AVIALL INC
Form S-3
January 09, 2004
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As filed with the Securities and Exchange Commission on January 9, 2004.

Registration No. 333-____

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form S-3

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

AVIALL, INC.

(Exact name of registrant as specified in its charter)

Delaware	**5080**	**65-0433083**
(State or other jurisdiction of Incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(IRS Employer Identification No.)**

Aviall, Inc.

2750 Regent Boulevard

DFW Airport, Texas 75261-9048

(972) 586-1000

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

Jeffrey J. Murphy, Esq.

Senior Vice President of Law and Human Resources,

Secretary and General Counsel of Aviall, Inc.

2750 Regent Boulevard

DFW Airport, Texas 75261-9048

(972) 586-1000

(Name and address, including zip code, and telephone number,

including area code, of agent for service)

Copies of communications to:

Janice V. Sharry, Esq.

Garrett A. DeVries, Esq.

Haynes and Boone, LLP

901 Main Street, Suite 3100

Dallas, Texas 75202

(214) 651-5000

Approximate date of commencement of proposed sale of securities to the public: From time to time after the Registration Statement becomes effective.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. ¨

If any of the securities being registered on this form are being offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, please check the following box. x

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462 (c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. ¨

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CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee
Debt Securities (2) Preferred Stock, par value $0.01 per share (3) Common Stock, par value $0.01 per share (4) Debt Warrants (5) Equity Warrants (6) Units	(7)	(7)	(7)	(7)
Subtotal			$200,000,000 (8)	$16,180 (9)
Common Stock offerable by the selling stockholder named in this prospectus	7,000,000	$15.215 (10)	$106,505,000	$8,617 (11)
Total			$306,505,000	$24,797

(1) The proposed maximum aggregate offering price has been estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) and 457(c) under the Securities Act of 1933, as amended (the Securities Act). The proposed maximum offering price per unit will be determined from time to time by the registrant or the selling stockholder in connection with the issuance or sale of the securities registered hereunder by them. Securities registered for sale by the registrant and the selling stockholder hereunder may be sold separately, together or as units with other securities registered hereunder.

(2) Subject to note (8) below, there is being registered hereunder an indeterminate principal amount of Debt Securities. If any Debt Securities are issued at an original issue discount, then the offering price shall be in such greater principal amount as shall result in an aggregate initial offering price not to exceed $200,000,000 less the dollar amount of any securities previously issued hereunder. There are also being registered hereunder an indeterminate principal amount of Debt Securities as shall be (a) issuable (i) upon conversion or exchange of Preferred Stock or other Debt Securities registered hereunder and (ii) upon exercise of the Debt Warrants registered hereunder and (b) necessary to adjust the principal amount of Debt Securities from time to time reserved for issuance upon such exercise in accordance with the anti-dilution provisions of any convertible or exchangeable Preferred Stock or other Debt Securities or the Debt Warrants.

(3) Subject to note (8) below, there is being registered hereunder an indeterminate number of shares of Preferred Stock as may be sold, from time to time, by the registrant. There are also being registered hereunder an indeterminate number of shares of Preferred Stock as shall be (a) issuable upon exchange of Debt Securities into Preferred Stock or exercise of the Equity Warrants registered hereunder and (b) necessary to adjust the number of shares of Preferred Stock from time to time reserved for issuance upon such exercise in accordance with the anti-dilution provisions of the Equity Warrants or exchangeable Debt Securities.

(4) Subject to note (8) below, there is being registered hereunder an indeterminate number of shares of Common Stock as may be sold, from time to time, by the registrant. There are also being registered hereunder an indeterminate number of shares of Common Stock as shall be (a) issuable (i) upon conversion or redemption of Preferred Stock or Debt Securities registered hereunder and (ii) upon exercise of Equity Warrants registered hereunder, (b) necessary to adjust the number of shares of Common Stock from time to time reserved for issuance upon such conversion, redemption or exercise in accordance with the anti-dilution provisions of the Debt Securities, Preferred Stock or Equity Warrants, respectively, and (c) as a result of a stock split, stock dividend or other adjustment to or change in the outstanding shares

of Common Stock.

(5) Subject to note (8) below, there is being registered hereunder an indeterminate number of Debt Warrants as may be sold, from time to time, by the registrant.

(6) Subject to note (8) below, there is being registered hereunder an indeterminate number of Equity Warrants as may be sold, from time to time, by the registrant.

(7) Not applicable pursuant to General Instruction II.D. of Form S-3.

(8) In no event will the aggregate initial offering price of all securities issued from time to time by the registrant pursuant to this Registration Statement exceed $200,000,000 or the equivalent thereof in one or more foreign currencies, foreign currency units or composite currencies. The aggregate amount of Common Stock registered hereunder is further limited to that which is permissible under Rule 415(a)(4) under the Securities Act. The securities registered hereunder may be sold separately or as units with other securities registered hereunder.

(9) Determined pursuant to Rule 457(o) of the rules and regulations of the Securities Act.

(10) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c) under the Securities Act. The proposed maximum offering price per share is based upon the average of the high and low prices per share of our common stock as quoted on the New York Stock Exchange on January 7, 2004 (within 5 business days prior to filing this registration statement).

(11) Determined pursuant to Rule 457(c) of the rules and regulations of the Securities Act.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JANUARY 9, 2004

PROSPECTUS

[AVIALL, INC. LOGO]

$200,000,000

Debt Securities, Preferred Stock, Common Stock,

Debt Warrants, Equity Warrants and Units

Offered by

Aviall, Inc.

7,000,000 Shares of Common Stock

Offered by the

Selling Stockholder

We may offer, from time to time, any combination of these securities, in one or more series or issuances, at prices we will determine at the time of offering. The total offering price of all of the securities that we may sell pursuant to this prospectus will not exceed $200,000,000 (or the equivalent amount in other currencies).

Up to 7,000,000 shares of our common stock may be offered from time to time in one or more offerings by the selling stockholder identified in this prospectus at prices that such selling stockholder will determine at the time of the offering. We will not receive any proceeds from sales of shares of our common stock by the selling stockholder.

We will provide the specific terms of the securities offered by us or the selling stockholder in supplements to this prospectus, which we will deliver together with the prospectus at the time of sale.

This prospectus may not be used to offer and sell securities unless accompanied by a prospectus supplement. You should read this prospectus and any prospectus supplement carefully before you invest.

Our common stock is quoted on the New York Stock Exchange under the symbol AVL.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is January , 2004.

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You should rely only on the information contained in or incorporated by reference in this prospectus and in any prospectus supplement. We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information contained in or incorporated by reference in this prospectus is accurate as of any date other than the date on the front of this prospectus or the applicable prospectus supplement.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we have filed with the Securities and Exchange Commission, or the SEC, using a shelf registration process. Under this shelf registration process, we may sell from time to time any combination of the securities described in this prospectus in one or more offerings up to a total dollar amount of $200,000,000. In addition, the selling stockholder referred to in this prospectus may offer and sell up to 7,000,000 shares of our common stock under this prospectus and any prospectus supplement. We will not receive any of the proceeds from any sale of shares by the selling stockholder.

This prospectus provides you with a general description of the securities we and the selling stockholder may offer. Each time we or the selling stockholder sell securities, we will provide a prospectus supplement containing specific information about the terms of those securities. The prospectus supplement may also add, update or change the information in this prospectus. If there is any inconsistency between the information in this prospectus and a prospectus supplement, you should rely on the information in the prospectus supplement. You should read this prospectus, the relevant prospectus supplement and the information described under the heading Where You Can Find Additional Information.

In this prospectus, the words Aviall, Company, we, our, ours and us refer to Aviall, Inc., and its subsidiaries, unless otherwise stated or th context requires.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We are subject to the informational requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and, in accordance with the requirements of the Exchange Act, we file annual, quarterly and current reports, proxy statements and other information with the SEC. Our SEC filings are available over the Internet at the SEC s website at *http://www.sec.gov*. You may also read and copy any document we file with the SEC at the Public Reference Section of the SEC at 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549. You may also obtain copies of the documents at prescribed rates by writing to the SEC at that address. Please call 1-800-SEC-0330 for further information on the operations of the public reference facilities. Our SEC filings are also available at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

Our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and all amendments to these reports will be made available free of charge through the Investor Relations section of our Internet website, *www.aviall.com*, as soon as practicable after the material is electronically filed with, or furnished to, the SEC.

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INCORPORATION BY REFERENCE

We may incorporate by reference in this prospectus the information we file with the SEC, which means:

- incorporated documents are considered part of this prospectus;
- we can disclose important information to you by referring you to those documents; and
- information that we subsequently file with the SEC will automatically update and supersede the information in this prospectus and any information that was previously incorporated by reference in this prospectus. Any statement so updated or superseded shall not be deemed, except as so updated or superseded, to constitute part of this prospectus.

We incorporate by reference into this prospectus all documents filed by us pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this prospectus and prior to the termination of the exchange offer. In addition, except to the extent such information has been updated or superseded by the information in this prospectus, we incorporate by reference into this prospectus:

- our Annual Report on Form 10-K for the year ended December 31, 2002;
- our Quarterly Report on Form 10-Q for the quarter ended March 31, 2003;
- our Quarterly Report on Form 10-Q for the quarter ended June 30, 2003, as amended on August 21, 2003 pursuant to Form 10-Q/A;
- our Quarterly Report on Form 10-Q for the quarter ended September 30, 2003;
- our Current Report on Form 8-K, dated June 12, 2003, regarding the conversion of all of our outstanding Series D Redeemable Preferred Stock into shares of our common stock;
- our Current Report on Form 8-K, dated June 13, 2003, filing a press release regarding our Rule 144A offering of senior notes;
- our Current Report on Form 8-K, dated June 25, 2003, regarding the pricing of our $200 million senior note offering; and
- our Current Report on Form 8-K, dated September 29, 2003, regarding our new contract with Honeywell Lighting and Electronics.

In addition, we incorporate by reference the description of our common stock, which is contained in our registration statement on Form 10, filed with the SEC on December 22, 1993, as updated or amended in any amendment or report filed for such purpose.

You can obtain any of the filings incorporated by reference in this prospectus through us or from the SEC through the SEC s website or at the address listed above. Documents incorporated by reference are available from us without charge, excluding any exhibits to those documents that are not specifically incorporated by reference in this prospectus. You can request a copy of the documents incorporated by reference in this prospectus and a copy of the indenture, and other documents and agreements referred to in this prospectus by requesting them in writing or by telephone from us at the following address:

Aviall, Inc.

P.O. Box 619048

Dallas, Texas 75261-9048

Attention: Shareholder Services

Telephone: (972) 586-1000

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CAUTIONARY LANGUAGE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements concerning our business, operations and financial performance and condition. When we use the words estimates, expects, forecasts, anticipates, projects, plans, intends, believes and variations of such words or similar expres prospectus, we intend to identify forward-looking statements.

We have based our forward-looking statements on our current assumptions, expectations and projections about future events. We have expressed our assumptions, expectations and projections in good faith, and we believe there is a reasonable basis for them. However, we cannot assure you that our assumptions, expectations or projections will prove to be accurate.

A number of risks and uncertainties could cause our actual results to differ materially from the forward-looking statements contained in this prospectus. Important factors that could cause our actual results to differ materially from the forward-looking statements are set forth in this prospectus, including the factors described under the heading Risk Factors. These risks, uncertainties and other important factors include, among others:

- loss of key suppliers or significant customers;
- termination or curtailment of material contracts;
- changes in demand or prevailing market prices for the products and services we sell;
- changes in economic conditions;
- increased competition;
- failure to realize anticipated benefits from our agreements;
- changes in our business strategy;
- changes in government regulations and policies;
- limited operational flexibility due to our substantial leverage;
- foreign currency fluctuations and devaluations in our foreign markets; and
- foreign political instability and acts of war or terrorism.

Other factors may cause our actual results to differ materially from the forward-looking statements. These forward-looking statements speak only as of the date of this prospectus and, except as required by law, we do not undertake any obligation to publicly update or revise our forward-looking statements. We caution you not to place undue reliance on these forward-looking statements.

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AVIALL, INC.

We are the largest independent global provider of new aerospace parts, supply-chain management and other related value-added services to the aerospace aftermarket. Through Aviall Services, we purchase new aerospace parts, components and supplies from over 200 original equipment manufacturers, or OEMs, and resell them through our network of 40 customer service centers located in North America, Europe, Asia, Australia and New Zealand. In addition, through Inventory Locator Service, we operate an electronic marketplace that permits subscribers to buy and sell parts, equipment and services for the aerospace, defense and marine industries.

The global market for aerospace parts, components and supplies generally consists of two related segments: the new aircraft parts segment and the aftermarket parts segment. The new aircraft parts segment is comprised of new parts, components and supplies used in the construction of new aircraft or engines. The aftermarket parts segment is comprised of new parts, components and supplies and redistributed, or refurbished, parts and components used in scheduled and unscheduled maintenance, repair and modification of aircraft and engines already in use. Aviall Services primarily operates in the aftermarket segment s new parts group, providing new aerospace parts, components and supplies on behalf of OEMs to a diverse customer base. ILS principally operates in the segment s aftermarket redistribution group providing information and functionality regarding aftermarket parts, components and supplies for subscribers utilizing its proprietary electronic marketplace.

Aviall, Inc. is a Delaware corporation.

USE OF PROCEEDS

Unless otherwise set forth in the applicable prospectus supplement, net proceeds from the sale of the securities sold by us will be used for general corporate purposes. These purposes may include acquisitions, working capital, capital expenditures, the repurchase of outstanding securities and the repayment of indebtedness. Pending these applications, net proceeds from the sale of securities may be temporarily invested in short-term interest-bearing securities or other investment-grade securities. We will not receive any proceeds from sales of shares of our common stock by the selling stockholder.

RATIO OF EARNINGS TO FIXED CHARGES

Our ratio of earnings to combined fixed charges and preferred stock dividends for the periods indicated below as calculated under SEC rules is as follows:

Nine Months Ended September 30,	Year Ended December 31,				
2003	2002	2001	2000	1999	1998

Ratio of earnings to fixed charges	1.7x	2.2x	1.3x	2.6x	2.9x	6.8x

For the purposes of calculating the ratio of earnings to fixed charges, earnings represents earnings from continuing operations before taxes plus fixed charges. Fixed charges include interest expense, amortization of deferred debt issuance cost, the portion of operating rental expense that

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management believes is representative of the appropriate interest component of rent expense, currently deemed to be one third, and the amount of pre-tax earnings required to pay preferred stock dividends.

RISK FACTORS

The prospectus supplement applicable to each type or series of securities we or the selling stockholder offer will contain a discussion of risks applicable to an investment in our company and industry and to the particular types of securities that we or the selling stockholder are offering under that supplement. Prior to making a decision about investing in our securities, you should carefully consider the specific factors discussed under the caption Risk Factors in the applicable prospectus supplement, together with all of the other information contained in the prospectus supplement or appearing or incorporated by reference in the registration statement of which this prospectus is a part.

DESCRIPTION OF DEBT SECURITIES

The following description sets forth some general terms and provisions of the debt securities to which any prospectus supplement may relate. The particular terms of the debt securities offered by any prospectus supplement and the extent, if any, to which such general provisions may not apply to the debt securities so offered will be described in the prospectus supplement relating to such debt securities. For more information please refer to the applicable indenture. Capitalized terms used in this prospectus that are not defined will have the meanings given to them in these documents.

Any senior debt securities will be issued under a senior indenture to be entered into between us and the trustee named in the senior indenture, also referred to as the senior trustee. Any subordinated debt securities will be issued under a subordinated indenture to be entered into between us and the trustee named in the subordinated indenture, also referred to as the subordinated trustee. As used in this registration statement, the term indentures refers to both the senior indenture and the subordinated indenture, as applicable. Both indentures will be qualified under the Trust Indenture Act. As used in this registration statement, the term trustee refers to either the senior trustee or the subordinated trustee, as applicable.

The following summaries of some material provisions of the senior debt securities, the subordinated debt securities, and the indentures are subject to, and qualified in their entirety by reference to, all the provisions of the indenture and any supplemental indenture applicable to a particular series of debt securities, including the definitions in this registration statement of some terms. Except as otherwise indicated, the terms of any senior indenture and subordinated indenture, as applicable, will be identical.

General

The terms of each series of debt securities will be established by or pursuant to a resolution of our board of directors and by a supplemental indenture. We will describe the particular terms of each series of debt securities in a prospectus supplement relating to that series.

In particular, each prospectus supplement will describe the following terms relating to a series of debt securities as specified in a supplemental indenture:

the title and aggregate principal amount of the debt securities;

whether the debt securities are senior debt securities or subordinated debt securities and the terms of subordination;

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any provisions granting special rights to you when a specified event occurs;

any limit on the amount of debt securities that may be issued;

whether any of the debt securities will be issuable in whole or in part in temporary or permanent global form or in the form of book entry securities and, in such case, the identity for the depositary for such series;

the maturity date(s) of the debt securities;

the annual interest rate(s) (which may be fixed or variable) or the method for determining the rate(s) and the date(s) interest will begin to accrue on the debt securities, the date(s) interest will be payable, and the regular record date(s) for interest payment date(s) or the method for determining the record date(s);

the place(s) where payments with respect to the debt securities shall be payable;

our right, if any, to defer payment of interest on the debt securities and the maximum length of any deferral period;

the date, if any, after which, and the price(s) at which, the series of debt securities may, pursuant to any optional redemption provisions, be redeemed at our option, and other related terms and provisions;

the date(s), if any, on which, and the price(s) at which, if applicable, we are obligated, pursuant to any mandatory sinking fund provisions or otherwise, to redeem, or at your option to purchase in whole or in part, the series of debt securities and other related terms and provisions;

the denominations and currency in which the series of debt securities will be issued, if other than denominations of $1,000 (or the equivalent amount in foreign currency) and any integral multiple thereof;

any mandatory or optional sinking fund or similar provisions respecting the debt securities;

the currency or currency units in which payment of the principal of, premium, if any, and interest on the debt securities shall be payable;

whether and under what circumstances we will pay additional amounts on any debt securities held by a person who is not a United States person for tax or other regulatory purposes and whether we can redeem the debt securities rather than pay these additional amounts;

the terms pursuant to which the debt securities are subject to defeasance and satisfaction and discharge;

any addition to, or modification or deletion of, any event of default or any covenant specified in the applicable indenture and supplement with respect to the debt securities;

the terms and conditions, if any, pursuant to which the debt securities are secured; and

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any other terms of the debt securities.

The debt securities may be issued as original issue discount securities as described in a prospectus supplement. An original issue discount security is a debt security, including any zero coupon debt security, which:

is issued at a price lower than the amount payable upon its stated maturity; and

provides that upon redemption or acceleration of the maturity, an amount less than the amount payable upon the stated maturity, shall become due and payable.

United States federal income tax considerations applicable to debt securities sold at an original issue discount security will be described in the applicable prospectus supplement. In addition, United States federal income tax or other considerations applicable to any debt securities which are denominated in a currency or currency unit other than United States dollars may be described in the applicable prospectus supplement.

Unless otherwise specified in a supplemental indenture, under the indentures, we will have the ability, in addition to the ability to issue debt securities with terms different from those of debt securities previously issued, without your consent, to reopen a previous issue of a series of debt securities and issue additional debt securities of that series, unless such reopening was restricted when the series was created, in an aggregate principal amount determined by us.

Conversion or Exchange of Rights

The terms, if any, on which a series of debt securities may be convertible into or exchangeable for our common stock or other of our securities will be detailed in the prospectus supplement relating thereto. Such terms will include provisions as to whether conversion or exchange is mandatory, at your option, or at our option, and may include provisions pursuant to which the number of shares of our common stock or of our other securities to be received by you and other holders of such series of debt securities would be subject to adjustment.

Guarantees

Any senior or subordinated debt securities may be guaranteed by one or more of our direct and indirect subsidiaries. Each prospectus supplement will describe any guarantees for the benefit of the series of debt securities to which it relates.

Consolidation, Merger or Sale

Unless noted otherwise in a prospectus supplement, the indentures and the supplemental indentures will not contain any covenant which restricts our ability to merge or consolidate, or sell, convey, transfer, or otherwise dispose of all or substantially all of our assets. However, any successor or acquirer of all or substantially all of our assets must assume all of our obligations under the indentures and any supplemental indentures or the

debt securities, as appropriate.

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Events of Default under the Indentures

Unless otherwise specified in a supplemental indenture, an event of default typically will occur under the indentures with respect to any series of debt securities issued upon:

- failure to pay interest on the debt securities when due if such failure continues for 30 days and the time for payment has not been extended or deferred;
- failure to pay the principal or premium of the debt securities, if any, when due;
- failure to deposit any sinking fund payment, when due, for any debt security and in the case of the subordinated indenture, whether or not the deposit is prohibited by the subordination provisions;
- failure to observe or perform any other covenant contained in the debt securities or the indentures other than a covenant specifically relating to another series of debt securities, if such failure continues for 60 days after we receive notice from a trustee or holders of at least 25% in aggregate principal amount of the outstanding debt securities of that series;
- if the debt securities are convertible into shares of our common stock or other of our securities, failure by us to deliver common stock or the other securities when you and other holders of the debt securities elect to convert the debt securities into shares of our common stock or other of our securities; and
- particular events of bankruptcy, insolvency, or reorganization.

The supplemental indentures or the form of security for a particular series of debt securities may include additional events of default or changes to the events of default described above. For any additional or different events of default applicable to a particular series of debt securities, see the prospectus supplement relating to such series.

Subject to the provisions of the supplemental indentures, an event of default for a particular series of debt securities may, but does not necessarily, constitute an event of default for any other series of debt securities.

Unless otherwise specified in a supplemental indenture, if an event of default with respect to debt securities of any series occurs and is continuing, the trustee or the holders of at least 25% in aggregate principal amount of the outstanding debt securities of that series, by notice in writing to us and to the trustee if notice is given by such holders, may declare the unpaid principal, premium, if any, and accrued interest, if any, due and payable immediately.

Subject to the provisions of the supplemental indentures, the holders of a majority in principal amount of the outstanding debt securities of an affected series may waive any default or event of default with respect to such series and its consequences, except defaults or events of default regarding payment of principal, premium, if any, or interest on the debt securities. Any such waiver shall cure such default or event of default.

Subject to the provisions of the supplemental indentures, in the case of any series of subordinated debt securities, the amounts collected by a trustee from us as a result of an event of default must first be applied towards the payment of any senior series of debt securities.

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Subject to the terms of the supplemental indentures, if an event of default under an indenture shall occur and be continuing, the trustee named in such indenture will be under no obligation to exercise any of its rights or powers under such indenture at your request or direction or that of any other holders of the applicable series of debt securities, unless you or such holders have offered the trustee reasonable indemnity. The holders of a majority in principal amount of the outstanding debt securities of any series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred on the trustee, with respect to the debt securities of that series, provided that:

- it is not in conflict with any law or the applicable indenture;
- the trustee may take any other action deemed proper by it which is not inconsistent with such direction; and
- subject to its duties under the Trust Indenture Act, the trustee need not take any action that might involve it in personal liability or might be unduly prejudicial to the holders not involved in the proceeding.

Subject to the terms of the supplemental indentures, as a holder of the debt securities of any series, you will only have the right to institute a proceeding or to appoint a receiver or trustee, or to seek other remedies if:

- you have given written notice to the trustee of a continuing event of default with respect to that series;
- the holders of at least 25% in aggregate principal amount of the outstanding debt securities of that series have made written request, and have offered reasonable indemnity to the trustee to institute such proceedings as trustee; and
- the trustee does not institute such proceeding, and does not receive from the holders of a majority in aggregate principal amount of the outstanding debt securities of that series other conflicting directions within 60 days after such notice, request, and offer. These limitations do not apply to a suit instituted by you if we default in the payment of the principal, premium, if any, or interest on, your debt securities.

Subject to the terms of the supplemental indentures, we will periodically file statements with the trustee regarding our compliance with all of the conditions and covenants in the indentures.

Modification of Indentures

We and a trustee may change an indenture without your consent with respect to specific matters, including:

- to cure any ambiguity, omission, defect, or inconsistency in such indenture;
- to provide for the assumption by a successor person of our obligations under such indenture;

to add guarantees, including subsidiary guarantees, with respect to debt securities or to release subsidiary guarantors from subsidiary guarantees as provided by the terms of an indenture or to secure debt securities;

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to add to the covenants for your benefit or to surrender any right or power conferred upon us;

to change anything that does not materially adversely affect your interests as a holder of debt securities of any series; or

to comply with any requirement of the SEC in connection with the qualification of an indenture under the Trust Indenture Act.

In addition, under the indentures, but subject to the terms of the supplemental indenture, your rights as a holder of a series of debt securities may be changed by us and a trustee with the written consent of the holders of at least a majority in aggregate principal amount of the outstanding debt securities of each series that is affected. However, the following changes may only be made with the consent of each holder of any outstanding debt securities affected:

change the fixed maturity of such series of debt securities;

reduce the principal amount, reduce the rate of, or extend the time of payment of interest, or any premium payable upon the redemption of any such debt securities;

reduce the amount of principal of an original issue discount security or any other debt security payable upon acceleration of the maturity thereof;

a change in the currency in which any debt security or any premium or interest is payable;

impair the right to enforce any payment on or with respect to any debt security;

adversely change the right to convert or exchange, including decreasing the conversion rate or increasing the conversion price of, such debt security (if applicable);

in the case of the subordinated indenture, modify the subordination provisions in a manner adverse to the holders of the subordinated debt securities;

if the debt securities are secured, change the terms and conditions pursuant to which the debt securities are secured in a manner adverse to the holders of the secured debt securities;

reduce the percentage in principal amount of outstanding debt securities of any series, the consent of whose holders is required for modification or amendment of the applicable indenture or for waiver of compliance with certain provisions of the applicable indenture or for waiver of certain defaults;

reduce the requirements contained in the applicable indenture for quorum or voting;

change any of our obligations to maintain an office or agency in the places and for the purposes required by the indentures; or

modify any of the above provisions.

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Form, Exchange and Transfer

The debt securities of each series will be issuable only in fully registered form without coupons and, unless otherwise specified in the applicable prospectus supplement, in denominations of $1,000 (or the equivalent amount in foreign currency) and any integral multiple thereof. Subject to the terms of the supplemental indentures, the indentures will provide that debt securities of a series may be issuable in temporary or permanent global form and may be issued as book entry securities that will be deposited with, or on behalf of, The Depository Trust Company or another depository we name and identify in a prospectus supplement with respect to such series.

At your option, subject to the terms of the supplemental indentures and the limitations applicable to global securities described in the applicable prospectus supplement, debt securities of any series will be exchangeable for other debt securities of the same series, in any authorized denomination and of like tenor and aggregate principal amount.

Subject to the terms of the supplemental indentures and the limitations applicable to global securities detailed in the applicable prospectus supplement, debt securities may be presented for exchange or for registration of transfer (duly endorsed or with the form of transfer endorsed thereon duly executed if so required by us or the security registrar) at the office of the security registrar or at the office of any transfer agent designated by us for such purpose. Unless otherwise provided in the debt securities to be transferred or exchanged, no service charge will be made for any registration of transfer or exchange, but we may require payment of any taxes or other governmental charges. The security registrar and any transfer agent (in addition to the security registrar) initially designated by us for any debt securities will be named in the applicable prospectus supplement. We may at any time designate additional transfer agents or rescind the designation of any transfer agent or approve a change in the office through which any transfer agent acts, except that we will be required to maintain a transfer agent in each place of payment for the debt securities of each series.

Subject to the terms of the supplemental indentures, if the debt securities of any series are to be redeemed, we will not be required to:

- issue, register the transfer of, or exchange any debt securities of that series during a period beginning at the opening of business 15 days before the day of mailing of a notice of redemption of any such debt securities that may be selected for redemption and ending at the close of business on the day of such mailing; or

- register the transfer of or exchange any debt securities so selected for redemption, in whole or in part, except the unredeemed portion of any such debt securities being redeemed in part.

Information Concerning Trustees

A trustee, other than during the occurrence and continuance of an event of default under an indenture, undertakes to perform only such duties as are specifically detailed in the indentures and, upon an event of default under an indenture, must use the same degree of care as a prudent person would exercise or use in the conduct of his or her own affairs. Subject to this provision, a trustee is under no obligation to exercise any of the powers given it by the indentures at the request of any holder of debt securities unless it is offered reasonable security and indemnity against the costs, expenses, and liabilities that it might incur. A trustee is not required to spend or risk its own money or otherwise become financially liable while performing its duties unless it reasonably believes that it will be repaid or receive adequate indemnity.

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Payment and Paying Agents

Unless otherwise indicated in the applicable prospectus supplement, payment of the interest on any debt securities on any interest payment date will be made to the person in whose name such debt securities (or one or more predecessor securities) are registered at the close of business on the regular record date for such interest.

Principal of and any premium and interest on the debt securities of a particular series will be payable at the office of the paying agents designated by us, except that unless otherwise indicated in the applicable prospectus supplement, interest payments may be made by check mailed to the holder. Unless otherwise indicated in such prospectus supplement, the corporate trust office of a trustee in The City of New York will be designated as our sole paying agent for payments with respect to debt securities of each series. Any other paying agents initially designated by us for the debt securities of a particular series will be named in the applicable prospectus supplement. We will be required to maintain a paying agent in each place of payment for the debt securities of a particular series.

All moneys paid by us to a paying agent or a trustee for the payment of the principal of or any premium or interest on any debt securities which remains unclaimed at the end of two years after such principal, premium, or interest has become due and payable will be repaid to us, and the holder of the security thereafter may look only to us for payment thereof.

Governing Law

The indentures and the debt securities will be governed by and construed in accordance with the laws of the State of New York except for conflicts of laws provisions and to the extent that the Trust Indenture Act shall be applicable.

Subordination of Subordinated Debt Securities

Unless noted otherwise in a prospectus supplement, any subordinated debt securities will be unsecured and will be subordinate and junior in priority of payment to some of our other indebtedness to the extent described in a prospectus supplement. Additionally, unless noted otherwise in a prospectus supplement, the subordinated indenture will not limit the amount of subordinated debt securities which /FONT>2,238 1,104

Current portion of long-term debt

71 70 70

Subsidiary bank debt (long-term)

600 350

Long-term debt

15,704 15,822 15,822

Total debt[(2)]

18,014	18,480	16,996
Share capital[3]		
23,930	23,932	26,353

Notes:

(1) Assumes $937 million of the net proceeds to Suncor from the Offering is used to fund the Acquisition (prior to any closing adjustments or expenses related to the Acquisition) and the remaining $1,484 million is used to repay $1,134 million of short-term debt and all of Suncor's subsidiary's bank debt, as set forth in the table above. If the Over-Allotment Option is exercised in full, the short-term debt would be reduced to $741 million, total debt would be reduced to $16,633 million and the share capital would be increased to $26,716 million.

(2) For additional information regarding Suncor's debt, see Note 20 to the 2015 Annual Financial Statements and "*Financial Condition and Liquidity*" in the Q1 2015 MD&A, each of which is incorporated by reference in this short form prospectus.

(3) Upon completion of the Offering, the total number of Common Shares outstanding on an "as adjusted" basis at May 31, 2016 will increase from approximately 1,582,091,000 to 1,653,591,000 (1,664,316,000 if the Over-Allotment is exercised in full).

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TRADING PRICE AND VOLUME

The Common Shares are listed and posted for trading on the TSX and the NYSE under the trading symbol "SU". The following tables set out information concerning the monthly price ranges and trading volumes of the Common Shares as reported by the TSX and, in respect of the NYSE, as reported by Bloomberg, as applicable, for the periods indicated.

TSX

	High	Low	Volume
	($ per Common Share)		(thousands)
2015			
May	39.74	35.87	51,291
June	36.81	33.43	64,887
July	37.23	32.43	61,938
August	38.19	32.13	63,719
September	36.37	33.16	76,547
October	39.17	34.40	83,608
November	40.35	36.22	63,510
December	37.80	34.03	62,085
2016			
January	35.90	27.32	87,386
February	34.13	28.40	89,088
March	36.84	32.49	79,975
April	37.47	34.96	60,508
May	36.70	32.69	76,207
June 1-7[(1)]	36.52	34.96	14,231

Note:

(1) On June 7, 2016, the date of announcement of the Offering and the last completed trading day prior to the filing of this short form prospectus, the closing price of the Common Shares on the TSX was $36.50 per Common Share.

NYSE

	High	Low	Volume
	(US$ per Common Share)		(thousands)
2015			
May	32.87	28.67	69,367
June	29.76	27.24	88,211
July	28.57	24.91	93,033
August	29.17	24.20	107,162
September	27.65	25.04	101,991
October	29.98	26.24	119,661
November	30.70	27.16	69,677
December	28.28	24.97	83,973
2016			
January	25.85	18.71	116,585
February	25.23	20.35	114,371
March	28.32	24.08	91,185
April	29.90	26.48	79,927
May	29.34	25.31	106,408
June 1-7[(1)]	28.57	26.64	20,211

Note:

(1) On June 7, 2016, the date of announcement of the Offering and the last completed trading day prior to the filing of this short form prospectus, the closing price of the Common Shares on the NYSE was US$28.53 per Common Share.

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PRIOR SALES

The following table summarizes the Common Shares or securities convertible into Common Shares that Suncor issued during the 12-month period prior to the date of this short form prospectus.

Date of Issue	Securities	Price per Security	Number of Securities
February 5, 2016	Common Shares[(1)]	$ 31.88[(1)]	98,813,600
February 22, 2016	Common Shares[(1)]	$ 33.89[(1)]	15,387,816
March 21, 2016	Common Shares[(2)]	$ 36.31[(2)]	21,490,595
Between June 7, 2015 and June 7, 2016	Common Shares[(3)]	$ 29.65[(3)]	1,911,595
Between June 7, 2015 and June 7, 2016	Stock Options[(4)]	$ 30.30[(4)]	8,186,500

Notes:

(1) Common Shares issued to former shareholders of Canadian Oil Sands Limited ("**COS**") upon the take-up and payment for common shares of COS pursuant to Suncor's take-over bid for the common shares of COS, on the basis of 0.28 of a Common Share for each common share of COS. The price per security is the closing price of the Common Shares on the TSX on that day.

(2) Common Shares issued to former shareholders of COS pursuant to the amalgamation of COS with Suncor Energy Ventures Holding Corporation under which Suncor indirectly acquired the remaining outstanding common shares of COS on the basis of 0.28 of a Common Share for each common share of COS. The price per security is the closing price of the Common Shares on the TSX on that day.

(3) Common Shares issued on the exercise of stock options. The price per security is the weighted average exercise price per stock option.

(4) Options to acquire Common Shares granted pursuant to the Suncor Energy Inc. Stock Option Plan. The price per security is the weighted average exercise price per stock option.

USE OF PROCEEDS

The net proceeds from the Offering are estimated to be $2,419,168,750 after deducting the fees payable to the Underwriters of $81,331,250 and the estimated expenses of the Offering of $2,000,000. If the Over-Allotment Option is exercised in full, the net proceeds from the Offering are estimated to be $2,782,344,062.50 after deducting the fees payable to the Underwriters of $93,530,937.50 and the estimated expenses of the Offering of $2,000,000. See "*Plan of Distribution*".

The Company intends to use a portion of the net proceeds from the Offering to fund the purchase price for the Acquisition, comprising a 5.0% joint venture interest in the Syncrude Project, of approximately $937 million, subject to customary closing adjustments, as described in this short form prospectus under "*Recent Developments Acquisition of Additional Syncrude Interest*". For additional details on the Syncrude Project, see "*Narrative Description of Suncor's Business Oil Sands Oil Sands Operations Assets and Operations Oil Sands Ventures*" in the AIF, which is incorporated by reference in this short form prospectus. Suncor intends to use the remainder of the net proceeds from the Offering to repay certain outstanding indebtedness in order to provide ongoing balance sheet flexibility, including for opportunistic growth transactions that Suncor may identify in the future.

The Acquisition and the Offering are not mutually contingent. Should the Offering not be completed, we will complete the Acquisition using funds available under our credit facilities. Alternatively, should the Acquisition not proceed, we intend to use the entirety of the net proceeds of the Offering to repay certain outstanding indebtedness in order to provide ongoing balance sheet flexibility, including for opportunistic growth transactions that Suncor may identify in the future. If Suncor does not immediately require a portion of the net proceeds of the Offering to fund the purchase price for the Acquisition, it may either invest such unallocated funds in short-term marketable debt securities or temporarily reduce short-term debt.

As at May 31, 2016, approximately $350 million was drawn as borrowings under the credit facilities of a subsidiary of Suncor, approximately $1.620 billion of letters of credit was issued against Suncor's credit facilities, Suncor and its subsidiaries had approximately $14.692 billion of notes outstanding and Suncor had approximately $2.238 billion of commercial paper outstanding. The principal purposes for which the amounts

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drawn on the credit facilities and commercial paper were used were to fund the Company's capital expenditure programs and for general corporate purposes.

Potential investors are cautioned that, notwithstanding the Company's current intentions regarding the use of the net proceeds of the Offering, there may be circumstances where a reallocation of funds may occur. While the Company anticipates that it will spend the funds available as set forth above, there may be circumstances where, for business reasons, a reallocation of the net proceeds may be necessary, depending on future operations or the Company's properties or unforeseen events. See "*Risk Factors*".

PLAN OF DISTRIBUTION

Pursuant to an agreement dated effective June 8, 2016 (the "**Underwriting Agreement**") between Suncor and the Underwriters, Suncor has agreed to issue and sell and the Underwriters have agreed to purchase, as principals, on June 22, 2016, or such other date as may be agreed upon by Suncor and the Underwriters, subject to the terms and conditions contained therein, 71,500,000 Offered Shares at a price of $35.00 per Offered Share for aggregate gross proceeds of $2,502,500,000 payable in cash against delivery of the Offered Shares. The Underwriting Agreement provides that, in consideration of the services of the Underwriters in connection with the Offering, Suncor will pay the Underwriters a fee equal to 3.25% of the gross proceeds of the Offering, equal to $1.1375 per Offered Share. All fees payable to the Underwriters will be paid on account of services rendered in connection with the Offering and will be paid from the gross proceeds of the Offering.

The obligations of the Underwriters under the Underwriting Agreement are several (and not joint or joint and several), and may be terminated upon the occurrence of certain stated events. Such events include, but are not limited to, (a) a material adverse change, financial or otherwise, in the business, operations or condition (financial or otherwise) of the Company and its subsidiaries taken as a whole, which is expected to have a material adverse effect on the market price or market value of the Common Shares, and (b) any event, action, state, condition or financial occurrence, or any catastrophe, of national or international consequence, or any law or regulation, or any other occurrence of any nature whatsoever, which in the reasonable opinion of an Underwriter, seriously adversely affects or involves, or will seriously adversely affect or involve, the financial markets in Canada or the United States or the business, operations or affairs of the Company. If an Underwriter fails to purchase the Offered Shares which it has agreed to purchase, the remaining Underwriter(s) may, but are not obligated to, purchase such Offered Shares, provided that if the number of Offered Shares that a defaulting Underwriter(s) agreed but failed to purchase is less than or equal to 11% of the aggregate number of Offered Shares agreed to be purchased by the Underwriters, then the other Underwriters are severally obligated to purchase the Offered Shares which the defaulting Underwriter or Underwriters failed to purchase, on a *pro rata* basis or as they may otherwise agree between themselves. If the aggregate amount of Offered Shares not purchased is greater than 11% of the aggregate number of Offered Shares agreed to be purchased by the Underwriters, then each of the Underwriters shall be relieved of its obligations to purchase its respective percentage of the Offered Shares, subject to the terms and conditions of the Underwriting Agreement. The Underwriters are, however, obligated to take up and pay for all of the Offered Shares if any of the Offered Shares are purchased under the Underwriting Agreement. The Underwriting Agreement also provides that the Company will indemnify the Underwriters and their respective directors, officers, affiliates and employees and certain control persons of the Underwriters against certain liabilities, claims, demands, losses, costs, damages and expenses.

The Company has granted to the Underwriters the Over-Allotment Option to purchase up to an additional 10,725,000 Common Shares on the same terms and conditions as the Offering, exercisable at any time, in whole or in part, until the date that is 30 days following the Closing Date, for the purposes of covering the Underwriters' over-allotments, if any, and for market stabilization purposes. If the Over-Allotment Option is exercised in full, the total price to the public, Underwriters' fee and net proceeds to the Company (before deducting estimated expenses of the Offering) for the Offering will be $2,877,875,000, $93,530,937.50, and $2,784,344,062.50, respectively. This short form prospectus also qualifies the distribution of the Common Shares issuable pursuant to the exercise of the Over-Allotment Option. A purchaser who acquires Common Shares forming part of the Underwriters' over-allocation position acquires those Common Shares under this short form prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

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The terms of the Offering, including the Offering Price, were determined by negotiation between the Co-Lead Underwriters, on their own behalf and on behalf of each of the other Underwriters, and Suncor.

The Offering Price is payable in Canadian dollars only. The Underwriters propose to offer the Offered Shares initially at the Offering Price. After a reasonable effort has been made to sell all of the Offered Shares at the Offering Price, the Underwriters may subsequently reduce the selling price to investors from time to time in order to sell any of the Offered Shares remaining unsold. Any such reduction will not affect the net proceeds received by Suncor pursuant to the Offering. In the event the Offering Price is reduced, the compensation received by the Underwriters will be decreased by the amount by which the aggregate price paid by the purchasers for the Offered Shares is less than the gross proceeds paid by the Underwriters to Suncor for the Offered Shares. The Underwriters will inform the Company if the Offering Price is reduced.

Pursuant to policy statements of certain securities regulators, the Underwriters may not, throughout the period of distribution under this short form prospectus, bid for or purchase Common Shares. The foregoing restriction is subject to exceptions, on the condition that the bid or purchase is not engaged in for the purposes of creating actual or apparent active trading in, or raising the price of, the Common Shares. These exceptions include a bid or purchase permitted under the Universal Market Integrity Rules for the Canadian Market of the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market-making activities, a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution and transactions in compliance with U.S. federal securities laws. Under the first-mentioned exception, in connection with the Offering, the Underwriters may over-allot or effect transactions which stabilize or maintain the market price for the Common Shares at levels other than those which might otherwise prevail in the open market. Those transactions, if commenced, may be discontinued at any time.

Subscriptions for Offered Shares will be received by the Underwriters subject to rejection or allotment in whole or in part, and the right is reserved to close the subscription books at any time without notice. It is expected that closing of the Offering will take place on June 22, 2016 or such other date as may be agreed upon by the Underwriters and Suncor, and, for greater certainty, the Offered Shares (other than any Common Shares issuable pursuant to the exercise of the Over-Allotment Option) are to be taken up by the Underwriters, if at all, on or before a date not later than 42 days after the Closing Date.

It is expected that the Company will arrange for the instant deposit of the Offered Shares under the book-based system of registration, to be registered to CDS and deposited with CDS on the Closing Date. No certificates evidencing the Offered Shares will be issued to purchasers of the Offered Shares. Purchasers of Offered Shares will receive only a customer confirmation from the Underwriter or other registered dealer who is a CDS participant and from or through whom a beneficial interest in the Offered Shares is purchased.

Neither Suncor nor the Underwriters will assume any liability for: (a) any aspect of the records relating to the beneficial ownership of the Offered Shares held by CDS or the payments relating thereto; (b) maintaining, supervising or reviewing any records relating to the Common Shares; or (c) any advice or representation made by or with respect to CDS and those contained in this short form prospectus and relating to the rules governing CDS or any action to be taken by CDS or at the direction of its CDS participants. The rules governing CDS provide that it acts as the agent and depository for the CDS participants. As a result, CDS participants must look solely to CDS and persons, other than CDS participants, having an interest in the Offered Shares must look solely to CDS participants for payments made by or on behalf of Suncor to CDS in respect of the Common Shares.

It is expected that delivery of the Offered Shares will be made against payment therefor on or about the Closing Date specified on the cover page of this short form prospectus, which will not be three business days following the date of the final short form prospectus (this settlement cycle being referred to as "**T+3**"). Under Rule 15c6-1 of the Exchange Act, trades in the secondary market are generally required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade their Offered Shares prior to the Closing Date will be required, by virtue of the fact that the Offered Shares will not settle in T+3, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of Offered Shares who wish to trade their Offered Shares prior to the Closing Date should consult their own advisors.

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Suncor has agreed with the Underwriters that, subject to certain exceptions, it will not, among other things, directly or indirectly, offer, sell or issue for sale or resale, as the case may be, or publicly announce the issue or sale or intended issue or sale of any Common Shares, or financial instruments or securities convertible or exchangeable into Common Shares, or publicly announce its intention to do so or file a prospectus or registration statement in respect thereof, for a period of 90 days after the Closing Date without the prior written consent of the Co-Lead Underwriters on behalf of the Underwriters, which consent shall not be unreasonably withheld, conditioned or delayed.

The Offered Shares will be offered in Canada and the United States through the Underwriters either directly or, if applicable, through their respective Canadian or U.S. registered broker-dealer affiliates.

Neither Mitsubishi UFJ Securities (USA), Inc. nor Mizuho Securities Inc. is registered as a dealer in any Canadian jurisdiction and, accordingly, will only sell Offered Shares into the United States or in other jurisdictions outside of Canada and are not permitted and will not, directly or indirectly, solicit offers to purchase or sell any of the Offered Shares in Canada.

In connection with the sale of the Offered Shares, the Underwriters may receive compensation from us or from purchasers of the Offered Shares for whom they may act as agents in the form of concessions or commissions. Underwriters, dealers and agents that participate in the distribution of the Offered Shares may be deemed to be underwriters and any commissions received by them from us and any profit on the resale of Offered Shares by them may be deemed to be underwriting commissions under the 1933 Act.

The *Petro-Canada Public Participation Act* (Canada) requires that the Articles of Suncor include certain restrictions on the ownership and voting of voting shares of the Company. See "*Description of the Common Shares*".

Suncor has applied to list the Offered Shares distributed under this short form prospectus on the TSX and on the NYSE. Listing will be subject to Suncor fulfilling all of the listing requirements of the TSX and of the NYSE.

Conflicts of Interest

As described in "*Use of Proceeds*", a portion of the net proceeds of the Offering will be used to repay certain outstanding indebtedness. See "*Use of Proceeds*". As a result, one or more of the Underwriters or their affiliates may receive more than 5% of the net proceeds of the Offering in the form of the repayment of such indebtedness. Accordingly, the Offering is being made pursuant to Rule 5121 of the Financial Industry Regulatory Authority, Inc. Pursuant to this rule, the appointment of a qualified independent underwriter is not necessary in connection with the Offering because the conditions of Rule 5121(a)(1)(B) are satisfied.

Notice to Prospective Investors in the European Economic Area

This short form prospectus has been prepared on the basis that any offer of Offered Shares in any Member State of the European Economic Area will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of Offered Shares. Accordingly any person making or intending to make an offer in a Member State of Offered Shares which are the subject of the offering contemplated in this short form prospectus may only do so (i) in circumstances in which no obligation arises for us or any of the Underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither we nor the Underwriters have authorised, nor do we or they authorise, the making of any offer of Offered Shares in circumstances in which an obligation arises for us or the Underwriters to publish a prospectus for such offer. Neither we nor the Underwriters have authorised, nor do we or they authorise, the making of any offer of Offered Shares through any financial intermediary, other than offers made by the Underwriters, which constitute the final placement of the Offered Shares contemplated in this short form prospectus.

In relation to each Member State of the European Economic Area, each Underwriter has represented and agreed, and each further Underwriter appointed under the Offering will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive was implemented in that Member State (the "**Relevant Implementation Date**"), it has not made and will not make an offer of any Offered Shares

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which are the subject of the offering contemplated by this short form prospectus to the public in that Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Offered Shares to the public in that Member State:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of TD Securities Inc., CIBC World Markets Inc. or J.P. Morgan Securities Canada Inc. for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Offered Shares shall result in a requirement for the publication by us or any Underwriter of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Common Shares to the public" in relation to any Offered Shares in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Offered Shares to be offered so as to enable an investor to decide to purchase or subscribe to the Offered Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, and the expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended), and includes any relevant implementing measure in the Member State.

Each subscriber for the Offered Shares located within a Member State will be deemed to have represented, acknowledged and agreed that it is a qualified investor within the meaning of Article 2(1)(e) of the Prospectus Directive.

Notice to Prospective Investors in the United Kingdom

This document is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "**Financial Promotion Order**"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "**relevant persons**"). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

Each Underwriter has represented and agreed, and each further Underwriter appointed under the Offering will be required to represent and agree, that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (United Kingdom), as amended (the "**FSMA**")) received by it in connection with the issue or sale of the Offered Shares in circumstances in which Section 21(1) of the FSMA does not apply to Suncor; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Offered Shares in, from or otherwise involving the United Kingdom.

Notice to Prospective Investors in France

Neither this short form prospectus nor any other offering material relating to the Offered Shares has been submitted to the clearance procedures of the *Autorité des Marchés Financiers* or of the competent authority of another member state of the European Economic Area and notified to the *Autorité des Marchés Financiers*. The Offered Shares have not been offered or sold and will not be offered or sold, directly or indirectly, to the public

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in France. Neither this short form prospectus nor any other offering material relating to the Offered Shares has been or will be:

(a) released, issued, distributed or caused to be released, issued or distributed to the public in France; or

(b) used in connection with any offer for subscription or sale of the Offered Shares to the public in France.

Such offers, sales and distributions will be made in France only:

(a) to qualified investors (*investisseurs qualifiés*) and/or to a restricted circle of investors (*cercle restraint d'investisseurs*), in each case investing for their own account, all as defined in, and in accordance with articles L.411-2, D.411-1, D.411-2, D.734-1, D.744-1, D.754-1 and D.764-1 of the French *Code monétaire et financier*;

(b) to investment services providers authorized to engage in portfolio management on behalf of third parties; or

(c) in a transaction that, in accordance with article L.411-2-II-1 or -2 or -3 of the French *Code monétaire et financier* and article 211-2 of the General Regulations (*Règlement Général*) of the *Autorité des Marchés Financiers*, does not constitute a public offer (*appel public à l'épargne*).

The Offered Shares may be resold directly or indirectly, only in compliance with articles L.411-1, L.411-2, L.412-1 and L.621-8 through L.621-8-3 of the French *Code monétaire et financier*.

Notice to Prospective Investors in Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 (Cth) of Australia ("**Corporations Act**")) in relation to the Offered Shares has been or will be lodged with the Australian Securities & Investments Commission ("**ASIC**"). This document has not been lodged with ASIC and is only directed to certain categories of exempt persons. Accordingly, if you receive this document in Australia:

(a) you confirm and warrant that you are either:

(i) a "sophisticated investor" under section 708(8)(a) or (b) of the Corporations Act;

(ii) a "sophisticated investor" under section 708(8)(c) or (d) of the Corporations Act and that you have provided an accountant's certificate to us which complies with the requirements of section 708(8)(c)(i) or (ii) of the Corporations Act and related regulations before the offer has been made;

(iii) a person associated with the Company under section 708(12) of the Corporations Act; or

(iv) a "professional investor" within the meaning of section 708(11)(a) or (b) of the Corporations Act, and to the extent that you are unable to confirm or warrant that you are an exempt sophisticated investor, associated person or professional investor under the Corporations Act any offer made to you under this document is void and incapable of acceptance; and

(b) you warrant and agree that you will not offer any of the Offered Shares for resale in Australia within 12 months of those Offered Shares being issued unless any such resale offer is exempt from the requirement to issue a disclosure document under section 708 of the Corporations Act.

Notice to Prospective Investors in Hong Kong

The Offered Shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the Offered Shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Offered Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

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Notice to Prospective Investors in Singapore

This short form prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this short form prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Offered Shares may not be circulated or distributed, nor may the Offered Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA, in each case subject to compliance with conditions set forth in the SFA.

Where the Offered Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Offered Shares pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor (for corporations, under Section 274 of the SFA) or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than $200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, in accordance with the conditions specified in Section 275 of the SFA;

(b) where no consideration is or will be given for the transfer; or

(c) where the transfer is by operation of law.

RELATIONSHIP BETWEEN THE COMPANY AND CERTAIN UNDERWRITERS

Under applicable securities legislation in certain provinces and territories of Canada, Suncor may be considered to be a connected issuer of each of TD Securities Inc., CIBC World Markets Inc., J.P. Morgan Securities Canada Inc., BMO Nesbitt Burns Inc., Citigroup Global Markets Canada Inc., Merrill Lynch Canada Inc., RBC Dominion Securities Inc., Scotia Capital Inc., Desjardins Securities Inc., HSBC Securities (Canada) Inc., Morgan Stanley Canada Limited, BNP Paribas (Canada) Securities Inc., Mitsubishi UFJ Securities (USA), Inc. and Mizuho Securities USA Inc. as each is, directly or indirectly, a wholly-owned or majority-owned subsidiary of a Canadian chartered bank or financial institution which has extended credit facilities to Suncor or its subsidiaries upon which Suncor or its subsidiaries may draw from time to time (collectively the "**Banks**"), and of AltaCorp Capital Inc., as ATB Financial is a minority shareholder thereof. ATB Financial is an affiliate of Alberta Treasury Branches, which is a provincially regulated financial institution that is a member of the lending syndicate in respect of such credit facilities (ATB Financial, collectively with the Banks, the "**Lenders**"). Suncor also reserves capacity under its syndicated revolving credit facility for amounts of commercial paper outstanding under its commercial paper program. At May 31, 2016, approximately $350 million was drawn as borrowings under the credit facilities of a subsidiary of Suncor, approximately $1.620 billion of letters of credit was issued against Suncor's credit facilities, and Suncor had approximately $2.238 billion of commercial paper outstanding. These credit facilities are unsecured and Suncor and its subsidiaries are in compliance with all terms of the agreements governing the credit facilities and none of the

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Lenders has waived a breach of such agreements since their respective execution. The financial position of Suncor, and any applicable subsidiary, has not changed substantially since the most recent amendments to the credit facilities. None of the Lenders were involved in the decision to offer the Offered Shares and none were involved in the determination of the terms of the distribution of the Offered Shares. The terms of the Offering, including the Offering Price, were determined by negotiation between the Co-Lead Underwriters, on their own behalf and on behalf of each of the other Underwriters, and Suncor. As a consequence of the sale of the Offered Shares, each of the participating Underwriters will receive a commission on the principal amount of any Offered Shares sold through such Underwriters and the lenders may receive a portion of the proceeds from us as a repayment of certain indebtedness outstanding to them.

ELIGIBILITY FOR INVESTMENT

In the opinion of Blake, Cassels & Graydon LLP, Canadian counsel to Suncor, and Burnet, Duckworth & Palmer LLP, Canadian counsel to the Underwriters, the Offered Shares, provided they are listed on a designated stock exchange as defined in the *Income Tax Act* (Canada) (the "**Tax Act**") (which currently includes the TSX and the NYSE), will be qualified investments under the Tax Act for a trust governed by a registered retirement savings plan (an "**RRSP**"), a registered retirement income fund (an "**RRIF**"), a registered education savings plan, a deferred profit sharing plan, a tax-free savings account (a "**TFSA**") or a registered disability savings plan (collectively, "**Deferred Plans**"). In the case of an RRSP, RRIF or TFSA, provided the holder of the TFSA or the annuitant of the RRSP or RRIF, as the case may be, deals at arm's length with and does not have a "significant interest" (within the meaning of the Tax Act) in Suncor, the Offered Shares will not be a prohibited investment under the Tax Act for such RRSP, RRIF or TFSA.

Prospective investors who intend to hold the Offered Shares in Deferred Plans should consult their own tax advisors regarding their particular circumstances.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Blake, Cassels & Graydon LLP, Canadian counsel to Suncor, and Burnet, Duckworth & Palmer LLP, Canadian counsel to the Underwriters, the following summary describes, as of the date hereof, the principal Canadian federal income tax considerations generally applicable to a purchaser who acquires as beneficial owner Offered Shares pursuant to this Offering and who, at all relevant times, for purposes of the Tax Act (1) holds the Offered Shares as capital property; (2) deals at arm's length with Suncor and the Underwriters; and (3) is not affiliated with Suncor (a "**Holder**"). Generally, the Offered Shares will be considered capital property to a Holder provided the Holder does not hold such shares in the course of carrying on a business of buying and selling securities or as part of an adventure or concern in the nature of trade. This summary assumes that the Offered Shares will be listed on a "designated stock exchange" within the meaning of the Tax Act (which currently includes the TSX) at all relevant times.

This summary is based on the current provisions of the Tax Act in force as of the date hereof and counsels' understanding of the current administrative policies and assessing practices of the CRA published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**") and assumes that the Tax Proposals will be enacted in the form proposed. No assurance can be given that the Tax Proposals will be enacted in the form proposed, or at all. This summary does not otherwise take into account or anticipate any other changes in law, whether by judicial, governmental or legislative decision or action or changes in the administrative policies or assessing practices of the CRA, nor does it take into account provincial, territorial or foreign income tax legislation or considerations, which may differ materially from those described in this summary.

In addition, this summary does not apply to a Holder (i) that is a "financial institution" for purposes of certain rules (referred to as the mark-to-market rules applicable to securities held by financial institutions), (ii) an interest in which is a "tax shelter investment", (iii) that is a "specified financial institution", (iv) that reports its "Canadian tax results" in a currency other than Canadian currency, or (v) that has entered, or will enter, into, with respect to the Offered Shares, a "derivative forward agreement", each as defined in the Tax Act. Such Holders should consult their own tax advisors.

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This summary is of a general nature only and is not, and is not intended to be, nor should it be construed to be, legal or tax advice or representations to any particular Holder. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, Holders are urged to consult their own legal and tax advisors with respect to the tax consequences to them having regard to their particular circumstances, including the application and effect of the income and other tax laws of any country, province or other jurisdiction that may be applicable to the Holder.

Holders Resident in Canada

This part of the summary is applicable to a Holder who, at all relevant times, for purposes of the Tax Act is, or is deemed to be, resident in Canada (a "**Resident Holder**"). Certain Resident Holders may be entitled to make or may have already made the irrevocable election permitted by subsection 39(4) of the Tax Act, the effect of which may be to deem to be capital property of any Offered Shares (and all other "Canadian securities", as defined in the Tax Act) owned by such Resident Holder in the taxation year in which the election is made and in all subsequent taxation years. Resident Holders whose Offered Shares might not otherwise be considered to be capital property should consult their own tax advisors concerning this election.

Dividends

A Resident Holder will be required to include in computing its income for a taxation year any dividends received (or deemed to be received) on the Offered Shares. In the case of a Resident Holder that is an individual (other than certain trusts), such dividends will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit applicable to any dividends designated by Suncor as eligible dividends in accordance with the provisions of the Tax Act. Suncor has, by notice on its website, indicated that all dividends paid on its Common Shares shall be designated as eligible dividends until a notification of change is posted on the website.

A dividend received (or deemed to be received) by a Resident Holder that is a corporation will generally be deductible in computing the corporation's taxable income. In certain circumstances, subsection 55(2) of the Tax Act (as proposed to be amended by Tax Proposals released on April 18, 2016) will treat a taxable dividend received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations are urged to consult their own tax advisors having regard to their particular circumstances.

A Resident Holder that is a "private corporation", as defined in the Tax Act, or any other corporation controlled, whether because of a beneficial interest in one or more trusts or otherwise, by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts), will generally be liable to pay a refundable tax of $38^{1}/_{3}\%$ under Part IV of the Tax Act on dividends received (or deemed to be received) on the Offered Shares to the extent such dividends are deductible in computing the Resident Holder's taxable income for the taxation year. A Resident Holder that, throughout the relevant taxation year, is a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional refundable tax on its "aggregate investment income" (as defined in the Tax Act), including any dividends or deemed dividends that are not deductible in computing taxable income.

Taxable dividends received by an individual (including certain trusts) may give rise to a liability for alternative minimum tax as calculated under the detailed rules set out in the Tax Act.

Dispositions

Generally, on a disposition or deemed disposition of an Offered Share (other than in a tax deferred transaction or a disposition to Suncor that is not a sale in the open market in the manner in which shares would normally be purchased by any member of the public in an open market), a Resident Holder will realize a capital gain (or a capital loss) equal to the amount, if any, by which the proceeds of disposition exceed (or are less than) the aggregate of the adjusted cost base to the Resident Holder of the Offered Share immediately before the disposition or deemed disposition and any reasonable costs of disposition.

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The adjusted cost base to the Resident Holder of an Offered Share acquired pursuant to this Offering will be determined by averaging the cost of such Offered Share with the adjusted cost base of all other Common Shares (including the Offered Shares) owned by the Resident Holder as capital property at that time.

Generally, a Resident Holder is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "**taxable capital gain**") realized by a Resident Holder in the year. A Resident Holder is required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized by a Resident Holder in a taxation year from taxable capital gains realized by the Resident Holder in that year (subject to and in accordance with rules contained in the Tax Act). Allowable capital losses for a taxation year in excess of taxable capital gains for that year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized by a Resident Holder that is a corporation on the disposition of an Offered Share may be reduced by the amount of certain dividends received (or deemed to be received) by the Resident Holder on such share (or on a share for which such share is substituted or exchanged) to the extent and under circumstances prescribed by the Tax Act. Similar rules may apply where shares are owned by a partnership or a trust of which a corporation, trust or partnership is a beneficiary or a member. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

A Resident Holder that, throughout the relevant taxation year, is a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional refundable tax on its "aggregate investment income" (as defined in the Tax Act), including any taxable capital gains.

Holders Not Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the Tax Act, is not, and is not deemed to be, resident in Canada and does not use or hold, and is not deemed to use or hold, the Offered Shares in a business carried on in Canada (a "**Non-Resident Holder**"). This part of the summary is not applicable to Non-Resident Holders that are insurers carrying on an insurance business in Canada and elsewhere.

Dividends

Dividends paid or credited, or deemed to be paid or credited, on the Offered Shares to a Non Resident Holder will be subject to Canadian withholding tax at the rate of 25%, subject to any reduction in the rate of withholding to which the Non-Resident Holder is entitled under an applicable income tax convention. For example, where the Non-Resident Holder is a United States resident entitled to benefits under the *Canada-United States Tax Convention (1980)* and is the beneficial owner of the dividends, the rate of Canadian withholding tax applicable to dividends is generally reduced to 15%. Non-Resident Holders who may be eligible for a reduced rate of withholding tax on dividends pursuant to any applicable income tax treaty or convention should consult with their own tax advisors with respect to taking all appropriate steps in this regard.

Dispositions

A Non-Resident Holder will not be subject to tax under the Tax Act on any capital gain realized on a disposition or deemed disposition of an Offered Share, unless the Offered Share is "taxable Canadian property" to the Non-Resident Holder for purposes of the Tax Act and the Non-Resident Holder is not entitled to an exemption under an applicable income tax treaty or convention between Canada and the country in which the Non-Resident Holder is resident.

Provided that the Offered Shares are listed on a designated stock exchange as defined in the Tax Act (which currently includes the TSX) at the time of disposition, the Offered Shares will generally not constitute "taxable Canadian property" to a Non-Resident Holder, unless at any time during the 60-month period immediately preceding the disposition of the Offered Shares: (a) one or any combination of (i) the Non-Resident Holder, (ii) persons with whom the Non-Resident Holder does not deal at arm's length, and (iii) partnerships in which the Non-Resident Holder or a person described in (ii) holds a membership interest directly or indirectly through

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one or more partnerships, has owned 25% or more of the issued shares of any class or series of shares of Suncor; and (b) more than 50% of the fair market value of the Offered Share was derived directly or indirectly, from one or a combination of (i) real or immovable property situated in Canada, (ii) Canadian resource property (as defined in the Tax Act), (iii) timber resource property (as defined in the Tax Act), and (iv) options in respect of, or interests in, or for civil law, rights in, property in any of the foregoing whether or not the property exists. Non-Resident Holders whose Offered Shares may constitute taxable Canadian property should consult their own tax advisors with respect to the Canadian income tax consequences of the disposition and the potential requirement to file a Canadian income tax return in respect of the disposition depending on their particular circumstances.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS FOR U.S. RESIDENTS

The following discussion describes certain material U.S. federal income tax considerations to U.S. Holders (defined below) under present United States federal income tax laws of an investment in the Common Shares. This discussion is based upon the Internal Revenue Code of 1986, as amended (the "**Code**"), U.S. Treasury regulations promulgated under the Code, court decisions, and published positions of the Internal Revenue Service ("**IRS**"), all as in effect on the date of this short form prospectus and all of which are subject to change or differing interpretations, possibly with retroactive effect, that could affect the tax considerations described below. This discussion applies only to investors that hold our Common Shares as "capital assets" within the meaning of Code Section 1221 (i.e., generally, for investment purposes) and that have the U.S. dollar as their functional currency. This discussion does not address any aspect of taxation other than income taxation or state, local or non-U.S. taxation.

The following discussion does not deal with the tax considerations to any particular investor or to persons in special tax situations such as:

banks;

certain financial institutions;

insurance companies;

broker dealers;

U.S. expatriates and former long-term residents of the United States;

traders in securities that elect the mark-to-market method of accounting for their securities;

tax-exempt entities;

partnerships or other pass-through entities and any owners thereof;

regulated investment companies;

real estate investment trusts;

U.S. Holders whose functional currency is not the U.S. dollar;

persons liable for alternative minimum tax;

persons holding a Common Share as part of a straddle, hedging, conversion or integrated transaction; or

persons that actually or constructively own 10% or more of our voting stock.

PROSPECTIVE PURCHASERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS ABOUT THE APPLICATION OF THE U.S. FEDERAL TAX RULES TO THEIR PARTICULAR CIRCUMSTANCES, AS WELL AS THE STATE, LOCAL AND NON-U.S. TAX CONSIDERATIONS TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF COMMON SHARES.

The discussion below of the U.S. federal income tax considerations to "U.S. Holders" of Common Shares will apply to you if you are a beneficial owner of our Common Shares and you are:

an individual U.S. citizen or resident alien for U.S. federal income tax purposes;

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a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) that is organized in or under the laws of the United States, any State thereof or the District of Columbia;

an estate whose income is subject to U.S. federal income taxation regardless of its source; or

a trust that (1) is subject to the supervision of a court within the United States and the control of one or more U.S. persons; or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

If you are a partner in a partnership or other entity treated as a partnership that holds our Common Shares, your tax treatment will depend on your status and the activities of the partnership. U.S. Holders of our Common Shares that are partnerships and partners in such partnerships should consult their tax advisors regarding the U.S. federal income tax considerations of holding our Common Shares.

Taxation of Dividends and Other Distributions on the Common Shares

Subject to the passive foreign investment company ("**PFIC**") rules discussed below, the gross amount of a distribution paid to a U.S. Holder with respect to the Common Shares (including amounts withheld to pay Canadian withholding taxes) will be included in such U.S. Holder's gross income as dividend income to the extent that the distribution is paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). The dividends will not be eligible for the dividends-received deduction allowed to corporations. With respect to non-corporate U.S. Holders, including individual U.S. Holders, dividends may constitute "qualified dividend income" and, thus, may be taxed at the lower applicable capital gains rate, provided that (1) we are eligible for the benefits of the United States-Canada income tax treaty or the Common Shares, with respect to which dividends are paid, are considered readily tradable on an established securities market in the United States; (2) we are not a PFIC (as discussed below) for either our taxable year in which the dividend is paid or the preceding taxable year; and (3) certain holding period requirements are met. We expect to be eligible for the benefits of the United States-Canada income tax treaty. Further, U.S. Treasury guidance indicates that our Common Shares currently are considered readily tradable on an established securities market for this purpose; however, there can be no assurance that our Common Shares will be considered readily tradable on an established securities market in future years. However, if we are a PFIC, dividends paid to non-corporate U.S. Holders generally will not be eligible for the preferential tax rates applicable to qualified dividend income.

To the extent that the amount of a distribution exceeds our current and accumulated earnings and profits, it will be treated first as a tax-free return of a U.S. Holder's tax basis in its Common Shares, and to the extent the amount of the distribution exceeds its tax basis, the excess will be taxed as capital gain. We do not currently intend to calculate our earnings and profits under U.S. federal income tax principles. Therefore, a distribution is expected to be treated as a dividend.

Taxation of Disposition of Common Shares

Subject to the PFIC rules discussed below, a U.S. Holder will recognize taxable gain or loss on any sale, exchange or other taxable disposition of a Common Share equal to the difference between the amount realized for the Common Share and its adjusted tax basis in the Common Share. The gain or loss will be capital gain or loss. Non-corporate U.S. Holders, including individual U.S. Holders, that have held the Common Share for more than one year, are currently eligible for reduced tax rates. The deductibility of capital losses is subject to limitations. Any such gain or loss that a U.S. Holder recognizes will be treated as U.S. source gain or loss for foreign tax credit limitation purposes.

Passive Foreign Investment Company

A non-U.S. corporation is classified as a PFIC if, for any taxable year, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to applicable "look-through rules," either (i) 75% or more of its gross income constitutes "passive income," or (ii) 50% or more of the quarterly average value of its assets is attributable to assets which produce, or are held for the production of, passive income. For this purpose, "passive income" generally includes interest, dividends, rents, royalties, annuities, certain gains

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from the sale of stock and securities, and certain gains from commodities transactions. We currently do not believe that we were a PFIC in the preceding taxable year nor do we anticipate that we will be a PFIC in the current taxable year or in the foreseeable future. However, the determination as to whether we are a PFIC for any taxable year is based on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. Whether we will be a PFIC for any tax year is a factual determination made on an annual basis and depends on the composition and value of our assets and the amount and type of our income over the course of each such tax year, as well as certain factors which are beyond our control, including the market price of our common shares. As a result, PFIC status cannot be predicted with certainty as of the date of this short form prospectus. Because of the above described uncertainties, there can be no assurance that the IRS will not challenge the determination made by us concerning our PFIC status or that we will not be a PFIC for any taxable year.

If we are classified as a PFIC in any year a U.S. Holder owns our common shares, certain adverse tax consequences could apply to such U.S. Holder. Certain elections may be available to U.S. Holders that may mitigate some of the adverse consequences resulting from our treatment as a PFIC. Were we to be characterized as a PFIC, a U.S. Holder that did not elect to be subject to tax under a "mark-to-market" regime may be subject to tax at the time of sale of, or receipt of an "excess distribution" with respect to our common shares. To determine its potential tax liability, a non-electing U.S. Holder would be required to allocate its gain from the sale of, or excess distribution with respect to, our shares ratably over the length of its holding period of our shares. The amount of gain allocated by the U.S. Holder to the current taxable year, and any taxable year prior to the first taxable year in which we were a PFIC, would be treated as ordinary income in the current taxable year. The amount of gain allocated by the U.S. Holder to other taxable years would be subject to tax at the highest rate of tax in effect for the applicable class of taxpayer for that year, and an interest charge for the deemed tax deferral benefit would be imposed on the U.S. Holder with respect to the resulting tax attributable to each such other taxable year. In addition, as noted above, the preferential tax rate referred to above under "*Taxation of Dividends and Other Distributions on the Common Shares*" does not apply to dividends received from a PFIC. U.S. Holders should be aware that even if such mark-to-market election is made, there is no guarantee that such electing U.S. Holders will not be subject to the excess distribution regime with respect to gains or distributions that may be received from our subsidiaries. U.S. Holders are urged to consult their own tax advisors regarding the application of PFIC rules to their investments in our common shares and whether to make an election or protective election.

In any year in which we are classified as a PFIC, a U.S. Holder will be required to file an annual report with the IRS containing such information as Treasury Regulations and/or other IRS guidance may require. A failure to satisfy such reporting requirements may result in penalties and an extension of the time period during which the IRS can assess a tax. U.S. Holders are urged to consult their own tax advisors regarding the requirements of filing such information returns under these rules, including the requirement to file an IRS Form 8621.

Foreign Tax Credit

A U.S. Holder that pays (whether directly or through withholding) Canadian income tax may elect to deduct or credit such Canadian income tax paid. Generally, a credit will reduce a U.S. Holder's U.S. federal income tax liability on a dollar-for-dollar basis, whereas a deduction will reduce a U.S. Holder's income subject to U.S. federal income tax. This election is made on a year-by-year basis and applies to all foreign taxes paid (whether directly or through withholding) by a U.S. Holder during a tax year.

Complex limitations apply to the foreign tax credit, including the general limitation that the credit cannot exceed the proportionate share of a U.S. Holder's U.S. federal income tax liability that such U.S. Holder's "foreign source" taxable income bears to such U.S. Holder's worldwide taxable income. In applying this limitation, a U.S. Holder's various items of income and deduction must be classified, under complex rules, as either "foreign source" or "U.S. source." Generally, dividends paid by a foreign corporation should be treated as foreign source for this purpose, and gains recognized on the sale of stock of a foreign corporation by a U.S. Holder should be treated as U.S. source for this purpose. In addition, this limitation is calculated separately with respect to specific categories of income with the result that credits generated within a specific category of income may only offset income taxes with respect to foreign source income within that same category of income.

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Dividends on our Common Shares will constitute foreign source income for foreign tax credit limitation purposes. If the dividends are qualified dividend income as discussed under " *Taxation of Dividends and Other Distributions on the Common Shares*" above, the amount of the dividend taken into account for purposes of calculating the U.S. foreign tax credit limitation will generally be limited to the gross amount of the taxable dividend, multiplied by the reduced tax rate applicable to qualified dividend income. The limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. Dividends distributed by us with respect to Common Shares will generally constitute "passive category income" but could, in the case of certain U.S. Holders, constitute "general category income." The rules governing the foreign tax credit are complex. U.S. Holders are urged to consult their tax advisors regarding the availability of the foreign tax credit under such U.S. Holder's particular circumstances.

Receipt of Foreign Currency

The U.S. dollar value of any cash distribution in Canadian dollars to a U.S. Holder will be translated into U.S. dollars calculated by reference to the exchange rate prevailing on the date of actual or constructive receipt of the distribution, regardless of whether the Canadian dollars are converted into U.S. dollars at that time. For U.S. Holders following the accrual method of accounting, the amount realized on a disposition of the Common Shares for an amount in Canadian dollars will be the U.S. dollar value of this amount on the date of disposition. On the settlement date, such U.S. Holder will recognize U.S.-source foreign currency gain or loss (taxable as ordinary income or loss) equal to the difference (if any) between the U.S. dollar value of the amount received based on the exchange rates in effect on the date of sale or other disposition and the settlement date. However, in the case of Common Shares traded on an established securities market that are sold by a cash method U.S. Holder (or an accrual method U.S. Holder that so elects), the amount realized will be based on the exchange rate in effect on the settlement date for the disposition, and no exchange gain or loss will be recognized at that time. A U.S. Holder will generally have a basis in the Canadian dollars equal to their U.S. dollar value on the date of receipt of such distribution, on the date of disposition, or, in the case of cash method U.S. Holders (and accrual method U.S. Holders that so elect), on the date of settlement. Any U.S. Holder that receives payment in Canadian dollars and converts or disposes of the Canadian dollars after the date of receipt may have a foreign currency exchange gain or loss that would be treated as ordinary income or loss and that generally will be U.S. source income or loss for foreign tax credit purposes. U.S. Holders are urged to consult their own U.S. tax advisors regarding the U.S. federal income tax consequences of receiving, owning, and disposing of Canadian dollars.

Additional Tax on Investment Income

Certain non-corporate U.S. Holders whose income exceeds certain thresholds are subject to a 3.8% tax on the lesser of (A) the U.S. Holder's "net investment income" for the relevant taxable year, and (B) the excess of the U.S. Holder's modified adjusted gross income for the taxable year over a certain threshold. Net investment income includes, among other things, dividends and net gain from disposition of property (other than property held in a trade or business). U.S. Holders are urged to consult their own tax advisors regarding the additional tax on investment income.

Information Reporting and Backup Withholding

Dividend payments with respect to our Common Shares and proceeds from the sale, exchange or redemption of our Common Shares may be subject to information reporting to the IRS and possible U.S. backup withholding. Backup withholding will not apply, however, to a U.S. Holder that furnishes a correct taxpayer identification number and makes any other required certification or that is otherwise exempt from backup withholding. Holders that are required to establish their exempt status must provide such certification on IRS Form W-9. U.S. Holders are urged to consult their tax advisors regarding the application of the information reporting and backup withholding rules.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a U.S. Holder's U.S. federal income tax liability, and such U.S. Holder may obtain a refund of any excess amounts withheld under the backup withholding rules by filing the appropriate claim for refund with the IRS and timely furnishing any required information.

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U.S. return disclosure obligations (and related penalties for failure to disclose) apply to certain U.S. individuals who hold specified foreign financial assets if the total value of all such assets is more than US$50,000 on the last day of the tax year or more than US$75,000 at any time during the tax year. The definition of specified foreign financial assets may include our Common Shares. U.S. Holders are urged to consult their own tax advisors regarding the application of these disclosure obligations.

RISK FACTORS

In addition to the risk factors set forth below, additional risk factors relating to our business are discussed in the AIF, the 2015 MD&A and the Q1 2016 MD&A and may also be discussed in certain other documents incorporated by reference or deemed to be incorporated by reference herein, which risk factors are specifically incorporated by reference herein. Prospective purchasers of the Offered Shares should consider carefully the risk factors set forth below, as well as the other information contained in and incorporated by reference in this short form prospectus before purchasing the Offered Shares offered hereby. If any event arising from these risks occurs, our business, prospects, financial condition, results of operations or cash flows, or your investment in the Offered Shares could be materially adversely affected.

Risks Related to the Acquisition

Possible Failure or Delay in the Acquisition

The closing of the Offering is anticipated to occur before the closing of the Acquisition. The closing of the Acquisition is subject to receipt of required regulatory approvals under the *Competition Act* (Canada) and the satisfaction of certain closing conditions. See "*Recent Developments Acquisition of Additional Syncrude Interests*". There is no certainty, nor can Suncor provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. A substantial delay in obtaining the required regulatory approvals or the imposition of unfavourable terms or conditions in the approvals could have a material adverse effect on Suncor's ability to complete the Acquisition and could adversely affect Suncor's business, financial condition or results of operations. The Acquisition and the Offering are not mutually contingent and there is normal commercial risk that the Acquisition may not be completed on the terms negotiated, or at all. If the Acquisition is not completed as contemplated, Suncor could suffer adverse consequences. If the Acquisition does not take place, Suncor intends to reallocate the net proceeds from the Offering generally as set out under the heading "*Use of Proceeds*". See " *Risks Related to the Offering Use of Proceeds*" below.

Unexpected Costs or Liabilities Related to the Acquisition

In connection with the Acquisition, there may be liabilities that Suncor failed to discover or was unable to quantify in Suncor's due diligence which it conducted prior to the execution of the Acquisition Agreement and Suncor may not be indemnified for some or all of these liabilities. The discovery or quantification of any material liabilities could have a material adverse effect on Suncor's business, financial condition or future prospects. In addition, the Acquisition Agreement limits the amount for which Suncor is indemnified, such that liabilities in respect of the Acquisition may be greater than the amounts for which Suncor is indemnified under the Acquisition Agreement.

Realization of Acquisition Benefits

There is a risk that some or all of the benefits that Suncor expects to realize from the Acquisition may fail to materialize, or may not occur within the time periods that Suncor anticipates. The realization of such benefits may be affected by a number of factors, many of which are beyond Suncor's control.

Risks Related to the Offering

Use of Proceeds

Suncor intends to use a portion of the net proceeds from the Offering (including net proceeds received from the exercise of the Over-Allotment Option, if any) to fund the purchase price of the Acquisition, and Suncor currently intends to allocate the remainder of the net proceeds received from the Offering to repay

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certain outstanding indebtedness as described under "*Use of Proceeds*" in this short form prospectus. Although this allocation is based on the current expectations of Suncor, there may be circumstances including the failure of the Acquisition to be completed in which, at Suncor's discretion, a reallocation of funds may be necessary or appropriate if circumstances change or if it is believed it would be in the best interests of the Company. In such circumstances, there can be no assurance as to how those funds may be reallocated. The failure by management to apply these funds effectively could adversely affect the business of the Company.

Future Issuances of Securities

Suncor may issue additional Common Shares, preferred shares or securities convertible into Common Shares, which may dilute existing shareholders, including purchasers of the Offered Shares. Suncor may also issue debt securities that have priority over holders of Common Shares with respect to payment in the event of an insolvency or winding-up of Suncor. Shareholders will have no pre-emptive rights in connection with any such further issuances. Suncor's board of directors has the discretion to determine the designation, rights, privileges, restrictions, and conditions attached to any series of preferred shares, the price and terms of any debt securities and the price and terms for any further issuances of Common Shares.

Market Price

Suncor cannot predict at what price the Common Shares or other securities issued by Suncor will trade in the future. Common Shares and other securities of Suncor will not necessarily trade at values determined solely by reference to the underlying value of Suncor's assets. One of the factors that may influence the market price of such securities is the annual dividend yield on the Common Shares. An increase in market interest rates may lead purchasers of Common Shares to demand a higher annual yield and this could adversely affect the market price of the Common Shares. In addition, the market price for the Common Shares may be affected by changes in general market conditions, fluctuations in the market for equity or debt securities and numerous other factors beyond the control of Suncor.

Dividends

The payment of future dividends and the amount thereof is uncertain and is at the sole discretion of Suncor's board of directors and is considered each quarter. The payment of dividends is dependent upon, among other things, operating cash flow generated by Suncor and its subsidiaries, financial requirements for Suncor's operations, the execution of Suncor's growth strategy and the satisfaction of solvency tests imposed by the *Canada Business Corporations Act* for the declaration and payment of dividends.

Risks Relating to the Company's Business

Restart of Operations in RMWB and Impact of Wildfires

The restart of production and operations following the wildfires in RMWB by Suncor, Syncrude and third parties may not proceed on the timelines or at the levels currently anticipated. Any restart of operations is subject to unanticipated technical issues and it is possible that unanticipated damage from the recent events may be discovered during the current planned restart of operations that could delay or otherwise impact the planned resumption of production and operations. In addition, Suncor, Syncrude and third parties may encounter reduced access to personnel and other service providers or the unavailability of third party infrastructure necessary to resume activities to pre-wildfire levels. Any difficulties or delay in restarting production or operations by Suncor, Syncrude or third parties relevant to such operations could further adversely affect Suncor's results of operations, financial position, ability to achieve its updated guidance and the market price of the Common Shares.

Additionally, the impact of the wildfires could expose Suncor to additional liabilities, including claims for damages as a result of any damage to facilities, other property or the environment or as a result of personal injury, any of which could have a material adverse effect on Suncor's business, financial condition, results of operations and cash flow.

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Royalty Regime

There can be no assurance that the governments of the Canadian provinces or other jurisdictions in which Suncor conducts its operations will not adopt new royalty regimes or modify the existing royalty regimes which may have an impact on the economics of Suncor's projects. On January 29, 2016, the Government of Alberta adopted a new royalty regime which will take effect on January 1, 2017. On April 21, 2016, the Government of Alberta released further details on the drilling and completion cost allowance and royalty formulas that will apply to non-oil sands wells drilled on or after January 1, 2017. Further details, including specific royalty calculations for oil sands, were expected to be finalized by the end of May 2016; however, as of the date of this short form prospectus, no further details have been announced. The impact on Suncor of any changes to applicable royalty regimes will be dependent on a number of factors, but an increase in royalties would reduce Suncor's earnings and could make future capital investments, or Suncor's operations, less economic.

AGENT FOR SERVICE OF PROCESS

Patricia M. Bedient, John D. Gass and John R. Huff are directors of Suncor who reside outside of Canada. Each of these directors has appointed Suncor, 150 6 Avenue S.W., Calgary, Alberta, Canada T2P 3E3, as their agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that resides outside of Canada, even if the party has appointed an agent for service of process.

AUDITOR

Our independent auditor is PricewaterhouseCoopers LLP, Chartered Professional Accountants, who has issued an independent auditor's report dated February 24, 2016 in respect of our audited annual consolidated financial statements, which comprise our consolidated balance sheets as at December 31, 2015 and December 31, 2014 and the consolidated statements of comprehensive (loss) income, changes in shareholders' equity and cash flows for the years ended December 31, 2015 and December 31, 2014, and the related notes, and the report on internal control over financial reporting as at December 31, 2015. PricewaterhouseCoopers LLP has advised that they are independent with respect to us within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of Alberta and the rules of the SEC.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Common Shares is Computershare Trust Company of Canada at its principal offices in Calgary, Alberta, Montreal, Quebec, Toronto, Ontario and Vancouver, British Columbia and Computershare Trust Company Inc. in Denver, Colorado.

LEGAL MATTERS

Certain legal matters relating to Canadian law with respect to the Offering will be passed upon on our behalf by Blake, Cassels & Graydon LLP and by Burnet, Duckworth & Palmer LLP on behalf of the Underwriters. Certain legal matters relating to United States law with respect to the Offering will be passed upon on our behalf by Paul, Weiss, Rifkind, Wharton & Garrison LLP. The Underwriters will be represented by Davis Polk & Wardwell LLP with respect to certain matters of United States law. As at the date of this short form prospectus, the partners and associates of Blake, Cassels & Graydon LLP and Burnet, Duckworth & Palmer LLP, in each case, as a group beneficially own, directly or indirectly, less than 1% of any class of our securities.

EXPERTS

Information relating to our reserves in our AIF was prepared by GLJ Petroleum Consultants Ltd. and Sproule Associates Limited and Sproule International Limited (collectively, "**Sproule**"), as independent qualified reserves evaluators. The designated professionals, as such term is defined under applicable securities legislation, of each of GLJ Petroleum Consultants Ltd. and Sproule, in each case, as a group beneficially own, directly or indirectly, less than 1% of any class of our securities.

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DOCUMENTS FILED AS PART OF THE REGISTRATION STATEMENT

The following documents have been or will be filed with the SEC as part of the registration statement of which this short form prospectus is a part insofar as required by the SEC's Form F-10:

the Underwriting Agreement;

the documents listed in the second paragraph under "*Documents Incorporated by Reference*" in this short form prospectus;

the consent of our auditor, PricewaterhouseCoopers LLP;

the consent of our Canadian counsel, Blake, Cassels & Graydon LLP;

the consent of the Underwriters' Canadian counsel, Burnet, Duckworth & Palmer LLP;

the consents of our independent qualified reserves evaluators, GLJ Petroleum Consultants Ltd. and Sproule; and

powers of attorney from our directors and officers.

PART II

INFORMATION NOT REQUIRED TO BE DELIVERED TO OFFEREES OR PURCHASERS

Indemnification

Under Section 124 of the Canada Business Corporations Act (the "CBCA"), a corporation may indemnify a present or former director or officer of the corporation or another individual who acts or acted at the corporation's request as a director or officer, or an individual acting in a similar capacity, of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the corporation or other entity. A corporation may not indemnify an individual unless the individual (i) acted honestly and in good faith with a view to the best interests of the corporation, or, as the case may be, to the best interests of the other entity for which the individual acted as a director or officer or in a similar capacity at the corporation's request, and (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual had reasonable grounds for believing that the conduct was lawful. Each of the aforementioned individuals are entitled to the indemnification provided above from a corporation as a matter of right if they were not judged by the court or other competent authority to have committed any fault or omitted to do anything that the individual ought to have done and if the individual fulfills conditions (i) and (ii) above. A corporation may advance moneys to a director, officer or other individual for the costs, charges and expenses of a proceeding; however, the individual shall repay the moneys if the individual does not fulfill the conditions set out in (i) and (ii) above. The indemnification or the advance of any moneys may be made in connection with a derivative action only with court approval and only if the conditions in (i) and (ii) above are met. Under the CBCA, a corporation may purchase and maintain insurance for the benefit of any of the aforementioned individuals against any liability incurred by the individual in their capacity as a director or officer of the corporation, or in their capacity as a director or officer, or similar capacity, of another entity, if the individual acted in such capacity at the corporation's request.

In accordance with the CBCA, the by-laws of the Registrant provide that the Registrant shall indemnify a director or officer of the Registrant, a former director or officer of the Registrant or a person who acts or acted at the Registrant's request as a director or officer, or in a similar capacity, of another entity, and the heirs and legal representatives of such a person, to the extent permitted under the CBCA. The Registrant also has agreements with each director and officer to provide indemnification to the extent permitted under the CBCA.

A policy of directors' and officers' liability insurance is maintained by the Registrant which insures directors and officers of the Registrant for losses as a result of claims based upon their acts or omissions as directors and officers, including liabilities under the Securities Act, and also reimburses the Registrant for payments made pursuant to the indemnity provisions under the CBCA. The directors and officers are not required to pay any premium in respect of the insurance.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling the Registrant pursuant to the foregoing provisions, the Registrant has been informed that in the opinion of the U.S. Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Exhibits

Exhibit Number	Description
3.1*	Underwriting Agreement between Suncor Energy Inc. and the underwriters named therein.
4.1	Audited comparative consolidated financial statements as at and for the year ended December 31, 2015, including the auditor's report thereon (incorporated by reference from Exhibit No. 99.1 to the Registrant's Form 40-F, filed with the Commission on February 25, 2016).
4.2	Annual information form for the year ended December 31, 2015 dated February 25, 2016 (incorporated by reference from the Registrant's Form 40-F, filed with the Commission on February 25, 2016).
4.3	Management's discussion and analysis of financial condition and results of operations as at and for the year ended December 31, 2015 (incorporated by reference from Exhibit No. 99.2 to the Registrant's Form 40-F, filed with the Commission on February 25, 2016).
4.4**	Management information circular and proxy statement dated February 25, 2016 relating to the annual meeting of our shareholders held on April 28, 2016.
4.5**	Unaudited consolidated financial statements as at and for the three month period ended March 31, 2016.
4.6**	Management's discussion and analysis of financial condition and results of operations as at and for the three month period ended March 31, 2016.
4.7	Supplementary oil & gas disclosure for the year ended December 31, 2015 (incorporated by reference from Exhibit No. 99.10 to the Registrant's Form 40-F, filed with the Commission on February 25, 2016).
5.1	Consent of PricewaterhouseCoopers LLP.
5.2**	Consent of Blake, Cassels & Graydon LLP.
5.3**	Consent of Burnet, Duckworth & Palmer LLP.
5.4**	Consent of GLJ Petroleum Consultants Ltd.
5.5**	Consent of Sproule Associates Limited and Sproule International Limited.
6.1**	Powers of attorney (included on page III-3 of the initial Registration Statement).

*
To be filed by amendment.

**
Previously filed.

PART III

UNDERTAKING AND CONSENT TO SERVICE OF PROCESS

Item 1. Undertaking

The Registrant undertakes to make available, in person or by telephone, representatives to respond to inquires made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to the securities registered pursuant to Form F-10 or to transactions in said securities.

Item 2. Consent to Service of Process

(a) Concurrently with the initial filing of this Registration Statement on Form F-10, the Registrant filed with the Commission a written irrevocable consent and power of attorney on Form F-X.

(b) Any change to the name or address of the agent for service of the Registrant shall be communicated promptly to the Commission by amendment to Form F-X referencing the file number of the relevant registration statement.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form F-10 and has duly caused this Amendment No.1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Calgary, Province of Alberta, Canada, on this 8th day of June, 2016.

SUNCOR ENERGY INC.

By: /s/ ALISTER COWAN

Name: Alister Cowan
Title: Executive Vice President and
Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this Amendment No.1 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
*	President, Chief Executive Officer and Director (Principal Executive Officer)	June 8, 2016
Steven W. Williams		
/s/ ALISTER COWAN	Executive Vice-President and Chief Financial Officer (Principal Financial and Accounting Officer)	June 8, 2016
Alister Cowan		
*	Chair of the Board of Directors	June 8, 2016
James W. Simpson		
*	Director	June 8, 2016
Patricia Bedient		
*	Director	June 8, 2016
Mel E. Benson		
*	Director	June 8, 2016
Jacynthe Côté		
*	Director	June 8, 2016
Dominic D'Alessandro		
*	Director	June 8, 2016
John D. Gass		
*	Director	June 8, 2016
John R. Huff		
*	Director	June 8, 2016
Maureen McCaw		

Signature	Title	Date
*		
Michael W. O'Brien	Director	June 8, 2016
*		
Eira M. Thomas	Director	June 8, 2016
*		
Michael M. Wilson	Director	June 8, 2016
*By: /s/ ALLISTER COWAN		
Allister Cowan	Attorney-in-Fact	June 8, 2016

AUTHORIZED REPRESENTATIVE

Pursuant to the requirements of Section 6(a) of the Securities Act of 1933, the Authorized Representative has signed this Amendment No.1 to the Registration Statement, solely in his capacity as the duly authorized representative of Suncor Energy Inc. in the United States, on this 8th day of June, 2016.

SUNCOR ENERGY (U.S.A.) INC.
Authorized representative in the United States

By: /s/ SHAWN POIRIER

Name: Shawn Poirier
Title: Assistant Secretary

Exhibit Index

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