July 2, 2020

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 2020 results on Thursday, July 23rd, 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:

- "Cenovus has decided to reduce its planned 2020 capital spending by an additional $150 million which, combined with the $450 million reduction announced March 9, 2020, is a $600 million decrease from the budget released in December. The company is also forecasting operating cost reductions of about $100 million and general and administrative (G&A) cost reductions of about $50 million compared with the initial December budget." *(Cenovus News Release, April 2, 2020)*
- "In the context of recent commodity price forecasts and economic, market and business conditions in the oil and gas industry, Cenovus has decided to suspend its quarterly dividend." *(Cenovus News Release, April 2, 2020)*

Revised 2020 budget forecast

	April 2, 2020 budget update	March 9, 2020 budget update	December 10, 2019 budget	% change vs. December[1]
Total capital expenditures ($ billions)	**0.75 – 0.85**	0.9 – 1.0	1.3 – 1.5	-43
General & administrative expenses ($ millions)	**230 – 250**		280 – 300	-17
Total oil sands production (Mbbls/d)		350 – 400	390 – 410	-6
Total Deep Basin production (MBOE/d)			82 – 86	--
Total production (MBOE/d)		432 – 486	472 – 496	-5

[1] Based on the midpoint of the ranges.

Production:

- Monthly oil sands production is published by the Alberta Energy Regulator (AER) at the following website: https://www.aer.ca/providing-information/data-and-reports/statistical-reports/st53.html.
- Updates on the Alberta government production limits is published at the following website: https://www.alberta.ca/oil-production-limit.aspx
- "First-quarter production at Cenovus's Christina Lake and Foster Creek oil sands projects was approximately 387,000 bbls/d, up from nearly 343,000 bbls/d in the same period in 2019. The increase was mainly driven by the company's use of Alberta's Special Production Allowance (SPA) program for incremental barrels

shipped by rail and by reduced mandatory curtailment levels compared with the first quarter of 2019." *(Cenovus News Release, April 29, 2020)*

- "…the company's oil sands production is now forecast to be between 350,000 bbls/d and 400,000 bbls/d for 2020, a 6% reduction at the mid-point of the range compared with its original 2020 forecast announced in its December 2019 budget." *(Cenovus News Release, April 29, 2020)*
- "Cenovus is actively managing its production levels as market conditions change to optimize the value it receives for its products. Currently, Cenovus's oil sands production has been ramped down by approximately 60,000 barrels per day (bbls/d), and the company has flexibility to quickly ramp up production when market conditions improve." *(Cenovus News Release, April 29, 2020)*
- "Conventional production averaged almost 96,000 barrels of oil equivalent per day (BOE/d) in the first quarter, an 8% decrease from the same period in 2019, due to natural declines from lower sustaining capital investment, partially offset by production of 3,600 bbls/d from Marten Hills…". *(Cenovus News Release, April 29, 2020)*
- As part of the recently announced 2020 budget update, Cenovus has suspended the majority of its remaining planned capital spend in the conventional segment." *(Cenovus News Release, April 29, 2020)*

Oil Sands Realized Bitumen Pricing:

- "Our realized crude oil sales price is influenced by the cost of condensate used in blending. Our blending ratios range between 25 percent and 33 percent. As the cost of condensate increases relative to the price of blended crude oil, our realized bitumen sales price decreases. Due to high demand for condensate at Edmonton, we also purchase condensate from U.S. markets and deliver it to the Edmonton hub. As such, our average cost of condensate is generally higher than the Edmonton benchmark price due to transportation between market hubs and transportation to field locations. In addition, up to three months may elapse from when we purchase condensate to when we sell our blended production. In a declining crude oil price environment, we expect to see a negative impact on our realized bitumen sales price as we are using condensate purchased at a higher price earlier in the year." *(Cenovus MD&A for the period ended March 31, 2020)*

	2020					
	Jan	Feb	Mar	Apr	May	Jun
Condensate (C5 @ Edmonton) (US$/bbl)	60.39	49.61	28.83	18.81	12.39	35.69

Transportation costs

- "In the first quarter, Cenovus loaded an average of almost 91,000 bbls/d of its own crude oil for transport by rail, up from about 89,000 bbls/d in the fourth quarter of 2019. First quarter transportation and blending costs reflected the fact that Cenovus's crude-by-rail program continued to operate at normal capacity levels through most of the period." *(Cenovus News Release, April 29, 2020)*
- "With the wind-down of the rail program now essentially completed, Cenovus does not anticipate taking advantage of the SPA program for the foreseeable future." *(Cenovus News Release, April 29, 2020)*

Royalties

- "Royalties for 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 percent 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 percent to 40 percent, based on the Canadian dollar equivalent WTI benchmark price). Gross revenues are a function of sales revenues less diluent costs and transportation costs. Net profits are a function of sales revenues less diluent costs, transportation costs, and allowed operating and capital costs.

  Foster Creek and Christina Lake are post-payout projects for determining royalties."

  (Cenovus MD&A for the period ended March 31, 2020)

  An overview of the Alberta oil sands royalty framework, including applicable sliding scale royalty rates, is available at the following website: https://www.alberta.ca/royalty-oil-sands.aspx

Refining & Marketing:

- "Late in the first quarter of 2020, Wood River and Borger began to reduce crude rates in response to the economic slowdown caused by COVID-19." *(Cenovus News Release, April 29, 2020)*
- "Cenovus's refining operating margin is calculated on a first-in, first-out (FIFO) inventory accounting basis." *(Cenovus News Release, April 29, 2020)*

Prices:

- Benchmark pricing as of June 30, 2020:

Selected Average Benchmark Prices	**2020**					**2019**				
	Q2	Apr	May	Jun	Q1	Year	Q4	Q3	Q2	Q1
Crude Oil Prices *(US$/bbl)*										
Brent	**33.27**	26.63	32.41	40.77	50.96	64.18	62.50	62.00	68.34	63.88
West Texas Intermediate ("WTI")	**27.85**	16.70	28.53	38.31	46.17	57.04	56.96	56.45	59.83	54.90
Differential Brent Futures-WTI	**5.43**	9.93	3.88	2.46	4.79	7.14	5.54	5.55	8.51	8.98
Western Canadian Select ("WCS")	**16.38**	3.50	11.67	33.97	25.65	44.26	41.13	44.21	49.18	42.53
Differential - WTI-WCS	**11.47**	13.20	16.86	4.34	20.53	12.77	15.83	12.24	10.65	12.37
Differential - WTI-WTS	**(0.19)**	0.76	(1.70)	0.39	0.71	0.78	(0.30)	0.57	1.65	1.19
Mixed Sweet Blend ("MSW") (US$)	**21.71**	13.68	14.06	37.39	38.59	52.15	51.59	51.79	55.21	49.99
Condensate (C5 @ Edmonton)	**22.30**	18.81	12.39	35.69	46.28	52.86	53.01	52.02	55.87	50.50
Differential - WTI-Condensate (premium)/discount	**5.55**	(2.11)	16.14	2.62	(0.10)	4.19	3.95	4.43	3.96	4.40
Refining Margins 3-2-1 Crack Spreads *(US$/bbl)* [(1)]										
Chicago	**6.44**	2.55	7.49	9.27	8.79	16.00	12.27	16.72	21.44	13.57
Midwest Combined (Group 3)	**7.92**	7.80	7.47	8.49	10.91	16.68	14.60	17.32	19.99	14.80
Natural Gas Prices										
AECO (C$/Mcf)	**1.91**	1.77	1.89	2.08	2.14	1.62	2.33	1.04	1.17	1.94
AECO (C$/GJ)	**1.81**	1.67	1.79	1.97	2.03	1.54	2.21	0.99	1.11	1.84
NYMEX (US$/Mcf)	**1.72**	1.63	1.79	1.72	1.95	2.63	2.50	2.23	2.64	3.15
Differential NYMEX - AECO (US$/Mcf)	**0.35**	0.39	0.46	0.19	0.33	1.40	0.73	1.44	1.76	1.69
FIFO Adjustment (C$ millions) [(2)]										
FIFO Adjustment					(87)	140	9	8	(10)	143

(1) The 3-2-1 crack spread is an indicator of the refining margin generated by converting three barrels of crude oil into two barrels of regular unleaded gasoline and one barrel of ultra-low sulphur diesel using current month WTI based crude oil feedstock prices and on a last in, first out accounting basis ("LIFO").
(2) Year totals are not intended to sum. These are period end balances that include impairment reclass between FIFO-LIFO presentation.

Foreign Exchange:

- "Our revenues are subject to foreign exchange exposure as the sales prices of our crude oil, NGLs, natural gas and refined products are determined by reference to U.S. benchmark prices. An increase in the value of the Canadian dollar compared with the U.S. dollar has a negative impact on our reported results. Likewise, as the Canadian dollar weakens, there is a positive impact on our reported results. In addition to our revenues being denominated in U.S. dollars, our long-term debt is also U.S. dollar denominated. In periods of a weakening Canadian dollar, our U.S. dollar debt gives rise to unrealized foreign exchange losses when translated to Canadian dollars." *(Cenovus MD&A for the period ended March 31, 2020)*

Forward-Looking Information:

This document contains references to forward-looking information previously provided, identified by words such as "expect" and "forecast" or similar expressions and includes other suggestions of future outcomes and 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 2020 Corporate Guidance and in the Advisories for referenced News Releases and Management's Discussion and Analysis, available at cenovus.com. For a full discussion of our material risk factors, see "Risk Management and Risk Factors" in our 2019 Annual Management's Discussion and Analysis, available at sedar.com, sec.gov and cenovus.com