PRESS RELEASE

MEG Energy announces record quarterly production, strong Q3 results, and achievement of its US$1.2 billion net debt target

All financial figures are in Canadian dollars ($ or C$) and all references to barrels are per barrel of bitumen unless otherwise noted. The Corporation's Non-GAAP and Other Financial Measures are detailed in the Advisory section of this news release. They include: cash operating netback, blend sales, bitumen realization, operating expenses net of power revenue, non-energy operating costs, energy operating costs, adjusted funds flow, free cash flow and net debt.

CALGARY, ALBERTA (November 9, 2022) – MEG Energy Corp. (TSX:MEG, "MEG" or the "Corporation") reported its third quarter 2022 operational and financial results.

"MEG's record third quarter production reflects our continued focus on operational excellence including optimized well spacing, enhanced completion designs, capital efficient well redevelopment programs, and steam allocation techniques that are lowering field steam-oil ratios and associated GHG intensity," said Derek Evans, President and Chief Executive Officer. "We remain focused on debt reduction and returning cash to shareholders. The $1.3 billion of free cash flow generated in the first nine months of this year allowed us to repurchase $1.1 billion of debt and return $0.2 billion to shareholders. Net debt is now at US$1.2 billion, and we are increasing free cash flow allocated to share buybacks to 50%."

Third quarter 2022 highlights include:

- Record quarterly bitumen production of 101,983 barrels per day (bbls/d) at a steam-oil ratio ("SOR") of 2.39;
- Adjusted funds flow of $496 million ($1.61 per share) less total third quarter capital expenditures of $78 million, resulted in free cash flow of $418 million in the third quarter;
- Free cash flow of $1,263 million was recognized during the first nine months of 2022;
- Operating expenses net of power revenue of $5.45 per barrel, including non-energy operating costs of $4.49 per barrel. Power revenue offset 84% of energy operating costs resulting in record low energy operating costs net of power revenue of $0.96 per barrel;
- Debt repurchases of US$866 million (approximately $1,121 million) during the nine months ended September 30, 2022, including US$262 million (approximately $349 million) in the third quarter;
- MEG returned $92 million to shareholders through the buyback of 5.6 million shares during the third quarter and returned $186 million during the nine months ended September 30, 2022 through the buyback of 10.1 million shares; and
- As at September 30, 2022, MEG reached its US$1.2 billion net debt target and is raising the allocation of free cash flow to share buybacks to 50%.

	Nine months ended September 30		2022			2021				2020
($millions, except as indicated)	**2022**	**2021**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**
Bitumen production - bbls/d	**90,126**	91,386	**101,983**	67,256	101,128	100,698	91,506	91,803	90,842	91,030
Steam-oil ratio	**2.42**	2.44	**2.39**	2.46	2.43	2.42	2.56	2.39	2.37	2.31
Bitumen sales - bbls/d	**89,662**	89,861	**95,759**	73,091	100,186	98,894	92,251	89,980	87,298	95,731
Bitumen realization(1) - $/bbl	**101.68**	59.28	**90.33**	122.69	97.28	71.06	64.91	60.09	52.34	38.64
Operating expenses - $/bbl	**12.43**	8.58	**10.61**	16.05	11.54	10.78	9.23	8.11	8.39	8.43
Operating expenses net of power revenue(1) - $/bbl	**8.79**	6.00	**5.45**	12.97	8.98	8.20	7.17	5.54	5.25	6.98
Non-energy operating costs(2) - $/bbl	**4.90**	4.12	**4.49**	5.65	4.74	4.56	4.46	3.84	4.05	4.70
Cash operating netback(1) - $/bbl	**70.61**	31.71	**62.63**	81.75	70.21	37.87	37.31	31.30	26.03	18.66
General & administrative expense - $/bbl of bitumen production volumes	**1.84**	1.68	**1.72**	2.37	1.61	1.58	1.72	1.56	1.77	1.65
Funds flow from operating activities	**1,500**	493	**501**	412	587	260	212	160	121	81
Per share, diluted	**4.80**	1.59	**1.63**	1.31	1.87	0.83	0.68	0.51	0.39	0.26
Adjusted funds flow(3)	**1,533**	551	**496**	478	559	274	243	184	124	88
Per share, diluted(3)	**4.91**	1.78	**1.61**	1.52	1.78	0.88	0.78	0.59	0.40	0.29
Free cash flow(3)	**1,263**	326	**418**	374	471	168	159	113	54	48
Revenues	**4,673**	3,014	**1,571**	1,571	1,531	1,307	1,091	1,009	914	786
Net earnings (loss)	**743**	105	**156**	225	362	177	54	68	(17)	16
Per share, diluted	**2.38**	0.34	**0.51**	0.72	1.15	0.57	0.17	0.22	(0.06)	0.05
Capital expenditures	**270**	225	**78**	104	88	106	84	71	70	40
Long-term debt, including current portion	**1,803**	2,769	**1,803**	2,026	2,440	2,762	2,769	2,820	2,852	2,912
Net debt(3) - C$	**1,634**	2,559	**1,634**	1,782	2,150	2,401	2,559	2,661	2,798	2,798
Net debt(3) - US$	**1,193**	2,007	**1,193**	1,384	1,722	1,897	2,007	2,145	2,226	2,194

(1) *Non-GAAP financial measure - please refer to the Advisory section of this news release.*
(2) *Supplementary financial measure - please refer to the Advisory section of this news release.*
(3) *Capital management measure - please refer to the Advisory section of this news release.*

Financial Results

Funds flow from operating activities and adjusted funds flow increased to $501 million and $496 million, respectively, in the third quarter of 2022 compared to $412 million and $478 million in the second quarter of 2022. Higher bitumen sales volumes, following the completion of the second quarter turnaround, were partially offset by a lower average bitumen realization.

Third quarter of 2022 free cash flow rose to $418 million from $374 million in the second quarter of 2022 due to higher adjusted funds flow and lower capital spending.

Capital expenditures declined to $78 million in the third quarter of 2022 from $104 million in the second quarter of 2022, due to the major second quarter turnaround.

The Corporation’s third quarter of 2022 net earnings decreased to $156 million from $225 million in the second quarter of 2022. Third quarter net earnings were impacted by the same factors affecting funds flow from operating activities as well as higher depreciation and depletion expense and an unrealized foreign exchange loss on long-term debt due to the weakening Canadian dollar.

The Corporation's cash operating netback averaged $62.63 per barrel in the third quarter of 2022 compared to $81.75 per barrel in the second quarter of 2022. The third quarter decline mainly reflects a lower WTI price and a wider AWB differential compared to the second quarter.

MEG realized an average AWB blend sales price of US$76.55 per barrel during the third quarter of 2022 compared to US$100.42 per barrel during the second quarter of 2022. MEG sold 66% of its sales volumes at the U.S. Gulf Coast in the third quarter of 2022 compared to 79% in the second quarter of 2022, reflecting the second quarter turnaround.

Operating Results

Bitumen production averaged 101,983 bbls/d at an SOR of 2.39 in the third quarter of 2022, compared to 67,256 bbls/d at an SOR of 2.46 in the second quarter of 2022. The production increase reflects strong performance following the second quarter major turnaround and positions MEG to achieve the upper end of its June 29, 2022 production guidance range.

Non-energy operating costs decreased to $4.49 per barrel of bitumen sales in the third quarter of 2022 from $5.65 per barrel in the second quarter of 2022, mainly reflecting increased volumes following the turnaround.

Energy operating costs, net of power revenue, averaged $0.96 per barrel in the third quarter of 2022 compared to $7.32 per barrel in the second quarter of 2022. The decrease reflects a lower AECO natural gas price and higher Alberta power prices. Power revenue offset 84% of energy operating costs during the third quarter of 2022 compared to 30% in the second quarter of 2022.

General & administrative expense ("G&A") was $16 million, or $1.72 per barrel of production, in the third quarter of 2022 compared to $15 million, or $2.37 per barrel of production, in the second quarter of 2022. On a per barrel basis, G&A expense in the second quarter of 2022 was impacted by lower production volumes associated with the Corporation's major turnaround.

Capital Allocation Strategy

The Corporation is executing its capital allocation strategy of applying free cash flow to ongoing debt reduction and share buybacks. The Corporation generated $1.3 billion of free cash flow in the first nine months of 2022. During that time, MEG repurchased approximately $1.1 billion of outstanding indebtedness and returned approximately $0.2 billion to shareholders through share buybacks. MEG remains committed to continued debt reduction as a key component of its capital allocation strategy.

The Corporation reached US$1.2 billion net debt as at September 30, 2022 and is increasing the percentage of free cash flow allocated to share buybacks to approximately 50% with the remainder applied to further debt reduction. Once the net debt floor of US$600 million is reached 100% of free cash flow will be returned to shareholders.

Debt Repurchases

During the third quarter of 2022, MEG repurchased and extinguished US$262 million (approximately $349 million) of MEG's outstanding 7.125% senior unsecured notes due February 2027 at a weighted average price of 102.2%.

MEG has repaid US$866 million (approximately $1,121 million) of debt during the nine months ended September 30, 2022.

Share Buybacks

During the third quarter of 2022, MEG repurchased for cancellation 5.6 million common shares, returning $92 million to shareholders.

In the first nine months of the year, MEG repurchased for cancellation 10.1 million common shares, returning $186 million to shareholders.

Outlook

The Corporation's outlook remains unchanged from the guidance provided on June 29, 2022.

Summary of 2022 Guidance	**Revised Guidance (June 29, 2022)**	**Original Guidance (November 29, 2021)**
Bitumen production - annual average	92,000 - 95,000 bbls/d	94,000 - 97,000 bbls/d
Non-energy operating costs	$4.60 - $4.90 per bbl	$4.50 - $4.80 per bbl
G&A expense	$1.75 - $1.90 per bbl	$1.70 - $1.85 per bbl
Capital expenditures	$375 million	$375 million

Pathways Alliance

MEG and its Pathways Alliance ("Alliance") partners are making significant progress in advancing the early work required to build one of the world's largest carbon capture and storage ("CCS") facilities. The goal of this unique alliance and project is to support Canada in meeting its climate commitments, position Canada as the preferred global supplier of crude oil and to achieve net zero GHG emissions from oil sands operations by 2050.

On October 4, 2022, the Alliance was one of 19 CCS proposals chosen to proceed to the next stage of evaluation by the Alberta government. Securing the right to continue exploratory work to define the suitability and capacity of the CCS storage hub is an essential part of the Alliance's plan to reduce emissions by 22 million tonnes per year by 2030. MEG would like to acknowledge the Alberta government's continued support as we work together to decarbonize emissions from the oil sands.

Stakeholder engagement and engineering work to develop the project is already underway. The Alliance has progressed engagement with more than 20 Indigenous communities along the proposed CO_2 storage corridor, completed pre-engineering for the CO_2 pipeline and is conducting field programs to support regulatory applications and engineering studies related to the CO_2 capture facilities. The Alliance partners have identified $24.1 billion of investments in CCS projects by 2030 and other emissions reduction projects as part of the first phase of its goal to reach net zero emissions from the oil sands by 2050.

The Alliance continues to work with the Federal and Alberta governments on the appropriate co-investment mechanisms, in addition to the planned Federal Investment Tax Credit, required to get major CCS projects off the drawing board and into the field.

MEG is encouraged by the urgency expressed by the Federal government's fall economic update to advance major energy infrastructure projects and to stay globally competitive on clean technology investment. We appreciate the Federal government's recognition that Canada must be on a level playing field, with incentives equivalent to those contained within the U.S. Inflation Reduction Act, in order to kick start major projects. The introduction of a Canada Growth Fund with mechanisms that include carbon contracts for differences and off-take contracts could increase certainty for major decarbonization investments and help get projects to final investment decision faster.

Conference Call

A conference call will be held to review MEG's third quarter of 2022 operating and financial results at 6:30 a.m. Mountain Time (8:30 a.m. Eastern Time) on Thursday November 10, 2022. To participate, please dial the North American toll-free number 1-888-390-0546, or the international call number 1-416-764-8688.

A recording of the call will be available by 12 noon Mountain Time (2 p.m. Eastern Time) on the same day at https://www.megenergy.com/investors/presentations-events/.

ADVISORY

Basis of Presentation

MEG prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS") and presents financial results in Canadian dollars ($ or C$), which is the Corporation's functional currency.

Non-GAAP and Other Financial Measures

Certain financial measures in this news release are non-GAAP financial measures or ratios, supplementary financial measures and capital management measures. These measures are not defined by IFRS and, therefore, may not be comparable to similar measures provided by other companies. These non-GAAP and other financial measures should not be considered in isolation or as an alternative for measures of performance prepared in accordance with IFRS.

Adjusted Funds Flow and Free Cash Flow

Adjusted funds flow and free cash flow are capital management measures and are defined in the Corporation's consolidated financial statements. Adjusted funds flow and free cash flow are presented to assist management and investors in analyzing operating performance and cash flow generating ability. Funds flow from operating activities is an IFRS measure in the Corporation's consolidated statement of cash flow. Adjusted funds flow is calculated as funds flow from operating activities excluding items not considered part of ordinary continuing operating results. By excluding non-recurring adjustments, the adjusted funds flow measure provides a meaningful metric for management and investors by establishing a clear link between the Corporation's cash flows and cash operating netback. Free cash flow is presented to assist management and investors in analyzing performance by the Corporation as a measure of financial liquidity and the capacity of the business to repay debt and return capital to shareholders. Free cash flow is calculated as adjusted funds flow less capital expenditures.

In the second quarter of 2022, an adjustment was made to the presentation of adjusted funds flow and free cash flow. In April 2020, the Corporation issued cash-settled RSUs under its long-term incentive ("LTI") plan when the Corporation's share price was at a historic low of $1.57 per share. Concurrent with the issuance, the Corporation entered into equity price risk management contracts to manage share price volatility in the three-year period following the issuance, effectively eliminating cash flow risk associated with share price appreciation over that time period. The significant increase in the Corporation's share price from April 2020 to June 30, 2022 resulted in the recognition of a significant cash-settled stock-based compensation expense, which was previously included as a component of adjusted funds flow and free cash flow. Since the actual cash impact of the 2020 cash-settled RSUs is subject to equity price risk management contracts, there is no cash impact over the term of these RSUs beyond the value at the date of issue of $1.57 per share.

As a result of the equity risk management contracts, the Corporation's operating performance and cash flow generating ability are not impacted by the April 2020 cash-settled RSUs issued and the associated equity price risk management contracts. Therefore, the financial statement impacts of the cash-settled stock-based compensation associated with the April 2020 issuance and the equity price risk management contracts have been excluded from Adjusted Funds Flow and Free Cash Flow. All prior periods presented have been adjusted to reflect this change in presentation. The adjustments to prior periods are as follows:

	2022	2021				2020		
($millions, except as indicated)	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**
Adjusted funds flow, as previously presented	**$ 587**	$ 266	$ 239	$ 166	$ 127	$ 84	$ 26	$ 89
Adjustments:								
Impact of cash-settled SBC units subject to equity price risk management	**18**	8	4	18	5	4	—	2
Realized equity price risk management gain	**(46)**	—	—	—	(8)	—	—	—
Adjusted funds flow, current presentation	**$ 559**	$ 274	$ 243	$ 184	$ 124	$ 88	$ 26	$ 91
Free cash flow, as previously presented	**$ 499**	$ 160	$ 155	$ 95	$ 57	$ 44	$ (9)	$ 69
Adjustments:								
Impact of cash-settled SBC units subject to equity price risk management	**18**	8	4	18	5	4	—	2
Realized equity price risk management gain	**(46)**	—	—	—	(8)	—	—	—
Free cash flow, current presentation	**$ 471**	$ 168	$ 159	$ 113	$ 54	$ 48	$ (9)	$ 71

The following table reconciles funds flow from operating activities to adjusted funds flow to free cash flow:

	Three months ended September 30		Nine months ended September 30	
($millions)	**2022**	**2021**	**2022**	**2021**
Funds flow from operating activities	**$ 501**	$ 212	**$ 1,500**	$ 493
Adjustments:				
Impact of cash-settled SBC units subject to equity price risk management	**(5)**	4	**79**	27
Realized equity price risk management gain	**—**	—	**(46)**	(8)
Settlement expense	**—**	21	**—**	21
Payments on onerous contract	**—**	6	**—**	18
Adjusted funds flow	**496**	243	**1,533**	551
Capital expenditures	**(78)**	(84)	**(270)**	(225)
Free cash flow	**$ 418**	$ 159	**$ 1,263**	$ 326

Net Debt

Net debt is a capital management measure and is defined in the Corporation's consolidated financial statements. Net debt is an important measure used by management to analyze leverage and liquidity. Net debt is calculated as long-term debt plus current portion of long-term debt less cash and cash equivalents.

The following table reconciles the Corporation's current and long-term debt to net debt:

As at	September 30, 2022	December 31, 2021
Long-term debt	**$ 1,771**	$ 2,477
Current portion of long-term debt	**32**	285
Cash and cash equivalents	**(169)**	(361)
Net debt - C$	**$ 1,634**	$ 2,401
Net debt - US$	**$ 1,193**	$ 1,897

Cash Operating Netback

Cash operating netback is a non-GAAP financial measure, or ratio when expressed on a per barrel basis. Its terms are not defined by IFRS and, therefore, may not be comparable to similar measures provided by other companies. This non-GAAP financial measure should not be considered in isolation or as an alternative for measures of performance prepared in accordance with IFRS.

Cash operating netback is a financial measure widely used in the oil and gas industry as a supplemental measure of a company's efficiency and its ability to generate cash flow for debt repayment, capital expenditures, or other uses. The per barrel calculation of cash operating netback is based on bitumen sales volumes.

Revenues, is an IFRS measure in the Corporation's consolidated statement of earnings (loss) and comprehensive income (loss), which is the most directly comparable primary financial statement measure to cash operating netback. A reconciliation from revenues to cash operating netback has been provided below:

	Three months ended September 30		Nine months ended September 30	
($millions)	**2022**	**2021**	**2022**	**2021**
Revenues	**$ 1,571**	$ 1,091	**$ 4,673**	$ 3,014
Diluent expense	**(411)**	(324)	**(1,343)**	(944)
Transportation and storage expense	**(138)**	(88)	**(387)**	(272)
Purchased product	**(383)**	(218)	**(919)**	(587)
Operating expenses	**(94)**	(78)	**(305)**	(211)
Realized gain (loss) on commodity risk management	**7**	(66)	**9**	(222)
Cash operating netback	**$ 552**	$ 317	**$ 1,728**	$ 778

Blend Sales and Bitumen Realization

Blend sales and bitumen realization are non-GAAP financial measures, or ratios when expressed on a per barrel basis, and are used as a measure of the Corporation's marketing strategy by isolating petroleum revenue and costs associated with its produced and purchased products and excludes royalties. Their terms are not defined by IFRS and, therefore, may not be comparable to similar measures provided by other companies. These non-GAAP financial measures should not be considered in isolation or as an alternative for measures of performance prepared in accordance with IFRS. Blend sales per barrel is based on blend sales volumes and bitumen realization per barrel is based on bitumen sales volumes.

Revenues, is an IFRS measure in the Corporation's consolidated statement of earnings (loss) and comprehensive income (loss), which is the most directly comparable primary financial statement measure to blend sales and bitumen realization. A reconciliation from revenues to blend sales and bitumen realization has been provided below:

	Three months ended September 30				Nine months ended September 30			
	2022		**2021**		**2022**		**2021**	
($millions, except as indicated)		**$/bbl**		**$/bbl**		**$/bbl**		**$/bbl**
Revenues	**$ 1,571**		$ 1,091		**$ 4,673**		$ 3,014	
Other revenue	**(47)**		(21)		**(93)**		(72)	
Royalties	**66**		23		**171**		44	
Petroleum revenue	**1,590**		1,093		**4,751**		2,986	
Purchased product	**(383)**		(218)		**(919)**		(587)	
Blend sales	**1,207**	**$ 99.96**	875	$ 74.54	**3,832**	**$ 109.94**	2,399	$ 68.40
Diluent expense	**(411)**	**(9.63)**	(324)	(9.63)	**(1,343)**	**(8.26)**	(944)	(9.12)
Bitumen realization	**$ 796**	**$ 90.33**	$ 551	$ 64.91	**$ 2,489**	**$ 101.68**	$ 1,455	$ 59.28

Operating Expenses net of Power Revenue

Operating expenses net of power revenue is a non-GAAP financial measure, or ratio when expressed on a per barrel basis. Its terms are not defined by IFRS and, therefore, may not be comparable to similar measures provided by other companies. This non-GAAP financial measure should not be considered in isolation or as an alternative for measures of performance prepared in accordance with IFRS. Per barrel amounts are based on bitumen sales volumes.

It is used as a measure of the Corporation's cost to operate its facilities at the Christina Lake project after factoring in the benefits from selling excess power to offset energy costs.

Non-energy operating costs and energy operating costs are supplementary financial measures as they represent portions of operating expenses. Non-energy operating costs comprise production-related operating activities and energy operating costs reflect the cost of natural gas used as fuel to generate steam and power. Per barrel amounts are based on bitumen sales volumes.

Operating expenses is an IFRS measure in the Corporation's consolidated statement of earnings (loss) and comprehensive income (loss). Other revenue, is an IFRS measure in the Corporation's consolidated statement of earnings (loss) and comprehensive income (loss), which is the most directly comparable primary financial statement measure to power revenue. A reconciliation from other revenue to power revenue has been provided below.

	Three months ended September 30				Nine months ended September 30			
	2022		2021		2022		2021	
($millions, except as indicated)		$/bbl		$/bbl		$/bbl		$/bbl
Non-energy operating costs	**$ (40)**	**$ (4.49)**	$ (38)	$ (4.46)	**$ (120)**	**$ (4.90)**	$ (101)	$ (4.12)
Energy operating costs	**(54)**	**(6.12)**	(40)	(4.77)	**(185)**	**(7.53)**	(110)	(4.46)
Operating expenses	**$ (94)**	**$ (10.61)**	$ (78)	$ (9.23)	**$ (305)**	**$ (12.43)**	$ (211)	$ (8.58)
Other revenue	**$ 47**		$ 21		**$ 93**		$ 72	
Less transportation revenue	**(1)**		(3)		**(3)**		(8)	
Power revenue	**$ 46**	**$ 5.16**	$ 18	$ 2.06	**$ 90**	**$ 3.64**	$ 64	$ 2.58
Operating expenses net of power revenue	**$ (48)**	**$ (5.45)**	$ (60)	$ (7.17)	**$ (215)**	**$ (8.79)**	$ (147)	$ (6.00)

Forward-Looking Information

Certain statements contained in this news release may constitute forward-looking statements within the meaning of applicable Canadian securities laws. These statements relate to future events or MEG's future performance. All statements other than statements of historical fact may be forward-looking statements. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe", "plan", "intend", “target”, “potential” and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are often, but not always, identified by such words. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. In particular, and without limiting the foregoing, this press release contains forward looking statements with respect to: the impact of the Corporation’s continued focus on operational excellence including optimized well spacing, enhanced completion designs, capital efficient well redevelopment program and steam allocation techniques on production, GHG intensity and steam oil ratios; the Corporation’s expectation of allocating 50% of free cash flow to share buybacks with the remaining cash flow applied to ongoing debt reduction until it reaches its net debt floor of US$600 million; the Corporation’s expectation of returning 100% of free cash flow to shareholders once its net debt floor of US$600 million is reached; the Corporation’s expectation of achieving the upper end of its June 29, 2022 production guidance range; the Corporation’s continued focus on debt reduction and share buybacks as a key component of its capital allocation strategy; the Corporation's emission reduction goals and ambitions for the company and through the Pathways Alliance; and all statements relating to the Corporation’s revised 2022 guidance, including its full year production, non-energy operating costs, G&A expense and capital expenditures.

Forward-looking information contained in this press release is based on management's expectations and assumptions regarding, among other things: future crude oil, bitumen blend, natural gas, electricity, condensate and other diluent prices, differentials, the level of apportionment on the Enbridge mainline system, foreign exchange rates and interest rates; the recoverability of MEG's reserves and contingent resources; MEG's ability to produce and market production of bitumen blend successfully to customers; future growth, results of operations and production levels; future capital and other expenditures; revenues, expenses and cash flow; operating costs; reliability; continued liquidity and runway to sustain operations through a prolonged market downturn; MEG's ability to reduce or increase production to desired levels, including without negative impacts to its assets; anticipated reductions in operating costs as a result of optimization and scalability of certain operations; anticipated sources of funding for operations and capital investments; plans for and results of drilling activity; the regulatory framework governing royalties, land use, taxes and environmental matters, including the timing and level of government production curtailment and federal and provincial climate change policies, in which MEG conducts and will conduct its business; the availability of government support to industry to assist in the achievement of net zero GHG emissions by 2050; the impact of MEG’s response to the COVID-19 global pandemic; and business prospects and opportunities. By its nature, such forward-looking information involves significant known and unknown risks and uncertainties, which could cause actual results to differ materially from those anticipated.

These risks and uncertainties include, but are not limited to, risks and uncertainties related to: the oil and gas industry, for example, the securing of adequate access to markets and transportation infrastructure (including pipelines and rail) and the commitments therein; the availability of capacity on the electricity transmission grid; the uncertainty of reserve and resource estimates; the uncertainty of estimates and projections relating to production, costs and revenues; health, safety and environmental risks, including public health crises, such as the COVID-19 pandemic, and any related actions taken by governments and businesses; legislative and regulatory changes to, amongst other things, tax, land use, royalty and environmental laws and production curtailment; the cost of compliance with current and future environmental laws, including climate change laws; risks relating to increased activism and public opposition to fossil fuels and oil sands; the inability to access government support to industry to assist in the achievement of net zero GHG emissions by 2050; assumptions regarding and the volatility of commodity prices, interest rates and foreign exchange rates; commodity price, interest rate and foreign exchange rate swap contracts and/or derivative financial instruments that MEG may enter into from time to time to manage its risk related to such prices and rates; timing of completion, commissioning, and start-up, of MEG’s turnarounds; the operational risks and delays in the development, exploration, production, and the capacities and performance associated with MEG's projects; MEG’s ability to reduce or increase production to desired levels, including without negative impacts to its assets; MEG’s ability to finance capital expenditures; MEG’s ability to maintain sufficient liquidity to sustain operations through a prolonged market downturn; changes in credit ratings applicable to MEG or any of its securities; MEG’s response to the COVID-19 global pandemic; the severity and duration of the COVID-19 pandemic; the potential for a temporary suspension of operations impacted by an outbreak of COVID-19; actions taken by OPEC+ in relation to supply management; the impact of the Russian invasion of Ukraine and associated sanctions on commodity prices; the availability and cost of labour and goods and services required in the Corporation’s operations, including inflationary pressures; supply chain issues including transportation delays; the cost and availability of equipment necessary to our operations; and changes in general economic, market and business conditions.

Although MEG believes that the assumptions used in such forward-looking information are reasonable, there can be no assurance that such assumptions will be correct. Accordingly, readers are cautioned that the actual results achieved may vary from the forward-looking information provided herein and that the variations may be material. Readers are also cautioned that the foregoing list of assumptions, risks and factors is not exhaustive.

Further information regarding the assumptions and risks inherent in the making of forward-looking statements can be found in MEG's most recently filed Annual Information Form ("AIF"), along with MEG's other public disclosure documents. Copies of the AIF and MEG's other public disclosure documents are available through the Company's website at www.megenergy.com/investors and through the SEDAR website at www.sedar.com.

The forward-looking information included in this news release is expressly qualified in its entirety by the foregoing cautionary statements. Unless otherwise stated, the forward-looking information included in this news release is made as of the date of this news release and MEG assumes no obligation to update or revise any forward-looking information to reflect new events or circumstances, except as required by law.

This news release contains future-oriented financial information and financial outlook information (collectively, "FOFI") about MEG's prospective results of operations including, without limitation, the Corporation’s capital expenditures, production, non-energy operating costs, general and administrative costs and transportation costs, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth above. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on FOFI. MEG's actual results, performance or achievement could differ materially from those expressed in, or implied by, these FOFI, or if any of them do so, what benefits MEG will derive therefrom. MEG has included the FOFI in order to provide readers with a more complete perspective on MEG's future operations and such information may not be appropriate for other purposes. MEG disclaims any intention or obligation to update or revise any FOFI statements, whether as a result of new information, future events or otherwise, except as required by law.

About MEG

MEG is an energy company focused on sustainable *in situ* thermal oil production in the southern Athabasca oil region of Alberta, Canada. MEG is actively developing innovative enhanced oil recovery projects that utilize steam-assisted gravity drainage extraction methods to improve the responsible economic recovery of oil as well as lower carbon emissions. MEG transports and sells thermal oil (AWB) to customers throughout North America and internationally. MEG's common shares are listed on the Toronto Stock Exchange under the symbol "MEG" (TSX: MEG).

Learn more at: www.megenergy.com

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