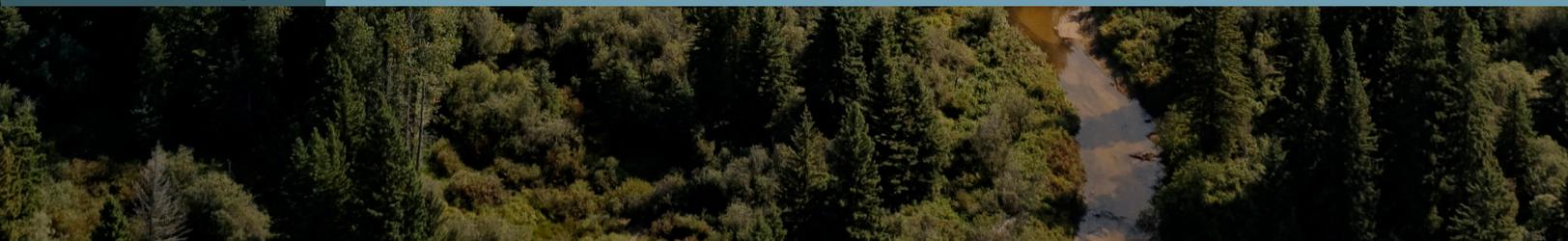


# Corporate presentation

Q2 2020

July 23, 2020

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# Cenovus at a glance

TSX, NYSE | CVE

2020F production	
Oil Sands	375 Mbbls/d
Deep Basin	84 MBOE/d
2019 proved & probable reserves	
	6.9 BBOE
Reserve life index	
	42 years
Refining capacity	
	248 Mbbls/d net

Note: Values are approximate. Forecasted production based on the midpoint of April 1, 2020 guidance. 2019 proved & probable reserves as at December 31, 2019. Reserve life index based on 2019 proved plus probable reserves and 2019 production before royalties, which was impacted by mandatory curtailment. Refining capacity represents net capacity to Cenovus.



1

# COVID-19 response

We proactively addressed the volatile business environment while taking decisive actions to protect the interests of all of our stakeholders

- Health and safety of our staff and communities is our top priority
- Business Continuity Plan to support safe and reliable operations in the event of an outbreak
- Adjusting staff levels at sites and offices in accordance with guidance received from the government and public health officials
- Continued physical distancing and other COVID-19 precautionary measures to maintain the health and safety of our people
- Adjusted our business plan to react to the decreasing oil price environment by implementing wide-scale reductions to the 2020 budget and suspending the quarterly dividend

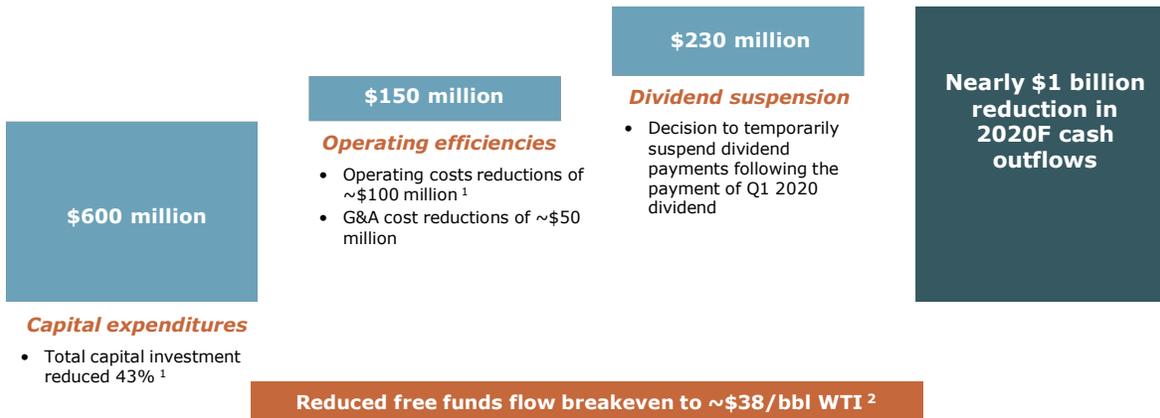
Note: See Advisory.

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2

# Decisive actions to reduce 2020F cash outflows

Actions result in nearly \$1 billion of reduced cash outlay expected in 2020

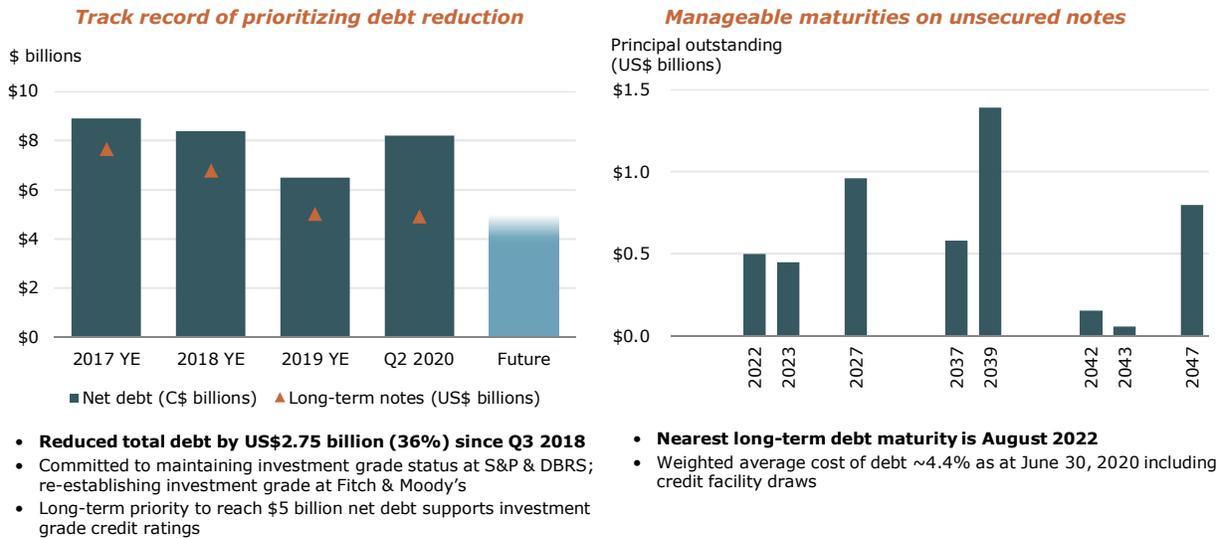


Notes: (1) Cost reductions based on midpoint of April 1, 2020 guidance relative to original 2020 guidance on December 9, 2019. (2) Free funds flow break-even based on full year benchmark prices and differentials of US\$12.50/bbl WTI-WCS differential; US\$3.00/bbl C5 discount to WTI; US\$13.00/bbl Chicago 321 crack spread and Fx \$0.70. All references to WTI mean approximate West Texas Intermediate price in US\$/bbl. See Advisory.



3

# Focused on the balance sheet



Note: See advisory.

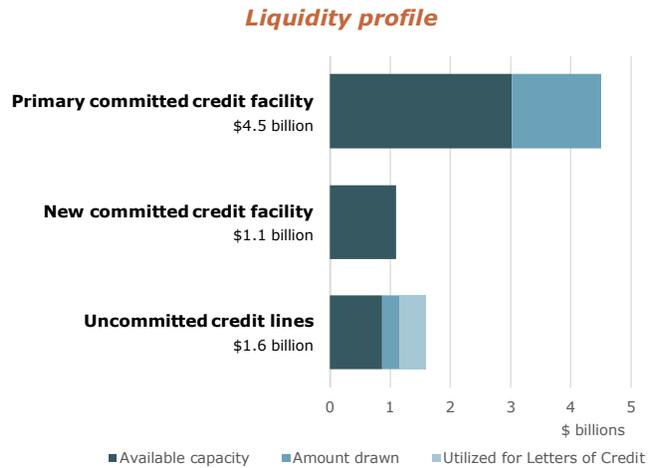


4

# Ample liquidity to weather the current environment

## New credit facility of \$1.1 billion added in April 2020

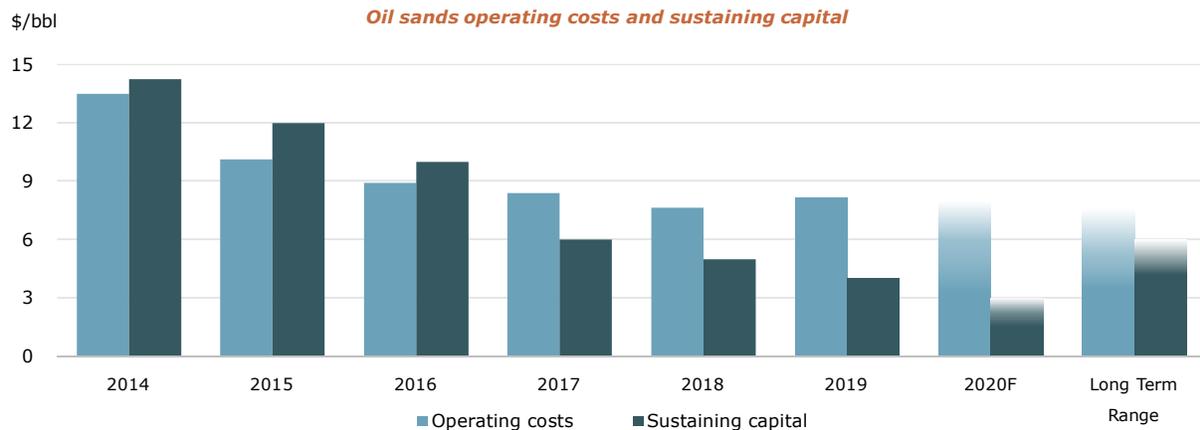
- Total borrowing capacity of \$6.2 billion:
  - \$4.5 billion primary facility
  - \$0.6 billion uncommitted lines for letters of credit and general purposes
  - \$1.1 billion new committed facility
- Additional \$1.0 billion of capacity for letters of credit on uncommitted lines
- ~\$1.8 billion drawn on committed credit facilities and uncommitted credit lines at Q2 2020
- Substantially below only financial covenant on committed credit facilities of a maximum 65% debt to capitalization (book value)



Note: Liquidity profile reflects borrowings and letters of credit as of June 30, 2020, and facility capacity as of July 23, 2020. See Advisory

# Sustainable reductions to cost structure

## Industry leading oil sands operating costs and sustaining capital



Note: 2018 - 2020 operating costs and sustaining costs impacted by voluntary and mandated production curtailments. See Advisory.

# Revised budget reflects capital discipline and flexibility

## Demonstrating capital discipline

- Capital expenditures reduced by 43%
- Focused on maintaining safe and reliable operations
- Major growth capital projects deferred beyond 2020

## Leveraging our operational flexibility

- Total production decreased 5% due to suspension of crude by rail program and use of Alberta government's Special Production Allowance
- Benefiting from low sustaining and operating cost structure

Capital expenditures (\$ millions)	Original 2020 Budget	Updated 2020 Budget
Oil sands	705 – 820	370 – 420
Technology & exploration	160 – 190	35 – 40
Deep Basin	80 – 95	30 – 35
Refining & marketing	285 – 330	270 – 300
Corporate	90 – 100	45 – 55
<b>Total capital expenditures</b>	<b>~1,300 – 1,500</b>	<b>750 – 850</b>
<b>Discretionary/Growth Capital</b>	<b>330 – 400</b>	<b>--</b>

Production, operating costs and G&A	Original 2020 Budget	Updated 2020 Budget
Foster Creek (Mbbls/d)	165 – 175	145 – 170
Christina Lake (Mbbls/d)	225 – 235	205 – 230
Deep Basin (MBOE/d)	82 – 86	unchanged
<b>Total production (MBOE/d)</b>	<b>472 – 496</b>	<b>432 – 486</b>
Total oil sands opex (\$/bbl)	\$6.85 – \$8.10	unchanged
Total Deep Basin opex (\$/BOE)	\$9.50 – \$10.25	unchanged
<b>Total G&amp;A (\$ millions)</b>	<b>280 – 300</b>	<b>230 – 250</b>
Per unit G&A (\$/BOE)	\$1.58 – \$1.69	\$1.37 – \$1.49

Note: Forecasted G&A includes stock based compensation. See Advisory.



7

# Best-in-class oil sands assets

## Building on our core strength

- Industry leading SOR and track record of responsible development
- Knowledge and expertise in SAGD leads to operational flexibility
- Focused on cost structure, deferring expansions to support the balance sheet

## Leveraging our assets, operating expertise and cost structure

 <p><b>440 Mbbls/d</b> installed productive capacity</p>	 <p><b>6.4 billion bbls</b> 2P reserves</p>	 <p><b>Industry leading SOR</b></p>	 <p><b>200 MW</b> cogeneration</p>
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Note: Values are approximate. Installed productive capacity includes Christina Lake phase G. 2P reserves as of December 31, 2019. SOR refers to portfolio weighted steam to oil ratio, a key measure of efficiency for operations using SAGD technology equivalent to the amount of steam needed to produce one barrel of oil. Cogeneration output varies with temperature. See Advisory.



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# We are the leader in SAGD

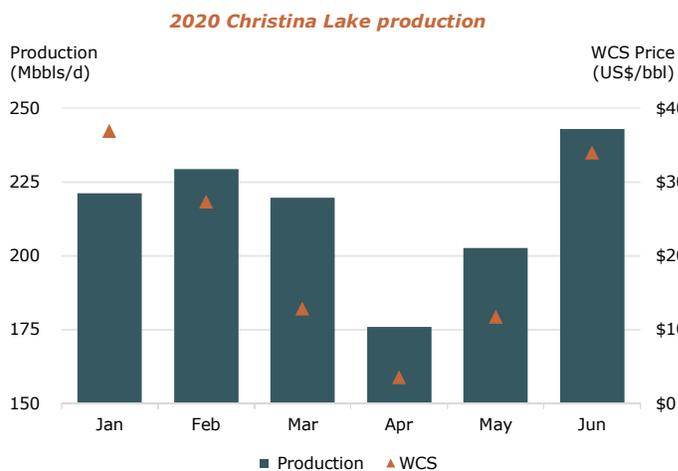


Note: Source: Alberta Energy Regulator. SOR refers to portfolio weighted steam to oil ratio, a key measure of efficiency for operations using SAGD technology equivalent to the amount of steam needed to produce one barrel of oil. Average daily production and portfolio-weighted steam oil ratio based on full year 2019. Cumulative operating years calculated as the sum of all operating well onstream durations. Peers include CNOOC, CNQ, COP, HSE, JACOS, MEG, SU.



# Maximizing value through optimization of assets

Using dynamic storage to shift production into a stronger price environment



- Curtailed Christina Lake production over 50 Mbbls/d from February to April<sup>1</sup>
- Ramped up oil sands from a low of 344 Mbbls/d in April to a peak of 406 Mbbls/d in June<sup>1</sup>
- Acquired third-party credits in May and June to produce above curtailment limits
- Generated over \$290 million in free funds flow in June

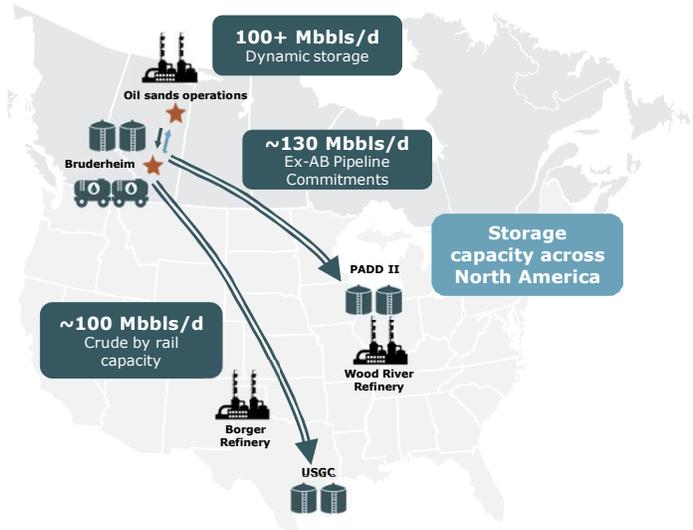
Notes: (1) Production refers to monthly average bitumen volumes. See advisory.



# Marketing flexibility supports price optimization

Utilizing storage and market access to respond to market volatility

- Proven ability to adjust oil sands operations by up to 100 Mbbls/d while maintaining reservoir integrity
- Pipeline commitments across North American complex
- Available crude oil and diluent storage capacity from the field to sales hubs in Alberta, PADD2 and USGC
- Low fixed rail cost structure supports decision to ramp down crude by rail
- Flexibility at refining operations to reduce throughput



Note: See Advisory.



# Oil sands sustaining capital projects

Sustaining projects are some of the highest return projects in our portfolio

- Consistent approach to sustaining production at Foster Creek and Christina Lake
- Current and future programs implement step changes in design and operating strategies

### Average oil sands sustaining project

Average well pairs per pad	9 - 12
Capital efficiency	\$5,000 – \$7,000/bbl/d
Finding & development cost	\$2 – \$3/bbl
Supply cost	US\$20 – \$30/bbl WTI



Note: Capital efficiency is defined as capital expenditures divided by productive capacity. Finding & development (F&D) cost is defined as the cost to drill, complete, and tie-in divided by forecasted recovery based on type curve analysis. Supply cost is the flat WTI price required to generate an after-tax rate of return of 9%. Capital efficiency, F&D, and supply cost do not have any standard meaning prescribed by IFRS and therefore may not be comparable with the calculation of similar measures for other entities. All references to WTI mean approximate West Texas Intermediate price in US\$/bbl.



## Conventional overview

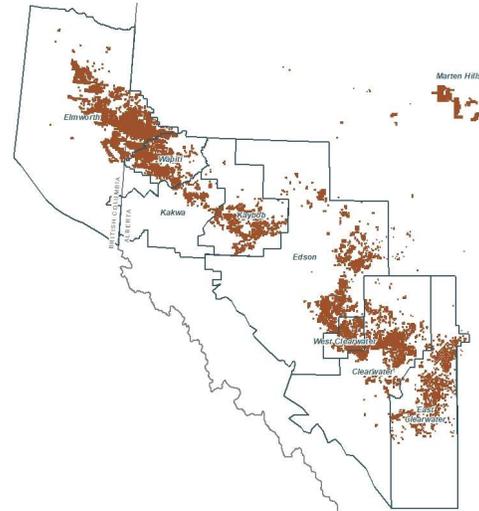
Reduced capital investment to support balance sheet in response to market volatility

### Deep Basin

- Low base decline allows for moderated pace of development
- Over 2.8 million net acres and 1.2 Bcf/d net processing capacity
- 2020 Q2 production of ~90,000 BOE/d

### Marten Hills

- Over 200 sections of prime oil sands leases
- 15-25° API gravity crude with up to 30m of pay
- 2020 Q2 production of ~2,200 bbls/d



Note: Values are approximate. Capacity of 1.2 BCF/d is net natural gas processing capacity in the Deep Basin.

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## Refining and marketing portfolio provides optionality

Portfolio of assets will change over time

- Pipelines are the preferred mode of transportation to access other markets
- Rail is flexible and bridges the gap during periods of pipeline congestion
- Refineries are strategically located to provide access to discounted crudes

### Utilizing the optionality of our Refining and Marketing assets

<p>~130 Mbbls/d ex-Alberta pipeline commitments</p>	<p>100 Mbbls/d crude by rail capacity (temporarily suspended)</p>	<p>~140 Mbbls/d heavy crude oil refinery capacity</p>

Note: On March 9, 2020, we temporarily suspended our crude by rail operations. Values are approximate. See Advisory.

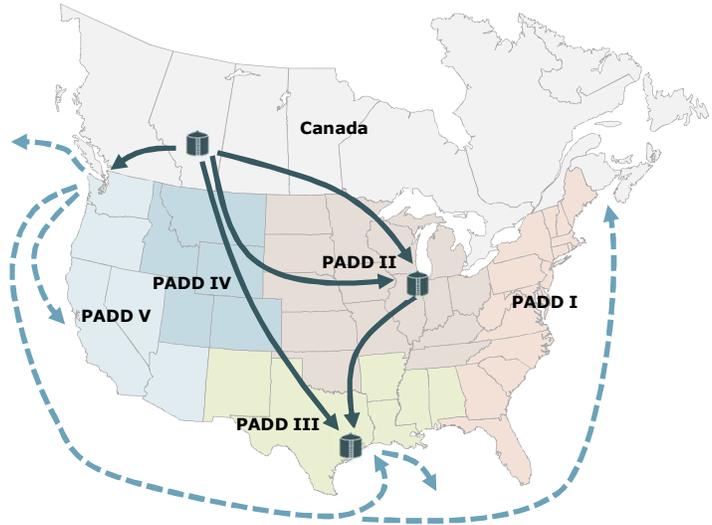
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# Marketing assets provide diversification and flexibility

Pipeline commitments, low fixed cost rail capacity and storage in multiple markets

Current ex-AB pipeline commitments		
<b>PADD II</b> Express – Platte pipelines	<b>PADD III</b> Enbridge USGC pipelines	<b>West Coast</b> Trans Mountain Pipeline
24,000 bbls/d	97,500 bbls/d	11,500 bbls/d
Current ex-AB rail capacity		
<b>Bruderheim</b>	<b>Hardisty</b>	
~65,000 bbls/d	~35,000 bbls/d	
Future ex-AB commitments		
<b>PADD II</b> Enbridge Mainline	<b>PADD III</b> Keystone XL	<b>West Coast</b> Trans Mountain Pipeline Expansion
TBD	150,000 bbls/d	125,000 bbls/d



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# Refineries provide counter cyclical cash flow

Strategically located downstream assets provide heavy crude advantage

## Wood River

- Gross crude capacity 346 Mbbbls/d (240 Mbbbls/d heavy)
- Nelson complexity factor 11.0
- Accesses multiple pipelines – Keystone, Express-Platte, Mustang, Ozark

## Borger refinery

- Gross crude capacity 149 Mbbbls/d (35 Mbbbls/d heavy)
- Nelson complexity factor 11.6
- Access to Canadian heavy, West Texas Sour and Permian supply

Generated over \$3.8 billion of operating margin in excess of capital investment since 2009

Note: See Advisory.

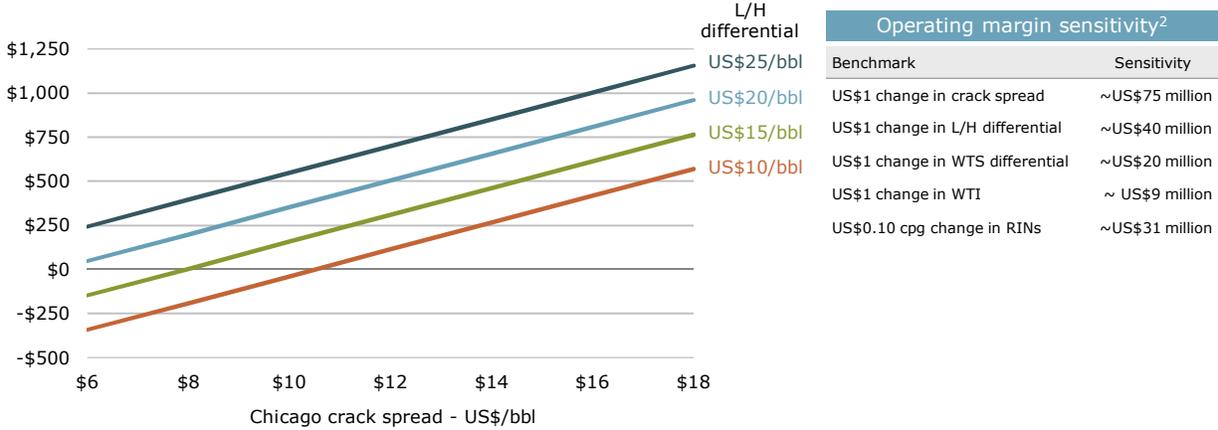


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# Refining operating margin sensitivities

Normalized refining operating margin, net, LIFO basis (US\$ million)<sup>1</sup>



Note: (1) Normalized refining operating margin excludes major turnaround activity and assumes no unplanned downtime or external disruptions. (2) Operating margin sensitivities calculated on a full year basis using pricing as per April 1, 2020 guidance document. RINs assumed at US\$0.40 cpg.



# ESG targets

## CLIMATE & GHG EMISSIONS 2030 TARGETS



Reduce emissions intensity by **30%**

Hold absolute emissions flat

Ambition: Reach **net zero** emissions by 2050

## INDIGENOUS ENGAGEMENT 2030 TARGET



Achieve a minimum **\$1.5 billion** of additional spending with Indigenous businesses

100% of staff will have completed Indigenous awareness training by the end of 2020 and will update their training biennially

## LAND & WILDLIFE 2030 TARGETS



Reclaim **1,500** decommissioned well sites

Complete **\$40 million** of caribou habitat restoration work

## WATER STEWARDSHIP 2030 TARGET



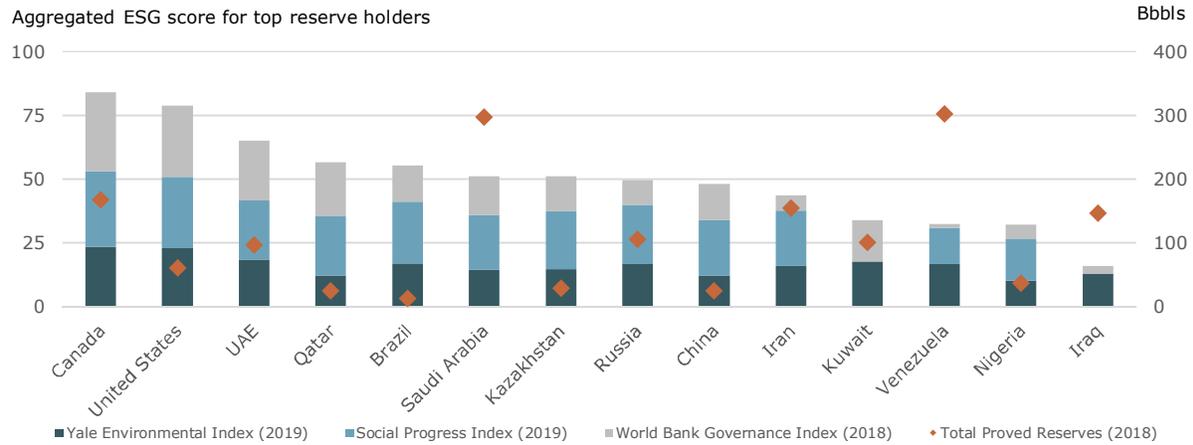
Achieve a fresh water intensity of a maximum of **0.1 barrel** per barrel of oil equivalent

Note: GHG emissions targets and ambition include scope 1 and 2 emissions from operated facilities and use a 2019 baseline (see definitions in advisory). Indigenous engagement target covers 2020-2030 and percentage of staff trained does not include people on leave. Reclamation target covers 2020-2030. Caribou Habitat Restoration Program covers 2016-2030. Water stewardship target set for December 31, 2030. See Advisory.



# More Canadian barrels are in the world's best interest

Opportunity for high ESG-ranked Canadian barrels to displace lower ESG-ranked barrels



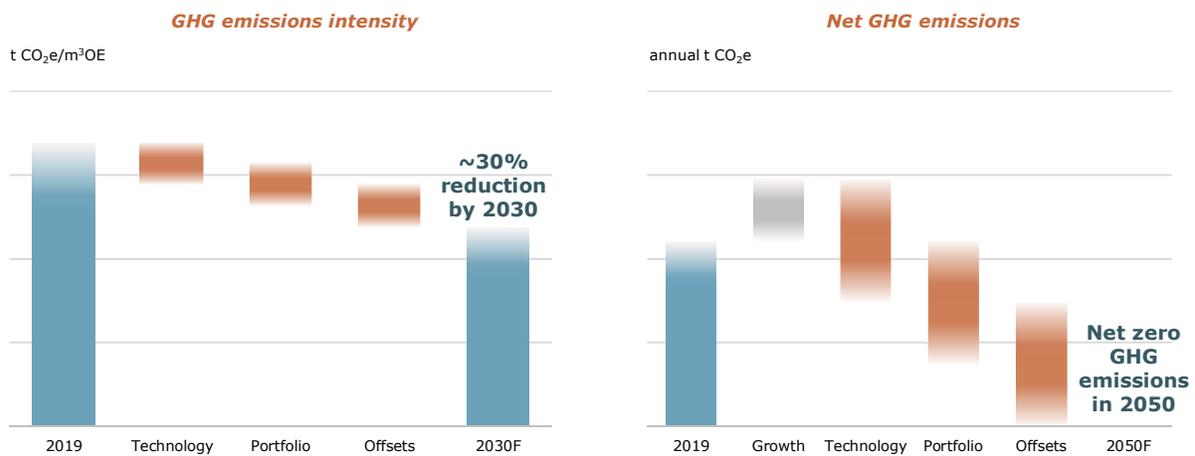
Sources: ESG Scores – aggregation using an equal weighting (1/3) for each of Yale Environmental Performance Index, Social Progress Index and World Bank Governance Index. Reserves - BP Statistical Review of World Energy 2019 based on government and published data.



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# Climate & GHG emissions targets

Reducing GHG emissions intensity<sup>1</sup> and driving towards net zero emissions

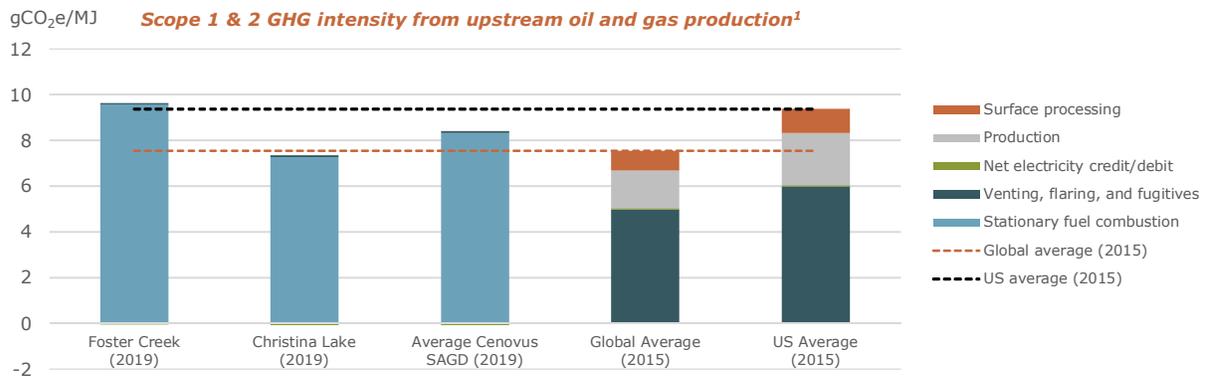


Note: (1) GHG emissions intensity reduction target includes scope 1 and scope 2 emissions from operated facilities (see definitions in advisory); assumes credit granted for cogeneration and offsets. 2019 GHG emissions intensity impacted by mandatory production curtailment. See Advisory.



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## Cenovus emissions intensity lower than the U.S. average



Source: Cenovus 2019 ESG Report; Mohammad S. Masnadi, Physical Science Research Scientist, Department of Energy Resources Engineering, Stanford University.

Note: (1) Global average as published in the journal Science by Masnadi et al. (2018) (10.1126/science.aar6859) adjusted to represent a comparable life-cycle boundary to Cenovus data, reported to the Federal and Provincial authorities under the GHG Reporting Program and Carbon Competitiveness Incentive Regulation (CCIR). Data reported under CCIR is independently verified under the ISO 14064-3 standard to a reasonable level of assurance.

Adjusted Masnadi et al. (2018) data calculated using the Oil Production Greenhouse gas Emissions Estimator (OPGEE) version 2.0 developed by Stanford University.

Net electricity credit reflects cogeneration. Onsite transportation emissions reported under CCIR are excluded, as these are minimal and not within the scope of OPGEE as published by Masnadi et al. (2018).

All adjustments carried out by Mohammad S. Masnadi, Physical Science Research Scientist, Department of Energy Resources Engineering, Stanford University.

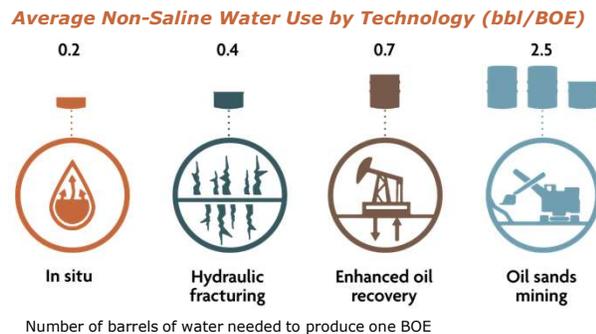
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## Managing our water use

In situ uses the least amount of water for oil production

- Our fresh water intensity is industry leading at 0.13 barrel per barrel of oil equivalent (company-wide)
- Target for a fresh water intensity of a maximum of 0.1 barrel per barrel of oil equivalent by 2030
- Over 85% of water used to generate steam at our oil sands sites is recycled
- Technology development is expected to increase water use efficiency

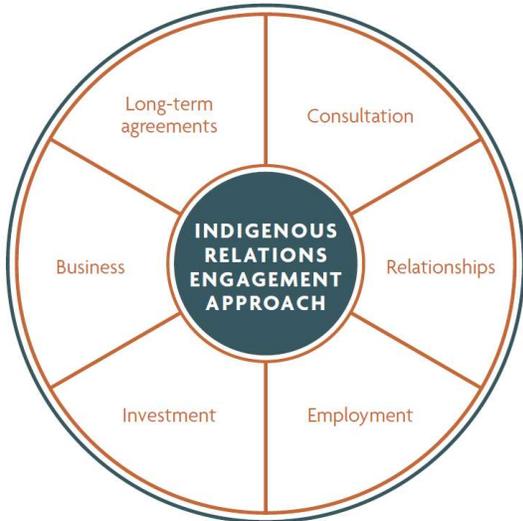


Note: Source of graphic: Alberta Energy Regulator (2014-2018). See Advisory.

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# History of strong Indigenous relationships



Committed to strong relationships with Indigenous communities:

- 9 long-term benefit agreements
- \$2.8 billion doing business with Indigenous companies since Dec 2009
- Target: spend an additional \$1.5 billion with Indigenous companies by 2030
- \$50 million over five years for the Indigenous Housing program
- Over 190 scholarships since 2012
- 100% of staff to complete Indigenous awareness training by the end of 2020

Note: Includes goods and services provided by Indigenous-owned companies (51 percent or more ownership) and Indigenous joint ventures. Percentage of staff trained does not include people on leave. See Advisory.



# Land & wildlife stewardship

Proactively managing our approach to land and wildlife

Low Asset Retirement Obligations (ARO)

- Total decommissioning liabilities under \$1 billion
- Target to achieve 1,500 reclamation certificates between 2019 – 2030

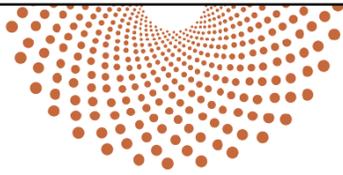
Cenovus Caribou Habitat Restoration project – largest single project of its kind in the world

- Focused on eliminating linear landscape features to mitigate predator impacts
- Over 1 million trees planted in operating areas since 2013
- \$9.5 million spent since 2016 towards the \$40 million target

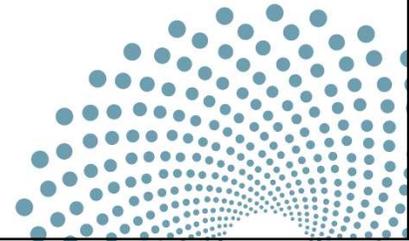


Note: Decommissioning liabilities as of June 30, 2020. The decommissioning provision represents the present value of the expected future costs associated with the retirement of upstream crude oil and natural gas assets, refining facilities and the crude-by-rail terminal. See Advisory.





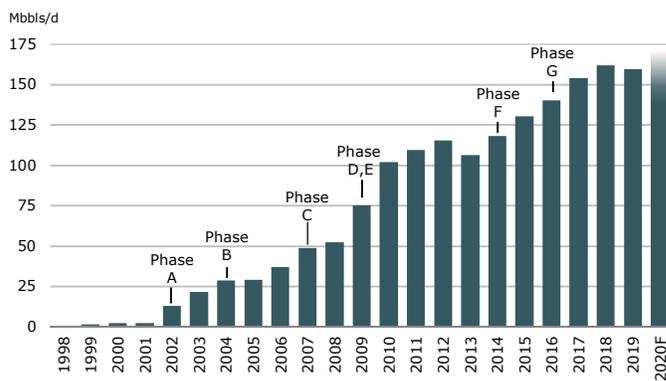
# Supplemental



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## Foster Creek overview

**Foster Creek production history**



**Key facts and reservoir characteristics**

Current productive capacity phases A-G (bbls/d)	180,000
Regulatory approved capacity (bbls/d)	295,000
Reservoir depth	~450 meters
Net pay	25 - 30 meters
High permeability	5 - 10 darcies
High oil saturation	~80%
API bitumen	9° - 11°
Cogeneration capacity (MW)	98
Cumulative steam-oil ratio (CSOR)	2.5
2019 average production per well (bbls/d)	560
2P reserves (Bbbls)	~2.7
2020F production (bbls/d)	~158,000

Successfully executed 7 SAGD expansions

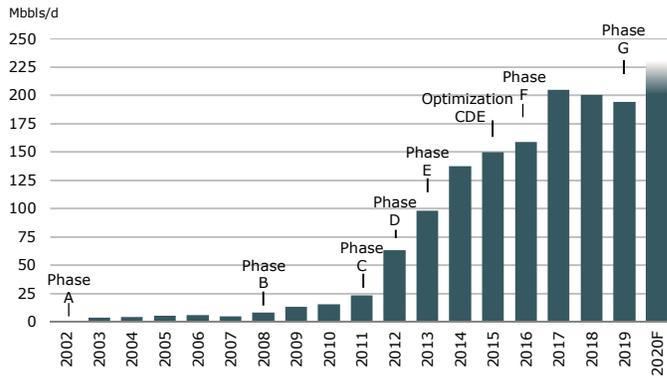
Note: Production is shown before royalties on a gross basis. CSOR and average production per well were impacted by mandated production curtailments in 2019. 2020F production based on the midpoint of April 1, 2020 guidance. CSOR and 2P reserves as of December 31, 2019. See Advisory.



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# Christina Lake overview

**Christina Lake production history**

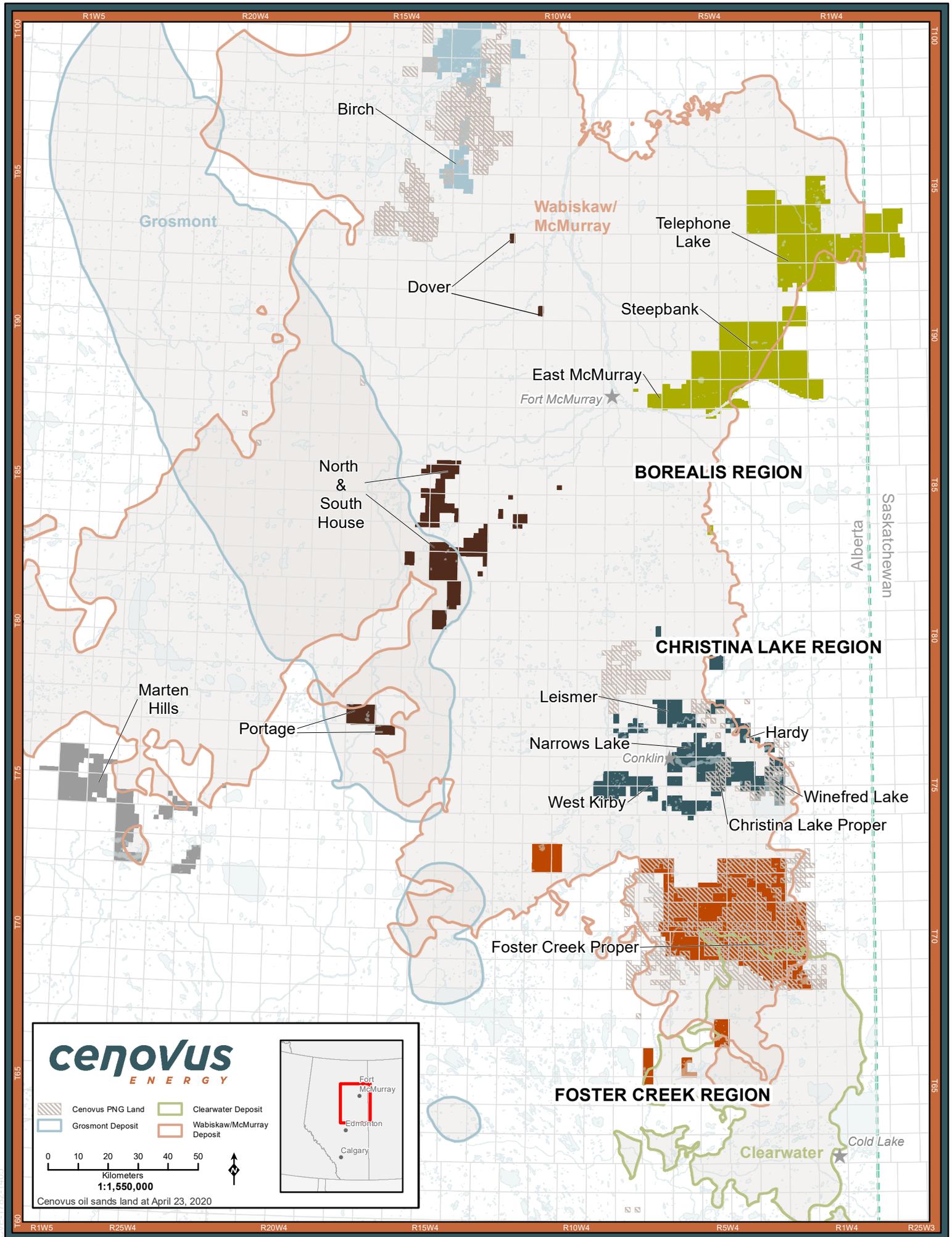


Key facts and reservoir characteristics	
Current productive capacity phases A-G (bbls/d)	260,000
Regulatory approved capacity (bbls/d)	310,000
Reservoir depth	~375 meters
Net pay	~40 meters
High permeability	5 - 10 darcies
High oil saturation	~80%
API bitumen	7.5° - 9.5°
Cogeneration capacity (MW)	100
Cumulative steam-oil ratio (CSOR)	1.9
2019 average production per well (bbls/d)	720
2P reserves (Bbbls)	~2.7
2020F production (bbls/d)	~218,000

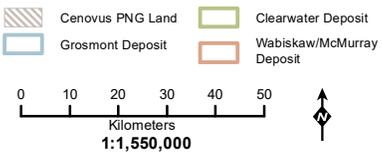
## Successfully executed 8 SAGD expansions and optimizations

Note: Production is shown before royalties on a gross basis. CSOR and average production per well were impacted by mandated production curtailments in 2019. 2020F production based on the midpoint of April 1, 2020 guidance. Phase G achieved first steam in January 2019 but utilization of incremental production capacity is impacted by mandatory curtailment and ramp down of crude by rail program, preventing utilization of the Alberta government's special production allowance. CSOR and 2P reserves as of December 31, 2019. See Advisory.





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Cenovus oil sands land at April 23, 2020



**BOREALIS REGION**

**CHRISTINA LAKE REGION**

**FOSTER CREEK REGION**

Alberta  
Saskatchewan

CME-1782-1405



# Corporate guidance

## 2020 Corporate Guidance - C\$, before royalties

April 1, 2020

UPSTREAM						
OIL SANDS						
	<u>Production</u> (Mbbbls/d)	<u>Capital expenditures</u> (\$ millions)		<u>Operating costs</u> (\$/bbl)	<u>Effective royalty rates (%)</u>	<u>Steam to oil 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>	6.25 - 7.00		
			<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>	4.50 - 5.25		
			<i>Total</i>	6.00 - 7.25		
Narrows Lake	- -	35 - 45		- -	- -	- -
Technology & Exploration <sup>(1)</sup>	- -	35 - 40		- -	- -	- -
<b>Oil Sands total</b>	<b>350 - 400</b>	<b>405 - 460</b>				
DEEP BASIN						
	<u>Production</u> (Mbbbls/d)	<u>Capital expenditures</u> (\$ millions)		<u>Operating costs</u> (\$/bbl)	<u>Effective royalty 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					
<b>Deep Basin total</b>	<b>82 - 86</b>					
TOTAL						
	<u>Production</u> (Mbbbls/d, MMcf/d, MBOE/d)	<u>Capital expenditures</u> (\$ millions)				
Total liquids	370 - 423					
Total natural gas	370 - 380					
<b>Total upstream</b>	<b>432 - 486</b>	<b>435 - 495</b>				
REFINING & MARKETING						
		<u>Capital expenditures</u> (\$ millions)		<u>Operating costs</u> (\$/bbl)		
Refining <sup>(2)</sup>		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) <sup>(4)</sup>		350 - 450
General & administrative expenses (\$ millions) <sup>(3)</sup>		230 - 250		Cash tax (recovery) (\$ millions)		0 - 10
				Effective tax rate (%) <sup>(5)</sup>		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

## Oil and Gas Information

The estimates of reserves and resources data and related information were prepared effective December 31, 2019 by independent qualified reserves evaluators ("IQREs"), based on the Canadian Oil and Gas Evaluation Handbook (the "COGE Handbook") and in compliance with the requirements of National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities.

### Barrels of Oil Equivalent

Natural gas volumes have been converted to barrels of oil equivalent (BOE) on the basis of six Mcf to one barrel (bbl). BOE may be misleading, particularly if used in isolation. A conversion ratio of one bbl to six Mcf is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil compared with natural gas is significantly different from the energy equivalency conversion ratio of 6:1, utilizing a conversion on a 6:1 basis is not an accurate reflection of value.

### Definitions and Industry Terminology

"Scope 1 emissions" are direct emissions from owned or operated facilities. Cenovus accounts for emissions on a gross operatorship basis. This includes fuel combustion, venting, flaring and fugitive emissions. It does not include emissions from the 50% non-operated ownership in the company's refineries or emissions from non-operated Deep Basin assets.

"Scope 2 emissions" are indirect emissions from the generation of purchased energy for the company's operated facilities. For Cenovus, this is limited to electricity imports.

### Presentation Basis

Cenovus presents production volumes on a net to Cenovus before royalties basis, unless otherwise stated.

Cenovus adopted IFRS 16, "Leases" ("IFRS 16"), effective January 1, 2019, using the modified retrospective approach; therefore, comparative information has not been restated. Further information about changes to our accounting policies resulting from the adoption of IFRS 16 can be found in Note 4 to the December 31, 2019 Consolidated Financial Statements.

### Non-GAAP Measures and Additional Subtotal

The following measures do not have a standardized meaning as prescribed by IFRS and therefore are considered non-GAAP measures. You should not consider these measures in isolation or as a substitute for analysis of our results as reported under IFRS. These measures are defined differently by different companies in our industry. These measures may not be comparable to similar measures presented by other issuers.

"Adjusted Funds Flow" is used in the oil and gas industry to assist in measuring a company's ability to finance its capital programs and meet its financial obligations. Adjusted Funds Flow is defined as Cash From Operating Activities excluding net change in other assets and liabilities and net change in non-cash working capital. Net change in other assets and liabilities is composed of site restoration costs and pension funding. Non-cash working capital is composed of accounts receivable, inventories (excluding non-cash inventory write-downs), income tax receivable, accounts payable and income tax payable.

"Free Funds Flow" is defined as Adjusted Funds Flow less capital investment.

"Debt to capitalization", "net debt to capitalization", "debt to adjusted EBITDA" and "adjusted EBITDA" are ratios that management uses to steward the company's overall debt position as measures of the company's overall financial strength. "Debt" is defined as short-term borrowings and long-term debt, including the current portion. "Net debt" is defined as debt net of cash and cash equivalents. "Capitalization" is defined as debt plus shareholders' equity. "Net debt to capitalization" is defined as net debt divided by net debt plus shareholders' equity. "Adjusted EBITDA" is defined as earnings before finance costs, interest income, income tax expense, depreciation, depletion and amortization, goodwill and asset impairments, unrealized gains or losses on risk management, foreign exchange gains or losses, gains or losses on divestiture of assets and other income and loss, calculated on a trailing 12-month basis.

"Operating Margin" is an additional subtotal found in Notes 1 and 11 of the December 31, 2019 Consolidated Financial Statements and is used to provide a consistent measure of the cash generating performance of our assets for comparability of our underlying financial performance between periods. Operating Margin is defined as revenues less purchased product, transportation and blending, operating expenses, production and mineral taxes plus realized gains less realized losses on risk management activities. Items within the Corporate and Eliminations segment are excluded from the calculation of Operating Margin.

### Forward-looking Information

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

Forward-looking information in this presentation is identified by words such as "achieve", "ambition", "capacity", "commitment", "committed", "continue", "driving", "expect", "focus", "forecast", "future", "leads to", "maintain", "option", "plan", "priority", "target", "will" or similar expressions and includes suggestions of future outcomes, including, but not limited to, statements about: schedules and plans, including expected timing for oil sands expansion phases and associated expected production capacities; adjusting staff levels at sites and offices in accordance with guidance received from the government and public health officials; reducing 2020 cash outlay; plans to maintain and demonstrate financial discipline while balancing growth and shareholder return; continuing to advance

our operational performance and upholding our trusted reputation; projections for 2020 and future years and our plans and strategies to realize such projections; future opportunities for oil and natural gas development; forecast operating and financial results, including forecast sales prices, costs and cash flows; our commitment to continue reducing debt, including our long-term target Net Debt of \$5 billion which supports investment grade credit ratings; our ability to satisfy payment obligations as they become due in the current environment; oil sands operating costs and sustaining capital expenditures; demonstrating capital discipline while maintaining safe and reliable operations; operational flexibility; using dynamic storage to shift production into a stronger price environment; utilizing storage and market access to respond to market volatility; changing portfolio of transportation assets; downstream assets providing heavy crude advantage; priorities for and approach to capital investment decisions or capital allocation; planned capital expenditures, including the amount, timing and financing thereof; all statements with respect to our 2020 guidance estimates; expected future production, including the accuracy, timing, stability or growth thereof; our ability to take steps to partially mitigate against wider WTI and WCS price differentials; expected reserves; capacities including for projects, transportation and refining; our ability to preserve our financial resilience and various plans and strategies with respect thereto; forecast cost savings and sustainability thereof; our priorities; future impact of regulatory measures; forecast commodity prices, differentials and trends and expected impact; potential impacts of various risks, including those related to commodity prices and climate change; the potential effectiveness of our risk management strategies; opportunities to improve reservoir performance; availability and repayment of the existing credit facilities; Cenovus's 2030 climate change and GHG related targets and further ambitions, including our ability to lower GHG emissions on both an absolute basis and in terms of intensity in our operations and in respect of Cenovus's target of reducing GHG emissions intensity by 30% and holding absolute emissions flat by 2030, and its ambition of reaching net zero emissions by 2050 (which is inherently less certain due to the longer time frame and certain factors outside of our control as outlined in more detail below); Cenovus's ability to achieve its targets and ambitions while maintaining a low cost structure, free funds flow growth, shareholder returns and balance sheet strength and its options and opportunities to achieve such targets and ambitions; Cenovus's plans with respect to continued Indigenous engagement, including its target to achieve a minimum of \$1.5 billion of additional spending with Indigenous owned or operated businesses over the next 10 years and the expected benefits to neighbouring communities; Cenovus's plans with respect to land restoration, including its target to reclaim 1,500 decommissioned well sites over the next 10 years; Cenovus's plans with respect to our Caribou Restoration Project total spend of \$40 million; references to Cenovus's 2030 ESG targets and further ambitions, including the areas of focus which Cenovus will take to achieve such targets and ambitions and the impacts of working towards such targets and ambitions; future use and development of technology and associated future outcomes; our ability to access and implement all technology necessary to efficiently and effectively operate our assets and achieve expected future results; and projected growth and projected shareholder return. Readers are cautioned not to place undue reliance on forward-looking information as our actual results may differ materially from those expressed or implied.

Developing forward-looking information involves reliance on a number of assumptions and consideration of certain risks and uncertainties, some of which are specific to Cenovus and others that apply to the industry generally. The factors or assumptions on which the forward-looking information is based include, but not limited to: forecast oil and natural gas prices and other assumptions inherent in Cenovus's 2020 guidance, available at [cenovus.com](http://cenovus.com); projected capital investment levels, the flexibility of our capital spending plans and the associated source of funding; projected future production; measures taken in response to COVID-19 and low price environment will be effective; actions taken will reduce 2020 cash outlay; our ability to achieve our long term goal of net debt of \$5 billion; applicable royalty regimes, including expected royalty rates; future improvements in availability of product transportation capacity; increase to our share price and market capitalization over the long term; future narrowing of crude oil differentials; realization of expected impacts of the company's storage capacity within its oil sands reservoirs; the ability of Cenovus's refining capacity, dynamic storage, existing pipeline commitments and financial hedge transactions to partially mitigate a portion of Cenovus's WCS crude 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; our ability to decrease production in our oil sands operations without compromising our assets; accounting estimates and judgments; future use and development of technology and associated expected future results; Cenovus's ability to obtain necessary regulatory and partner approvals; the successful and timely implementation of capital projects or stages thereof; Cenovus's ability to generate sufficient liquidity to meet current and future obligations; Cenovus's ability to maintain industry leading oil sands operating costs and sustaining capital expenditures; Cenovus's ability to demonstrate capital discipline while maintaining safe and reliable operations; our ability to achieve and maintain operational flexibility; our ability to use dynamic storage to shift production into a stronger price environment; Cenovus's ability to utilize storage and market access to respond to market volatility; our ability to change our portfolio of transportation assets over time; downstream assets will provide heavy crude advantage; continued access to short-term capital such as credit and demand facilities; certain levels of future energy use and consumption of oil and gas; Cenovus's carbon price outlook; the performance of assets and equipment; estimated abandonment and reclamation costs, including associated levies and regulations applicable thereto; the accuracy of third party data upon which we rely; opportunities to repurchase shares for cancellation at prices acceptable to us; Cenovus's ability to obtain and retain qualified staff and equipment in a timely and cost-efficient manner; the availability of Indigenous owned or operated businesses; Cenovus's ability to access sufficient capital to pursue development plans; forecast inflation and other assumptions inherent in Cenovus's current guidance set out below; expected impacts of the contingent payment to ConocoPhillips; alignment of realized WCS and WCS prices used to calculate the contingent payment to ConocoPhillips; Cenovus's ability to access and implement all technology necessary to achieve expected future results; Cenovus's ability to implement capital projects or stages thereof in a successful and timely manner; and other risks and uncertainties described from time to time in the filings Cenovus makes with securities regulatory authorities.

2020 guidance, issued on April 1, 2020, assumes: Brent prices of US\$39.00/bbl, WTI prices of US\$34.00/bbl; WCS prices 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\$.

Unless otherwise specifically stated or the context dictates otherwise, the financial outlook and forward-looking metrics in this presentation, in addition to the generally applicable assumptions described above, do not include or account for the effects or impacts of asset sales.

In respect of our 2030 GHG targets, we have assumed: Cenovus's ability to successfully pursue NPV-positive capital investment opportunities and other operational measures, including the successful application to Cenovus's current and future operations of existing technology and new technology that is expected to be commercial in the near term; the successful implementation of our proposed or potential strategies and plans to reduce emissions; projected capital investment levels, the flexibility of our capital spending plans and the associated source of funding; and Cenovus's ability to otherwise access and implement all technology necessary to achieve our 2030 GHG targets, the development and performance of technology and technological innovations and the future use and development of technology and associated expected future results.

In respect of our 2050 net zero GHG ambition, we have assumed the same factors as in respect of our 2030 GHG targets applied over a longer term and will also rely on certain other factors and events coming to fruition, which are, to a large extent, outside of our control and thus less certain than those assumptions and factors that relate solely to our 2030 GHG targets, which includes continued development of commercially feasible carbon capture, utilization and storage (CCUS) technology and its future economic viability in Alberta; additional infrastructure to be built by industry or government sources to support CCUS and other technologies; and collaboration with partners to fund R&D into cost improvements and novel approaches to carbon capture.

The risk factors and uncertainties that could cause our actual results to differ materially, include, but not limited to: Cenovus's ability to access or implement some or all of the technology necessary to efficiently and effectively operate assets and achieve expected future results; volatility of and other assumptions regarding commodity prices, including the extent to which COVID-19 impacts the global economy and harms commodity prices; the extent to which COVID-19 and fluctuations in commodity prices associated with COVID-19 impacts our business, results of operations and financial condition, all of which will depend on future developments that are highly uncertain and difficult to predict, including, but not limited to the duration and spread of the pandemic, its severity, the actions taken to contain COVID-19 or treat its impact and how quickly economic activity normalizes; a resurgence in cases of COVID-19, which has occurred in certain locations and the possibility of which in other locations remains high and creates ongoing uncertainty that could result in restrictions to contain the virus being re-imposed or imposed on a more strict basis, including restrictions on movement and businesses; the success of our COVID-19 workplace protocols and safety measures; the effectiveness of Cenovus's risk management program, including the impact of derivative financial instruments, the success of our hedging strategies and the sufficiency of our liquidity position; the effectiveness of measures taken in response to COVID-19 and low price environment, including actions to reduce cash outlay in 2020; inability to achieve our long term debt of \$5 billion; the accuracy of cost estimates regarding commodity prices, currency and interest rates; lack of alignment of realized WCS prices and WCS prices used to calculate the contingent payment to ConocoPhillips; product supply and demand; accuracy of Cenovus's share price and market capitalization assumptions; market competition, including from alternative energy sources; risks inherent in Cenovus's marketing operations, including credit risks, exposure to counterparties and partners, including ability and willingness of such parties to satisfy contractual obligations in a timely manner; risks inherent in the operation of our crude-by-rail terminal, including health, safety and environmental risks; Cenovus's ability to maintain desirable ratios of Net Debt to Adjusted EBITDA as well as Net Debt to Capitalization; Cenovus's ability to access various sources of debt and equity capital, generally, and on terms acceptable to us; failure to maintain industry leading levels of oil sand operation costs and sustaining capital expenditures; Cenovus's inability to demonstrate capital discipline and maintain safe and reliable operations; Cenovus's inability to achieve and maintain operational flexibility; Cenovus's inability to use dynamic storage to shift production into a stronger price environment; Cenovus's inability to utilize storage and market access to respond to market volatility; inability to change our portfolio of transportation assets over time; downstream assets fail to provide heavy crude advantage; Cenovus's ability to finance growth and sustaining capital expenditures; changes in credit ratings applicable to Cenovus or any of our securities; changes to Cenovus's dividend plans or strategy; accuracy of our reserves, future production and future net revenue estimates, including production estimates associated with exploration opportunities currently in development, which opportunities are inherently riskier; resource quantities, current expectations and evaluations thereof and associated production and development plans, are subject to all of the risks associated with our business and cannot be guaranteed; accuracy of Cenovus's accounting estimates and judgments; Cenovus's ability to replace and expand oil and gas reserves; potential requirements under applicable accounting standards for impairment or reversal of estimated recoverable amounts of some or all of our assets or goodwill from time to time; Cenovus's ability to maintain relationships with our partners and to successfully manage and operate our integrated business; reliability of our assets including in order to meet production targets; potential disruption or unexpected technical difficulties in developing new products and manufacturing processes; refining and marketing margins; inflationary pressures on operating costs, including labour, materials, natural gas and other energy sources used in oil sands processes; potential failure of products to achieve or maintain acceptance in the market; risks associated with fossil fuel industry reputation; unexpected cost increases or technical difficulties in constructing or modifying manufacturing or refining facilities; unexpected difficulties in producing (including lowering production in our oil sands properties), transporting or refining of bitumen and/or crude oil into petroleum and chemical products; risks associated with technology and its application to Cenovus's business; risks associated with climate change and our assumptions relating thereto; the timing and the costs of well and pipeline construction; Cenovus's ability to secure adequate and cost effective product transportation including sufficient pipeline, crude-by-rail, marine or alternate transportation, including to address any gaps caused by constraints in the pipeline system; availability of, and our ability to attract and retain, critical talent; possible failure to obtain and retain qualified staff and equipment in a timely and cost efficient manner; changes in labour relationships; changes in the regulatory framework in any of the locations in which we operate, including changes to the regulatory approval process and land-use designations, royalty, tax, environmental, GHG, carbon, climate change and other laws or regulations, or changes to the interpretation of such laws and regulations, as adopted or proposed, the impact thereof and the costs associated with compliance; changes in general economic, market and business conditions; the political and economic conditions in the countries in which we operate or supply; the occurrence of unexpected events such as war, terrorist threats, pandemics, and the instability resulting therefrom; the occurrence of unexpected events such as fires, severe weather conditions, explosions, blow-outs, equipment failures, transportation incidents and other accidents or similar events; and risks associated with existing and potential future lawsuits, shareholder proposals and regulatory actions against Cenovus.

Additional risk factors and uncertainties that could be impediments to Cenovus meeting its 2030 climate and GHG emissions targets and further ambitions, include, but are not limited to: the effects of the implementation of cogeneration and potential increases in our steam-to-oil ratio on our overall emissions; Cenovus's ability to develop, access or implement some or all of the technology necessary to efficiently and effectively operate assets and achieve expected future results, including in respect of climate and GHG emissions targets and ambitions, the commercial viability and scalability of emission reduction strategies and related technology and products; the development and execution of implementing strategies to meet climate and GHG emissions targets and ambitions, including uncertainty over solvent supply and transportation, reservoir performance and capital spending estimates; uncertainty regarding the status of offsets, including due to cogeneration and renewable energy generation, recognition under future government policies and by ESG rating organizations and the measurability of offsets to count as emissions reductions; uncertainty in respect of CCUS regarding the eligibility of the credit generating pathways and the volatility of the price-signal in the credit market and the durability of the related policy through government changes. Additional risk factors and uncertainties that could be impediments in respect of Cenovus meeting its targets, ambitions, strategy and related milestones and schedules as they relate to our four ESG focus areas, include, but are not limited to: increasing stakeholder consideration of ESG factors and risks, including among credit rating agencies, lenders and investors, which may impact Cenovus's ability to access capital required to finance growth and sustaining capital expenditures; the inability to receive necessary regulatory approvals in a timely manner; reputational risk, including among stakeholders and government; maintenance of key relationships with government and other regulatory bodies; potential failure of products to achieve or maintain market acceptance; and risks associated with fossil fuel industry reputation and litigation related thereto.

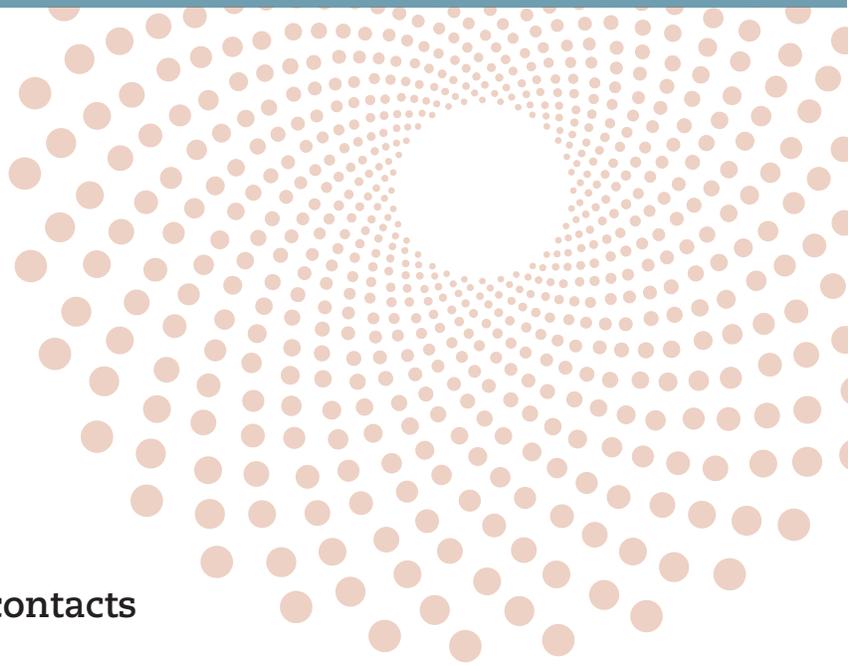
In addition, there are risks that the effect of actions taken by us in implementing targets and ambitions for ESG focus areas may have a negative impact on our existing business, growth plans and future results from operations.

Statements relating to “reserves” are deemed to be forward-looking information, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated, and can be profitably produced in the future.

Readers are cautioned that the foregoing lists are not exhaustive and are made as at the date hereof. Events or circumstances could cause our actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking information. For a full discussion of Cenovus's material risk factors, see “Risk Management and Risk Factors” in our Management's Discussion and Analysis for the period ended December 31, 2019, and “Risk Management and Risk Factors” in our Management's Discussion and Analysis for the period ended June 30, 2020, available on SEDAR at [sedar.com](http://sedar.com), on EDGAR at [sec.gov](http://sec.gov) and on Cenovus's website at [cenovus.com](http://cenovus.com).

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## Investor relations contacts

### Sherry Wendt

Director, Investor Relations  
sherry.wendt@cenovus.com  
403.766.5489

### Mark Austin

Senior Advisor, Investor Relations  
mark.austin@cenovus.com  
403.766.3926

### Todd McBride

Senior Advisor, Investor Relations  
todd.mcbride@cenovus.com  
403.766.3525

### Brad Lenz

Senior Advisor, ESG Investor Relations  
brad.lenz@cenovus.com  
403.766.2213

### Cenovus Energy Inc.

225 - 6 Ave SW  
PO Box 766  
Calgary, Alberta T2P 0M5  
Telephone: 403.766.2000  
Toll free in Canada: 1.877.766.2066  
Fax: 403.766.7600

**cenovus.com**