

Docket No. 250036472P1

IN THE ALBERTA COURT OF JUSTICE (CRIMINAL)

BETWEEN:

HIS MAJESTY THE KING

- and -

IMPERIAL OIL RESOURCES LIMITED



BEFORE JUSTICE

J. STUFFCO

AT FORT MCMURRAY, ALBERTA

ON FRIDAY, THE

29TH DAY OF MAY

2026.

ORDER PURSUANT TO SECTION 234(1)

OF THE ENVIRONMENTAL PROTECTION AND ENHANCEMENT ACT

WHEREAS Imperial Oil Resources Limited stands convicted of the following offence under the *Environmental Protection and Enhancement Act*:

On or between the 28th day of January, 2023 and the 4th day of February, 2023, both dates inclusive, at or near Fort McKay, in the Province of Alberta, did contravene a term or condition of an approval issued to them: to wit, Approval No. 46586-01-00. Condition 4.2.1 which states:

"The approval holder shall not release any substances from the plant to the surrounding watershed, except as authorized by the approval":

and did thereby commit an offence contrary to section 227(e) of the Environmental Protection and Enhancement Act.

AND WHEREAS having regard to the nature of the offence and circumstances surrounding its commission;

IT IS HEREBY ORDERED pursuant to the provisions of section 234(1) of the *Environmental Protection and Enhancement Act* that in addition to a fine of \$2,000, inclusive of victim fine surcharge, imposed under the *Environmental Protection and Enhancement Act*:

1. That on or before the 10th day of July, 2026, Imperial Oil Resources Limited shall unconditionally pay \$118,000.00 to the Alberta Energy Regulator in trust for the purpose of funding one or more as yet undeveloped projects (the "Creative Sentence Projects") as outlined in this Order. These funds shall be forwarded specifically to: Alberta Energy Regulator, Attention: Alison Doebele, Legal Counsel, Suite 1000, 250 – 5th St. SW, Calgary, Alberta, T2P 0R4.

The funds shall be accompanied by a cover letter specifically acknowledging the payment of the funds as a portion of the penalty imposed by the Alberta Court of Justice for contravention of the *Environmental Protection and Enhancement Act*.

2. Upon making payment as required by Paragraph 1, Imperial Oil Resources Limited shall have no further responsibility for these funds including for the completion of any of the requirements or obligations set out in paragraphs 3 to 11.

3. The Alberta Energy Regulator shall hold the funds received from Imperial Oil Resources Limited pursuant to Paragraph 1 in trust for the sole purpose of funding the Creative Sentence Projects.

4. Any proposed Creative Sentence Projects funded pursuant to paragraph 1 will have the following characteristics:

- (a) The overall purpose of any Creative Sentence Projects under this Order will have demonstrable benefits to Alberta public lands, Indigenous traditional territory within Alberta, wetlands, or

surrounding ecosystems (including vegetation, mammals, birds, fish, invertebrates, amphibians, and other species).

- (b) The Creative Sentence Projects should provide the AER an explanation of how one or more of the following objectives will be met:
 - (A) Advancing understanding, mitigation, and remediation of environmental impacts arising from industrial activities to promote long-term ecological resilience in wetlands, groundwater, surface waters, interface habitats or any combination of the foregoing;
 - (B) Increased biodiversity including land, air, and aquatic ecosystems; and
 - (C) Benefits to wildlife classified as at risk, threatened, endangered, or any combination thereof (species of fish, small mammals, amphibians, or invertebrates in Alberta).
- (c) Either all or some significant portion of any Creative Sentence Project under this Order should be conducted within, or be for the benefit of, the Lower Athabasca Sub-Watershed or the Lake Athabasca Sub-Watershed. Innovative projects creating educational and employment opportunities for Indigenous communities within the larger Athabasca Watershed should be considered and given priority. Such Innovative projects could be, but not limited to, creating educational and employment programs related to environmental science, monitoring, or any programs involving the study and application of Indigenous knowledge to environmental monitoring.
- (d) Permissible projects could also involve one or more of the following:
 - (A) Projects applying Indigenous Traditional Knowledge and Understanding to support the Paragraph 4(b) objectives.

5. In order to determine what Creative Sentence Projects are funded under this Order, the Alberta Energy Regulator will publish one or more Request for Proposals using established Government of Alberta practices and vendor selection procedures except as modified by any terms of this Order. The Alberta

Energy Regulator will consider the following factors in awarding Creative Sentence Projects:

- (a) The Alberta Energy Regulator is permitted to specifically bring to the attention of any potential organization or person that it chooses the Request for Proposal. However, whether any Request for Proposal has been specifically solicited will not be a factor by which any proposal received pursuant to a Request for Proposals is evaluated.
- (b) No person or persons selected to carry out any Creative Sentencing Projects shall have any current conflict of interest, or any conflict of interest that has existed within the past 24 months, with Imperial Oil Resources Limited, as determined by the Alberta Energy Regulator under the Request for Proposal process.
- (c) The Alberta Energy Regulator, during this process, will necessarily have to make some specific references to the funds for the Creative Sentencing Projects as having come from Imperial Oil Resources Limited and will identify any conflicts of interest with the recipients of the funds. The Alberta Energy Regulator will also post on its website information about the project resulting from this Order. The Alberta Energy Regulator may have to report data accounting for the funds that attributes them to the Imperial Oil Resources Limited matter. However, the Alberta Energy Regulator will endeavor to have any recipients of funds refer to the genesis of the funds as being the result of an Alberta Court of Justice sentencing order that was a result of an *Environmental Protection and Enhancement Act* infraction. Further, where specifics are not needed, the Alberta Energy Regulator will also endeavor to generically refer to the genesis of the funds as being the result of an Alberta Court of Justice sentencing order that was a result of an *Environmental Protection and Enhancement Act* infraction.

6. The Alberta Energy Regulator will publish the Request for Proposals and will endeavor to complete the associated procurement process including the execution of one or more agreements with the recipients of the funds within eight months of the date of this Order.

7. The Alberta Energy Regulator will evaluate the compliance with this Order of any proposals for Creative Sentence Projects that are submitted in accordance with the Request for Proposal process using in-house subject matter experts.

8. All Creative Sentence Projects under this Order must be fully completed by May 28, 2029. All Creative Sentence Projects under this Order will be administered by an Alberta Energy Regulator service agreement.

9. Within 3 months of the execution of the final agreements with recipients of the funds, the Alberta Energy Regulator shall file with the Court a detailed description of any Creative Sentence Projects awarded and the corresponding Alberta Energy Regulator service agreements regarding the same. The Alberta Energy Regulator shall release funds only in accordance with the service agreements and shall file an annual report with this Honourable Court describing the progress of funded projects and a statement showing all funds released to recipients during the previous year on or before the end of May 2027, May 2028 and June 2029.

10. If any conditions or requirements of this Order cannot be met, counsel for the Alberta Crown Prosecution Service, the Alberta Energy Regulator, and any party to an Alberta Energy Regulator service agreement resulting from this Order can resolve any resulting issues by agreement, failing which the parties hereto shall appear before this Honourable Court for further direction.

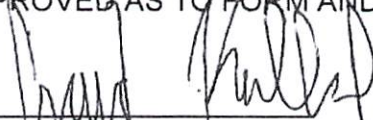
11. If, following the expiry of this Order on May 28, 2029, any of the funds as described in paragraph 1 continue to be held in trust by the Alberta Energy Regulator, those funds are to be used to pay any outstanding amounts under any Alberta Energy Regulator service agreements resulting from this Order. If, after payment of such outstanding amounts, any funds remain in trust, the trust will cease and the funds will thereafter become the property of the Alberta Energy Regulator.

12. This Order may be consented to in counterpart, by facsimile or otherwise.


DATED this 11 day of June, 2026 in Fort McMurray, in the Province of Alberta.


~~Justice of the Alberta Court of Justice~~
For D/ Clerk of the Court

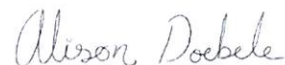
APPROVED AS TO FORM AND CONTENT BY:



Craig A. Kallal
Solicitor for the Appeals and Specialized Prosecutions Office
of the Alberta Crown Prosecution Service



Brad Gilmour
Solicitor and Agent for Imperial Oil Resources Limited



Alison Doebele
Solicitor for the Alberta Energy Regulator