25 October 2022

Verification Statement – 2021 Greenhouse Gas Emissions Inventory
IPC Canada Ltd., Canadian Operations

IPC Canada Ltd. (IPC) retained GHD Limited (GHD) to conduct verifications of the following reports for the 2021 calendar year:

Onion Lake Primary (Saskatchewan)

– OLP 2021 Reporting Year Emissions Return

IPC Aggregate Facility (Alberta)

– 2021 Reporting Year IPC TIER Aggregate Facility Compliance Report

Granite Aggregate Facility (Alberta)

– 2021 Reporting Year Granite TIER Aggregate Facility Compliance Report

GHD has prepared this Verification Statement in accordance with ISO Standard ISO 14064 Greenhouse gases - Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions (ISO 14064-3).

Verification Objectives, Standards, and Criteria

The objective of the verifications was to provide IPC with assurance that the Emissions Return/Compliance Reports contained no material discrepancies and were prepared in general accordance with ISO 14064. The verifications were conducted to a reasonable level of assurance. GHD applied ISO 14064-3 as the verification standard and conducted the verifications in accordance with the following criteria:

– ISO 14064 Greenhouse gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals, ISO, March 2006 (ISO 14064-1)
– ISO 14064 Greenhouse gases - Part 3: Specification with guidance for the greenhouse gas assertions, ISO, March 2006 (ISO 14064-3 Specification)

Additional provincial regulations incorporated as necessary to cover individual operation's provincial reporting, and include the following standards and criteria:

Alberta

– Emissions Management and Climate Resilience Act, Technology Innovation and Emissions Reduction Regulation, Alberta Regulation 133/2019 (TIER) and amendments
– Standard for Completing Greenhouse Gas Compliance and Forecasting Reports, Version 3.2 (Compliance Standard) (December 2021)
– Standard for Validation, Verification and Audit, Version 5.1 (VVA Standard) (December 2020)
– Alberta Greenhouse Gas Quantification Methodologies Technology Innovation and Emissions Reduction Regulation, Version 2.2 (Quantification Methods) (December 2021)

Saskatchewan

– The Management and Reduction of Greenhouse Gases Act, Chapter M-2.01 of The Statutes of Saskatchewan, 2010

– The Management and Reduction of Greenhouse Gases (Standards and Compliance) Regulations, Chapter M 2.01 Reg. 3, under The Management and Reductions of Greenhouse Gases Act (Government of Saskatchewan, September 2020) (Regulations)
– The Management and Reduction of Greenhouse Gases (Upstream Oil and Gas Aggregate Facility) Standard (Government of Saskatchewan, August 2021) (UOG Standard)
– Baseline Guidance Document for Regulated Emitters Subject to The Management and Reduction of Greenhouse Gases (Upstream Oil and Gas Aggregate Facility) Standard, Version 02.00 (Government of Saskatchewan, June 2021)
– Emissions Return Guidance Document for Regulated Emitters Subject to The Management and Reduction of Greenhouse Gases (Upstream Oil and Gas Aggregate Facility) Standard, Version 02.00 (Government of Saskatchewan, August 2021)

Verification Scope

The verification scope for each Facility included the following:

Onion Lake Primary

The verification included the emission sources from IPC's Aggregated Facility, which consists of 245 individual facilities located across Saskatchewan.

The Facility's saleable products fall within Production Class 1 – Lloydminster Heavy and Non-Heavy. The Facility production unit to represent all Site operations is barrels of oil equivalent (BOE).

GHD confirmed that the same products were used for the Facility's Baseline and 2021 Emissions Return.

The Aggregate Facility is classified in the upstream oil and gas sector. Reportable emissions from the Aggregated Facility originate from the following regulated source categories, in accordance with Section 8(1) of the UOG Standard:

– General Stationary Combustion – Natural Gas Combustion: carbon dioxide (CO2), methane (CH4), and nitrous oxide (N2O)

IPC Aggregate Facility

The IPC Aggregate Facility consists of 277 COGs, including those of the following Petrinex facility types:

– Single and Multi-well oil batteries
– Single and Multi-well bitumen batteries
– Single and Multi-well gas batteries
– Gas Gathering Systems
– Gas Plants
– Injection and Storage Facilities

The specified GHG sources, reportable categories and gas types as per the requirements of the TIER include emissions from Stationary Combustion, including carbon dioxide (CO2), methane (CH4) and nitrous oxide (N2O). The Aggregate Facility does not export CO2.

The Facility production is reported under TIER as Dispositions (DISP) in m3OE.

Granite Aggregate Facility

The IPC Aggregate Facility consists of 44 COGs, including those of the following Petrinex facility types:

– Single and Multi-well oil batteries
– Injection and Storage Facilities

The specified GHG sources, reportable categories and gas types as per the requirements of the TIER include emissions from Stationary Combustion, including carbon dioxide (CO2), methane (CH4) and nitrous oxide (N2O). The Aggregate Facility does not export CO2.

The Facility production is reported under TIER as Dispositions (DISP) in m3OE.

Verification Procedures

GHD conducted a risk-based verifications to assess the following:

1. Accuracy and completeness of annual GHG emissions
2. Uncertainty of external data sources used
3. Emission assumptions
4. Accuracy of emission calculations
5. Potential magnitude of errors and omissions

To sustain a risk-based assessment, the GHD Project Team identified and determined risks related to annual GHG emissions during both the desk reviews and the follow-up interviews. The GHD Project Team particularly focused on the accuracy and completeness of provided information. Through the document review GHD established to what degree the presented Emissions Inventory documentation met the verification standards and criteria.

The GHD Project Team's document review during the review process comprised an evaluation of whether:

– The documentation is complete and comprehensive and follows the structure and criteria given in ISO 14064 and/or other supporting guidance.
– The methodologies are justified and appropriate.
– The assumptions behind the inventory are conservative and appropriate.
– The GHG emission calculations are appropriate and use conservative assumptions for estimating GHG emissions.
– The GHG information system and its controls are sufficiently robust to minimize the potential for errors, omissions, or misrepresentations.

Site Assessments

GHD conducted in-person site assessments as part of the verifications conducted under the Alberta regulations for the Granite/Ferguson and Suffield Gas/Suffield Oil/Alderson assets. No site visit was required under the Saskatchewan Regulations for the OLP Facility.

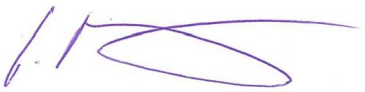
Verification Opinion

Based on the verification conducted by GHD’s, the GHG assertion provided in each Facility’s 2021 Emissions Return/Compliance Report was determined to be free of material misstatements, fairly presented and substantiated by sufficient and appropriate evidence in all material aspects.

All of Which is Respectfully Submitted,

GHD

Sean Williams, P. Eng.
Lead Verifier



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