Canadian Natural

ENERGY AND CLIMATE CHANGE: A CANADIAN LEADERSHIP OPPORTUNITY

May 2019

PREMIUM VALUE. DEFINED GROWTH. INDEPENDENT.

Forward Looking Statements

Certain statements relating to Canadian Natural Resources Limited (the "Company") in this document or documents incorporated herein by reference constitute forward-looking statements or information (collectively referred to herein as "forward-looking statements") within the meaning of applicable securities legislation. Forward-looking statements can be identified by the words "believe", "anticipate", "expect", "plan", "estimate", "target", "continue", "could", "intend", "may", "potential", "predict", "should", "will", "objective", "project", "forecast", "goal", "guidance", "outlook", "effort", "seeks", "schedule", "proposed" or expressions of a similar nature suggesting future outcome or statements regarding an outlook. Disclosure related to expected future commodity pricing, forecast or anticipated production volumes, royalties, production expenses, capital expenditures, income tax expenses and other guidance provided throughout the Company's Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of the Company, constitute forward-looking statements. Disclosure of plans relating to and expected results of existing and future developments, including but not limited to the Horizon Oil Sands ("Horizon"), the Athabasca Oil Sands Project ("AOSP"), Primrose thermal projects, the Pelican Lake water and polymer flood project, the Kirby Thermal Oil Sands Project, the timing and future operations of the North West Redwater bitumen upgrader and refinery, construction by third parties of new or expansion of existing pipeline capacity or other means of transportation of bitumen, crude oil, natural gas, natural gas liquids ("NGLs") or synthetic crude oil ("SCO") that the Company may be reliant upon to transport its products to market, and the development and deployment of technology and technological innovations also constitute forward-looking statements. These forward-looking statements are based on annual budgets and multi-year forecasts, and are reviewed and revised throughout the year as necessary in the context of targeted financial ratios, project returns, product pricing expectations and balance in project risk and time horizons. These statements are not guarantees of future performance and are subject to certain risks. The reader should not place undue reliance on these forward-looking statements as there can be no assurances that the plans, initiatives or expectations upon which they are based will occur.

In addition, statements relating to "reserves" are deemed to be forward-looking statements as they involve the implied assessment based on certain estimates and assumptions that the reserves described can be profitably produced in the future. There are numerous uncertainties inherent in estimating quantities of proved and proved plus probable crude oil, natural gas and NGLs reserves and in projecting future rates of production and the timing of development expenditures. The total amount or timing of actual future production may vary significantly from reserves and production estimates.

The forward-looking statements are based on current expectations, estimates and projections about the Company and the industry in which the Company operates, which speak only as of the date such statements were made or as of the date of the report or document in which they are contained, and are subject to known and unknown risks and uncertainties that could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks and uncertainties include, among others: general economic and business conditions which will, among other things, impact demand for and market prices of the Company's products; volatility of and assumptions regarding crude oil and natural gas prices; fluctuations in currency and interest rates; assumptions on which the Company's current guidance is based; economic conditions in the countries and regions in which the Company conducts business; political uncertainty, including actions of or against terrorists, insurgent groups or other conflict including conflict between states; industry capacity; ability of the Company to implement its business strategy, including exploration and development activities; impact of competition; the Company's defense of lawsuits; availability and cost of seismic, drilling and other equipment; ability of the Company and its subsidiaries to complete capital programs; the Company's and its subsidiaries' ability to secure adequate transportation for its products; unexpected disruptions or delays in the resumption of the mining, extracting or upgrading of the Company's bitumen products; potential delays or changes in plans with respect to exploration or development projects or capital expenditures; ability of the Company to attract the necessary labour required to build its thermal and oil sands mining projects; operating hazards and other difficulties inherent in the exploration for and production and sale of crude oil and natural gas and in mining, extracting or upgrading the Company's bitumen products; availability and cost of financing; the Company's and its subsidiaries' success of exploration and development activities and its ability to replace and expand crude oil and natural gas reserves; timing and success of integrating the business and operations of acquired companies and assets; production levels; imprecision of reserves estimates and estimates of recoverable quantities of crude oil, natural gas and NGLs not currently classified as proved; actions by governmental authorities; government regulations and the expenditures required to comply with them (especially safety and environmental laws and regulations and the impact of climate change initiatives on capital expenditures and production expenses); asset retirement obligations; the adequacy of the Company's provision for taxes; and other circumstances affecting revenues and expenses.

The Company's operations have been, and in the future may be, affected by political developments and by national, federal, provincial and local laws and regulations such as restrictions on production, changes in taxes, royalties and other amounts payable to governments or governmental agencies, price or gathering rate controls and environmental protection regulations. Should one or more of these risks or uncertainties materialize, or should any of the Company's assumptions prove incorrect, actual results may vary in material respects from those projected in the forward-looking statements. The impact of any one factor on a particular forward-looking statement is not determinable with certainty as such factors are dependent upon other factors, and the Company's course of action would depend upon its assessment of the future considering all information then available.

Readers are cautioned that the foregoing list of factors is not exhaustive. Unpredictable or unknown factors not discussed in the Company's MD&A could also have adverse effects on forward-looking statements. Although the Company believes that the expectations conveyed by the forward-looking statements are reasonable based on information available to it on the date such forward-looking statements are made, no assurances can be given as to future results, levels of activity and achievements. All subsequent forward-looking statements, whether written or oral, attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Except as required by applicable law, the Company assumes no obligation to update forward-looking statements, whether as a result of new information, future events or other factors, or the foregoing factors affecting this information, should circumstances or the Company's estimates or opinions change.

Reporting Disclosures

Special Note Regarding non-GAAP and other Financial Measures

The Company's MD&A references to financial measures commonly used in the crude oil and natural gas industry, such as: adjusted net earnings (loss) from operations; adjusted funds flow (previously referred to as funds flow from operations); net capital expenditures; free cash flow; debt to adjusted EBITDA; available liquidity; adjusted operating costs; unadjusted operating costs; and enterprise value. These financial measures are not defined by International Financial Reporting Standards ("IFRS") and therefore are referred to as non-GAAP measures and other financial measures. The non-GAAP measures used by the Company may not be comparable to similar measures presented by other companies. The Company uses these non-GAAP measures to evaluate its performance. The non-GAAP measures should not be considered an alternative to or more meaningful than net earnings (loss), cash flows from operating activities, cash flows used in investing activities, and cash flows used in financing activities as determined in accordance with IFRS, as an indication of the Company's performance.

Adjusted net earnings (loss) from operations is a non-GAAP measure that represents net earnings (loss) as presented in the Company's consolidated Statements of Earnings (Loss), adjusted for the after-tax effects of certain items of a non-operational nature. The Company considers adjusted net earnings (loss) from operations a key measure in evaluating its performance, as it demonstrates the Company's ability to generate after-tax operating earnings from its core business areas. The reconciliation "Adjusted Net Earnings (Loss) from Operations, as Reconciled to Net Earnings (Loss)" is presented in the Company's MD&A.

Adjusted funds flow (previously referred to as funds flow from operations) is a non-GAAP measure that represents cash flows from operating activities as presented in the Company's consolidated Statements of Cash Flows, adjusted for the net change in non-cash working capital, abandonment expenditures and movements in other long-term assets, including the unamortized cost of the share bonus program and prepaid cost of service tolls. The Company considers adjusted funds flow a key measure as it demonstrates the Company's ability to generate the cash flow necessary to fund future growth through capital investment and to repay debt. The reconciliation "Adjusted Funds Flow, as Reconciled to Cash Flows from Operating Activities" is presented in the Company's MD&A.

Net capital expenditures is a non-GAAP measure that represents cash flows used in investing activities as presented in the Company's consolidated Statements of Cash Flows, adjusted for the net change in non-cash working capital, investment in other long-term assets, share consideration in business acquisitions and abandonment expenditures. The Company considers net capital expenditures a key measure as it provides an understanding of the Company's capital spending activities in comparison to the Company's annual capital budget. The reconciliation "Net Capital Expenditures, as Reconciled to Cash Flows used in Investing Activities" is presented in the Net Capital Expenditures section of the Company's MD&A.

Free cash flow is a non-GAAP measure that represents cash flows from operating activities as presented in the Company's consolidated Statements of Cash Flows, adjusted for the net change in non-cash working capital from operating activities, abandonment, certain movements in other long-term assets, less net capital expenditures and dividends on common shares. The Company considers free cash flow a key measure in demonstrating the Company's ability to generate cash flow to fund future growth through capital investment, pay returns to shareholders, and to repay debt.

Adjusted EBITDA is a non-GAAP measure that represents net earnings (loss) as presented in the Company's consolidated Statements of Earnings (Loss), adjusted for interest, taxes, depletion, depreciation and amortization, stock based compensation expense (recovery), unrealized risk management gains (losses), unrealized foreign exchange gains (losses), and accretion of the Company's asset retirement obligation. The Company considers adjusted EBITDA a key measure in evaluating its operating profitability by excluding non-cash items.

Debt to Adjusted EBITDA is a non-GAAP measure that is derived as the current and long-term portions of long-term debt, divided by the 12 month trailing Adjusted EBITDA, as defined above. The Company considers this ratio to be a key measure in evaluating the Company's ability to pay off its debt.

Available liquidity is a non-GAAP measure that is derived as cash and cash equivalents, total bank and term credit facilities, less amounts drawn on the bank and credit facilities including under the commercial paper program. The Company considers available liquidity a key measure in evaluating the sustainability of the Company's operations and ability to fund future growth. See note 9 - Long-term Debt in the Company's consolidated financial statements.

Adjusted operating costs are derived as production expense based on sales volumes excluding costs incurred in turnaround periods. See "Operating Highlights - Oil Sands Mining and Upgrading" section in the Company's MD&A.

Unadjusted operating costs also referred to as cash production costs in the Company's MD&A. See "Operating Highlights - Oil Sands Mining and Upgrading" section in the Company's MD&A.

Enterprise value is derived as the sum of the Company's market capitalization and total long-term debt less cash and cash equivalents. Market capitalization is derived as total outstanding common shares multiplied by the market price per common share at any given period.

Special Note Regarding Currency, Financial Information and Production

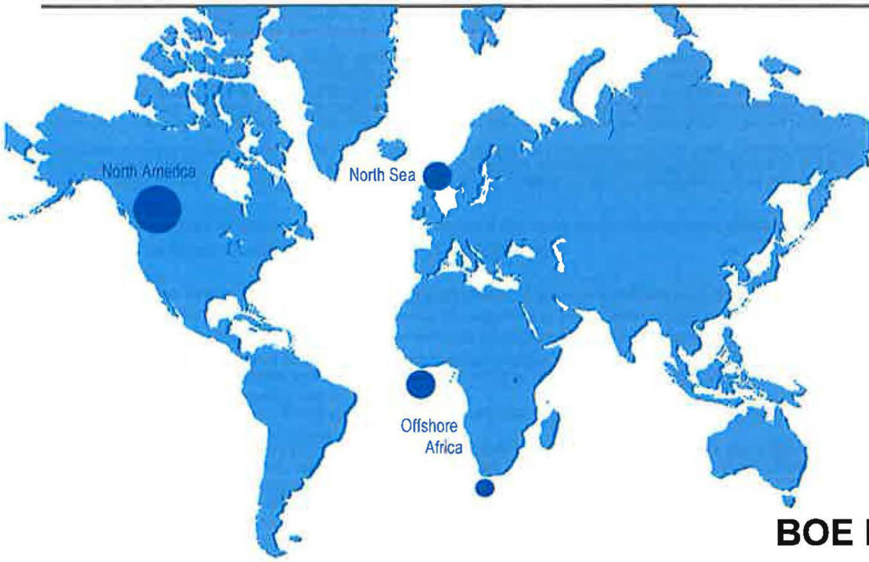
The Company's MD&A should be read in conjunction with the unaudited interim consolidated financial statements for the three months ended March 31, 2019 and the MD&A and the audited consolidated financial statements of the Company for the year ended December 31, 2018.

All dollar amounts are referenced in millions of Canadian dollars, except where noted otherwise. The Company's unaudited interim consolidated financial statements for the three months ended March 31, 2019 and the Company's MD&A have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB"). Changes in the Company's accounting policies in accordance with IFRS, including the adoption of IFRS 16 "Leases" on January 1, 2019, are discussed in the "Changes in Accounting Policies" section of the Company's MD&A. In accordance with the new "Leases" standard, comparative period balances in 2018 reported in the Company's MD&A have not been restated.

Production volumes and per unit statistics are presented throughout the Company's MD&A on a "before royalties" or "company gross" basis, and realized prices are net of blending and feedstock costs and exclude the effect of risk management activities. In addition, reference is made to crude oil and natural gas in common units called barrel of oil equivalent ("BOE"). A BOE is derived by converting six thousand cubic feet ("Mcf") of natural gas to one barrel ("bbl") of crude oil (6 Mcf:1 bbl). This conversion may be misleading, particularly if used in isolation, since the 6 Mcf:1 bbl ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. In comparing the value ratio using current crude oil prices relative to natural gas prices, the 6 Mcf:1 bbl conversion ratio may be misleading as an indication of value. In addition, for the purposes of the Company's MD&A, crude oil is defined to include the following commodities: light and medium crude oil, primary heavy crude oil, Pelican Lake heavy crude oil, bitumen (thermal oil), and SCO. Production on an "after royalties" or "company net" basis is also presented for information purposes only.

Additional information relating to the Company, including its Annual Information Form for the year ended December 31, 2018, is available on SEDAR at www.sedar.com, and on EDGAR at www.sec.gov. Detailed guidance on production levels, capital expenditures and production expenses can be found on the Company's website at www.cnrl.com.

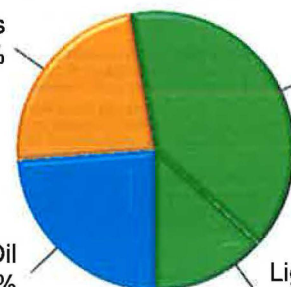
Balanced, Diverse Portfolio



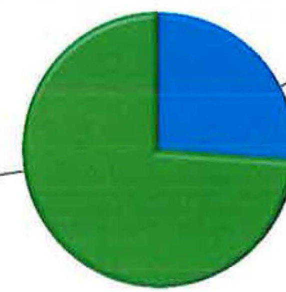
- Balanced, diverse production mix
- International exposure
- Vast, balanced resource base to develop
- Growing, sustainable adjusted funds flow
- >50% light crude oil and SCO production

2019 Base Budget

BOE Production Mix



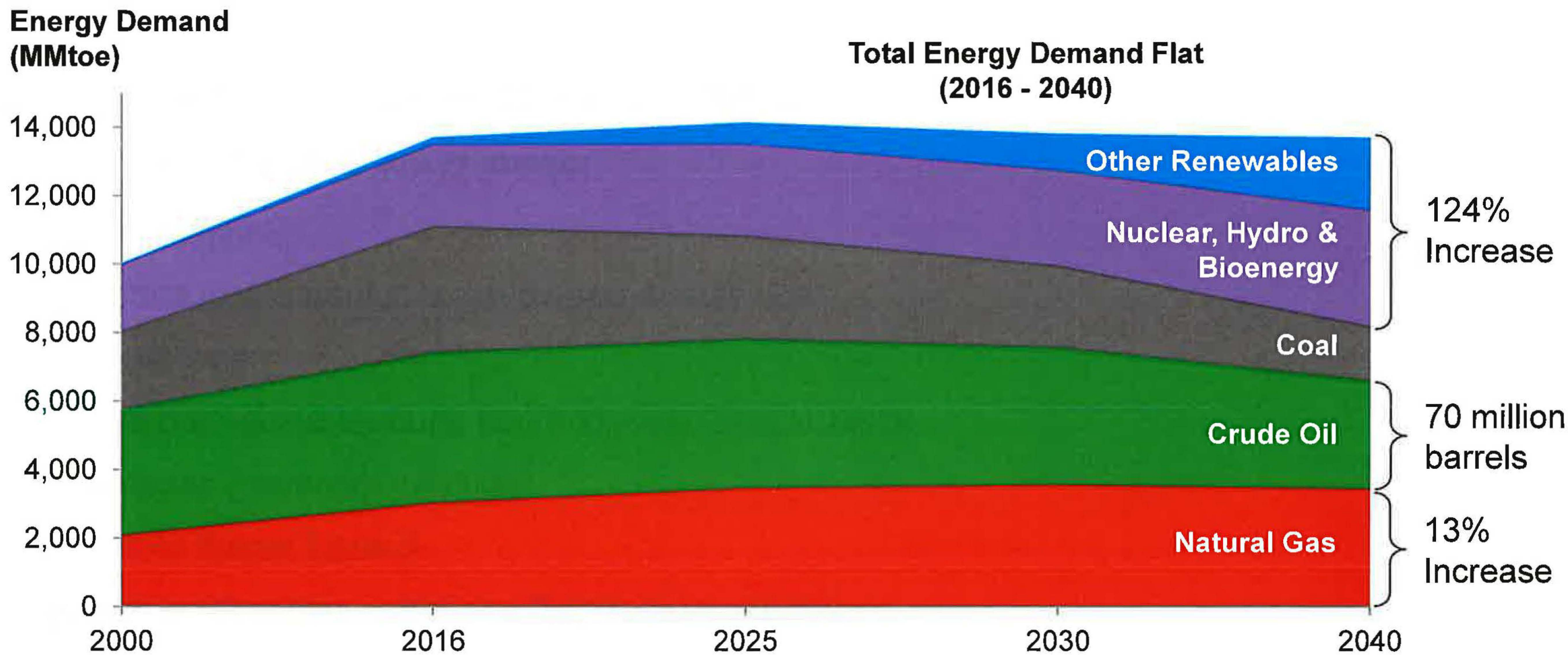
Liquids Production Mix



The Next Canadian Success Story

- Power of a global perspective
  - Makes a significant impact on global GHG emissions
  - Reduces global poverty
  - Unleashes Canadian ingenuity
  - Drives both environmental and economic performance
  - Creates jobs
  - Supports investment in a low carbon energy mix
  - Nation builds
- Canada becomes a world leader
- Makes Canada and the world a better place

IEA – World Energy Outlook 2018 "Well Below 2°C Scenario" Fully Aligned with Paris Agreement Goal



Source: IEA World Energy Outlook 2018.

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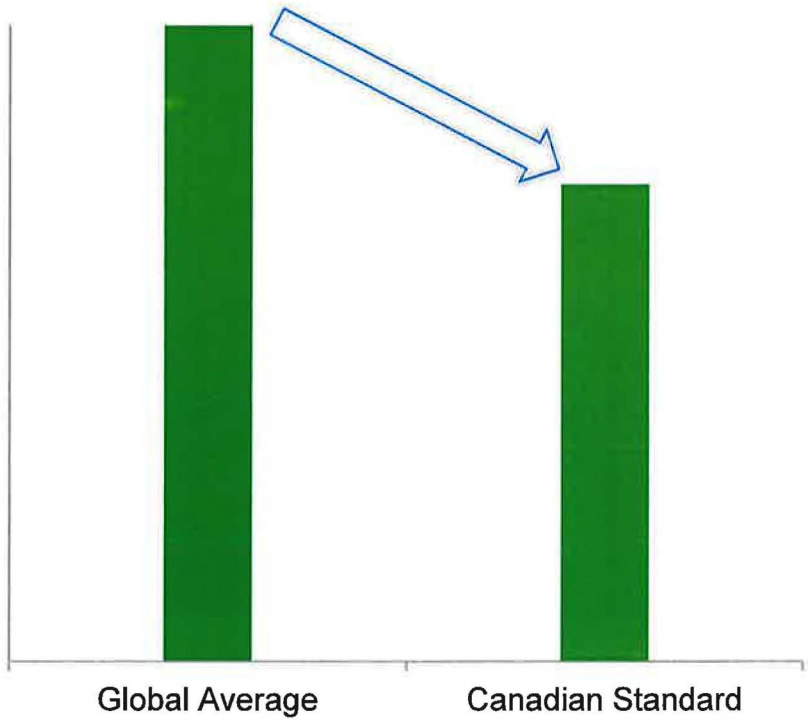
Canadian Oil Reduces GHG Emissions



Canada's high standards make a difference

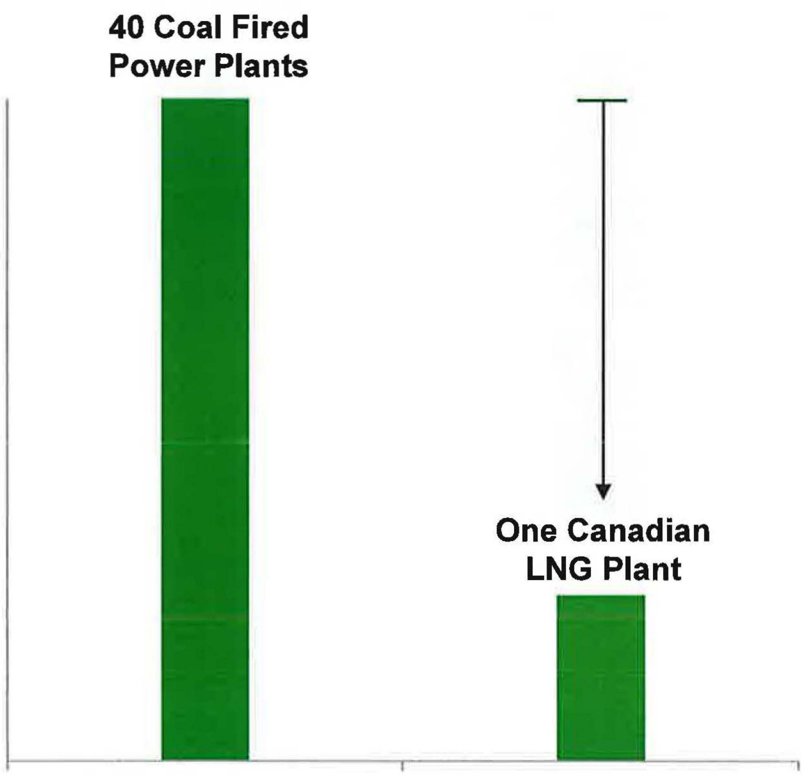
23% reduction is equivalent to removing 110 million cars from the road

Note: Recognition and application of Canadian flaring standards to the world.

Canadian Natural

110 MILLION CARS (MORE THAN 3X CARS IN CANADA)

Canadian Natural Gas Reduces GHG Emissions



- 60 - 90 million tonnes/year
- 10% of Canada's GHG emissions
- Greater than BC's total emissions

Note: Based on LNG Canada. EIA.

BUILDING 5 LNG PLANTS EQUIVALENT TO REDUCING CANADA'S GHG EMISSIONS BY 50%

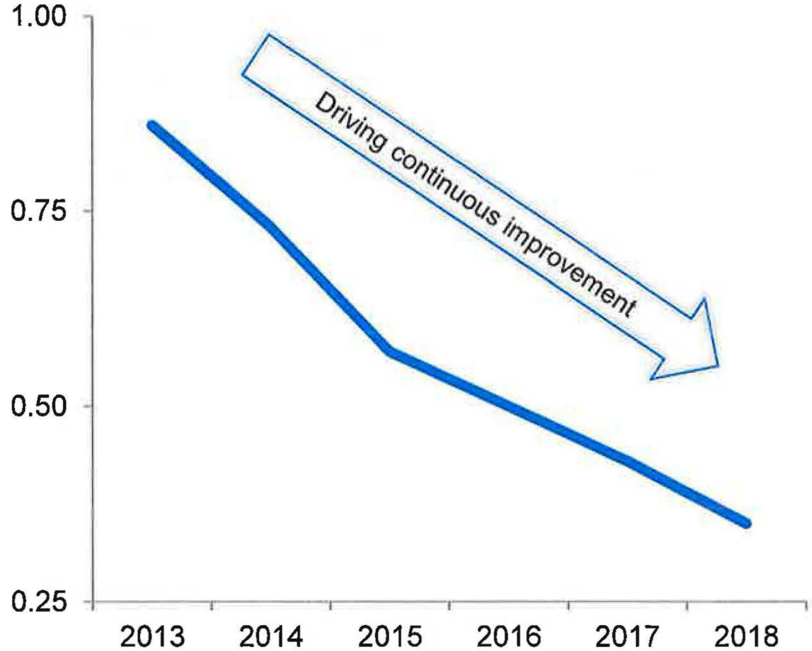
Canadian Natural
Technology, Innovation & Continuous Improvement

- Leading R&D investor
  - ~$3.4 billion invested since 2009*
- Benefits
  - Unlocking reserves
  - Becoming more effective and efficient
  - Increasing production
  - Reducing environmental footprint → GHG emission reductions are a priority
- Canadian Natural's culture of leveraging technology, innovation and continuous improvement is everyone's accountability and is key to driving sustainable operations and long-term value

**Based upon SRED capital invested from 2009-2018.*

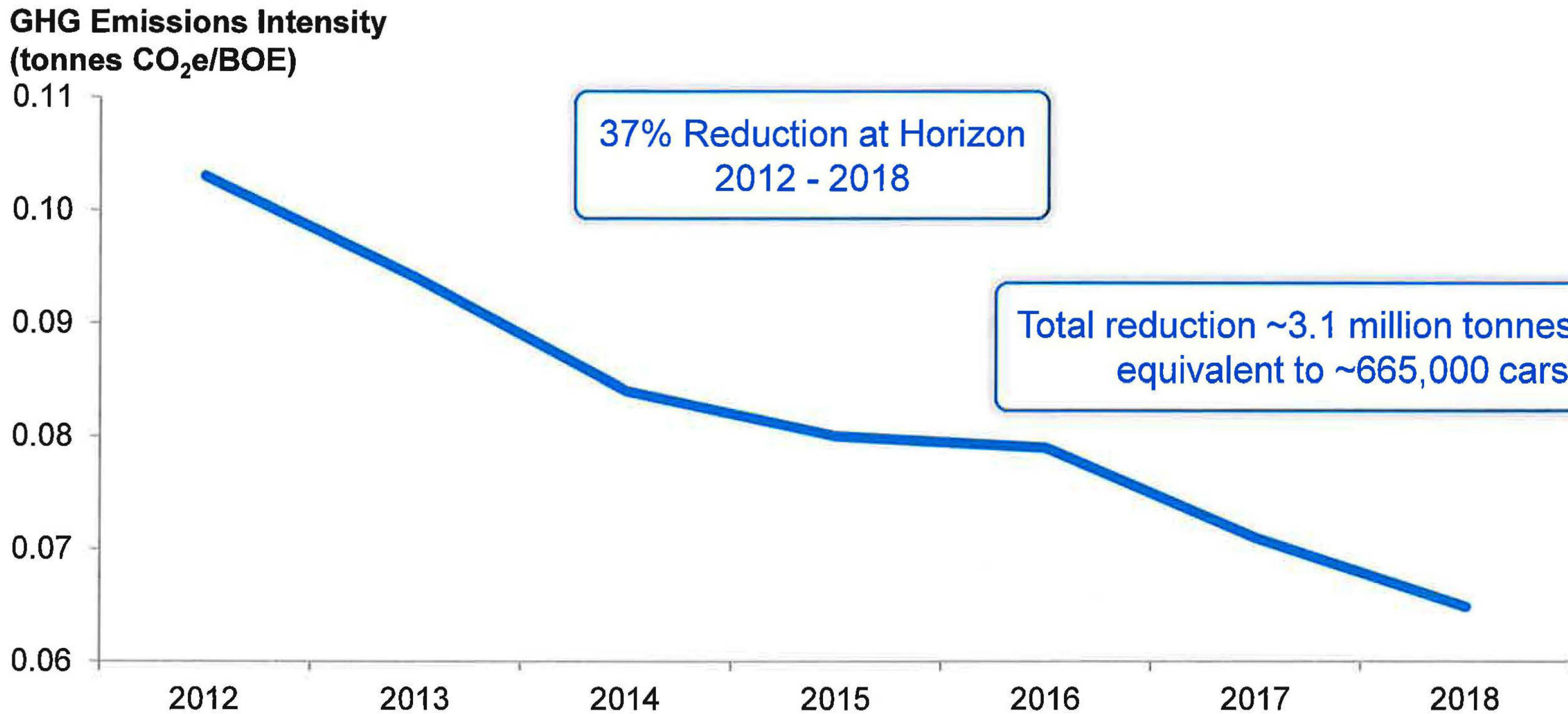
Canadian Natural
Delivering Safety Excellence

Corporate total recordable injury frequency (incident per 200,000 hours)



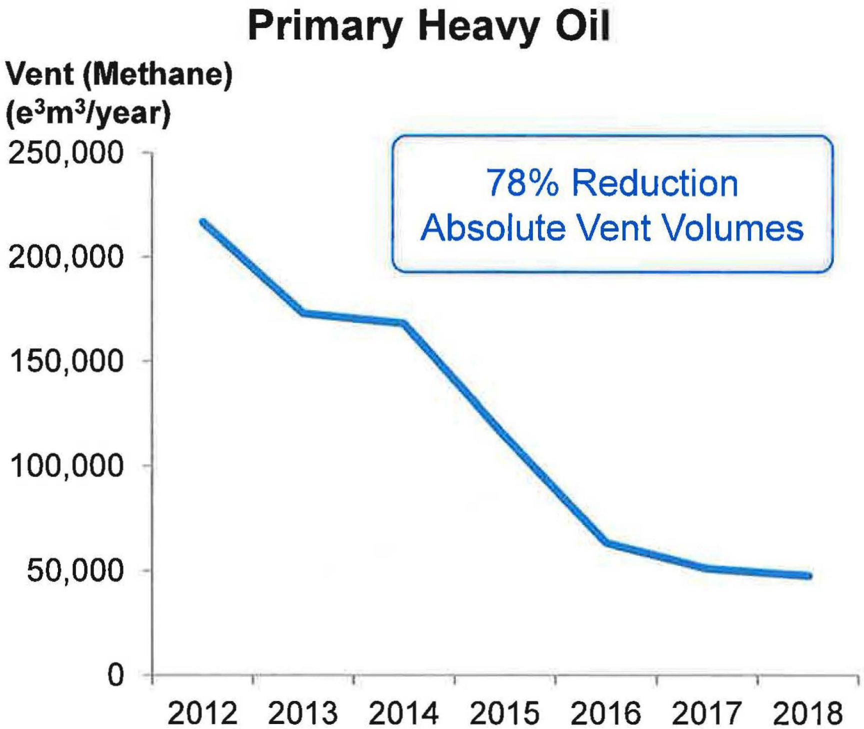
- Safety is a core value
- Committed to continuous improvement
- No harm to people, no safety incidents
- Top tier recordable injury frequency in North America conventional operations

Canadian Natural
Delivering Climate Leadership at Horizon Oil Sands



**Relative to 2012 performance.*
Note: Represents GHG emissions intensity at Horizon oil sands and upgrading.

Heavy Crude Oil
Continuous Improvement in GHG Emissions



- Continuous improvement initiatives have reduced environmental emissions
- Heavy Oil Casing Gas vent reduction
  - Solution Gas Conservation has reduced GHG emissions

Total reduction of ~4.4 million tonnes CO_2e, equivalent to ~930,000 cars*

**Relative to 2012 performance; includes reductions in Primary Heavy crude oil venting and Primrose CSS flaring.*
Note: 2012 is the reference point for the Government of Canada's methane reduction target.

Canadian Natural
Carbon Capture & Sequestration / Storage Technology

- Top tier CO_2 capturer and sequesterer in the world(1)
- Reduced CO_2 footprint
- Reduced CO_2 charges

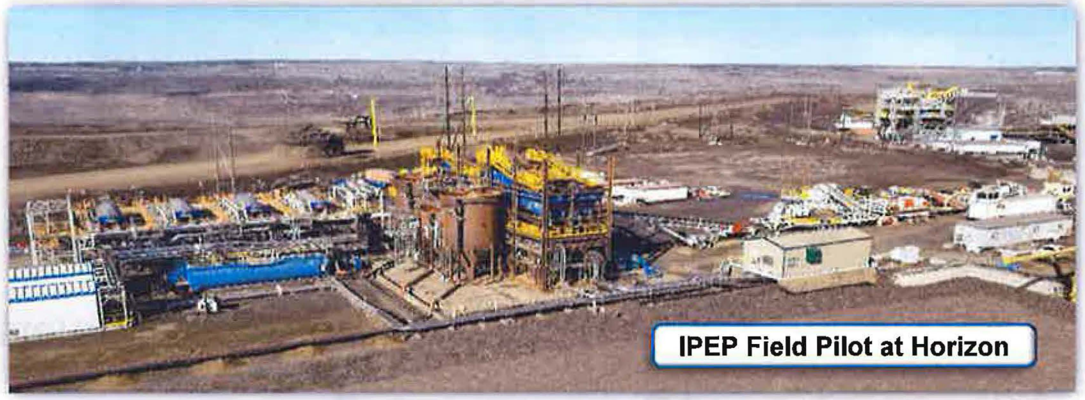
	Tonnes per Year
Horizon	0.4 million
Quest(2)	1.1 million
NWR(3)	1.2 million
	2.7 million

Equivalent to ~576,000 cars off the road annually

(1) Per the Global CCS Institute.
(2) Canadian Natural is a 70% working interest owner in Quest.
(3) On stream in 2019. Canadian Natural is a 50% owner in NWR.

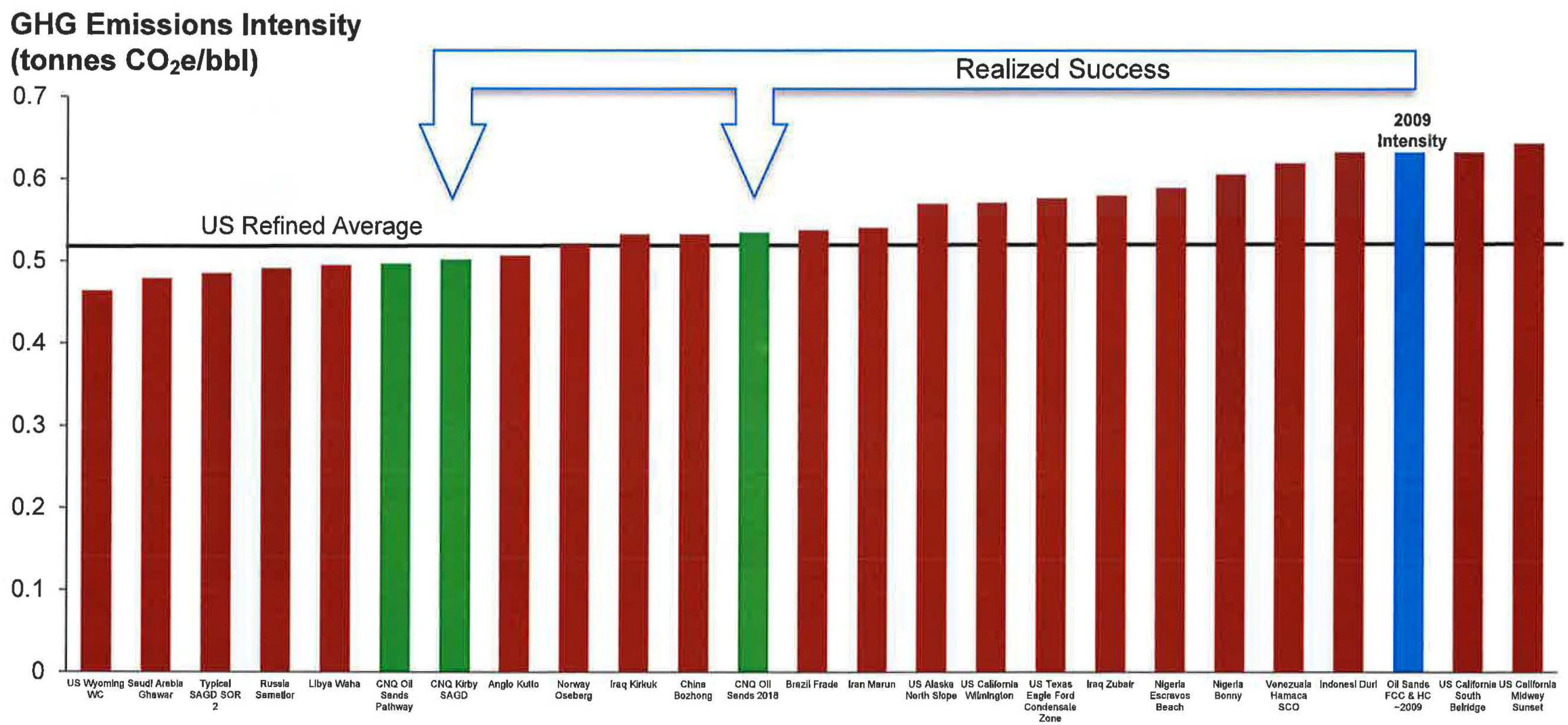
Oil Sands Mining & Upgrading
In Pit Extraction Process (IPEP)

- Potential for cost savings of $2.00/bbl - $3.00/bbl for operating and sustaining costs
- ~40% less GHG emissions during bitumen production
- Eliminates tailings ponds
- Overburden mining – shovel to conveyor – reducing haul truck fleet
- Extraction technology that separates bitumen in the mine pit
  - Pilot test started in April 2018
- Relocatable, modular extraction plant
  - Moves as mine face advances
  - Produces stackable dry tailings
  - Accelerates reclamation



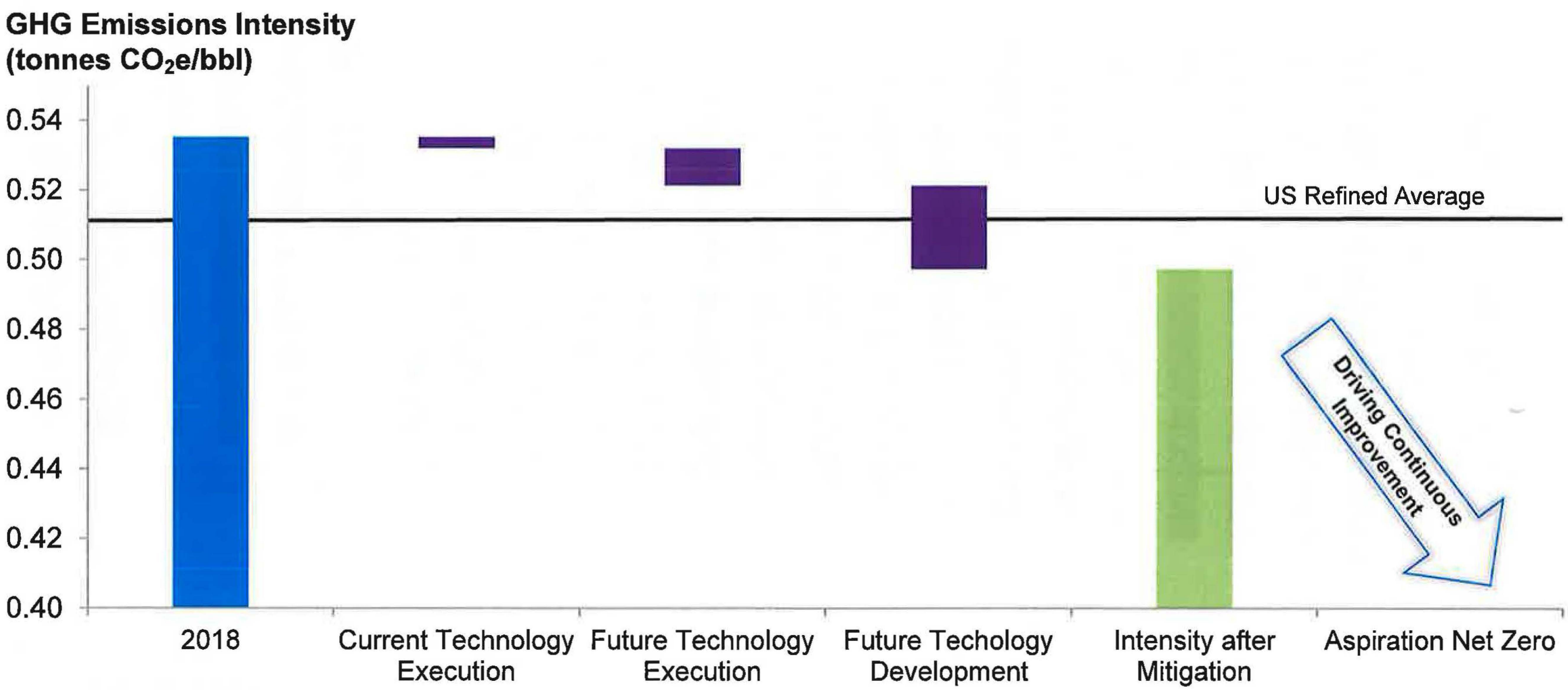
IPEP Field Pilot at Horizon

Oil Sands Well-to-Combustion



Note: Total emissions intensity includes: production and upgrading, transportation, refining, transportation of refined product and combustion. CNQ Oil Sands includes: Oil Sands Mining and Upgrading and Thermal Crude Oil.
Source: Internal company reports and ARC Energy Research Institute 2017 Report.

Capturing Technological Improvements in Oil Sands Operations Pathway to the Future



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Source: Internal company reports and ARC Energy Research Institute 2017 Report.

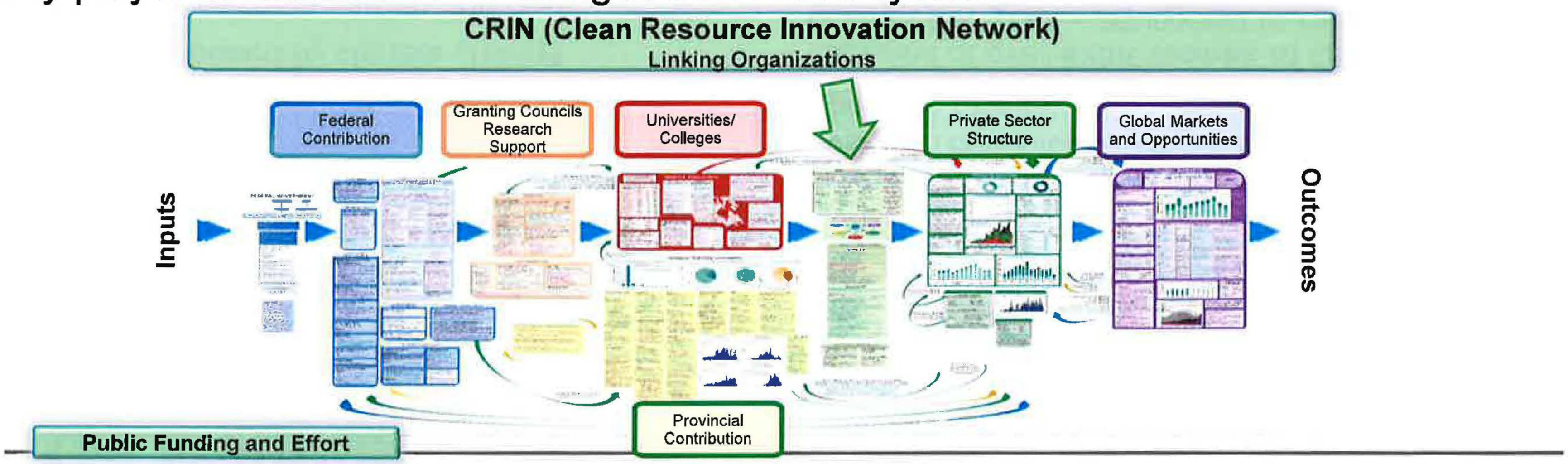
Balancing the Economy & Environment
Leveraging Technology

- World needs energy
- Canada has highest regulatory and environmental standards
- Collaboration and leveraging technology in the oil sands
  - Canadian success story
- Identified pathway for Canadian Natural's oil sands operations to be below average Global GHG intensity
- Canada's oil sands, light crude oil and natural gas can significantly reduce global GHG emission intensity
  - To reduce Global GHG emission intensity, market access for Canadian crude oil is required

Clean Resource Innovation Network (CRIN)

Clean Resource Innovation Network (CRIN)
The "Network of Networks"

- Canada has a long history as a global leader in resource development and innovation
- Solutions to today's energy challenges require an understanding of the entire innovation system and how the pieces fit together
- Many players contribute to oil and gas innovation system



CRIN Members are Committed to Making a Difference

Our Beliefs

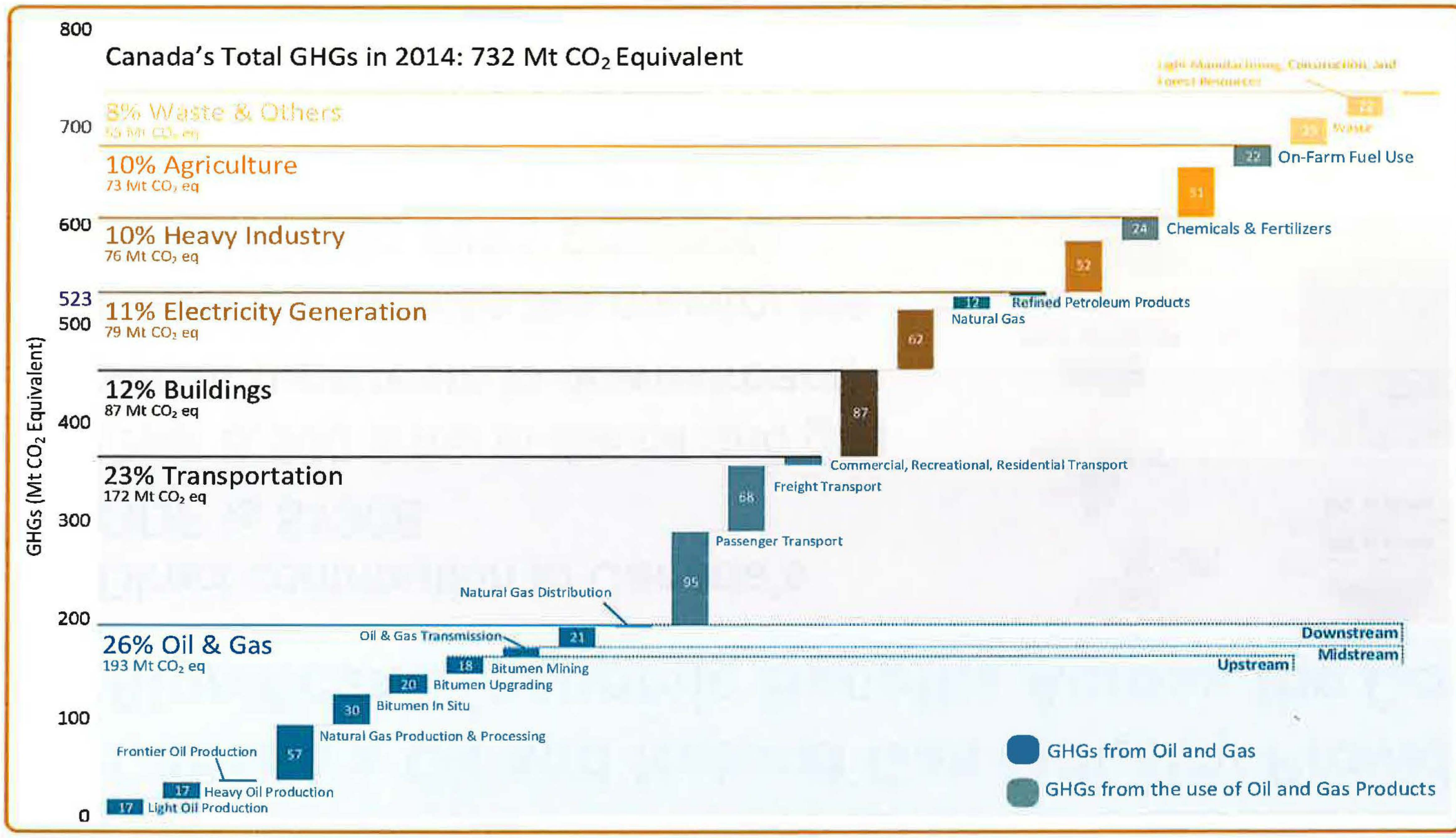
- We agree that "clean growth is good for our planet and our pocketbooks." (Action on Clean Growth)
- We believe we are part of the solution to address the challenges posed by climate change
- We innovate to become carbon and cost competitive.
- We seek to leverage resources (skills, expertise and funding) to advance and accelerate results
- We recognize that societal benefits are far greater when sectors works together for effective, rapid and responsible deployment

Our Results

- 75% of energy private investments in clean tech come from the oil & gas sector
- Petroleum Technology Alliance of Canada (PTAC) has positive results:
  - captured of over **820K tonnes of CO2e offset credits per year** – equivalent to **removing 164K cars off road annually**
  - valued of offsets are between **$76M - $104M per year. Potential cost savings estimated at between $531M-$552M**
- Innovation in oil sands technology has potential to reduce GHG emissions by 79%

Canada will continue to benefit from an innovation system that is financially sound, technically leading edge, diverse, and socially and environmentally responsible.

Innovation Needs to be Across the Full Value-Chain



Oil & Gas subsectors with greatest need to innovate:

- Upstream Oil/Gas Production (22%)
- Transportation (23%)
- Other End Use (9%) *electricity, chemicals, fertilizers, farm-fuels*
- Refining (3%)
- Other also contain GHGs that are the result of oil and gas end-use

Canada's Oil and Natural Gas Industry Provides Significant Economic Benefits Across the Country

- Direct contribution to Canada's GDP is $130B
- Over 8,800 firms in the oil and gas sector (upstream to downstream)
- Direct jobs across the country are over 190K (in every province)
- Oil and Gas exports add $43B to Canada's balance of trade
- An estimated 6,000 products are made from oil & gas