

Kearl EPO Update #6 – March 22, 2023

Imperial is committed to complying with an environmental protection order that was issued by the Alberta Energy Regulator (AER) related to industrial wastewater at our Kearl oil sands operating site. We regret these incidents and are making every effort to learn from it and apply preventative measures.

Imperial will provide regular updates to communities and potentially affected stakeholders. Updates will be posted to Imperial's website weekly and notifications will be sent via e-mail.

There are two separate incidents included in the order issued on Feb. 6. We are working with the regulator on next steps for both.

Imperial completes drilling program for seep mitigation

Imperial today provided an update on work underway at its Kearl oil sands facility. The company has now completed drilling more than 140 wells as part of seep mitigations. Meetings with community leadership and members are underway, additionally we have accommodated requests from communities and governments for independent water sampling at our site. We continue to work with regulatory officials from the Alberta Energy Regulator and government departments to provide information.

Summary

- Drilling completed on additional monitoring and collection wells for seep mitigation
- Held in-community meetings with Indigenous leaders and community advisory groups to share progress on ongoing cleanup, mitigation and remediation actions.
- Hosted community representatives at Kearl site to conduct independent water sampling
- Federal Environment Minister confirmed recent tests to date show Fort Chipewyan water is safe, potable, and meets Canadian drinking-water standards.
- The <u>Regional Municipality of Wood Buffalo</u> has declared drinking water to be safe in the community of Fort Chipewyan.
- Imperial's <u>current monitoring and water sampling data</u> has been stable and shows no impacts to local waterways or drinking water.
- There continues to be no indication of impacts to wildlife or fish.

Seep mitigation and prevention

Imperial completed drilling more than 140 monitoring and pumping wells as part of its plans to expand its seepage interception system in close proximity to the Kearl lease boundary. Work is now underway to complete these wells and construct drainage structures in the area ahead of the spring melt. About 200 people continue to work on related activities at the site.

Seepage from the tailings containment structures was anticipated and mitigation measures are included in mine design as part of Kearl's regulatory requirements. Kearl's seepage interception system is designed to capture seepage in deeper groundwater layers; however, the noted seepage originated in shallower layers. The additional water capture systems will manage the shallow seepage.

The seepage is primarily natural groundwater, with a small amount of industrial wastewater. Several naturally occurring constituents (i.e., minerals and metals) are elevated in the seep locations adjacent to the lease boundary. Importantly, our data tells us that all concentrations reduce quickly with increasing distance from the lease boundary and our monitoring continues to show no change to baseline conditions in the Firebag River.

Cleanup of drainage pond overflow

Sampling work has been conducted to confirm removal of impacted materials due to wastewater released from a drainage pond on January 31, 2023. We are waiting to receive testing results. All visibly impacted surface ice and snow in the area has been removed and safely disposed.

Based on our monitoring, released fluids did not enter any waterways and our water sampling continues to show there has been no impacts to local drinking water sources. There is no indication of impact to wildlife. Imperial continues to work closely with the Alberta Energy Regulator on the cleanup.

Meeting with communities

Imperial is engaging directly with Indigenous community leaders and members to answer their questions, provide information and begin to rebuild trust.

Imperial has been meeting with community leadership and members over recent weeks. We have also hosted community representatives for tours and accommodated requests for independent water sampling at our site.

We have shared our mitigation and monitoring plans with communities and have offered for them to complete their own independent reviews of our technical work.

We appreciate the opportunity to share information directly with communities and hear their feedback. We recognize that we still have work to do in this area and are committed to improving our communications in the future.

Imperial did notify communities at the time of both incidents in May 2022 and February 2023. We deeply regret that during our investigation into the May incident that updates were not regularly provided to communities following our initial notification which did not meet their expectations.

Water quality

Imperial's current monitoring and water sampling data continues to show that there has been no impact to local waterways or drinking water. The company has maintained a robust water sampling program at Kearl since operations began a decade ago and contracts independent third-party organizations to provide water monitoring services.

We have created an informational video featuring Imperial's water lead that provides information regarding our ongoing water sampling and monitoring program. <u>Environmental protection order:</u> <u>Updates on Imperial's actions | Imperial Kearl (imperialoil.ca)</u>

Imperial has offered and is providing drinking water to communities that have ongoing concerns about drinking water quality.

Additional information

We have also shared a factsheet about Imperial's response at Kearl on our website: <u>Getting the</u> <u>facts - Imperial response at Kearl (imperialoil.ca)</u>