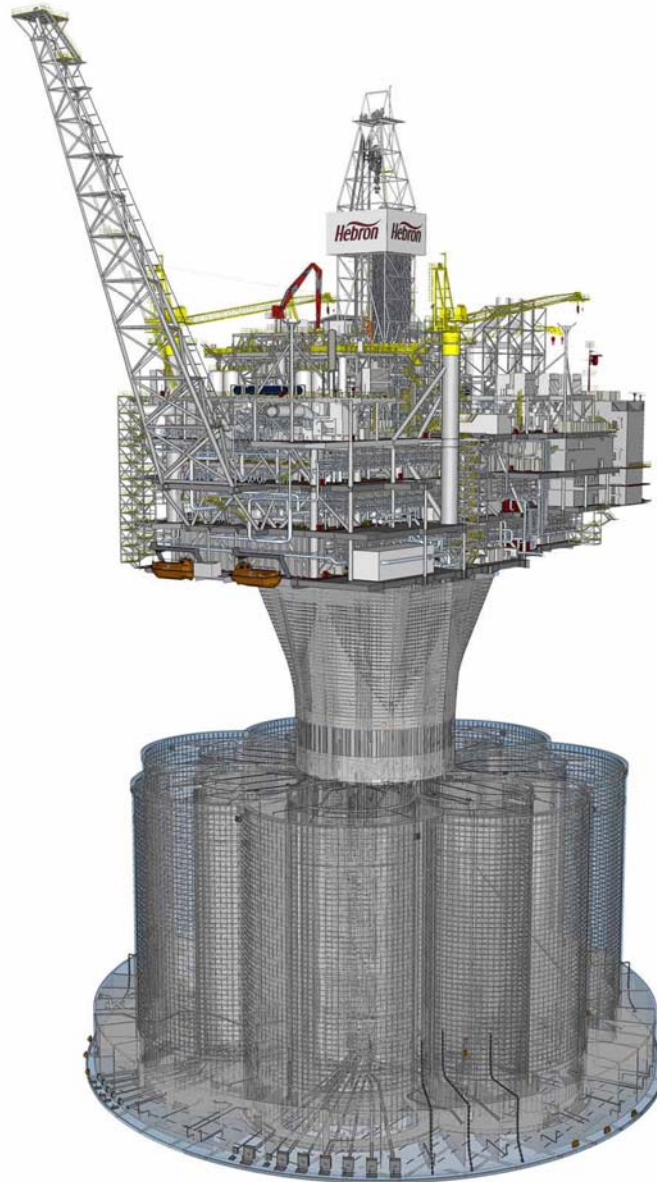




ExxonMobil Canada Properties



**Hebron Project Canada-Newfoundland and Labrador Benefits Report for
the Period January 1, 2017 to March 31, 2017**

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1.0 Introduction

Hebron is a heavy oil field estimated to produce more than 700 million barrels of recoverable resources. The field was first discovered in 1980 and is located offshore Newfoundland and Labrador in the Jeanne d'Arc Basin 350 kilometres southeast of St. John's, the capital of Newfoundland and Labrador. It is approximately 9 kilometres north of the Terra Nova project, 32 kilometres southeast of the Hibernia project, and 46 kilometres southwest of the White Rose project. The water depth at Hebron is approximately 92 metres.

The Hebron co-venturers are: ExxonMobil Canada Properties (EMCP), Chevron Resources Limited, Suncor Energy Inc. through the Hebron Petro-Canada Partnership, Statoil Canada Ltd. and Nalcor Energy – Oil and Gas Inc. EMCP is the operator of the Hebron Project.

During May 2011, EMCP, on behalf of the Hebron co-venturers, filed the Hebron Benefits Plan with the Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB). The Hebron Benefits Plan was conditionally approved on May 31, 2012 and covers the construction and operations phases of the project.

Five key principles of the Benefits Plan include:

- Meeting local benefits commitments while maintaining the highest levels of safety, environmental performance, efficiency and integrity of our operations;
- Selecting contractors and suppliers that will work diligently with us to deliver benefits to the people of the Province;
- Promoting the development of local skills and industry capacity that leaves a lasting legacy for the communities in which we operate and for the Province;
- Delivering execution certainty so that Hebron delivers best-in-class return on investment to stakeholders, including the Province of Newfoundland and Labrador; and
- Working collaboratively with industry, government, academic and training institutions, community and other stakeholder groups for the effective delivery of benefits.

As outlined in section 45 of the Atlantic Accord Acts, specific provisions of the Hebron Benefits Plan include a plan for:

- The employment of Canadians and, in particular, members of the labour force of the Province of Newfoundland and Labrador;
- Providing manufacturers, consultants, contractors and suppliers and service companies in the Province, and other parts of Canada, with full and fair opportunity to participate on a competitive basis in the supply of goods and services used in any proposed work or activity referenced in the Benefits Plan;
- Providing first consideration to services provided from within the Province and to goods manufactured in the Province, where those services and goods are competitive in terms of fair market price, quality and delivery;
- Consistent with the Canadian Charter of Rights and Freedoms, providing individuals resident in the Province with first consideration for training and employment in the work program for which the Benefits Plan was submitted;

- The establishment of an office in the Province where appropriate levels of decision-making are to take place; and
- Expenditures for R&D, including education and training, to be carried out in the Province.

This report summarizes the Hebron Project activities for the period of January 1, 2017 to March 31, 2017 in the areas of employment, expenditures and other relevant areas.

2.0 Employment

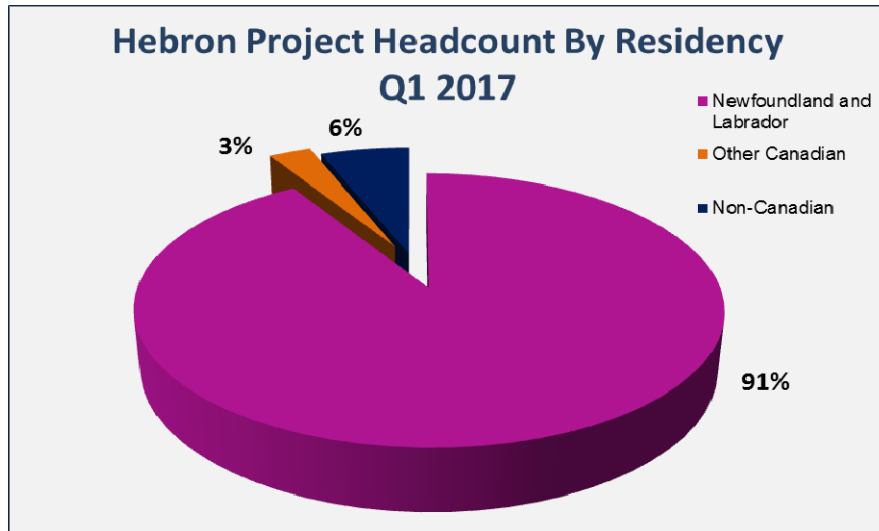
The total number of person hours worked on the Hebron Project during Q1 2017 was 1,788,986. The total number of people employed on the Hebron Project during Q1 2017 was 3,263 of which 2,979 (91%) were NL residents, 92 (3%) were Other Canadian and 192 (6%) were Non-Canadian based on Canadian General Standards Board (CGSB) reporting guidelines and the C-NLOPB definition of residency (i.e. in compliance with the Newfoundland and Labrador Elections Act). Of the 3,263 employed on the project during Q1 2017, 2,789 were working at Bull Arm site.

Total Employment Summary Hebron Project Q1 2017			
Direct Employment (Total Number of Persons)	Newfoundland and Labrador Residents	Other Canadians	Non-Canadians
3,263	91%	3%	6%

Employment Summary by Location Hebron Project Q1 2017						
Location	Total Number of Persons					
	Residency Status			Gender		TOTAL
	NL	OC	NC	Male	Female	
Newfoundland and Labrador	2,978	82	169	2,780	449	3,229
Other Canada	-	8	-	7	1	8
Outside Canada	1	2	23	25	1	26
TOTAL	2,979	92	192	2,812	451	3,263

Notes:

- Report includes reported number of persons directly employed on the project, including operator and contractor personnel
- Residency status is reported as of the time of hire, based on the following definitions:
 - Canadian Citizen:**
A person who was born in Canada and has not relinquished his/her Canadian citizenship; or, a person who has been granted Canadian citizenship; or, a person who has been granted landed immigrant status.
 - Newfoundland and Labrador Resident:**
A Canadian citizen or landed immigrant who meets the residency requirements of the Province as defined by *The Elections Act*, SNL 1992, CE-3.1. (At point of hire)
- Headcount includes persons that have worked 50% of their time (at least 80 hours per month) during Q1 2017



Employment Summary by Discipline Hebron Project Q1 2017					
Discipline	Number of Persons				Total number of Persons
	Male	%	Female	%	
Management	194	91%	19	9%	213
Administration	7	11%	56	89%	63
Engineers	164	86%	27	14%	191
Technicians	310	95%	17	5%	327
Professionals	298	73%	111	27%	409
Skilled Trades	1,476	90%	172	10%	1,648
Labour	349	89%	42	11%	391
Students	14	67%	7	33%	21
Other	-	-	-	-	-
Total:	2,812	86%	451	14%	3,263

Notes:

1. Disciplines are based on the following National Occupational Classification (NOC) Codes:
 - **Management** includes: Senior Managers as well as Middle and Other Managers
 - **Administration** includes: Administrative & Sr. Clerical Personnel as well as Clerical Personnel
 - **Engineers** includes: only those in that NOC code
 - **Technicians** includes: Semi-professionals & Technicians
 - **Professionals** includes: only those in that NOC code
 - **Skilled Trades** includes: Skilled Crafts & trades as well as Skilled Trades & Services
 - **Labour** includes: Semi-Skilled Manual Workers, Other Manual Workers as well as Intermediate Sales & Service
 - **Students** includes: any student enrolled at a recognized educational institution or accredited academic program and includes both graduate and undergraduate students, cadets or any other student
 - **Other** includes: positions that do not fit into any of the other disciplines

Person Hour Summary Report HEBRON PROJECT Q1 2017	
Activity/Component	Total Person Hours
Project Management Team	65,700
Operations	202,894
Gravity Based Structure	585,730
Topsides	925,884
Offshore Loading System	8,778
Total (Q1 2017)	1,788,986
Total (Year to Date)	1,788,986
Project Cumulative	71,994,279

Note: Project management team hours include third party contractors in support of the project management team and operations start up and readiness team hours. Operations team hours include third party contractors in support of the operations phase. Person hours and headcount are updated as more recent information becomes available. Reports may be subject to change.

3.0 Canada-NL Content Estimates

The table below details the estimated Canada-NL content of actual expenditures during the quarter, year to date and cumulatively for the Hebron Project.

Canadian-NL Content Estimates Hebron Project Q1 2017			
Reporting Period	Content		
	NL	Other Canadian	Non-Canadian
Q1 2017	77%	5%	18%
Year to Date	77%	5%	18%
Project Cumulative	54%	7%	39%

Note: Increase in NL content % represents the concentration of the work here in NL at this phase of the project

4.0 Contracting and Procurement

The table below provides a listing of contract awards with a value greater than \$250,000 during the reporting period of January 1, 2017 to March 31, 2017. The table includes a description of the contract, name of the contractor and the contractor's location at time of award.

Contracting Activity Hebron Project Q1 2017		
Description	Contractor	Contractor Location (NL, OC, NC)
EMCP/EMCE CONTRACTS		
Wellbore and BOP Cleanout Services	Weatherford Canada Limited	NL
Supply of Coring Services	Baker Hughes Canada Company	NL
Supply of Drilling Rental Tools	DBA Workstrings Canada	NL
Provision of Hose Management Services	Atlantic Hose & Fittings Ltd.	NL
SUBSEA 7 CONTRACTS		
Spool Fabrication	North Eastern Constructors Limited	NL
NALCO CHAMPION CONTRACTS		
Supply Chain Services	Alpha Chemical	OC
Offshore Chemical Transfer Tanks	Hoover	NC

5.0 Other Interests

5th Annual Hebron Cup Breaks Rink Records

During Q1 2017, Hebron sponsored ‘Reason for the Rink’ which is an initiative that started five years ago in order to assist local charities that help children with disabilities. The Hebron Cup is a hockey tournament held at a Todd Churchill’s homemade rink in St. Philips and has raised a total of \$20,183, the most raised by a recurring event held at the rink. All funds raised are donated to Easter Seals NL, Rainbow Riders Therapeutic Riding NL, and Mazol Shriners.



Geoff Parker, Hebron Senior Project Manager, drops the puck at the 2017 Hebron Cup



Mike Ryan, Vice President of ExxonMobil Canada, accepting award from EDFNL on company's behalf

ExxonMobil Canada Honoured at EDFNL Awards

The Eating Disorder Foundation of Newfoundland and Labrador (EDFNL) recently honoured ExxonMobil Canada at their annual awards ceremony.

ExxonMobil Canada was one of four recipients of the award. Each recipient was honoured by EDFNL for making a contribution that assists the foundation with funding, facilities, or other resources that help them meet their goals and objectives as an organization.