



## SYNCRUDE RECEIVES REGULATORY RELIEF TO HELP COVID-19 RESPONSE

The Alberta Energy Regulator (AER) has temporarily allowed Syncrude, to temporarily suspend 23 of its monitoring and reporting activities in light of the COVID-19 pandemic.

Syncrude and three other oil sands mining operations had sought relief in order to safeguard workers at their operations while responding to the COVID-19 pandemic in March. The AER initially granted requests from those companies in April through the end of September. The regulator extended that regulatory relief to other oil and gas operations in the province earlier this week, which led to media coverage on the issue.

“We made the request because safety and wellbeing of people working on our sites is our top priority,” says Isabelle Shelvey, Manager – Regulatory Affairs. “Temporarily suspending some of these activities help maintain physical distancing. We have substantially reduced populations on our sites by limiting access to site-critical workers only. Some of these reporting and monitoring activities also would involve bringing in people from outside the region. And other activities would have posed a challenge in maintaining physical distancing.”

An example of the suspended activities is Syncrude’s bird observation program.

“This survey would require Syncrude to bring in several biologists from other areas of Alberta or outside the province so they would have to be housed in temporary accommodation. This is something we are trying to minimize in recognition of concerns expressed by communities within the Wood Buffalo region,” Isabelle says. “This activity does not contribute to environmental protection. It provides data that contributes to overall trends that we can gather once the risk to worker safety from COVID-19 is reduced or eliminated. Other related activities such as our bird deterrent programs will continue as they remain crucial to our commitment to responsible development.”



*Songbird tagged at Syncrude as part of the our Bird Mapping Program*

Syncrude has over 10,000 regulatory compliance items to steward, with more than 1,600 including specific provisions for monitoring. Below is a list of several monitoring activities that Syncrude continues to complete:

- o Monitoring water quality at all approved release points
- o Operating our plants with the same pollution control systems
- o Continuing external and onsite odour checks
- o Checking WBEA air monitoring stations
- o Continuing all routine plant air monitoring to ensure we stay within approved emission limits
- o Maintaining our bird deterrent systems
- o Monitoring and reporting spill detections
- o Monitoring of tailings pond levels
- o Testing potable water

While some of Syncrude’s reporting activities were suspended by the AER, Syncrude continues to complete all of its reporting obligations as it can be done remotely.

“All monitoring activities to ensure we stay within our regulatory limits remain in place,” says Michelle Velez, Manager – Environmental Services. “These activities are part of our ongoing commitment to responsible development.”

In addition to having these monitoring and reporting activities temporarily stopped, Syncrude has also taken other steps to reduce workforce on its site, including having employees work at home if they don’t have a site-critical role, slowing the pace of developing the MLX project and reducing the scope of this year’s maintenance activities.

“We have taken steps to reduce the workforce on our sites – we have had up to 4,000 fewer people at our Mildred Lake and Aurora sites every 24 hours due to these measures,” Michelle says. “We will continue to rely on the guidance of Alberta Health Services to ensure the people on our sites are safe and healthy. That remains our top priority in responding to this pandemic.”





## IN YOUR COMMUNITY

### Sharing Resources

Two eighteen-wheelers, stacked with wood from Syncrude's Aurora Mine, landed at McMurray Métis' (Metis Nation of Alberta - Local # 1935) grounds in Gregoire this past May. Loads were a mixture of tamarack, white birch and Jack pine trees, harvested several weeks prior and delivered whole, without branches. The wood was donated by Syncrude for use as firewood by the McMurray Métis members who reside in Fort McMurray, Fort McKay, Fort Chipewyan, Lac La Biche, Anzac and Conklin.

Bill Loutitt, CEO of McMurray Métis, was pleased to receive the wood, "This will be of great use to our members, especially our Elders, who use wood for heating their homes during those dark long winter months in northeastern Alberta. After the donated wood from our friends at Syncrude arrived, it was cut by a team of experienced Métis outdoorsmen, offered to community members and it was gone in a jiffy," he said.

Eric Gerard, Vegetation Specialist with Syncrude, said it's not the first time a gift of this sort has been made by his division to a neighbouring community. "We've donated many loads of wood in the past. We determine the donation recipient by reaching out to our community partners to identify where the need is."

He went on to explain that in the past, Syncrude has donated many varieties of wood, including aged aspen for traditional use in Indigenous communities. However, most donations of the sort are typically white birch, used for firewood. "It's wonderful to see the wood being sent somewhere it will be used and appreciated," Eric said with a smile.



*Syncrude's Wood Donation.*

### A Neighbourly Helping Hand

Syncrude's neighbours and friends in Fort Chipewyan faced several challenging months this spring.

With the only road in and out of the community closed and restricted air access due to the threat of COVID-19, residents found themselves facing a food security issue. Mikisew Cree First Nation (MCFN) Chief Archie Waquan and his council reached out to industry neighbours for support.

Syncrude's Community Relations Team jumped into action, securing a large order of meat to send to Fort Chipewyan.

"Requests like this often have a lot of moving parts, but when you have a group of people working collectively, things can come together quickly. With the support from our Travel and Mining Departments, we were able to work out the logistics to send supplies on a chartered plane to Fort Chip within a week of receiving the request," said Lana Hill, Community Relations Team Lead.

Upon the plane's arrival, MCFN Councilor Calvin Waquan

arranged for the meat to be offloaded and distributed. The meat was dispersed throughout the community, including elders and other members of MCFN, ACFN and Fort Chipewyan Métis Local 125.

The food shortage saw many residents step up to help. MCFN set-up a communal food distribution location to decrease the risk of COVID exposure and skilled land users who hunt and fish worked tirelessly to provide traditional foods for distribution.

"Fort Chipewyan and its people are very near and dear to us at Syncrude, and I'm happy we're able to help when it's needed most," said Lana in closing with pride.



*Syncrude's Mel Boostrom, Community Relations*

## GOODFISH LAKE PRODUCES MASKS FOR SYNCRUDE

They were meant for employees, community members and Elders' use. But a business opportunity arose when Syncrude came calling asking if Goodfish Lake Business Corporation could manufacture masks to help protect workers from COVID-19.

Tom Jackson, CEO of Goodfish Lake Business Corporation, says the company decided to get ahead of the curve and began experimenting on making masks for their employees.

"We were looking at all our protocols around the pandemic. We decided, just to get ahead of the curve a bit, that we would make masks for our employees. At the same time we thought, we should give them to the elders here in the community. We wound up giving some to the community as well."

From making them for in-house and community use, the Goodfish Lake staff got ample practice and training on how to make masks that when Syncrude came calling, the company was able to quickly send samples.

"We're very fortunate. Syncrude asked us to make masks and we were able to deliver. After that Suncor placed a large order and the next thing we have a major mask thing going. So, we're very fortunate in this time to have this particular business."

Staff at Goodfish Lake have been working overtime to keep up with the demand.

Initially, Tom says, his staff were worried about their jobs given the global economic situation. But the mask production orders from two oil sands companies allayed some fears. Tom even hired temporary staff to keep up with the demand.

"I just want to thank Syncrude for their support of us. It's very important to us and we highly appreciate."

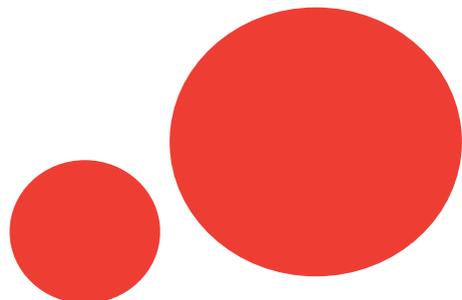
Jackie McCutcheon from Regional Services and Logistics, says Syncrude is fortunate to have a Goodfish Lake among its contactors.

"They've been great to work with us on our request that's helping us protect our workers. They were more than willing to step up to the plate."

The blue masks that are in use at Syncrude are made of Ultrasoft – Hazard Risk Category 2 which is a fire-retardant material that covers the requirement for all trades including welders and electricians. The masks are suitable for all areas of Syncrude sites but employees can wear other masks they may have.



*GoodFish employee models mask sample produced in their facility.*





## ROTATIONAL WORK PROGRAM IN FORT CHIP STANDS PANDEMIC TEST

Syncrude's rotational work program for residents of Fort Chipewyan remains strong even amidst a global pandemic that saw communities on lockdown for several weeks.

While following Alberta Health Services guidelines, including physical distancing among other things, Syncrude continues to transport its employees from the northern Alberta community to Fort McMurray to perform their jobs at the worksite.

"The last thing we want is to impact anybody's health and safety on the job and off the job. So we want to make sure that we're following all the guidelines. We're following very strict protocols. If people are not well, if they're showing symptoms, we do have the ability to retain them in Fort McMurray so they don't go home and impact their community," says Lana Hill, Team Leader, Community Relations.



*Syncrude's Corporate Jet*

"We do temperature scan and checks before they're permitted to go to the plant because like I said the last thing we want is hurt anybody or impacting people in a negative way. We understand how serious COVID is as a company and we are taking so many measures to ensure people's safety and that includes the safety of our neighbours as well."

Prior to the lockdown, the employees were transported to Fort McMurray via chartered aircraft. That changed immediately as part of the cost-saving measures the company underwent as a direct result of the pandemic.

The employees are now being transported by Syncrude's own corporate aircraft with staff that follow strict sanitizing and cleaning protocols to make sure its passengers don't get infected by the virus.

Lana says the program, which started more than 30 years ago, is very important to Syncrude that's why in spite of current difficulties company officials make sure it continues.

"It is a very important program because it allows us to work directly with our neighbours and ensure that they're benefitting from what we're doing. It is a successful program, obviously by its longevity."

Many of the original participants have since retired but most of them stayed on for decades, which stand as a testament to how the program is important to the community as it to Syncrude.



## WATER RETURN PROJECT DEFERRED TO 2021

Syncrude's closed circuit water return demonstration project which was commissioned in 2019 and scheduled for additional operation and testing this year has been deferred. The 16 year in-the-making pilot project is set to resume operation in spring of 2021.

The treatment principles behind the technology are similar to a home water filter system. Tailings pond water is treated with petroleum coke to remove constituents such as suspended solids, hydrocarbons, and organic compounds. The objective of the treatment process is to produce a water quality that, when released, is protective of downstream uses including aquatic life and drinking water; confirming research findings to-date.

"We've taken a considered approach to ensure it's done responsibly and safely. The closed circuit testing will provide required knowledge of the treatment process as well as operation of the facility. The release of treated water, subject to regulatory approval, is necessary to reduce long-term tailings containment requirements, minimize landscape disturbances, expedite terrestrial and aquatic reclamation activities, mitigate water salinization and achieve mine closure outcomes. Therefore, appropriately treated water will be returned to the environment." said Warren Zubot, Senior Engineering Associate, who leads Syncrude's research of the technology. "The original plan was to operate a closed-circuit testing program in 2020 but we've had to push out our pilot activities because of set-backs due to COVID-19, such as the limit to on-site personnel."

Syncrude is committed to ongoing project engagement and communications with Indigenous communities, governments and other regional stakeholders. In 2018, the Government of Alberta formed an Oil Sands Process Water Science Team to support and advise on this project. Team membership includes industry, the provincial and federal governments, academia, and the downstream indigenous communities. The Science Team also acts as a venue to provide updates on the technology and findings as well as to receive stakeholder input.

Warren looks forward to next spring, "My team and I are all very excited to see this project progress. The technology is promising and could have a huge impact on our reclamation abilities. It's yet another example of our commitment to responsible development."



*Ariel view of the Syncrude Petroleum Coke Demonstration*



*2019 Petroleum Coke Water Demonstration*



*Tailings flowing into the filtration cell.*



## ADJUSTING OUR BUSINESS IN 2020 – MLX EXTENSION

The COVID-19 health crisis and the sudden crash in crude oil prices have greatly tested the Syncrude organization, and the response of our employees, contractors and neighbours to this situation is exceptional. Syncrude is taking decisive action to protect our business during this crisis. The low oil price environment and rapid decline in demand, in particular, are impacting the entire industry.

As Syncrude continues in 2020, our commitment to safety, reliability and responsible operations remains unwavering. However, some difficult decisions to protect our business were also required.

“As a result, we are phasing our Mildred Lake Extension Project. This phasing is needed to both conserve cash and limit our activities to critical work only during the COVID response,” says Kara Flynn, VP of Government and Public Affairs. “Syncrude has a long history of surviving economic downturns and current planning will see MLX construction return in 2021.”

MLX was previously approved by the AER in the summer of 2019. MLX is a continuation of Syncrude’s existing North Mine site and is designed to provide a replacement supply of bitumen for upgrading when oil sand deposits are depleted in the present North Mine, which is expected around the year 2023.

As a sustainment project, there will be no increase to approved production levels. The project will utilize existing Extraction and Upgrading facilities, so no new infrastructure nor tailings ponds will be required. MLX consists of two mine sites – MLX West, located northwest of the current North Mine and west of the MacKay River; and MLX East, located between the Mildred Lake Settling Basin and the Athabasca River. The primary construction involved is a bridge across the MacKay River to allow heavy haulers to move oil sand to Syncrude’s existing facilities. The MLX project was designed to minimize the impacts on wildlife and the environment. The design of the bridge across the McKay River includes a corridor to ensure the safe movement of wildlife. The project also will use existing facilities, including the MLMR mine train, extraction and upgrading so no new infrastructure or tailings ponds are needed.

“This makes MLX one of the most economic mining projects ever developed in the region,” adds Flynn.



*Heavy Haulers operating at MLMR*



*Meet our newest herd member Mamawi – Cree for “together, all at once”.*



## SYNCRUDE'S COMMUNITY RELATIONS UPDATE

### Application Consultation:

Syncrude is currently consulting on the Aurora Clean Water Release - EPEA Amendment.

Syncrude's Aurora North Mine currently has authorization under the Environmental Protection and Enhancement Act (EPEA) Approval 26-02, to release surface runoff, shallow groundwater and basal aquifer groundwater to Stanley Creek (a tributary of the Muskeg River) and to the Athabasca River.

The current approved release criteria restricts releases to the Athabasca River via the Aurora Clean Water Release (ACWR) project, well beyond what would be required to protect the receiving environment.

Syncrude is requesting that the Alberta Energy Regulator (AER) amend the Athabasca River release criteria. No other changes to the Aurora North project including the ACWR component, are required as part of this amendment.

### Mildred Lake Extension Project (MLX):

As mentioned within the newsletter, Syncrude has rescheduled the MLX project until 2021.

### Personnel Changes:

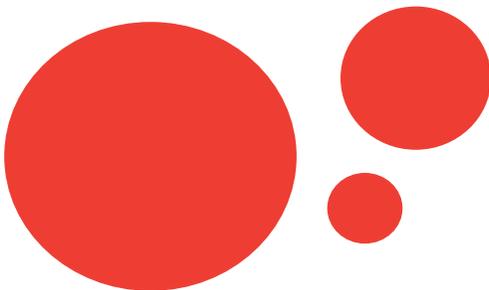
Colleen Legdon, Manager of Community Relations, is retiring effective later this year. Long-time employee Cliff Dimm is assuming the role of Manager of Community Relations effective June 1st.

Cliff joined Syncrude nearly 29 years ago after graduating from mine engineering at the University of Alberta. He's assumed a variety of roles during his career at our organization, including front and second-line leadership in operations and maintenance. Cliff and his family have developed deep roots in the community that included volunteering for various agencies.

Most recently, he's the current President of Waypoints and Vice-Chair for FuseSocial. He's also the Syncrude representative and President of Wood Buffalo Environmental Association where he engages with a variety of community stakeholders and Indigenous groups as part of the organization's collaborative approach. Cliff's strong understanding of the Syncrude operation, its people, culture and strong ties to the community will serve him well in his role.

Colleen joined Syncrude 32 years ago starting in Procurement with a variety of roles that supported Extraction, Mining, facilities and Indigenous business development. She'll serve in a senior advisory capacity until the end of the year to support handover.

Congratulations Colleen and welcome Cliff. Introduction meetings will be planned in the near future.



## WE ARE HERE, PLEASE CONNECT:

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