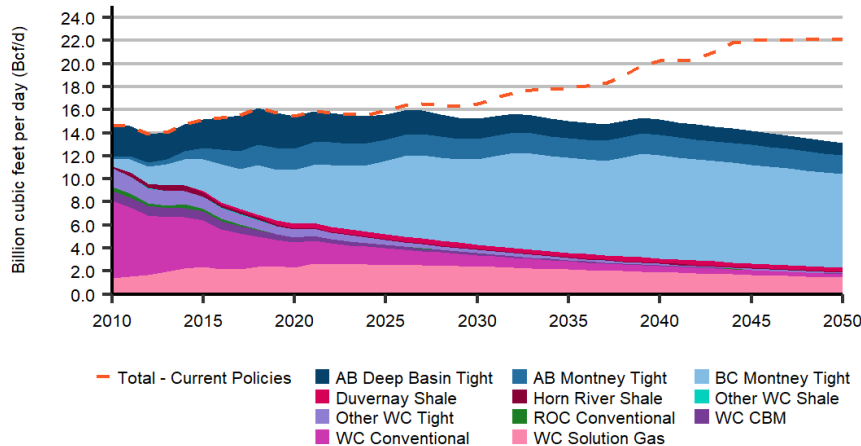




### Marketable Natural Gas Production - Evolving Policies Scenario



In the Evolving Policies Scenario, natural gas production remains near current levels through much of the next two decades. The additional investment in production to feed assumed liquefied natural gas (LNG) export volumes increases production above what would otherwise occur given the assumed natural gas prices and the costs associated with assumed domestic climate policies. After 2040, with LNG exports assumed to stay flat, total production begins to decline. Much of the production growth related to LNG exports occurs in B.C. and production in B.C. surpasses that of Alberta by 2028. The Evolving Policies Scenario assumes lower natural gas prices, higher carbon costs, and lower LNG exports than the Current Policies Scenario.

Evolving Policies Scenario	2010	2020	2030	2040	2050
<b>Canadian Gas Production, marketable Bcf per day</b>	<b>14.6</b>	<b>15.5</b>	<b>15.2</b>	<b>15.1</b>	<b>13.1</b>
Conventional	7.0	2.2	1.0	0.5	0.3
Montney Tight	0.8	6.5	9.2	10.7	9.8
Alberta Deep Basin Tight	2.7	2.8	1.8	1.3	1.1
Solution Gas	1.4	2.3	2.4	1.9	1.4
Other	2.7	1.6	0.9	0.7	0.5
<b>AB Reference Gas Price, 2020 C\$ per mmBtu</b>	<b>\$3.16</b>	<b>\$2.24</b>	<b>\$2.93</b>	<b>\$3.31</b>	<b>\$3.42</b>
<b>Henry Hub Price, 2020 US\$ per mmBtu</b>	<b>\$5.45</b>	<b>\$2.00</b>	<b>\$3.24</b>	<b>\$3.54</b>	<b>\$3.64</b>
<b>Gas Wells, average per year</b>	<b>4 416</b>	<b>578</b>	<b>882</b>	<b>897</b>	<b>743</b>
<b>Gas Drill Days, average per year</b>	<b>58 374</b>	<b>16 162</b>	<b>25 196</b>	<b>25 433</b>	<b>21 087</b>
<b>Average Drill Days per Well</b>	<b>13.2</b>	<b>27.9</b>	<b>28.6</b>	<b>28.4</b>	<b>28.4</b>
<b>Average Initial Production Rate per Well, mmcf per day</b>	<b>0.98</b>	<b>2.49</b>	<b>2.62</b>	<b>2.69</b>	<b>2.70</b>
<b>LNG Exports, Bcf/d</b>	<b>0.00</b>	<b>0.00</b>	<b>2.30</b>	<b>4.88</b>	<b>4.88</b>

74%

Montney's share in 2050

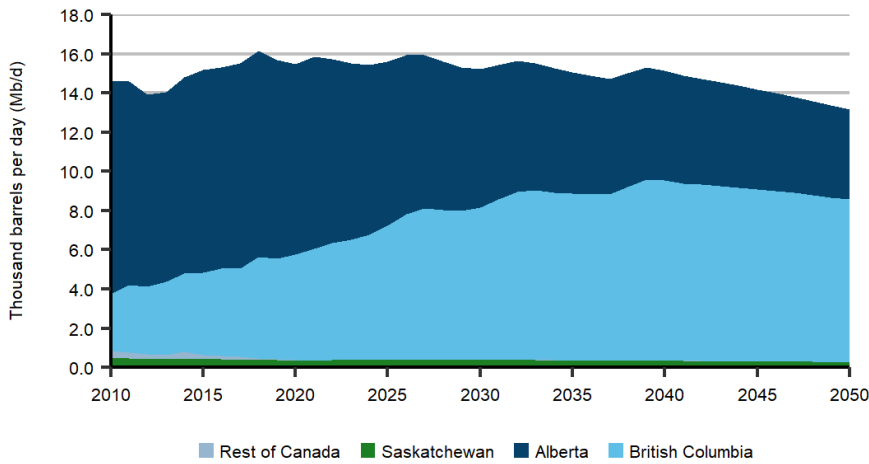
4.9 Bcf/d

LNG Exports by 2039



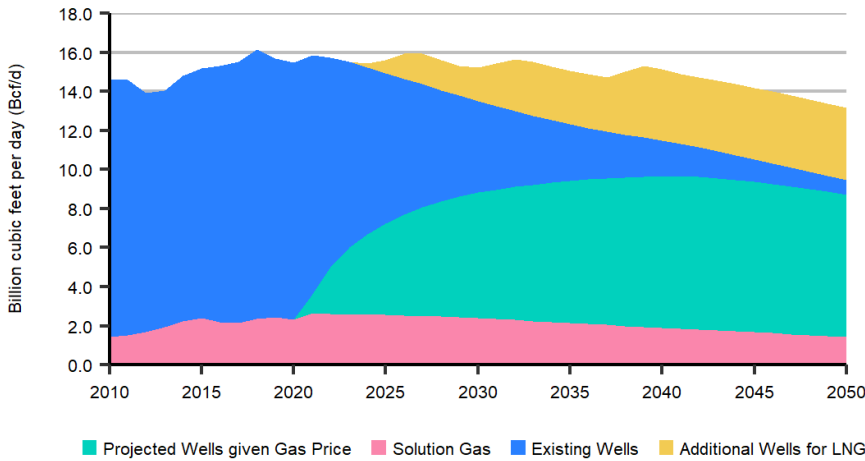
Current Policies Scenario in 2050:  
22 Bcf/d production  
7.1 Bcf/d LNG exports

## Marketable Natural Gas Production by Area - Evolving Policies Scenario



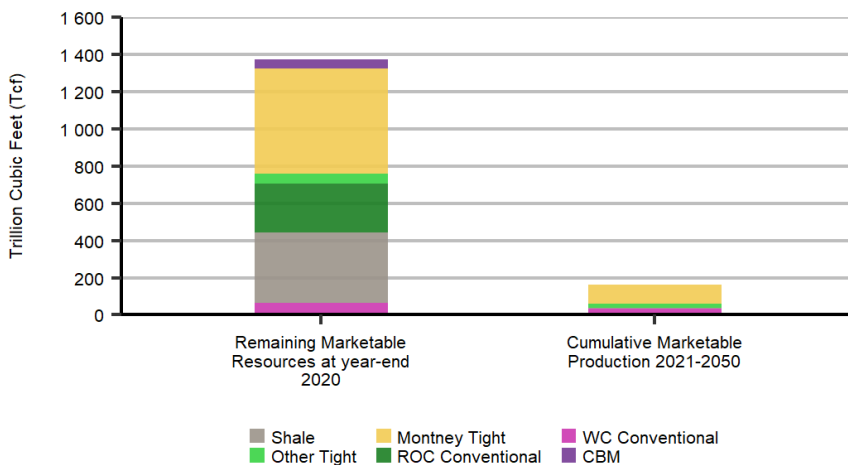
B.C. continues to have the strongest growth and becomes the largest producer by 2028.

## Western Canadian Marketable Natural Gas Production by Well Vintage - Evolving Policies Scenario



In the longer term, additional production for LNG exports becomes a larger portion of total production.

## Natural Gas Resources vs. Cumulative Production



In the Evolving Policies Scenario, only 12% of resources in Canada are produced over the projection.

