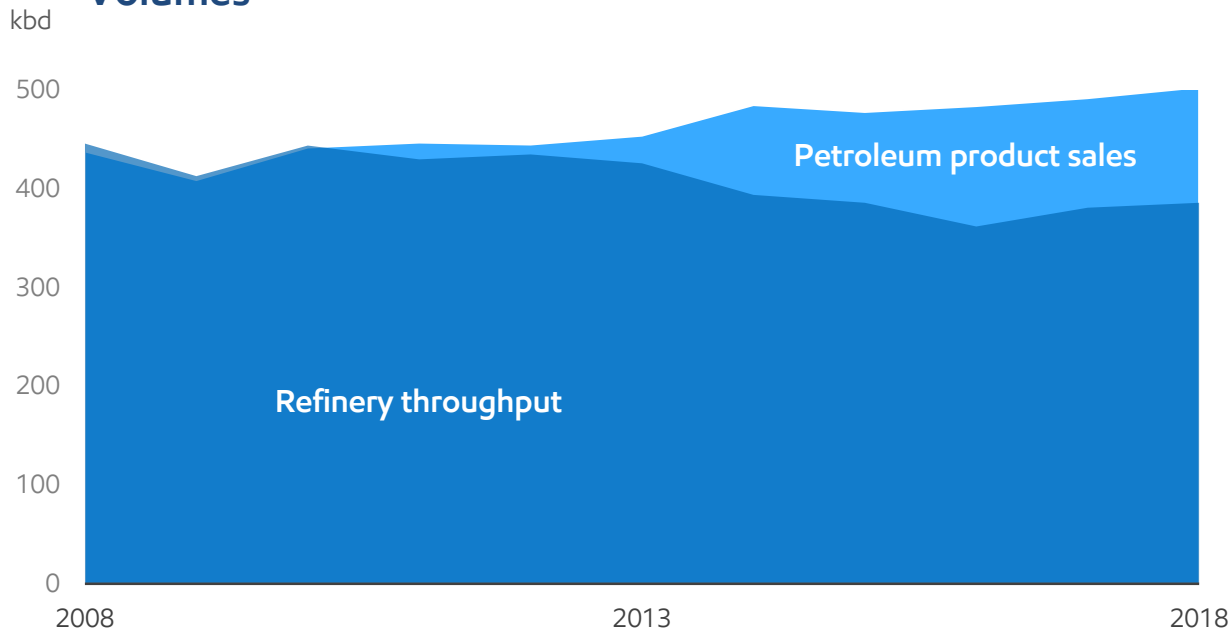
113 kbd capacity



Fuels marketing

Coast-to-coast
product sales

Volumes



Includes Dartmouth Refinery, which closed in September 2013

Risk management

Comprehensive management of full spectrum of enterprise risks



- ▶ Systematic approach in all areas
- ▶ Fundamental line management responsibility
- ▶ Robust internal/external compliance processes
- ▶ Integral to shareholder value

Corporate responsibility

Commitment to strong environmental, social and governance principles

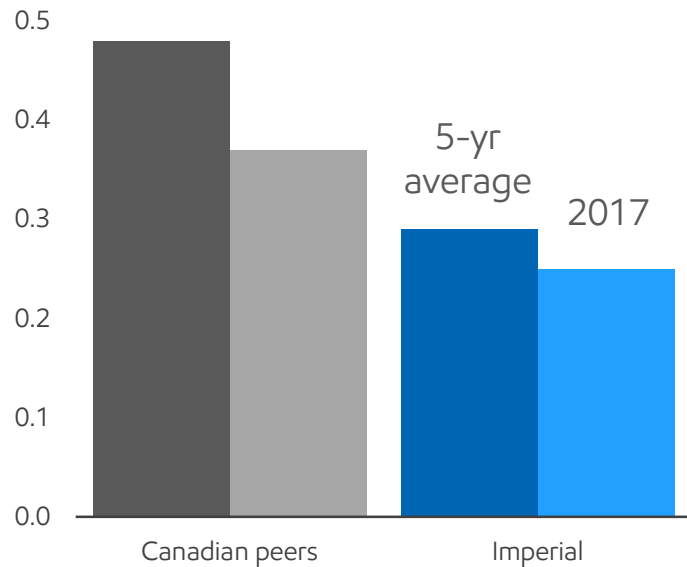


- ▶ 'Taskforce on Climate-related Financial Disclosures' guidelines
- ▶ Reducing GHG intensity of existing and future operations
- ▶ \$2.4 billion spent with indigenous suppliers over last 10 years
- ▶ Strong commitment to local communities
- ▶ Diverse, independent Board of Directors

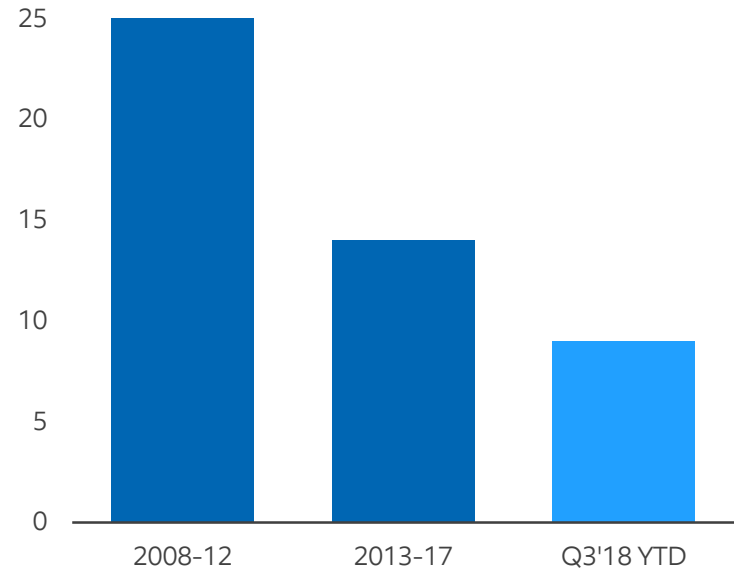
Safety and operational integrity

Organization-wide priority to protect people, assets and the environment

Total Recordable Incident Rate



Average number of spills



Incidents per 200,000 hours worked

Integration

Delivering value, competitive advantage and resiliency across the business cycle

Upstream

Oil & natural gas production

Downstream

Refining & marketing products

Chemical

Commodities & specialties



Equity crude placed in highest netback markets



Cost-advantaged feedstocks for refineries & chemical



Highest value sales channels for petroleum products



Multiple and optimized transportation networks



Access to industry-leading technologies and know-how

Technology and innovation

Unparalleled commitment and achievement throughout 138-year history

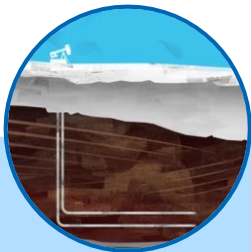
Canada's first
research department



Cyclic steam
stimulation patent



Steam-assisted gravity
drainage patent



Solvent-assisted
technology pilots



First lube oil
hydrofining



First horizontal
well in Canada



Paraffinic froth
treatment patents



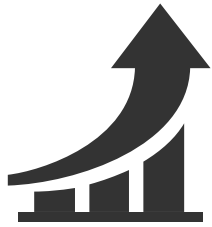
New Upstream
research facility

Imperial has
invested more
than **\$2.1B**
over the past
20 years

Access to \$1 billion/yr in ExxonMobil R&D investments

Imperial's winning formula

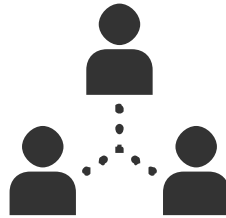
Increase cash flow, deliver industry-leading returns throughout the cycle



Deliver industry leading performance in reliability, safety and operations integrity



Leverage technology, integration and ExxonMobil to differentiate versus competition



Continue to achieve improvements in organizational efficiency & effectiveness



Be the most valued partner with key stakeholders within our industry



Aggressively capture new opportunities and manage existing portfolio to maximize value

Upstream Overview

John Whelan

Senior Vice President, Upstream

Upstream at a glance

Large, long-life predominantly oil sands portfolio



~6.5
billion boe
2P reserves

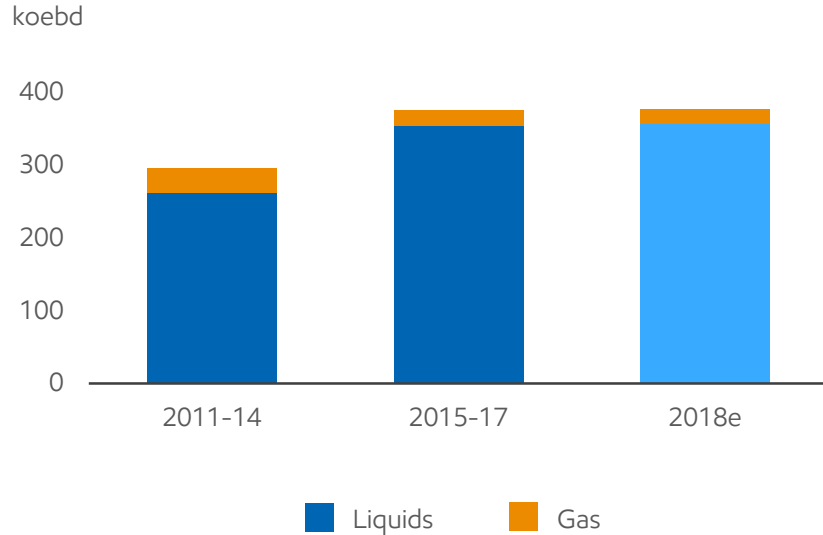
~400
koebd
Production

2P reserves IMO share, before royalties
Gross production estimate, IMO share

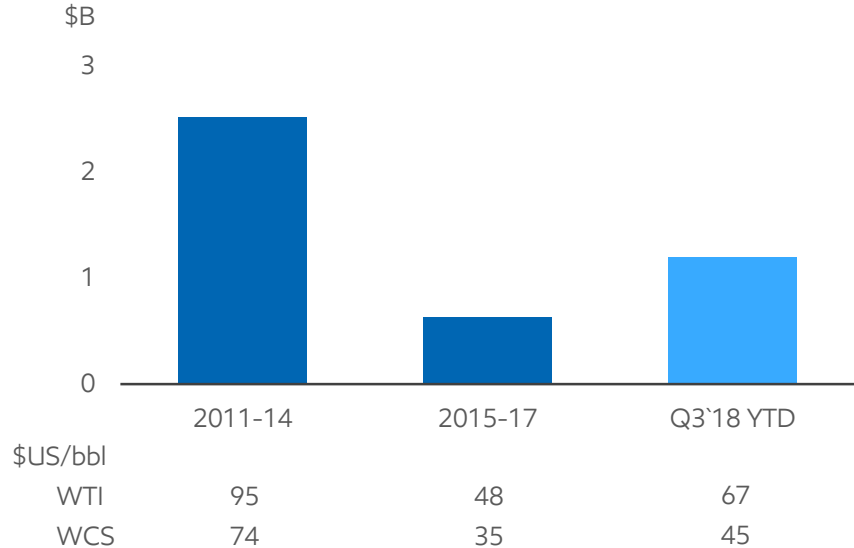
Upstream overview

30+ year proved reserve life, nearly \$17B cash generated over last 10 years

Production



Annual cash from operations



*Proved reserve life based on 2017 production rates
Gross production, IMO share*

Syncrude

Oil sands mining pioneer



Mining with
upgrader

25% IMO
owned

Producing
since 1978

0.7B
bbls

2P reserves

~60
kbd

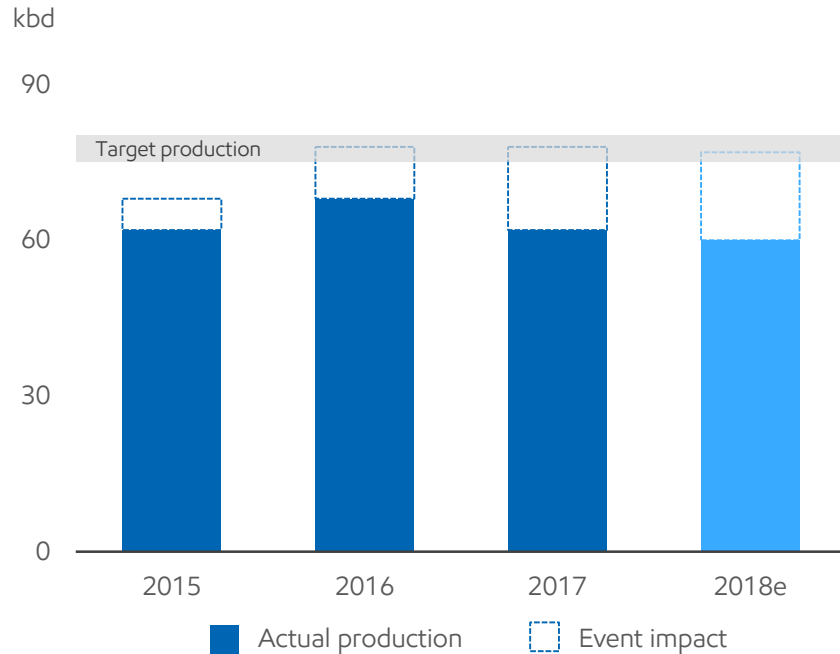
2018 production outlook

- ▶ High value synthetic crude oil
- ▶ Improve reliability by eliminating major events
- ▶ Capture regional integration opportunities
- ▶ Fully leverage owner company strengths

Syncrude reliability

High-potential asset with priority on eliminating one-time events

Production



Gross production, IMO share

- ▶ Production challenged
 - ▶ Significant volume loss events
 - ▶ Upgrader performance
- ▶ Reliability improvement essential
 - ▶ Mechanical integrity
 - ▶ Turnaround planning and execution
 - ▶ Leadership and workforce
- ▶ Best practice and resource sharing
- ▶ Achieve 90% upgrader utilization

Syncrude collaboration

Leverage owner strengths to accelerate performance improvement



- ▶ Owner company expertise
- ▶ Provision of business services
- ▶ Collaborative 'production forums'
- ▶ Regional logistics and infrastructure
- ▶ Commercial opportunities

Kearl

Next generation oil sands mining



Mining without
upgrader

71% IMO
owned

Producing
since 2013

3.3B
bbls

2P reserves

~200
kbd

2018 production outlook

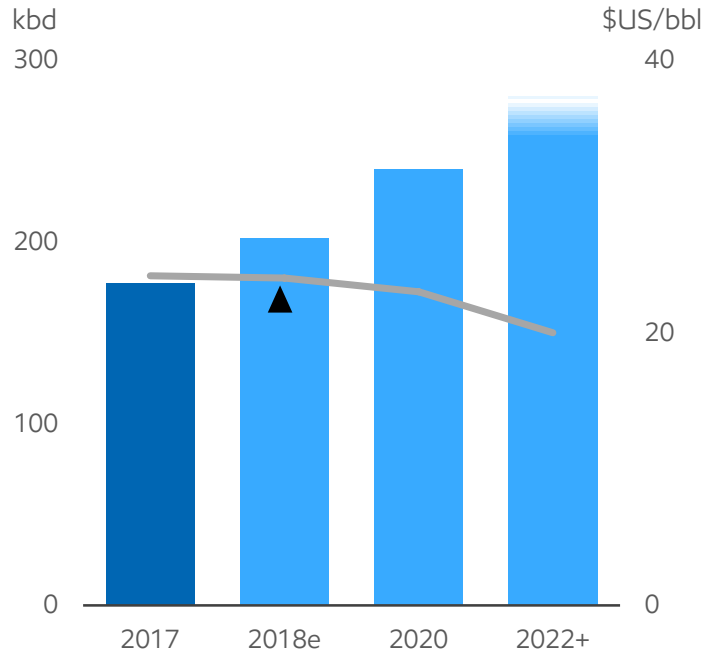
- ▶ Large, high quality resource
- ▶ Improving performance
- ▶ Near-term production growth

*2P reserves IMO share, before royalties
Gross production outlook, 100% interest*

Kearl performance

Focused on improving reliability, cost structure and realizations

Production and unit cost



▲ Q3 2018 unit cost

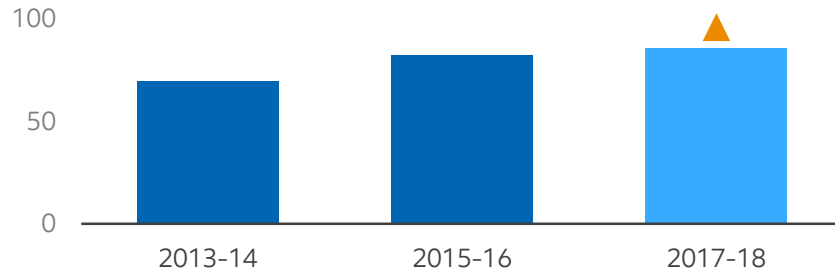
Gross production, 100% interest

- ▶ Leveraging full organizational capability
- ▶ Growing cash generation capacity
- ▶ Averaging \$5/bbl CAD sustaining capex
- ▶ Targeting \$20/bbl US cash opex 'all-in'

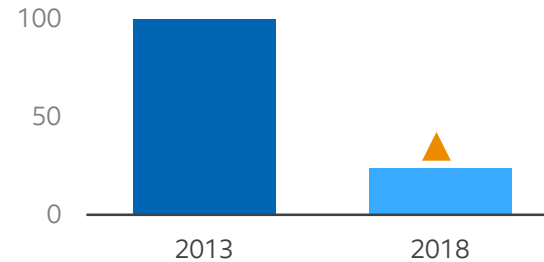
Kearl performance indicators

Targeting best-in-class in all areas of operation

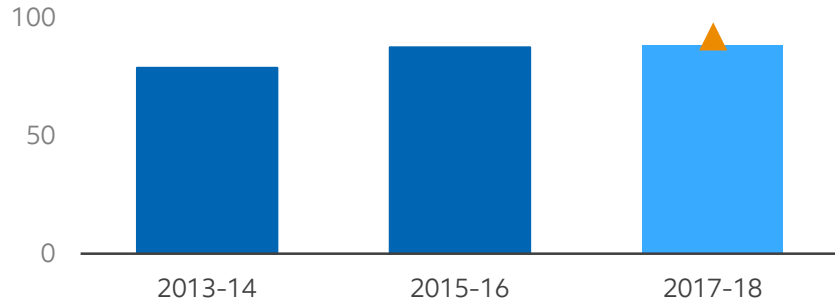
Haul truck utilization, %



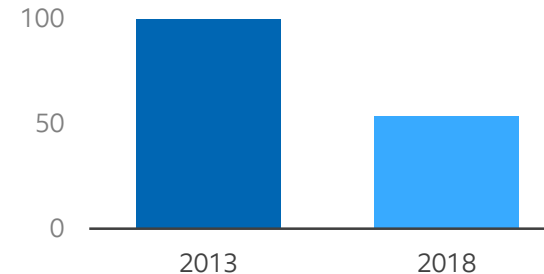
Solvent loss, indexed



Plant bitumen recovery, %



Logistics cost/person, indexed



▲ Best-in-class

Delivering on 200 kbd

Actions previously completed to deliver on commitment of 200 kbd annual average



Mine equipment



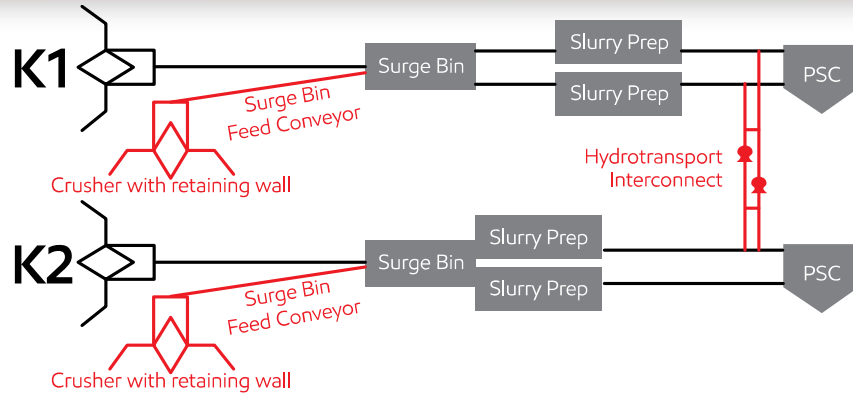
Flow system

- ▶ Improved ore preparation performance
 - Crusher and dump hoppers
 - Ore conveyor drive chains
 - Crusher teeth and bearings

- ▶ Enhanced piping durability
 - Primary separation cells
 - Hydro-transport lines
 - Froth interface monitors

Increasing to 240 kbd

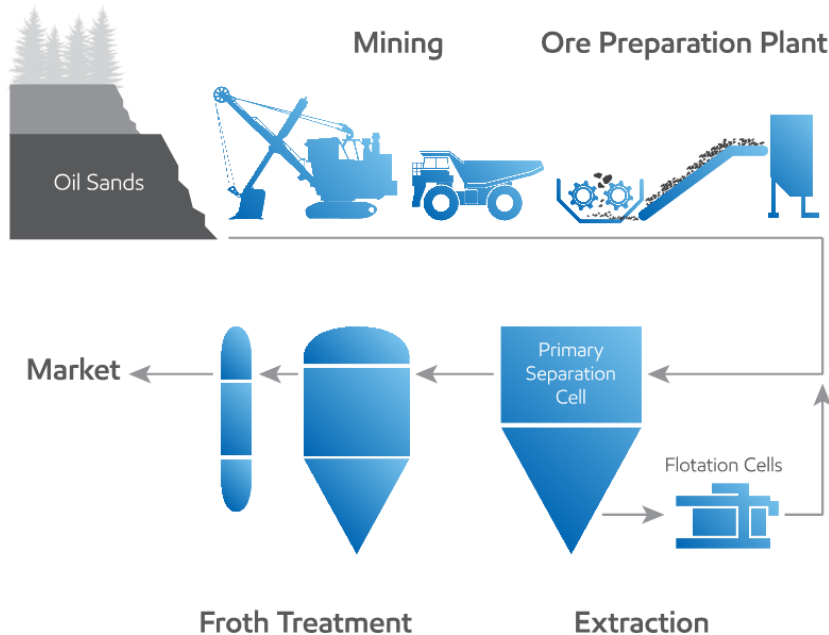
Investing to increase production from 200 to 240 kbd in 2020



- ▶ Adding supplemental crushing capacity
 - ▶ Offset equipment downtime
 - ▶ Create surge bin conveyor redundancy
- ▶ Installing slurry piping interconnections
 - ▶ Minimize maintenance impacts
 - ▶ Optimize flow to facilities
- ▶ \$550 million gross investment
 - ▶ \$14k per flowing barrel
 - ▶ On schedule for 2020 start up

Opportunities for ~280 kbd

Series of targeted debottlenecking and redundancy improvements



- ▶ Resource optimization
- ▶ Primary separation cell upgrades
- ▶ Secondary bitumen recovery enhancements
- ▶ Froth treatment interconnects
- ▶ Diluent and solvent utilization
- ▶ Capital intensity similar to crusher project

Productivity and digital initiatives

Leveraging technology to drive improvements and enhance performance



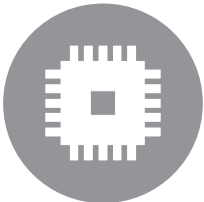
Digital foundation

connecting equipment,
assets and people



Drones

for mine
planning and equipment
inspection



**Low cost, low power
sensors** to capture
information



Machine learning

to optimize operating
parameters

- ▶ Asset improvement teams
- ▶ Bangalore Technology Centre
- ▶ Remote operating centre
- ▶ End-to-end recovery optimization
- ▶ Workforce visualization and deployment
- ▶ Value potential greater than \$500M/year

Autonomous haul trucks

Ongoing pilot to increase mine safety and productivity



- ▶ Partnering with Caterpillar and Finning
- ▶ Fleet of seven trucks in productive service
- ▶ Testing for unique oil sands conditions
- ▶ Cost savings greater than \$0.50/bbl
- ▶ Active workforce engagement

Maximizing Kearn value

Significantly improving financial and operating performance



- ▶ Currently delivering 200 kbd
- ▶ Supplemental crusher to deliver 240 kbd
- ▶ Opportunities for ~280 kbd
- ▶ Leveraging capabilities of entire organization
- ▶ Objective: maximize long-term cash generation

Cold Lake

Large scale in situ operation



Cyclic steam
stimulation

100% IMO
owned

Producing
since 1985

1.5B
bbls

2P reserves

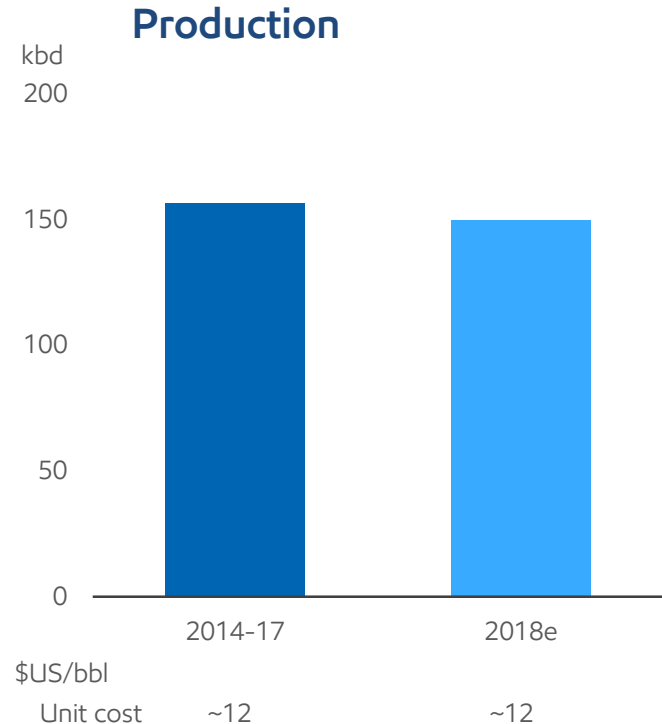
~150
kbd

2018 production outlook

- ▶ Drilling program resumed in 2018
- ▶ Continued application of new technology
- ▶ Use of solvent recovery techniques

Cold Lake performance

Focus on life-cycle optimization and cash generation

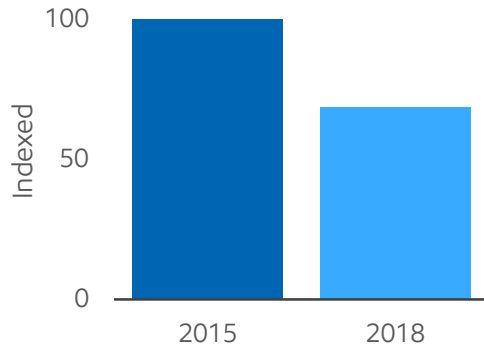


- ▶ Continued strong operating performance
- ▶ Maximizing life-cycle return and recovery
 - ▶ Optimizing steam distribution
 - ▶ Fully utilizing existing wellbores
 - ▶ Adding wells to sustain and grow production
- ▶ \$12/bbl US cash opex, 1/3 energy
- ▶ Strong cash generation in all price environments

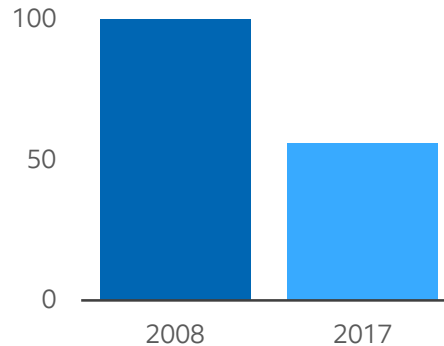
Cold Lake performance indicators

40+ years of continuous improvement

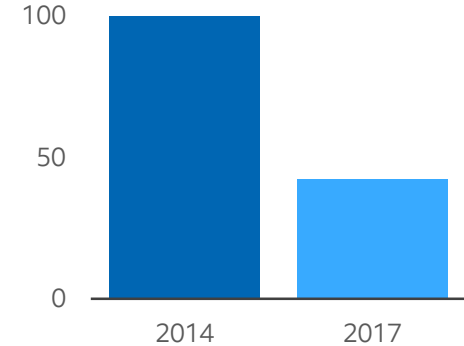
Drilling costs



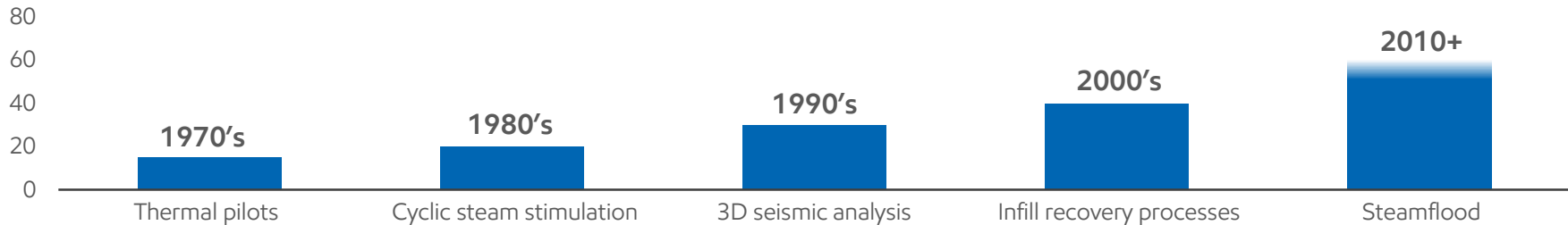
Fresh water use



Power related volume loss



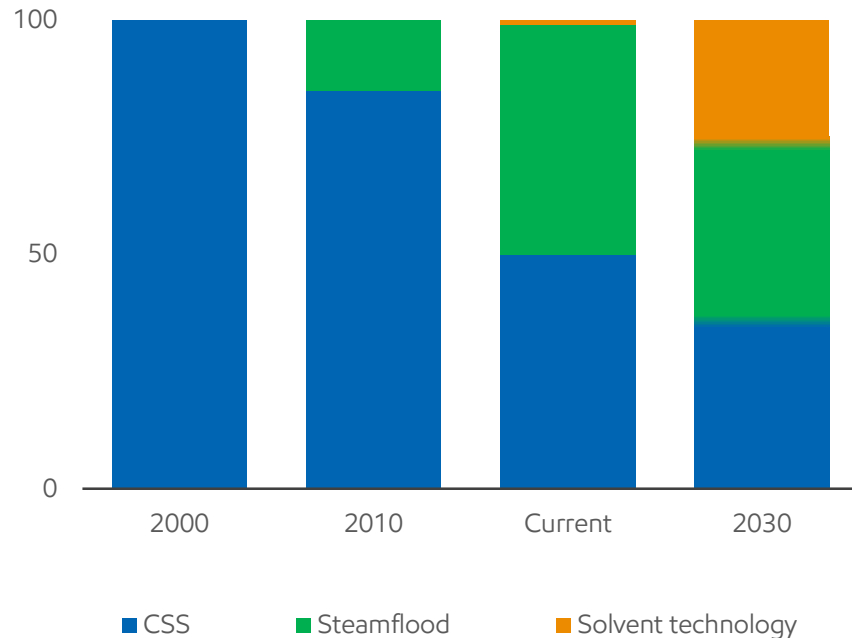
Bitumen recovery, %



Cold Lake recovery

Ongoing enhancement through technology and innovation

Recovery method, % of production

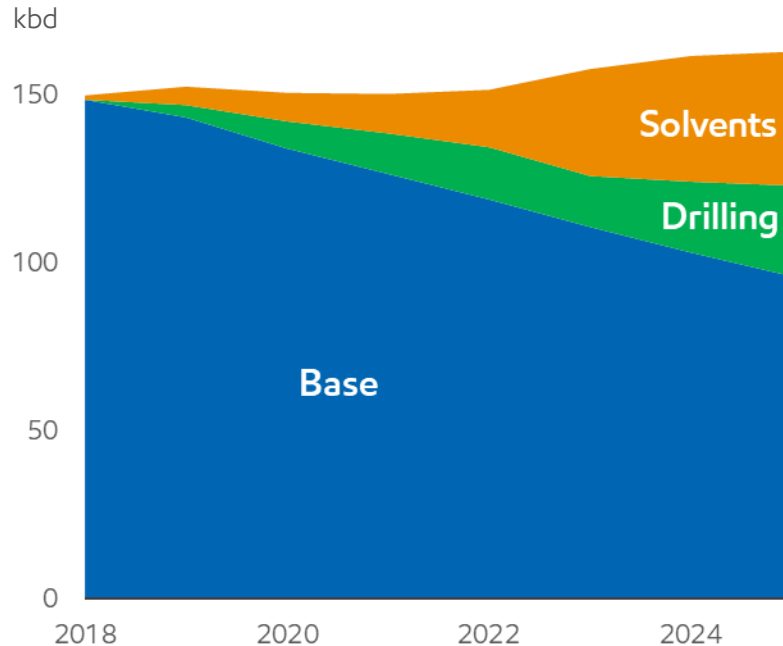


- ▶ Resource life supports technology testing
- ▶ Recovery technology evolving
- ▶ Driving digital solutions
- ▶ Economic and environmental benefits

Maximizing Cold Lake value

Strengthening performance and offsetting natural decline

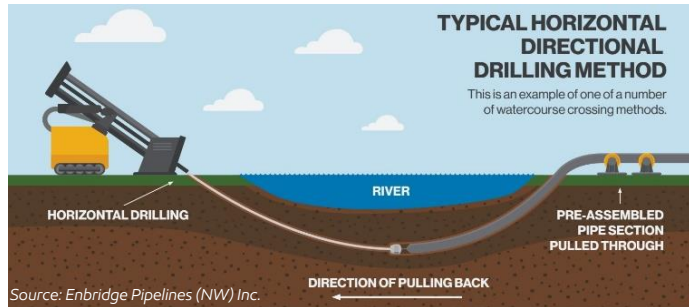
Production



- ▶ Annual base decline of approximately 5%
- ▶ Drilling and wellwork mitigate decline
- ▶ Technology enables growth
- ▶ Potential for 50 kbd expansion
 - ▶ Regulatory approval in place
 - ▶ Project timing to be determined

Norman Wells

Operations restarted after two-year pipeline shutdown



- ▶ Precautionary shutdown in late 2016
- ▶ Replacement of 2 km pipeline section
- ▶ Restart of production in October 2018
- ▶ Ramp back to 10 kbd in 2019
- ▶ Optimize remaining productive life

Unconventional optionality

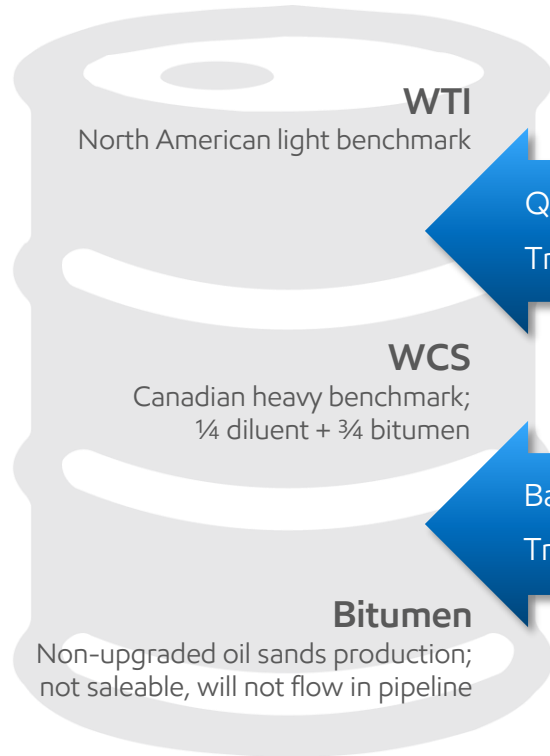
Liquids rich opportunity, paced development approach



- ▶ Significant liquids rich acreage holdings
 - ▶ Competitive with US unconventional
- ▶ Fully leveraging ExxonMobil/XTO expertise
- ▶ Initial Duvernay development underway
 - ▶ Attractive rate of return
 - ▶ Initial investment of \$0.5B over 3 years
 - ▶ Production outlook of 10 kbd & 70 mcf/d by 2021
- ▶ Montney resource assessment ongoing
 - ▶ Select development opportunities

Pricing fundamentals

Taking a closer look at bitumen realizations



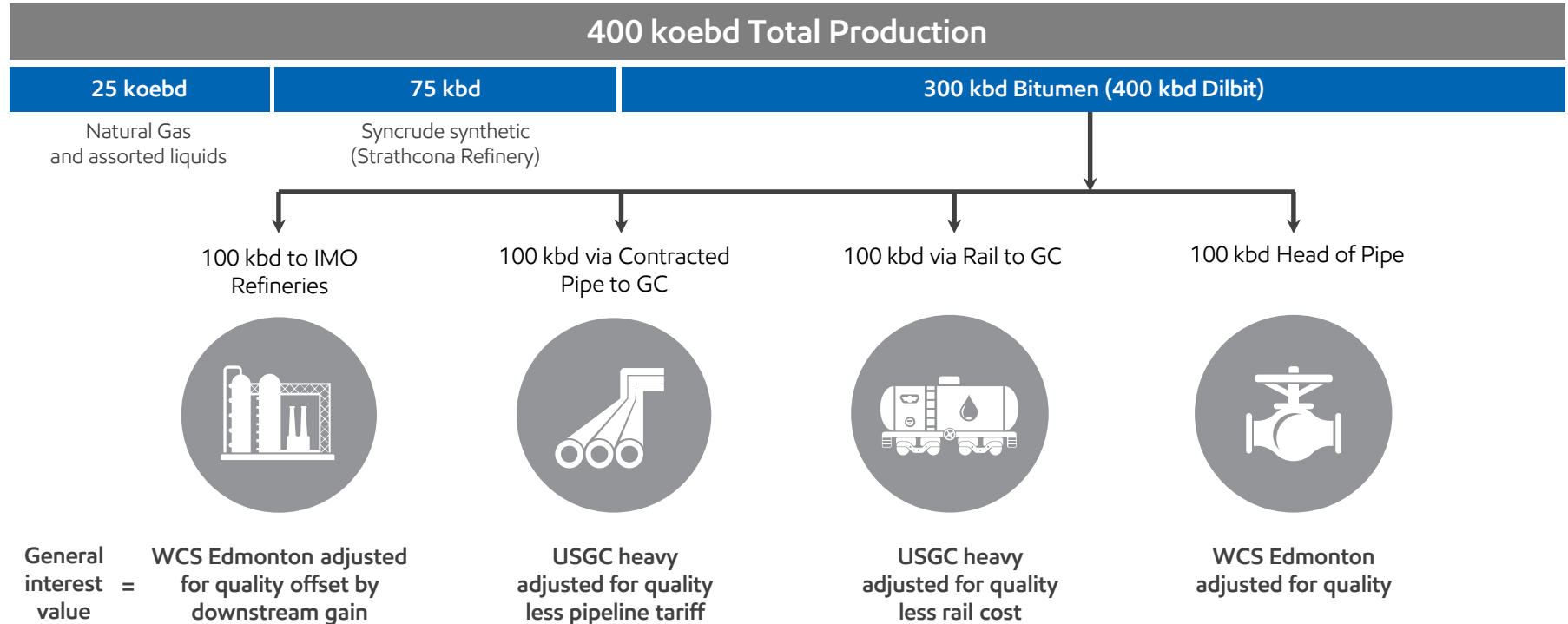
Quality/differential between light and heavy crudes
Transportation from production to USGC

Back out cost of diluent
Transportation from oil sands operation to Edmonton

2017 \$US/bbl	2018 YTD \$US/bbl
\$51/bbl	\$67/bbl
(\$12/bbl)	(\$22/bbl)
\$39/bbl	\$45/bbl
(\$9/bbl)	(\$10/bbl)
\$30/bbl	\$35/bbl

Equity crude value

Placing crude in markets that maximize general interest value

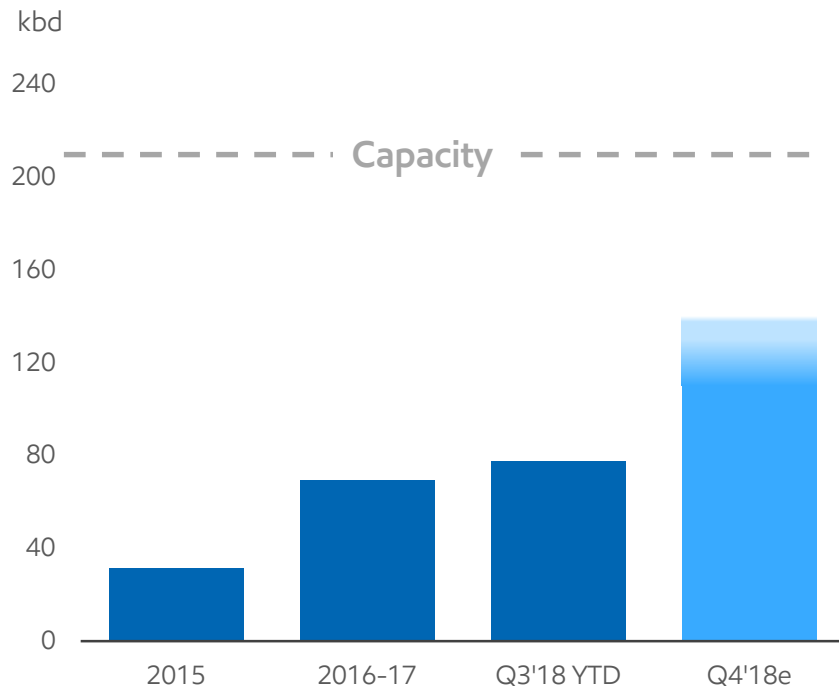


Numbers shown on chart vary over time

Market access

Edmonton rail terminal provides unique competitive advantage

Terminal Utilization

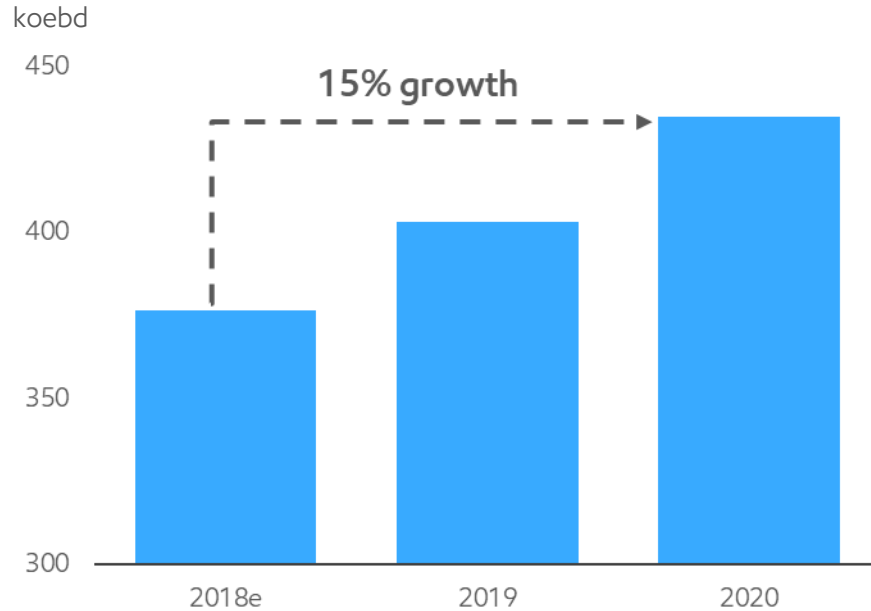


- ▶ Two rail service providers
- ▶ Ramp-up agreements in place
- ▶ Unmatched access to railcar fleet
- ▶ Customer offloading facilities
- ▶ Optimizing cycle times
- ▶ Targeting further utilization

Near-term production outlook

Growth through capially efficient projects and reliability improvements

Production



- ▶ Sustained production at Cold Lake
- ▶ Ramp-up of Norman Wells
- ▶ Improved reliability at Syncrude
- ▶ Supplemental crusher at Kearl

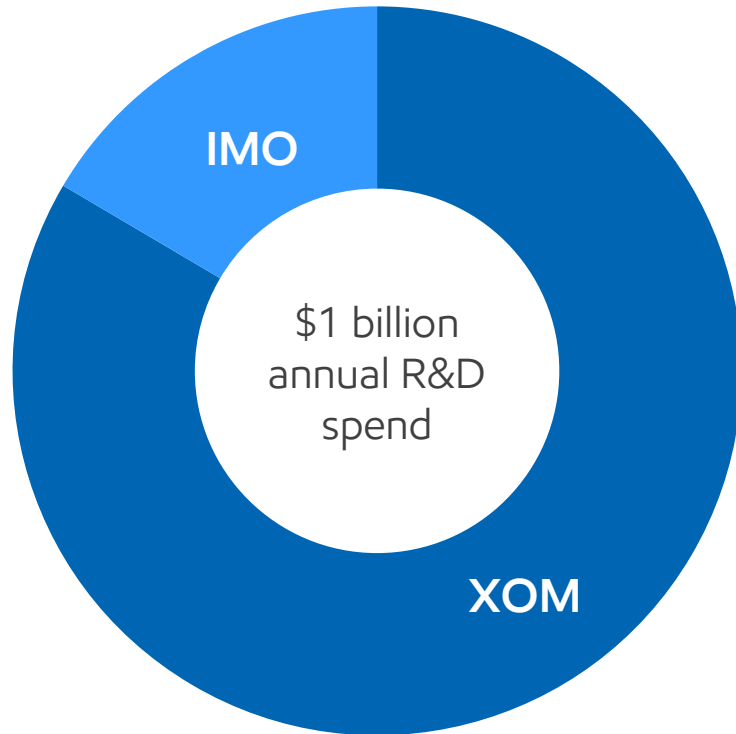
Business Development

Theresa Redburn

Senior Vice President, Commercial and Corporate Development

Research and development

Continuous long-term investment in technology and innovation



- ▶ 138 years of unparalleled commitment
- ▶ Upstream & Downstream research centres
 - ▶ Calgary - oil sands technologies, environmental
 - ▶ Sarnia - products research, technical support
- ▶ Leverage ExxonMobil global research
 - ▶ Refining, fuels, drilling, modelling
 - ▶ Research for a lower carbon future

Imperial Research priorities

Focused on oil sands and product research

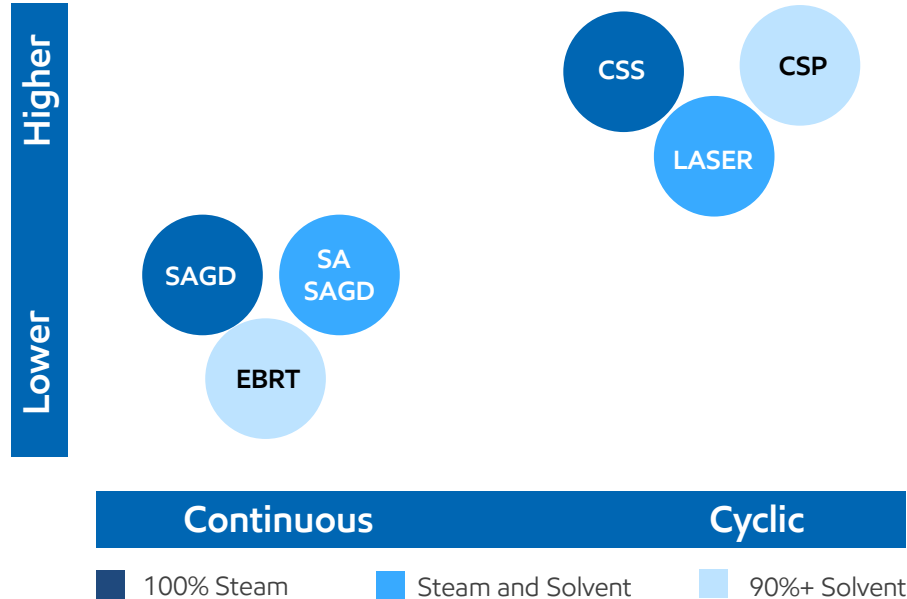


- ▶ Lower costs
- ▶ Improve performance
- ▶ Reduce environmental impact
- ▶ Unlock resources

In situ technologies

Developing full suite of technology applications to match resource base

Pressure



- ▶ Asset characteristics drive technology
 - ▶ Depth of resource
 - ▶ Quality of resource
 - ▶ Stage of development
- ▶ Improve economic performance
- ▶ Reduce environmental impact

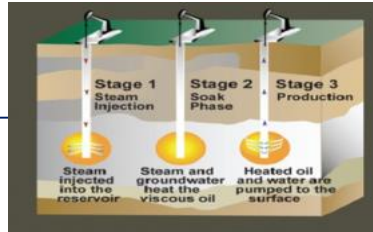
Advanced in situ recovery

Technology drives economic and environmental performance improvement

Liquid Addition to Steam to Enhance Recovery (LASER)

- ▶ Up to 10% solvent, 90% steam
- ▶ Mid-life technology

Cyclic Technologies



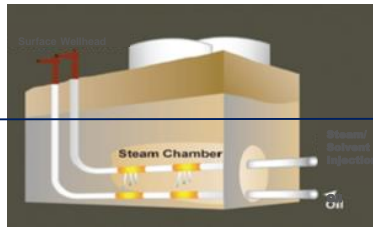
Cyclic Solvent Process (CSP)

- ▶ 100% solvent
- ▶ Enhanced resource recovery

Solvent-Assisted, Steam-Assisted Gravity Drainage (SA-SAGD)

- ▶ 20% solvent, 80% steam
- ▶ Beyond SAGD

Continuous Technologies



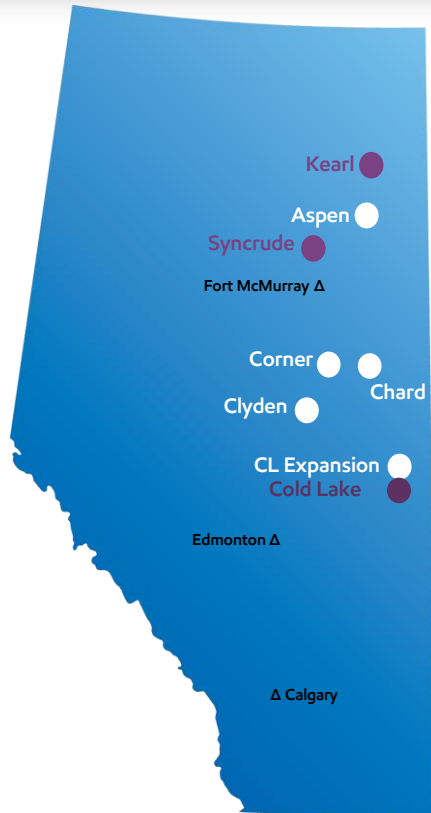
Enhanced Bitumen Recovery Technology (EBRT)

- ▶ 90% solvent, 10% steam
- ▶ Additional resource potential

- ▶ Reduction in capital intensity
- ▶ Lower GHG intensity
- ▶ Lower water use intensity

In situ growth portfolio

Large inventory of top tier development opportunities



- ▶ Accessible via variety of technologies
- ▶ Multiple phases, 50-75 kbd potential per phase
- ▶ 'Design One, Build Many' development approach
- ▶ Leveraging 40+ years of in situ experience

Resource inventory

Progressing multiple development opportunities

	Level of Definition			Regulatory Status		Commercial
Project Name	Resource Assessment	Concept Select	Development Plan	Application Submission	Scheme Approval	Full Funding
Aspen Phase 1	✓	✓	✓	✓	✓	✓
Aspen Phase 2	✓	✓	✓	✓	✓	
CL Expansion	✓	✓	✓	✓	✓	
Corner	✓	✓	✓	✓		
Chard	✓					
Clyden	✓					

✓ - Complete

✓ - In progress

Aspen phase 1

First commercial SA-SAGD development



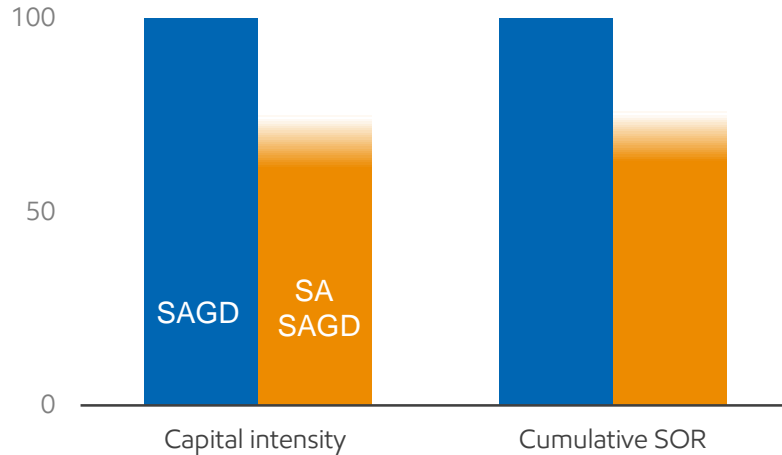
- ▶ 75 kbd bitumen production
 - ▶ Project to develop 1.2 billion barrels
- ▶ \$2.6B initial development
 - ▶ Central processing facility with cogen
 - ▶ Five initial well pads, 67 well pairs
- ▶ Synergies with Kearl
 - ▶ Logistics and infrastructure
 - ▶ Indigenous benefits agreements
- ▶ Targeted start-up 2022

100% Imperial working interest, 0.8B bbls Probable, 0.4B bbls Contingent Resources Pending

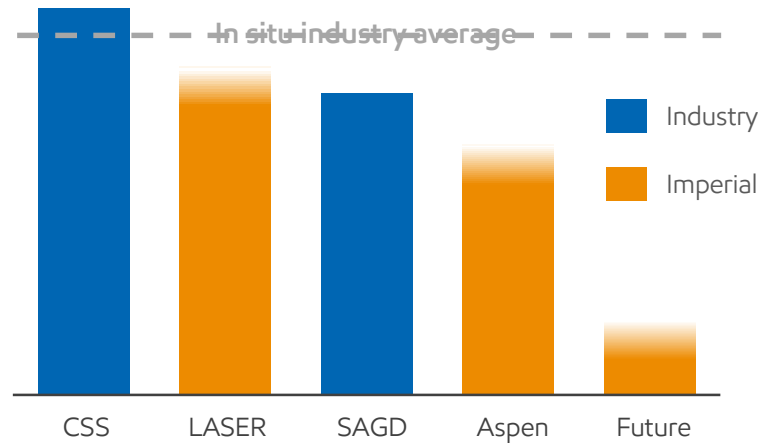
Aspen

Technology key to delivering both economic and environmental benefits

Pilot results, indexed



Relative GHG intensity

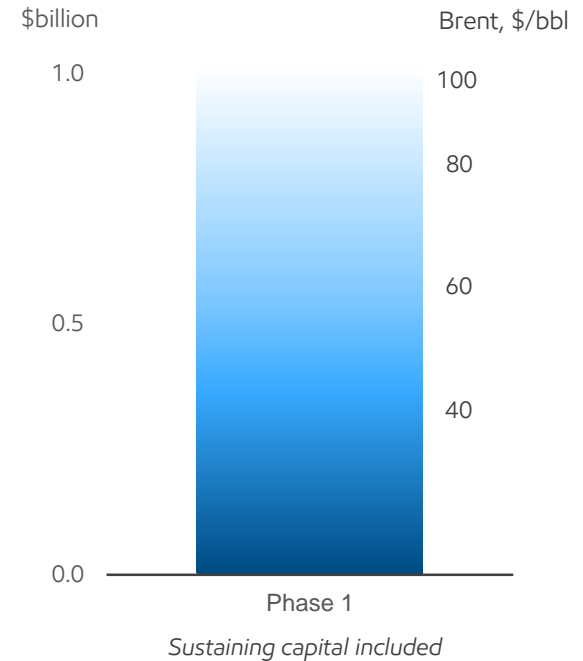


Why Aspen, why now

Large, long-life high quality investment opportunity

- ▶ SA-SAGD technology with economic and environmental benefits
- ▶ Lower carbon intensity vs. industry in situ assets
- ▶ Leverages 40+ years of Cold Lake in situ operating experience
- ▶ Counter-cyclical investment improves cost efficiency and execution
- ▶ Long term cash flow with significant price resilience
- ▶ Catalyst for future in situ portfolio growth

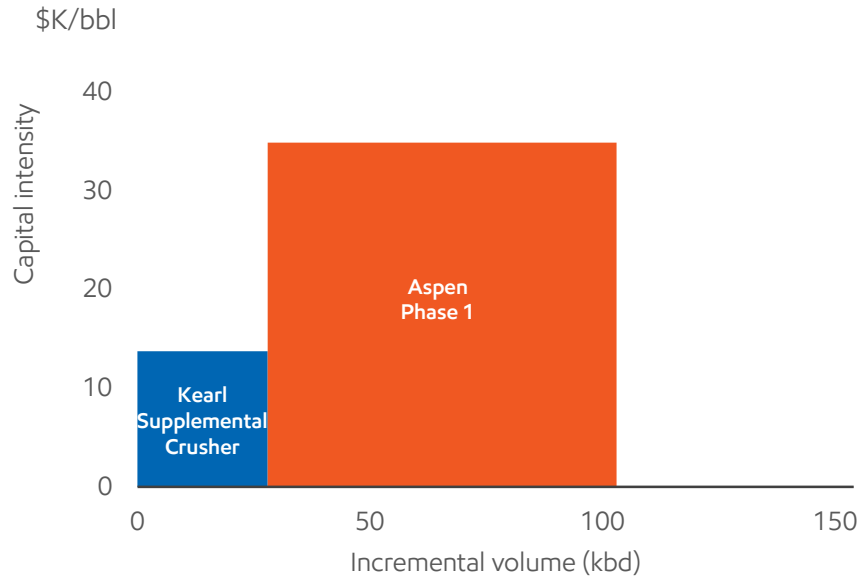
Annual free cash flow 1st 10-year Average



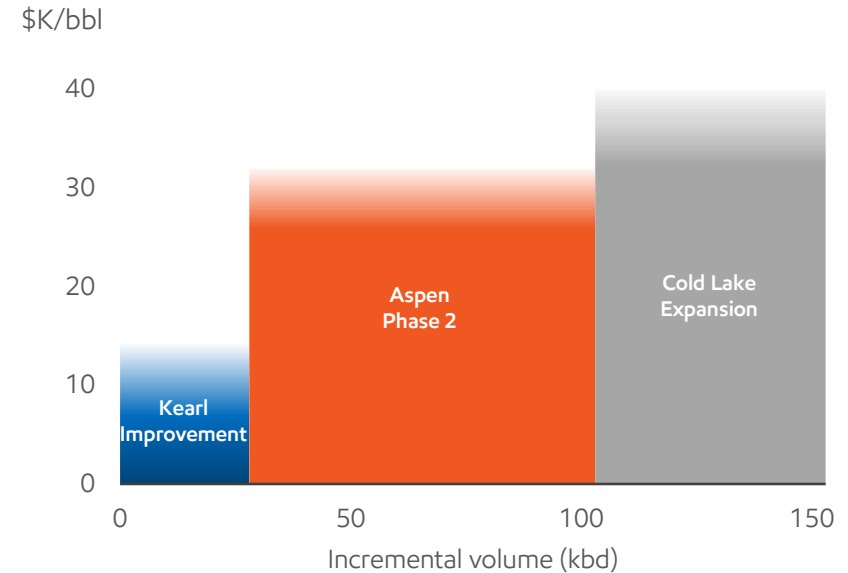
Growth opportunities

Suite of attractive oil sands investment opportunities

Near term projects



Under evaluation



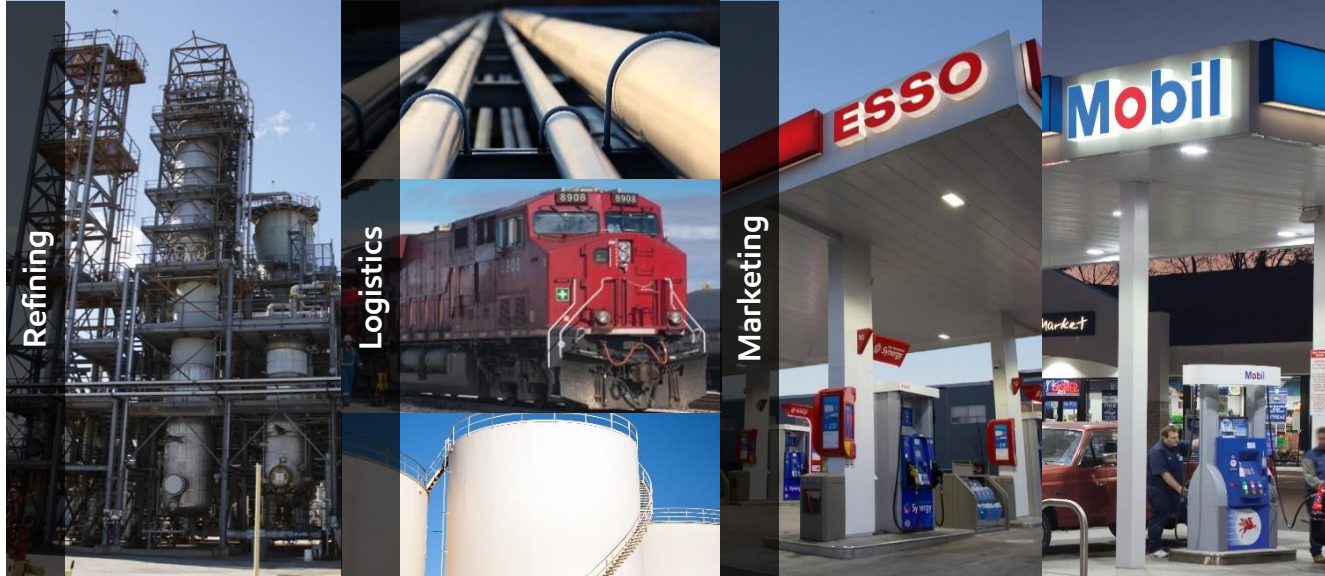
Downstream and Chemical Overview

Dan Lyons

Senior Vice President, Finance and Administration

Downstream at a glance

Well positioned, high performing and integrated



Strategically
positioned refineries

Strong
logistics

Quality products
Leading brands

~400
kbd

Refining capacity

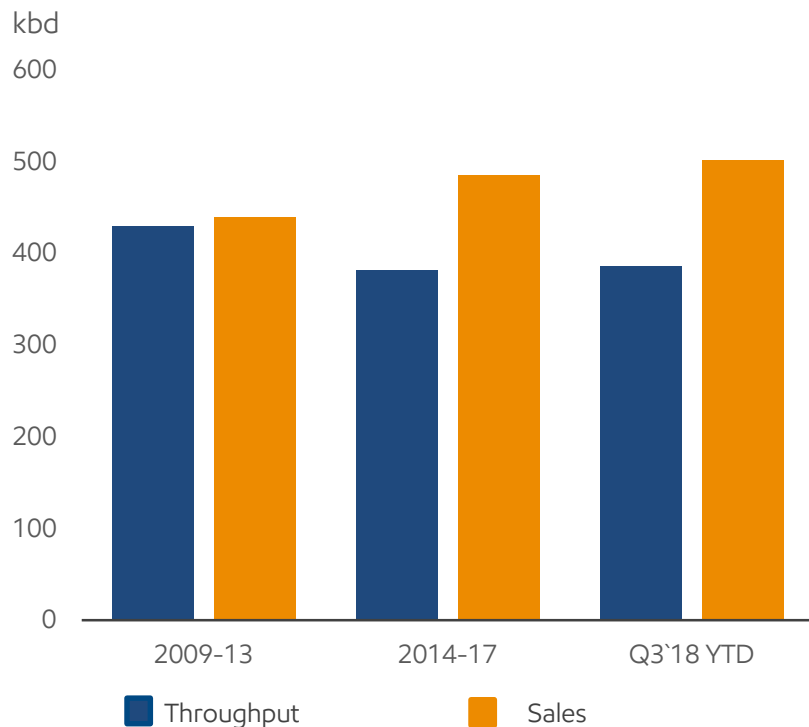
~500
kbd

Product sales

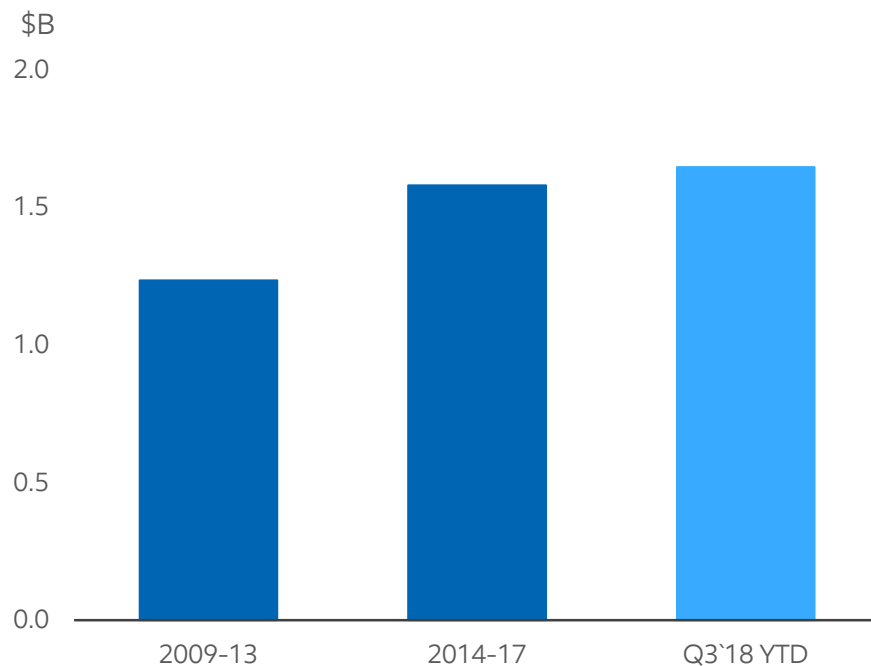
Downstream overview

Optimized throughput, growing sales, generated nearly \$8 billion in cash since 2014

Refinery throughput and sales

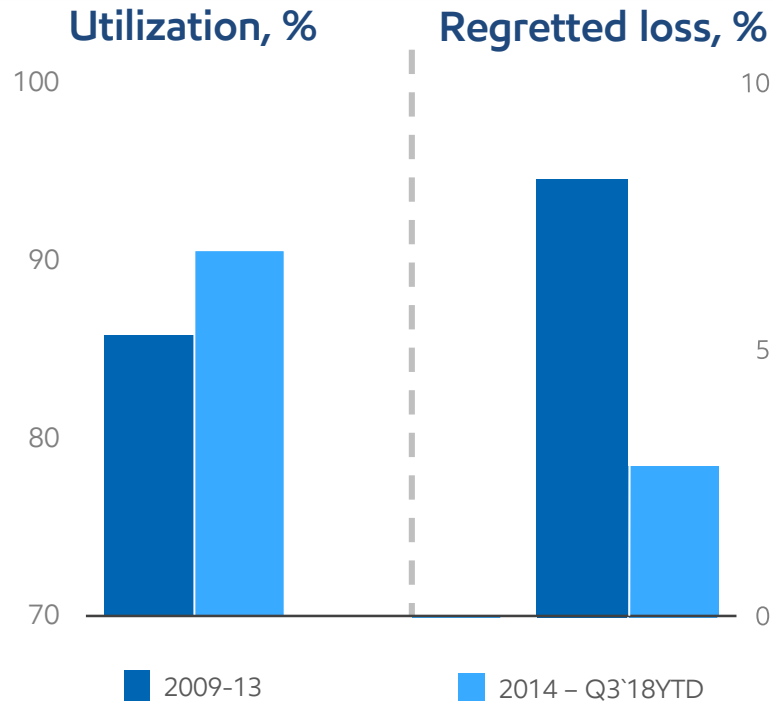


Annual cash from operations



Refining performance

Global best practices and targeted investment increase reliability and profitability



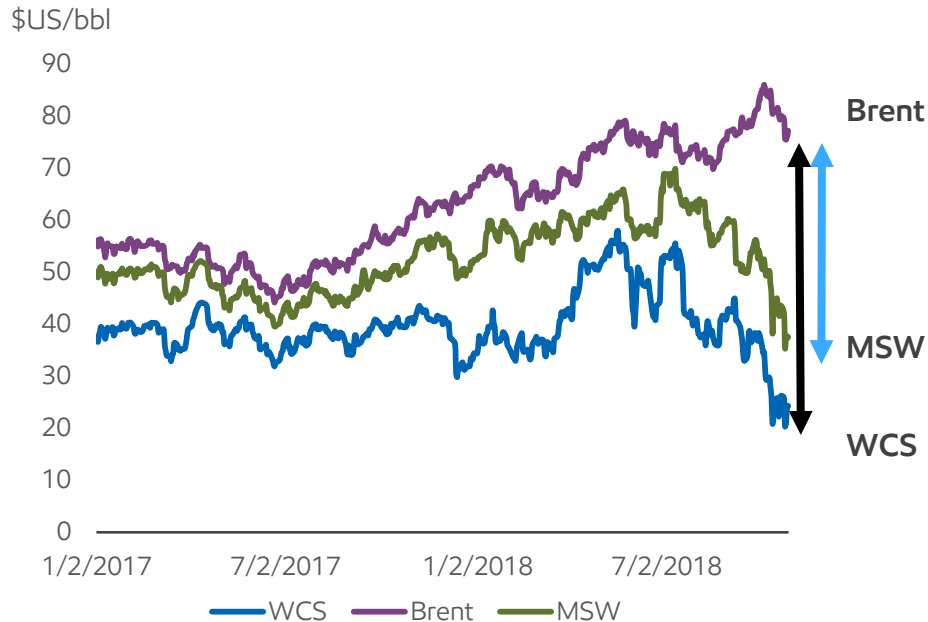
- ▶ Increasing utilization
- ▶ Two thirds reduction in regretted losses
- ▶ Top-tier Solomon results in Canada
- ▶ Strathcona cogeneration project
 - ▶ Increased energy efficiency
 - ▶ Lower cash OPEX

Excludes Dartmouth refinery

Industry product and feedstock pricing

Widening differentials increase refining profitability

Crude Pricing



- ▶ Product pricing largely Brent based
- ▶ Refineries benefit from discounted crude
- ▶ Substantial heavy crude discount
- ▶ Widening light crude discount

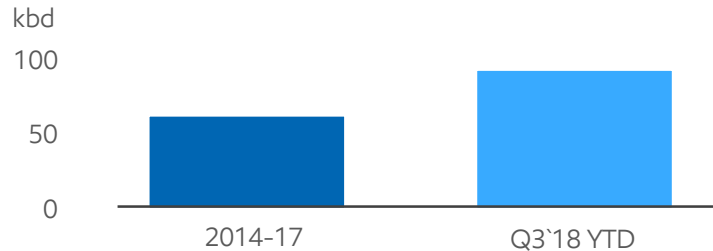
Light Advantage

Heavy Advantage

Refining feedstocks

Well positioned to capture differentials

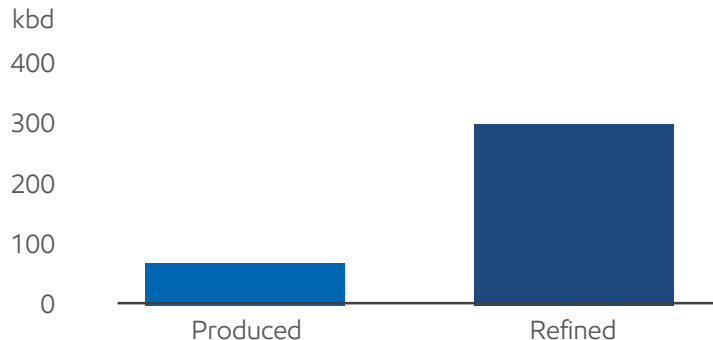
Heavy crude refined



Heavy crude differentials

- Increased crude slate flexibility
- Captured more than \$200M pretax benefit Q3'18 YTD

Light crude produced/refined



Light crude differentials

- Refining capacity exceeds upstream production
- Well positioned on an integrated basis
- \$10 US/bbl increase in differential generates ~\$250M CAD pretax 'net' benefit per quarter

Sales and market position

Market leader in product sales actively capturing new business

2018 YTD	Sales KBD	Market Share
Mogas	254	~29% ★
Diesel	126	~22%
Jet	41	~27% ★
Asphalt	23	~29% ★
Lubes/Other	59	N/A
Total	503	N/A

- ▶ Unmatched scale
- ▶ Integrated across the value chain
- ▶ Sales support refining utilization
- ▶ Investing in logistics to sustain growth

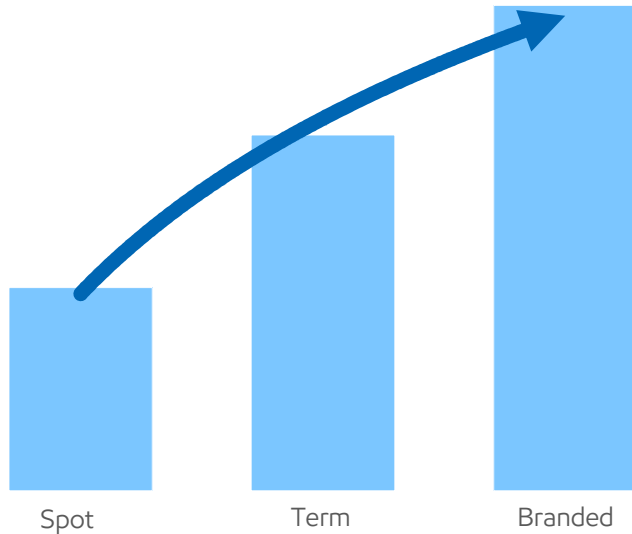
★ Top market position

Market share estimated based on 2017 Statistics Canada data and company information

Sales strategy

Leverage scale, integration and brand to pursue profitable sales growth

The brand advantage

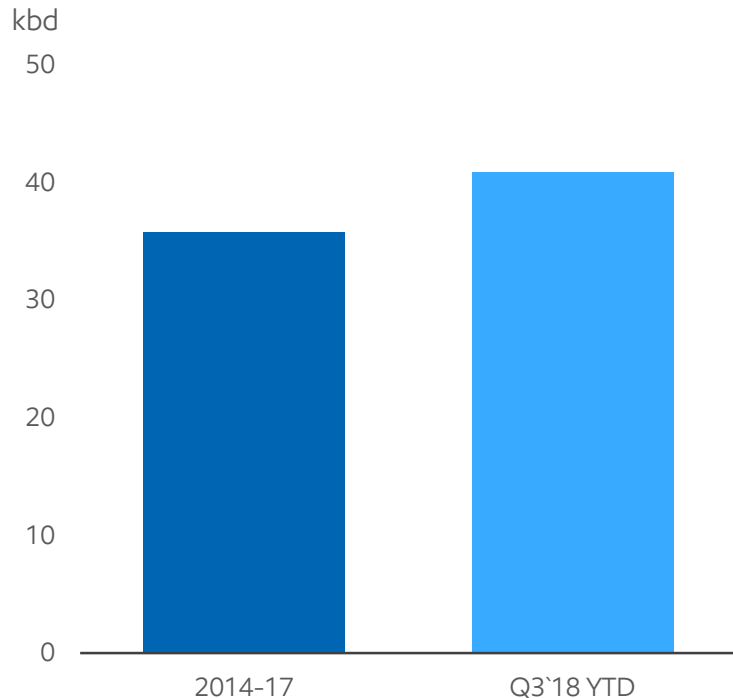


- ▶ Build strategic relationships
- ▶ Grow ratable sales
- ▶ Capture brand value
- ▶ Optimize integrated profit

Aviation

Market leader in growing segment

Jet sales



- ▶ Increased sales into Canada's major airports
- ▶ Over 50% of Ontario market
- ▶ Recently entered Vancouver market
- ▶ Attractive integrated earnings

Asphalt

Leveraging integration to grow earnings

Asphalt sales

kbd

25

20

15

10

5

0

2014-17

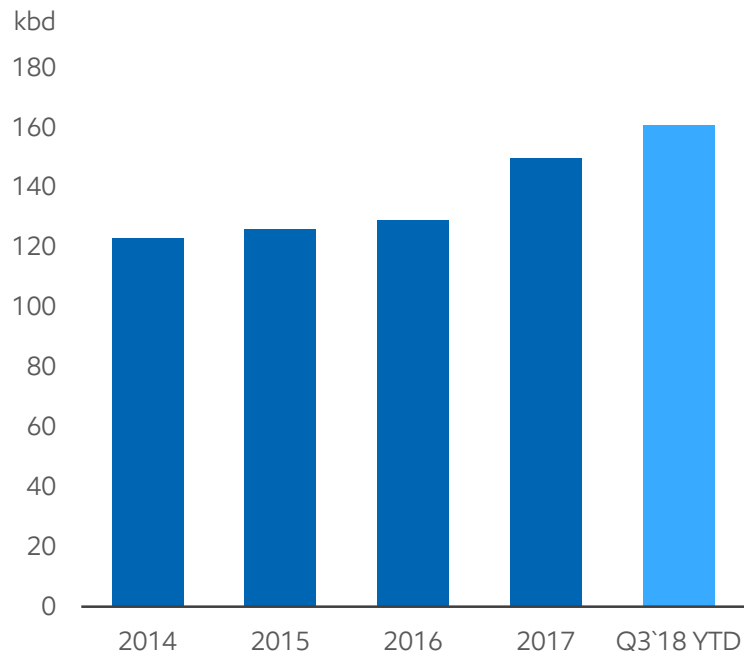
Q3'18 YTD

- ▶ Growing North American demand
- ▶ Leveraging logistics to produce year round
- ▶ Utilizing advantaged Cold Lake blend
- ▶ Growth projects at Strathcona and Nanticoke
- ▶ Q3'18 YTD pretax benefit \$185M

Retail

Captured # 1 position in Q3 2018

Retail sales volumes



Retail market share source: Kent Market Share. The Kent Group Ltd.

- ▶ Superior Products
 - ▶ Synergy gasoline
 - ▶ Synergy Diesel Efficient
- ▶ Convenience
 - ▶ Nearly 2,200 locations
 - ▶ Speedpass+ app
- ▶ Loyalty
 - ▶ PC Optimum points
 - ▶ Esso Extra
- ▶ Strategic partners
 - ▶ Growth platforms
 - ▶ Retail excellence



Speedpass+™



Mobil



Marine fuels

Well positioned for IMO 2020 sulphur specification change



- ▶ Heavy differentials to increase
- ▶ Diesel/jet prices to strengthen
- ▶ Shippers and refiners adapting
- ▶ Integration reduces impacts

Downstream summary

Positioned for industry leading financial performance



- ▶ High performing refineries
- ▶ Advantaged feedstocks
- ▶ Scale, integration and logistics
- ▶ Growing high value sales
- ▶ Brand advantage
- ▶ Strong sustained cash flow

Chemical at a glance

High value products, well positioned, integrated assets



Integrated Sarnia Chemical Site

Specialty customer products

Polyethylene

Advantaged
location

Integrated
manufacturing

High value
products

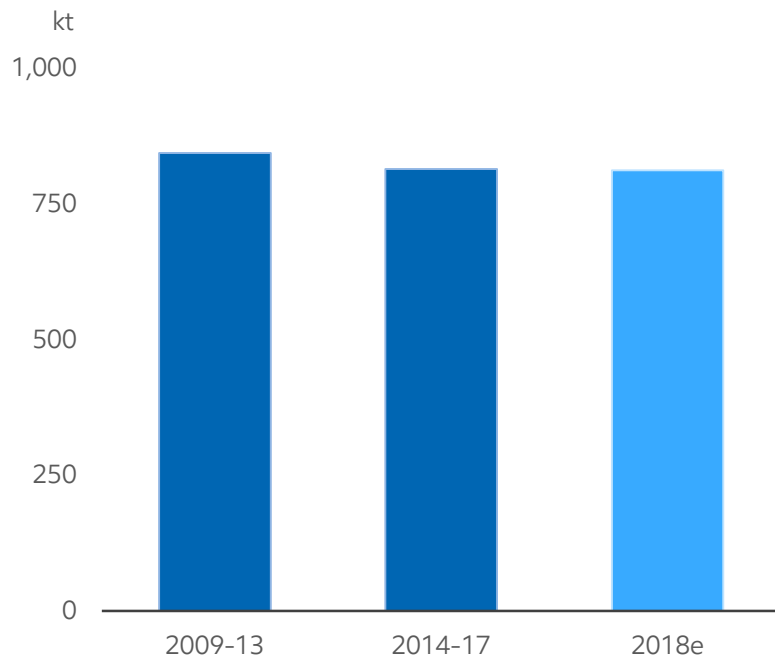
~800
kt
Sales

\$1.3
Billion
Cash generated
since 2014

Chemical overview

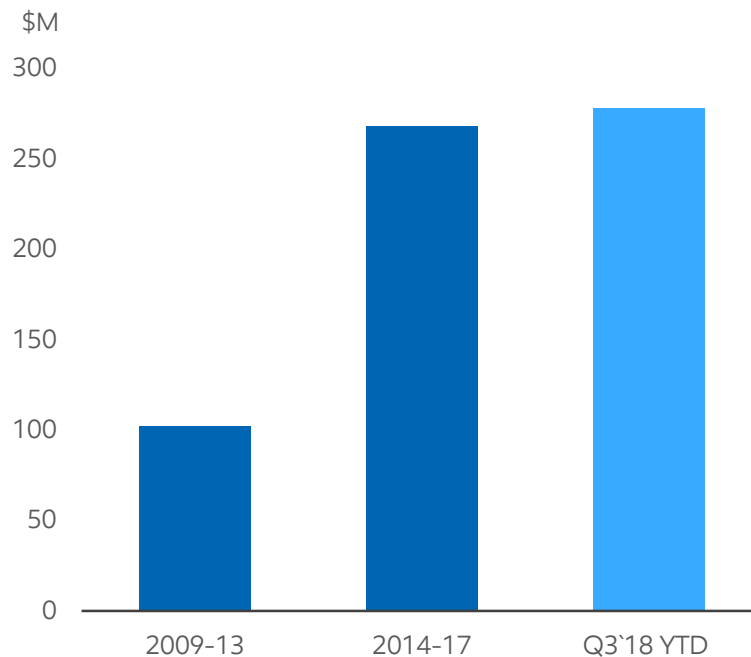
Superior products and strong cash generation

Chemical product sales



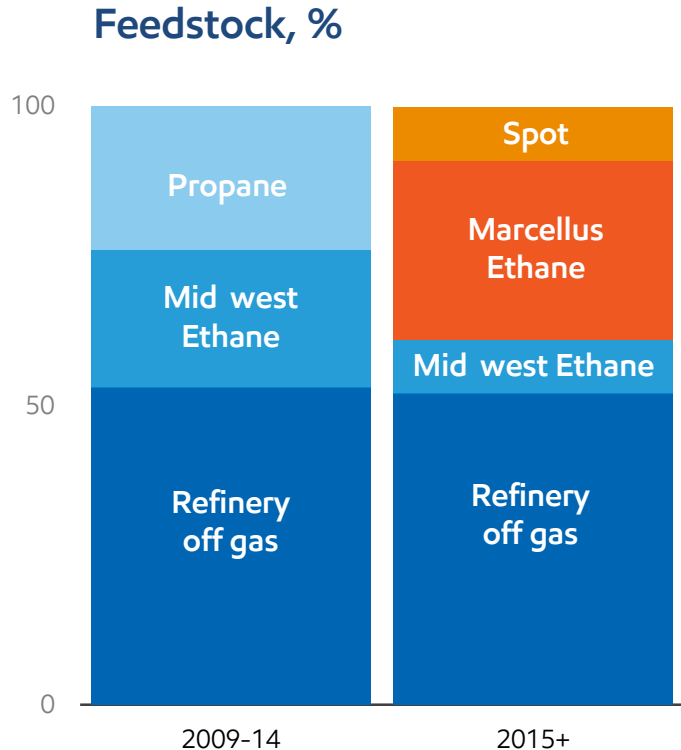
Sales exclude carbon black and Dartmouth

Annual cash from operations



Integrated petrochemical site

Advantaged location and industry leading integration



- ▶ Fully integrated with Sarnia refinery
- ▶ Flexibility in feedstock optimization
- ▶ 90% of feedstocks are cost-advantaged
- ▶ Superior location to access customers

Premium products

Polyethylene for rotational and injection molding drives profitability



- ▶ Key end uses
 - ▶ Injection molding (pails, containers, crates)
 - ▶ Rotational molding (storage tanks, toys)
- ▶ Superior customer experience
 - ▶ Consistent resin quality, reliable supply
 - ▶ Highly regarded technical service
 - ▶ Specialty products

Value chain

Integrated across the value chain



- ▶ Leverage opportunities from crude to customer
- ▶ Financial resilience across commodity cycles
- ▶ Balance sheet strength and optionality

Delivering Value

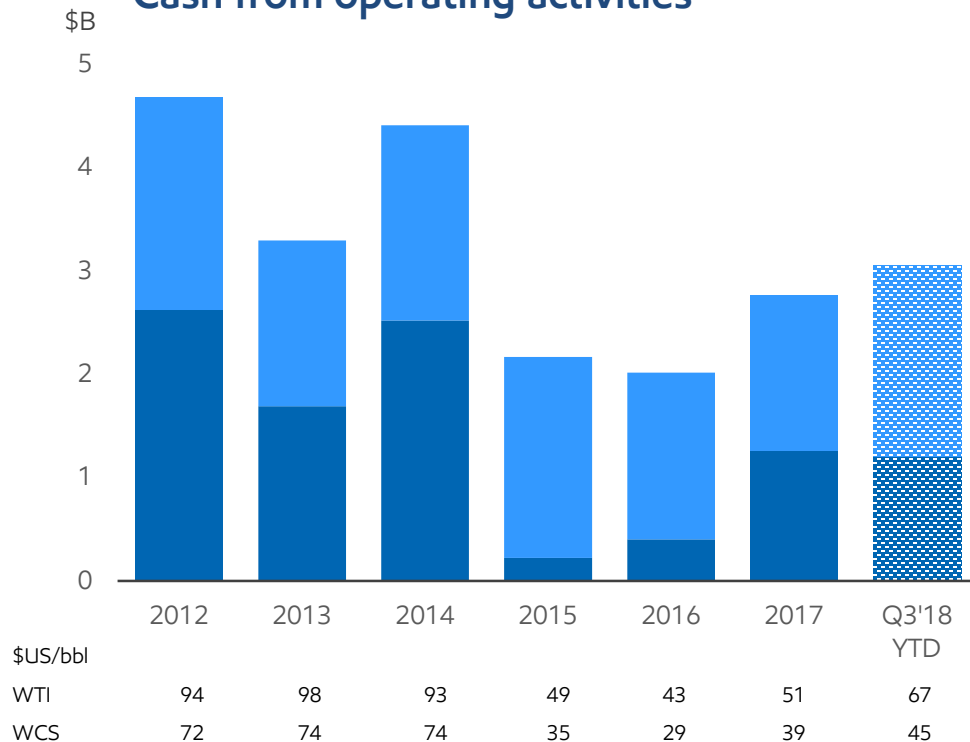
Rich Kruger

Chairman, President and Chief Executive Officer

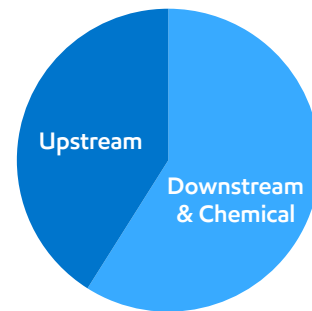
Cash flow

Delivering value and resiliency through integration, \$33 billion from operations over last 10 years

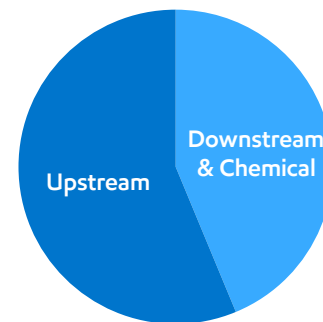
Cash from operating activities



5-year average, %



10-year average, %



Financial strength

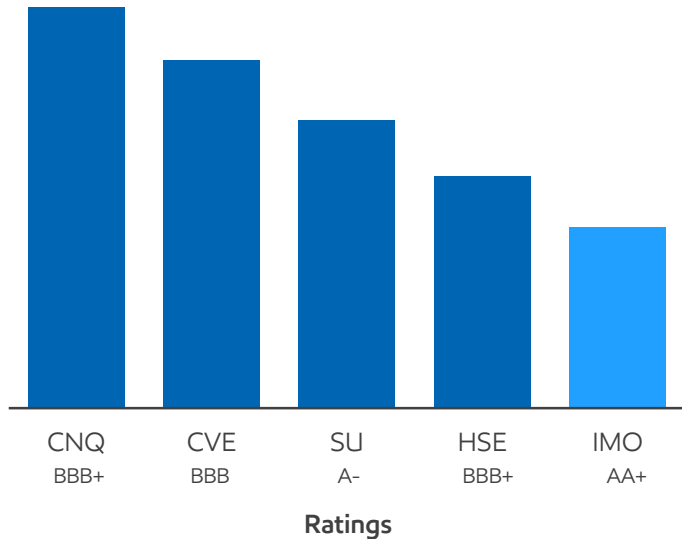
Strong balance sheet, optionality and access to financial markets

June 30, 2018 debt to capital, %

50

25

0



- ▶ Maintain strong balance sheet
- ▶ Pay reliable and growing dividend
- ▶ Invest in high value projects
- ▶ Return surplus cash to shareholders

Based on S&P Global debt rating, as of September 30, 2018

Dividends

Priority to pay a reliable and growing dividend

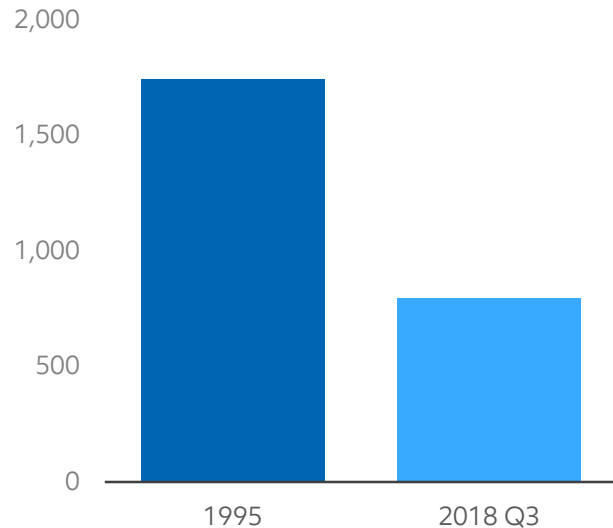


- ▶ 100+ years of consecutive payment
- ▶ 24 years of consecutive growth
- ▶ 8.7% 5-yr compounded growth rate
- ▶ Increased to \$0.19/sh payable in 3Q'18

Share buybacks

Proven history of returning surplus cash and preserving value

Shares outstanding, million



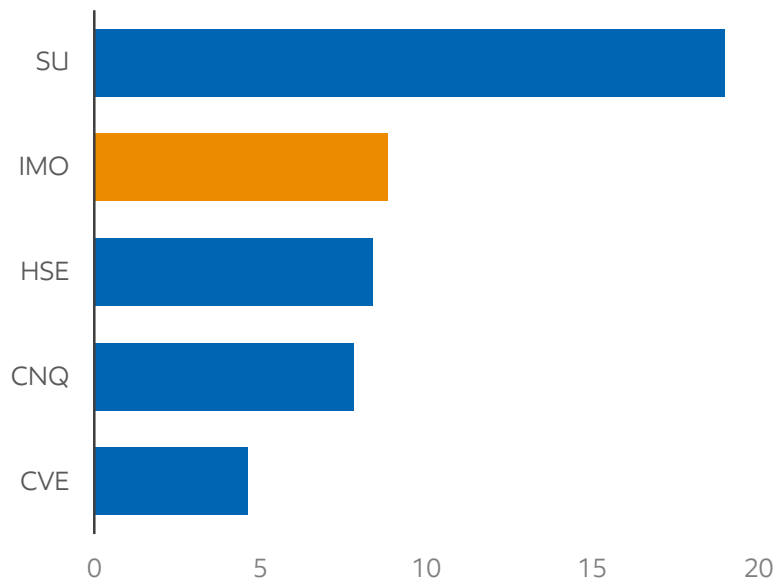
- ▶ Repurchased >50% of shares since 1995
- ▶ Reinstated current program in 2017
- ▶ Purchases of \$2.2B since 2017 reinstatement
- ▶ Non-dilutive equity philosophy
- ▶ Priority on total shareholder value

Adjusted for three-for-one stock splits (May 15, 1998 and May 23, 2006)

Shareholder distributions

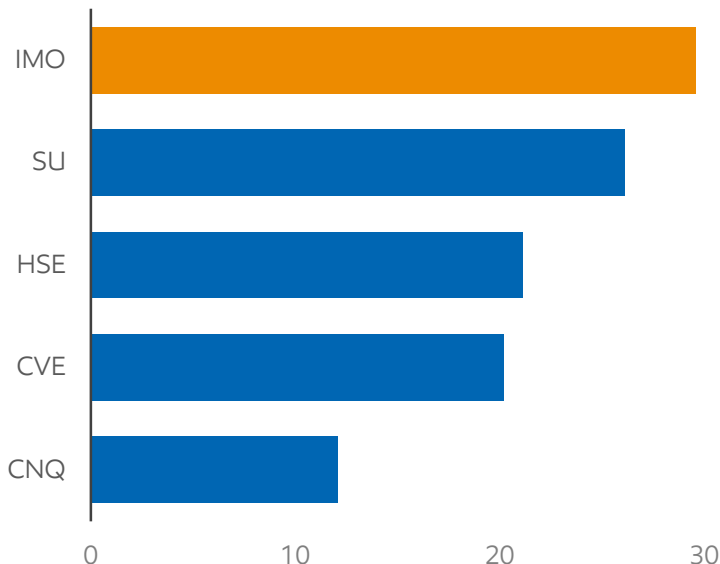
Nearly \$9 billion returned to shareholders over the last 10 years

Total distributions 2008-2018 1H, \$ billion



Source: company publications

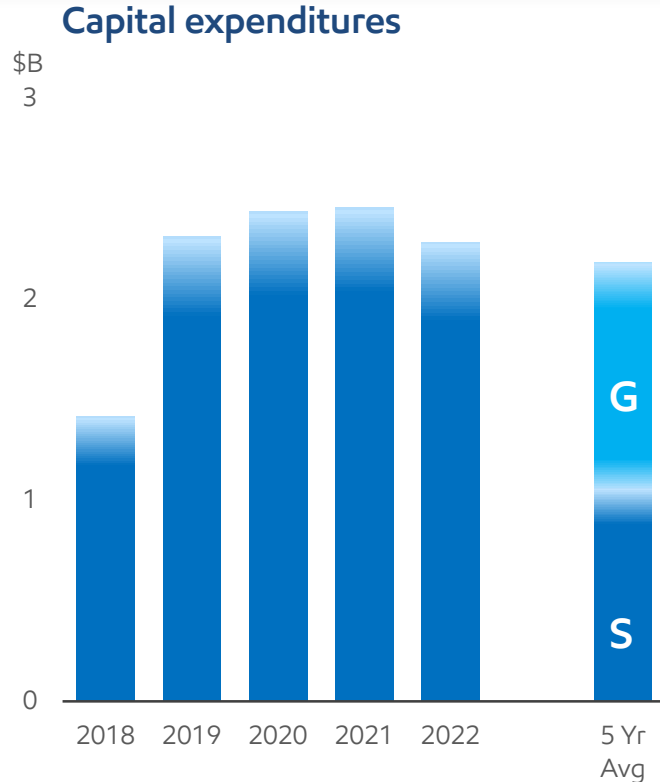
Average payout ratio 2008-2018 1H, %



Average payout ratio includes annual dividends and share repurchases as a percentage of annual cash flow from operating activities
See cautionary statement for example calculation

Capital expenditures

Five-year capital expenditure plan consistent with previous communications

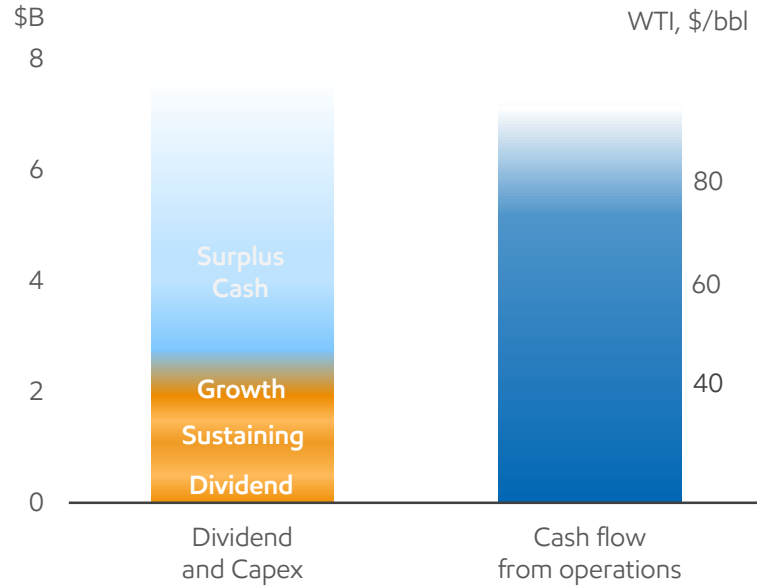


- ▶ 5-year capex average at \$2.1-2.2 billion/year
 - 80% upstream, 20% downstream/other
- ▶ Sustaining capital remains at \$1.0-1.1 billion/year
 - Roughly 70%, or \$5/bbl, for upstream assets
- ▶ Growth capital to average \$1.0-\$1.1 billion/year
 - Largely Aspen and Kearl
 - Aspen at \$2.6 billion, peaks in 2019-21 at ~\$ 700 million/yr

Financial strength

Resiliency and flexibility under a wide range of prices

2018 – 2022 annual average



- ▶ Ability to meet highest priorities
- ▶ Significant cash flow leverage
- ▶ Flexibility for new opportunities

Note: Dividend at current rates, nominal cash flows

Why Imperial

Distinct competitive advantages that deliver long-term shareholder value



Asset base

High quality, long-life assets across the portfolio



Growth opportunities

Large inventory of opportunities to support future upstream growth



Operational excellence

Technical, operational and financial risk management that enhances value



Technology leadership

Unparalleled history of creating value through research and innovation



Value chain integration

Synergies across the full value chain including ExxonMobil relationship



Shareholder value

Demonstrated commitment to delivering value in all business environments

Cautionary statement

Statements of future events or conditions in this presentation, including projections, targets, expectations, estimates, and business plans are forward-looking statements. Forward-looking statements can be identified by words such as "believe", "anticipate", "intend", "propose", "plan", "goal", "target", "estimate", "expect", "strategy", "outlook", "future", "likely", "may", "should", "will" and similar references to future periods. Disclosure related to the energy outlook; anticipated performance expectations; Syncrude, Kearl and Cold Lake production outlook and growth; Syncrude and Kearl timing, cost and impact of performance improvements; Cold Lake project timing, cost and impact of new technology on recovery and production; Norman Wells restart; productivity and digital opportunities, including the application of autonomous haul trucks; economic enhancement and reductions to greenhouse gas emissions and water use, including from enhanced in-situ recovery; timing, cost, development and impact of Aspen and other future projects; Downstream utilization, differentials, growth and adaptation to IMO 2020 regulation; and planned capital structure and expenditures, cash flow from operations, and dividend and surplus cash strategy constitute forward-looking statements.

Forward-looking statements are based on the company's current expectations, estimates, projections and assumptions at the time the statements are made. Actual future financial and operating results, including expectations and assumptions concerning demand growth and energy source mix; commodity prices and foreign exchange rates; production growth and mix; production rates; production life and resource recoveries; project plans, dates, costs, capacities and execution; cost savings; product sales; applicable laws and government policies; financing sources; and capital and environmental expenditures could differ materially depending on a number of factors. These factors include changes in the supply of and demand for crude oil, natural gas, and petroleum and petrochemical products and resulting price and margin impacts; transportation for accessing markets; political or regulatory events, including changes in law or government policy, applicable royalty rates and tax laws; the receipt, in a timely manner, of regulatory and third-party approvals; third party opposition to operations and projects; environmental risks inherent in oil and gas exploration and production activities; environmental regulation, including climate change and greenhouse gas restrictions; currency exchange rates; availability and allocation of capital; availability and performance of third party service providers; unanticipated operational disruptions; management effectiveness; commercial negotiations; project management and schedules; response to unexpected technological developments; operational hazards and risks; disaster response preparedness; the ability to develop or acquire additional reserves; and other factors discussed in Item 1A of Imperial's most recent Form 10-K and in the management's discussion and analysis of financial condition and results of operations contained in Item 7. Forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties, some that are similar to other oil and gas companies and some that are unique to Imperial Oil Limited. Imperial Oil Limited's actual results may differ materially from those expressed or implied by its forward-looking statements and readers are cautioned not to place undue reliance on them. Imperial Oil Limited undertakes no obligation to update any forward-looking statements contained herein, except as required by applicable law.

All financial information is presented in Canadian dollars, unless otherwise indicated.

Average payout ratio calculation (slide 78)

For purposes of calculating the average payout ratio, the following is an example calculation of the company's payout ratio for the year 2017 as reported on Form 10-K

$$[\text{Dividends paid } (\$524\text{M}) + \text{Net common shares purchased } (\$627\text{M})] / \text{Cash flow from operating activities } (\$2,763\text{M})$$

In these materials, certain natural gas volumes have been converted to barrels of oil equivalent (BOE) on the basis of six

thousand cubic feet (Mcf) to one barrel (bbl). BOE may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf to one bbl is based on an energy-equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different than the energy equivalency ratio of 6 Mcf to 1 bbl, using a 6:1 conversion ratio may be misleading as an indication of value.

All reserves and contingent resources estimates provided in these materials are effective as of December 31, 2017, and based on definitions contained in the Canadian Oil and Gas Evaluation Handbook (COGEH) and are presented in accordance with National Instrument 51-101, as disclosed in Imperial's Form 51-101F1 for the fiscal year ending December 31, 2017.

Except as otherwise disclosed herein, reserves and contingent resource information are an estimate of the company's working interest before royalties at year-end 2017, as determined by Imperial's internal qualified reserves evaluator.

Reserves are the estimated remaining quantities of commercially recoverable oil, natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on the analysis of drilling, geological, geophysical and engineering data, the use of established technology, and specified economic conditions, which are generally accepted as being reasonable. Proved reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. Probable reserves are those additional reserves that are less certain to be recovered than proved reserves.

Contingent resources do not constitute, and should not be confused with, reserves. Contingent resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies that preclude the classification of Imperial's contingent resources as reserves include, but are not limited to, economic, environmental, social and political factors, regulatory matters, a lack of markets, and a prolonged timetable for development.

Contingent resource volumes represented in these materials are technical best estimate volumes, considered to be a realistic estimate of the quantity that may actually be recovered; it is equally likely that the actual quantities recovered may be greater or less than the technical best estimate. Estimates of contingent resources have not been adjusted for risk based on the chance of development. There is uncertainty that it will be commercially viable to produce any portion of the resource, nor is there certainty as to the timing of any such development. Significant positive and negative factors relevant to the estimate include, but are not limited to, the commodity price environment and regulatory and tax uncertainty.

The estimates of various classes of reserves (proved and probable) and of contingent resources in these materials represent arithmetic sums of multiple estimates of such classes for different properties, which statistical principles indicate may be misleading as to volumes that may actually be recovered. Readers should give attention to the estimates of individual classes of reserves and contingent resources and appreciate the differing probabilities of recovery associated with each class.

The term "project" as used in these materials can refer to a variety of different activities and does not necessarily have the same meaning as in any government payment transparency reports..



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