

# Growth + Integration = Value Creation



Investor Information  
July 2011

energy  
innovation  
commitment



# Legal notice

This investor presentation contains certain “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 and “forward-looking information” within the meaning of applicable Canadian securities legislation (collectively, “forward-looking statements”), including statements about Suncor’s growth strategy and expected future production, operating and financial results that are based on Suncor’s current expectations, estimates, projections and assumptions that were made by Suncor in light of its experience and its perception of historical trends. Some of the forward-looking statements may be identified by words such as “objective”, “targets”, “estimates”, “anticipated”, “plans”, “goal”, “vision”, “strategy”, “expects”, “proposed”, “intention”, “continue”, “may”, “will”, “outlook”, “opportunity”, “pursuing” and “projected” and similar expressions. 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 Suncor. Users of this information are cautioned that actual results may differ materially as a result of, among other things, assumptions regarding expected synergies and reduced operating expenditures; volatility of and assumptions regarding oil and gas prices; assumptions regarding timing of commissioning and start-up of capital projects; assumptions contained in or relevant to Suncor’s current corporate guidance; fluctuations in currency and interest rates; product supply and demand; market competition; risks inherent in marketing operations (including credit risks); imprecision of reserves and resources estimates and estimates of recoverable quantities of oil, natural gas and liquids from Suncor’s properties; the ability to access external sources of debt and equity capital; the timing and the costs of well and pipeline construction; assumptions regarding the timely receipt of regulatory and other approvals; the ability to secure adequate product transportation; changes in royalty, tax, environmental and other laws or regulations or the interpretations of such laws or regulations; applicable political and economic conditions; the risk of war, hostilities, civil insurrection, political instability and terrorist threats; assumptions regarding OPEC production quotas; and risks associated with existing and potential future lawsuits and regulatory actions.

Although Suncor believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Suncor’s Earnings Release, Quarterly Report and Management’s Discussion & Analysis for the second quarter of 2011 and its most recently filed Annual Information Form/Form 40-F, Annual Report to Shareholders and other documents it files from time to time with securities regulatory authorities describe the risks, uncertainties, material assumptions and other factors that could influence actual results and such factors are incorporated herein by reference. Copies of these documents are available without charge from Suncor at 150 6th Avenue S.W., Calgary, Alberta T2P 3Y7, by calling 1-800-558-9071, or by email request to [info@suncor.com](mailto:info@suncor.com) or by referring to the company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com) or EDGAR at [www.sec.gov](http://www.sec.gov). Except as required by applicable securities laws, Suncor disclaims any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Suncor’s outlook includes a planned production range, capital expenditure spend and turnaround schedule based on our current expectations, estimates, projections and assumptions (collectively, the “Factors”), including those outlined in our corporate guidance available on [www.suncor.com/guidance](http://www.suncor.com/guidance), which Factors are incorporated herein by reference.

Certain financial measures referred to in this presentation, namely free cash flow, cash flow from operations and return of capital employed (ROCE), are not prescribed by Canadian generally accepted accounting principles (GAAP). For a description of how Suncor uses these measures, see the Non-GAAP Financial Measures section of Management’s Discussion and Analysis dated July 26<sup>th</sup> 2011. The non-GAAP measure free cash flow used by Suncor is calculated as cash flow from operating activities less capital and exploration expenditures.

Compounded annual growth rate (CAGR) is the calculation of that rate at which the business is expected to grow over a period of time, taking into account the effect of annual compounding. Planned net capacity is Suncor’s planned production capacity on a calendar day basis, which takes into account regular planned maintenance on an annual basis. Target first oil is the indicative timing of the start up and commission of new capital projects, when oil production is first anticipated.

Reclamation at Suncor is a carefully monitored process with two distinct components: (i) transformation of the area, including tailing ponds, into a solid material that can support vegetation, wildlife and landscape restoration, which includes landform design and oil placement; and (ii) re-vegetation in a way that the reclaimed landscape can support vegetation and wildlife as a self-sustaining ecosystem. When Suncor claims that it has reclaimed land or plans to reclaim land, the reclaimed land will have met or is intended to meet the two distinct components identified in this paragraph.

# Legal notice

Reserves and contingent resource information presented herein is presented as Suncor's working interest (operating and non-operating) before deduction of royalties, and without including any royalty interests of Suncor, and is at December 31, 2010. For more information on Suncor's reserves and contingent resources, please see Suncor's current Annual Information Form dated March 3, 2011 available at [www.sedar.com](http://www.sedar.com). Contingent resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. There is no certainty that it will be commercially viable to produce the contingent resources.

Best Estimate is considered to be the best estimate of the quantity that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate. The best estimate of potentially recoverable volumes is generally prepared independent of the risks associated with achieving commercial production. There are numerous uncertainties inherent in estimating quantities and quality of these proved and probable reserves and contingent resources, including many factors beyond our control.

In general, estimates of economically recoverable reserves from these assets are based upon a number of variable factors and assumptions, such as historical production from the properties, the assumed effect of regulation by governmental agencies, pricing assumptions, the timing and amount of capital expenditures, future royalties, future operating costs and yield rates for production of SCO from bitumen, all of which may vary considerably from actual results. The accuracy of any reserve and resource estimate is a matter of engineering interpretation and judgment and is a function of the quality and quantity of available data, which may have been gathered over time and include geological assessments including drilling and laboratory tests. These estimates also consider current production capacity and upgrading yields, current mine plans, operating life and regulatory constraints. Our actual production, revenues, royalties, taxes and development and operating expenditures with respect to our reserves will vary from such estimates and such variances could be material. Production performance subsequent to the date of the estimate may justify revision, either upward or downward, if material. For these reasons, estimates of the economically recoverable reserves attributable to any particular group of properties, and classification of such reserves based on risk of recovery, prepared by different engineers or by the same engineers at different times, may vary substantially.

Estimates of contingent resources have not been adjusted for risk based on the chance of development. Such estimates are not estimates of volumes that may be recovered and actual recovery is likely to be less and may be substantially less or zero. There is no certainty as to the timing of such development. There is no certainty that all or any portion of the contingent resource will be commercially viable to produce. For movement of resources to reserves categories, all projects must have an economic depletion plan and may require, among other things: (i) additional delineation drilling and/or new technology for unrisks contingent resources; (ii) regulatory approvals; and (iii) company approvals to proceed with development.

Certain crude oil and natural gas liquid volumes estimates provided for in this presentation have been converted to millions of cubic feet equivalent of natural gas (mmcf) on the basis of one barrel to six thousand cubic feet. Also, certain natural gas volumes have been converted to barrels of oil equivalent (boe) on the same basis. Mmcf and boe may be misleading, particularly if used in isolation. A conversion ratio of one barrel of crude oil or natural gas liquids to six thousand cubic feet of natural gas is based on an energy equivalency conversion method primarily applicable at the burner tip and does not necessarily represent value equivalency at the wellhead.

Information contained herein regarding the company's credit ratings is provided as it relates to the company's cost of funds and liquidity and indicates whether or not the company's credit ratings have changed. In particular, the company's ability to access unsecured funding markets and to engage in certain collateralized business activities on a cost-effective basis is primarily dependent upon maintaining competitive credit ratings. A lowering of the company's credit rating may also have potentially adverse consequences for the company's funding capacity or access to the capital markets, may affect the company's ability, and the cost, to enter into normal course derivative or hedging transactions and may require the company to post additional collateral under certain contracts.

# Canada's premier integrated energy company with an unparalleled resource base and growth opportunities

## What differentiates us

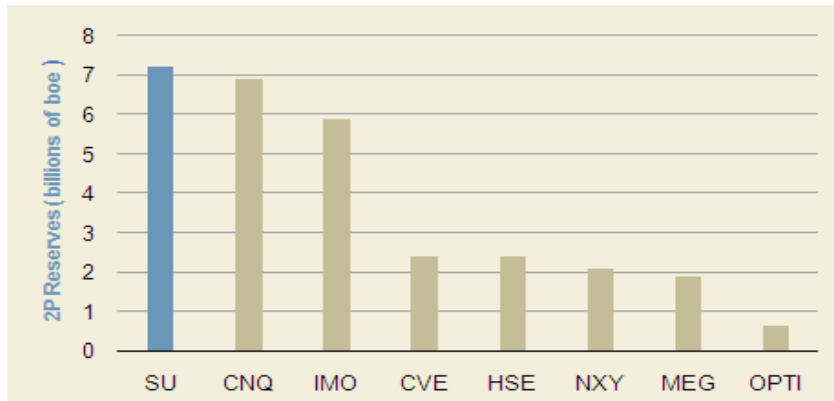
- Production from continuing operations > 90% crude oil in 2011
- Unparalleled oil sands resource base
- Profitable, world-class growth opportunities
- Regulatory approvals in place
- Strategic balance between bitumen supply and upgrading to drive long term value
- Experienced management team
- History of responsible, high return growth
- Strong balance sheet



Growth underpinned by 7 billion barrels of 2P and 20 billion barrels of contingent resources\*

\* approximate as of December 31<sup>st</sup> 2010

Please refer to the legal notice on pages 2 and 3 for further details on Suncor's reserves and resources



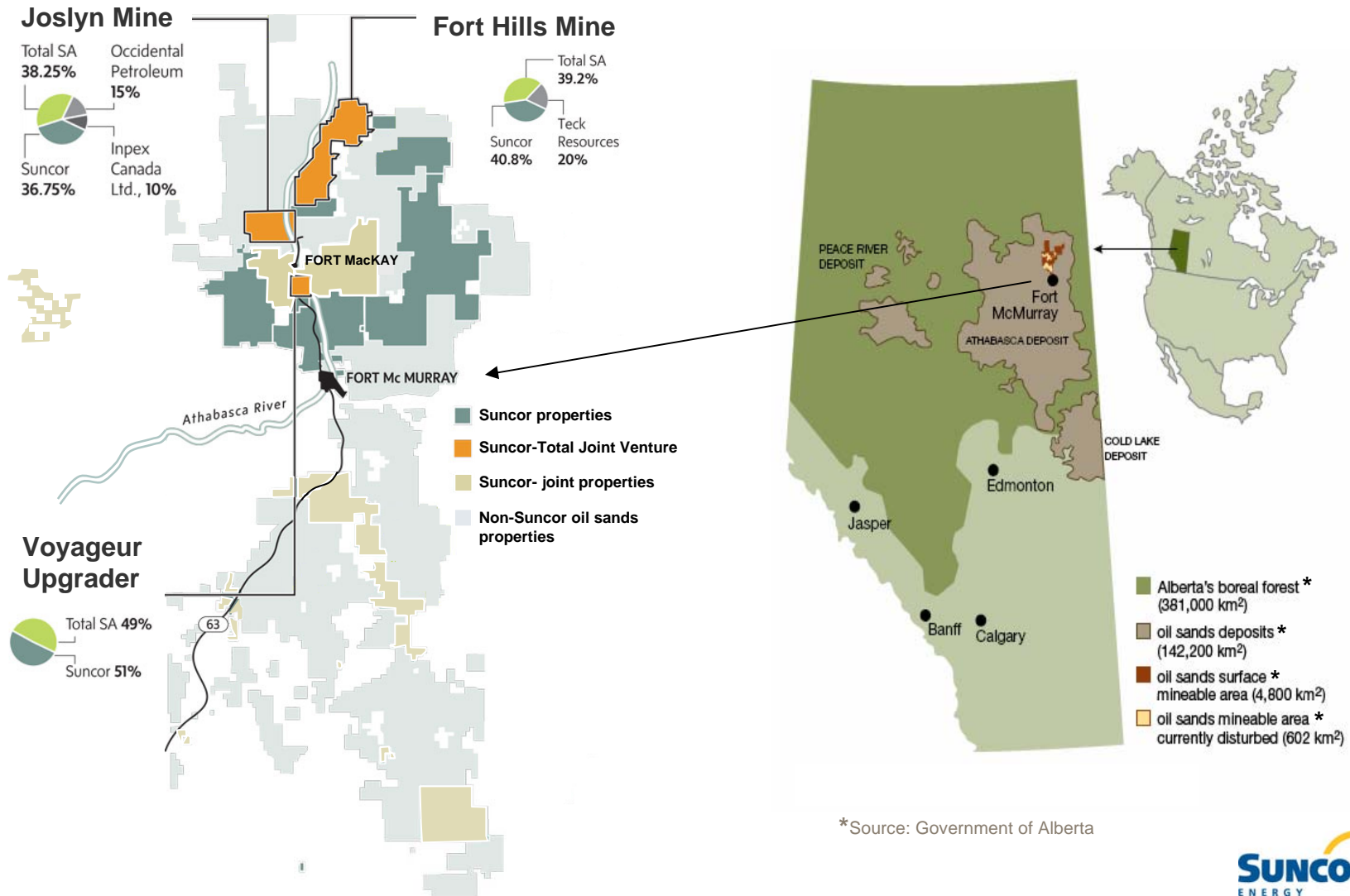
Source: Data compiled by Suncor Energy using publicly available information

# Diversified asset base

supports our integrated strategy and funds growth

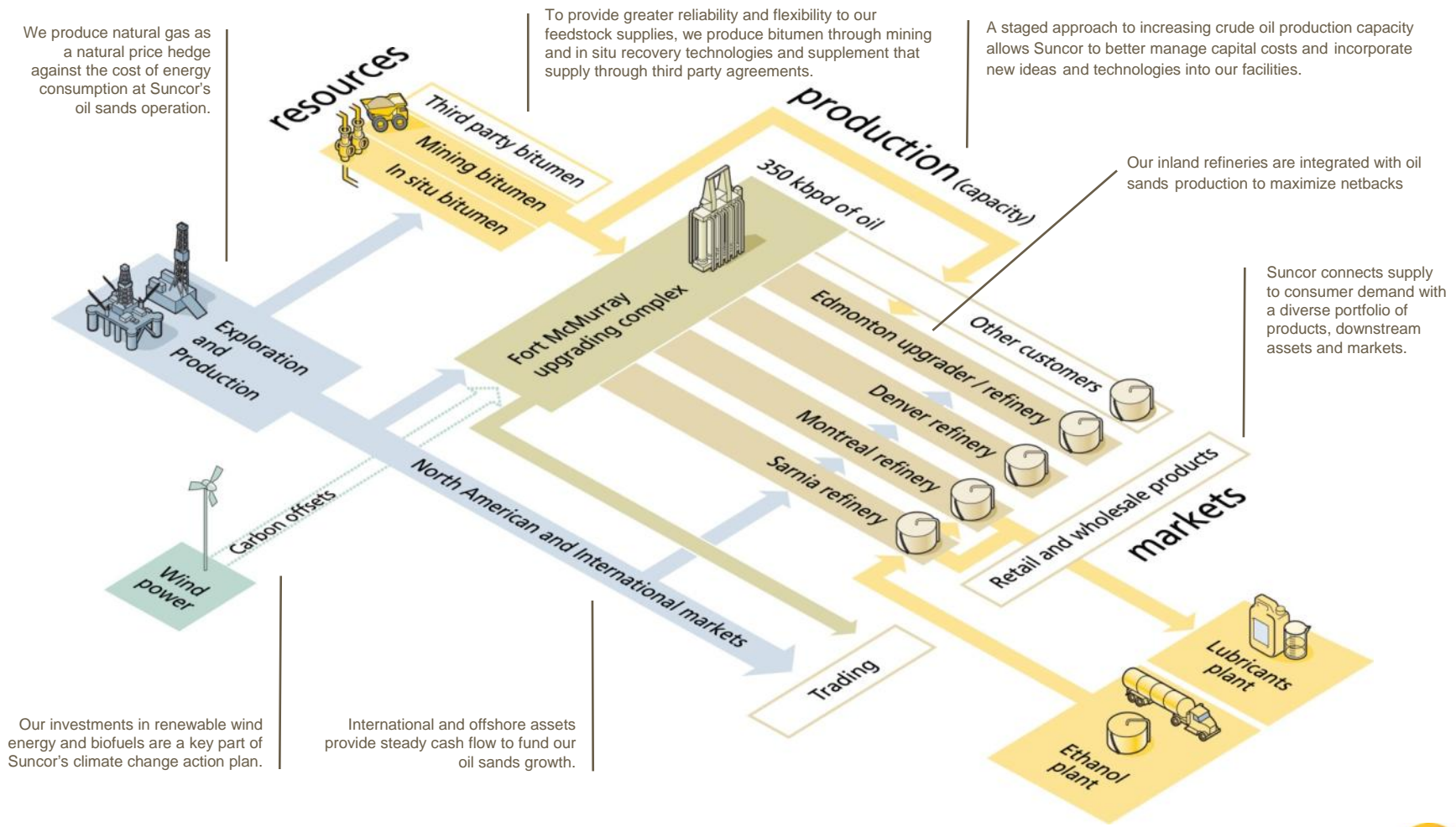


# One of the largest resource positions of any oil sands company with a balanced resource mix of mined and *in situ* bitumen



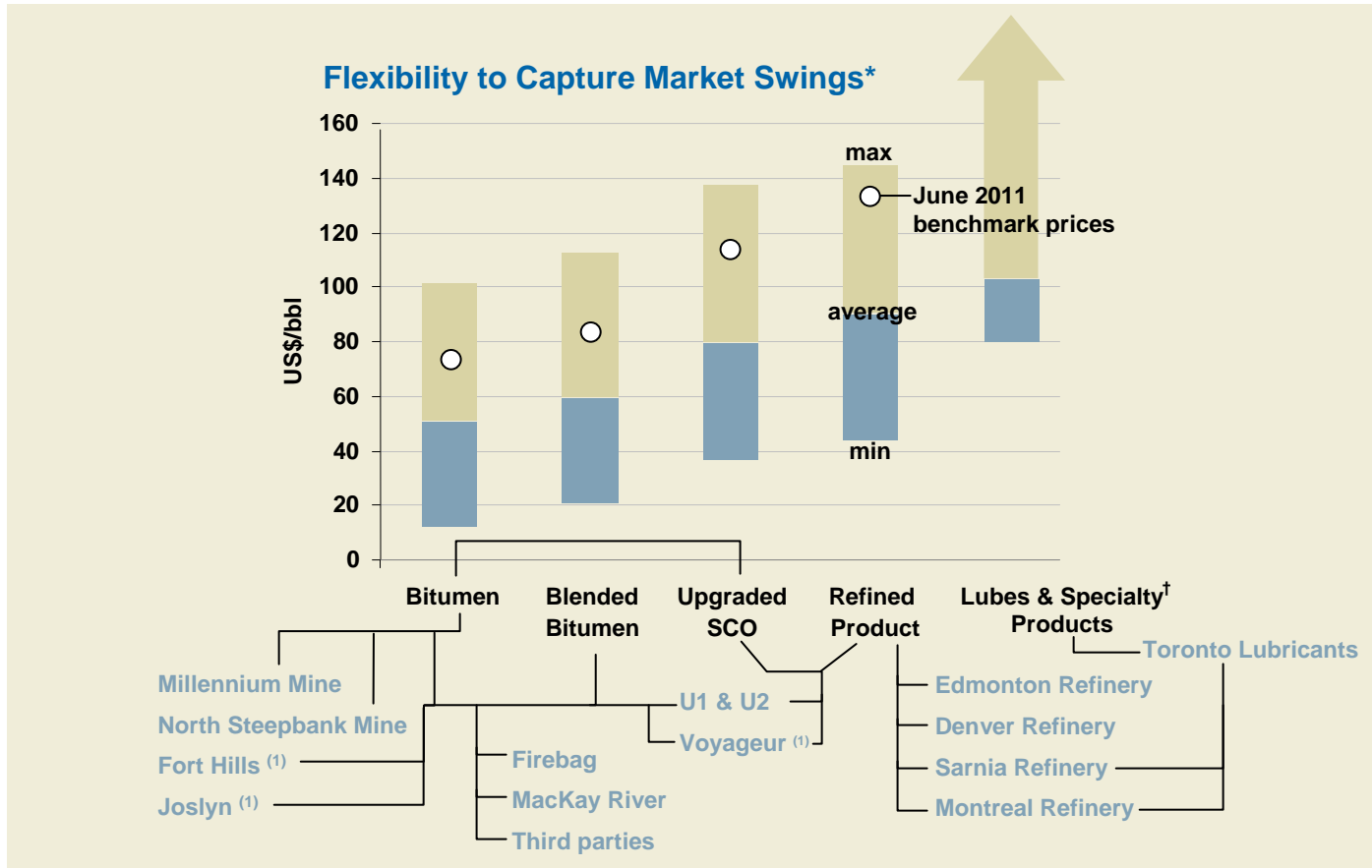
# Integrated model to deliver long-term shareholder value

## low-cost cash flow from conventional assets funds long-life assets



# Integrated and flexible business model

able to optimize value in market pricing



<sup>†</sup> Lubricants pricing is indicative as the actual range is substantial across products.

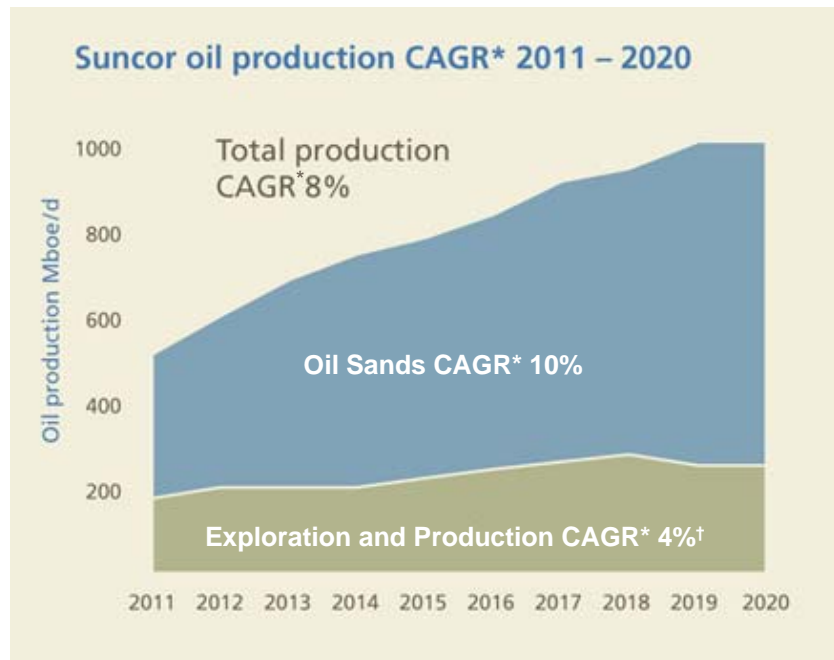
\*Maximum, minimum, and average prices for benchmark commodities based on 2006-June 2011 data.

(1) Suncor anticipates bringing the Voyageur and Fort Hills projects on-stream in 2016 and that the Joslyn project will be brought on-stream by 2017/2018

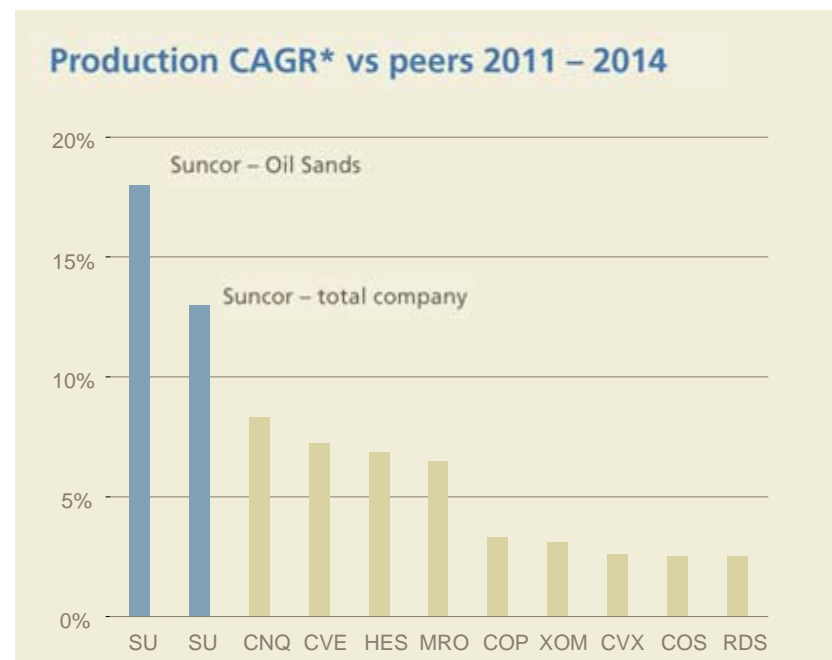
# Targeting one million boe/d production by 2020

superior growth rate estimated relative to peers

## Long-term growth



## Medium-term growth



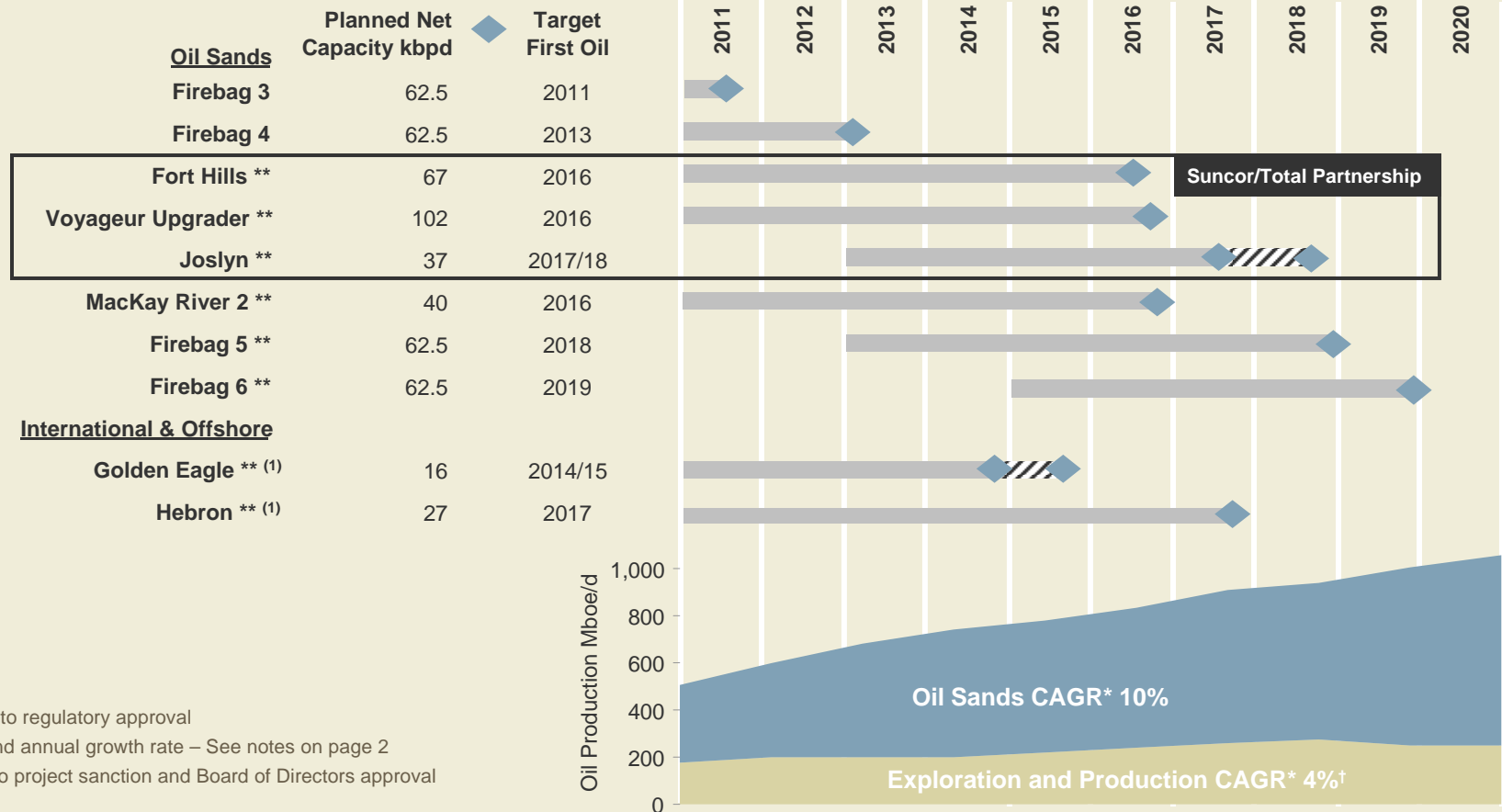
Source: Credit Suisse estimates excluding Suncor. Suncor represents current growth plan July 22<sup>nd</sup> 2011 estimates

\*Compound annual growth rate – See note on page 2

† Exploration and Production data has not been adjusted for the disruption in Libyan production or the amalgamation of the Natural Gas and International and Offshore segments

# Projected corporate growth of 8% to 2020

Oil Sands growth of 10% underpinned by Suncor / Total Partnership



(1) Subject to regulatory approval

\* Compound annual growth rate – See notes on page 2

\*\* Subject to project sanction and Board of Directors approval

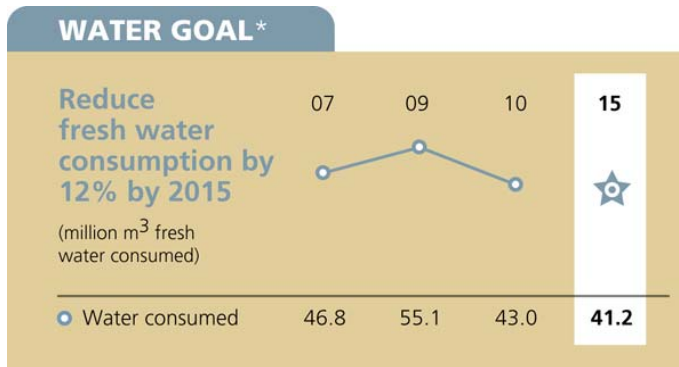
In-situ projects, including Firebag 3 – 6 and MacKay River 2, are subject to a ramp up period from first oil to full capacity over a period of approximately 24 months

† Exploration and production data has not been adjusted for the disruption in Libyan production or the amalgamation of the Natural Gas and International and Offshore segments

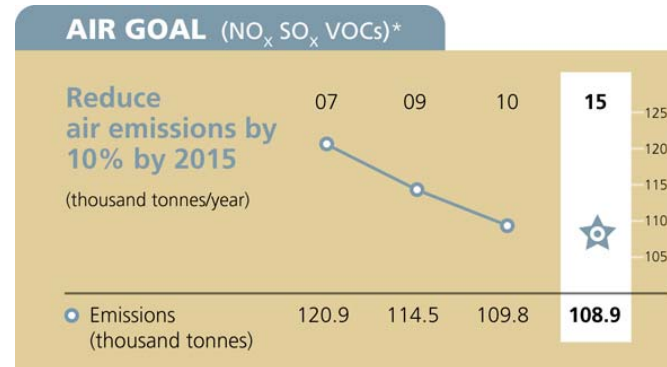


# Sustainability underpins our growth

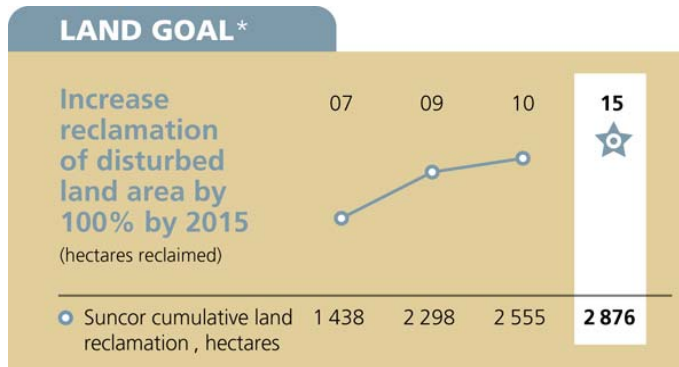
## environmental goals for 2015 and beyond



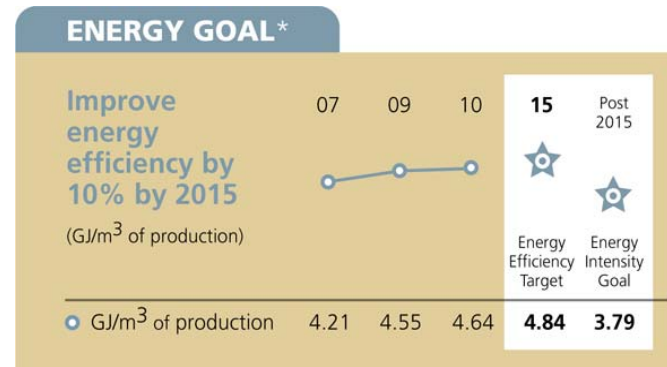
Water goal performance metrics include fresh water consumption at operated sites in Oil Sands, In Situ, Refining and Marketing (excluding terminals and retail sites), Ethanol Plant, and Exploration and Production



Air goal performance metrics are a sum of air emissions (NO<sub>x</sub>, SO<sub>x</sub> and VOCs) at operated sites in Oil Sands, In Situ, Refining and Marketing (including terminals, excluding retail sites), Ethanol Plant and Exploration and Production



Land goal performance metrics include reclamation at operated sites in Oil Sands, Natural Gas and In Situ. Oil Sands numbers reflect the update described in the Oil Sands Performance Indicators section of the 2011 Sustainability Report.



Energy goal performance metrics include total energy and production data from operated sites in Oil Sands, In Situ, Refining and Marketing (excluding terminals and retail sites), Ethanol Plant and Exploration and Production.

11 \*Baseline year for planned improvements is 2007. The goals for 2015 were established in 2009. For further details surrounding the information contained on this page please see our 2011 Report on Sustainability at <http://sustainability.suncor.com/>

# Track record of excellence

recognition for sustainability achievements and CSR reporting



- A constituent of the Dow Jones Sustainability Index for 12 consecutive years.
- Suncor has been a participant on the Carbon Disclosure Project (CDP) since its inception.
- A member of the FTSE4Good Index since 2001
- Winner of the President's Award in the Canadian Association of Petroleum Producer's 2011 Responsible Canadian Energy Awards for TRO<sub>TM</sub> tailings management process
- Named to Maclean's /Jantzi-Sustanalytics' 2010 list of Top 50 Socially Responsible Corporations in Canada
- Award of Excellence from the Canadian Institute of Chartered Accountants for Suncor's 2009 and 2010 Reports on Sustainability.
- IR Award for Corporate Social Responsibility three years in a row (2008/2009/2010)
- Ranked first among seven companies in Stratos' 2008 Best Practices in Canadian Corporate Sustainability Reporting

# Technology and innovation

supporting our drive to operational excellence

## Continued investment in new technologies

- World-leading real-time operations scheduling
- Oxygen-fired SAGD boilers (reduce NOx)
- Hot bitumen pipe lines (reduce energy)
- Geothermal energy (reduce emissions)
- Zero liquid discharge (reduce water)
- Wind power (reduce emissions)
- Environmentally friendly herbicide + fungicide

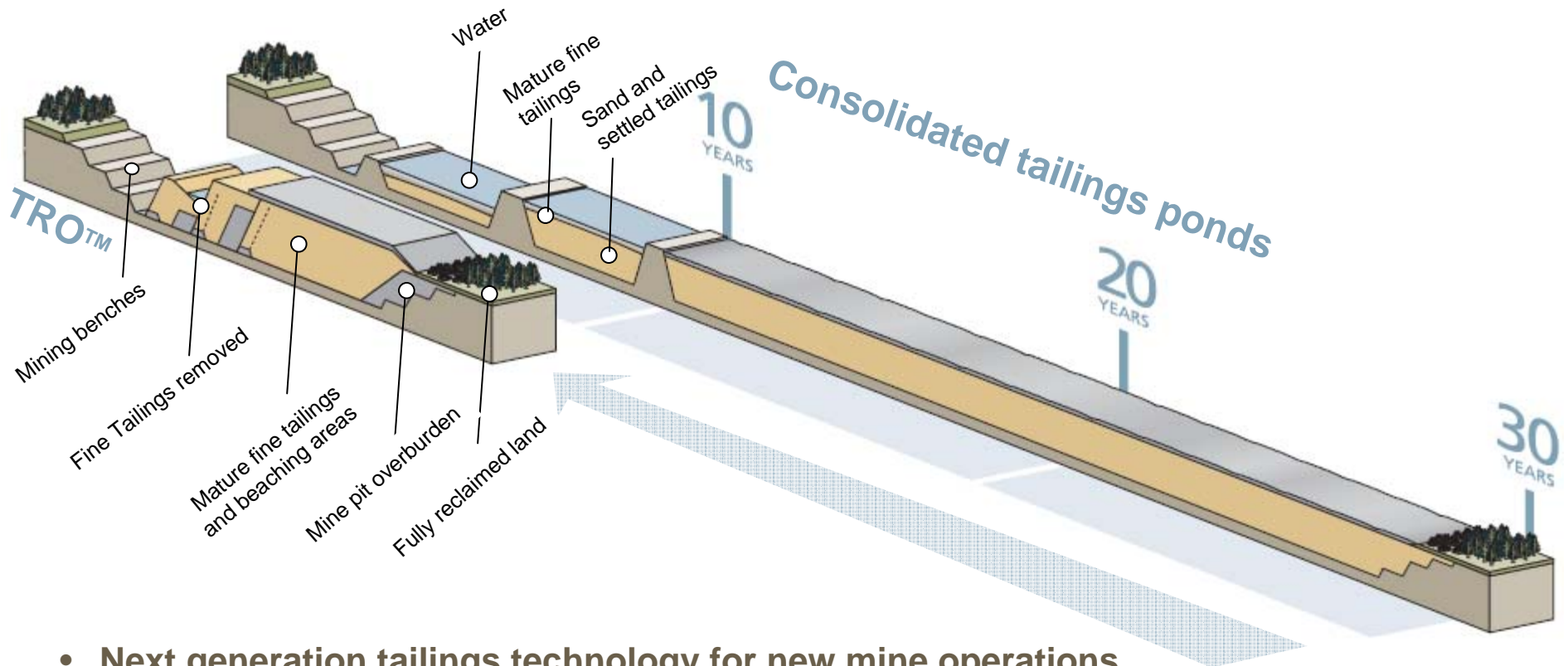
## Innovation and technology collaboration

- Oil Sands Leadership Initiative (OSLI)
  - water, land, air, GHG, social performance
- Oil Sands Tailings Consortium (OSTC)
  - landmark agreement for open sharing of tailings technology and deployment experience among all oil sands surface mining companies



# Technology and innovation

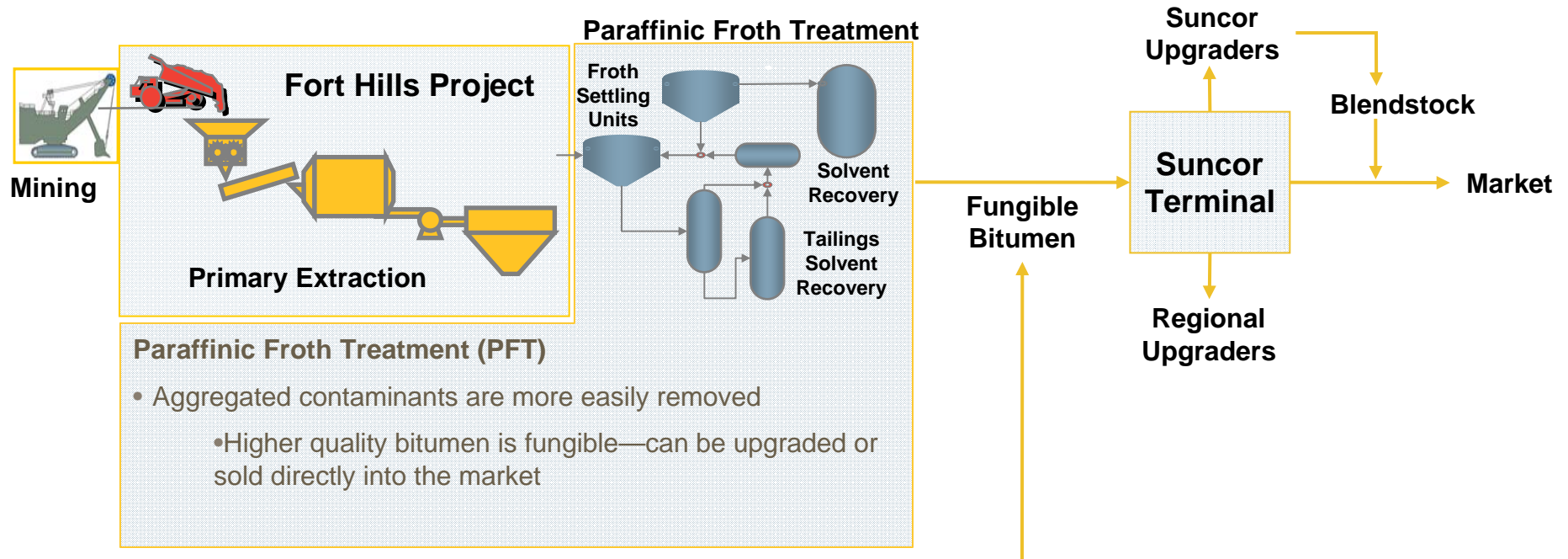
supporting our drive to operational excellence



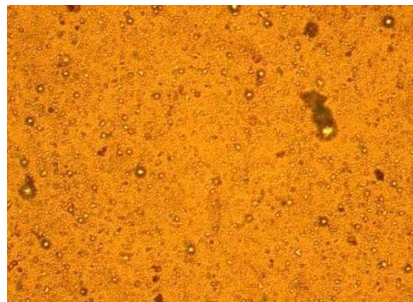
- **Next generation tailings technology for new mine operations**
  - Tailings Reduction Operations (TRO™)
  - Dry tails returned to mine, enabling progressive reclamation at accelerated pace
  - Minimizing tailings ponds/storage footprint

# Paraffinic Froth Treatment

applying new technologies to enhance flexibility in marketing mined bitumen

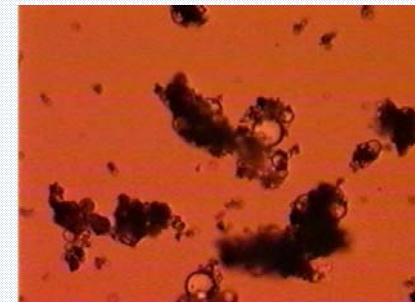


Today  
Microscopic view of bitumen emulsion containing water and solids using naphtha diluent (current practice) →



10 μm

Future  
Microscopic view of bitumen emulsion containing aggregates of precipitated asphaltene, water and solids using PFT technology →



10 μm

# Operational Excellence Management System (OEMS)

supporting our Journey to Zero

## People

Recruit and retain sufficient, capable, motivated people and significantly improve the people productivity of our business



## Personal and process safety management

Continue our Journey to Zero and significantly improve the integrity and performance of our assets



## Environmental excellence and sustainability

Significantly improve the environmental performance of our business and go "beyond compliance" in key areas



## Reliability

Significantly improve the reliability of our business

### Recordable Injury Frequency\*

(Injuries per 200,000 hours worked)



\* Exposure hours and recordable injuries (lost time, medical aid and restricted work), beginning in 2009, includes consolidated post-merger data.

### Lost-time Injury Frequency\*

(Injuries per 200,000 hours worked)



\* Exposure hours and lost time injuries' data, beginning in 2009, includes consolidated post-merger data.

# Driving performance in In Situ operations

## Firebag and MacKay River lead growth portfolio

**Exceptional portfolio of projects and properties:** Firebag 4-6, MacKay River 2, Meadow Creek, Lewis, Chard, Frontier

**Internal synergies:** Full integration of Firebag and MacKay River sites to decrease capital and operating costs

**Bench Strength:** approaching 10 years of production at two high quality leases

### Firebag 3 - update

First oil from one of three well pads at Firebag 3 in July 2011

Production volumes to ramp up during next 24 months

Construction of cogeneration facilities and central plant completed and expected to be commissioned by Q4 2011

### Firebag 4 – update

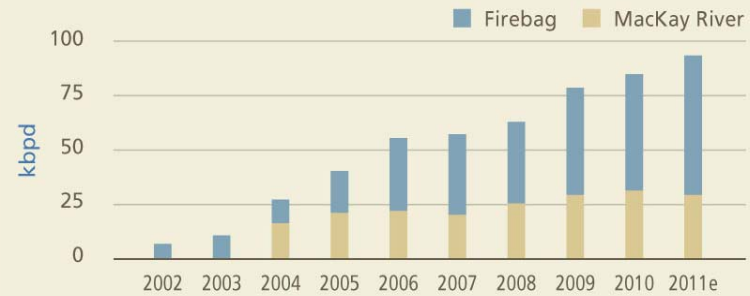
Construction on two well pads, infrastructure, central plant and cogeneration facilities continues

First steam planned for end of 2012

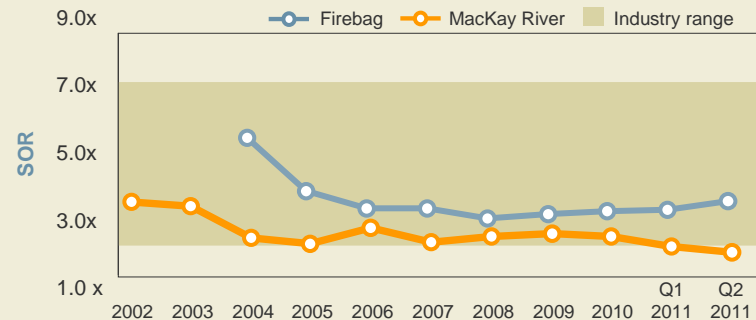
First oil expected by end of Q1 2013

### In Situ growth led by Firebag and MacKay River

#### Production Growth



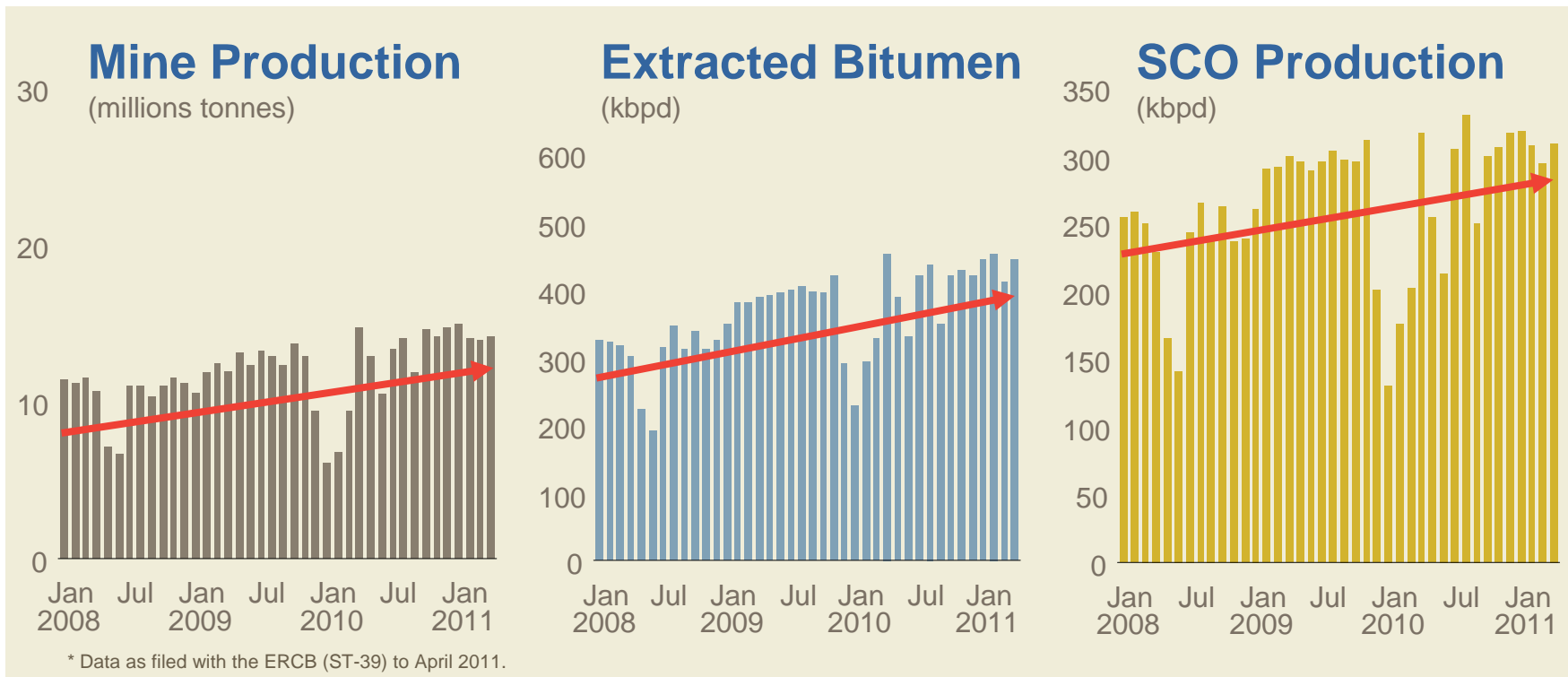
#### Steam Oil Ratio – low end of industry range



\*Steaming of Firebag Stage 3 began in Q2 2011

# Oil Sands

Driving reliability, operational excellence and continuous improvement



North Steepbank Mine Extension (NSE) underway

- Improves base mine efficiencies
- Extends reserves base
- Lowers cash costs

Largest upgrader turnaround in our history completed safely and on schedule in Q2 2011

- Positioned for extended run of reliable production

Millennium Naphtha Unit (MNU) on target for Q4 2011 start-up

- Increased marketing flexibility
- Improved sweet/sour ratios
- Pre-integration with Voyageur

# Exploration & Production – focused operations pursuing high–return investments

**Combined former International & Offshore and Natural Gas into one segment to leverage our expertise in exploration, engineering and geosciences to more effectively deliver conventional oil and gas operations**

- Flexibility to focus on the most profitable projects in different regions as the business environment changes
- Majority of production is Brent crude oil related, which is currently trading at a premium to WTI
- High margin business provides substantial net cash flow
- Low-cost operating base reduces Suncor’s average operating cost per barrel
- Moderate reinvestment plan for well-defined projects within the existing portfolio, allowing E&P to continue to be a key contributor to the overall Suncor growth strategy



# Driving profitability in Exploration & Production

## high-grading assets and investing in oil opportunities

### Achievements & Opportunities

- Focus on advancing development projects:
  - Golden Eagle (UKCS) – approved\*
  - Hebron (East Coast) – sanction in 2012
- Awarded three new licences and two extensions in Norway (four operated)
- Drilling or participating in exploration opportunities in East Coast, UK and Norway
- Hibernia South Unit (HSU) achieved first oil in Q2, significant volume contribution anticipated by 2014

### Some challenges to address

- We continue to evaluate non-core asset sale opportunities in North America; under current market conditions Suncor does not anticipate further dispositions this year.
- 2011 production has been impacted by the shut-in of Libyan operations, unexpected downtime at Buzzard and H2S issues at Terra Nova (TN). We anticipate Buzzard volumes to return to expected levels in Q3 and have initiated a mitigation plan to resolve the H2S issues at TN.
- The Integrated Swivel Turnaround (IST) originally planned for TN in 2011 has been deferred until 2012, so that plans to resolve H2S issues may be implemented concurrently
- We continue to closely monitor the developments in Libya & Syria

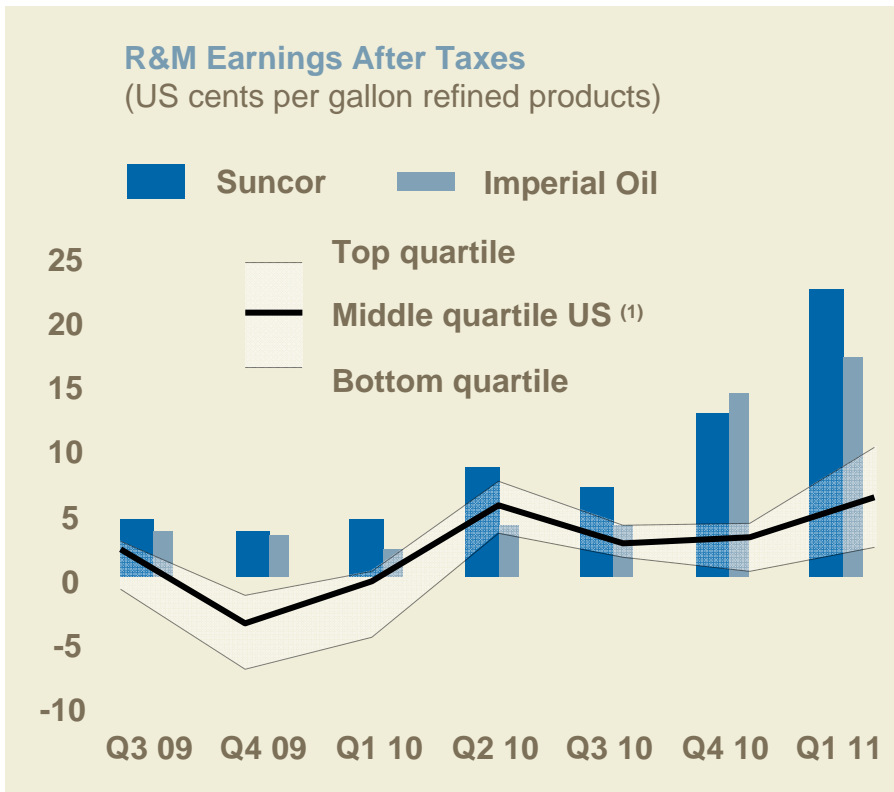
\* subject to regulatory approval



**Songa Delta Drilling Rig: Offshore Norway**

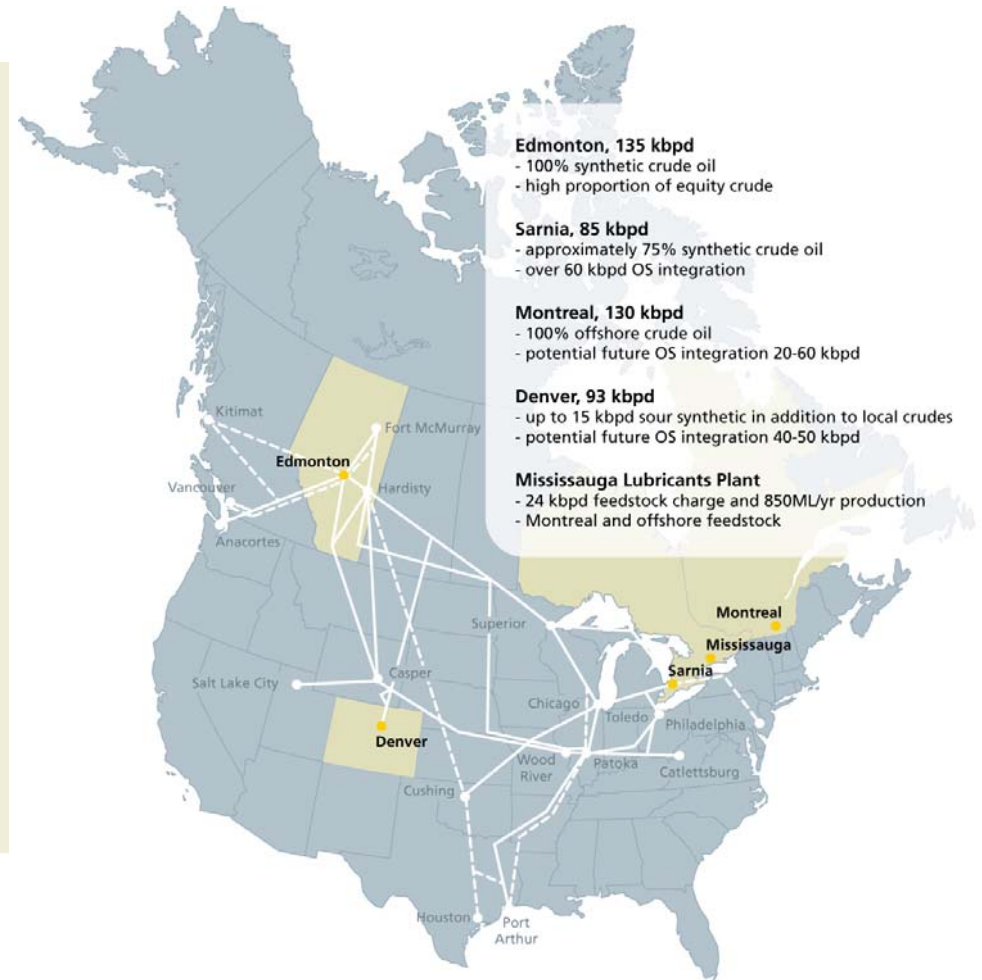
# Refining & Marketing

year to date cash flow from operations\* > one billion



(1) U.S. peer group includes Amerada Hess, Chevron Texaco, ConocoPhillips, ExxonMobil, Frontier Oil, Holly Corp, Marathon, Murphy Oil (North America), Sunoco Inc., Tesora, United Refining, and Valero. Sources: Public company data.

\* Non-GAAP financial measure. See note on page 2.



# Financial objectives

disciplined and focused strategy to deliver shareholder value

## 1. Shareholder value creation

- Drive efficiencies across the organization to lower costs
- Target ROCE\* of 15% on new capital

## 2. Strong balance sheet

- Maintain net debt/cash flow from operations\* < 2x
- Target total debt/capitalization 20 – 25%
- Disciplined spend through staged capital growth
- Maintain strong investment grade credit rating and access to capital

## 3. Financial flexibility to fund operations and growth

- Significant committed bank lines
- Minimal refinancing risk
- Use of internally generated cash flow to fund capital requirements

## 4. Dividend growth as production and cash flow grow

- 10% dividend increase announced May 2011

	Q2/10	Q1/11	Q2/11
Net debt / cash flow from operations	2.9x	0.9x	1.0x
Total debt / capitalization	30%	23%	23%
Net debt	13.3B	7.4B	7.7B
ROCE* (in-MPIP) <sup>†</sup>	5.6%	8.9%	8.1%
ROCE* (ex-MPIP) <sup>†</sup>	7.9%	12.5%	11.1%

<sup>†</sup> MPIP – major projects in progress

## Investment grade debt rating

- ▶ Standard & Poor's – BBB+ stable
- ▶ DBRS – A (low) stable
- ▶ Moody's – Baa2 stable

Debt/Cash flow from operations and ROCE ratios for the twelve months ended June 30, 2010 have been calculated based on six months of financial information prepared in accordance with IFRS (the six months ended June 30, 2010) and six months of financial information prepared in accordance with Canadian GAAP in effect prior to January 1, 2010 (the six months ended December 31, 2009).

\* Non-GAAP financial measure. See note on page 2.

# Strong liquidity and patient debt

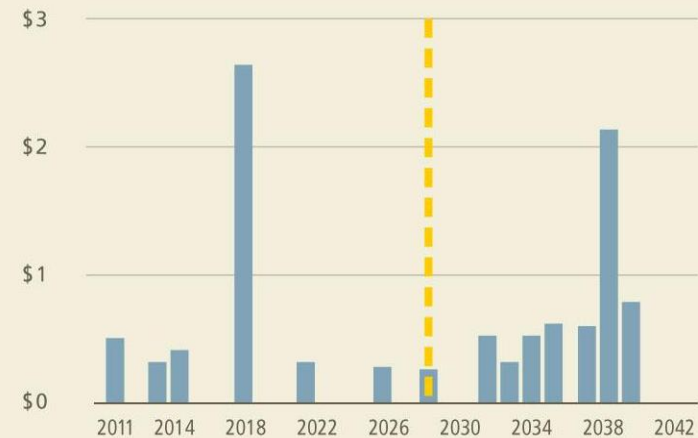
## \$9.7B of available liquidity

*\$ billions, as of June 30, 2011*

Revolving bank lines with 2013 maturity	7.5
Demand facilities	0.5
<hr/>	
<b>Total credit facilities</b>	<b>8.0</b>
Available credit facilities	6.6
Cash on hand	3.1
<hr/>	
<b>Total liquidity</b>	<b>9.7</b>

### Bond Maturity Schedule

average weighted term of maturity is 17 years



# 2011 Production outlook and turnaround summary

> 90% crude oil production

Production (boe/d)	2011 outlook
Oil Sands	280,000 – 310,000
Syncrude	35,000 – 37,000
Natural Gas	62,000 – 68,000
East Coast	58,000 – 65,000
International	80,000 – 90,000
<b>Total production</b>	<b>520,000 – 570,000</b>

Turnaround <sup>†</sup> Summary	Production impact*
Terra Nova September 2011 (4 weeks)	20,000
Buzzard (non-operated) August (1 week)	TBD

For the complete 2011 outlook please visit [www.suncor.com/guidance](http://www.suncor.com/guidance)

<sup>†</sup> Regular maintenance is performed throughout the year with non-material impacts to Suncor. Scope and duration of turnarounds may change without notice at the discretion of the operator.

\*Forecast planned production impact over the duration of the asset-specific turnaround.

# 2011 Capital expenditure outlook

\$6.7 billion in capital expenditure > 40% growth weighted

	2011 Outlook	Maintenance Capital		Growth Capital
	\$ millions	Base \$ millions	Non – Recurring \$ millions	\$ millions
<b>Oil Sands</b>	<b>4,555</b>	<b>1,460</b>	<b>670</b>	<b>2,425</b>
<i>Oil Sands Base</i>	1,940	880	645	415
<i>In Situ</i>	2,115	300	25	1,790
<i>Oil Sands Ventures</i>	500	280	-	220
<b>E&amp;P</b>	<b>1,160</b>	<b>860</b>	<b>40</b>	<b>260</b>
<b>Refining and Marketing</b>	<b>630</b>	<b>520</b>	<b>90</b>	<b>20</b>
<b>Corporate</b>	<b>355</b>	<b>30</b>	<b>145</b>	<b>180</b>
<b>Total</b>	<b>6,700</b>	<b>2,870</b>	<b>945</b>	<b>2,885</b>

For the complete 2011 outlook please visit [www.suncor.com/guidance](http://www.suncor.com/guidance)

# Delivering value to shareholders

23% rate of return compounded annually since IPO

