Accelerating Our Value Proposition

Canada Transaction Provides Significant Catalyst

March 29, 2017
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Use of non-GAAP financial information – This presentation may include non-GAAP financial measures, which help facilitate comparison of company operating performance across periods and with peer companies. Any non-GAAP measures included herein will be accompanied by a reconciliation to the nearest corresponding GAAP measure either within the presentation or on our website at www.conocophillips.com/nongaap.

Cautionary Note to U.S. Investors – The SEC permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves. We use the term “resource” in this presentation that the SEC’s guidelines prohibit us from including in filings with the SEC. U.S. investors are urged to consider closely the oil and gas disclosures in our Form 10-K and other reports and filings with the SEC. Copies are available from the SEC and from the ConocoPhillips website.
Transaction Conference Call Speakers

Transaction Overview
Ryan Lance
Chairman & CEO

Accelerating Our Value Proposition
Don Wallette
EVP, Finance, Commercial & CFO

Portfolio & Strategy Impact
Matt Fox
EVP, Strategy, Exploration & Technology
Transformational, Win-Win Transaction

**ConocoPhillips**

- Immediate, significant impact on value proposition
-Accelerates rapid reduction of debt and doubling of share repurchases
-Improves portfolio cost of supply and margins
-Retains price upside via contingent payment and Cenovus equity
-Retains focused position in Surmont and Blueberry-Montney

**Cenovus**

- Achieves scope and scale of Canadian major
-Premier operator in two top-tier asset classes (Deep Basin gas and FCCL)
-Opportunity to accelerate growth and create value
-ConocoPhillips equity ownership demonstrates confidence in Cenovus’ outlook
Summary of Transaction

Scope & Terms

Transaction Scope

<table>
<thead>
<tr>
<th>Included</th>
<th>Excluded</th>
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</thead>
<tbody>
<tr>
<td>FCCL, Deep Basin, Kaybob-Edson &amp; Clearwater</td>
<td>Surmont, Blueberry-Montney</td>
</tr>
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</table>

Upfront Consideration Elements ($B)

<table>
<thead>
<tr>
<th>Cash</th>
<th>10.6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cenovus Equity¹</td>
<td>2.7</td>
</tr>
</tbody>
</table>

Purchase Price  13.3

Contingent Payment Over 5 Years

CA$6MM quarterly for every CA$1 WCS price above CA$52/BBL (~$52/BBL WTI²)

Closing anticipated 2Q17

Canada Assets – 2016 Actuals

Alberta

2016 Net After Royalty (NAR) Production YE 2016 NAR Reserves (BBOE)

<table>
<thead>
<tr>
<th>2016 Net After Royalty (NAR) Production</th>
<th>YE 2016 NAR Reserves (BBOE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>265 MBOED</td>
<td>1.3</td>
</tr>
<tr>
<td>(Liquids: 179 MBD, Gas: 520 MMCFD)</td>
<td></td>
</tr>
</tbody>
</table>

¹ Equity value based on closing price March 28, 2017.
² Assuming CAD/USD of 0.75 and WCS – WTI differential of ~$13/BBL (as of March 28, 2017).
Use of Transaction Cash Proceeds Guided by Principles & Priorities

Value Proposition Principles

Disciplined Growth

- Strong Balance Sheet
- Growing Dividend

RETURNS

Cash Allocation Priorities

1st PRIORITY
- Invest capital to maintain production and pay existing dividend

2nd PRIORITY
- Annual dividend growth

3rd PRIORITY
- Reduce debt and target ‘A’ credit rating

4th PRIORITY
- 20-30% of CFO total shareholder payout

5th PRIORITY
- Disciplined growth capital

Allocation of Cash Proceeds

- Flat production for <$5B and pay dividend
- Expect to grow dividend annually
- Reducing debt to $20B in 2017; reset target to ~$15B
- Doubling share repurchase program to $6B
- Maintaining capital discipline

Future opportunity

Funded by cash from operations

Funded by transaction cash proceeds

Percent of cash returned to shareholders includes dividends and repurchase of company common stock divided by cash provided by operating activities.
Transaction Has Immediate & Significant Impact on Value Proposition

**Supercharges value proposition – *three-year financial plan exceeded in less than one year***

- Accelerates priorities and strategy outlined at November 2016 Investor Meeting
  - Expect to achieve gross debt of $20B in 2017
  - Doubling share repurchase authorization to $6B total over three years; tripling 2017 repurchases to $3B
  - Closing expected in 2Q17
- Continuing to market the asset packages announced for sale at November 2016 Investor Meeting
  - Total asset sales now expected to be >$16B in 2017
  - Positions company for differential free cash flow generation & improved returns

**Unlocks value of Canadian portfolio**

- Top-tier Canadian assets achieve a premium valuation inside Canadian company
- Accelerates value realization from under-exploited Deep Basin assets
- ConocoPhillips retains top-tier, operated oil sands and Blueberry-Montney liquids-rich unconventional

**Improves underlying financial and portfolio metrics**

- CFO at $50/BBL Brent unchanged; Cenovus equity/contingent payment retain upside exposure at >$50/BBL Brent
- Increases cash margins by 20%¹
- Portfolio average cost of supply (CoS) improves to ~$35/BBL from ~$40/BBL at November 2016 Investor Meeting
- Capital for flat production unchanged; maintain 30+ years of inventory at an average CoS of ~$35/BBL

¹ At $50/BBL Brent. Cash margins is a non-GAAP term, calculated as cash provided by operating activities divided by production.

Free cash flow is a non-GAAP measure and is defined in the non-GAAP reconciliation on our website.
Cash Proceeds Used to Reduce Debt to $20 Billion in 2017

DELEVERAGING ACHIEVED

<$15B NET DEBT
PLAN TO MAINTAIN NET DEBT ~$15B

Maturity Profile

Most Obligations Cleared Through 2023

YE 2016
YE 2017E
YE 2019

$27B Gross Debt
$20B Gross Debt
~$15B Gross Debt

Net debt is a non-GAAP measure and is defined in the non-GAAP reconciliation on our website.

<table>
<thead>
<tr>
<th></th>
<th>YE 2016 @ $44/BBL</th>
<th>YE 2017E @ $55/BBL</th>
<th>YE 2019 @ $55/BBL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt/CFO</td>
<td>5.6x</td>
<td>~2.8x</td>
<td>~1.6x</td>
</tr>
<tr>
<td>Net Debt/CFO</td>
<td>4.8x</td>
<td>~1.8x</td>
<td>&lt;1.6x</td>
</tr>
<tr>
<td>Annual Interest</td>
<td>$1.25B</td>
<td>~$0.95B</td>
<td>~$0.80B</td>
</tr>
</tbody>
</table>

1 Brent flat real price.
2 Figures presented on a pro forma basis as if the transaction were completed on Jan. 1, 2017. Actual closing expected in 2Q17.
Cash Proceeds Used to Double & Accelerate Share Repurchases

- Doubling current repurchase authorization from $3B to $6B
  - Original plan returned >30% of CFO to shareholders through dividend and share buybacks at $50/BBL Brent
  - New plan also returns 30% of transaction cash proceeds
- Tripling share buybacks from $1B to $3B in 2017
- Delivering scope of original three-year program in one year

Percent of cash returned to shareholders includes dividends and repurchase of company common stock divided by cash provided by operating activities.
Transaction Proceeds Retain Exposure to Price Upside

Equity Consideration

- Receiving 208 million shares of Cenovus common stock
- Lock-up period of 6 months begins at closing

Contingent Payment

- 5-year duration
- No annual or cumulative caps
- CA$6MM quarterly for every CA$1 WCS price above CA$52/BBL (~$52/BBL WTI)²
- Adjusted for material production outages

¹ Equity priced at closing on March 28, 2017.
² Assuming CAD/USD of 0.75 and WCS – WTI differential of ~$13/BBL (as of March 28, 2017).
### 2017 Estimated Pro Forma Metrics

<table>
<thead>
<tr>
<th></th>
<th>Pre-Transaction</th>
<th>Post-Transaction</th>
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</thead>
<tbody>
<tr>
<td><strong>2017 NAR Production</strong></td>
<td>1,540 – 1,570 MBOED</td>
<td>1,260 – 1,290 MBOED</td>
</tr>
<tr>
<td><strong>Production Mix</strong></td>
<td><img src="#" alt="Production Mix Diagram" /></td>
<td><img src="#" alt="Production Mix Diagram" /></td>
</tr>
<tr>
<td><strong>Asset Class Production Split %</strong> (Oil Sands &amp; LNG/Conv./Uncon.)</td>
<td>30/55/15</td>
<td>25/55/20</td>
</tr>
<tr>
<td><strong>Adj. Operating Costs ($B)</strong></td>
<td>$6B</td>
<td>$5.6B</td>
</tr>
<tr>
<td><strong>CFO @ $50/BBL Brent</strong></td>
<td>$6.5B</td>
<td>$6.5B</td>
</tr>
<tr>
<td><strong>GAAP Capital for Flat Production ($B)</strong></td>
<td>&lt;$5B</td>
<td>&lt;$5B</td>
</tr>
<tr>
<td><strong>Reserves (YE 2016)</strong></td>
<td>6.4 BBOE</td>
<td>5.1 BBOE</td>
</tr>
</tbody>
</table>

1 Figures presented on a pro forma basis as if the transaction were completed on Jan. 1, 2017. Actual closing expected in 2Q17. Adjusted operating costs is a non-GAAP measure. A non-GAAP reconciliation is available in the appendix of this deck.
Transaction Reduces Average Portfolio Cost of Supply to ~$35/BBL

Transaction Impact on Resource with Cost of Supply <$50/BBL

<table>
<thead>
<tr>
<th>BBOE</th>
<th>Avg. CoS</th>
<th>Resource life</th>
</tr>
</thead>
<tbody>
<tr>
<td>18</td>
<td>~$40/BBL</td>
<td>31 Years</td>
</tr>
<tr>
<td>15</td>
<td>~$35/BBL</td>
<td>32 Years</td>
</tr>
</tbody>
</table>

1 Average cost of supply and resource life calculated based on total resources with <$50/BBL Brent cost of supply.
## Retaining High-Quality, Operated Assets with Upside Potential

### Surmont
- Operated legacy project
- Major investment phase complete
- ~5 BBOE resource; reducing cost of supply
- ~70 MBOED long life base production
- Potential for 50% capacity increase through debottlenecking and brownfield expansion

### Blueberry-Montney
- Now entirely focused on 100% owned and operated liquids-rich unconventional play
- Encouraging appraisal well results
- Expect <$40/BBL cost of supply
- Continuing to expand acreage position
- Currently updating our resource assessment based on well results and expanded acreage
The Plan We Presented in November Achieved All Priorities in 3 Years

Estimated Sources and Uses of Cash (2017-2019) at $50/BBL Brent

Sources of Cash
- CFO @ ~$50/BBL Brent
- Expected Dispositions
- Starting Cash

Capital for Flat Production

Base Dividend

Dividend Growth

Debt Reduction

Share Repurchases

Disciplined Growth Capital

Leverage to Upside

Accelerating Value Proposition

Reduced Portfolio Breakeven

Cash Allocated to Maximize Total Shareholder Returns

- Debt Reduced $7B
- $3B Authorized
- Modest Growth
- $50/BBL Brent
- Sustainable through the cycles
- Annual growth
- Achieve debt target of $20B
- Return 20-30% CFO to shareholders
- High return organic investment

Percent of cash returned to shareholders includes dividends and repurchase of company common stock divided by cash from operating activities.
Doubling & accelerating repurchases Exceeding 30% of CFO payout in the near term

Sources of Cash
- Capital for Flat Production
- Base Dividend
- Dividend Growth
- Debt Reduction
- Share Repurchases
- Disciplined Growth Capital

1st Priority: CFO @ ~$50/BBL Brent
2nd Priority: Sustainable through the cycles
3rd Priority: Annual growth
4th Priority: $20B debt target achieved
5th Priority: New target of ~$15B by YE 2019

Cash Allocated to Maximize Total Shareholder Returns
- $3B Authorized
- $5B
- Debt Reduced $7B
- Doubling & accelerating repurchases
- Exceeding 30% of CFO payout in the near term
- High return organic investment

Percent of cash returned to shareholders includes dividends and repurchase of company common stock divided by cash from operating activities.
Transaction Represents Significant Catalyst

- Achieved three-year plan in less than one year
- Provides catalyst for investors
  - Immediate deleveraging of balance sheet
  - Commitment to return capital to shareholders via growing dividend and buybacks
  - Confidence in execution of the business plan
- Transaction clears the way for delivering unique value proposition
  - Focus on free cash flow generation
  - Allocate cash flow according to priorities
  - Disciplined growth from low cost of supply portfolio
- Goal to deliver double-digit returns to shareholders annually

Free cash flow is a non-GAAP measure and is defined in the non-GAAP reconciliation on our website.
Appendix

- low breakeven price
- SPIRIT Values
- transformation
- smart growth
- differentiation
- low cost of supply
- acceleration
- flexibility
- superior returns
### ConocoPhillips
Reconciliation of Production and Operating Expenses to Adjusted Operating Costs

$ Millions, Except as Indicated

<table>
<thead>
<tr>
<th></th>
<th>FY 2017 Guidance at 2/4/2017</th>
<th>2017 Estimated Pro Forma Post-Canadian Asset Dispositions¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production and operating expenses</td>
<td>5,260</td>
<td>4,850</td>
</tr>
<tr>
<td>Adjustments:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Selling, general and administrative (G&amp;A) expenses</td>
<td>550</td>
<td>550</td>
</tr>
<tr>
<td>Exploration G&amp;A, G&amp;G and lease rentals</td>
<td>350</td>
<td>350</td>
</tr>
<tr>
<td>Operating costs</td>
<td>5,100</td>
<td>5,750</td>
</tr>
<tr>
<td>Adjustments to exclude special items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lease pension settlement expense</td>
<td>(150)</td>
<td>(150)</td>
</tr>
<tr>
<td>Adjusted operating costs</td>
<td>~6,060</td>
<td>~5,600</td>
</tr>
</tbody>
</table>

¹ Figures presented on a pro forma basis as if the announced Canadian asset dispositions were completed on Jan. 1, 2017. Actual closing expected in 2017. 2017 guidance will be revised as needed at a later date.