



Alex Pourbaix

President & Chief Executive Officer

Tuesday, November 13

Policy and Regulatory Frustration

Industry's take

cenovus
ENERGY



About Cenovus

TSX, NYSE | CVE

Enterprise value	C\$ 24 billion
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Shares outstanding	1,229 million
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2018F production

Oil sands	373 Mbbls/d
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Deep Basin	
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Oil & liquids	32 Mbbls/d
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Natural gas	530 MMcf/d
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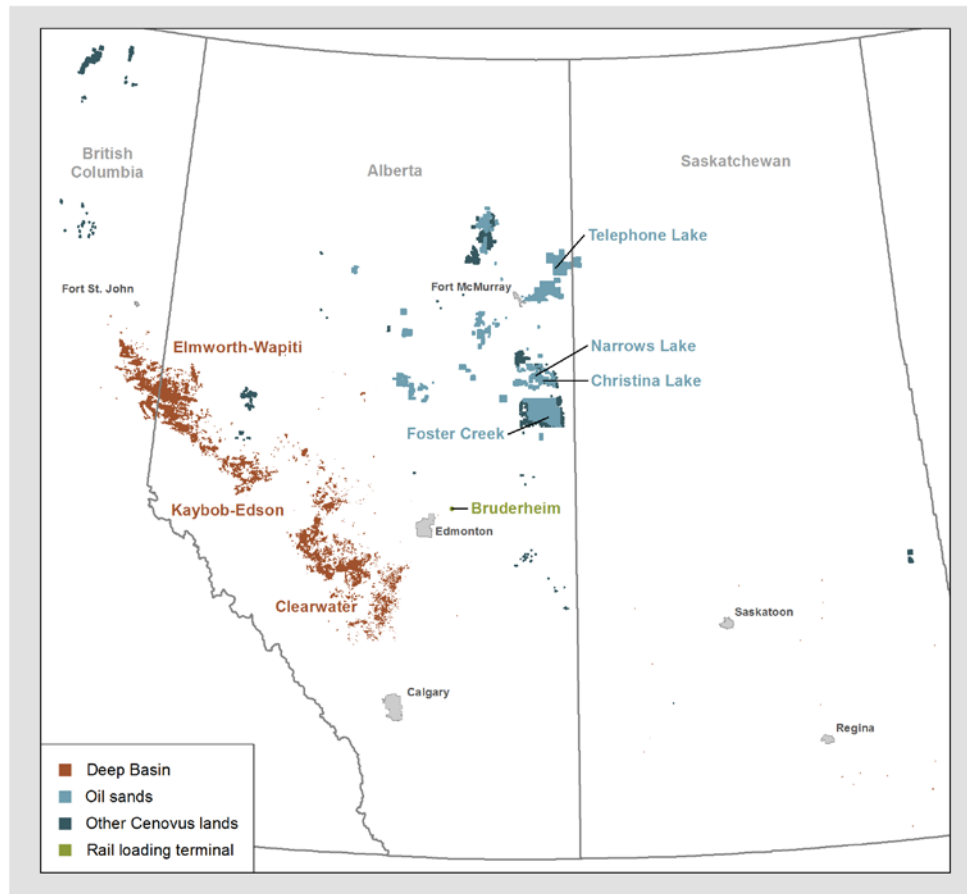
Total oil & liquids	405 Mbbls/d
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Total natural gas	540 MMcf/d
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Total production	495 MBOE/d
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2017 proved + probable reserves	7.1 BBOE
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Refining capacity	230 Mbbls/d net
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Note: Values are approximate. 2018F production based on the midpoint of December 13, 2017 guidance.

WorleyParsons review of environmental regulations across 10 oil producing countries

Stringent regulations

Comprehensive environmental laws

project approvals • time and cost to obtain approval from regulators • opportunities for public to review and comment • requirements for monitoring • cumulative effectives • decommissioning requirements

Transparency

Public access to project/facility information

stakeholder engagement process and requirements • liabilities • incident reporting

Compliance

Rules to ensure compliance

mechanisms to monitor compliance • consequences for non-compliance • enforcement to regulations • approval requirements

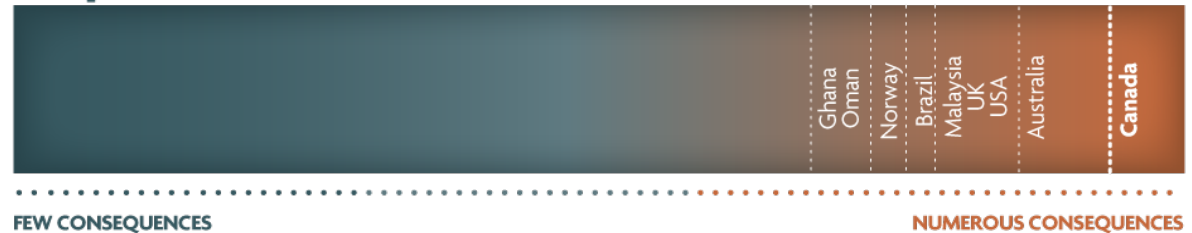
Stringency results



Transparency results



Compliance results



Source: WorlyParsons report: An International Comparison of Leading Oil and Gas Producing Regions

Canada operates within a stringent regulatory environment

Alberta Climate Leadership Plan

Public Lands Act

Water Act

Aboriginal Consultation Policies

Species at Risk Act

Occupational Health and Safety Act

Migratory Bird Convention Act

Oil Sands Tenure Regulations

Canadian Environmental Protection Act

Caribou Policy and Range Plan

Alberta Land Stewardship Act

Specified Gas Emitters Regulation

Responsible Energy Development Act

Alberta Safety Codes Act Gas Code Regulation

Wildlife Act

Alberta Wetland Policy

Pipeline Act

Royalty Regulations

Liability Management programs

Mine and Minerals Act

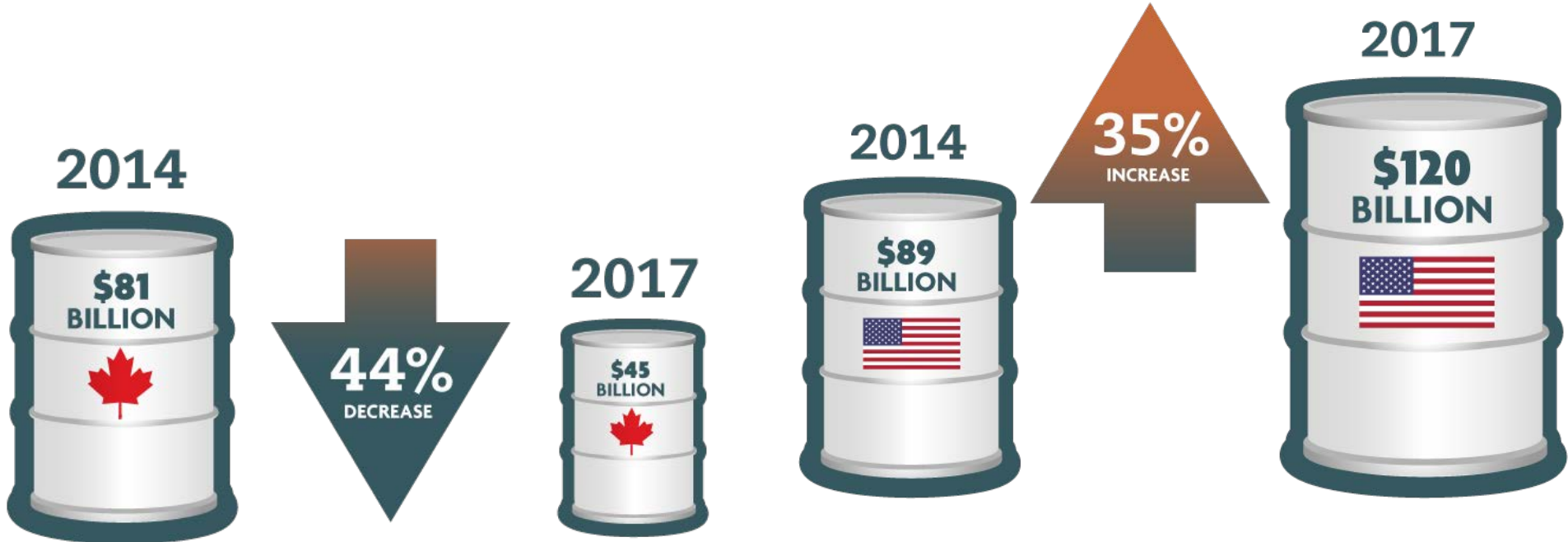
Environmental Protection and Enhancement Act

Fisheries Act

Oil Sands Conservation Regulation

Competitiveness and regulatory certainty matter

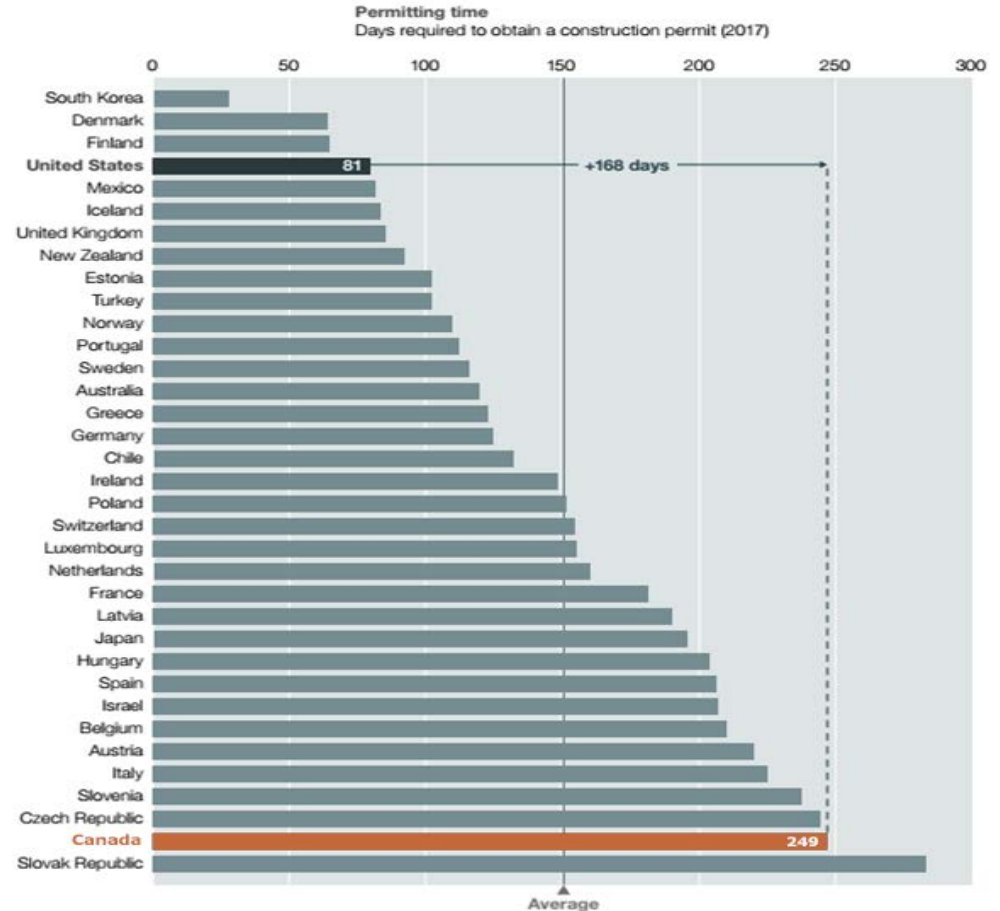
Capital investment in Canada's oil and gas sector vs. the U.S. oil and gas sector



Source: Statistics Canada

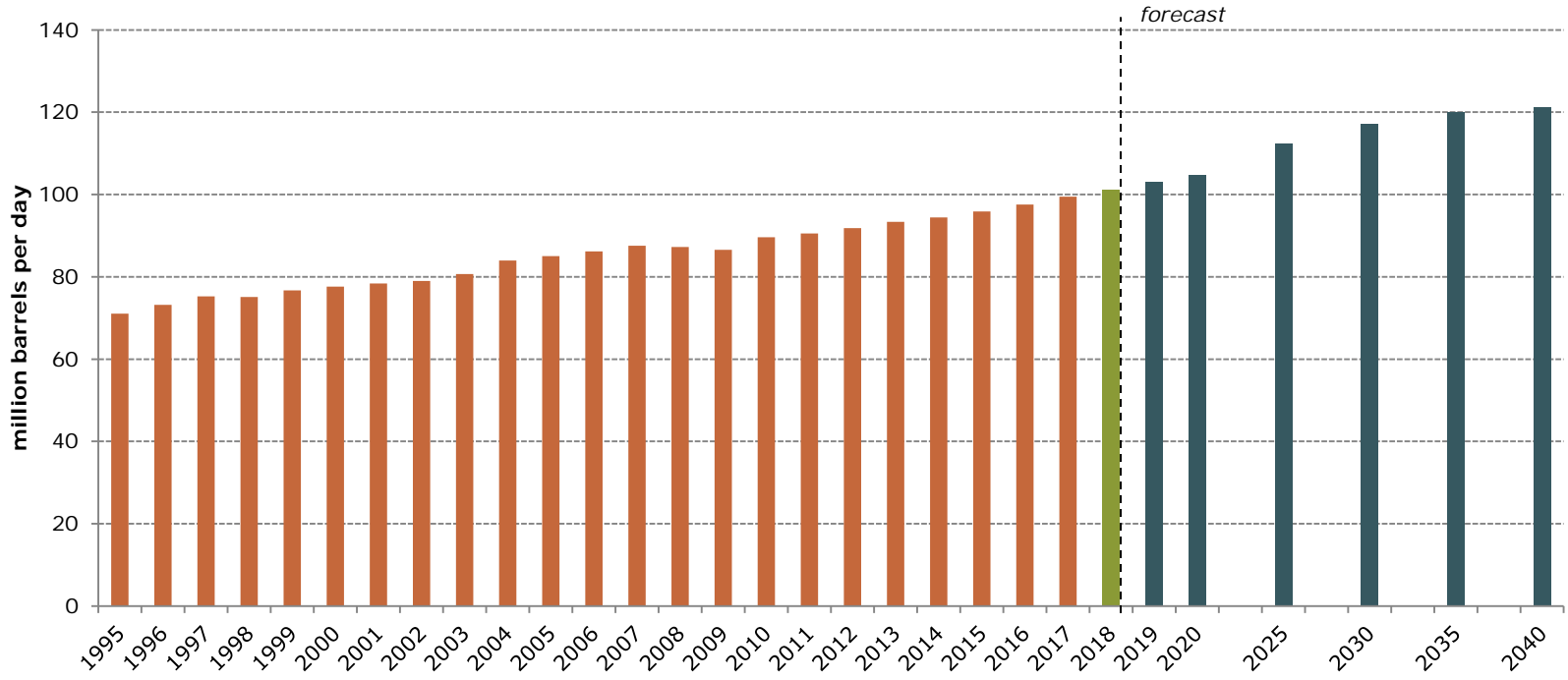
Practical implications for infrastructure development

World Bank *Doing Business Report* ranks Canada 34th out of 35 OECD countries in terms of the time required to obtain a permit for a new general construction project



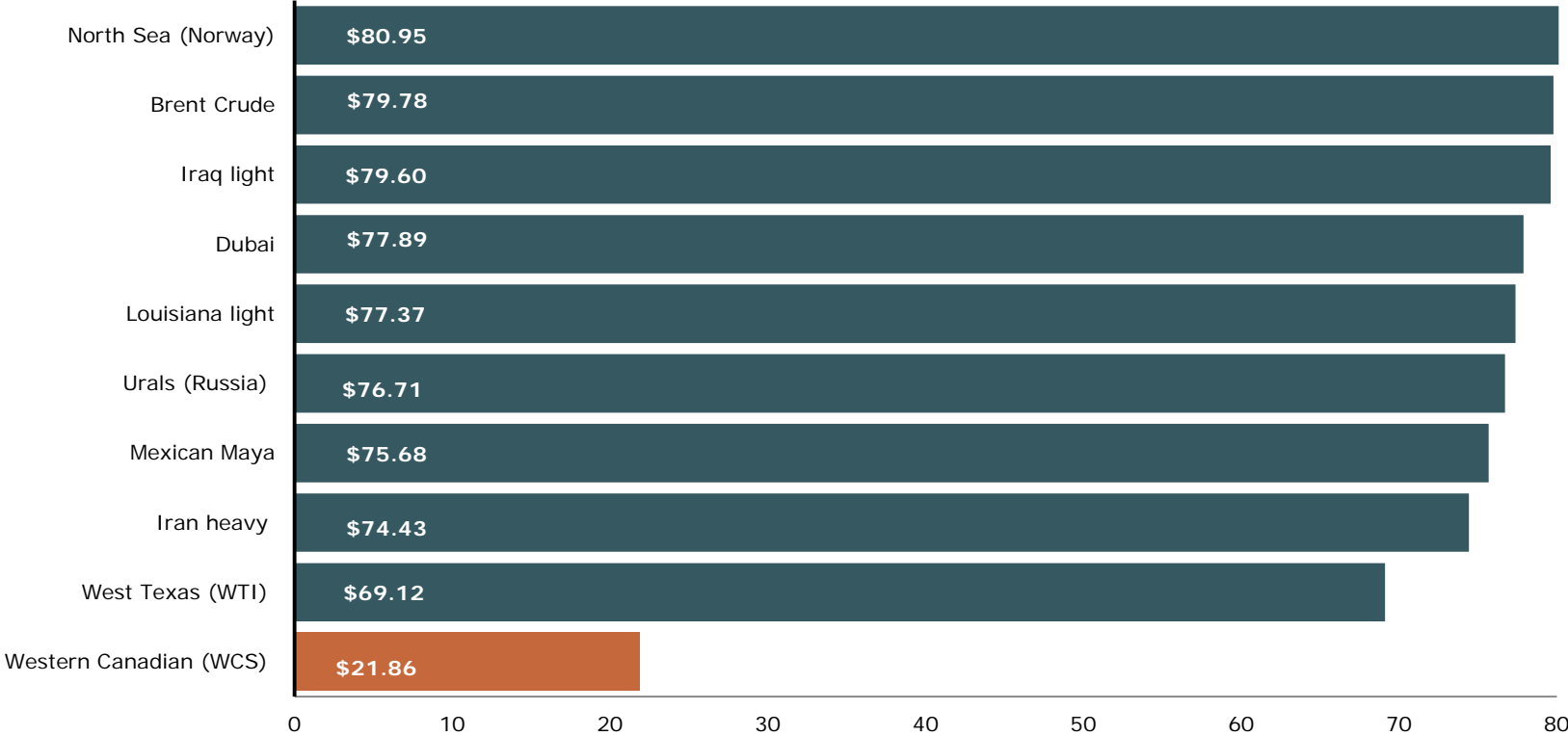
Global oil consumption hit 100 million barrels per day

Delaying or restricting pipeline development in Canada has no impact on oil demand



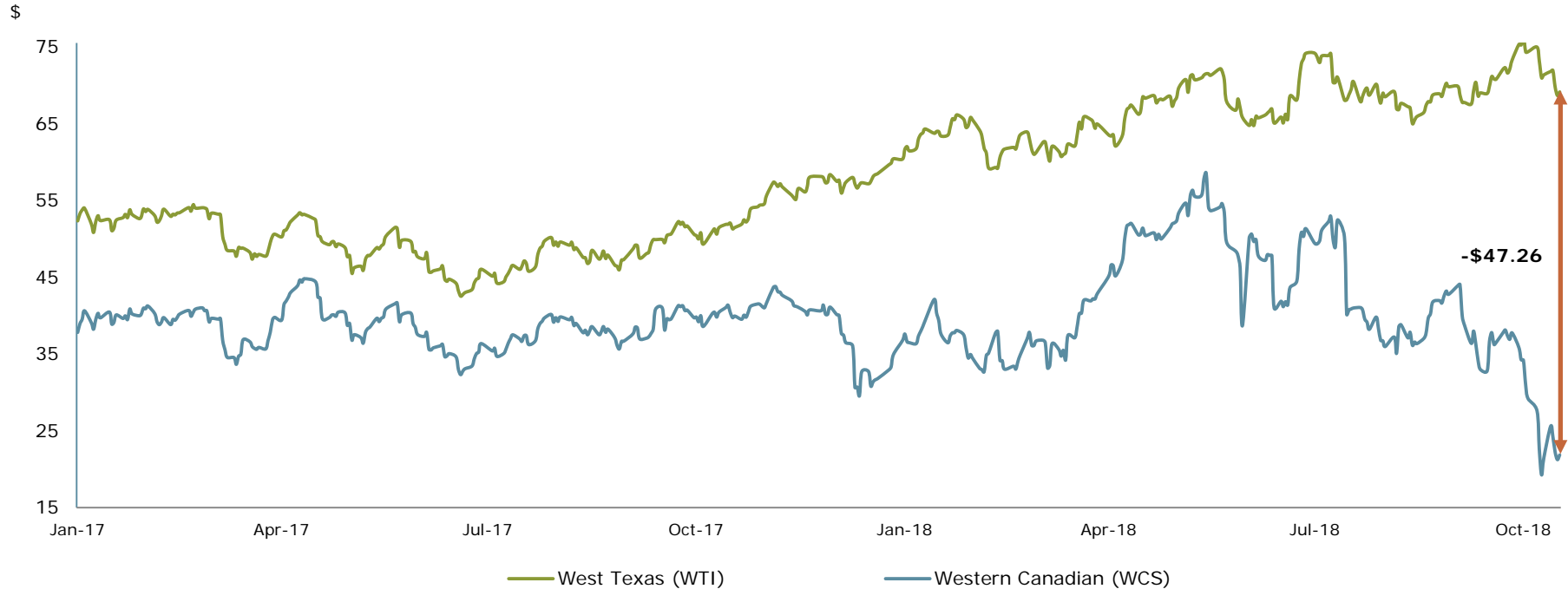
Source: PIRA Energy Group

Canadian oil is the world's cheapest



Source: PLATTS. Oil price per barrel, in US\$, as of Oct 19, 2018

Differentials – \$48 billion of forgone economic activity for Canada



Sources: National Bank Financial; PLATTS