

Cenovus Energy achieves strong Q1 cash flow Growth projects deliver 66% production increase

- Production from the Foster Creek and Christina Lake enhanced oil properties increased 66% in the first quarter of 2010 compared to the same period in 2009.
- Foster Creek achieved payout for royalty purposes in February, reflecting the project's success.
- Cenovus's mature conventional oil and gas properties generated about half a billion dollars in operating cash flow in excess of capital expenditures.
- The company's hedging position was strengthened to help provide more cash flow certainty.
- Cenovus changed to reporting financial results in Canadian dollars, and to reporting production on a before royalties basis, for better comparison with its Canadian peers.

"In our first full quarter, we completed our transition to an independent company while achieving great financial and operating results," said Brian Ferguson, President & Chief Executive Officer of Cenovus. "The year is progressing well and we are somewhat ahead of our expectations. Production ramped up at our new phases at Foster Creek and work is advancing on the next two phases at Christina Lake.

"Our conventional oil and gas properties continue to be very efficient operations and are delivering strong cash flow," Ferguson said. "We have added to our financial strength by increasing our hedging position, giving us more certainty around cash flow. The evaluation of our opportunity rich portfolio is well under way, supported by the release of our bitumen economic contingent resources estimates last week. We are on track with our plans and look forward to continued strong performance in 2010."

Financial & Production Summary¹

(for the period ended March 31) (C\$ millions, except per share amounts)	2010 Q1	2009 Q1	% change
Cash flow ²	721	741	-3
Per share diluted	0.96	0.99	
Operating earnings ²	353	414	-15
Per share diluted	0.47	0.55	
Capital investment	493	652	-24
Production (before royalties)			
Foster Creek (bbls/d)	51,126	28,554	79
Christina Lake (bbls/d)	7,420	6,635	12
Foster Creek & Christina Lake Total (bbls/d)	58,546	35,189	66
Other Oil and NGLs (bbls/d)	72,003	78,870	-9
Natural gas (MMcf/d)	775	866	-11

¹ Effective Jan. 1, 2010, Cenovus changed its reporting currency to Canadian dollars and started presenting production volumes on a before royalties basis.

² Cash flow and operating earnings are non-GAAP measures as defined in the Advisory.

Calgary, Alberta (April 29, 2010) – In its first full quarter as an independent integrated oil company, Cenovus Energy Inc. (TSX, NYSE: CVE) realized strong cash flow. Its Foster Creek and Christina Lake enhanced oil properties in northeast Alberta delivered higher production and lower operating costs per barrel relative to the first quarter of 2009.

Cash flow for the quarter was approximately \$721 million (\$0.96 per share), down 3% from the same period in 2009, as higher oil production and prices were offset by expected lower natural gas production as well as a decrease in realized natural gas prices and lower refining margins.

Cenovus's strategy is focused on growing its oil business, which accounts for approximately 85% of its proved plus probable reserves and 98% of its economic contingent resources. Reflecting that commitment to oil growth, production from Foster Creek increased by 79% in the first quarter of 2010 compared to the same period last year and first quarter production at Christina Lake increased by 12%.

"We maintained our momentum in this period of transition following the completion of the Encana split transaction," Ferguson said. "I'd like to thank our employees for keeping us safely on track and for the progress we made in charting our growth strategy."

Foster Creek achieves payout

Strong operational performance and a superior quality resource resulted in Cenovus's Foster Creek project achieving payout for royalty purposes in the first quarter of 2010, the result of cumulative project revenue exceeding cumulative project allowable costs. After a decade in operation, production at Foster Creek has increased to average about 102,000 barrels per day (bbls/d) on a gross basis in the first quarter. As a result of reaching payout, the royalty rate increased from an average of 1.4% in the first quarter of 2009 to an average of 9.7% in the first quarter of 2010, with only a portion of the quarter reflecting the increased rate. Foster Creek is Alberta's largest producing steam assisted gravity drainage (SAGD) project to reach payout to date.

"The achievement of payout at Foster Creek is a significant milestone that speaks to the quality of our assets and is a credit to our team," Ferguson said. "Cenovus's largest enhanced oil project has demonstrated top tier capital and operational efficiency. We are leading the way in implementing innovative technologies that reduce operating costs and our impact on the environment. Foster Creek's top performance demonstrates that we have the experience and capabilities to deliver on our growth plans."

Growth strategy under development

During the first quarter, Cenovus made substantial progress in developing a plan to grow its bitumen business. A major building block was an independent evaluation of Cenovus's bitumen economic contingent resources, with details announced on April 22, 2010. The contingent resources numbers are in addition to Cenovus's previously reported reserves estimates. The company is also assessing the petroleum initially in place for its bitumen and plans to provide more details about that assessment in June at its investor day events. At that time, Cenovus will also offer more information about plans for future project development and capital spending.

Strong cash flow from conventional assets

Cenovus has a large portfolio of conventional assets that continue to generate strong cash flow to fund the growth of its northeast Alberta oil properties. During the first quarter, the company's mature conventional oil and gas properties generated about half a billion dollars in operating cash flow in excess of capital expenditures. Cenovus continues to look for ways to optimize production from these cost efficient properties.

To help provide more predictability around cash flow, Cenovus increased its hedging position during the quarter. Approximately 70%, or 455 million cubic feet per day (MMcf/d) of its expected 2010 gas production - net of internal fuel use - is now hedged at an average NYMEX price of US\$6.07/Mcf and approximately 20% of expected 2010 oil production is hedged at a WTI price of US\$76.99/bbl.

IMPORTANT NOTE: Effective Jan. 1, 2010, Cenovus changed its reporting currency to Canadian dollars and started presenting production volumes on a before royalties basis, to better reflect its business and to enhance comparability to its peers. Cenovus has updated its 2010 Corporate Guidance document, available at www.cenovus.com. All numbers in this news release are reported on a net to Cenovus basis unless otherwise stated.

Oil Growth Operations

Foster Creek and Christina Lake

Cenovus's enhanced oil properties in northeast Alberta represent the company's most significant opportunity for substantial growth in the near term. Cenovus's two bitumen producing projects, Foster Creek and Christina Lake, use SAGD technology. They are operated by Cenovus and owned 50-50 with ConocoPhillips. Cenovus continues to advance technologies that reduce the amount of water, natural gas and electricity used in the SAGD process and to minimize land disturbance across its operations.

(Before royalties) (Mbbbls/d)	Daily Production						2008 Full Year
	2010 Q1	Full Year	Q4	2009 Q3	Q2	Q1	
Foster Creek	51	38	47	40	35	29	26
Christina Lake	7	7	7	6	7	7	4
Total¹	59	44	54	47	41	35	30

¹ Totals may not add due to rounding.

Production

- Foster Creek produced more than 51,000 bbls/d in the first quarter of 2010, up from nearly 29,000 bbls/d during the same period last year – a 79% increase. The production growth is mainly related to the ramp up of phases D and E, which came on production late in the first quarter of 2009. With the addition of those two phases, Foster Creek has production capacity of 120,000 bbls/d (gross).

- About 12% of current production at Foster Creek comes from wedge wells. Fourteen new wedge wells are planned for 2010, in addition to the 36 drilled to date, of which 30 are producing. A wedge well pilot program has also been launched at the Christina Lake operation.
- Production at Christina Lake increased by about 12% in the first quarter to more than 7,000 bbls/d.
- Cenovus continues to achieve one of the best steam to oil ratios (SOR) in the industry with a combined SOR of less than 2.3 at Christina Lake and Foster Creek in the first quarter.

Costs

- Operating costs per barrel at Foster Creek and Christina Lake averaged \$11.82 in the first quarter of 2010, a 28% decline from \$16.33 in the first quarter of 2009, mainly due to higher production volumes and a lower level of workovers and repair and maintenance activities.
- Non-fuel operating costs for Foster Creek and Christina Lake were \$8.57/bbl in the first quarter of 2010 compared to \$13.02/bbl in the first quarter of 2009.

Expansions and Growth Projects

- During the quarter, Cenovus announced its plan to accelerate construction of phase D at Christina Lake, moving ahead scheduled completion by six months, with production expected to begin in mid 2013.
- The regulatory process is underway for Christina Lake phases E, F and G with approval anticipated in 2011.
- Phases F, G and H at Foster Creek continue to move through the regulatory process and approval is anticipated later this year. The three new phases are expected to add 90,000 bbls/d (gross) of production capacity by 2017.
- In the first quarter, Cenovus initiated public consultation for the Narrows Lake project. The company expects to file a regulatory application for Narrows Lake with Alberta's Energy Resources Conservation Board at the end of the second quarter. The application is expected to include the possibility of using a combination of SAGD and solvent aided process (SAP) for oil production. SAP is a technological improvement applied to SAGD operations that helps maximize the amount of oil recovered and decrease emissions.

Downstream

Cenovus's downstream operations include the Wood River refinery in Illinois and the Borger refinery in Texas, which are jointly owned with ConocoPhillips, the operator. In addition to the 25,000 bbls/d (gross) coking capacity at Borger, 65,000 bbls/d (gross) of coking capacity is being added at Wood River with the coker and refinery expansion (CORE) project to increase the total coking capacity at Wood River to 83,000 bbls/d (gross). The CORE project was approximately 77% complete as of March 31 and is expected to be in operation in mid 2011. It is anticipated that this project will improve operating cash flow at Wood River by between US\$150 million and US\$200 million a year (net to Cenovus). With the completion of the CORE project, Cenovus's two refineries will be among the most complex in the United States, with the ability to process a wide variety of crude feedstocks and produce a large quantity of high value clean products. These refineries will have a combined capability to process as much as 275,000 bbls/d (gross) of heavy crude oil.

Despite a challenging environment for refiners during the first quarter of 2010, Cenovus's refineries performed relatively well and were supported by better than anticipated margins on asphalt at Wood River.

- In the first quarter of 2010, the refineries produced 188,500 bbls/d of refined products.
- Refinery crude utilization averaged 79% or 177,500 bbls/d crude throughput, lower than in the same period a year ago, due to weaker market conditions and scheduled turnaround activity.
- Operating cash flow for downstream operations in the first quarter of 2010 was a deficiency of \$6 million, which was \$79 million lower than the first quarter of 2009 due to increased crude oil feedstock costs, reduced market crack spreads and lower crude utilization.

Conventional Oil and Natural Gas

(Before royalties)	Daily Production						
	2010 Q1	2009					2008 Full Year
		Full Year	Q4	Q3	Q2	Q1	
Conventional oil production ¹ (Mbbbls/d)	72	77	75	80	76	79	82
Natural Gas (MMcf/d)	775	837	797	830	856	866	954

¹ The production numbers reflect the sale of Cenovus's Senlac assets in the fourth quarter of 2009.

Conventional Crude Oil and NGLs

Cenovus holds a large base of crude oil properties across Alberta and Saskatchewan. These highly efficient operations include the Pelican Lake and Weyburn enhanced oil operations as well as conventional oil production in southern Alberta. The conventional assets continue to generate operating cash flow well in excess of their ongoing capital investment requirements. Cenovus's Weyburn operation is the world's largest geological carbon dioxide sequestration project.

- The Lower Shaunavon oil asset in Saskatchewan is an early stage development opportunity for Cenovus. Production reached about 1,000 bbls/d during the quarter from eight new wells, before being restricted by weather and road bans.
- Cenovus has farmed out some of its fee lands in the Pekisko oil play in southern Alberta and is receiving about 1,000 bbls/d of royalty production.
- Overall conventional oil production decreased primarily as a result of expected natural declines, partially offset by new production.
- Operating costs increased 15% to \$11.10/bbl in the first quarter of 2010 compared to the same period last year, mainly due to increased polymer usage, a higher level of workovers and repair and maintenance activity, as well as higher property taxes.
- A pilot project to determine whether an alkaline surfactant polymer (ASP) flood would economically enhance heavy oil recovery from conventional assets in southern Alberta was successful. The pilot is now proceeding to the commercial stage and the technology is being considered for application to other projects.

Natural Gas

Cenovus's natural gas assets in southern Alberta are an important component of the company's financial foundation, generating funds required for expansion in other areas of the company. The company's

natural gas business also acts as an economic hedge against price fluctuations, since natural gas fuels the company's SAGD and refinery operations. Cenovus's natural gas properties comprise established, reliable fields with efficient operations.

- Natural gas production decreased 11% to 775 MMcf/d in the first quarter of 2010 compared to the same period in 2009, due to expected natural declines as well as lower drilling and tie-in activity in response to lower natural gas prices.
- Cenovus plans to manage declines in natural gas production, targeting a long term production level of between 400 and 500 MMcf/d.
- Coalbed methane (CBM) projects in southern Alberta are outperforming company expectations, with production reaching about 22 MMcf/d at the end of the first quarter. CBM is a new and developing opportunity for Cenovus, offsetting expected declines in natural gas production from shallow gas wells and demonstrating low finding and development costs and low operating costs. Cenovus has more than 7,000 potential CBM well locations identified in southern Alberta.

Financial

Dividend

The Cenovus Board of Directors has declared a quarterly dividend of \$0.20 per share, payable on June 30, 2010, to common shareholders of record as of June 15, 2010. Based on the April 28, 2010, closing share price on the Toronto Stock Exchange of \$28.59, this represents an annualized yield of about 2.8%. Declaration of dividends is at the sole discretion of the Board of Directors.

The Board of Directors has approved a dividend reinvestment plan, which Cenovus expects to establish and make available to shareholders for the second quarter 2010 dividend. More information will soon be available on Cenovus's website, www.cenovus.com.

Risk Management Strategy

The risk management policy helps Cenovus to achieve more predictability around cash flow and safeguard its capital program. The policy allows Cenovus to hedge up to 75% of its net current year expected natural gas production, net of internal fuel use, and up to 50% and 25%, respectively, in the following two years. The policy allows for fixed price hedges of as much as 50% of net liquids production in the current year and 25% of net liquids production for each of the following two years.

Cenovus's hedging position at March 31, 2010, comprises:

- 455 MMcf/d, or approximately 70% of expected 2010 net gas production, hedged at an average NYMEX price of US\$6.07/Mcf
- 24,600 bbls/d, or approximately 20% of expected 2010 oil production, hedged at a WTI price of US\$76.99/bbl
- 263 MMcf/d of natural gas hedged for 2011 at an average NYMEX price of US\$5.90/Mcf
- 60 MMcf/d of natural gas hedged for 2012 at an average NYMEX price of US\$6.49/Mcf

Cenovus's realized after tax hedging gains for the first quarter of 2010 were \$17 million, down from \$198 million in the first quarter of 2009, due to lower hedge prices being realized on natural gas.

In addition to its financial hedges, Cenovus benefits from a natural hedge with its gas production. About 100 MMcf/d of natural gas is consumed at the company's SAGD and refinery operations, which is offset by natural gas that Cenovus produces. This natural hedge is considered when determining the company's financial hedging limits.

Financial Highlights

- Operating earnings were \$353 million, or \$0.47 per share, down 15% from the same period a year ago, reflecting the effects of decreased realized hedging gains and lower natural gas prices and production, as well as lower refining margins.
- Cenovus's net earnings in the first quarter were \$525 million, similar to the same quarter in 2009. Net earnings were impacted by an unrealized mark-to-market after tax gain of \$170 million, compared to an after tax gain of \$64 million in the first quarter of 2009, and an unrealized after tax foreign exchange gain of \$2 million, compared to an after tax gain of \$37 million last year. Cenovus's management views operating earnings, a non-GAAP measure defined in the Advisory, as a better measure of performance than net earnings because non-operating unrealized gains and losses are removed from operating earnings.
- Cenovus received an average realized price of \$68.09/bbl for its oil, 58% higher than the first quarter of last year, and \$5.80/Mcf for its natural gas, 35% less than the first quarter of 2009, including hedging gains and losses.
- Capital spending during the quarter was \$493 million, a decrease of 24% compared to the first quarter of 2009, primarily due to weather related delays in both downstream and upstream operations. Much of the capital spending that was delayed in the first quarter is expected to proceed later in the year.
- Free cash flow was \$228 million, \$139 million higher than in the first quarter of 2009.
- Cenovus's divestiture program continues with first quarter proceeds of \$72 million from the sale of land at the Narrows Lake property to the partnership Cenovus has with ConocoPhillips. Another \$70 million worth of assets are expected to be sold in the second quarter. Several other asset packages are currently being marketed. Cenovus is planning \$1 billion in divestitures over the next two years if market conditions are favourable.
- Cenovus targets a debt to capitalization ratio of between 30% and 40% and a debt to adjusted EBITDA ratio of between 1.0 and 2.0 times. At March 31, 2010, the company's debt to capitalization ratio was 26% and debt to adjusted EBITDA, on a trailing 12 month basis, was 1.0 times.

Earnings Reconciliation Summary		
(for the period ended March 31) (\$ millions, except per share amounts)	2010 Q1	2009 Q1
Net earnings		
Add back (losses) & deduct gains:	525	515
Unrealized mark-to-market hedging gain (loss), after-tax	170	64
Non-operating foreign exchange gain (loss), after-tax	2	37
Operating earnings¹	353	414
Per share diluted	0.47	0.55

¹Operating earnings is a non-GAAP measure as defined in the Advisory.

Conference Call Today

9:00 a.m. Mountain Time (11:00 a.m. Eastern Time)

Cenovus will host a conference call today, April 29, 2010, starting at 9:00 a.m. MT (11:00 a.m. ET). To participate, please dial 888-231-8191 (toll-free in North America) or 647-427-7450 approximately 10 minutes prior to the conference call. An archived recording of the call will be available from approximately 2:00 p.m. MT on April 29, 2010, until midnight May 6, 2010, by dialing 800-642-1687 or 416-849-0833 and entering conference ID 59165022.

A live audio webcast of the conference call will also be available via Cenovus's website, www.cenovus.com, under Investor Relations. The webcast will be archived for approximately 90 days.

Cenovus Energy Inc.

Cenovus Energy is a leading integrated oil company headquartered in Calgary, Alberta, with an enterprise value of approximately \$25 billion. The company's operations include its growing enhanced oil projects and established natural gas and crude oil production in Alberta and Saskatchewan as well as ownership in two high quality refineries in Illinois and Texas. Cenovus is respectful of the environment and communities where it operates and is committed to applying fresh, progressive thinking to the development of energy resources the world needs. Cenovus shares, which trade under the symbol CVE, are listed on the Toronto and New York stock exchanges. For more information, go to www.cenovus.com.

Further information on Cenovus Energy is available on the company's website, www.cenovus.com, or by contacting:

Cenovus Contacts

Investors:

Paul Gagne
Vice-President, Investor Relations
403-766-4737

Susan Grey
Manager, Investor Relations
403-766-4751

James Fann
Analyst, Investor Relations
403-766-6700

Media:

Rhona DelFrari
Manager, Media Relations
403-766-4740

ADVISORY

NON-GAAP MEASURES

This news release contains references to non-GAAP measures as follows:

- Operating Cash Flow is defined as Net Revenues, less production and mineral taxes, transportation and selling, operating and purchased product expenses and is used to provide a consistent measure of the cash generating performance of our assets and improves the comparability of our underlying financial performance between periods.
- Cash flow is defined as cash from operating activities excluding net change in other assets and liabilities and net change in non-cash working capital from continuing operations, both of which are defined on the Consolidated Statement of Cash Flows, in this news release and interim financial statements.
- Operating earnings show net earnings excluding non-operating items such as the after-tax impacts of a gain/loss on discontinuance, the after-tax gain/loss of unrealized mark-to-market accounting for derivative instruments, the after-tax gain/loss on translation of U.S. dollar denominated debt issued from Canada and the partnership contribution receivable, the after-tax foreign exchange gain/loss on settlement of intercompany transactions, future income tax on foreign exchange related to U.S. dollar intercompany debt recognized for tax purposes only and the effect of changes in statutory income tax rates. Management believes that these excluded items reduce the comparability of the company's underlying financial performance between periods. The majority of the U.S. dollar debt issued from Canada has maturity dates in excess of five years.
- Free cash flow is defined as cash flow in excess of capital investment, excluding net acquisitions and divestitures, and is used to determine the funds available for other investing and/or financing activities.
- Capitalization is a measure defined as debt plus shareholders' equity. Debt to capitalization and debt to adjusted EBITDA are two ratios that management uses to steward the company's overall debt position as measures of the company's overall financial strength.
- Adjusted EBITDA is defined as net earnings from continuing operations before gains or losses on divestitures, income taxes, foreign exchange gains or losses, interest net, accretion of asset retirement obligation, and depreciation, depletion and amortization.

These measures have been described and presented in this news release in order to provide shareholders and potential investors with additional information regarding Cenovus's liquidity and its ability to generate funds to finance its operations.

OIL AND GAS INFORMATION

Our disclosure of annual reserves data is made in accordance with U.S. disclosure requirements pursuant to an exemption from the Canadian securities administrators. As a result, the information provided by Cenovus may differ from corresponding information prepared in accordance with National Instrument 51-101 ("NI 51-101"). Further information about the differences between the U.S. requirements and the NI 51-101 requirements is set forth under the heading "Note Regarding Reserves Data and Other Oil and Gas Information" in Cenovus's Annual Information Form, available at www.cenovus.com or www.sedar.com.

Our disclosure of economic contingent resources is based on definitions contained in the Canadian Oil and Gas Evaluation Handbook (COGEH). For further information regarding our economic contingent resources estimates and the associated COGEH definitions, see our April 22, 2010 news release available at www.cenovus.com.

FORWARD-LOOKING INFORMATION

This news release contains certain forward-looking statements and information about our current expectations, estimates and projections about the future, based on certain assumptions made by the Company in light of its experience and perception of historical trends. Although we believe that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct.

Forward-looking statements and information are typically identified by words such as “anticipate”, “believe”, “expect”, “plan”, “intend”, “forecast”, “target”, “project”, “objective”, “could”, “focus”, “vision”, “goal”, “proposed”, “scheduled”, “outlook” or similar expressions suggesting future outcomes or statements regarding an outlook, including statements about our strategy, operating and financial results, schedules, land positions, production, including, without limitation, the stability or growth thereof, reserves and resources, material properties, uses and development of our technology, risk mitigation efforts, commodity prices, shareholder value, cash flow, funding alternatives, costs and expected impact of future commitments in respect of our ongoing operations generally and with respect to certain properties and interests held by Cenovus. Readers are cautioned not to place undue reliance on forward-looking statements and information as our actual results may differ materially from those expressed or implied.

Our forward-looking information respecting anticipated 2010 cash flow and operating cash flow is based on the following assumptions: achieving average 2010 production of approximately 120,200 bbls/d to 129,700 bbls/d of crude oil and liquids and 740 MMcf/d to 760 MMcf/d of natural gas; average commodity prices for 2010 of a WTI price of US\$65 per bbl to US\$85 per bbl and a WCS price of US\$54 per bbl to US\$71 per bbl for oil, a NYMEX price of US\$5.50 per Mcf to US\$6.15 per Mcf and AECO price of \$5.15 per GJ to \$5.70 per GJ for natural gas; an average U.S./Canadian dollar foreign exchange rate of \$0.85 to \$0.96 US\$/CDN\$; an average Chicago 3-2-1 crack spread for 2010 of US\$7.50 per bbl to US\$9.50 per bbl for refining margins; and an average number of outstanding shares of approximately 751 million.

Forward-looking statements involve a number of assumptions, risks and uncertainties, some of which are specific to Cenovus and others that apply to the industry generally. The risk factors and uncertainties that could cause actual results to differ materially, and the factors or assumptions on which the forward-looking information is based, include, among other things: volatility of and assumptions regarding oil and gas prices; assumptions inherent in our current guidance; our projected capital investment levels, the flexibility of capital spending plans and the associated source of funding; the effect of our risk management program, including the impact of derivative financial instruments and our access to various sources of capital; accuracy of cost estimates; fluctuations in commodity, currency and interest rates; fluctuations in product supply and demand; market competition, including from alternative energy sources; risks inherent in our marketing operations, including credit risks; success of hedging strategies; maintaining a desirable debt to cash flow ratio; accuracy of our reserves, resources and future production estimates; estimates of quantities of oil, bitumen, natural gas and liquids from properties and other

sources not currently classified as proved; our ability to replace and expand oil and gas reserves; the ability of us and ConocoPhillips to maintain our relationship and to successfully manage and operate the North American integrated heavy oil business and to obtain necessary regulatory approvals; the successful and timely implementation of capital projects; reliability of our assets; refining and marketing margins; potential disruption or unexpected technical difficulties in developing new products and manufacturing processes; potential failure of new products to achieve acceptance in the market; unexpected cost increases or technical difficulties in constructing or modifying manufacturing or refining facilities; unexpected difficulties in manufacturing, transporting or refining synthetic crude oil; risks associated with technology and its application to our business; our ability to generate sufficient cash flow from operations to meet our current and future obligations; our ability to access external sources of debt and equity capital; the timing and the costs of well and pipeline construction; our ability to secure adequate product transportation; changes in royalty, tax, environmental, greenhouse gas, carbon and other laws or regulations, or the interpretations of such laws or regulations, as adopted or proposed, the impact thereof and the costs associated with compliance; the expected impact and timing of various accounting pronouncements, rule changes and standards on us, our financial results and our consolidated financial statements; changes in the general economic, market and business conditions; the political and economic conditions in the countries in which we operate; the occurrence of unexpected events such as war, terrorist threats, hostilities, civil insurrection and instability affecting countries in which we operate; risks associated with existing and potential future lawsuits and regulatory actions made against us; our financing plans and initiatives; the expected impacts of the plan of arrangement with Encana Corporation ("Arrangement") on our employees, operations, suppliers, business partners and stakeholders and our ability to realize the expected benefits of the Arrangement; our ability to obtain financing in the future on a stand alone basis; the historical financial information pertaining to our assets as operated by Encana Corporation prior to November 30, 2009 may not be representative of our results as an independent entity; our limited operating history as a separate entity and other risks and uncertainties described from time to time in the filings we make with securities regulatory authorities. Readers are cautioned that the foregoing list is not exhaustive.

Many of these risk factors are discussed in further detail in our 2009 Annual Information Form/Form 40-F and Management's Discussion and Analysis for the year ended December 31, 2009, each as filed with Canadian securities regulatory authorities at www.sedar.com and the U.S. Securities and Exchange Commission at www.sec.gov, and available at www.cenovus.com.

The forward-looking statements and information contained in this document, including the assumptions, risks and uncertainties underlying such statements, are made as of the date of this document and, except as required by law, we do not undertake any obligation to update publicly or to revise any of such information, whether as a result of new information, future events or otherwise. The forward-looking statements and information contained in this document are expressly qualified by this cautionary statement.