

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Encana Corporation (“**Encana**”)
4400, 500 Centre Street S.E., P.O. Box 2850
Calgary, Alberta, Canada T2P 2S5

Item 2 Date of Material Change

October 31, 2019.

Item 3 News Release

A news release reporting the material change was disseminated through the services of Globe Newswire and filed on SEDAR and EDGAR prior to markets opening on October 31, 2019.

Item 4 Summary of Material Change

Encana Corporation (“**Encana**”) previously announced on October 31, 2019 its intention to establish corporate domicile in the United States. Encana is proposing and will be submitting to the holders (“**Encana Shareholders**”) of common shares of Encana (the “**Encana Common Shares**”) and the holders (“**Encana Incentive Awardholders**” and together with the Encana Shareholders, the “**Encana Securityholders**”) of incentive awards of Encana for approval, a special resolution approving the corporate reorganization of Encana.

In connection with the proposed Reorganization (as defined below), on October 31, 2019, Encana entered into an Arrangement and Reorganization Agreement (the “**Agreement**”) with 1847432 Alberta ULC (“**184Co**”), which is currently a wholly-owned subsidiary of Encana and will be a predecessor of Ovintiv Inc. (“**Ovintiv**”) following completion of the Reorganization. The Reorganization is being implemented in accordance with the terms of and subject to the conditions contained in the Agreement, which sets out the terms of the Reorganization.

The proposed reorganization transactions (the “**Reorganization**”) include (i) a proposed plan of arrangement (the “**Plan of Arrangement**”) under the *Canada Business Corporations Act* (the “**CBCA**”), pursuant to which, among other things, Encana will complete a share consolidation on the basis of one post-consolidation share for each five pre-consolidation shares and Ovintiv will ultimately acquire all of the issued and outstanding Encana Common Shares in exchange for shares of Ovintiv on a one-for-one basis and become the parent company of Encana and its subsidiaries (collectively, the “**Arrangement**”), and (ii) as soon as practicable following completion of the Arrangement, Ovintiv migrating out of Canada and becoming a Delaware corporation. After the Reorganization is complete, Encana Shareholders will hold one share of common stock, par value US\$0.01 per share, of Ovintiv, a Delaware corporation, for each five Encana Common Shares owned immediately prior to the Reorganization, but the business, assets, liabilities, directors and officers of Ovintiv will continue to be the same as the business, assets, liabilities, directors and officers of Encana immediately prior to the Reorganization.

The full text of the Agreement is available on SEDAR at www.sedar.com and EDGAR at www.sec.gov under Encana's profile.

Item 5 Full Description of Material Change

On October 31, 2019, Encana entered into the Agreement with 184Co, which is currently a wholly-owned subsidiary of Encana and will be a predecessor of Ovintiv following completion of the Reorganization. The Reorganization is being implemented in accordance with the terms of and subject to the conditions contained in the Agreement.

The Agreement provides for, subject to the terms and conditions of the Agreement, the completion of the Reorganization and resulting corporate domicile in the United States, through a series of reorganization transactions, including (i) the Plan of Arrangement under the CBCA, pursuant to which the Arrangement will be completed, and (ii) as soon as practicable following completion of the Arrangement, Ovintiv migrating out of Canada and becoming a Delaware corporation.

After the Reorganization is complete, Encana Shareholders will hold one share of common stock, par value US\$0.01 per share, of Ovintiv, a Delaware corporation, for each five Encana Common Shares owned immediately prior to the Reorganization, but the business, assets, liabilities, directors and officers of Ovintiv will continue to be the same as the business, assets, liabilities, directors and officers of Encana immediately prior to the Reorganization.

The board of directors of Encana has unanimously determined that the terms of the Agreement and the transactions contemplated thereby, are in the best interests of Encana, and unanimously resolved to recommend that the Encana Securityholders approve the Reorganization at a special meeting of the Encana Securityholders (the "**Meeting**").

To be effective, the special resolution approving the Reorganization must be approved, with or without variation, by the affirmative vote of at least two-thirds of the votes cast on the resolution, in person or by proxy, by both: (i) Encana Shareholders and Encana Incentive Awardholders, voting together as a single class, and (ii) Encana Shareholders, voting separately. The resulting corporate domicile in the United States is the key reason for Encana proposing the Reorganization.

The respective obligations of the parties to the Agreement to complete the Reorganization are subject to the satisfaction of or mutual waiver by Encana and 184Co (including Ovintiv as its successor) on or before the date that the Arrangement becomes effective under the CBCA of customary conditions, including required Encana Securityholder, court and stock exchange approvals.

Subject to the satisfaction or waiver of the conditions to the Agreement, Encana expects the Reorganization to be completed as soon as practicable following obtaining approval of the court in respect of the Arrangement, which is currently expected to occur early in 2020.

Item 5 Disclosure For Restructuring Transactions

Not applicable.

Item 6 Reliance of Section 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officers

For more information, please contact:

Joanne L. Alexander
Executive Vice-President, General Counsel & Corporate Secretary
(403) 645-2000

Item 9 Date of Report

November 5, 2019

ADVISORY REGARDING FORWARD-LOOKING STATEMENTS

Information included in this material change report may contain certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and "forward-looking information" under applicable Canadian securities laws (collectively, "FLS") including, but not limited to: completion and timing of the Reorganization (including name change, share consolidation and U.S. domestication and the timing for the mailing of the proxy statement/management information circular and the holding of the Meeting) and the benefits thereof, including opportunity to enhance long-term value for Encana Securityholders, liquidity and capital market access, exposure to larger pools of investment, comparability with U.S. peers, and increase in passive and index ownership; benefits of the new brand and logo; estimated tax impacts and other costs to Encana and Encana Securityholders; timing of the Meeting; Encana's sustainable business roadmap and elements thereof; improvements in returns and cash flow; and anticipated changes to debt rating.

FLS involve assumptions, risks and uncertainties that may cause such statements not to occur or results to differ materially. These assumptions include: ability, timing and terms of the Encana Securityholder approvals, court and stock exchange approvals, and regulatory approvals; director and officer support for the Reorganization; applicability of certain U.S. and Canadian securities regulations and exemptions; successful listings on applicable stock exchanges; future commodity prices and differentials; assumptions in corporate guidance; data contained in key modeling statistics; availability of attractive hedges and enforceability of risk management program; access to transportation and processing facilities; and expectations and projections made in light of Encana's historical experience and its perception of historical trends.

Risks and uncertainties include: ability to achieve anticipated benefits of the Reorganization; receipt of Encana Securityholder, stock exchange and court approvals and satisfaction of other conditions; risks relating to Ovintiv following the Reorganization, including triggering provisions in certain agreements; publicity resulting from the Reorganization and impacts to Encana's business and share price; ability to generate sufficient cash flow to meet obligations; commodity price volatility; ability to secure adequate transportation and potential pipeline curtailments; timing and costs of well, facilities and pipeline construction; business interruption, property and casualty losses or unexpected technical difficulties; counterparty and credit risk; impact of changes in credit rating and access to liquidity, including ability to issue commercial paper; currency and interest rates; risks inherent in Encana's corporate guidance; changes in or interpretation of laws or regulations; risks associated with existing or potential lawsuits and regulatory actions; impact of disputes arising with partners, including suspension of certain obligations and inability to dispose of assets or interests in certain arrangements; and other risks and uncertainties impacting

Encana's business, as described in its most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q and as described from time to time in Encana's other periodic filings as filed on SEDAR at www.sedar.com and the SEC's website at www.sec.gov.

Although Encana believes such FLS are reasonable, there can be no assurance that they will prove to be correct. Readers are cautioned that the assumptions, risks and uncertainties referenced above are not exhaustive. FLS are made as of the date of this material change report and, except as required by law, Encana undertakes no obligation to update publicly or revise any FLS. FLS contained in this material change report are expressly qualified by these cautionary statements.