

December 12, 2014

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Attention: Ms. Priscilla Kennedy

RE: Shell's Comments regarding December 5, 2014 letter provided from Davis LLP Canadian Environmental Assessment Registry No: 59539

Dear Ms. Kennedy:

Shell recently became aware of the above-mentioned letter provided to the Joint Review Panel (JRP) via the Canadian Environmental Assessment Agency (CEA Agency) Registry. We submit this letter in response to the concerns you raise in your correspondence.

For background, Shell has been engaging on the Pierre River Mine project (PRM) with Mr. Malcolm, as the self-identified representative of the Non-Status Fort McMurray/Fort McKay Band (NSFMFMB), since 2008. Shell co-funded an April 2008 study which included Traditional Land Use information from members of the Wood Buffalo Elders Society for use in Shell's current oil sands applications.

More recently, on August 22, 2013, Shell held an open house for the NSFMFMB at the Sawridge Hotel in Fort McMurray, during which Shell presented information regarding the Jackpine Mine Expansion project, PRM project, Shell's environmental management process, information on Shell's community engagement program and social investment, as well as Shell's contracting and procurement process. This open house was attended by 10 community members; questions were primarily focused on access to employment and contracting opportunities, Shell's social investment programs and Shell's environmental management on the matter, no Elders were in attendance and no environmental consultants participated in the open house.

In addition to the open house, Shell held an NSFMFMB Elders meeting at the Sawridge Hotel in Fort McMurray on April 3, 2014. This was communicated directly to you via a letter from Shell's legal counsel dated April 10, 2014. Shell believed the four hour gathering would allow for meaningful dialogue between Shell and NSFMFMB members/Elders. In order to address feedback and questions from the August 2013 open house, and the January 17, 2014 Statement of Concern submitted to the PRM JRP by

NSFMFMB, Shell arranged for its environmental, social investment, Aboriginal local content and consultation staff to be in attendance to provide information and answer questions. Shell also funded the participation of a third party facilitator and an environmental consultant chosen by NSFMFMB. At the meeting, Shell provided project updates with respect to the Jackpine Mine Expansion and PRM projects, and attempted to solicit project-specific concerns in order to understand how the NSFMFMB community is directly impacted by the proposed PRM project.

Unfortunately, despite its efforts, Shell continues to have difficulty understanding how the PRM project may impact the NSFMFMB and its membership. Out of the thirteen community members in attendance at the 2014 Elders meeting, seven people self-identified as Fort McMurray Métis Local 1935 members. Shell consults directly with Fort McMurray Métis Local 1935 and its members to understand project-related impacts and collaborate on mitigation planning.

Shell has provided a number of opportunities and has expended funds to facilitate the above-mentioned engagement sessions for NSFMFMB to provide feedback and share project-specific concerns regarding the PRM project. Unfortunately, Shell remains unclear as to the membership of the NSFMFMB community, and to date has not been provided with any site-specific concerns associated with the PRM project. In light of the above, Shell provided this feedback to Mr. Malcolm throughout this year and committed to keep him updated as the project progresses. Shell provided a letter on November 29, 2014 outlining the current status of the PRM project, 2014 work carried out, along with a link to the CEA Agency Pierre River Mine public registry.

Earlier this year, Shell also corresponded with Bernadette Dumais, regarding the history of the Clearwater #175 First Nation. Ms. Dumais identified herself as the Chief of the Clearwater #175 First Nation.

Shell will continue to keep the Mr. Malcolm updated with respect to the PRM project and continues to be willing to discuss and attempt to address any project-specific concerns the groups may have.

If you have any questions regarding this letter, please do not hesitate to contact me.

Yours truly,

<original signed by>

Jennifer Platman Senior Consultation Specialist Shell Canada Energy

cc: Jill Adams, JRP Secretariat Steven Van Lingen, AER Panel Manager (interim) Shawn Denstedt, Osler, Hoskin & Harcourt LLP Margwyn Zacaruk, Shell Canada Limited Sean Assie, Shell Canada Limited