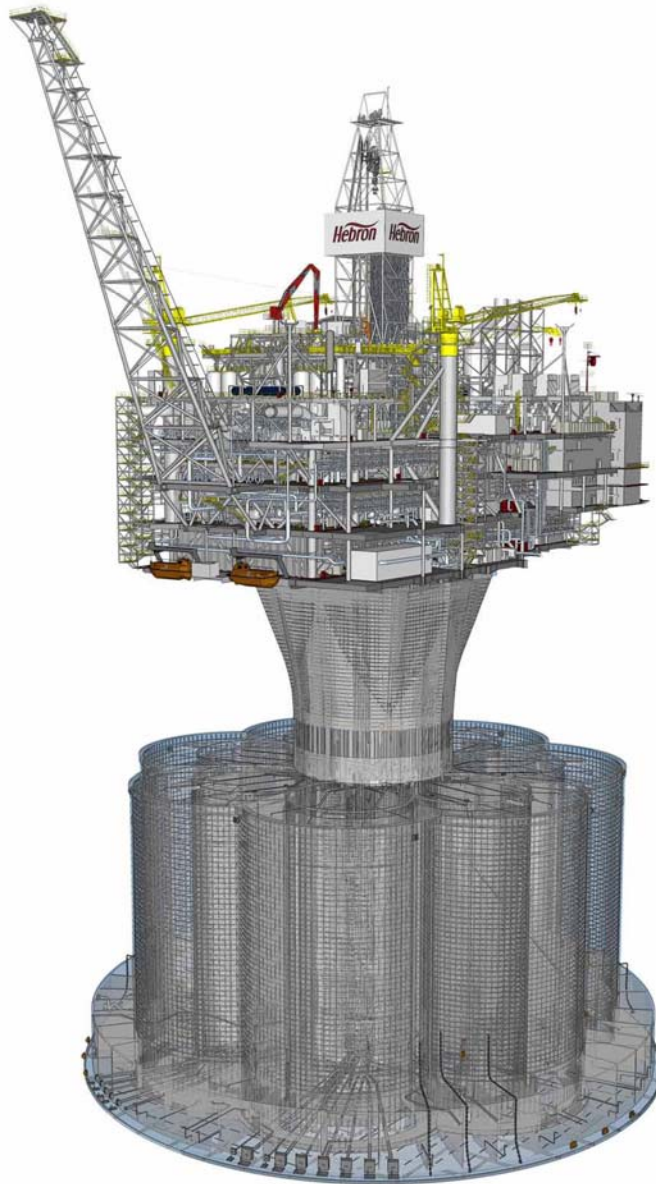




ExxonMobil Canada Properties



**Hebron Project Canada-Newfoundland and Labrador Benefits Report  
for the Period October 1, 2014 to December 31, 2014**

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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 from the White Rose project. The water depth at Hebron is approximately 92 metres.

The Hebron co-venturers are: ExxonMobil Canada Properties (EMCP) (36%), Chevron Resources Limited (26.7%), Suncor Energy Inc. through the Hebron Petro-Canada Partnership (22.7%), Statoil Canada Ltd. (9.7%) and Nalcor Energy (4.9%). 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 October 1, 2014 to December 31, 2014 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 Q4 2014 was 4,957,256. The total number of people employed on the Hebron Project during Q4 2014 was 9,425 of which 6,018 (64%) were NL residents, 681 (7%) were Other Canadian and 2,726 (29%) were Non-Canadian based on Canadian General Standards Board (CGSB) reporting guidelines and the C-NLOPB definition of residency (ie. in compliance with the Newfoundland and Labrador Elections Act). Of the 9,425 employed on the project during Q4 2014, 4,737 were working at Bull Arm site.

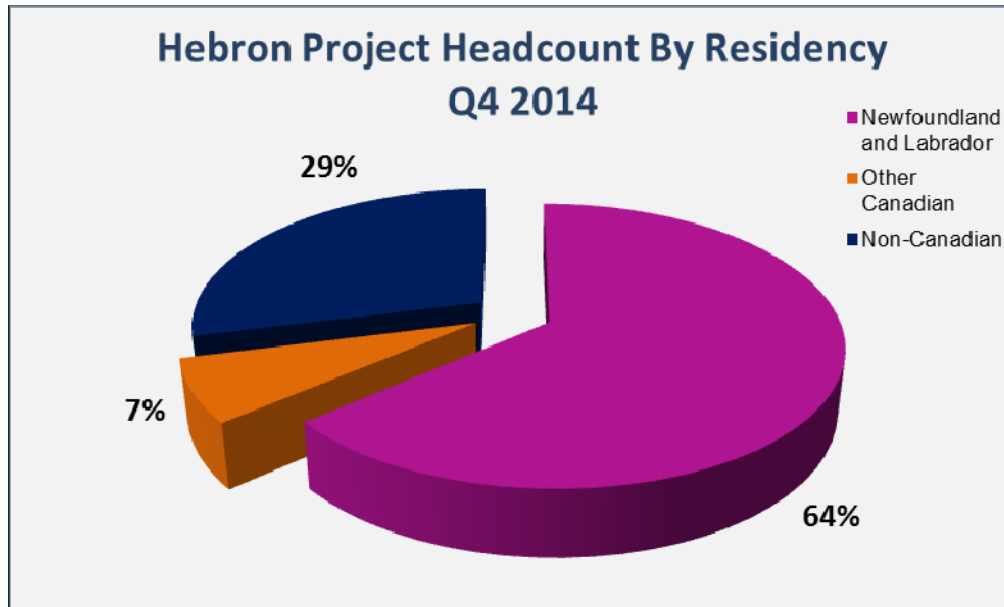
Total Employment Summary Hebron Project Q4 2014			
Direct Employment (Total Number of Persons)	Newfoundland and Labrador Residents (%)	Other Canadians (%)	Non-Canadians (%)
9,425	64%	7%	29%

Notes:

1. Report includes total number of persons directly employed on the project, including operator and contractor personnel
2. 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)
3. Headcount includes persons that have worked 50% (at least 80 hours per month) during Q4 2014



Employment Summary by Location Hebron Project Q4 2014						
Location	Total Number of Persons					
	Residency Status			Gender		TOTAL
	NL	OC	NC	Male	Female	
Newfoundland and Labrador	6,007	620	323	6,157	793	6,950
Other Canada	1	47	2	43	7	50
Outside Canada	10	14	2,401	2,308	117	2,425
<b>TOTAL</b>	<b>6,018</b>	<b>681</b>	<b>2,726</b>	<b>8,508</b>	<b>917</b>	<b>9,425</b>

Notes:

- 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

Employment Summary by Discipline Hebron Project Q4 2014					
Discipline	Number of Persons				Total number of Persons
	Male	%	Female	%	
<b>Management</b>	454	96%	21	4%	475
<b>Administration</b>	35	17%	170	83%	205
<b>Engineers</b>	575	88%	75	12%	650
<b>Technicians</b>	463	82%	103	18%	566
<b>Professionals</b>	452	72%	172	28%	624
<b>Skilled Trades</b>	3,584	94%	243	6%	3,827
<b>Labour</b>	2,916	96%	118	4%	3,034
<b>Students</b>	29	66%	15	34%	44
<b>Other</b>	-	-	-	-	-
<b>Total:</b>	<b>8,508</b>	<b>90%</b>	<b>917</b>	<b>10%</b>	<b>9,425</b>

Person Hour Summary Report Hebron Project Q4 2014	
Activity/Component	Total Person Hours
<b>Project Management Team</b>	199,387
<b>Gravity Based Structure</b>	2,208,653
<b>Topsides</b>	2,515,746
<b>Offshore Loading System</b>	33,470
<b>Total (Q4 2014)</b>	<b>4,957,256</b>
<b>Total (Year to Date)</b>	<b>17,407,138</b>
<b>Project Cumulative</b>	<b>34,151,615</b>

Note: Project management team hours include third party contractors in support of the project management team and operations readiness group hours.

### 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 Q4 2014			
Reporting Period	Content		
	NL (%)	Other Canadian (%)	Non-Canadian (%)
<b>Q4 2014</b>	62%	8%	30%
<b>Year to Date</b>	57%	7%	36%
<b>Project Cumulative</b>	53%	8%	39%

## 4.0 Contracting and Procurement

Please see table below for listing of new contracts awarded with a value greater than \$250,000 during the reporting period October 1, 2014 to December 31, 2014. 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 Q4 2014		
Description	Contractor	Contractor Location (NL, OC, NC)
<b>EMCP CONTRACTS</b>		
No EMCP contracts awarded during Q4 2014		
<b>KKC CONTRACTS</b>		
Preassembly of Annulus Cell Steel Formwork	Canmec Group Inc.	OC
Prefabrication of Dropped Pump Protection Caisson Bases (CS subcomponents)	Allerton Steel Ltd.	NC
Supply of Prefabricated Deck Subcomponents (Box Girders, I-Beams and Nodes) for Main Guide Deck EL118m	Allerton Steel Ltd.	NC
Marine Transport of Fly Ash for Solid Ballast	KGJ Cement AS	NC
J-Tube & Riser Temporary Storage, Handling and Maintenance (Touch Ups)	Atlantic Maintenance Services Limited	NL
Various Safety Training Services	Atlantic Safety Centre Inc.	NL
Various Safety Training Services	Dallas Mercer Consulting Inc.	NL
Various Safety Training Services	Rogers Enterprises Ltd.	NL
<b>WORLEYPARSONS CONTRACTS</b>		
Temporary Power Distribution Centers	Ravencor Project Inc.	NL
KOS: Hydrostatic Testing Services	IKM Testing Ltd.	NL



## 5.0 Other Interests

### NLOWE Awards Hebron Corporation of the Year

At its annual awards gala on October 30, 2014, the Newfoundland and Labrador Organization of Women Entrepreneurs awarded the Hebron Project its inaugural Corporation of the Year Award for the project's contribution to the development of women entrepreneurs and the active inclusion of women-owned businesses in its supply chain.



Geoff Parker, Hebron Senior Project Manager, accepting the award on behalf of the project co-venturers



Matt Koenig (right), Construction Advisor for the Hebron Project, presenting cheque to Grace Sparkes House

### Hebron donates to Grace Sparkes House

During Q4 2014, Hebron donated \$10,000 to Grace Sparkes House located in Marystown, NL. The transition shelter offers services to women and their children who are experiencing violence and abuse. Their goal is to help those using their services to regain control of their lives by offering a safe and supportive living environment, information and counseling.

## Hebron donates to Iris Kirby House

Hebron donated \$10,000 to Iris Kirby House during its 4<sup>th</sup> Annual Fundraising Dinner in November 2014. Iris Kirby House is a shelter for women, with or without children, who are experiencing relationship abuse.



Denise Noftall (left), Hebron Benefits Manager, presenting cheque to Iris Kirby House