



FEI Canada 2008 National Conference



Canadian Natural

June 11, 2008

Forward Looking Statements



Certain statements in this document or documents incorporated herein by reference constitute forward-looking statements or information (collectively referred to herein as “forward-looking statements”) within the meaning of applicable securities legislation. Forward-looking statements can be identified by the words “believe”, “anticipate”, “expect”, “plan”, “estimate”, “target”, “continue”, “could” “intend”, “may”, “potential”, “predict”, “should”, “will”, “objective”, “project”, “forecast”, “goal”, “guidance”, “outlook”, “effort” “seeks”, “schedule” or expressions of a similar nature suggesting future outcome or statements regarding an outlook. Statements relating to “reserves” are deemed to be forward-looking statements as they involve the implied assessment based on certain estimates and assumptions that the reserves described can be profitably produced in the future. There are numerous uncertainties inherent in estimating quantities of proved crude oil and natural gas reserves and in projecting future rates of production and the timing of development expenditures. The total amount or timing of actual future production may vary significantly from reserve and production estimates.

These statements are not guarantees of future performance and are subject to certain risks and the reader should not place undue reliance on these forward-looking statements as there can be no assurance that the plans, initiatives or expectations upon which they are based will occur.

The forward-looking statements are based on current expectations, estimates and projections about Canadian Natural Resources Limited (the “Company”) and the industry in which the Company operates, which speak only as of the date such statements were made or as of the date of the report or document in which they are contained and are subject to known and unknown risks, uncertainties and other factors that could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others: general economic and business conditions which will, among other things, impact demand for and market prices of the Company’s products; volatility of and assumptions regarding crude oil and natural gas prices; fluctuations in currency and interest rates; assumptions on which the Company’s current guidance is based; economic conditions in the countries and regions in which the Company conducts business; political uncertainty, including actions of or against terrorists, insurgent groups or other conflict including conflict between states; industry capacity; ability of the Company to implement its business strategy, including exploration and development activities; impact of competition; the Company’s defense of lawsuits; availability and cost of seismic, drilling and other equipment; ability of the Company and its subsidiaries to complete its capital programs; the Company’s and its subsidiaries’ ability to secure adequate transportation for its products; unexpected difficulties in mining, extracting or upgrading the Company’s bitumen products; potential delays or changes in plans with respect to exploration or development projects or capital expenditures; ability of the Company to attract the necessary labour required to build its thermal and oil sands mining projects; operating hazards and other difficulties inherent in the exploration for and production and sale of crude oil and natural gas; availability and cost of financing; the Company’s and its subsidiaries’ success of exploration and development activities and their ability to replace and expand crude oil and natural gas reserves; timing and success of integrating the business and operations of acquired companies; production levels; imprecision of reserve estimates and estimates of recoverable quantities of crude oil, bitumen, natural gas and liquids not currently classified as proved; actions by governmental authorities; government regulations and the expenditures required to comply with them (especially safety and environmental laws and regulations and the impact of climate change initiatives on operating costs); asset retirement obligations; the adequacy of the Company’s provision for taxes; and other circumstances affecting revenues and expenses. Certain of these factors are discussed in more detail under the heading “Risk Factors”. The Company’s operations have been, and at times in the future may be affected by political developments and by federal, provincial and local laws and regulations such as restrictions on production, changes in taxes, royalties and other amounts payable to governments or governmental agencies, price or gathering rate controls and environmental protection regulations. Should one or more of these risks or uncertainties materialize, or should any of the Company’s assumptions prove incorrect, actual results may vary in material respects from those projected in the forward-looking statements. The impact of any one factor on a particular forward-looking statement is not determinable with certainty as such factors are interdependent upon other factors, and the Company’s course of action would depend upon its assessment of the future considering all information then available.

Readers are cautioned that the foregoing list of important factors is not exhaustive. Unpredictable or unknown factors not discussed in this report could also have material adverse effects on forward-looking statements. Although the Company believes that the expectations conveyed by the forward-looking statements are reasonable based on information available to it on the date such forward-looking statements are made, no assurances can be given as to future results, levels of activity and achievements. All subsequent forward-looking statements, whether written or oral, attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Except as required by law, the Company assumes no obligation to update forward-looking statements should circumstances or Management’s estimates or opinions change.

Reporting Disclosures



Special Note Regarding Currency, Production and Reserves

In this document, all references to dollars refer to Canadian dollars unless otherwise stated. Production data is presented on a before royalties basis unless otherwise stated. In addition, reference is made to oil and gas in common units called barrel of oil equivalent ("boe"). A boe is derived by converting six thousand cubic feet of natural gas to one barrel of crude oil (6 mcf:1 bbl). This conversion may be misleading, particularly if used in isolation, since the 6mcf:1bbl ratio is based on an energy equivalency at the burner tip and does not represent the value equivalency at the well head. Canadian Natural retains qualified independent reserve evaluators to evaluate 100% of the Company's conventional proved, as well as proved and probable crude oil, natural gas liquids and natural gas reserves and prepare Evaluation Reports on these reserves. Canadian Natural has been granted an exemption from National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities ("NI 51-101"), which prescribes the standards for the preparation and disclosure of reserves and related information for companies listed in Canada. This exemption allows the Company to substitute United States Security and Exchange Commission ("SEC") requirements for certain disclosures required under NI 51-101. There are three principal differences between the two standards. The first is the requirement under NI 51-101 to disclose both proved, and proved and probable reserves, as well as the related net present value of future net revenues using forecast prices and costs. The second is in the definition of proved reserves; however, as discussed in the Canadian Oil and Gas Evaluation Handbook ("COGEH"), the standards that NI 51-101 employs, the difference in estimated proved reserves based on constant pricing and costs between the two standards is not material. The third is the requirement to disclose a gross reserve reconciliation (before the consideration of royalties). Canadian Natural discloses its reserve reconciliation net of royalties in adherence to SEC requirements.

The Company has disclosed proved conventional reserves and the Standardized Measure of discounted future net cash flows using year-end constant prices and costs as mandated by the SEC. The Company has elected to provide the net present value of these same conventional proved reserves as well as its conventional proved and probable reserves and the net present value of these reserves under the same parameters as additional voluntary information. In addition to the constant price and cost scenario, Canadian Natural has also elected to provide both proved, and proved and probable conventional reserves and the net present value of these reserves using forecast prices and costs as voluntary additional information.

Conventional reserves and net present values of these reserves presented for years prior to 2003 were evaluated in accordance with the standards of National Policy 2-B which has now been replaced by NI 51-101. The stated reserves were reasonably evaluated as economically productive using year-end costs and prices escalated at appropriate rates throughout the productive life of the properties.

Canadian Natural's independent reserve evaluators utilize the proved conventional reserve definition as prescribed by SEC in Regulation S-X 210.4-10 and the conventional proved and probable reserves definitions as prescribed under NI 51-101 in COGEH. Mining reserves are evaluated as prescribed in SEC Industry Guide 7. Internal estimates of Contingent Resources also utilize the definitions as prescribed under NI 51-101 in COGEH.

Special Note Regarding non-GAAP Financial Measures

Management's discussion and analysis includes references to financial measures commonly used in the oil and gas industry, such as cash flow, cash flow per share and EBITDA (net earnings before interest, taxes, depreciation depletion and amortization, asset retirement obligation accretion, unrealized foreign exchange, stock-based compensation expense and unrealized risk management activity). These financial measures are not defined by generally accepted accounting principles ("GAAP") and therefore are referred to as non-GAAP measures. The non-GAAP measures used by the Company may not be comparable to similar measures presented by other companies. The Company uses these non-GAAP measures to evaluate the performance of the Company and of its business segments. The non-GAAP measures should not be considered an alternative to or more meaningful than net earnings, as determined in accordance with Canadian GAAP, as an indication of the Company's performance.

Volumes shown are Company share before royalties unless otherwise stated.

Agenda

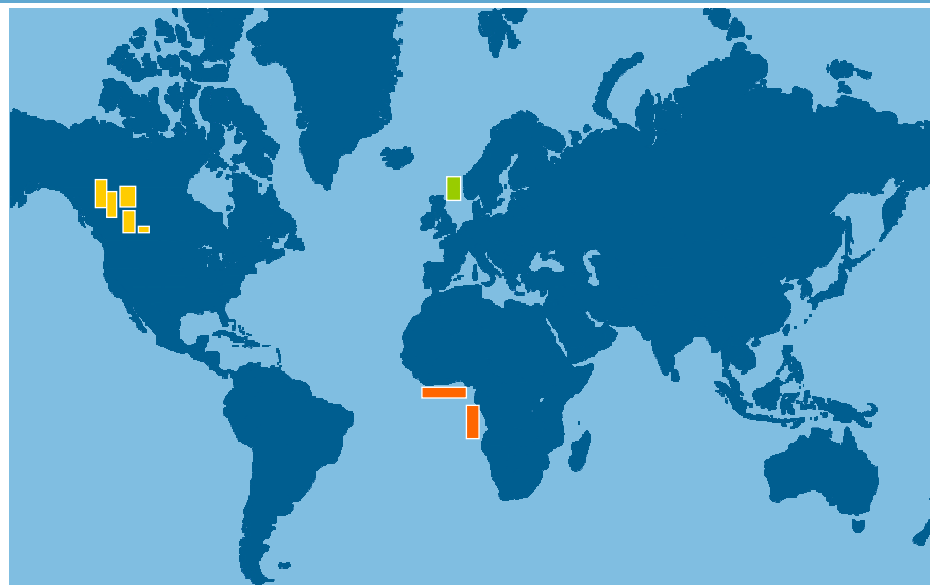


- **Overview of Company**
- **Overview of the Horizon Oil Sands Project**
- **Overview of project risk evaluation and mitigation**

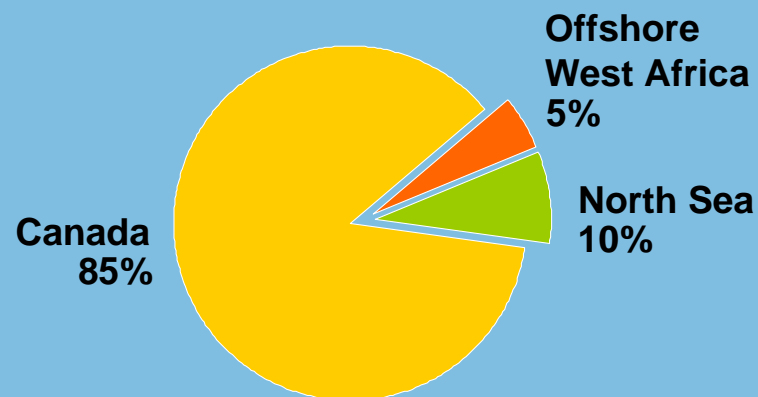
Who is Canadian Natural?



- Canadian based E&P company with international exposure
- ~US\$55 billion enterprise value
- ~590,000 boe/d
 - 55%-60% crude oil weighted
- ~180,000 bbl/d new capacity to be added over next 18 months
- Returns focused
- Major oil sands player
 - Major in-situ producer with several projects in inventory
 - Major mining project nearing completion with significant future expansion capacity



Production Mix (2007)



Who is Canadian Natural?

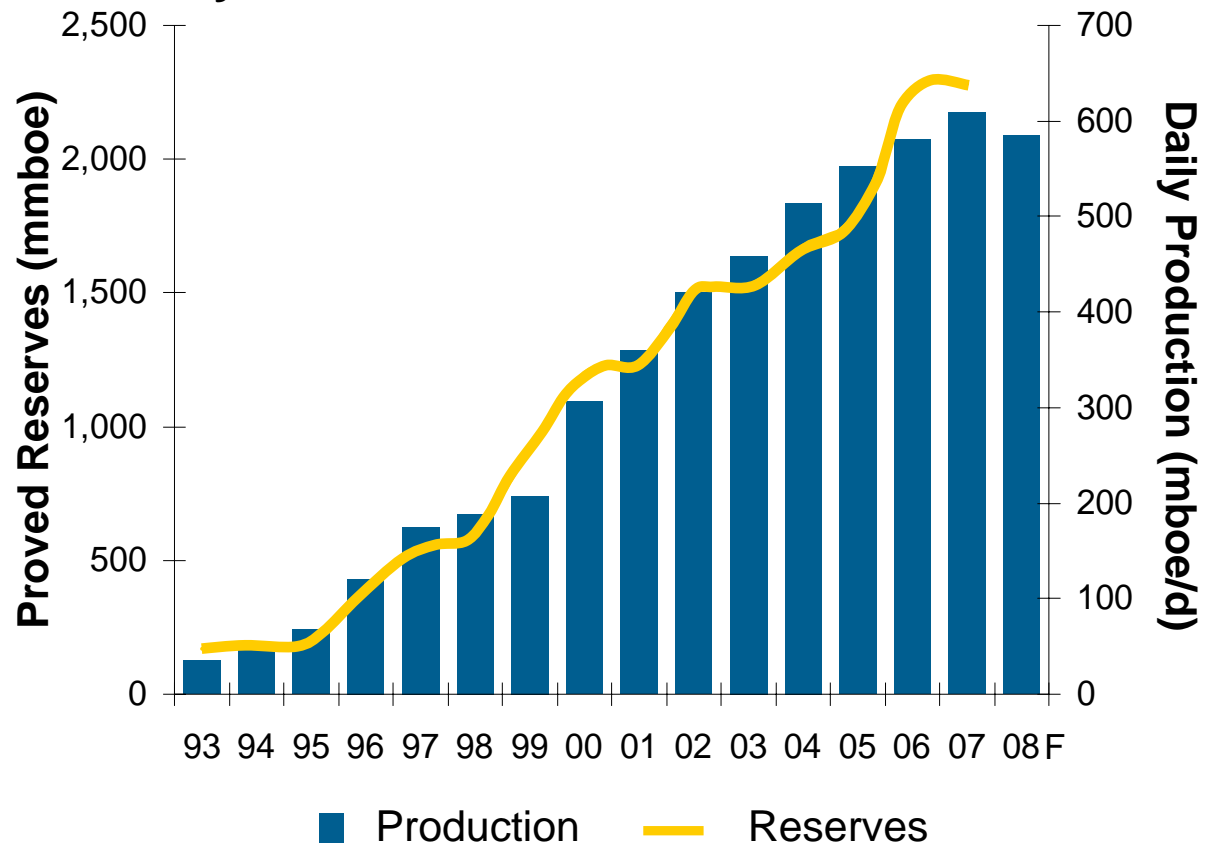


- **Consistent value creation through successful**

- **Exploitation**
- **Exploration**
- **Opportunistic acquisitions**

- **100% of reserves subject to independent evaluation**

Conventional Production / Proved Reserves History (before royalties)



Note: Excluding bitumen mining reserves.

Consistent History of Value Creation

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Why Invest in Canadian Natural's Future?



- **Strong, low-risk asset base**
 - Includes world class oil sands in-situ and mining developments
 - Largest producer of heavy crude oil in Canada
 - Second largest producer of natural gas in Canada
 - Second largest net undeveloped land base in WCSB
- **Balanced and large size reduces risk**
- **Track record of value creation**
- **Proven / committed management**
- **Winning exploitation-based strategy**
- **Defined plan for profitable growth**
- **Focused on value creation**

Consistent History of Value Creation

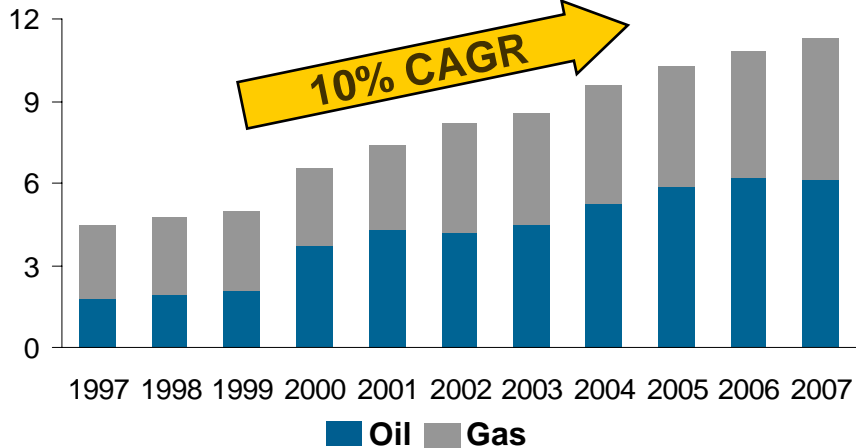
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A History of Value Creation

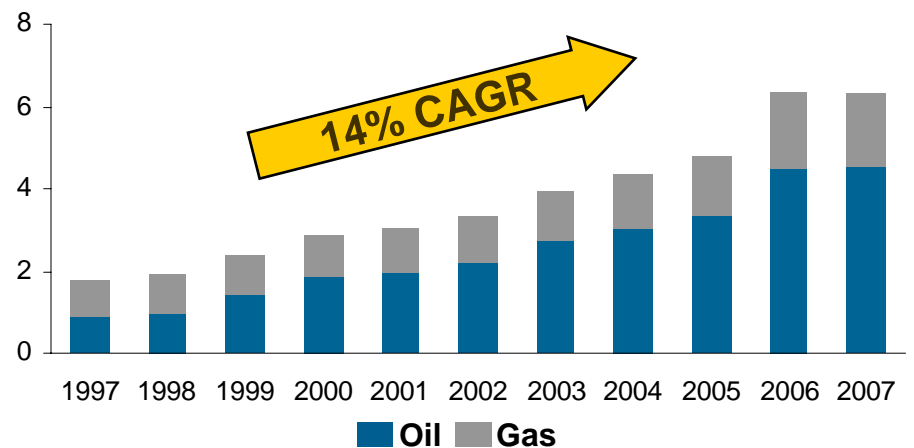


Canadian Natural

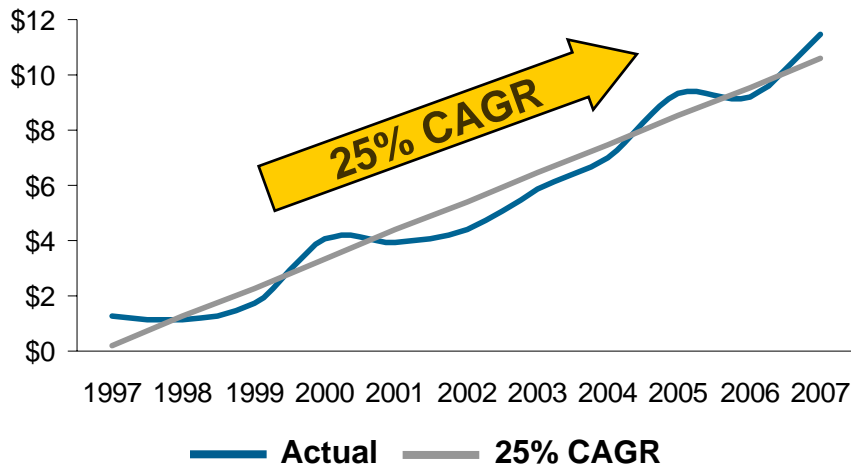
Daily Production Per 10,000 Shares (boe/d)



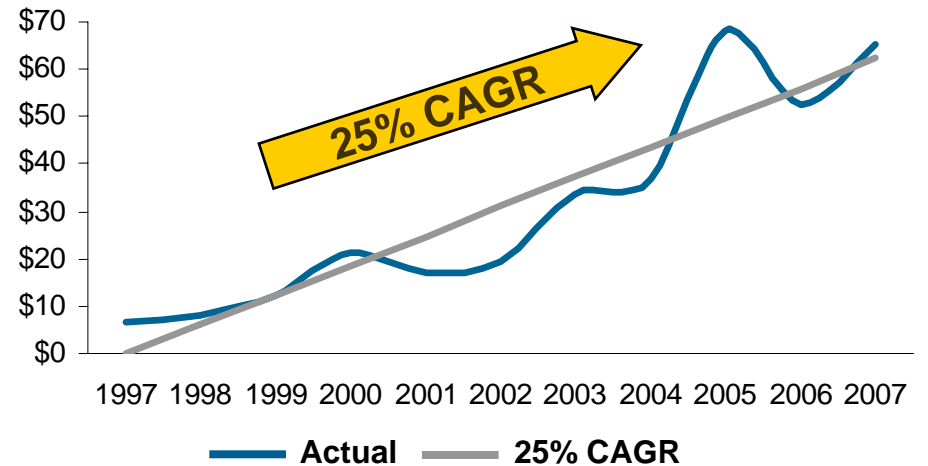
Conventional Reserves Per Share (boe)



Cash Flow Per Share



Conventional Pretax Net Asset Value Per Share



Consistent Growth

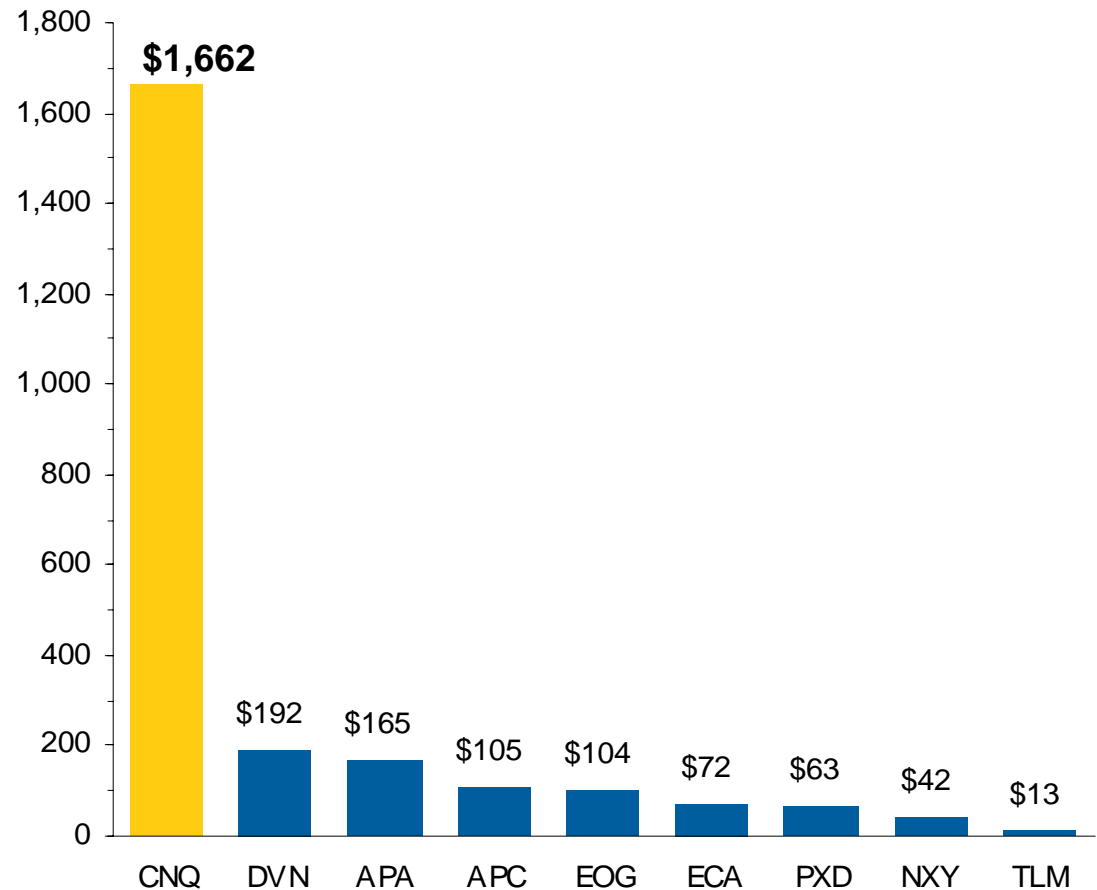
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Committed Management



- **Substantial management and director wealth at stake**
 - **Strong motivation for management to perform**
 - **Delivers clear alignment with shareholder interests**

Management / Directors Stock Ownership (US\$ millions)



*Note: Based on share ownership data excluding options and priced at Dec 31, 2007.
Source: Computershare Analytics for US issuers. SEDI.ca for Canadian Issuers.*

Clearly Aligned With Shareholder Interests

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Our Strategy



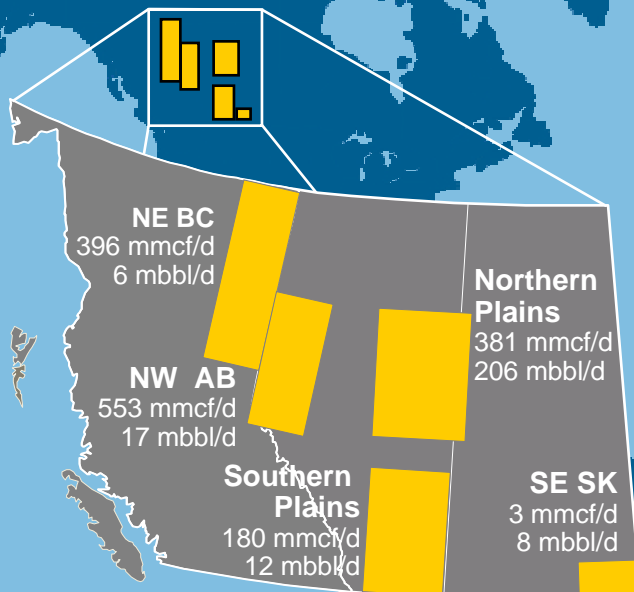
- **Capital allocation to maximize value**
- **Defined growth / value enhancement plans by product / basin**
- **Balance**
 - **Product mix**
 - **Project time horizons**
 - **Drill bit and acquisitions**
 - **Strong balance sheet**
- **Opportunistic acquisitions**
- **Control costs through area knowledge and domination of core focus areas**

A Proven, Effective Strategy

Overview of Today's Operations



Canada	Crude Oil & NGLs (mmbbl/d)	Natural Gas (mmcf/d)	BOE/d (6:1)	% of Total
2008F Production (per day)	248 - 280	1,405 - 1,485	455 - 493	85%
2007 Production (per day)	247	1,643	521	86%
2007 Proved Reserves (mmbbl/bcf)	1,084	4,275	1,798	79%
2007 Proved Bitumen Mining Reserves (mmbbl)			2,385	



North Sea	Crude Oil & NGLs (mmbbl)	Natural Gas (mmcf)	BOE (6:1)	% of Total
2008F Production (per day)	44 - 54	11 - 13	46 - 56	9%
2007 Production (per day)	56	13	58	9%
2007 Proved Reserves (mmbbl/bcf)	311	81	325	14%

Offshore West Africa	Crude Oil & NGLs (mmbbl)	Natural Gas (mmcf)	BOE (6:1)	% of Total
2008F Production (per day)	27 - 35	13 - 15	29 - 38	6%
2007 Production (per day)	29	12	31	5%
2007 Proved Reserves (mmbbl/bcf)	148	79	161	7%

Note: Production numbers reflect Q1/08 actual production, before royalties. All figures are before royalties. Canada Crude Oil and NGLs 2008F production (per day) includes Oil Sands Mining production volumes.

Essential Elements to Our Defined Plan



	1-2 years	3-5 years	Beyond
Natural Gas	Optimize returns	Potential for 3-5% CAGR	Over 8,000 drilling locations
NA Oil	Pelican / Primary Primrose	5-7% CAGR	>20 years of development
International	Free cash flow	High return projects	Major area for growth (acq)
Horizon	Commence Phase 1	Expansion to 232 - 250 mbb/d	6 billion bbl res. pot.*

**Includes booked reserves and contingent resources.*

A Growing, Returns - Focused E&P Creating Significant Value

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Canadian Natural Gas Assets

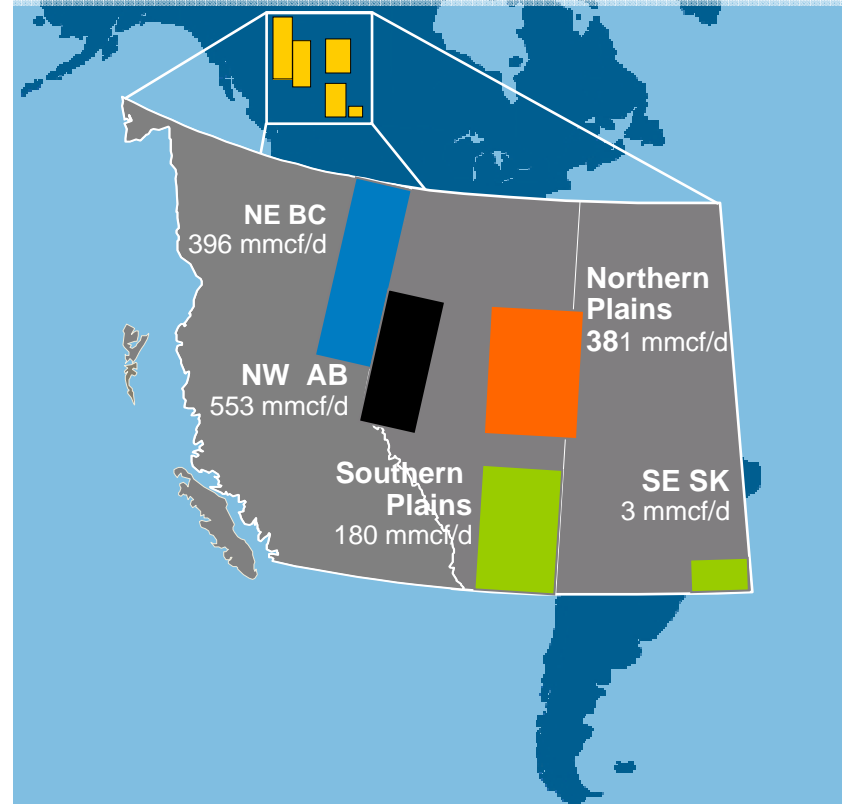
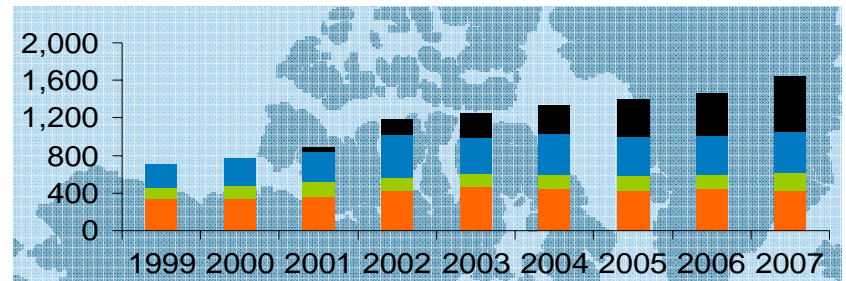


■ 2007 Plan

- Optimize ACC lands
- Slow E&P activity to drive supplier cost response
 - Production entry to exit in 2007 will shrink as a result

■ 2008 Plan

- Lower gas prices and new royalties
 - Result: less gas drilling, less gas production
- Accelerate inventory stockpiling
- Optimization of production



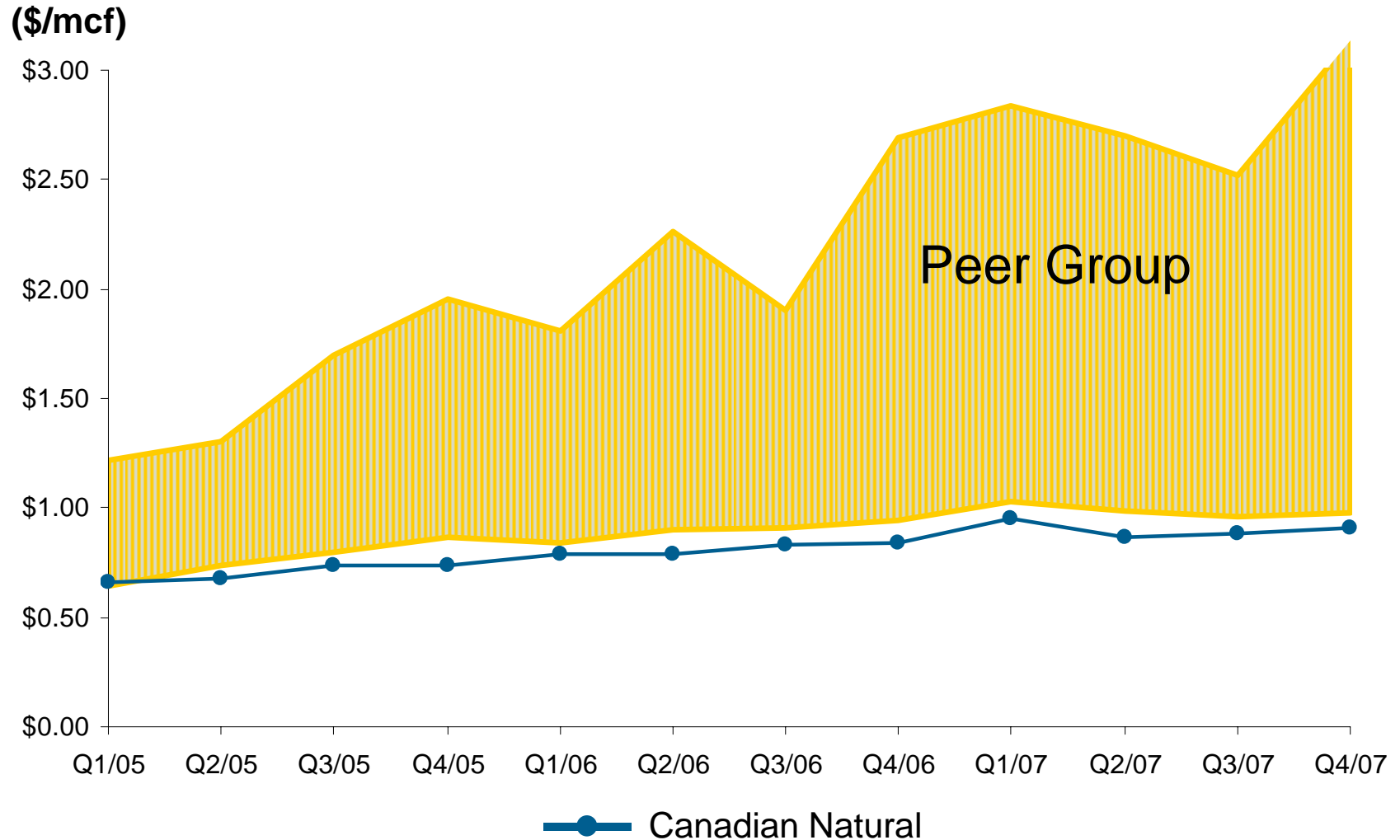
Note: Reflects Q1/08 actual production, before royalties.

Natural Gas Drilling Potential



Play Type / Area (Gross wells)	2007 Drilling	Current Prospect Inventory	Ultimate Drilling Activity	Drilling Activity New Alberta Royalties
Resource Projects				
Deep Basin - AB	75	702	3,100	2,000
Helmet - BC	-	152	295	295
Hatton - SK	166	742	2,000	2,000
Foothills				
NEBC / NWAB	11	43	75	50
Unconventional				
Mann CBM - AB	1	3	800	800
Doig Shale - AB	8	20	275	200
Montney Silt - BC	1	87	360	360
Muskwa Shale - BC	-	2	800	800
Conventional				
WCSB - AB / BC	310	2,029	3,335	2,100
Total	572	3,780	11,040	8,605

Natural Gas Operating Cost Peer Comparison

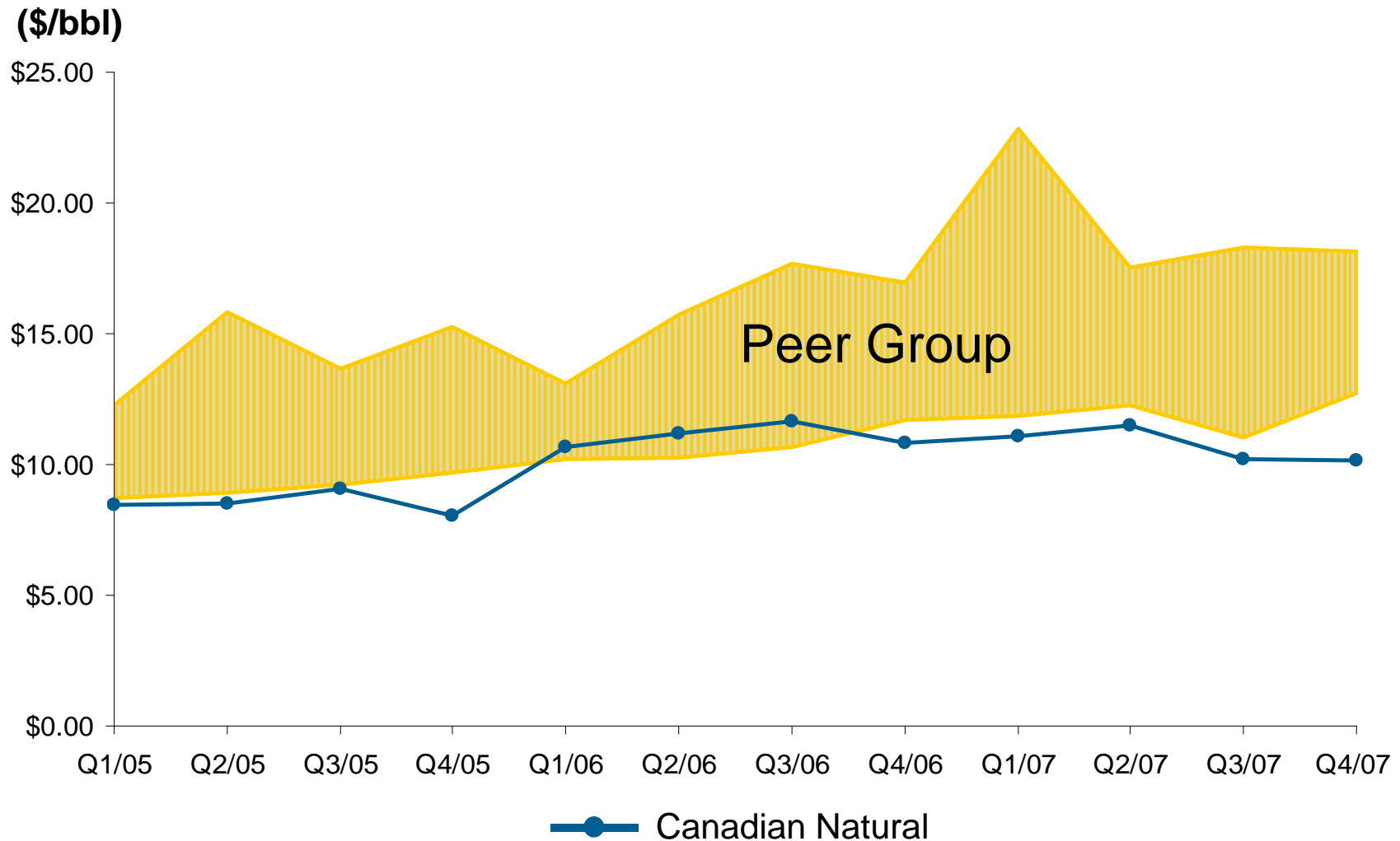


Note: Other Producers - NXY, HSE, TLM, ECA, ARC, PWT, BNP, PGT.

Best in Class Versus Established Peers

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Heavy Oil Operating Cost Peer Comparison



Note: Other Producers - NXY, HSE, TLM, ECA, BNP, & BTE.

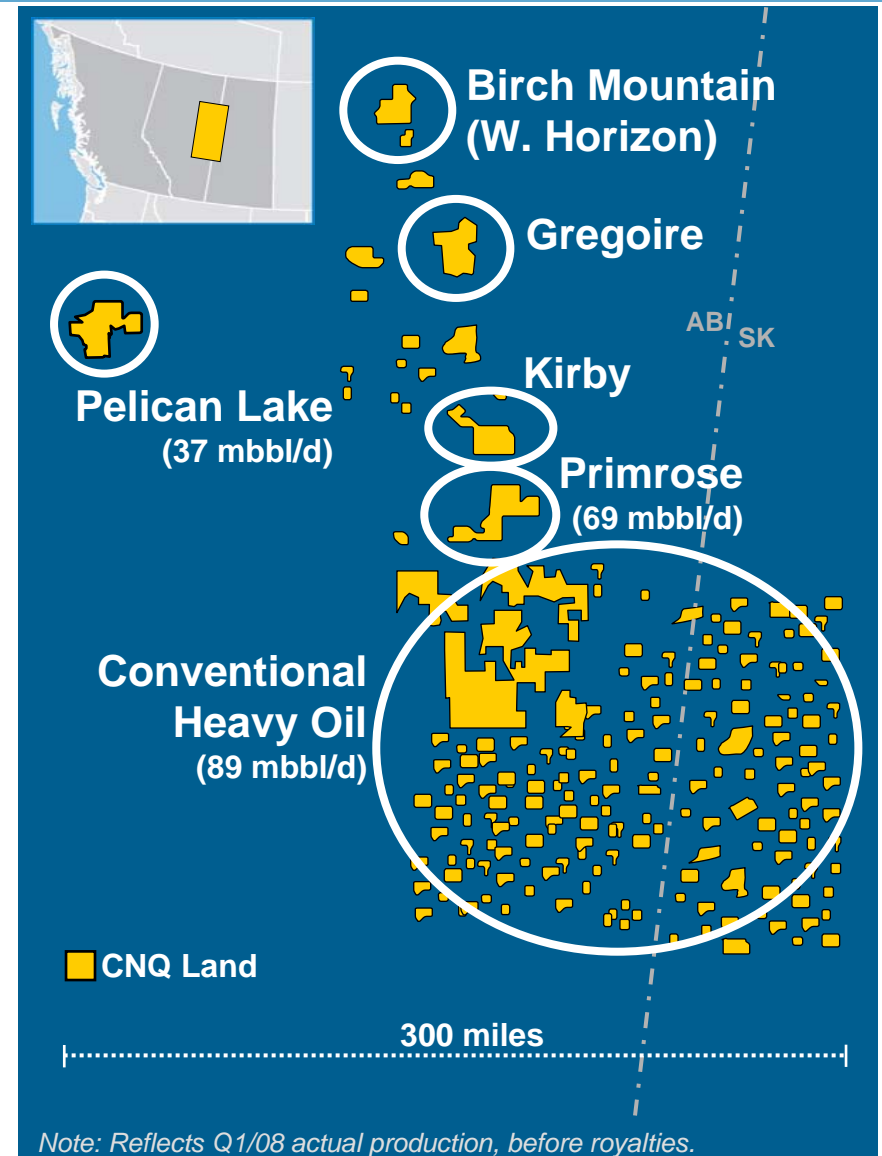
Best in Class Versus Established Peers

Heavy Oil Assets



Canadian Natural

- **Reliable conventional production**
- **Pelican Lake EOR development**
 - Access additional 247 - 370 million barrels of resource potential
- **Thermal In-situ development**
 - Significant resource potential in current plans
 - ~325,000 bbl/d of additional in-situ production over next 15 years
- **Canadian Natural has competitive advantage via its vast land base**



Technology Option

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Thermal Oil Sands Growth Plan



Phase	Oil Production Capacity (bbl/d)	Target Timing (year)	
1	Primrose North/South	80,000	On Stream
2	Primrose East	40,000	2009
3	Kirby	45,000	2012
4	Grouse	60,000	2014
5	Birch Mountain East	60,000	2016
6	Gregoire 1	60,000	2018
7	CSS - Follow-up Process	30,000	2018
8	Leismer	30,000	2020
		405,000	

- **30,000 - 60,000 bbl/d addition every 2 - 3 years**

North America Conventional Crude Oil Portfolio

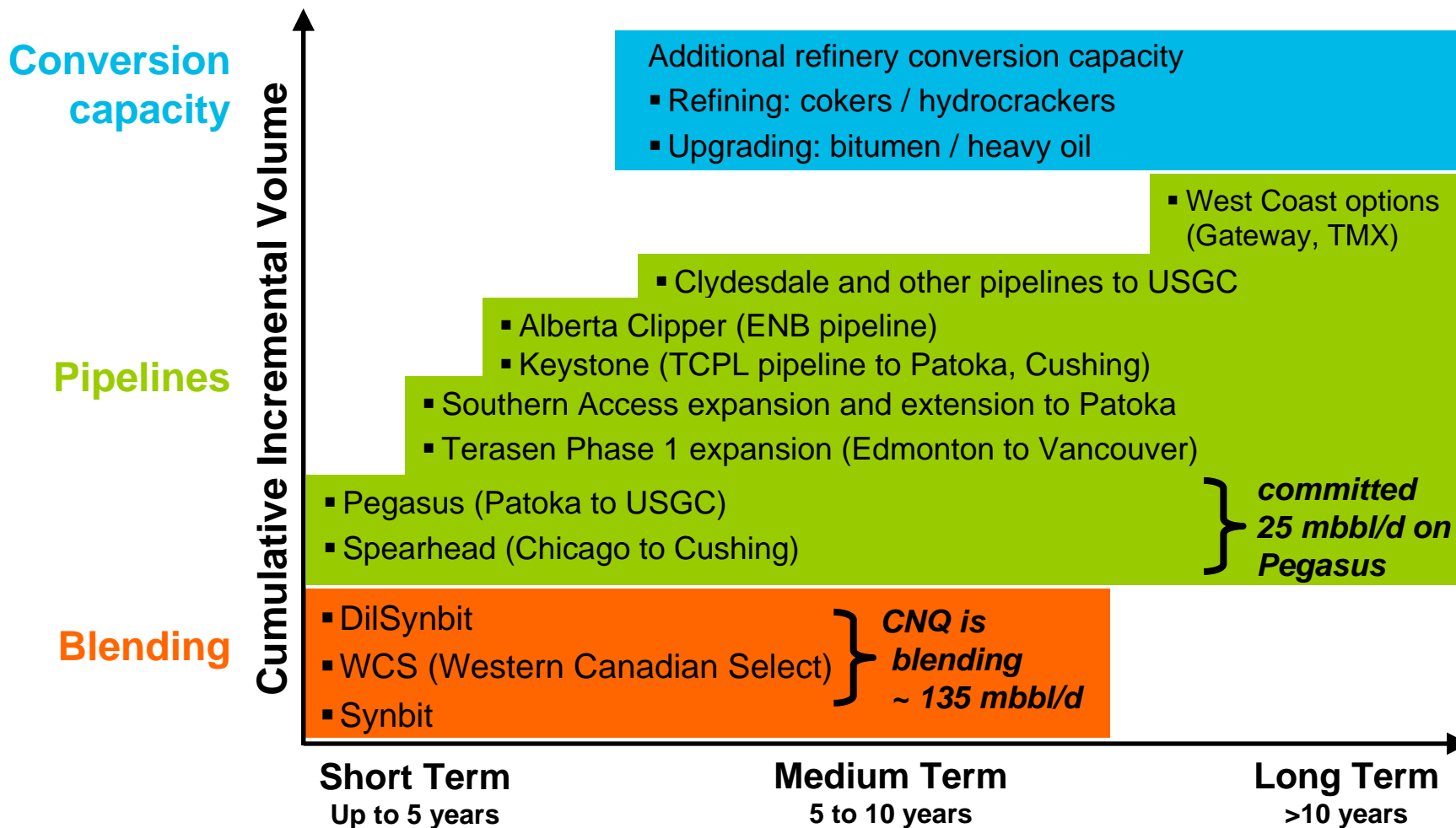


<p>The Future*</p>	<p>Light Heavy</p> <p>Thermal</p>	<ul style="list-style-type: none"> - CO₂ flooding - Thin sand EOR - Solvent process - VAPEX - New thermal projects - Follow-up processes - Solvent process
<p>Defined Plan*</p>	<p>Light Heavy Thermal</p>	<ul style="list-style-type: none"> - Polymer flooding, CO₂ testing - Solvent process field test - McMurray SAGD projects
<p>Booked Reserves</p>	<p>Light Heavy Pelican Lake</p> <p>Thermal</p>	<ul style="list-style-type: none"> - Waterflooding - Primary - Primary - Waterflooding - Commercial polymer flooding - Primrose CSS - Wolf Lake SAGD

**Includes booked reserves and contingent resources.*

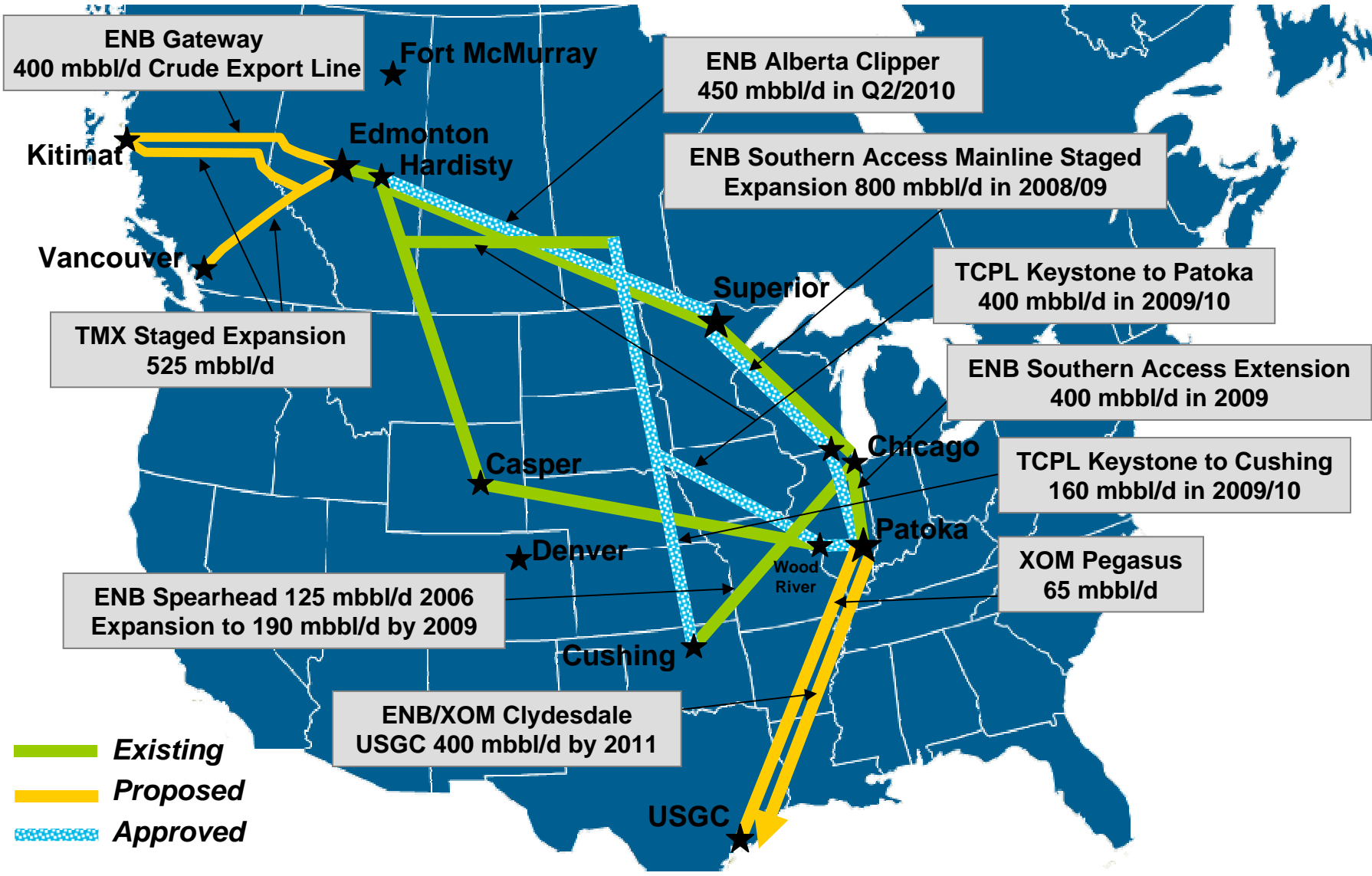
Enormous Asset Base - In Addition to Horizon

Heavy Oil Three Pronged Marketing Plan



Access to Incremental Markets Over the Short, Medium and Long Term

Expanding Pipeline Options



- Existing
- Proposed
- Approved

▪ North Sea

- Exploitation based value creation
- Delivering field life extension
- Generates significant free cash flow
- Opportunity for acquisition in future years
- Leveraging technical strengths in Africa

▪ Offshore West Africa

- High return, long lead projects
- Generates significant free cash flow
- 2007/8 activity
 - Baobab sand issues being dealt with, optimize West Espoir
 - Mature Olowi exploitation project and South Africa exploration

Canadian Natural's Mineable Assets - Horizon Oil Sands Project

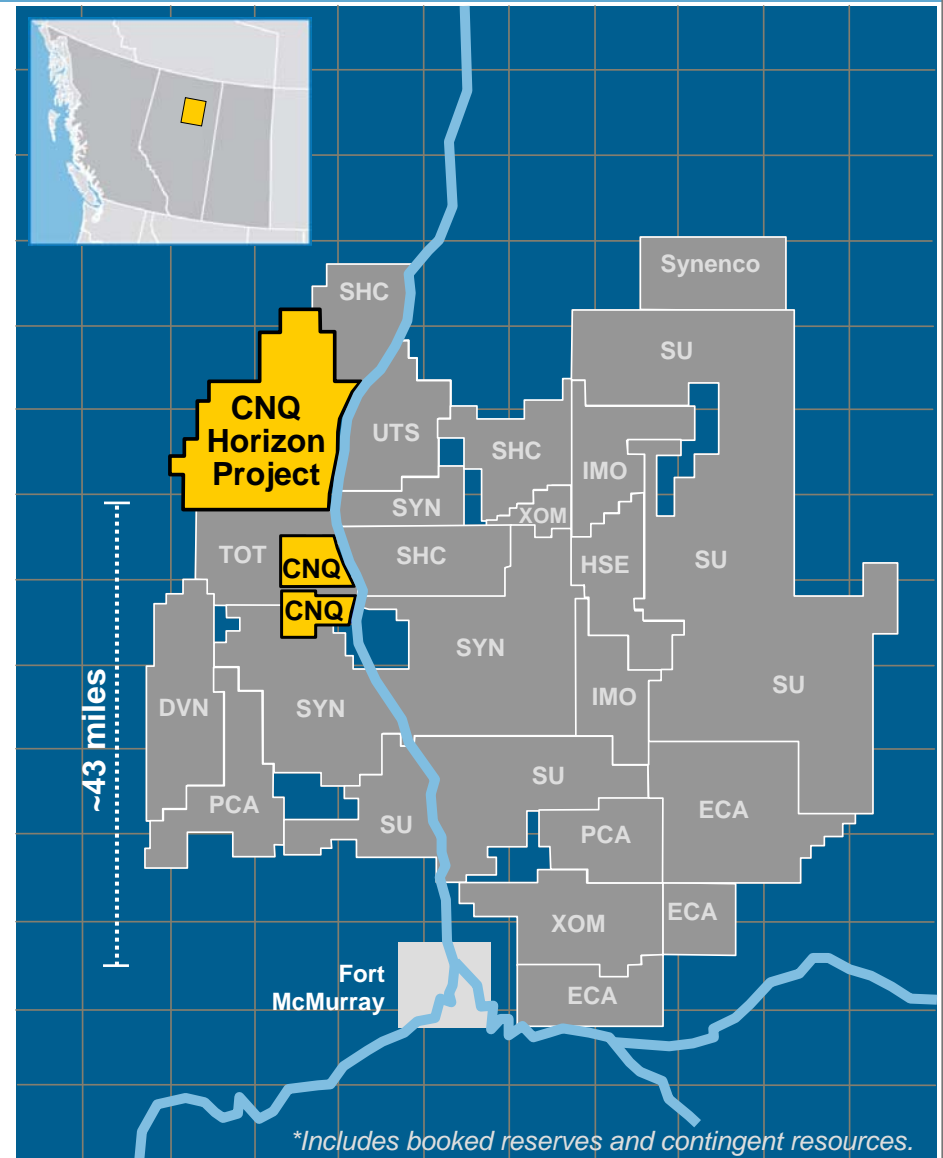


■ Mining resources

- 16 billion barrels in place, with 6 to 8 billion barrels recoverable bitumen*
 - 3.5 billion barrels proved and probable booked bitumen reserves (2.96 billion barrels SCO)
 - Phased development (SCO)
 - 110 mbbbl/d targeted for 2008 (Phase 1)
 - Expansion to 232 to 250 mbbbl/d targeted
 - Future expansions to ~500 mbbbl/d

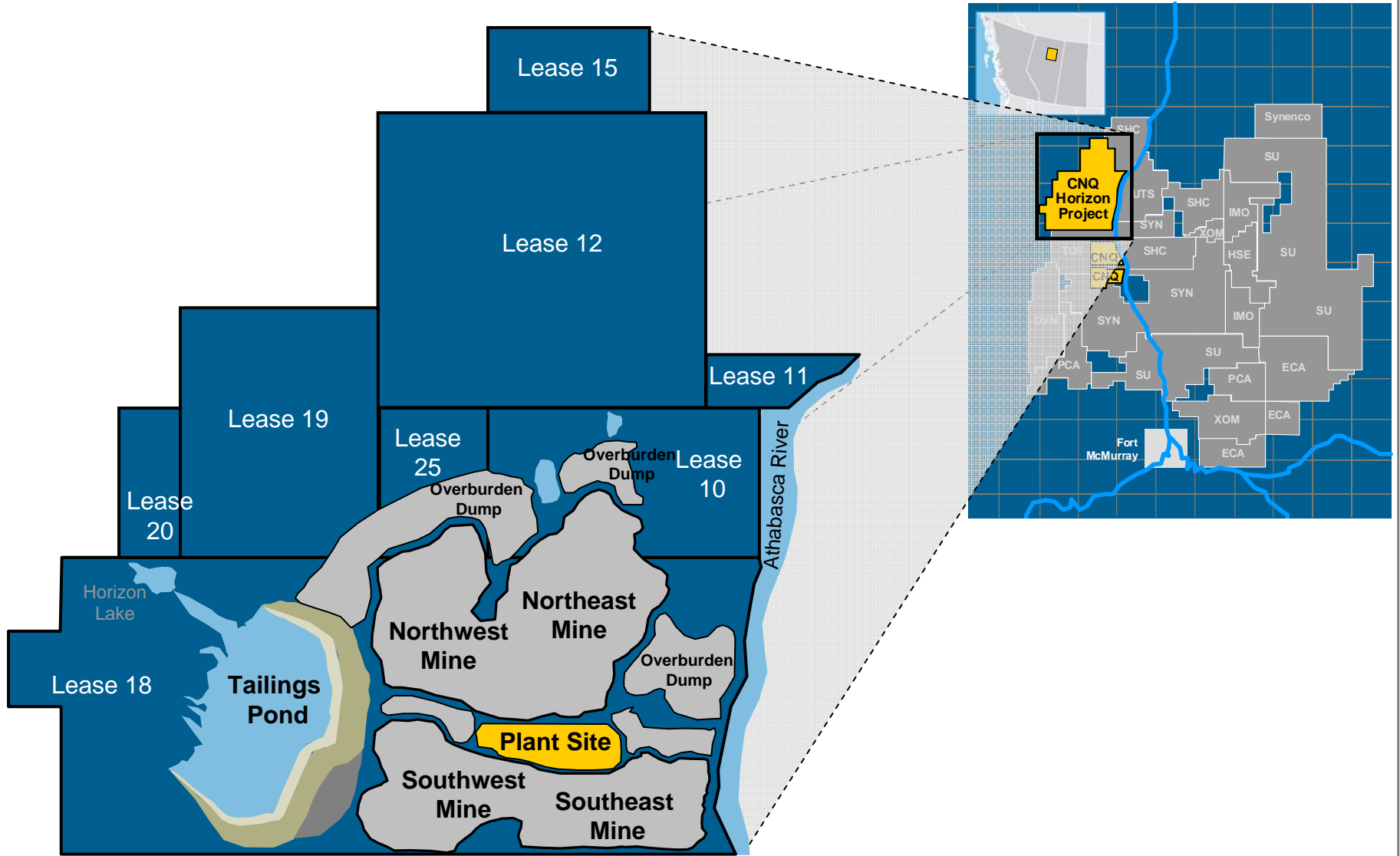
■ Robust economics

■ Significant free cash flow generation for decades



World Class Opportunity - 40 Year Reserve ~500* mbbbl/d - No Production Declines

Horizon Project Site Layout



Site Layout Maximizes Resource Recovery and Optimizes Economic Returns

Horizon Project Construction Project to Date



	Q1/08 <u>Actual</u>	Q2/08 <u>Forecast</u>	Q2/08 <u>Original Plan</u>
Phase 1 - Work progress (cumulative)	94%	97%	99%
Phase 1 - Capital spending* (cumulative)	111%	122%	100%

**Relates to overall Phase 1 project construction capital of \$6.8 billion.*

- Overall construction progress is 91% complete
- 96 out of 820 plant systems turned over and commissioned
- 10 out of 23 mine haul trucks and 2 hydraulic shovels operating
- Extraction Plant operating on water
- Tanks 11 and 12 have received 190,000 barrels of diluent for start up

Project Startup Remains on Schedule

Targeting First Oil



- **Over Phase 1 budget of \$6.8 billion by 25 - 28%**
 - **On-stream cost is still less than \$80,000 bbl/d**
- **Goal is to regain targeted labour efficiencies and productivity**
- **Maintain balance between budget and schedule**
- **Target first oil in Q3/08**
- **Remaining 10% of Phase 1**
 - **Reflects a current WTI world**
 - **All contracts have been awarded**
 - **Risk included in forecast**

Future Contract Pressures Included in Current Forecast

Challenges Lead to Rewards

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Managing Expectations



- **Management & Board**
- **Rating Agencies**
- **Debt Capital Markets**
- **Banks**
- **Equity Markets**
- **Environmental and Regulatory Stakeholders**

Managing Risks - Corporate Culture



- **Establish expectations**
- **Establish accountability**
- **Everyone is an owner who participates in company success**
- **Control destiny by having a high working interest, high operatorship and being the low cost producer**

Managing Risks - Operations



■ Completion

- Defined implementation plan
- Committed and knowledgeable management team
- 40 yr reserve profile with no declines

■ Technology

- Proven technology

■ SCO and bitumen

- 34° API SCO

■ Regulatory and environmental

- Work together with stakeholders

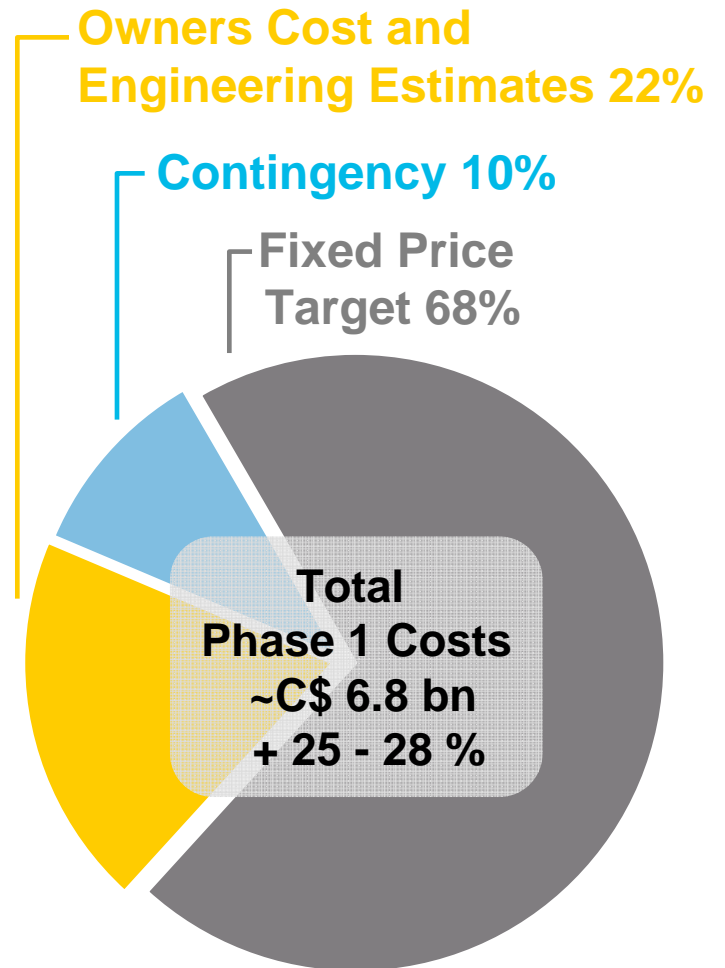
■ Periods of low commodity prices

- Maximize flexibility

Managing Risk - Construction



- **Extensive front end design emphasis**
 - Reduces risk of scope changes
 - Enables lump sum EPC bids
 - Shifts risk profiles between owners and suppliers
- **Segmentation of project into manageable pieces significantly reduces risk**
- **Well thought out execution strategy**
 - Labour
 - Contracting and procurement
 - Transportation
 - Detailed development plan in place
 - Proactive consideration of logistics
 - Proactive project control vs. monitoring



A Departure From How Previous Projects Have Been Managed

Managing Risks - Financial



- **To maintain a strong balance sheet**
 - Debt / book capitalization target of 35% - 45%
 - Debt / EBITDA target of 1.8x - 2.2x
- **To maintain strong credit ratings allowing for access and flexibility in public debt markets**
 - Open communication with Moody's, S&P, and DBRS
- **To finance the operations of the Company with a flexible capital structure**
 - Bank credit facilities
 - US and Canadian debt capital markets
 - Tenor diversification
 - Manageable refinancing risk
 - Proactive risk management
- **To secure value and support growth initiatives**

Managing Risk - Credit Markets



Current Ratings

- **Moody's** **Baa2 (Stable)**
- **Standard & Poor's** **BBB (Stable)**
- **Dominion Bond Rating Service** **BBB (High) (Negative)**

Managing Risk - Bank Credit Facilities



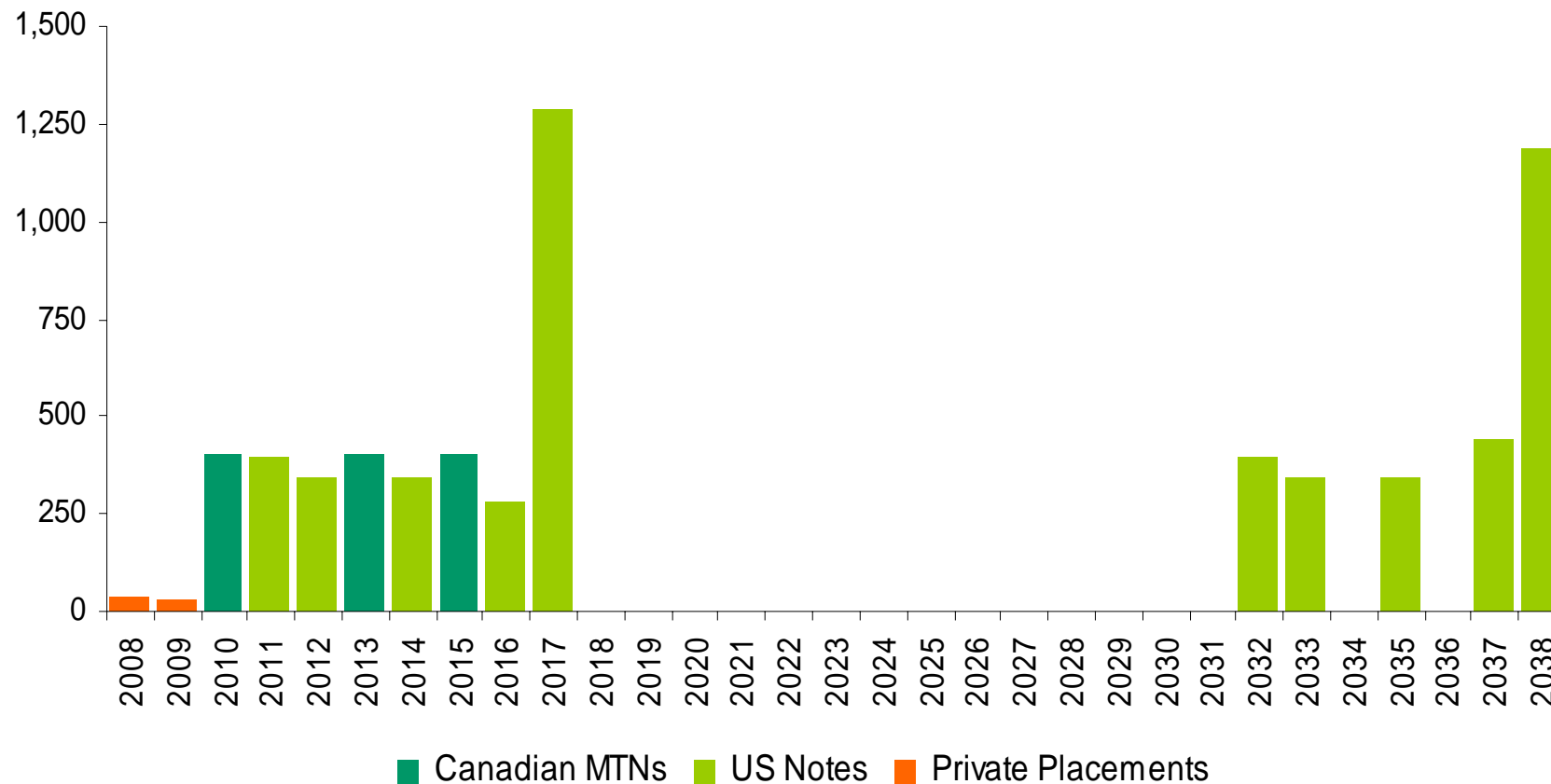
(C\$ millions)

Revolving bank line - Conventional (June 2012)	\$2,230
Revolving bank line - Horizon (June 2012)	\$1,500
Acquisition facility (October 2009)	\$2,350
Operating demand loan	\$ 100
Total bank lines	<u>\$6,180</u>

Managing Risk – Debt Maturity - Public / Private Debt



(C\$ millions)



*As at December 31, 2007.

Manageable Refinancing

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Environmental Risks

- Greenhouse Gas (GHG) emissions
- Fresh water usage
- Minimize energy consumption

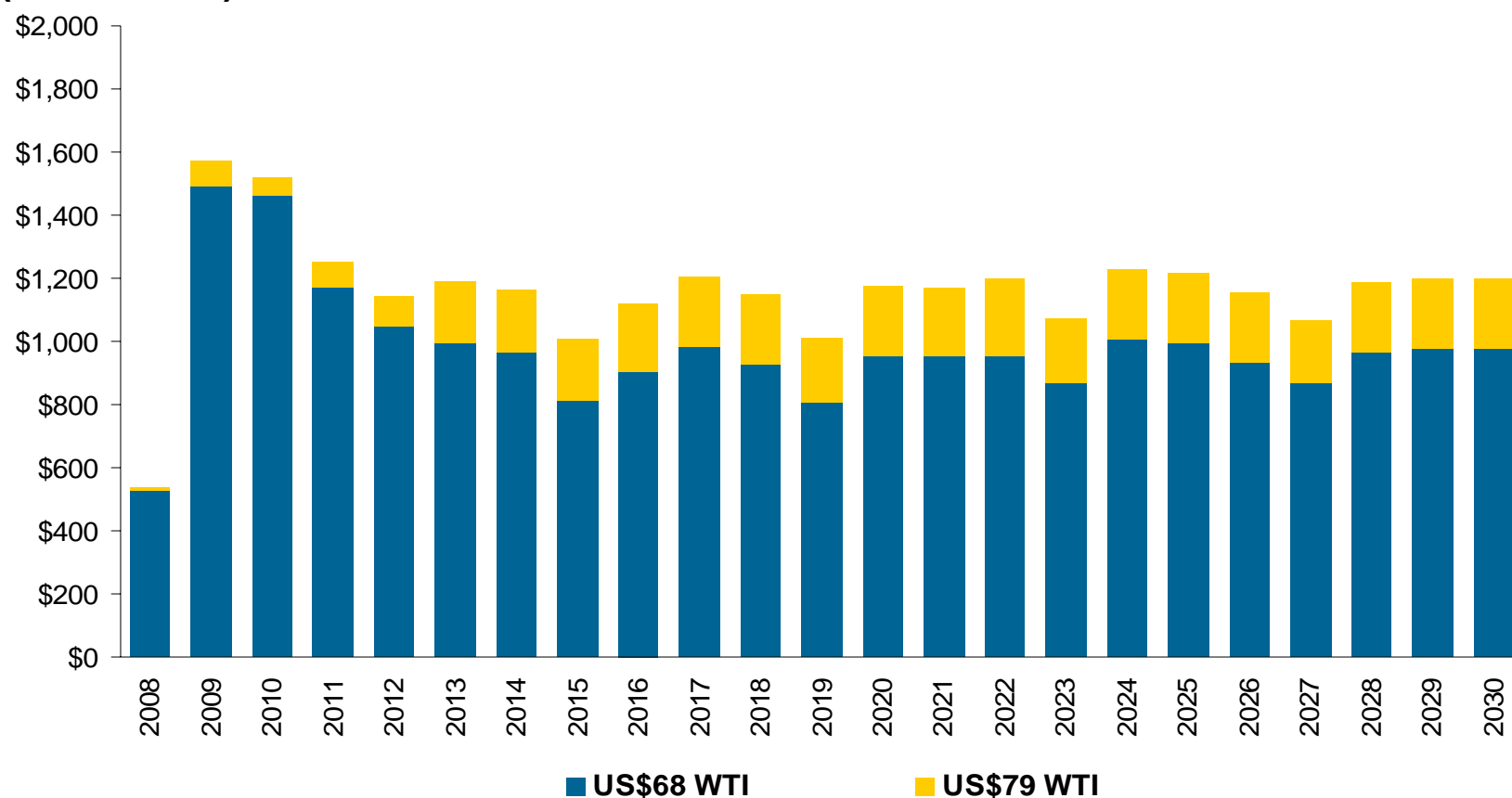
Mitigation – Proactive program including:

- Energy conservation and efficiency
 - emissions of SO₂ from the Horizon upgrader will be lowest in industry with a sulfur recovery of 99.8%
- Innovative technology and R&D which:
 - maximizes heat integration
 - uses cogeneration to meet steam and electricity demands
 - designs hydrogen production facilities to enable CO₂ capture and the sequestration of CO₂ in oil sands tailings

Horizon Project Phase 1 Cash Flow - Unescalated



(C\$ millions)



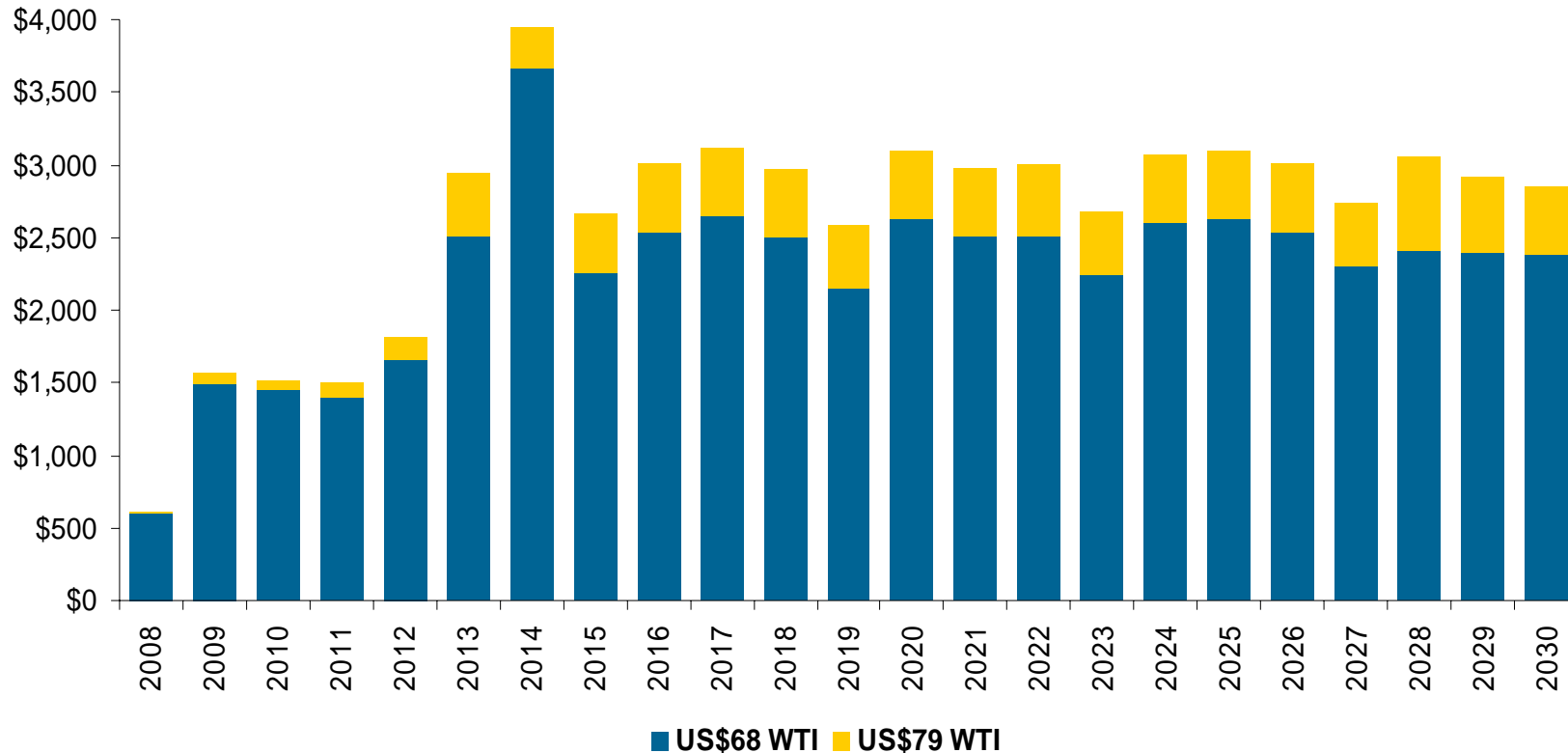
Note: Unescalated cash flow from operations, after royalty, taxes and forecast sustaining capital. Excludes construction costs. Internal forecast.
F/X rate for US\$68 WTI - 1.00 C\$/US\$, for US\$79 WTI - 1.04 C\$/US\$.

**Over \$0.8 Billion Per Annum of Free Cash Flow -
Sustainable for Decades**

Horizon Project Phase 1/2/3 Cash Flow - Unescalated



(C\$ millions)



Note: Unescalated cash flow from operations, after royalty, taxes and forecast sustaining capital. Excludes construction costs. Internal forecast.
F/X rate for US\$68 WTI - 1.00 C\$/US\$, for US\$79 WTI - 1.04 C\$/US\$.

Over \$2.3 Billion of Free Cash Flow - Sustainable for Decades

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2008 and Forward



■ 2008 - The Year of Execution

• Several major projects coming on stream

- Primrose East: adding 40,000 bbl/d
- Olowi, Baobab: international achievements
- Horizon Phase 1: on track and on schedule

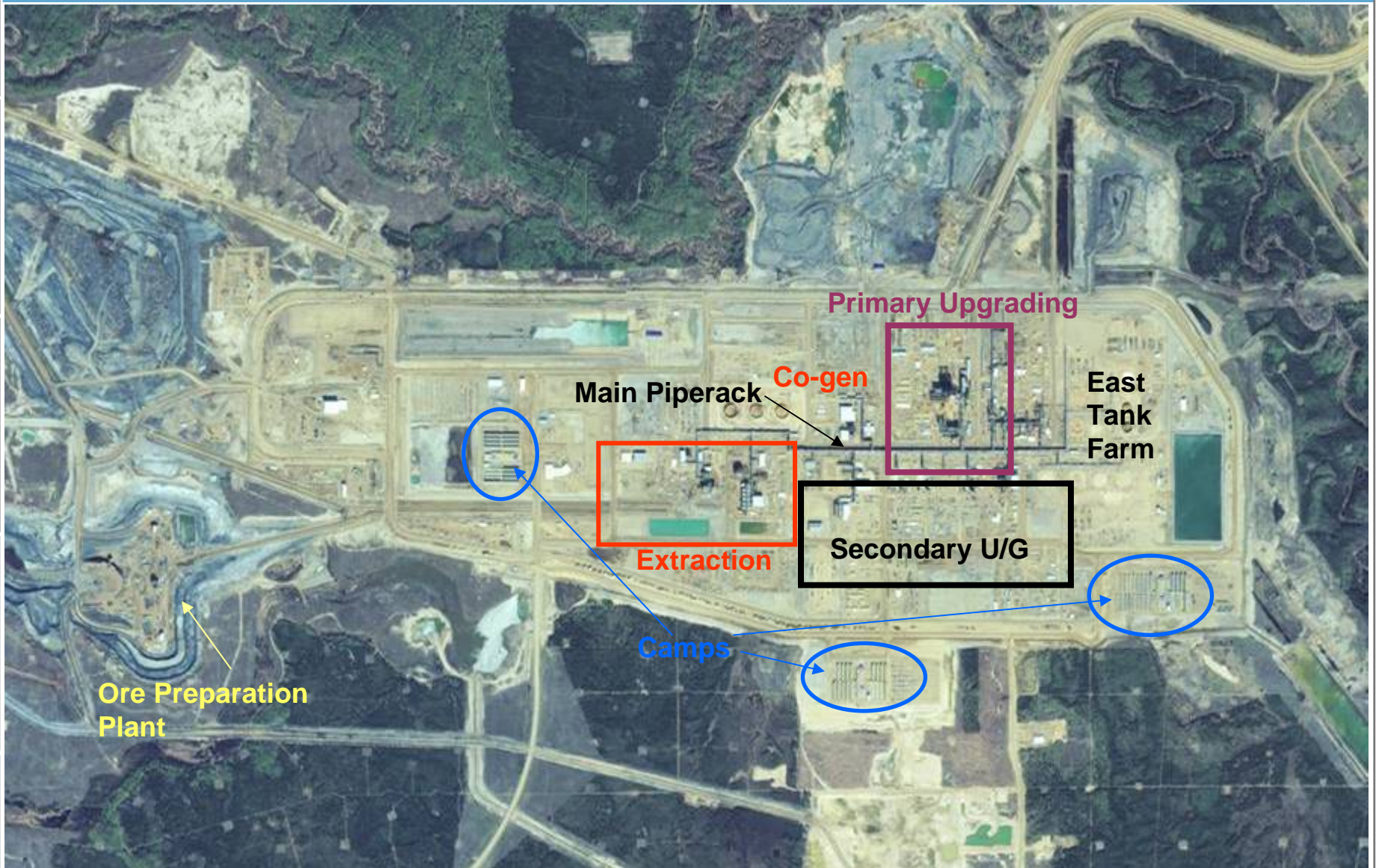
■ 2009 - The Year of Reward

• Long-term asset base is strong

- Additions to thermal operations
- Future expansions at Horizon: plans for 500,000 bbl/d with no declines

- **Canadian Natural is poised to add tremendous shareholder value through our assets, our disciplined approach, and our people.**

Phase 1 Detail Plant Site



Horizon Construction Site Looking West



Overburden



Heat Integration and Cogeneration



Froth Treatment

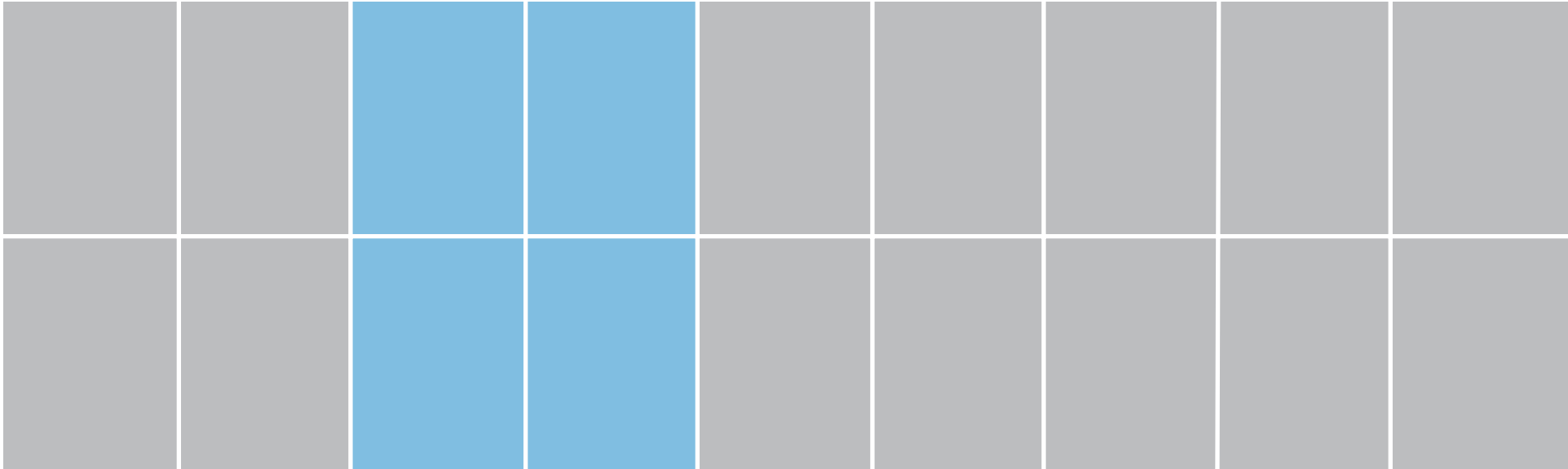


Extraction



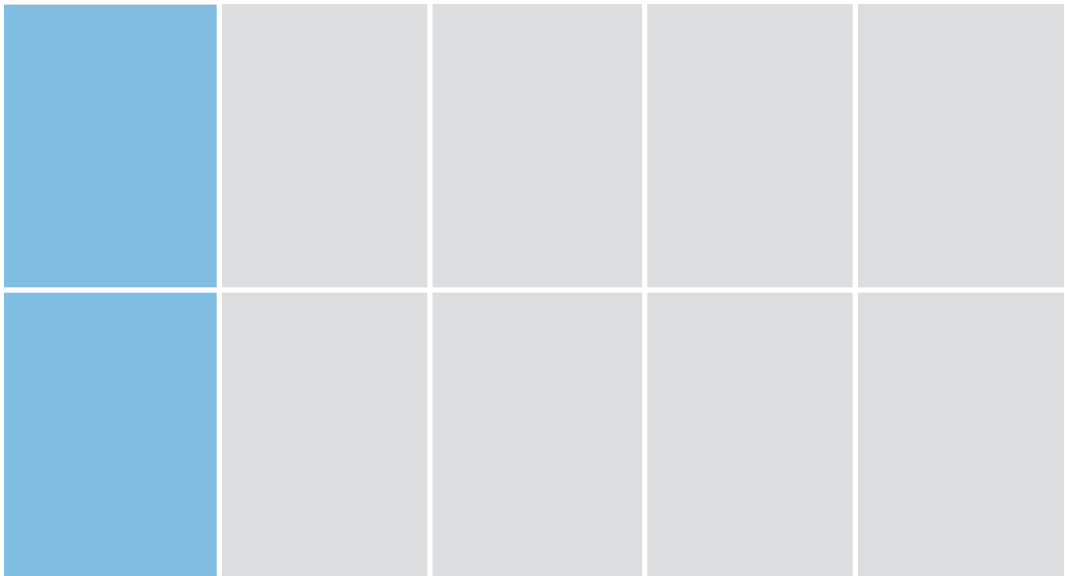
Primary Upgrading





The Premium Value, Defined Growth Independent

The Future Clearly Defined



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