Cenovus Energy Inc.

Interim Supplemental Information (unaudited)

For the period ended June 30, 2019

(Canadian Dollars)

SUPPLEMENTAL INFORMATION *(unaudited)*

Financial Statistics [1]

($ millions, except per share amounts)

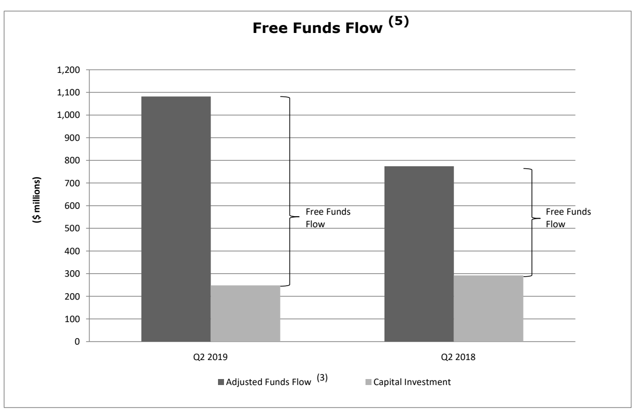
Revenues	2019 YTD	2019 Q2	2019 Q1	2018 Year	2018 Q4	2018 Q3	2018 Q2 YTD	2018 Q2	2018 Q1
Gross Sales									
Oil Sands	**5,457**	**3,030**	2,427	10,026	1,380	2,992	**5,654**	3,248	2,406
Deep Basin	**370**	**150**	220	904	190	214	**500**	241	259
Refining and Marketing	**5,538**	**2,849**	2,689	11,183	3,048	3,126	**5,009**	2,777	2,232
Corporate and Eliminations	**(243)**	**(102)**	(141)	(724)	(102)	(189)	**(433)**	(239)	(194)
Less: Royalties	**515**	**324**	191	545	(29)	286	**288**	195	93
Revenues from Continuing Operations	**10,607**	**5,603**	5,004	20,844	4,545	5,857	**10,442**	5,832	4,610
Conventional (Net of Royalties) - Discontinued Operations	**-**	**-**	-	11	(2)	(1)	**14**	(3)	17
Total Revenues	**10,607**	**5,603**	5,004	20,855	4,543	5,856	**10,456**	5,829	4,627

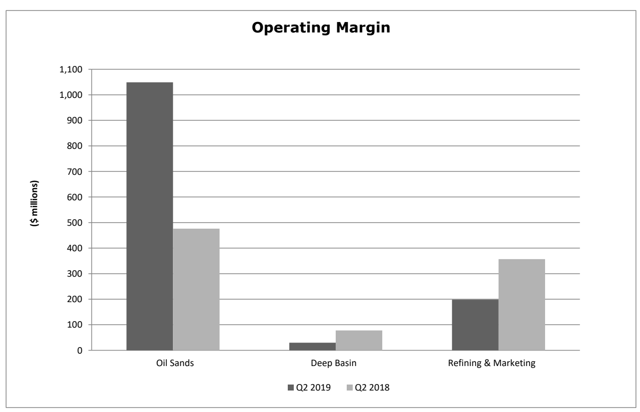
Operating Margin [2]	2019 YTD	2019 Q2	2019 Q1	2018 Year	2018 Q4	2018 Q3	2018 Q2 YTD	2018 Q2	2018 Q1
Oil Sands	**1,890**	**1,049**	841	1,086	(178)	682	**582**	476	106
Deep Basin	**124**	**30**	94	312	62	73	**177**	78	99
	2,014	**1,079**	935	1,398	(116)	755	**759**	554	205
Refining and Marketing	**502**	**198**	304	996	251	436	**309**	357	(48)
Operating Margin from Continuing Operations	**2,516**	**1,277**	1,239	2,394	135	1,191	**1,068**	911	157
Conventional - Discontinued Operations	**-**	**-**	-	37	(3)	1	**39**	27	12
Total Operating Margin	**2,516**	**1,277**	1,239	2,431	132	1,192	**1,107**	938	169

Adjusted Funds Flow [3]	2019 YTD	2019 Q2	2019 Q1	2018 Year	2018 Q4	2018 Q3	2018 Q2 YTD	2018 Q2	2018 Q1
Total Cash From Operating Activities	**1,711**	**1,275**	436	2,154	485	1,259	**410**	533	(123)
Deduct (Add Back):									
Net Change in Other Assets and Liabilities	**(34)**	**(13)**	(21)	(72)	(22)	(15)	**(35)**	(17)	(18)
Net Change in Non-Cash Working Capital	**(385)**	**206**	(591)	552	543	297	**(288)**	(224)	(64)
Total Adjusted Funds Flow	**2,130**	**1,082**	1,048	1,674	(36)	977	**733**	774	(41)
Total Per Share - Basic	**1.73**	**0.88**	0.85	1.36	(0.03)	0.80	**0.60**	0.63	(0.03)
Total Per Share - Diluted	**1.73**	**0.88**	0.85	1.36	(0.03)	0.79	**0.60**	0.63	(0.03)

Earnings	2019 YTD	2019 Q2	2019 Q1	2018 Year	2018 Q4	2018 Q3	2018 Q2 YTD	2018 Q2	2018 Q1
Operating Earnings (Loss) from Continuing Operations [4]	**336**	**267**	69	(2,755)	(1,670)	(41)	**(1,044)**	(292)	(752)
Per Share from Continuing Operations - Diluted	**0.27**	**0.22**	0.06	(2.24)	(1.36)	(0.03)	**(0.85)**	(0.24)	(0.61)
Total Operating Earnings (Loss) [4]	**336**	**267**	69	(2,729)	(1,672)	(42)	**(1,015)**	(272)	(743)
Total Per Share - Diluted	**0.27**	**0.22**	0.06	(2.22)	(1.36)	(0.03)	**(0.83)**	(0.22)	(0.60)
Net Earnings (Loss) from Continuing Operations	**1,894**	**1,784**	110	(2,916)	(1,350)	(242)	**(1,324)**	(410)	(914)
Per Share from Continuing Operations - Basic and Diluted	**1.54**	**1.45**	0.09	(2.37)	(1.10)	(0.20)	**(1.08)**	(0.33)	(0.74)
Total Net Earnings (Loss)	**1,894**	**1,784**	110	(2,669)	(1,356)	(241)	**(1,072)**	(418)	(654)
Total Per Share - Basic and Diluted	**1.54**	**1.45**	0.09	(2.17)	(1.10)	(0.20)	**(0.87)**	(0.34)	(0.53)

Net Capital Investment	2019 YTD	2019 Q2	2019 Q1	2018 Year	2018 Q4	2018 Q3	2018 Q2 YTD	2018 Q2	2018 Q1
Oil Sands									
Foster Creek	**123**	**52**	71	379	52	80	**247**	108	139
Christina Lake	**195**	**74**	121	445	89	81	**275**	111	164
Other Oil Sands	**32**	**10**	22	63	28	15	**20**	5	15
Total Oil Sands	**350**	**136**	214	887	169	176	**542**	224	318
Deep Basin	**22**	**8**	14	211	18	22	**171**	26	145
Refining and Marketing	**127**	**72**	55	208	61	59	**88**	35	53
Corporate	**66**	**32**	34	57	28	14	**15**	9	6
Capital Investment from Continuing Operations	**565**	**248**	317	1,363	276	271	**816**	294	522
Conventional (Discontinued Operations)	**-**	**-**	-	-	-	-	**-**	(2)	2
Total Capital Investment	**565**	**248**	317	1,363	276	271	**816**	292	524
Acquisitions	**9**	**3**	6	341	15	319	**7**	2	5
Divestitures	**(3)**	**(1)**	(2)	(1,375)	(2)	(959)	**(414)**	39	(453)
Net Acquisition and Divestiture Activity	**6**	**2**	4	(1,034)	13	(640)	**(407)**	41	(448)
Net Capital Investment	**571**	**250**	321	329	289	(369)	**409**	333	76





(1) We adopted IFRS 16 "*Leases*", effective January 1, 2019 using the modified retrospective approach; therefore, comparative information has not been restated. The impact of the new standard on our 2019 results can be found in the Critical Accounting Judgments, Estimation Uncertainties and Accounting Policies section of the interim MD&A.

(2) Operating Margin is an additional subtotal found in Notes 1 and 7 of the interim 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.

(3) Adjusted Funds Flow is a non-GAAP measure commonly 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. Non-cash working capital is composed of accounts receivable, inventory, income tax receivable, accounts payable and income tax payable. Net change in other assets and liabilities is composed of site restoration costs and pension funding.

(4) Operating Earnings (Loss) is a non-GAAP measure used to provide a consistent measure of the comparability of our underlying financial performance between periods by removing non-operating items. Operating Earnings (Loss) is defined as Earnings (Loss) Before Income Tax excluding gain (loss) on discontinuance, revaluation gain (loss), unrealized risk management gains (losses) on derivative instruments, unrealized foreign exchange gains (losses) on translation of U.S. dollar denominated notes issued from Canada, foreign exchange gains (losses) on settlement of intercompany transactions, gains (losses) on divestiture of assets, less income taxes on Operating Earnings (Loss) before tax, excluding the effect of changes in statutory income tax rates and the recognition of an increase in U.S. tax basis.

(5) Free Funds Flow is a non-GAAP measure defined as Adjusted Funds Flow less capital investment.

SUPPLEMENTAL INFORMATION *(unaudited)*

Financial Statistics (continued) [1]

Financial Metrics *(Non-GAAP Measures)* [2]	2019 YTD	2019 Q2	2019 Q1	2018 Year	2018 Q4	2018 Q3	2018 Q2 YTD	2018 Q2	2018 Q1
Net Debt to Adjusted EBITDA	**2.4x**	**2.4x**	3.1x	5.9x	5.9x	3.5x	**3.3x**	3.3x	3.3x
Return on Capital Employed	**2%**	**2%**	(6)%	(8)%	(8)%	(1)%	**0%**	0%	12%
Return on Common Equity	**2%**	**2%**	(10)%	(14)%	(14)%	(4)%	**(3)%**	(3)%	16%

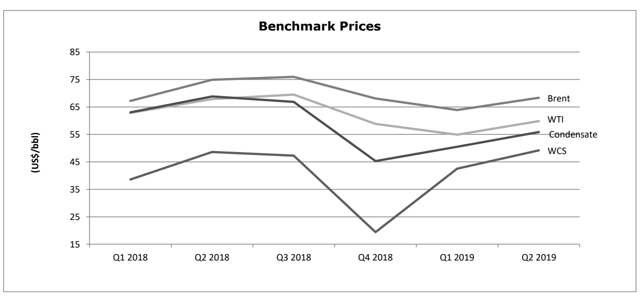
Income Tax & Exchange Rates	2019 YTD	2019 Q2	2019 Q1	2018 Year	2018 Q4	2018 Q3	2018 Q2 YTD	2018 Q2	2018 Q1
Effective Tax Rates Using:									
Net Earnings From Continuing Operations	**(76.2)%**			25.7%					
Operating Earnings From Continuing Operations, Excluding Divestitures	**45.0%**			27.3%					
Foreign Exchange Rates *(US$ per C$1)*									
Average	**0.750**	**0.748**	0.752	0.772	0.758	0.765	**0.783**	0.775	0.791
Period End	**0.764**	**0.764**	0.748	0.733	0.733	0.773	**0.759**	0.759	0.776

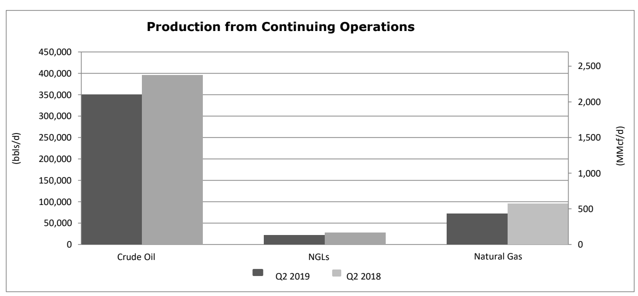
Common Share Information	2019 YTD	2019 Q2	2019 Q1	2018 Year	2018 Q4	2018 Q3	2018 Q2 YTD	2018 Q2	2018 Q1
Common Shares Outstanding *(millions)*									
Period End	**1,228.8**	**1,228.8**	1,228.8	1,228.8	1,228.8	1,228.8	**1,228.8**	1,228.8	1,228.8
Average - Basic	**1,228.8**	**1,228.8**	1,228.8	1,228.8	1,228.8	1,228.8	**1,228.8**	1,228.8	1,228.8
Average - Diluted	**1,229.3**	**1,229.4**	1,229.1	1,229.2	1,228.9	1,229.3	**1,229.0**	1,229.3	1,228.8
Dividends *($ per share)*	**0.10**	**0.05**	0.05	0.20	0.05	0.05	**0.10**	0.05	0.05
Closing Price - TSX *(C$ per share)*	**11.55**	**11.55**	11.60	9.60	9.60	12.97	**13.65**	13.65	10.97
- NYSE *(US$ per share)*	**8.82**	**8.82**	8.68	7.03	7.03	10.03	**10.38**	10.38	8.54
Share Volume Traded *(millions)*	**1,532.7**	**788.0**	744.7	3,243.3	842.3	657.7	**1,743.3**	939.3	804.0

Operating Statistics - Before Royalties

Upstream Production Volumes	2019 YTD	2019 Q2	2019 Q1	2018 Year	2018 Q4	2018 Q3	2018 Q2 YTD	2018 Q2	2018 Q1
Crude Oil and Natural Gas Liquids *(bbls/d)*									
Oil Sands									
Foster Creek	**160,087**	**165,953**	154,156	161,979	155,507	163,939	**164,273**	171,079	157,390
Christina Lake	**183,895**	**179,020**	188,824	201,017	170,974	212,733	**210,332**	218,299	202,276
	343,982	**344,973**	342,980	362,996	326,481	376,672	**374,605**	389,378	359,666
Deep Basin									
Crude Oil	**4,862**	**4,904**	4,820	5,916	5,228	5,674	**6,389**	6,263	6,517
Natural Gas Liquids [3]	**22,344**	**21,513**	23,183	26,538	22,883	26,595	**28,367**	27,778	28,962
	27,206	**26,417**	28,003	32,454	28,111	32,269	**34,756**	34,041	35,479
Total Liquids Production from Continuing Operations	**371,188**	**371,390**	370,983	395,450	354,592	408,941	**409,361**	423,419	395,145
Natural Gas *(MMcf/d)*									
Oil Sands	**-**	**-**	-	1	-	-	**2**	1	4
Deep Basin	**445**	**432**	458	527	469	520	**560**	570	549
Total Natural Gas Production from Continuing Operations	**445**	**432**	458	528	469	520	**562**	571	553
Total Production from Continuing Operations [4] (BOE per day)	**445,283**	**443,318**	447,270	483,458	432,713	495,592	**503,083**	518,530	487,464

Selected Average Benchmark Prices	2019 YTD	2019 Q2	2019 Q1	2018 Year	2018 Q4	2018 Q3	2018 Q2 YTD	2018 Q2	2018 Q1
Crude Oil Prices *(US$/bbl)*									
Brent	**66.13**	**68.34**	63.88	71.53	68.08	75.97	**71.04**	74.90	67.18
West Texas Intermediate ("WTI")	**57.38**	**59.83**	54.90	64.77	58.81	69.50	**65.37**	67.88	62.87
Differential Brent - WTI	**8.75**	**8.51**	8.98	6.76	9.27	6.47	**5.67**	7.02	4.31
Western Canadian Select at Hardisty ("WCS")	**45.87**	**49.18**	42.53	38.46	19.39	47.25	**43.60**	48.61	38.59
WCS *(C$)*	**61.22**	**65.80**	56.58	49.81	25.60	61.75	**55.70**	62.75	48.79
Differential WTI - WCS	**11.51**	**10.65**	12.37	26.31	39.42	22.25	**21.77**	19.27	24.28
Mixed Sweet Blend	**52.61**	**55.21**	49.99	53.65	32.51	62.67	**59.70**	62.42	56.98
Condensate (C5 @ Edmonton)	**53.20**	**55.87**	50.50	61.00	45.28	66.82	**65.93**	68.83	63.04
Differential WTI - Condensate (Premium)/Discount	**4.18**	**3.96**	4.40	3.77	13.53	2.68	**(0.56)**	(0.95)	(0.17)
West Texas Sour ("WTS")	**55.96**	**58.18**	53.71	57.24	52.38	55.48	**60.55**	59.64	61.46
Differential WTI - WTS	**1.42**	**1.65**	1.19	7.53	6.43	14.02	**4.82**	8.24	1.41
Refining Margins 3-2-1 Crack Spreads [5] *(US$/bbl)*									
Chicago	**17.52**	**21.44**	13.57	15.97	13.43	19.14	**15.66**	18.36	12.96
Group 3	**17.41**	**19.99**	14.80	16.74	14.57	18.71	**16.85**	18.04	15.66
Natural Gas Prices									
AECO 7A Monthly Index *(C$/Mcf)* [6]	**1.55**	**1.17**	1.94	1.53	1.90	1.35	**1.44**	1.03	1.85
NYMEX *(US$/Mcf)*	**2.89**	**2.64**	3.15	3.09	3.64	2.90	**2.90**	2.80	3.00
Differential NYMEX - AECO *(US$/Mcf)*	**1.73**	**1.76**	1.69	1.90	2.19	1.88	**1.76**	2.00	1.52





(1) We adopted IFRS 16 "*Leases*", effective January 1, 2019 using the modified retrospective approach; therefore, comparative information has not been restated. The impact of the new standard on our 2019 results can be found in the Critical Accounting Judgments, Estimation Uncertainties and Accounting Policies section of the interim MD&A.

(2)
- Net Debt includes the Company's short-term borrowings and the current and long-term portions of long-term debt, net of cash and cash equivalents.
- Adjusted EBITDA is defined as earnings before finance costs, interest income, income tax expense, depreciation, depletion and amortization, revaluation gain, remeasurement gains (losses) on contingent payment, goodwill impairments, asset impairments and reversals, unrealized gains (losses) on risk management, foreign exchange gains (losses), gains (losses) on divestiture of assets and other income (loss), net, calculated on a trailing twelve-month basis.
- Return on capital employed is calculated, on a trailing twelve-month basis, as net earnings before after-tax interest divided by average shareholders' equity plus average debt.
- Return on common equity is calculated, on a trailing twelve-month basis, as net earnings divided by average shareholders' equity.

(3) Natural gas liquids include condensate volumes.

(4) Natural gas volumes have been converted to barrels of oil equivalent ("BOE") on the basis of six thousand cubic feet ("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 to 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.

(5) 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").

(6) Alberta Energy Company ("AECO") natural gas monthly index.

SUPPLEMENTAL INFORMATION *(unaudited)*

Operating Statistics - Before Royalties (continued) [1]

	2019			2018					
Effective Royalty Rates *(Excluding Realized Gain (Loss) on Risk Management)*	**YTD**	**Q2**	Q1	Year	Q4	Q3	**Q2 YTD**	Q2	Q1
Oil Sands									
Foster Creek	**15.2%**	**18.2%**	10.9%	18.0%	(3.3)%	24.9%	**16.1%**	19.6%	10.4%
Christina Lake [2]	**18.7%**	**19.7%**	17.4%	4.8%	1,117.2%	11.4%	**3.5%**	4.2%	2.3%
Deep Basin									
Crude Oil	**20.1%**	**26.4%**	13.9%	15.8%	12.3%	16.4%	**16.4%**	18.2%	14.3%
Natural Gas Liquids	**10.2%**	**9.6%**	10.6%	11.5%	3.4%	6.6%	**16.5%**	7.2%	26.7%
Natural Gas	**1.7%**	**(2.7)%**	3.4%	3.6%	8.3%	(4.7)%	**4.1%**	1.0%	6.0%

Netbacks

Netback is a non-GAAP measure commonly used in the oil and gas industry to assist in measuring operating performance on a per-unit basis. Netbacks reflect our margin on a per-barrel basis of unblended crude oil. Netback is defined as gross sales less royalties, transportation and blending, operating expenses and production and mineral taxes divided by sales volumes. Netbacks do not reflect the non-cash write-downs of product inventory until the product is sold. The crude oil sales price, transportation and blending costs, and sales volumes exclude the impact of purchased condensate. Condensate is blended with the heavy oil to reduce its thickness in order to transport it to market. Our Netback calculation is aligned with the definition found in the Canadian Oil and Gas Evaluation Handbook. The reconciliation of the financial components of each Netback to Operating Margin can be found in our quarterly and annual Management's Discussion and Analysis.

The Oil Sands and Deep Basin netbacks are calculated on a gross basis and exclude adjustments for the natural gas that is produced by the Deep Basin segment and used as fuel by the Oil Sands segment. The consolidated netback is calculated on a net basis, after adjustments for natural gas produced by the Deep Basin segment and used as fuel by the Oil Sands segment.

	2019			2018					
Oil Sands Netbacks *(Excluding Realized Gain (Loss) on Risk Management)*	**YTD**	**Q2**	Q1	Year	Q4	Q3	**Q2 YTD**	Q2	Q1
Heavy Oil - Foster Creek *($/bbl)*									
Sales Price	**59.12**	**65.90**	51.99	42.63	20.09	53.35	**46.89**	54.08	39.29
Royalties	**7.30**	**10.02**	4.45	6.25	(0.35)	11.81	**6.23**	9.14	3.17
Transportation and Blending	**9.50**	**9.60**	9.39	8.34	10.68	6.63	**8.22**	7.54	8.93
Operating	**9.64**	**8.89**	10.44	8.97	9.28	7.48	**9.61**	8.75	10.51
Netback	**32.68**	**37.39**	27.71	19.07	0.48	27.43	**22.83**	28.65	16.68
Heavy Oil - Christina Lake *($/bbl)*									
Sales Price	**53.79**	**59.78**	47.63	33.42	4.87	46.07	**39.93**	48.74	30.20
Royalties	**8.79**	**10.24**	7.30	1.37	(1.96)	4.64	**1.25**	1.84	0.59
Transportation and Blending	**5.59**	**6.69**	4.46	5.25	5.59	5.70	**4.87**	4.95	4.78
Operating	**8.20**	**8.54**	7.84	6.60	7.06	5.86	**6.77**	6.22	7.38
Netback	**31.21**	**34.31**	28.03	20.20	(5.82)	29.87	**27.04**	35.73	17.45
Total Heavy Oil - Oil Sands *($/bbl)*									
Sales Price	**56.30**	**62.68**	49.67	37.51	11.50	49.38	**43.00**	51.07	34.27
Royalties	**8.09**	**10.13**	5.97	3.54	(1.26)	7.89	**3.45**	5.02	1.75
Transportation and Blending	**7.43**	**8.07**	6.76	6.62	7.80	6.13	**6.35**	6.08	6.64
Operating	**8.88**	**8.70**	9.06	7.65	8.03	6.59	**8.02**	7.32	8.78
Netback	**31.90**	**35.78**	27.88	19.70	(3.07)	28.77	**25.18**	32.65	17.10

	2019			2018					
Deep Basin Netbacks *(Excluding Realized Gain (Loss) on Risk Management)*	**YTD**	**Q2**	Q1	Year	Q4	Q3	**Q2 YTD**	Q2	Q1
Total Deep Basin [3] *($/BOE)*									
Sales Price	**18.53**	**15.04**	21.86	19.31	17.97	18.45	**20.28**	18.92	21.68
Royalties	**1.31**	**1.19**	1.43	1.64	1.09	0.95	**2.20**	1.34	3.09
Transportation and Blending	**2.29**	**2.53**	2.06	1.97	1.91	1.85	**2.06**	1.92	2.21
Operating	**9.13**	**9.01**	9.24	8.58	9.53	8.89	**8.03**	8.68	7.36
Production and Mineral Taxes	**0.03**	**0.03**	0.03	0.03	0.02	0.03	**0.03**	0.04	0.03
Netback	**5.77**	**2.28**	9.10	7.09	5.42	6.73	**7.96**	6.94	8.99

	2019			2018					
Continuing Operations Netbacks *(Excluding Realized Gain (Loss) on Risk Management)*	**YTD**	**Q2**	Q1	Year	Q4	Q3	**Q2 YTD**	Q2	Q1
Total Continuing Operations [3] *($/BOE)*									
Sales Price	**52.50**	**58.22**	46.66	35.74	13.38	45.73	**40.30**	46.87	33.20
Royalties	**7.42**	**9.24**	5.56	3.43	(0.78)	6.91	**3.49**	4.55	2.34
Transportation and Blending	**7.10**	**7.76**	6.42	6.11	7.17	5.66	**5.86**	5.59	6.16
Operating	**8.55**	**9.07**	8.03	7.68	8.11	7.10	**7.77**	7.66	7.89
Production and Mineral Taxes	**0.01**	**0.01**	0.01	0.01	0.01	0.01	**0.01**	0.01	0.01
Netback	**29.42**	**32.14**	26.64	18.51	(1.13)	26.05	**23.17**	29.06	16.80

	2019			2018					
Realized Gain (Loss) on Risk Management - Continuing Operations	**YTD**	**Q2**	Q1	Year	Q4	Q3	**Q2 YTD**	Q2	Q1
Sales [3] *($/BOE)*	**(0.65)**	**(1.62)**	0.35	(9.90)	(2.40)	(8.00)	**(14.07)**	(16.27)	(11.69)

	2019			2018					
Refinery Operations [4]	**YTD**	**Q2**	Q1	Year	Q4	Q3	**Q2 YTD**	Q2	Q1
Crude Oil Capacity *(Mbbls/d)*	**482**	**482**	482	460	460	460	**460**	460	460
Crude Oil Runs *(Mbbls/d)*	**425**	**474**	375	446	477	492	**407**	464	349
Heavy Oil	**168**	**194**	143	191	197	204	**183**	203	162
Light/Medium	**257**	**280**	232	255	280	288	**224**	261	187
Crude Utilization	**88%**	**98%**	78%	97%	104%	107%	**88%**	101%	76%
Refined Products *(Mbbls/d)*	**451**	**501**	402	470	502	518	**430**	490	369

(1) We adopted IFRS 16 "*Leases*", effective January 1, 2019 using the modified retrospective approach; therefore, comparative information has not been restated. The impact of the new standard on our 2019 results can be found in the Critical Accounting Judgments, Estimation Uncertainties and Accounting Policies section of the interim MD&A.

(2) In August 2018, Christina Lake achieved project payout resulting in royalties thereafter being based on an annualized calculation using the greater of either net profit or gross revenues of the project. In Q4 2018, due to the significant widening of light-heavy oil differentials, Christina Lake incurred a negative revenue base (sales less diluent and transportation) and recorded associated royalty credits, as the annualized royalty expense through Q4 had dropped significantly versus Q3. At the same time, the widening differentials also caused the post payout royalty calculation to be based on gross revenues in Q4 versus the net profit calculation used in Q3. On an annual basis the effective rate of 4.8 percent is consistent with the annual gross government posted rate of 4.7 percent.

(3) Natural gas volumes have been converted to BOE on the basis of six Mcf to one 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 to 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.

(4) Represents 100 percent of the Wood River and Borger refinery operations.