

October 2, 2019

This note is provided to analysts and associates that cover Cenovus and will be posted on the Cenovus website under Quarterly results in the [Investors](#) section.

The company will announce its third quarter 2019 results on Thursday, October 31st, at 4:00AM MT (6:00AM ET) with a conference call to follow at 9:00AM MT (11:00AM ET).

We'd like to remind you of the following items that have been previously disclosed by Cenovus or are a summation of public information. Please note that all such information and statements were made as at the dates of the disclosure documents or conference calls specifically noted below, and this document is not intended to be an update of any such information or statements. Any updates on the prior statements and information summarized in this document will be provided in the company's announcement of its third quarter results.

Corporate:

- "As at June 30, 2019, there were approximately 1,229 million common shares outstanding." (*Cenovus MD&A for the period ended June 30, 2019*)
- "Cenovus has updated its 2019 full-year guidance to reflect the company's updated outlook for capital investment, production and operating costs for the remainder of the year." (*Cenovus 2019 Guidance document, October 1, 2019*)
- Cenovus provides Adjusted Funds Flow sensitivities to benchmark commodity prices for 2019 in its 2019 guidance document. (*Cenovus 2019 Guidance document, October 1, 2019*)

2019 Corporate Guidance - C\$, before royalties

October 1, 2019

PRICE ASSUMPTIONS & ADJUSTED FUNDS FLOW SENSITIVITIES ⁽⁶⁾				
		Independent base case sensitivities <i>(for the last three months of 2019)</i>	Increase (\$ millions)	Decrease (\$ millions)
Brent (US\$/bbl)	\$64.00	Crude oil (WTI) - US\$1.00 change	25	(30)
WTI (US\$/bbl)	\$57.20	Light-heavy differential (WTI-WCS) - US\$1.00 change	(20)	15
Western Canada Select (US\$/bbl)	\$45.10	Chicago 3-2-1 crack spread - US\$1.00 change	25	(25)
Differential WTI-WCS (US\$/bbl)	\$12.10	Natural gas (AECO) - C\$1.00 change	15	(20)
AECO (\$/Mcf)	\$1.55	Exchange rate (US\$/C\$) - \$0.01 change	(15)	15
Chicago 3-2-1 Crack Spread (US\$/bbl)	\$16.25			
Exchange Rate (US\$/C\$)	\$0.75			

(6) Sensitivities include current hedge positions applicable for the remainder of 2019. Refining results embedded in the sensitivities are based on unlagged margin changes and do not include the effect of changes in inventory valuation for first-in, first-out/lower of cost or net realizable value.

Production:

- "Based on mandated production volumes for July and August, the company anticipates average bitumen and crude oil production will be a maximum of 360,000 bbls/d for the third quarter." (*Cenovus News release, July 25, 2019*)
- Monthly oil sands production is published by the Alberta Energy Regulator (AER) at the following website: <https://www.aer.ca/providing-information/data-and-reports/statistical-reports/st53>.
- "Deep Basin production averaged 98,345 barrels of oil equivalent per day (BOE/d) in the second quarter, a 24% decrease from year-earlier levels, partly due to lower capital investment, the September 2018 divestiture of the Pipestone business and expected natural declines. In the latter part of the second quarter, production was also impacted by Cenovus's decision to shut in some volumes due to low natural gas prices. The vast majority of these wells have since returned to production." (*Cenovus News release, July 25, 2019*)

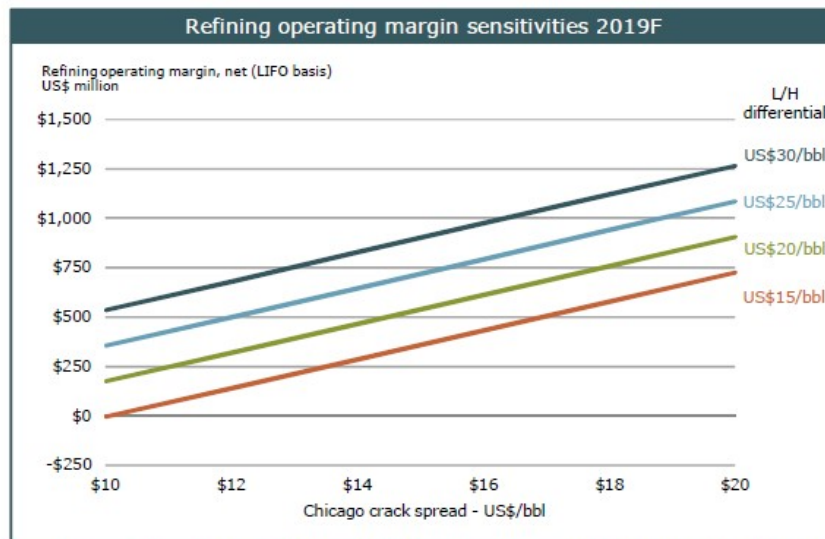
Oil Sands Realized Bitumen Pricing:

- “Our realized crude oil sales price is influenced by the cost of condensate used in blending. Our blending ratios range between 25 percent and 33 percent. As the cost of condensate decreases relative to the price of blended crude oil, our bitumen sales price increases. Due to high demand for condensate at Edmonton, we also purchase condensate from U.S. markets and deliver it to the Edmonton hub. As such, our average cost of condensate is generally higher than the Edmonton benchmark price due to transportation between market hubs and transportation to field locations. In addition, up to three months may elapse from when we purchase condensate to when we sell our blended production. In a rising crude oil price environment, we expect to see a positive impact on our bitumen sales price as we are using condensate purchased at a lower price earlier in the year.” *(Cenovus MD&A for the period ended June 30, 2019)*

Refining:

- “Cenovus's refining operating cash flow is calculated on a first-in, first-out (FIFO) inventory accounting basis. As such, Cenovus’s refining operating cash flow is impacted during periods of rising or declining benchmark commodity prices.” *(Cenovus News release, October 29, 2015)*

Refining operating margin sensitivities



Operating margin sensitivity	
Benchmark	Sensitivity
US\$1 change in crack spread	~US\$70 million
US\$1 change in L/H differential	~US\$40 million
US\$1 change in WTS differential	~US\$15 million
US\$1 change in WTI	~ US\$7 million
US\$0.10 cpg change in RINs	~US\$25 million

Note: Operating margin sensitivities calculated on a full year basis using pricing as per April 23, 2019 guidance document and assumes no unplanned downtime or external disruptions. RINs assumed at US\$0.32 cpg.

Prices:

Selected Average Benchmark Prices	2019			2018				
	Q3	Q2	Q1	Year	Q4	Q3	Q2	Q1
Crude Oil Prices (US\$/bbl)								
Brent	62.00	68.32	63.90	71.53	68.08	75.97	74.90	67.18
West Texas Intermediate ("WTI")	56.45	59.82	54.90	64.77	58.81	69.50	67.88	62.87
Differential Brent Futures-WTI	5.54	8.50	9.00	6.76	9.27	6.46	7.03	4.31
Western Canadian Select ("WCS")	44.21	49.14	42.61	38.46	19.39	47.25	48.61	38.59
Differential - WTI-WCS	12.24	10.68	12.29	26.31	39.42	22.25	19.27	24.28
Differential - WTI-WTS	0.57	1.65	1.15	7.53	6.43	14.03	8.23	1.41
Mixed Sweet Blend ("MSW") (US\$)	51.79	55.19	50.05	53.65	32.51	62.67	62.43	56.98
Condensate - (C5 @ Edmonton)	52.02	55.86	50.56	61.00	45.28	66.83	68.83	63.04
Differential - WTI-Condensate (premium)/discount	4.44	3.96	4.34	3.77	13.53	2.68	(0.95)	(0.17)
Refining Margins 3-2-1 Crack Spreads (US\$/bbl)⁽¹⁾								
Chicago	16.72	21.41	13.59	15.97	13.43	19.14	18.36	12.96
Midwest Combined (Group 3)	17.31	19.97	14.79	16.74	14.57	18.71	18.04	15.66
Natural Gas Prices								
AECO (C\$/Mcf)	1.04	1.17	1.94	1.53	1.90	1.35	1.03	1.85
AECO (C\$/GJ)	0.99	1.11	1.84	1.45	1.80	1.28	0.97	1.76
NYMEX (US\$/Mcf)	2.23	2.64	3.15	3.09	3.64	2.90	2.80	3.00
Differential NYMEX - AECO (US\$/Mcf)	1.43	1.76	1.69	1.90	2.19	1.88	2.00	1.52
FIFO Adjustment (C\$ millions)⁽²⁾								
FIFO Adjustment		(10)	143	(118)	(198)	15	57	21

⁽¹⁾ The 3-2-1 crack spread is an indicator of the refining margin generated by converting three barrels of crude oil into two barrels of regular unleaded gasoline and one barrel of ultra-low sulphur diesel using current month WTI based crude oil feedstock prices and on a last in, first out accounting basis ("LIFO").

⁽²⁾ Year totals are not intended to sum. These are period end balances that include impairment reclass between FIFO-LIFO presentation.

Foreign Exchange:

- "Our revenues are subject to foreign exchange exposure as the sales prices of our crude oil, NGLs, natural gas and refined products are determined by reference to U.S. benchmark prices. An increase in the value of the Canadian dollar compared with the U.S. dollar has a negative impact on our reported results. Likewise, as the Canadian dollar weakens, there is a positive impact on our reported results. In addition to our revenues being denominated in U.S. dollars, our long-term debt is also U.S. dollar denominated. In periods of a strengthening Canadian dollar, our U.S. dollar debt gives rise to unrealized foreign exchange gains when translated to Canadian dollars." (Cenovus MD&A for the period ended June 30, 2019)

Hedging:

- "Cenovus is exposed to financial risks, including market risk related to commodity prices, foreign exchange rates, interest rates as well as credit risk and liquidity risk." (Note 23 of Cenovus Q2 2019 Interim Consolidated Financial Statements (unaudited) for the period ended June 30, 2019)

Net Fair Value of Risk Management Positions

As at June 30, 2019	Notional Volumes	Terms	Average Price	Fair Value Asset (Liability)
Crude Oil Contracts				
WTI Collars	19,000 bbls/d	January - December 2019	US\$50.00- US\$62.08/bbl	(5)
Other Financial Positions ⁽¹⁾				11
Total Fair Value				6

⁽¹⁾ Other financial positions are part of ongoing operations to market the Company's production. As at June 30, 2019, other financial positions consist of WCS and condensate instruments.

Financial Instruments:

- “In connection with the Acquisition, Cenovus agreed to make quarterly payments to ConocoPhillips during the five years subsequent to May 17, 2017 for quarters in which the average WCS crude oil price exceeds \$52.00 per barrel during the quarter. As at June 30, 2019, the estimated fair value of the contingent payment was \$187 million (see Note 15).” (*Cenovus MD&A for the period ended June 30, 2019*)
- “The contingent payment is carried at fair value on the Consolidated Balance Sheets. Fair value is estimated by calculating the present value of the future expected cash flows using an option pricing model (Level 3), which assumes the probability distribution for WCS is based on the volatility of WTI options, volatility of Canadian-U.S. foreign exchange rate options and WCS futures pricing, and discounted at a credit-adjusted risk-free rate of 2.6 percent.” (*Note 22C of Cenovus Interim Consolidated Financial Statements (unaudited) for the period ended June 30, 2019*)

Forward-Looking Information:

This document contains references to forward-looking information previously provided, identified by words such as “anticipates”, “estimated”, “expect” and “intend”, and includes forecast operating and financial results. This document is prepared solely for the purposes of providing information about Cenovus Energy Inc.’s forecast operating and financial results and is not intended to be relied upon for the purpose of making investment decisions, including without limitation, to purchase, hold or sell any securities of Cenovus Energy Inc. Readers are cautioned not to place undue reliance on forward-looking information as our actual results may differ materially from those expressed or implied. The underlying assumptions, risks and uncertainties are described in the Advisory of our 2019 Corporate Guidance and in the Advisories for referenced News Releases, available at cenovus.com. For a full discussion of our material risk factors, see “Risk Management and Risk Factors” in our 2018 Annual Management Discussion and Analysis, available at sedar.com, sec.gov and cenovus.com