July 04, 2018

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 second quarter 2018 results on Thursday, July 26th, 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 second quarter results.

Corporate:

- "As at March 31, 2018, there were approximately 1,229 million common shares outstanding." *(MD&A at March 31, 2018)*
- Our 2018 Corporate Guidance excludes one-time items from G&A such as severance charges related to workforce reductions. *(Guidance document – December 13, 2017)*
- Cenovus provides sensitivities to benchmark commodity prices in its 2018 guidance document. *(Guidance document – December 13, 2017)*

2018 Corporate Guidance - C$, before royalties

December 13, 2017

PRICE ASSUMPTIONS & ADJUSTED FUNDS FLOW SENSITIVITIES (8)

Brent (US$/bbl)	55.00	**Independent base case sensitivities**	Increase	Decrease
WTI (US$/bbl)	52.00	*(for the full year 2018)*	($ millions)	($ millions)
Western Canada Select (US$/bbl)	37.00	Crude oil (WTI) - US$1.00 change	45	(90)
NYMEX (US$/MMBtu)	3.00	Light-heavy differential (WTI-WCS) - US$1.00 change	(125)	80
AECO ($/GJ)	2.20	Chicago 3-2-1 crack spread - US$1.00 change	85	(85)
Chicago 3-2-1 Crack Spread (US$/bbl)	15.00	Natural gas (NYMEX) - US$1.00 change	120	(110)
Exchange Rate (US$/C$)	0.78	Exchange rate (US$/C$) - $0.05 change	(250)	245

(8) Sensitivities include current hedge positions applicable to the full year 2018. 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.

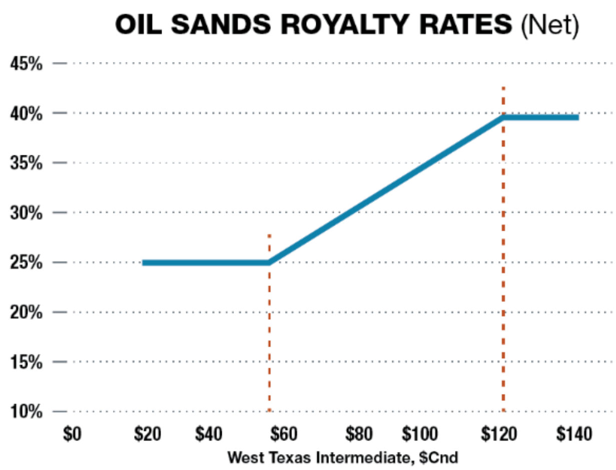
Production:

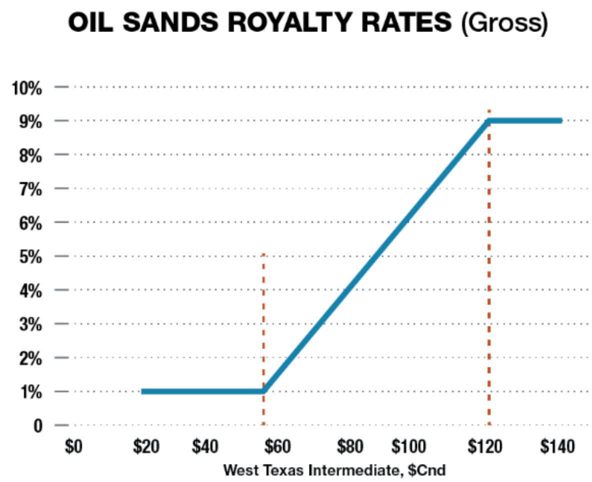
- Cenovus provided a first quarter operational update on March 22nd. "Cenovus anticipates first quarter oil sands production of between 350,000 and 360,000 barrels per day." "…Cenovus continues to expect full-year oil sands volumes for 2018 to be within the company's guidance range of 364,000 to 382,000 barrels per day." *(News release – March 22nd, 2018)*
- Following that announcement, our Q1 news release confirmed ramp-up as light-heavy differentials narrowed. "The company ramped oil sands production back up to normal levels after Western Canadian Select (WCS) prices improved." *(News release – April 25th, 2018)*
- Monthly oil sands production is available for purchase from the Alberta Energy Regulator (AER) at the following website https://www.aer.ca/data-and-publications/statistical-reports/st53. Please contact Cenovus Investor Relations with any specific questions related to the contents of the ST53 report.
- In the Deep Basin, "First quarter production averaged 127,056 BOE/d, with average operating costs of $7.36/BOE, an 18% reduction from the third quarter of 2017,

Cenovus's first full quarter of ownership of the assets. While the company is encouraged by the drilling and production results, Cenovus continues to take a disciplined approach to development in the Deep Basin in response to lower natural gas prices. During the quarter, the company substantially completed its 2018 Deep Basin capital investment program, bringing 17 wells on production, completing 16 wells and adding additional pipeline infrastructure, and drilling 14 horizontal wells targeting liquids-rich natural gas." *(News release – April 25th, 2018)*

Oil Sands Royalties:

- Royalty calculations for our oil sands projects are based on government prescribed pre- and post-payout royalty rates which are determined on a sliding scale using the Canadian dollar equivalent WTI benchmark price.





- "Royalties at Foster Creek, a post-payout project, are based on an annualized calculation which uses the greater of: (1) the gross revenues multiplied by the applicable royalty rate (one to nine percent, based on the Canadian dollar equivalent WTI benchmark price); or (2) the net profits of the project multiplied by the applicable royalty rate (25 to 40 percent, based on the Canadian dollar equivalent WTI benchmark price). Gross revenues are a function of sales volumes and sales prices. Net profits are a function of sales volumes, sales prices and allowed operating and capital costs." *(MD&A at March 31, 2018)*
- "Royalties at Christina Lake, a pre-payout project, are based on a monthly calculation that applies a royalty rate (ranging from one to nine percent, based on the Canadian dollar equivalent WTI benchmark price) to the gross revenues from the project." *(MD&A at March 31, 2018)*
- More detail around Alberta's royalty framework can be found at the following website https://www.alberta.ca/royalty-oil-sands.aspx

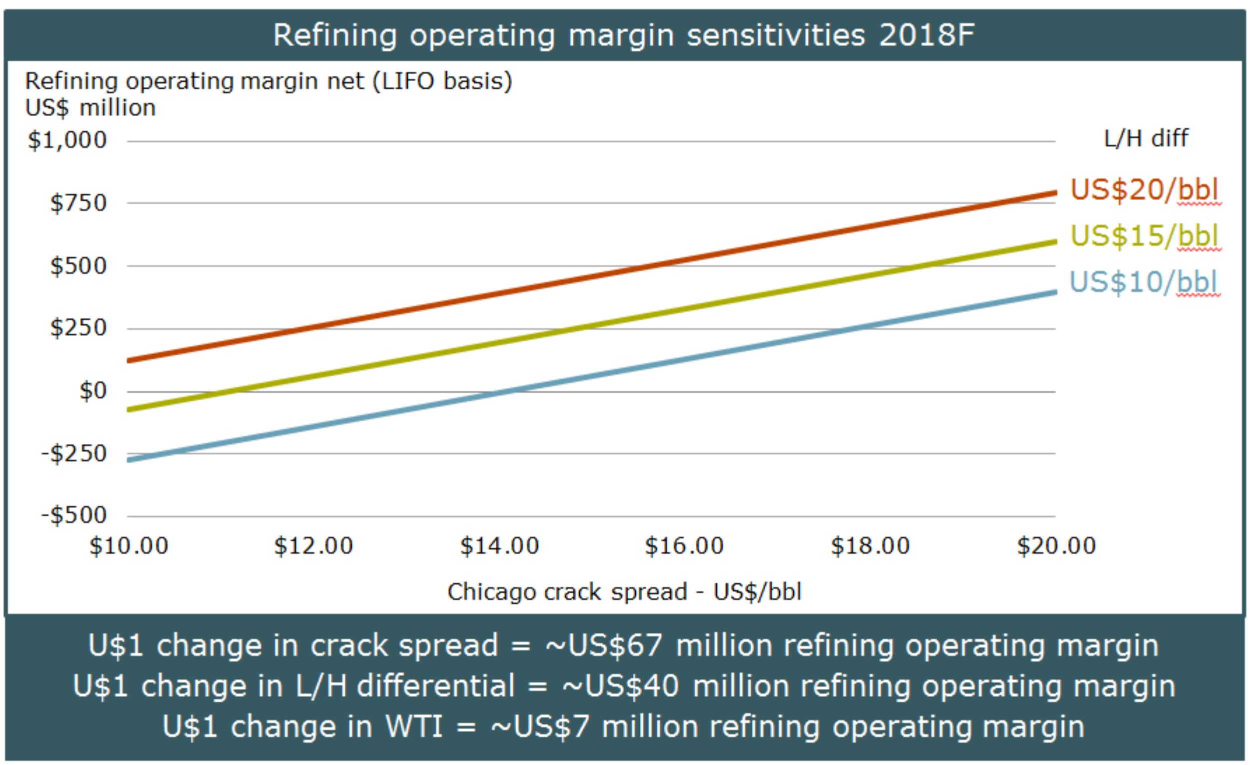
Refining:

- As a reminder, Cenovus's first quarter operating results were impacted by turnarounds at its refineries. Cenovus also noted some continuation of Q1 turnaround activity into April. "In the first quarter of 2018, the Wood River and Borger refineries, which Cenovus jointly owns with the operator, underwent planned maintenance activity, including the first major turnaround at the Wood River Coker and Refinery Expansion (CORE) project since it was completed in 2011. The maintenance programs were completed in April, and both refineries have since returned to planned operating levels.” *(News release – April 25th, 2018)*

- 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. *(News release - October 29, 2015)*

Selected Average Benchmark Prices	2018					2017					2016				
	Q2	**June**	**May**	**April**	Q1	Year	Q4	Q3	Q2	Q1	Year	Q4	Q3	Q2	Q1
Crude Oil Prices *(US$/bbl)*															
Brent	**74.90**	**75.94**	**77.01**	**71.76**	67.18	54.82	61.54	52.18	50.92	54.66	45.04	51.13	46.98	46.97	35.08
West Texas Intermediate ("WTI")	**67.88**	**67.32**	**69.98**	**66.33**	62.87	50.95	55.40	48.21	48.29	51.91	43.32	49.29	44.94	45.59	33.45
Differential Brent Futures-WTI	**7.03**	**8.62**	**7.03**	**5.43**	4.31	3.87	6.14	3.97	2.63	2.75	1.72	1.84	2.04	1.38	1.63
Western Canadian Select ("WCS")	**48.61**	**52.10**	**53.25**	**40.47**	38.59	38.97	43.14	38.27	37.16	37.33	29.48	34.97	31.44	32.29	19.21
Differential - WTI-WCS	**19.27**	**15.22**	**16.73**	**25.86**	24.28	11.98	12.26	9.94	11.13	14.58	13.84	14.32	13.50	13.30	14.24
Differential - WTI-WTS	**8.23**	**8.51**	**10.24**	**5.95**	1.41	1.04	0.47	1.05	1.12	1.51	0.96	1.02	1.53	0.96	0.32
Mixed Sweet Blend ("MSW") (US$)	**62.43**	**60.55**	**64.07**	**62.66**	56.98	48.50	54.26	45.32	46.03	48.37	40.11	46.18	41.99	42.51	29.76
Condensate - (C5 @ Edmonton)	**68.83**	**66.40**	**70.81**	**69.27**	63.04	51.57	57.97	47.61	48.44	52.26	42.47	48.33	43.07	44.07	34.39
Differential - WTI-Condensate (premium)/discount	**(0.95)**	**0.92**	**(0.83)**	**(2.94)**	(0.17)	(0.62)	(2.57)	0.60	(0.15)	(0.35)	0.85	0.96	1.87	1.52	(0.94)
Refining Margins 3-2-1 Crack Spreads [(1)] *(US$/bbl)*															
Chicago	**18.36**	**18.89**	**19.81**	**16.39**	12.96	16.77	21.09	19.66	14.78	11.54	13.07	10.96	14.58	17.15	9.58
Midwest Combined (Group 3)	**18.04**	**18.29**	**19.42**	**16.41**	15.66	16.61	18.77	20.20	14.27	13.18	12.27	10.95	14.56	13.03	10.52
Natural Gas Prices															
AECO (C$/Mcf)	**1.03**	**0.78**	**0.78**	**1.52**	1.85	2.43	1.96	2.04	2.77	2.94	2.09	2.81	2.20	1.25	2.11
AECO (C$/GJ)	**0.97**	**0.74**	**0.74**	**1.44**	1.76	2.30	1.85	1.93	2.63	2.79	1.98	2.66	2.09	1.18	2.00
NYMEX (US$/Mcf)	**2.80**	**2.88**	**2.82**	**2.69**	3.00	3.11	2.93	3.00	3.18	3.32	2.46	2.98	2.81	1.95	2.09
Differential NYMEX - AECO (US$/Mcf)	**2.00**	**2.27**	**2.21**	**1.52**	1.52	1.26	1.40	1.39	1.13	1.10	0.89	0.86	1.13	0.99	0.56
FIFO Adjustment (C$ millions)															
FIFO Adjustment					21	93	71	9	(31)	44	141	108	(37)	107	(37)

[(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”).



Note: Based on an approximately US$52/bbl WTI as a basis and assumes no unplanned downtime or external disruptions. RINs assumed at US$0.70 cpg.

Foreign Exchange:

- "Our revenues are subject to foreign exchange exposure as the sales prices of our crude oil, NGL's, 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." *(MD&A at March 31, 2018)*
- Please refer to the above sensitivities table from our guidance document if you are attempting to model the potential impact of changes in the foreign exchange rate.

Hedging:

- "To support the company's financial resilience as it continued to deleverage its balance sheet in 2017, Cenovus hedged a greater percentage of 2018 forecast liquids production than it typically does, establishing a floor on crude oil prices. Approximately 80% of the company's forecast oil production is hedged for the first half of the year. Approximately 37% of forecast oil production is hedged for the second half of 2018. There were no natural gas hedges in place as of December 31, 2017." *(Fourth quarter report – February 15th, 2018)*
- "At the end of the second quarter, a portion of Cenovus's 2018 risk management contracts will expire, reducing the company's hedge position to approximately 37% of forecast oil production for the second half of the year. As of March 31, 2018, the company had 19,000 barrels per day (bbls/d) of West Texas Intermediate (WTI) hedged for 2019 using collars that provide downside price protection while allowing Cenovus opportunity to capture some of the benefit in a rising price environment." *(News release – April 25th, 2018)*

Current hedge positions for 2018			
Hedges at March 31, 2018	Terms	Volumes	Average price
Crude – Brent Fixed Price	April – June	60,000 bbls/d	US$53.34/bbl
Crude – WTI Fixed Price	April – June	150,000 bbls/d	US$48.91/bbl
Crude – WTI Fixed Price	July – December	75,000 bbls/d	US$49.32/bbl
Crude – Brent Put Options	April – June	25,000 bbls/d	US$53.00/bbl
Crude – Brent Collars	April – June	80,000 bbls/d	US$49.54 – US$59.86/bbl
Crude – Brent Collars	July – December	75,000 bbls/d	US$49.00 – US$59.69/bbl
Crude – WTI Collars	April – June	10,000 bbls/d	US$45.30 – US$62.77/bbl
Crude – WCS Differential	April – June	14,800 bbls/d	US$(14.05)/bbl
Crude – WCS Differential	April – December	10,500 bbls/d	~US$(14.52)/bbl

Current hedge positions for 2019			
Hedges at March 31, 2018	Terms	Volumes	Average price
Crude – WTI Collars	January – December	19,000 bbls/d	US$50.00 – US$62.08/bbl

Financial Instruments:

- As a reminder, “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.” *(Fourth quarter report – February 15th, 2018)*

Forward-Looking Information:

This document contains references to forward-looking information previously provided, identified by words such as “anticipated”, “expected”, “plan” and “intend”, “on track” 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 2017 and 2018 Corporate Guidance, available at cenovus.com. For a full discussion of our material risk factors, see “Risk Management and Risk Factors” in our 2017 Annual Management Discussion and Analysis, available at www.sedar.com and cenovus.com