Oil Sands Alliance Statement on Canada and Alberta Agreement

Today the Alberta and Canadian governments announced their bi-lateral agreement on the implementation of a revised industrial carbon tax and other matters related to their November 27, 2025 Memorandum of Understanding (the “MOU”). Oil Sands Alliance appreciates the further clarity of that agreement and is reviewing it carefully.

May 15, 2026

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The announced industrial carbon tax, while lower than the current industrial carbon tax, still maintains uncompetitive costs on the Canadian oil sands industry. No other major oil producing nation faces a similar tax.

The MOU states an objective to reduce the carbon emissions intensity of Canadian heavy oil production to best in class in terms of the average for heavy oil by 2050. As set out in Canada’s 2025 budget, the Canadian oil industry has a carbon emissions intensity that is already below the global average.

“Oil Sands Alliance is committed to advancing the Pathways carbon capture and storage project provided the necessary regulatory and fiscal terms are in place, to support the project and new oil sands growth in Canada,” said Oil Sands Alliance President Kendall Dilling. “An industrial carbon tax only adds uncompetitive costs to industry on top of the costs of a carbon capture project.”

While today’s announcement provides greater clarity on the industrial carbon tax and the

next steps between the two governments to advance a strategic oil pipeline project to Asian markets, it is critical that the overall regulatory and fiscal frameworks be put in place to enable the long-term competitiveness of the industry and to attract the billions of dollars required to grow production and fill future pipelines. We have provided concrete recommendations to both governments on the regulatory and fiscal frameworks to achieve those goals.

We fully support the Prime Minister and Premier's shared vision of making Canada an energy superpower and growing Alberta oil production. As we review the details of the announced agreement, we look forward to working constructively with both governments at a tri-lateral table to lay the foundation to achieve that vision.

Contact: Oil Sands Alliance media relations team: media@oilsandsalliance.ca

Advisory

Statements of future events or conditions included in this press release, including projections, targets, expectations, estimates, and business plans are forward-looking statements. Forward-looking statements can be identified by words such as achieve, aspiration, believe, anticipate, intend, propose, plan, goal, seek, project, predict, target, estimate, expect, forecast, vision, strategy, outlook, schedule, future, continue, likely, may, should, will and/or similar references to outcomes in future periods. Forward-looking statements in the press release include, but are not limited to, references to the viability, timing, impact of and the development of paths forward in support of a GHG emission-intensity reduced future and support for same from the Government of Alberta and the Government of Canada; the ability to enable reduced GHG emission-intensity from oil production and preserve economic contribution from the industry; the deployment of technologies to reduce GHG emission-intensity; the ability to create jobs, accelerate development of the clean tech sector, provide benefits for other sectors and help maintain Canadians' quality of life; and making economic investments and delivering long term value to shareholders.

Forward-looking statements are based on current expectations, estimates, projections and assumptions at the time the statements are made. Actual future results, including expectations and assumptions concerning: demand growth and energy source, supply and mix; amount and timing of emissions reductions; the adoption and impact of new facilities or technologies, including on reductions to GHG emission-intensity; project plans, timing, costs, technical evaluations and capacities, and the ability to effectively execute on these plans and operate assets; that any required support from the Government of Alberta and the Government of Canada will be provided; applicable laws and government policies,

including climate change and restrictions in response to a pandemic; production rates, growth and mix; general market conditions; and capital and environmental expenditures, could differ materially depending on a number of factors. These factors include global, regional or local changes in supply and demand for oil, natural gas, and petroleum and petrochemical products and the resulting price, differential and margin impacts; political or regulatory events, including changes in law or government policy and actions in response to a pandemic; the receipt, in a timely manner, of regulatory and third-party approvals including for new technologies; lack of required support from the Government of Alberta and the Government of Canada; environmental risks inherent in oil and gas exploration and production activities; environmental regulation, including climate change and GHG regulation and changes to such regulation; availability and allocation of capital; availability and performance of third-party service providers; unanticipated technical or operational difficulties; project management and schedules and timely completion of projects; reservoir analysis and performance; unexpected technological developments; the results of research programs and new technologies, and ability to bring new technologies to commercial scale on a cost-competitive basis; operational hazards and risks; general economic conditions, including the occurrence and duration of economic recessions; and other factors referenced by the companies' in their most recent respective annual reports and management's discussion and analysis, as applicable. Forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties, some that are similar to other oil and gas companies and some that are unique to the Oil Sands Alliance members. Actual results may differ materially from those expressed or implied by forward-looking statements and readers are cautioned not to place undue reliance on them.