

October 14, 2015

This note is provided to analysts and associates that cover Cenovus and will be posted on the Cenovus website under Related links in the [Investors](#) section.

The company will announce its third quarter 2015 results on Thursday, October 29th, 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 third quarter 2015 results.

Production:

- "The company continues to expect full-year production at Foster Creek will remain within its previously announced guidance of 62,000 bbls/d to 68,000 bbls/d net." "Cenovus expects full-year production volumes at Christina Lake to be above the midpoint of its previously announced guidance of 67,000 bbls/d to 74,000 bbls/d net." – [Q2 2015 news release](#) (July 30, 2015)
- On June 30th, Cenovus reached an agreement to sell Heritage Royalty Limited Partnership (HRP), a wholly-owned subsidiary, to Ontario Teachers' Pension Plan (Teachers') for gross cash proceeds of approximately \$3.3 billion. The transaction closed on July 29th. In the first quarter of 2015, HRP had associated third-party royalty interest volumes of approximately 7,800 barrels of oil equivalent per day (BOE/d). – [News release](#) (June 30, 2015)

Realized pricing:

- "With respect to realized pricing at Christina Lake and Foster Creek, our first quarter results were negatively impacted by a higher relative cost of condensate compared to the benchmark. Most of this impact was a result of purchase timing and inventory drawdown. Condensate that was purchased when prices were considerably higher in the fourth quarter was blended into our product and sold in the first quarter of 2015." – Q1 2015 conference call (April 29, 2015)
 - We expect this to occur during periods of declining benchmark commodity prices.

Transportation:

- "As previously mentioned, transportation costs in our oil sands business were expected to increase to approximately \$8.00* per barrel in 2015. On a combined basis our oil sands transportation costs averaged \$6.49 per barrel in the first half of 2015, lower than previously indicated with less rail movements than originally planned." – Q1 2015 conference call (April 29, 2015)
 - *\$8.00/bbl assumes the full use of Cenovus's rail loading and pipeline commitments and rail tolls to end markets; transportation costs could be lower in the event only partial rail or pipe capacity is utilized.

- “Cenovus has closed its previously announced purchase of Canexus Corporation’s North American Terminal Operations (NATO) for approximately \$75 million, a crude-by-rail trans-loading facility in central Alberta. The acquisition is part of Cenovus’s strategy to build a strong portfolio of transportation options to help maximize market access and capture global prices for its oil.” – [News release](#) (August 31, 2015)

Refining:

- 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.
– [Q2 2015 news release](#) (July 30, 2015)

Selected Average Benchmark Prices	2015			2014					2013				
	Q3	Q2	Q1	Year	Q4	Q3	Q2	Q1	Year	Q4	Q3	Q2	Q1
Crude Oil Prices (US\$/bbl)													
Brent	51.17	63.50	55.17	99.51	76.98	103.39	109.77	107.90	108.76	109.35	109.71	103.35	112.65
West Texas Intermediate (“WTI”)	46.43	57.94	48.63	93.00	73.15	97.17	102.99	98.68	97.97	97.46	105.82	94.22	94.37
Differential Brent Futures-WTI	4.74	5.56	6.54	6.51	3.84	6.22	6.78	9.22	10.79	11.89	3.89	9.13	18.28
Western Canadian Select (“WCS”)	33.16	46.35	33.90	73.60	58.91	76.99	82.95	75.55	72.77	65.26	88.34	75.06	62.41
Differential - WTI-WCS	13.27	11.59	14.73	19.40	14.24	20.18	20.04	23.13	25.20	32.20	17.48	19.16	31.96
Differential - WTI-WTS	(1.61)	(0.60)	1.11	5.71	1.76	8.45	7.10	5.53	2.77	4.17	0.18	0.23	6.49
Condensate - (C5 @ Edmonton)	44.21	57.94	45.62	92.95	70.57	93.45	105.15	102.64	101.69	94.22	103.80	101.50	107.24
Differential - WTI-Condensate (premium)/discount	2.22	0.00	3.01	0.05	2.58	3.72	(2.16)	(3.96)	(3.72)	3.24	2.02	(7.28)	(12.87)
Refining Margins 3-2-1 Crack Spreads⁽³⁾ (US\$/bbl)													
Chicago	24.67	20.77	16.53	17.61	14.60	17.57	19.72	18.55	21.77	12.29	16.19	31.06	27.53
Midwest Combined (Group 3)	22.03	19.34	17.46	16.27	13.28	16.65	17.75	17.41	20.80	10.66	17.35	27.24	27.93
FIFO Adjustment (C\$ millions)													
FIFO Adjustment		101	(55)	(101)	(163)	(53)	31	83	26	(91)	64	33	20

⁽³⁾ 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”).

Corporate:

- “The Board has approved a third-quarter dividend of 16 cents per share, a 40 percent reduction from second quarter levels, and the temporary discount under the company’s dividend reinvestment program has been discontinued.” – [Q2 2015 news release](#) (July 30, 2015)
 - The DRIP participation rate for the third quarter 2015 was approximately 6%.
- “The company previously announced a target of \$200 million in upstream operating, capital and G&A cost savings for 2015, which were largely achieved within the first six months of the year. As a result, the company is increasing its cost-cutting expectation for 2015 to approximately \$280 million, 40% higher than its initial target.” – [Q2 2015 news release](#) (July 30, 2015)

Hedging:

- Cenovus had the following contracts in place as of June 30, 2015 – [Q2 2015 Consolidated Financial Statements](#)

Net Fair Value of Commodity Price Positions

As at June 30, 2015	Notional Volumes	Term	Average Price	Fair Value
Crude Oil Contracts				
Fixed Price Contracts				
Brent Fixed Price	18,000 bbls/d	January – December 2015	\$113.75/bbl	107
Brent Fixed Price	25,000 bbls/d	July – September 2015	\$80.76/bbl	1
Brent Fixed Price	25,000 bbls/d	July – September 2015	US\$60.41/bbl	(12)
Brent Fixed Price	8,000 bbls/d	October – December 2015	\$82.59/bbl	-
Brent Fixed Price	18,000 bbls/d	October – December 2015	US\$67.22/bbl	3
Brent Fixed Price	6,000 bbls/d	January – June 2016	\$84.44/bbl	-
Brent Fixed Price	9,000 bbls/d	January – June 2016	US\$69.63/bbl	4
Brent Fixed Price	10,000 bbls/d	January – December 2016	US\$66.93/bbl	(5)
Brent Collars	10,000 bbls/d	January – December 2015	\$105.25 – \$123.57/bbl	45
Crude Oil Fair Value Position				143
Natural Gas Contracts				
Fixed Price Contracts				
AECO Fixed Price	149 MMcf/d	January – December 2015	\$3.86/Mcf	29
Natural Gas Fair Value Position				29
Power Purchase Contracts				
Power Fair Value Position				(5)

Forward-Looking Information:

This document contains references to forward-looking information previously provided, identified by words such as “anticipated”, “expected”, “plan” and “intend”, 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 Advisories of our 2014 Fourth Quarter and Year-End News Release and the 2015 Updated Budget News Release, available at www.sedar.com and cenovus.com. For a full discussion of our material risk factors, see “Risk Factors” in our 2014 Annual Information Form, available at www.sedar.com and cenovus.com.