ConocoPhillips

2019 Capital Budget & Operating Plan

Supplemental Information & Investor Update

DECEMBER 2018

Cautionary Statement

The following presentation includes forward-looking statements. These statements relate to future events, such as anticipated revenues, earnings, business strategies, competitive position or other aspects of our operations, operating results or the industries or markets in which we operate or participate in general. Actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that may prove to be incorrect and are difficult to predict such as operational hazards and drilling risks; potential failure to achieve, and potential delays in achieving expected reserves or production levels from existing and future oil and gas development projects; unsuccessful exploratory activities; difficulties in developing new products and manufacturing processes; unexpected cost increases or technical difficulties in constructing, maintaining or modifying company facilities; international monetary conditions and exchange rate fluctuations; changes in international trade relationships, including the imposition of trade restrictions or tariffs relating to crude oil, bitumen, natural gas, LNG, natural gas liquids and any other materials or products (such as aluminum and steel) used in the operation of our business; our ability to collect payment when due under our settlement agreement with PDVSA; our ability to reach a definitive agreement with INEOS Oil and Gas on the terms disclosed, or at all; our ability to complete the sale of our announced dispositions or acquisitions on the timeline currently anticipated, if at all; the possibility that regulatory approvals for our announced dispositions or acquisitions will not be received on a timely basis, if at all, or that such approvals may require modification to the terms of our announced dispositions, acquisitions or our remaining business; business disruptions during or following our announced dispositions or acquisitions, including the diversion of management time and attention; our ability to liquidate the common stock issued to us by Cenovus Energy Inc. at prices we deem acceptable, or at all; the ability to deploy net proceeds from our announced dispositions in the manner and timeframe we currently anticipate, if at all; potential liability for remedial actions under existing or future environmental regulations or from pending or future litigation; limited access to capital or significantly higher cost of capital related to illiquidity or uncertainty in the domestic or international financial markets; general domestic and international economic and political conditions, and changes in tax, environmental and other laws applicable to ConocoPhillips' business; and other economic, business, competitive and/or regulatory factors affecting ConocoPhillips' business generally as set forth in ConocoPhillips' filings with the Securities and Exchange Commission (SEC). We caution you not to place undue reliance on our forward-looking statements, which are only as of the date of this presentation or as otherwise indicated, and we expressly disclaim any responsibility for updating such information.

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.

2019 Capital Budget & Operating Plan

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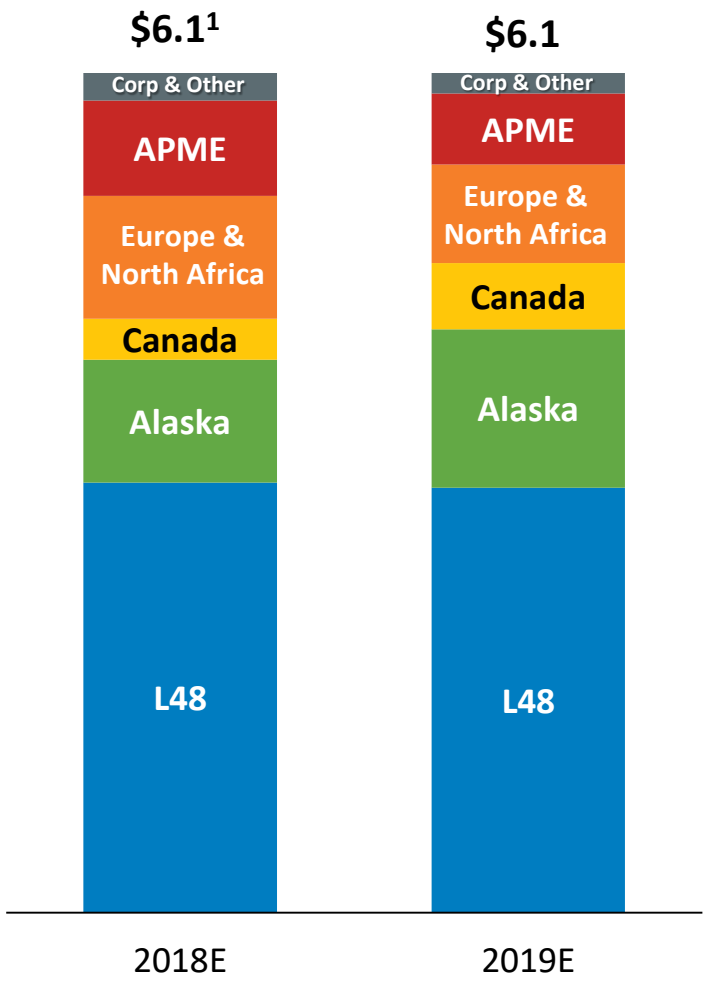
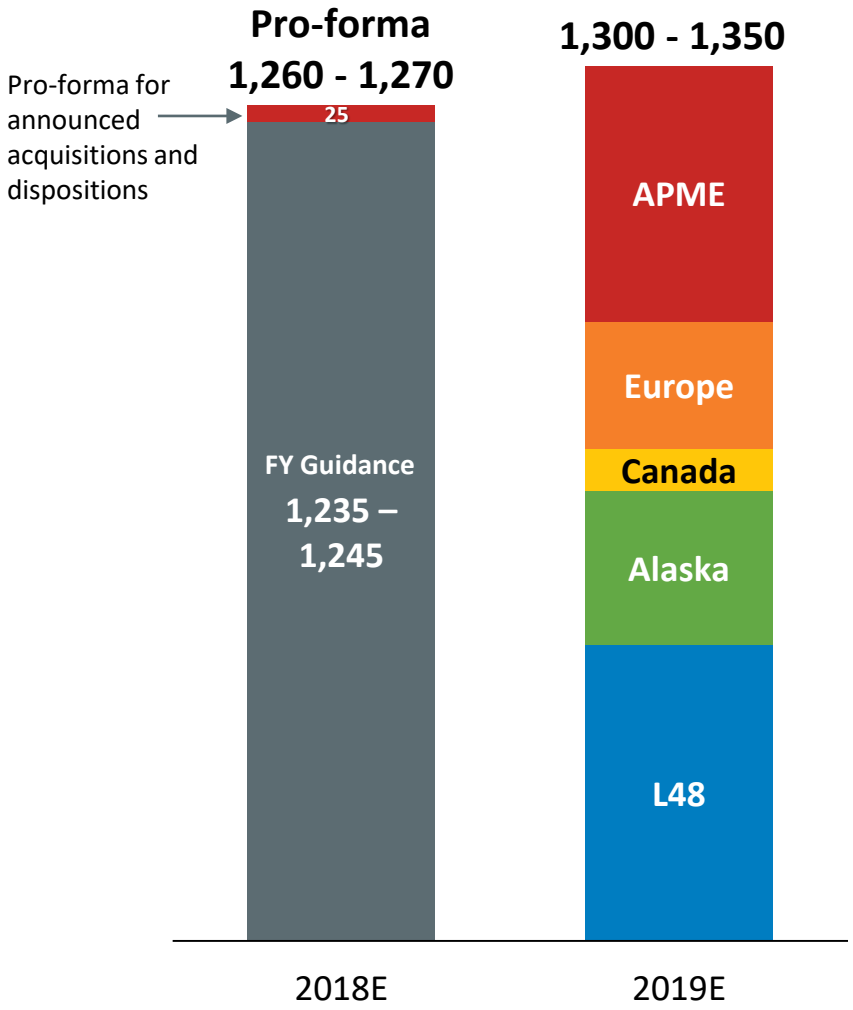
2019 Highlights

- Capital flat to 2018E[1]
- Increasing shareholder payout target to >30% of CFO
- $3B share buybacks
- ~5% production growth vs 2018 pro-forma; ~8% growth per debt-adjusted share[2]
- Production and margin growth continue to drive cash flow expansion
- Ongoing portfolio optimization

Capital (B)



Production (MBOED)



[1]2018 capital adjusted to exclude Alaska Western North Slope and Canada Montney acquisition costs.
[2]Production per debt-adjusted share is calculated on a pro-forma production basis using ending period debt divided by ending share price plus ending shares outstanding. Pro-forma production excludes Libya and reflects closed and announced dispositions and acquisitions with an assumed close date of January 1, 2018. 2019 assumes $3B of share repurchases, representing 45 million of shares using the closing price of $66.18 per-share on December 3, 2018 and assuming no other changes in common shares outstanding.
Cash from operations (CFO) is a non-GAAP term, which is defined in the appendix.

2019 Capital Allocation Underscores Low-Risk, High-Value Portfolio

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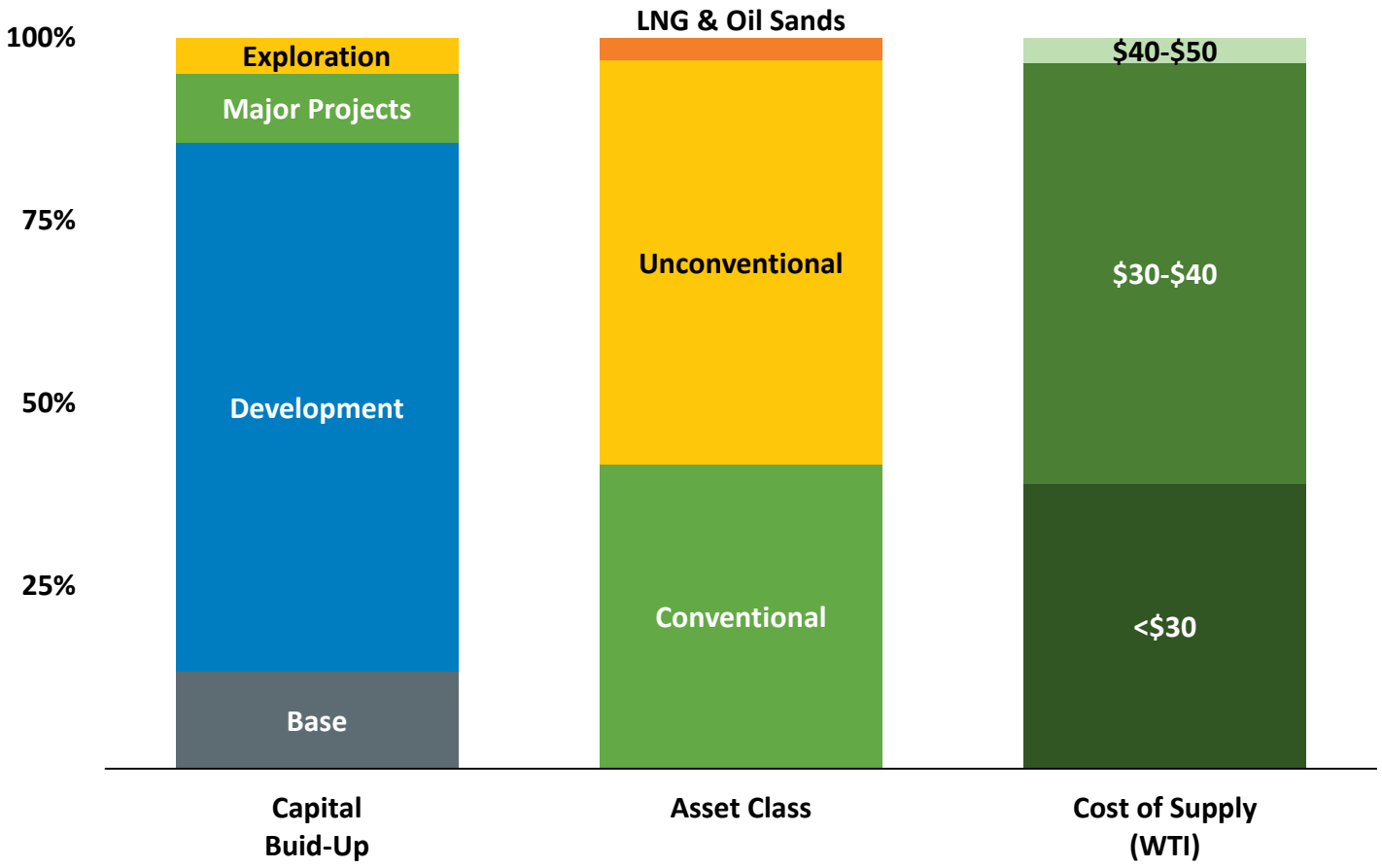
2019 Capital Allocation



- ~70% directed toward development programs
- ~70% to be spent in the U.S.
- ~55% targeting Unconventionals in the Lower 48 & Canada
- >95% directed to <$40/BBL cost of supply

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Recommitting to Our Priorities & Portfolio

2018 Highlights Provide Strong Momentum for 2019 Operating Plan

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Market Fundamentals

- Ongoing price volatility is consistent with our strategic premise
- Strong Brent pricing relative to WTI-based pricing
- Sentiment shift among investors toward discipline and returns

Accelerated Returns

- Increased dividend by 15%[1] in 2018
- Doubled 2018 buybacks versus plan
- Buyback authorization expanded from $6B to $15B
- Delivered double-digit ROCE and >20% CROCE

Strengthened Balance Sheet

- Achieved $15B debt target 18 months ahead of plan
- Reduced interest expense by 25%[2]
- Single "A" rated by three major credit rating agencies
- Expected 2018 ending cash of ~$6B[3]

Strengthened Portfolio

- 16 BBOE resource base at <$40/BBL cost of supply[4]
- Advanced emerging plays in Louisiana Austin Chalk, Montney and Alaska
- Acquired accretive bolt-ons in Alaska
- Ongoing portfolio optimization

[1]Dividend increased from $0.265 to $0.305/share 4Q2017 to 4Q2018.
[2]2018 expected reduction in interest expense vs. 2017.
[3]Ending cash includes cash, cash equivalents and restricted cash totaling ~$5B and short-term investments of ~$1B cash.
[4]Estimated resource for year end 2018; reflects WTI.
ROCE and CROCE are non-GAAP terms, which are defined in the appendix.

"New Order" Value Proposition Is Right For the Business We're In

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Today's E&P Industry Is…

Capital Intensive

Mature

Cyclical

To Win, A Strategy Framework Must Address These Realities

What portfolio do we choose to have?

- Global, diverse asset base
- Low cost of supply

How do we allocate capital?

- Generate free cash flow
- Shareholder-friendly priorities

How do we manage uncertainty?

- Financial strength
- Low sustaining price

COP's Strategy Framework Underpins Our Unique Value Proposition

Free cash flow is a non-GAAP term which is defined in the appendix.

Our Value Proposition Delivers Superior Returns Through Cycles

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THE RIGHT PORTFOLIO + CONSISTENT PRINCIPLES + DISCIPLINED PRIORITIES

Low Cost of Supply

Low Sustaining Capital

16 BBOE RESOURCE BASE <$40/BBL CoS[1]

Advantaged Pricing & Margins

Diverse Asset Classes

RETURNS

Returns Focused

Strong Balance Sheet

Peer-Leading Distributions

Growth in CFO per Debt-Adjusted Share

1st PRIORITY — Invest capital to sustain production and pay existing dividend

2nd PRIORITY — Annual dividend growth

3rd PRIORITY — "A" rated balance sheet

4th PRIORITY — Annual total shareholder payout >30% of CFO

5th PRIORITY — Disciplined investment for CFO expansion

[1]Estimated resource for year end 2018. Reflects WTI.
Sustaining capital is a non-GAAP terms which is defined in the appendix.

Our Value Proposition Delivers Superior Returns Through Cycles

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+ RESILIENCE, WITH UPSIDE

ConocoPhillips Works at Lower Prices

- <$40/BBL[1] sustaining price
- Growing inventory of <$40/BBL[1] cost of supply investments
- Diverse, Brent-weighted portfolio
- Competitive and resilient balance sheet

ConocoPhillips Works at Higher Prices

- Torque from advantaged realizations and margins
- Predominantly tax and royalty regimes
- Unhedged with exposure to contingent payments
- Flexibility to increase distributions

[1]Reflects WTI.

Growing Resource Base, While Lowering Cost of Supply

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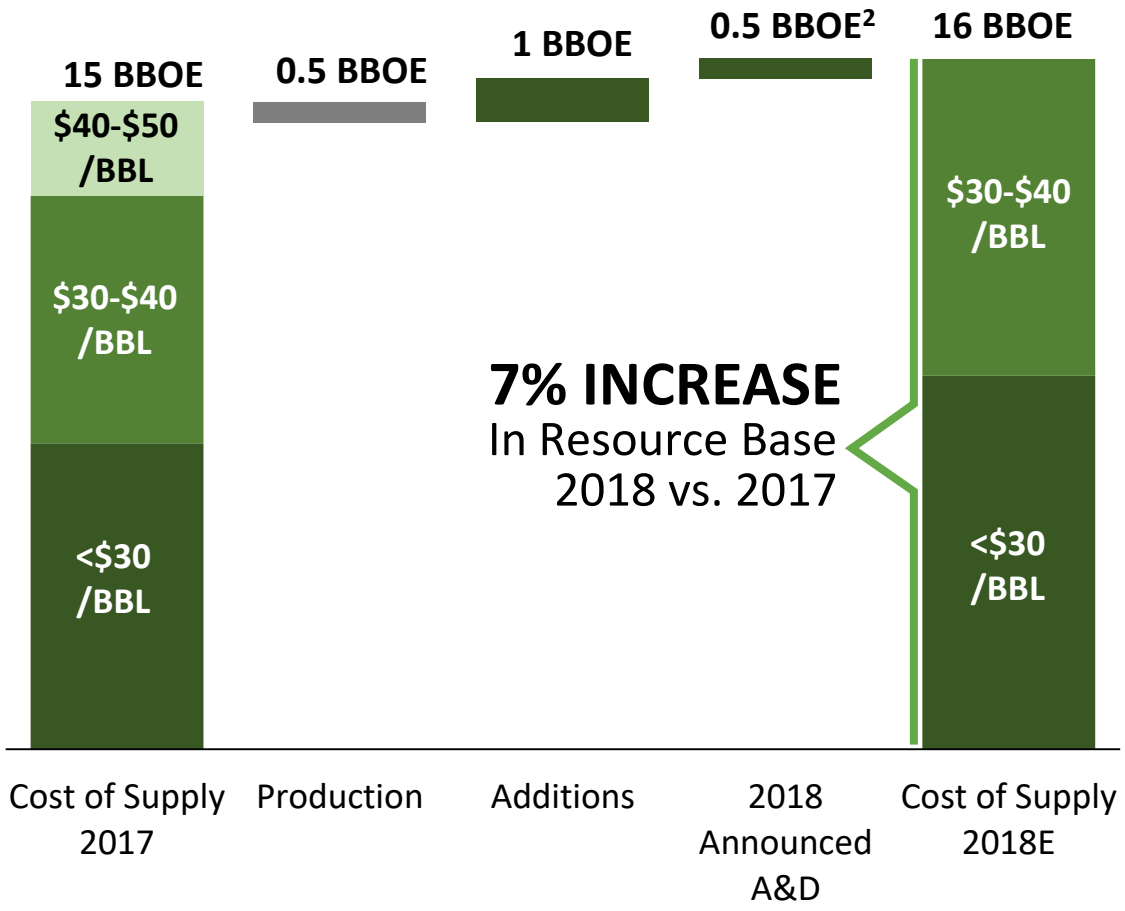
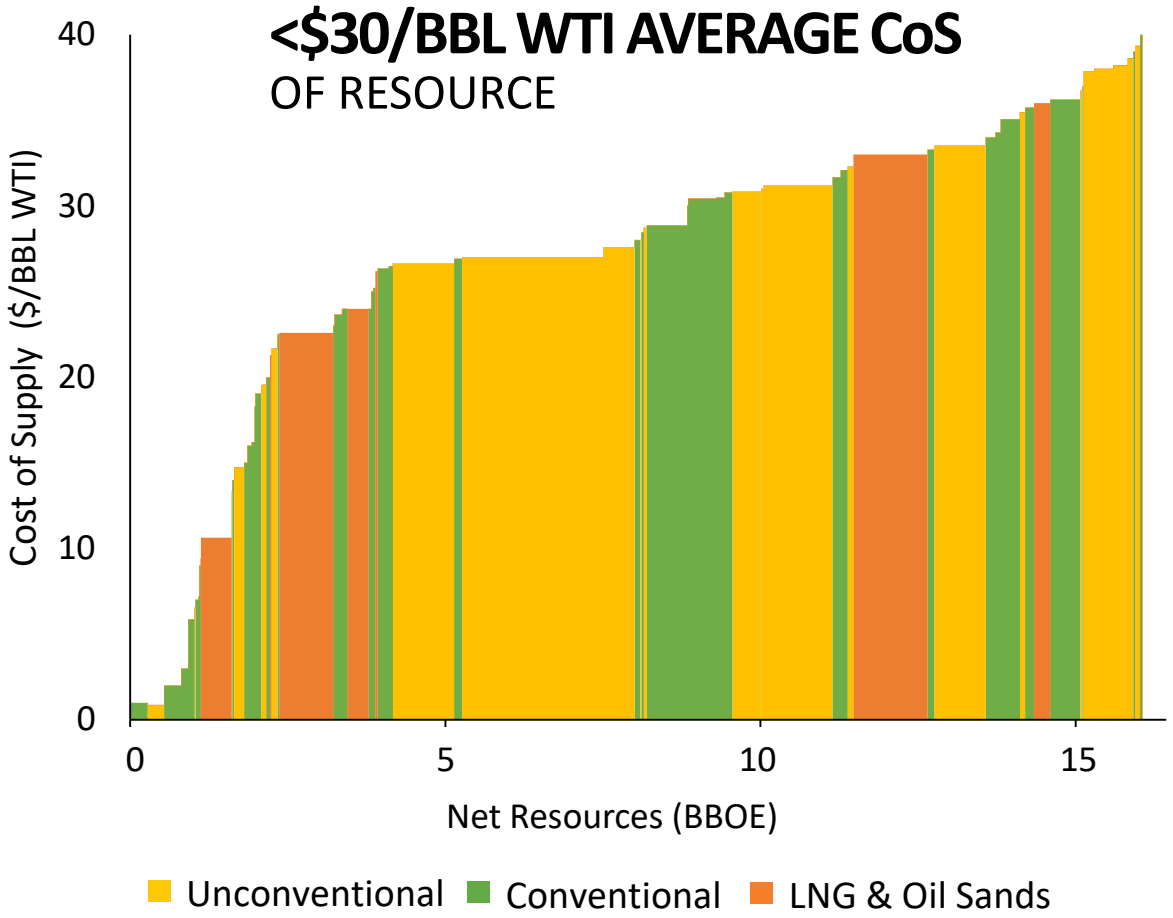
Low Cost of Supply[1] Resource Base



YE2018 Resource Base <$40/BBL Cost of Supply[1]



[1]Fully-burdened cost of supply.
[2]Assumes all closed and announced transactions are complete by YE 2018 including Kuparuk and Clair transactions, which are subject to regulatory and other approvals, as well as Sunrise disposition expected to close 2019.
Reflects WTI.

Peer-Leading Sustaining Price: Key to "New Order" Value Proposition

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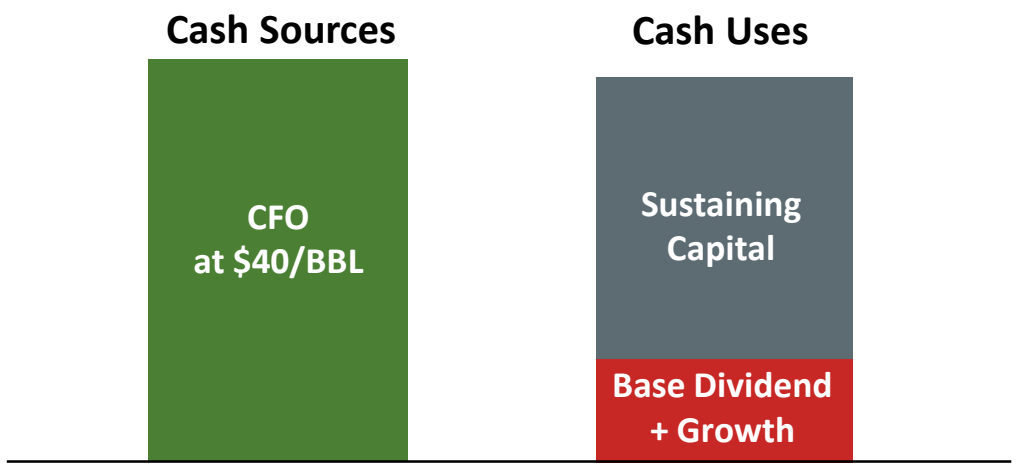
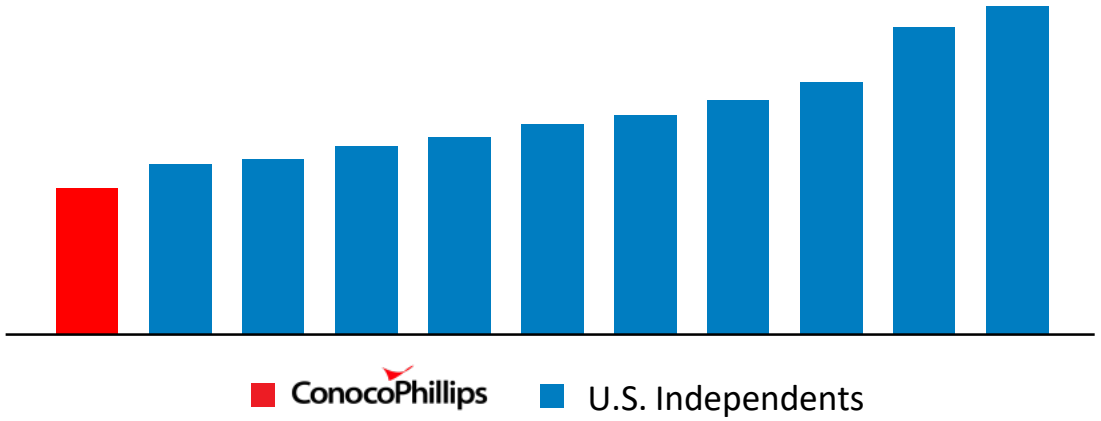
$3.8B/YR → <$40/BBL

SUSTAINING CAPITAL 2019 – 2021 | SUSTAINING PRICE

- Modest sustaining capital increase with higher base production, but sustaining price is maintained
- Cash flow at $40/BBL exceeds sustaining capital and dividend
- Low capital intensity represents significant competitive advantage



2019 Sustaining Capital for Flat Production ($/BOE)



Reflects WTI.
Sustaining capital is a non-GAAP measure that reflects a three-year average (2019-2021).

Source: Wood Mackenzie – Corporate Benchmarking Tool, updated October 2018.
U.S. Independents include: APA, APC, CLR, DVN, EOG, HES, NBL, MRO, OXY and PXD.

2019 Plan Advances High-Impact Opportunities

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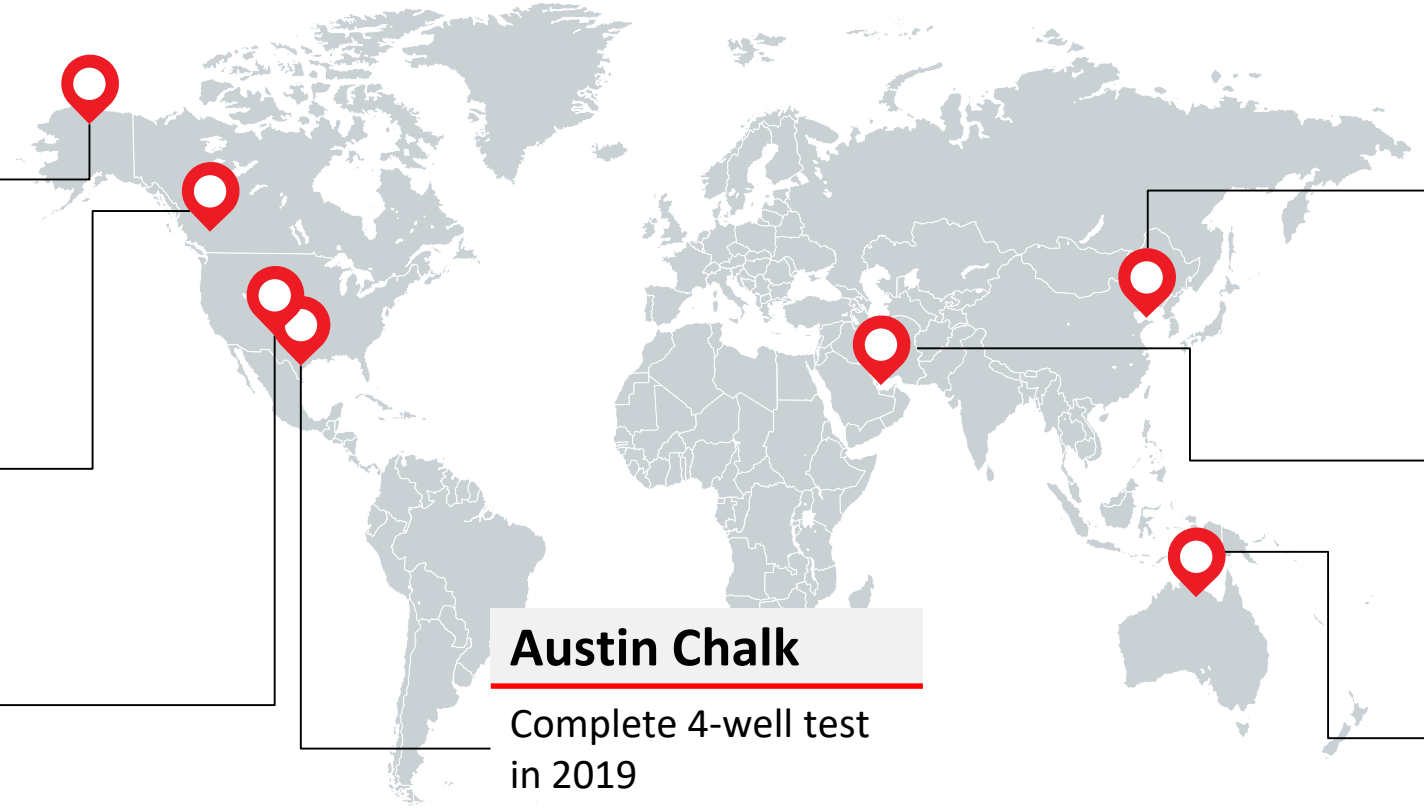

Willow

2019 appraisal drilling to assess project size

Montney

Progress multi-well appraisal drilling

Lower 48 Big 3

Vintage 5 completion pilots in Eagle Ford & Delaware

Austin Chalk

Complete 4-well test in 2019

Bohai Phase 4

Expect FID in 2019

QG Expansion

Decision expected by mid-2019

Barossa

Expect FID late 2019 / early 2020

Investment Decision & Allocation Criteria

- Capital levels resilient to a price downturn
- Preserve diversity of product mix and asset classes
- Maintain high degree of discretion on project timing
- Willing to pursue opportunistic portfolio high-grading
- Focus on free cash flow generation
- Priority on learning, lowering CoS & optimization, not growth
- Not compelled to “do it all”
- New projects and exploration must have competitive CoS

Alaska: Significant Future Exploration & Appraisal Planned

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2019 Program Focused on Existing Discoveries

Resolve Remaining Uncertainties to Sanction

Greater Willow Appraisal

- Evaluate horizontal well performance
- Determine lateral reservoir connectivity
- Appraise West Willow

Narwhal Appraisal

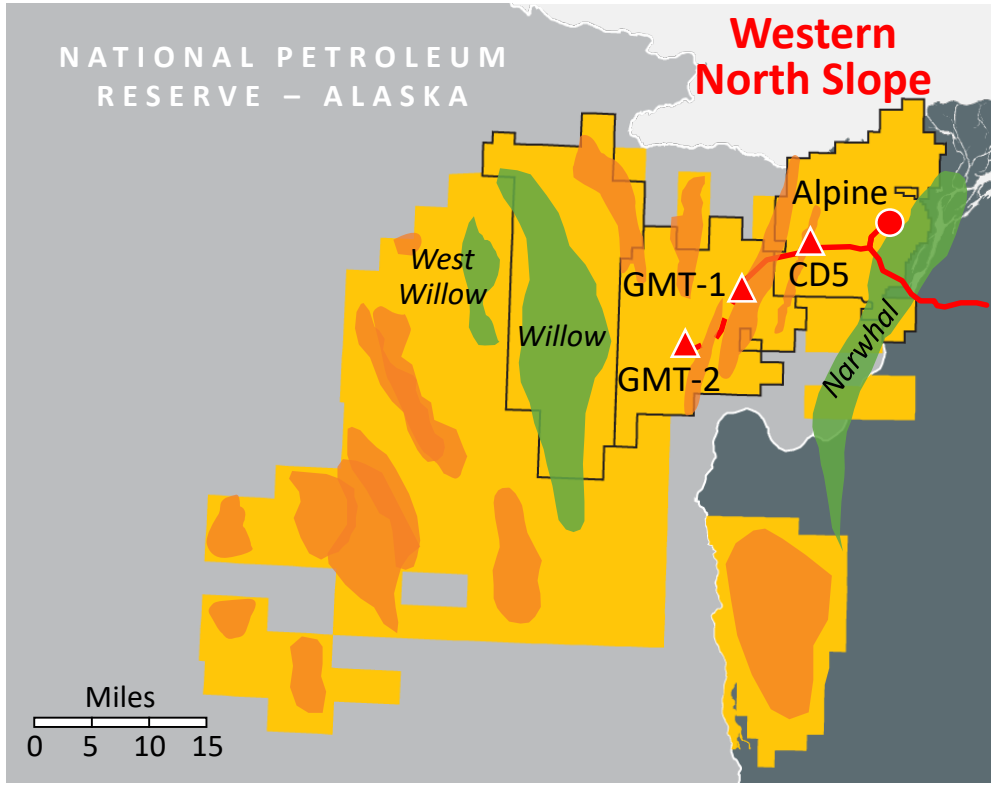
- Verify recoverable volumes
- Evaluate well performance

500 MMBOE – 1.1 BBOE[1]

discovered resource

2020+ Program Focused on Remaining Potential

Test Full Prospect Inventory



Undrilled Prospects
ConocoPhillips Acreage
Discoveries
Central Processing Facility
Projects

75% PORTFOLIO UNDRILLED

exploration upside

[1]Gross discovered resource in Alaska since 2016.

2019 Montney Appraisal: Expanded Liquids-Rich Resource Base

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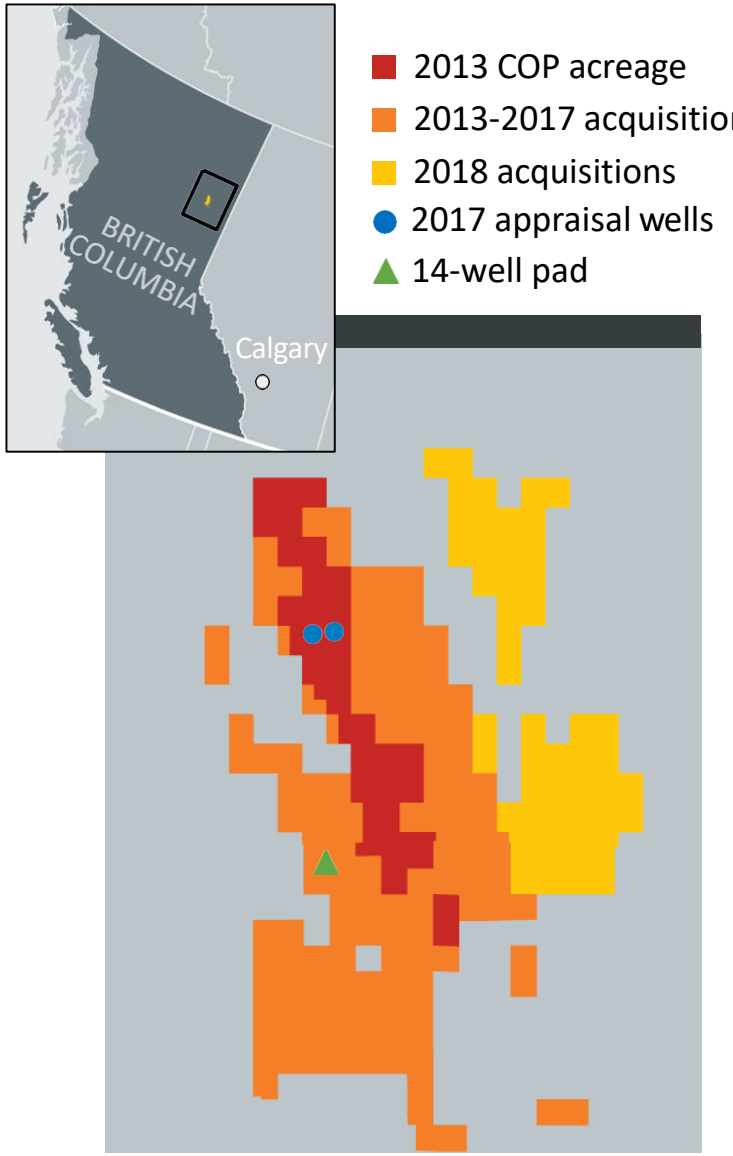

- 14-well pad to be drilled and completed in 2019; testing well spacing and stacking
- >2 BBOE of <$40/BBL cost of supply resource across ~145 M net acre position
- 100% WI position in premium liquids-rich window
- Leveraging Lower 48 innovations
- Focusing on infrastructure access and margins

>50% LIQUIDS CONTENT

from 2017 appraisal wells[1]

[1]Reflects average liquids content of 2017 appraisal wells; future results may vary across the field.

2019 Lower 48 Big 3 Unconventionals: Maximizing Value

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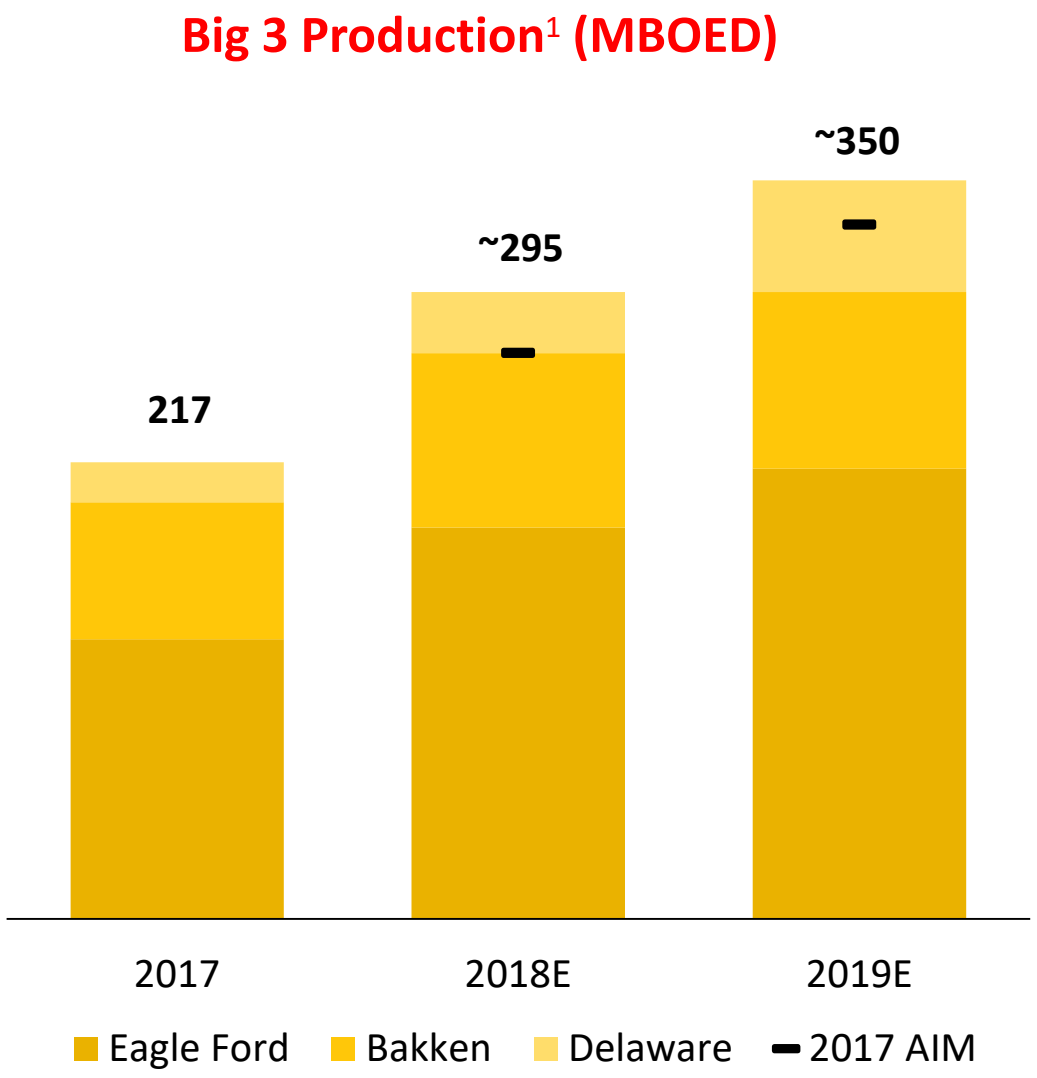

>25% CAGR

BIG 3 PRODUCTION 2017 to 2019

- Significant outperformance in 2018 vs 2017 AIM
- Expect to run 10-11 operated rigs
- Willing to shift capital among the Big 3 to maximize value
- Multi-well pilots of new completion designs underway
- Development plans focused on managing through price cycles to maximize value

[1]Production associated with Eagle Ford, Bakken and Permian Delaware.

Continuous Learning & Optimization of Completions Drives Value

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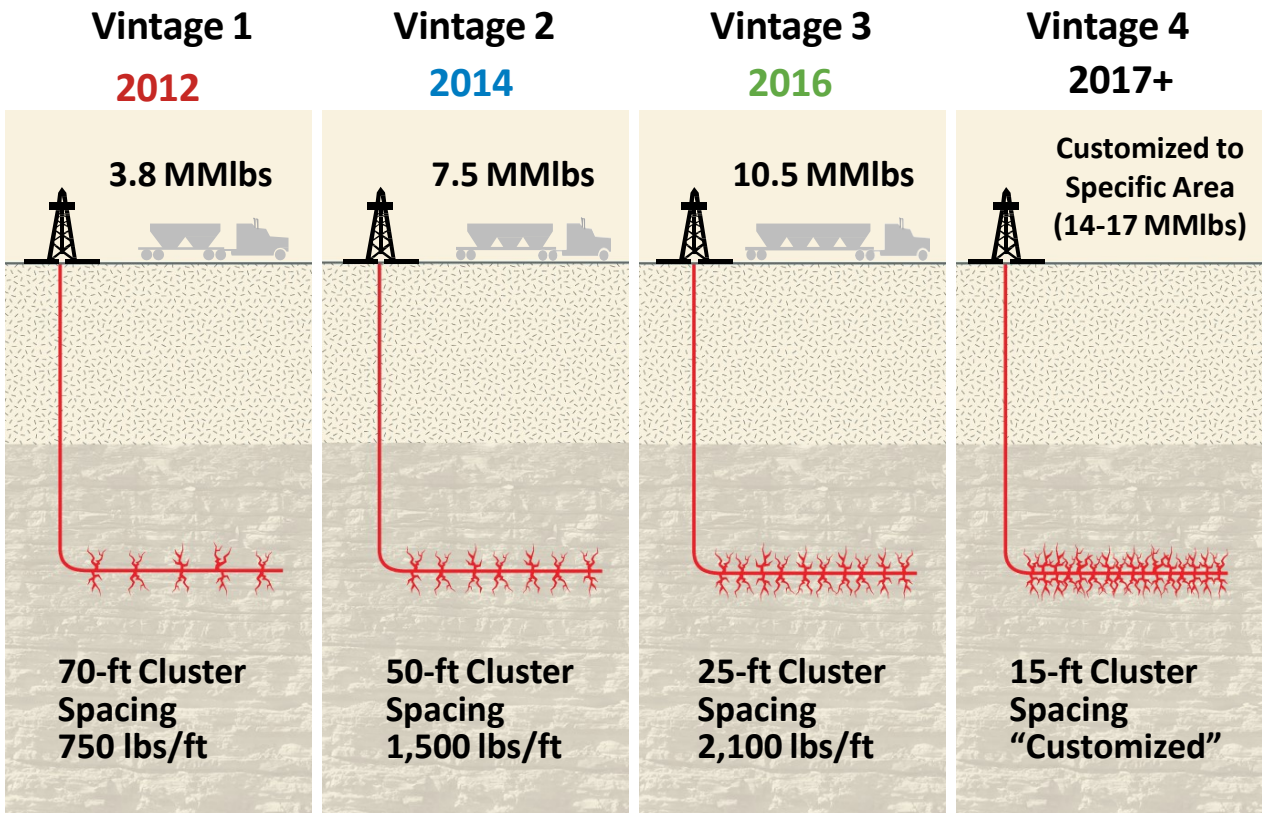
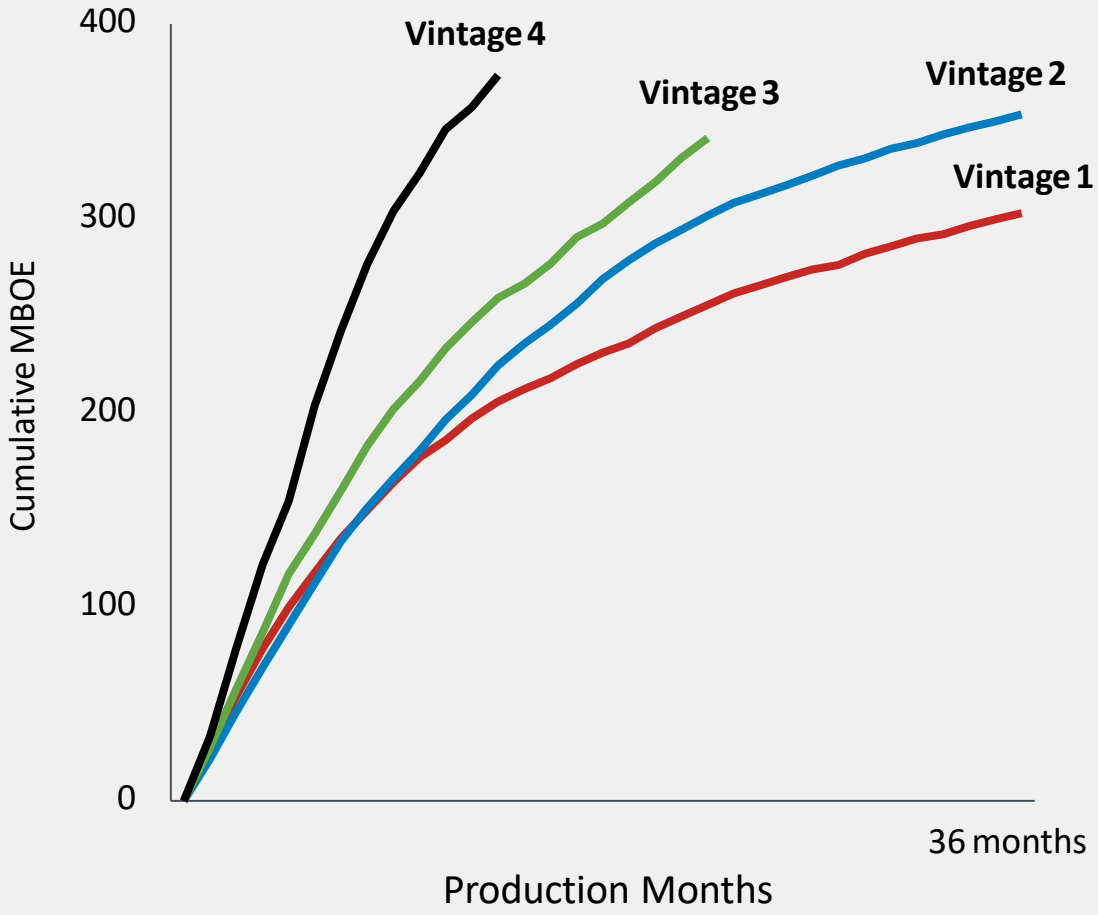
Evolution of ConocoPhillips Eagle Ford Completion Design



Eagle Ford Cumulative Production[1]



VINTAGE 5 PILOTS UNDERWAY

results expected 2019 through 2020

Proppant volumes normalized for 5,000-ft. laterals.
[1]Gross 2 stream cumulative production.

Louisiana Austin Chalk: Emerging Liquids Play

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Approximate ConocoPhillips acreage area
Planned Wells 2018 – 2019

- Currently hold ~225 M net acres; acquired at <$1,000 per acre
- Acreage acquisition focused on liquids
- First well in 2018; additional 3 wells planned in 2019
- Leveraging learnings from Lower 48 unconventional plays, including updated completion designs
- Well results expected 2H2019

MULTI-WELL PROGRAM

2018 – 2019

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2019 Cash Sources & Uses

at $50/BBL WTI

2019 Plan at $50/BBL: Commitment to Shareholder Payout

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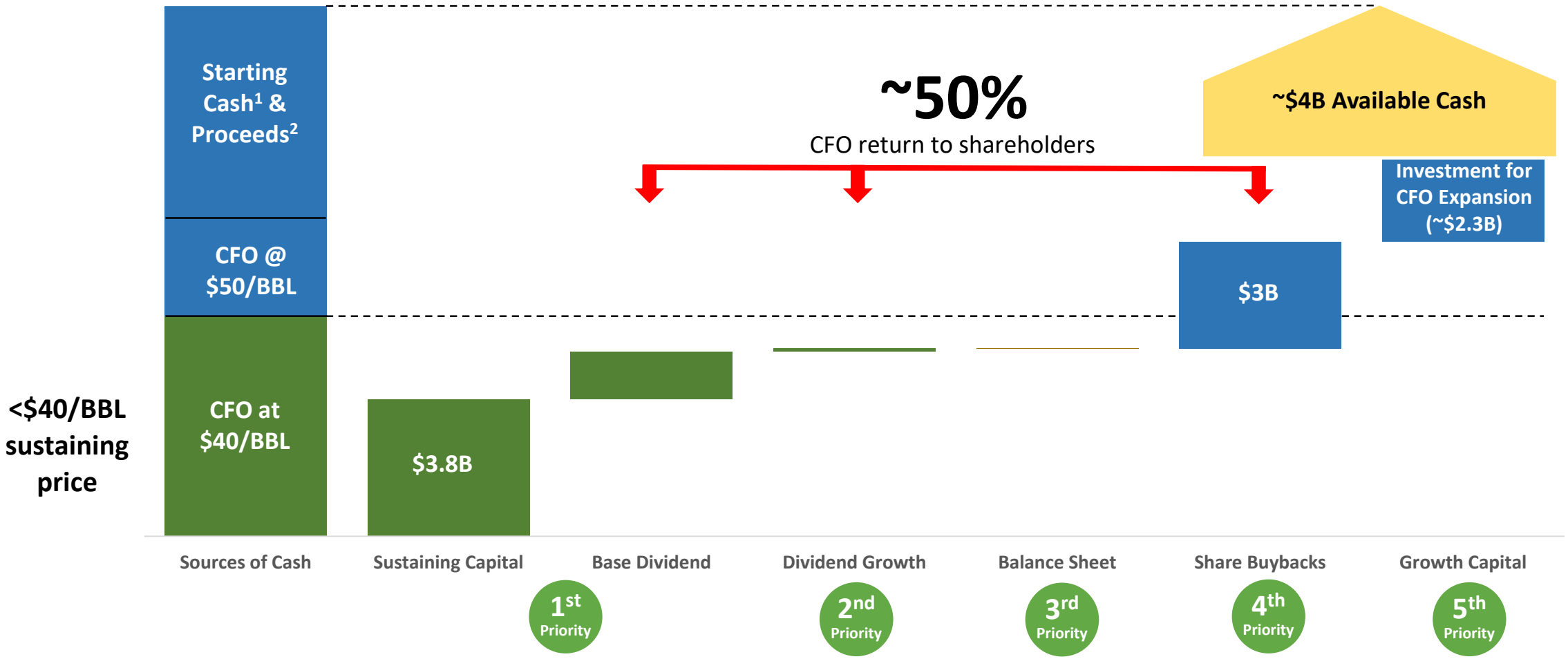
Estimated Sources and Uses of Cash (2019) at $50/BBL WTI



[1]Starting cash includes cash, cash equivalents, restricted cash and short-term investments totaling ~$6B.
[2]Includes proceeds from Sunrise disposition. Cenovus Energy equity not included as a source of cash.
Reflects WTI and assumes $5 differential to Brent. Reflects $3/MMBtu Henry Hub.

Production & Margin Growth Drive Cash Flow Expansion

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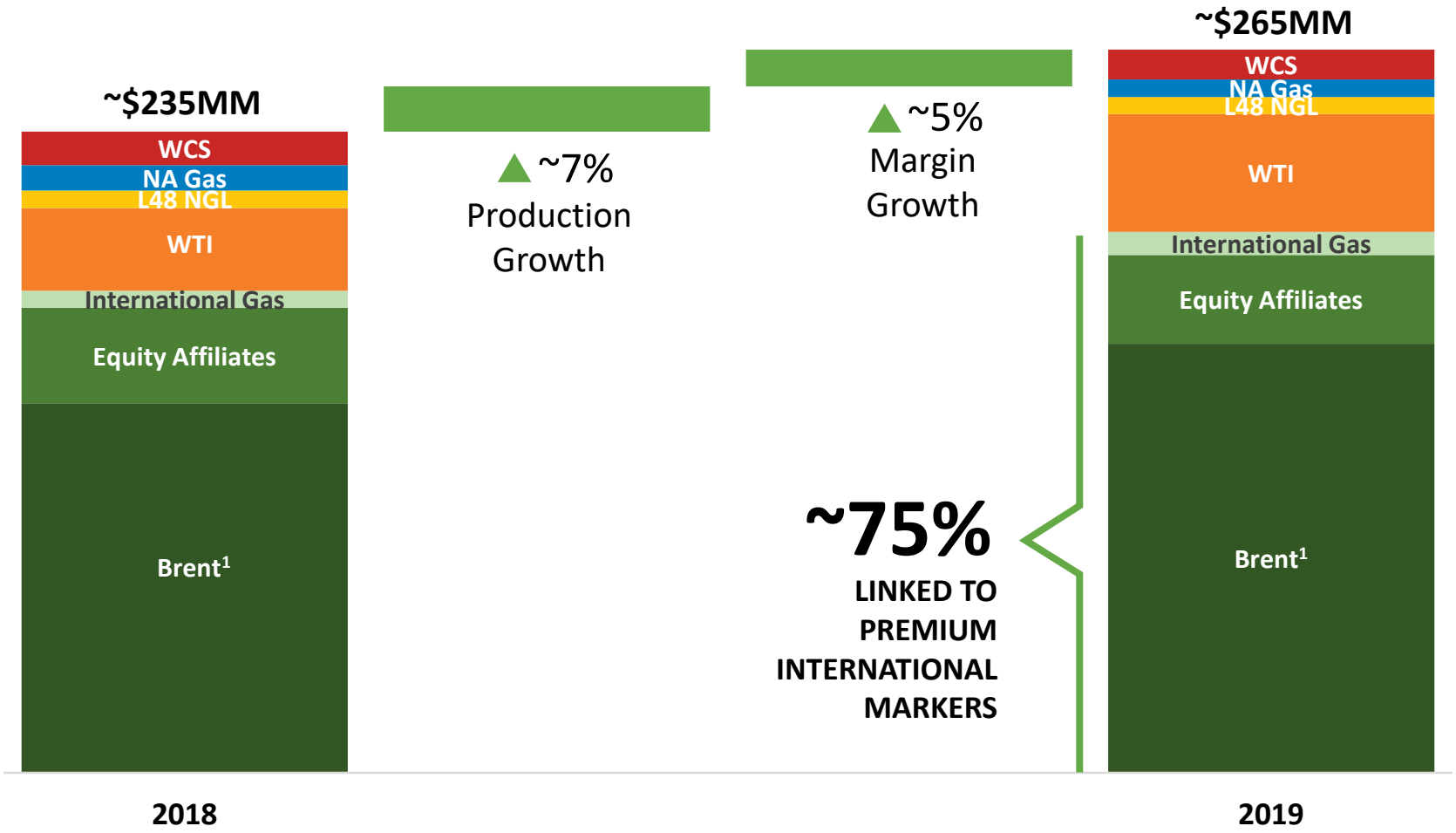
Cash Flow Sensitivities for $1/BBL Change



Cash flow price sensitivity increased $30MM per $1/BBL change driven by:

- ~7% increase in year over year production at midpoint
- Margin improvement of ~5% driven by growth in high-value crude volumes

[1]Brent includes production linked to Brent, as well as production linked to markers that correlate closely to Brent.
2019 sensitivities reflect the implied midpoint of the sensitivity ranges for markers assuming aligned movements in differentials; annual estimates based on full year average production and may not apply to quarterly results due to lift timing/product sales differences, significant turnaround activity or other unforeseen portfolio shifts in production. Annual results can also differ for the same reasons. Additionally, the above sensitivities apply to a range of commodity price fluctuations, but may not apply to significant and unexpected increases or decreases. Assumes a fixed differential between WTI/Brent and that all markers move with WTI/Brent. See the Appendix for additional information.

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Appendix:

2019 Annualized Cash Flow Sensitivities

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Consolidated Operations ($45-$65/BBL WTI)

- Crude
  - **Brent/ANS:** ~$155-165MM for $1/BBL change
  - **WTI:** ~$40-50MM for $1/BBL change
  - **WCS:** ~$15-20MM for $1/BBL change
- Lower 48 NGL
  - **Representative Blend:** ~$15-20MM for $1/BBL change
- Natural Gas
  - **Henry Hub:** ~$40-50MM for $0.25/MCF change
  - **Int'l Gas:** ~$15-20MM for $0.25/MCF change

Equity Affiliates[1] ($50-$70/BBL Brent)

- Expect distributions from all equity affiliates at >$45/BBL Brent
- **Brent**: ~$30-40MM for $1/BBL change
- Distributions may not be ratable each quarter

Net Cash Flow from Contingent Payments

- CA$6MM quarterly for every CA$1 WCS price above CA$52/BBL
- $7MM monthly if average Henry Hub price is at or above $3.20/MMBTU

[1]Representative of CFO within Equity Affiliates, may not all be distributed. Contracted LNG within equity affiliates is subject to a 3-month pricing lag.
The published sensitivities above reflect annual estimates based on full year average production and may not apply to quarterly results due to lift timing/product sales differences, significant turnaround activity or other unforeseen portfolio shifts in production. Annual results can also differ for the same reasons. Additionally, the above sensitivities apply to a range of commodity price fluctuations, but may not apply to significant and unexpected increases or decreases. Assumes a fixed differential between WTI/Brent and that all markers move with WTI/Brent. See the Appendix for additional information.

Non-GAAP Reconciliation

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Reconciliation of Capital Expenditures and Investments to Sustaining Capital

($ Billions)

	2019 Guidance
Capital Expenditures and Investments	6.1
Growth Capital (Future Major Projects, Exploration and Short-cycle Unconventional Growth)	2.3
Sustaining Capital	3.8

Sustaining capital is a non-GAAP measure that reflects a three-year average (2019-2021).

ConocoPhillips Definitions

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Cash from operations (CFO): Cash provided by operating activities less the impact from operating working capital. Estimated CFO based on sensitivities assumes no operating working capital changes, and therefore CFO equals cash provided by operating activities.

Cost of supply (CoS): Cost of supply is the WTI equivalent price that generates a 10 percent after-tax return on a point-forward and fully burdened basis. Fully burdened includes capital infrastructure, foreign exchange, price related inflation and G&A.

CROCE: Net income plus after-tax interest expense and DD&A, and the denominator of which is average of total equity plus total debt. The net income is adjusted for full-year disposition impacts, non-operational and special items impacts.

Debt-adjusted shares: Ending-period debt divided by ending share price plus ending shares outstanding.

Free cash flow: Cash provided by operating activities excluding operating working capital in excess of capital expenditures and investments. Free cash flow is not a measure of cash available for discretionary expenditures since the company has certain non-discretionary obligations such as debt service that are not deducted from the measure.

Resources: Based on the Petroleum Resources Management System, a system developed by industry that classifies recoverable hydrocarbons into commercial and sub-commercial to reflect their status at the time of reporting. Proved, probable and possible reserves are classified as commercial, while remaining resources are categorized as sub-commercial or contingent. The company's resource estimate includes volumes associated with both commercial and contingent categories. The SEC permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves. 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.

ROCE: Measure of the profitability of average capital employed in the business. Calculated as a ratio, the numerator of which is net income plus after-tax interest expense, and the denominator of which is average total equity plus total debt. The net income is adjusted for full-year disposition impacts, non-operational and special items for unusual transactions outside the normal course of business which are over a certain threshold.

Sustaining capital: Capital expenditures that sustain production over a three-year period; $3.8B/Yr 2019-2021.

Sustaining price: WTI price at which cash provided by operating activities covers sustaining capital and growing dividend.

Additional information on non-GAAP measures is included on our website.

ConocoPhillips Abbreviations

B: billion
BBL: barrel
BBOE: billions of barrels of oil equivalent
BOE: barrels of oil equivalent
BOED: barrels of oil equivalent per day
CAGR: compound annual growth rate
CFO: cash provided by operations
CoS: cost of supply
DASh: debt-adjusted share
FID: Final Investment Decision
GAAP: generally accepted accounting principles
LNG: liquefied natural gas
M: thousand
MM: million
MMBTU: million British thermal units
MMLBS: million pounds
MBO: thousands of barrels of oil
MBOE: thousands of barrels of oil equivalent
MBOED: thousands of barrels of oil equivalent per day
NGL: natural gas liquids
WCS: Western Canada Select
WI: working interest
WTI: West Texas Intermediate