Emerging plays & technologies

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Executive Vice-President, Enhanced Oil Development & New Resource Plays

Investor Day | Calgary - June 17 | New York - June 21

Developing our emerging plays

Huge potential
- Release of confidential lands
- 56 Bbbls of discovered BIIP
- 5.4 Bbbls of best estimate contingent resource

Developing a resource play
- Strat well drilling programs

Unlocking resource potential
- Project categories
  - developing
  - evaluating
  - piloting & long-term opportunities


www.cenovus.com
Oilsands land position

1.3 MM net acres*

About a third of Cenovus lands were held under broker

Majority of broker lands have not been delineated

50% of total land position was not included in contingent resource disclosure

Key areas previously undisclosed are in Borealis and Christina Lake regions

*Includes bitumen lands at Pelican Lake and net pull down rights of 0.3 MM net acres.

Borealis - huge untapped resource

More than half of Borealis regional lands were previously held under broker

79% of land in this region does not have a well drilled on it

2.6 Bbbls of best estimate contingent resource in Borealis region

Explore and delineate over next 5 years
Christina Lake - additional land in great reservoir

Over 40% of Christina Lake Regional lands were previously held under broker

23% of land in this region has no wells drilled on it

1.2 Bbbls of best estimate contingent resource in Christina Lake Region

Expect to see similar high quality reservoir throughout this region

Plan to delineate and advance projects over the next 5 years

West Kirby - great land position

0.1 Bbbls best estimate contingent resource
Limited strat well drilling to date
60,000 bbls/d (gross) productive potential

Cenovus land
Devin land
2010 strat well program
West Kirby winter drilling plans

Unlocking resource value

300 – 500 strat wells planned per year
Evaluation: 0 – 1 wells per section (wps)

First phase of drilling program establishes the location of the resource

Provides a general understanding of resource capability

In relation to reserves and resources we categorize this area as:

- Contingent resources (1 wps)
- Prospective resources (0 wps)
Delineation: 4 - 8 wells per section

Second phase of drilling program
- Prepare for an application
Provides information for:
- Internal approvals
- External approvals
- Reserves
8 wells per section:
- Refines map and allows the start of development plans
- Collect information for Environmental Impact Assessment (EIA)
- Initiate engineering and submit application

Development: 16 - 30 wells per section

Final phase of drilling
- Increase well density for approval
- 16 wps or 8 wps + 3D seismic
Drill up to 30 wps for well placement and monitoring operations
- Lateral placement
- Vertical landing depth
- Observation
- Temperature/pressure
- Post steam combustion
Start construction post approval
Acreage by stage of development

Number of sections based on a gross working interest.

Opportunity to develop resource base

Growth
- Narrows Lake 50% WI
- Grand Rapids 100% WI
- Telephone Lake 100% WI

Long term plays
- Foster Creek Other 50% WI
- Clearwater 50% WI
- Winefred Lake 50% WI
- West Kirby 50% WI
- East McMurray 100% WI
- Steepbank 100% WI
- Grosmont 100% WI
Strategy & timing

Steam and production includes ~6 months initial steaming with no production followed by 12 - 18 month production ramp up. Timing subject to regulatory approval and project sanction.

Narrows Lake potential

50% WI
130 Mbbis/d (gross) productive capacity
40 - 60 Mbbis/d first phase
2.1 SOR SAGD
1.6 SOR SAP
4 - 8 wells per section
9,280 net acres
0.5 Bbbls best estimate contingent resource
$45 - 55/bbl WTI supply cost
Reservoir similar to Christina Lake

Narrows Lake
- 65,000
- 180,000
- 35,000
- 30,000

Grand Rapids
- 30,000
- 30,000
- 30,000

Telephone Lake
- 30,000
- 30,000

Winefred Lake
- 30,000

Foster Creek Other
- 30,000

East McMurray
- 30,000

West Kirby
- 30,000

Steepbank
- 430,000

Forecast

2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020

Initial application
bbls/d net

65,000
180,000
35,000
30,000
30,000
30,000
30,000
30,000
30,000
30,000
430,000


Milestones

2010
Q3 2010 application
2011F
FEED & procurement
2012F
Approval/start construction
2015F
Commissioning
2016F
Start-up
Grand Rapids potential

100% WI
180 Mbbls/d productive capacity
40 - 60 Mbbls/d first phase
3.0 - 3.5 SOR
1 well per section
52,480 net acres
0.9 Bbbls best estimate contingent resource
$60 - 70/bbl WTI supply cost
Consistent and continuous reservoir
Leverages existing infrastructure

<table>
<thead>
<tr>
<th>Milestones</th>
<th>(Year, Event)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>Strat well SAGD pilot application</td>
</tr>
<tr>
<td>2011F</td>
<td>SAGD pilot strat (1-4 wps) Q4 submit EIA</td>
</tr>
<tr>
<td>2012F</td>
<td>FEED/procurement</td>
</tr>
<tr>
<td>2013F</td>
<td>Approval Q4</td>
</tr>
<tr>
<td>2014F</td>
<td>Construction</td>
</tr>
<tr>
<td>2017F</td>
<td>Start-up</td>
</tr>
</tbody>
</table>

Telephone Lake potential

100% WI
50 Mbbls/d productive capacity
35 Mbbls/d first phase
2.5 SOR
4 - 16 wells per section
36,480 net acres
0.7 Bbbls best estimate contingent resource
$55 - 65/bbl WTI supply cost
High quality reservoir
Looking at acceleration options

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<tr>
<td>2010</td>
<td>Strat well and water testing</td>
</tr>
<tr>
<td>2011F</td>
<td>Amend existing application</td>
</tr>
<tr>
<td>2012F</td>
<td>Additional application</td>
</tr>
<tr>
<td>2013F</td>
<td>Approval</td>
</tr>
</tbody>
</table>
Strategy of our technology development

Target one innovation every year
- Reduce energy intensity
- Reduce footprints
- Perpetually replenish ‘hopper’ of promising ideas

Creation of intellectual property
- Maintain competitive advantage
- Assure technology user rights
- 14 total patents - 7 obtained, 7 pending
- More than 50 technical papers published

Sustainable funding – increasing from $20 - 40 million per year

Impact of technology development

Supply cost is defined as the average WTI or NYMEX price required for an after-tax cost of capital return of 9%.
Cenovus’s Solvent Aided Process (SAP)

SAP versus SAGD metrics
- 30% production rate improvement
- 15% incremental total oil recovery
- 3% reduction in annual fuel gas usage
- 0.05 bbls solvent (butane) purchased per bbl bitumen
- 30% increase to initial capital
- 10% decrease in annual sustaining capital
- 5 - 10% reduction in non-fuel operating cost
- ~$1.00/bbl netback uplift

Environmental benefits
- Lower SOR and emission intensity
- Lower water usage & footprint

Milestones
- 2000 – 2001 Senlac SAP pilot
- 2004 – 2005 Christina Lake SAP pilot
- 2009 – 2011F Christina Lake isolated test
- 2010 Q3 SAP & SAGD Narrows Lake
- 2010 – 2011F Pilot Foster Creek pad SAP

Cenovus’s combustion technology

Wabiskaw
- Air injection pilot June 2006
- 3.0 Bcf of gas recovered
- Heated underlying bitumen
- Q4 2010 conventional oil well test
- No contingent resource assigned

Clearwater
- Gas cap Air Injection for Thermal Oil Recovery (GAITOR)
- Pilot 2012
- 197 MMbbls best estimate contingent resource
Risks and mitigation

Stakeholders
- Continue to integrate stakeholder relations in our business

Regulatory
- Prepare additional project applications targeting 400 – 500 Mbbls/d net in 2015
- Work with government to streamline and improve the approval process

Labour competition
- Modularization (Nisku), small work packages, small contractor strategy

Technical
- Culture of innovation and experienced staff

Cenovus unleashes potential

Huge organic growth opportunity
- 56 Bbbls discovered BIIP
- Move projects to development stages to build net asset value

Proven record of applying new technologies
- Increases returns, improves operations, lowers footprint
- Low capital requirements for R&D potential generates higher value

Long track record of project execution and operational performance
Winefred Lake potential

50% WI
60 Mbbis/d (gross) productive capacity
30 Mbbis/d first phase
2.5 - 3.0 SOR
2 wells per section
22,840 net acres
0.3 Bbbls best estimate contingent resource
$60 - 65 bbl WTI supply cost
Reservoir similar to Christina Lake

**Milestones**

<table>
<thead>
<tr>
<th>Year</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010F</td>
<td>2 wps (drill 10 wells)</td>
</tr>
<tr>
<td>2011F</td>
<td>4 wps start EIA &amp; application</td>
</tr>
<tr>
<td>2012F</td>
<td>8 wps</td>
</tr>
<tr>
<td>2013F</td>
<td>8 wps submit application</td>
</tr>
<tr>
<td>2015F</td>
<td>Regulatory approval &amp; construction</td>
</tr>
</tbody>
</table>
**East McMurray potential**

- 100% WI
- 60 Mbbls/d productive capacity
- 30 Mbbls/d first phase
- 2.5 – 3.0 SOR
- 1 well per section
- 35,520 net acres
- 0.7 Bbbls best estimate contingent resource
- $60 - 65/bbl WTI supply cost

<table>
<thead>
<tr>
<th>Milestones</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011F</td>
<td>1 wps exploration</td>
</tr>
<tr>
<td>2012F</td>
<td>2 wps start EIA</td>
</tr>
<tr>
<td>2013F</td>
<td>4 wps</td>
</tr>
<tr>
<td>2014F</td>
<td>8 wps</td>
</tr>
<tr>
<td>2015F</td>
<td>Submit EIA &amp; application</td>
</tr>
</tbody>
</table>

**Grosmont potential**

- 100% WI
- < 1 well per section
- 15,500 acres
- Early stage resource characterization
- Pilots to test recovery technologies
- Carbonates not included in contingent resource estimate

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</tr>
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<tr>
<td>2010F</td>
<td>Strat well deepening</td>
</tr>
<tr>
<td>2011F</td>
<td>Strat wells, seismic, pilot application</td>
</tr>
<tr>
<td>2012F</td>
<td>Pilot</td>
</tr>
<tr>
<td>2013F</td>
<td>Strat well program</td>
</tr>
<tr>
<td>2014F</td>
<td>Strat well program</td>
</tr>
<tr>
<td>2015F</td>
<td>Pilot</td>
</tr>
</tbody>
</table>
The resources estimates were prepared effective December 31, 2009 by McDaniel & Associates Consultants Ltd., an independent qualified reserves evaluator (IQRE), and other than as disclosed herein are based on definitions contained in the Canadian Oil and Gas Evaluation Handbook (COGEH). The report was prepared in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) and is available at www.cenovus.com. Adjusted reserves data are greater than or less than the estimates provided. Total Bitumen Initially-In-Place (BIIP) (equivalent to “total resources’) is that quantity of bitumen that is estimated to exist originally in naturally occurring accumulations. It includes that quantity of bitumen that is estimated, as of a given date, to be contained in known accumulations, prior to production, plus those estimated quantities in accumulations yet to be discovered. Exploitable Bitumen Initially-In-Place is the estimated volume of bitumen, before any production has taken place, that is contained in a subsurface stratigraphic interval that meets or exceeds certain reservoir characteristics considered necessary for the commercial application of known recovery technologies. Examples of such reservoir characteristics include continuous net pay, porosity, and mass bitumen content. This definition was derived from and is consistent with current draft proposed COGEH terminology. Contingent resources – those contingent resources that are currently less certain to be recovered than proved reserves, but which, together with proved reserves, are as likely as not to be recovered. Our disclosure of annual reserves data is made in accordance with U.S. disclosure regulations.

**Oil & gas information**

**Emerging plays summary**

<table>
<thead>
<tr>
<th></th>
<th>Narrows Lake</th>
<th>Grand Rapids</th>
<th>Telephone Lake</th>
<th>Winefred Lake</th>
<th>East McMurray</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working interest (%)</td>
<td>50</td>
<td>100</td>
<td>100</td>
<td>50</td>
<td>100</td>
</tr>
<tr>
<td>Potential size (Mbbls/d gross)</td>
<td>130</td>
<td>180</td>
<td>50</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td>SOR</td>
<td>2.1 SAGD</td>
<td>1.6 SAP</td>
<td>3.0 - 3.5</td>
<td>2.5</td>
<td>2.5 - 3.0</td>
</tr>
<tr>
<td>Best estimate contingent resource (Bbbls)</td>
<td>0.5</td>
<td>0.9</td>
<td>0.7</td>
<td>0.3</td>
<td>0.7</td>
</tr>
<tr>
<td>Supply cost ($/bbl WTI)</td>
<td>45 - 55</td>
<td>60 - 70</td>
<td>55 – 65</td>
<td>60 - 65</td>
<td>60 - 65</td>
</tr>
<tr>
<td>Current well density (wps)</td>
<td>4 - 8</td>
<td>1</td>
<td>4 – 16</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Land position (net acres)</td>
<td>9,280</td>
<td>52,480</td>
<td>36,480</td>
<td>22,840</td>
<td>35,520</td>
</tr>
</tbody>
</table>

**Proved**

- those reserves that are geologically certain to exist and are recoverable under current economic conditions
- these reserves are generally recoverable in a centrally operated facility connected to a main pipeline

**Probable**

- those reserves which are less certain to be recovered than proved reserves, but which, together with proved reserves, are as likely as not to be recovered
- these reserves are generally recoverable in a centrally operated facility connected to a main pipeline

**Possible**

- those reserves which are less certain to be recovered than probable reserves, but which, together with proved reserves, are as likely as not to be recovered
- these reserves are generally recoverable in a centrally operated facility connected to a main pipeline

**Unproved**

- those reserves which are less certain to be recovered than possible reserves, but which, together with proved reserves, are as likely as not to be recovered
- these reserves are generally recoverable in a centrally operated facility connected to a main pipeline

**Unrecoverable**

- those reserves that are not recoverable under current economic conditions

**Best estimate**

- represents the most likely estimate

**Probable reserves**

- those reserves that are less certain to be recovered than proved reserves, but which, together with proved reserves, are as likely as not to be recovered

**Possible reserves**

- those reserves that are less certain to be recovered than probable reserves, but which, together with proved reserves, are as likely as not to be recovered

**Unproved reserves**

- those reserves that are less certain to be recovered than possible reserves, but which, together with proved reserves, are as likely as not to be recovered

**Unrecoverable resources**

- those resources that are not recoverable under current economic conditions

**Exploitable Bitumen Initially-In-Place**

- the estimated volume of bitumen, before any production has taken place, that is contained in a subsurface stratigraphic interval that meets or exceeds certain reservoir characteristics considered necessary for the commercial application of known recovery technologies. Examples of such reservoir characteristics include continuous net pay, porosity, and mass bitumen content. This definition was derived from and is consistent with current draft proposed COGEH terminology.

**Contingent resources**

- those contingent resources that are currently less certain to be recovered than proved reserves, but which, together with proved reserves, are as likely as not to be recovered.

**Economic contingent resources**

- those contingent resources that are currently economically recoverable based on specific forecasts of commodity prices and costs.

**Presidential supplies**

- those supplies that are recoverable under current economic conditions

**Total bitumen initially-in-place**

- that quantity of bitumen that is estimated to exist originally in naturally occurring accumulations and is available for recovery.

**Total resources**

- that quantity of bitumen that is estimated to exist originally in naturally occurring accumulations and is available for recovery.

**Total reserves**

- that quantity of bitumen that is estimated to exist originally in naturally occurring accumulations and is available for recovery and that which may be recovered under current economic conditions.
Forward-looking information

This presentation 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 are typically identified by words such as "anticipate", "believe", "expect", "plan", "intend", "forecast" or "F", "target", "project", "objective", "tend", "trend", "goal", "proposed", "scheduled", "outlook", "potential", "may" or similar expressions suggesting future outcomes or statements regarding an outlook, including statements about our strategy, our projected future value or net asset value, schedules, land positions, production, including, without limitation, the stability or growth thereof, reserves and resources estimates, 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 production, including, without limitation, the stability or growth thereof, reserves and resources estimates, 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.

Non-GAAP measures (Operating Earnings, Operating Cash Flow, Cash Flow, Free Cash Flow, Capitalization and Adjusted EBITDA) have been described and presented 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. Please see our 2010 First Quarter Report to Shareholders for a full discussion of the use of each measure.

Many of these risk factors are discussed in further detail in our 2010 First Quarter Report to Shareholders, our 2009 AIF/Form 40-F and our MD&A for the year ended December 31, 2009, each as filed at www.sedar.com and www.sec.gov, and available at www.cenovus.com. The Cenovus 2010 Corporate Guidance, including the assumptions on which it is based, is available at www.cenovus.com.

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