



Corporate guidance

2020 Corporate Guidance - C\$, before royalties

April 1, 2020

UPSTREAM						
OIL SANDS						
	<u>Production</u> <u>(Mbbbls/d)</u>	<u>Capital expenditures</u> <u>(\$ millions)</u>		<u>Operating costs</u> <u>(\$/bbl)</u>	<u>Effective royalty</u> <u>rates (%)</u>	<u>Steam to oil</u> <u>ratio</u>
Foster Creek	145 - 170	175 - 195	<i>Fuel</i>	1.75 - 2.25	0 - 4	2.6 - 3.0
			<i>Non-fuel</i>	<u>6.25</u> - <u>7.00</u>		
			<i>Total</i>	8.00 - 9.25		
Christina Lake	205 - 230	160 - 180	<i>Fuel</i>	1.50 - 2.00	0 - 7	1.8 - 2.2
			<i>Non-fuel</i>	<u>4.50</u> - <u>5.25</u>		
			<i>Total</i>	6.00 - 7.25		
Narrows Lake	- -	35 - 45		- -	- -	- -
Technology & Exploration ⁽¹⁾	- -	35 - 40		- -	- -	- -
Oil Sands total	350 - 400	405 - 460				
DEEP BASIN						
	<u>Production</u> <u>(Mbbbls/d)</u>	<u>Capital expenditures</u> <u>(\$ millions)</u>		<u>Operating costs</u> <u>(\$/bbl)</u>	<u>Effective royalty</u> <u>rates (%)</u>	
Light/Medium oil	3 - 5					
NGLs	17 - 19					
	<u>(MMcf/d)</u>	30 - 35		9.50 - 10.25	3 - 6	
Natural gas	370 - 380					
Deep Basin total	82 - 86					
TOTAL						
	<u>Production</u> <u>(Mbbbls/d, MMcf/d, MBOE/d)</u>	<u>Capital expenditures</u> <u>(\$ millions)</u>				
Total liquids	370 - 423					
Total natural gas	370 - 380					
Total upstream	432 - 486	435 - 495				
REFINING & MARKETING						
		<u>Capital expenditures</u> <u>(\$ millions)</u>		<u>Operating costs</u> <u>(\$/bbl)</u>		
Refining ⁽²⁾		240 - 265		9.25 - 10.25		
Marketing & transportation		30 - 35				
CORPORATE						
Corporate & other expenditures (\$ millions)		45 - 55		Upstream DD&A (\$ billions)		1.8 - 2.0
Total capital expenditures (\$ millions)		750 - 850		Other DD&A (\$ millions) ⁽⁴⁾		350 - 450
General & administrative expenses (\$ millions) ⁽³⁾		230 - 250		Cash tax (recovery) (\$ millions)		0 - 10
				Effective tax rate (%) ⁽⁵⁾		23 - 28

(1) Technology & Exploration includes Marten Hills, and other emerging plays.

(2) Refining capital and operating costs are reported in C\$, but incurred in US\$ and as such will be impacted by FX.

(3) Forecasted G&A includes stock based compensation.

(4) Includes DD&A related to Refining, Marketing and Corporate and Eliminations.

(5) Statutory rates of 25% in Canada and 25% in the US are applied separately to pre-tax operating earnings streams for each country. Excludes the effect of divestiture and mark-to-market gains and losses.



Advisory

Forward-looking Information

This guidance document contains certain forward-looking statements and future-oriented financial information (collectively referred to as “forward-looking information”) within the meaning of applicable securities legislation, including the United States Private Securities Litigation Reform Act of 1995, about our current estimates and projections about the future. This forward-looking information is current only as of the date indicated above and is prepared solely for the purpose of providing our reasonable estimates and expectations for the time period indicated, based on certain assumptions made by us in light of our experience and perception of historical trends. This forward-looking information may not be appropriate for other purposes. Although Cenovus believes this forward-looking information is reasonable based on the assumptions contained in this document, there can be no assurance that it will prove to be correct and it may not be appropriate for other purposes. Readers are cautioned not to place undue reliance on forward-looking information as actual results may differ materially from those expressed or implied. Cenovus undertakes no obligation to update or revise any forward-looking information except as required by law.

In addition to the price assumptions disclosed below, the factors or assumptions on which the forward-looking information in this document is based include: low global oil price environment for an unknown period; projected capital investment levels, the flexibility of capital spending plans and associated sources of funding; achievement of further operating efficiencies, cost reductions and sustainability thereof; our ability to reduce our 2020 oil sands production, including without negative impacts to our assets; our forecast production volumes are subject to potential further ramp down of production based on business and market conditions; foreign exchange rate, including with respect to our US\$ debt and refining capital and operating expenses; future improvements in availability of product transportation capacity; realization of expected impacts of the company’s storage capacity within its oil sands reservoirs; the ability of our refining capacity and existing pipeline commitments to mitigate a portion of heavy oil volumes against wider differentials; estimates of quantities of oil, bitumen, natural gas and liquids from properties and other sources not currently classified as proved; accounting estimates and judgments; future access, use and development of technology and associated expected future results; ability to obtain necessary regulatory and partner approvals; the successful and timely implementation of capital projects or stages thereof.

Price assumptions include: Brent prices of US\$39.00/bbl; West Texas Intermediate (WTI) prices of US\$34.00/bbl; Western Canadian Select (WCS) of US\$18.50/bbl; Differential WTI-WCS of US\$15.50/bbl; AECO natural gas prices of \$2.00/Mcf; Chicago 3-2-1 crack spread of US\$8.30/bbl; and an exchange rate of \$0.70 US\$/C\$.

The information in this Guidance document is also subject to risks disclosed in our annual Management’s Discussion and Analysis (“MD&A”) for the period ended December 31, 2019, supplemented by updates in our most recent quarterly MD&A, available on SEDAR at sedar.com, on EDGAR at sec.gov and at cenovus.com.