

2018 Budget

Daily Production Volumes (before royalties)

Natural gas (MMcf/d)	1,650 - 1,710
Crude oil and NGLs (Mbb/d)	
North America – E&P	253 - 263
North America – Thermal In Situ	107 - 127
North America – Oil Sands Mining and Upgrading ⁽¹⁾	415 - 450
International	40 - 45
	<hr/>
	815 - 885
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Total MBOE/d	1,090 - 1,170

(1) Oil Sands Mining 2018B annual production guidance reflects production downtime for planned turnarounds and Canadian Natural's 70% ownership in the AOSP.

Capital Expenditures (C\$ million)

North America natural gas and NGLs	\$	440
North America crude oil		1,115
International crude oil		410
Total Exploration and Production		<hr/> 1,965
Total Thermal In Situ Oil Sands		<hr/> 960
Net acquisitions, midstream and other		<hr/> 30
Oil Sands Mining and Upgrading		
Environment, technology and project development		500
Sustaining capital		660
Turnarounds and reclamation		220
Total Oil Sands Mining and Upgrading		<hr/> 1,380
Total Capital Expenditures	\$	<hr/> 4,335

Average Annual Cost Data

	Royalty Rate	Operating Cost
Natural Gas - North America (Mcf)	4.0 - 6.0%	\$1.00 - 1.20
Crude oil and NGLs (bbl)		
North America – E&P (Including Thermal In Situ)	10.0 - 12.0%	\$11.50 - 13.50
North America – Oil Sands Mining and Upgrading ⁽¹⁾	2.0 - 4.0%	\$22.50 - 26.50
North Sea	-	\$36.00 - 39.00
Offshore Africa ⁽²⁾	7.0 - 9.0%	\$11.00 - 13.00

(1) Oil Sands Mining operating costs include energy costs and reflect production downtime in 2018B as noted above.

(2) Includes offshore Cote d'Ivoire only.

Other Information

Cash income and other taxes (C\$ millions)	
Sask. Resources Surcharge / Capital Tax	\$10 - 15
Current income taxes (recovery) – North America	\$300 - 400
Current income taxes (recovery) – International and Petroleum Tax	\$0 - (40)
Effective income tax rate on adjusted earnings	27 - 29%
Midstream cash flow (C\$ millions)	\$70 - 90
Average corporate interest rate	3.75 - 4.25%

Note: Production, net to Canadian Natural, before royalties. Interest rates are subject to change depending upon short term rate changes. Cash income taxes are subject to variation with commodity prices and the level and classification of capital expenditures. Cash PRT is subject to variation due to commodity price and capital spending. 2018 budget guidance based on an average annual WT1 of US\$52.03/bbl, AECO of C\$2.11/GJ and an exchange rate of US\$1.00 to C\$1.25 and £1.00 to C\$1.68.

This document contains forward-looking statements under applicable securities laws, including, in particular, statements about Canadian Natural's plans, strategies and prospects. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, such statements are subject to known or unknown risks and uncertainties that may cause actual results to differ materially from those anticipated. Please refer to the Company's Interim Report or Annual Information Form for a full description of these risks and impacts.