

## **Base Shelf Prospectus**

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

*This short form prospectus has been filed under legislation in each of the provinces and territories of Canada that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities (except in respect of any sales pursuant to an "at-the-market distribution", as defined herein).*

*This short form prospectus constitutes a public offering of the securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.*

**Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in Canada.** Copies of the documents incorporated by reference herein may be obtained on request without charge from the Corporate Secretary of Cenovus Energy Inc. at 225 6<sup>th</sup> Avenue S.W., Calgary, Alberta, Canada T2P 0M5, Telephone: (403) 766-2000, and are also available electronically at [www.sedar.com](http://www.sedar.com).

## **SHORT FORM BASE SHELF PROSPECTUS**

New Issue and/or Secondary Offering

October 7, 2021



## **Cenovus Energy Inc. US\$5,000,000,000**

**Debt Securities  
Common Shares  
Preferred Shares  
Subscription Receipts  
Warrants  
Share Purchase Contracts  
Units**

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We may from time to time offer and sell our debentures, notes or other evidence of indebtedness of any kind, nature or description and which may be issuable in series (collectively, "**debt securities**"), common shares, preferred shares, subscription receipts, warrants, share purchase contracts and units (collectively, debt securities, common shares, preferred shares, subscription receipts, warrants, share purchase contracts and units are referred to in this prospectus as the "**Securities**") having an aggregate offering amount of up to US\$5,000,000,000 (or the equivalent in other currencies based on the applicable exchange rate at the time of the offering) during the 25-month period that this prospectus, including any amendments hereto, remains valid. Certain current or future holders of common shares (collectively, the "**Selling Securityholders**") may also offer and sell certain Securities from time to time pursuant to this prospectus. See "Selling Securityholders".

Securities may be offered separately or together, in amounts, at prices and on terms to be determined based on market conditions at the time of sale and set forth in one or more prospectus supplements. The Securities may be offered and sold in Canada and/or the United States and elsewhere where permitted by law. We will provide the specific terms of the Securities in supplements to this prospectus that will be delivered to purchasers together with this prospectus. Unless otherwise provided in a prospectus supplement relating to a series of debt securities, the debt securities will be our direct, unsecured and unsubordinated obligations and will be issued under a trust indenture. You should read this prospectus and any prospectus supplement carefully before you invest in any of the Securities.

**NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE "SEC") NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.**

**We are permitted, under a multijurisdictional disclosure system adopted by the United States and Canada, to prepare this prospectus in accordance with Canadian disclosure requirements, which are different from those of the United States. We prepare our financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, which are generally accepted accounting principles ("GAAP") in Canada. Our financial statements, which are subject to United States auditing and auditor independence standards, may not be comparable to financial statements of United States companies.**

**Certain data relating to our reserves included in or incorporated by reference in this prospectus has been prepared in accordance with Canadian disclosure standards, which are not comparable in all respects to United States disclosure standards. See "*Note Relating to Reserves Disclosure*".**

**Owning the Securities may subject you to tax consequences both in the United States and Canada. This prospectus or any applicable prospectus supplement may not describe these tax consequences fully. You should read the tax discussion in any applicable prospectus supplement. See "*Certain Income Tax Considerations*".**

**The enforcement by investors of civil liabilities under the United States federal securities laws may be affected adversely because we are organized under the laws of Canada. Most of our directors and officers, and some or all of the experts named in this prospectus, are residents of Canada or otherwise reside outside of the United States, and a substantial portion of their assets, and a substantial portion of our assets, are located outside the United States. See "*Enforceability of Civil Liabilities*".**

**Investment in the Securities involves certain risks that should be considered by a prospective purchaser. See "*Risk Factors*" along with the risk factors described in the applicable prospectus supplement pertaining to a distribution of Securities and the risk factors described in the documents incorporated by reference in this prospectus and any applicable prospectus supplement. See "*Where You Can Find More Information*".**

We may sell the Securities and the Selling Securityholders may sell certain Securities to or through underwriters or dealers, directly to one or more purchasers or through agents. See "*Plan of Distribution*". This prospectus may qualify an "at-the-market distribution", as defined in National Instrument 44-102 – *Shelf Distributions ("NI 44-102")* (an "**at-the-market distribution**"), provided that the requirements of Part 9 of NI 44-102 are complied with in connection with the filing of a prospectus supplement for an at-the-market distribution. The prospectus supplement relating to a particular offering of Securities will identify each underwriter, dealer or agent, as the case may be, engaged by us and/or the Selling Securityholders in connection with the offering and sale of Securities, and will set forth the terms of the offering of such Securities, including the method of distribution of such Securities, the public offering price, the proceeds to us and/or the Selling Securityholders, any fees, discounts or other compensation payable to underwriters, dealers or agents, and any other material terms of the plan of distribution. Securities may be sold from time to time in one or more transactions at a fixed price or fixed prices, or at non-fixed prices, including at-the-market distributions, including sales made directly on the Toronto Stock Exchange (the "**TSX**"), the New York Stock Exchange (the "**NYSE**") or other existing trading markets for the Securities. If offered on a non-fixed price basis, Securities may be offered at market prices prevailing at the time of sale or at prices to be negotiated with purchasers at the time of sale, which prices may vary between purchasers and during the period of distribution. If Securities are offered on a non-fixed price basis, the underwriters', dealers' or agents' compensation will be increased or decreased by the amount by which the aggregate price paid for Securities by the purchasers exceeds or is less than the gross proceeds paid by the underwriters, dealers or agents to us or any Selling Securityholders. See "*Plan of Distribution*".

Subject to applicable laws, in connection with any offering of Securities, the underwriters or agents, as the case may be, may over-allot or conduct transactions intended to stabilize, maintain or otherwise affect the market price for the Securities at levels other than those which otherwise might prevail in the open market. Such transactions may be commenced, interrupted or discontinued at any time. A purchaser who acquires Securities forming part of the underwriters' over-allocation position acquires those securities under this prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the over-allotment option or secondary market purchases. However, no underwriter or dealer involved in an at-the-market distribution, no affiliate of such an underwriter or dealer and no person or company acting jointly or in concert with such an underwriter or dealer will over-allot Securities in connection with such distribution or effect any other transactions that are intended to stabilize or maintain the market price of the Securities. See "*Plan of Distribution*".

Our common shares are listed on the TSX and the NYSE under the symbol "CVE". On October 6, 2021, the last completed trading day prior to the date of this prospectus, the closing price of the common shares on the TSX and NYSE was \$13.31 and US\$10.57 per common share, respectively. Our outstanding preferred shares, Series 1, Series 2, Series 3, Series 5 and Series 7 are listed on the TSX under the symbols "CVE.PR.A", "CVE.PR.B", "CVE.PR.C", "CVE.PR.E" and "CVE.PR.G", respectively. On October 6, 2021, the last completed trading day prior to the date of this prospectus, the closing prices of the Series 1, Series 2, Series 3, Series 5 and Series 7 preferred shares on the TSX were \$16.55, \$15.00, \$23.21, \$24.50 and \$23.75, respectively. We also have outstanding warrants that are listed on the TSX under the symbol "CVE.WT" and the NYSE under the symbol "CVE WS". On October 6, 2021, the last completed trading day prior to the date of this prospectus, the closing price of these warrants on the TSX and NYSE was \$7.95 and US\$6.30 per warrant, respectively.

**Unless otherwise specified in the applicable prospectus supplement, the debt securities, preferred shares, subscription receipts, warrants, share purchase contracts and units will not be listed on any securities or stock exchange and there is no market through which the debt securities, preferred shares, subscription receipts,**

**warrants, share purchase contracts and units may be sold and purchasers may not be able to resell such securities purchased under this prospectus and the applicable prospectus supplement. This may affect the pricing of the debt securities, preferred shares, subscription receipts, warrants, share purchase contracts and units in the secondary market, the transparency and availability of trading prices, the liquidity of the debt securities, preferred shares, subscription receipts, warrants, share purchase contracts and units and the extent of issuer regulation. See "Risk Factors".**

Mr. Keith M. Casey, Mr. Canning K.N. Fok, Mr. Richard J. Marcogliese, Mr. Frank J. Sixt and Ms. Rhonda I. Zygocki are directors of Cenovus who reside outside of Canada. Each of the foregoing directors has appointed us as their agent for service of process in Canada at 225 6<sup>th</sup> Avenue S.W., Calgary, Alberta, Canada T2P 0M5. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that resides outside of Canada, even if the party has appointed an agent for service of process.

Our head and registered office is located at 225 6<sup>th</sup> Avenue S.W., Calgary, Alberta, Canada T2P 0M5.

**Our earnings coverage ratios for the twelve month periods ended December 31, 2020 and June 30, 2021 are less than one-to-one. See "Earnings Coverage".**

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## ABOUT THIS PROSPECTUS

Except as set forth under "Description of Debt Securities", and unless the context otherwise requires, all references in this prospectus and any prospectus supplement to "Cenovus", "we", "us" and "our" mean Cenovus Energy Inc. and its consolidated subsidiaries and partnerships.

In this prospectus, in any prospectus supplement and in documents incorporated by reference in this prospectus, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars, references to "dollars", or "\$" are to Canadian dollars and all references to "US\$" are to United States dollars. Unless otherwise indicated, all financial information included in this prospectus and documents incorporated by reference in this prospectus or included in any prospectus supplement has been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, which are also generally accepted accounting principles for publicly accountable enterprises in Canada.

We may, from time to time, sell any combination of the Securities described in this prospectus, and the Selling Securityholders may, from time to time, sell certain Securities in one or more offerings up to an aggregate offering amount of US\$5,000,000,000 or the equivalent in other currencies. This prospectus provides you with a general description of the Securities that we, or that we and the Selling Securityholders, may offer. Each time we, and the Selling Securityholders, where applicable, sell Securities under this prospectus, we will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. Before you invest, you should read both this prospectus and any applicable prospectus supplement together with additional information described under the heading "*Where You Can Find More Information*".

Cenovus has filed with the SEC under the *Securities Act of 1933*, as amended (the "**1933 Act**") a registration statement on Form F-10 relating to the offering of the Securities, of which this prospectus forms part. This prospectus does not contain all of the information set forth in such registration statement, certain items of which are contained in the exhibits to the registration statement as permitted or required by the rules and regulations of the SEC. Items of information omitted from this prospectus but contained in the registration statement will be available on the SEC's website at [www.sec.gov](http://www.sec.gov). You may refer to the registration statement and the exhibits to the registration statement for further information with respect to us and the Securities.

Information on or connected to our website, even if referred to in a document incorporated by reference herein, does not constitute part of this prospectus.

## FORWARD LOOKING STATEMENTS

This prospectus and the documents incorporated by reference in this prospectus contain certain forward looking statements and forward looking information (collectively referred to as "**forward looking information**") within the meaning of applicable securities legislation, including the *United States Private Securities Litigation Reform Act of 1995*, about our current expectations, estimates and projections about the future, based on certain assumptions made by us in light of our experience and perception of historical trends. Although we believe that the expectations represented by such forward looking information are reasonable, there can be no assurance that such expectations will prove to be correct.

In addition to the cautionary statement below, with respect to forward-looking information contained in the documents incorporated by reference in the prospectus, prospective purchasers should refer to "Forward-Looking Information" in the AIF (as defined herein), "Advisory – Forward-looking Information" in the Annual MD&A (as defined herein), "Advisory – Forward-looking Information" in the Interim MD&A (as defined herein), "Advisory – Forward Looking Information" in the AGM Circular (as defined herein) and "Forward Looking Statements" in the Joint Circular (as defined herein), as well as the advisories section of any documents incorporated by reference in the prospectus that are filed after the date of this prospectus.

Forward-looking information in this prospectus is identified by words such as "aim", "anticipate", "believe", "capacity", "committed", "commitment", "could", "expect", "estimate", "focus", "forecast", "forward", "future", "guidance", "may", "on track", "outlook", "plan", "position", "potential", "priority", "projection", "pursue", "strategy", "should", "target", "will", or similar expressions and includes suggestions of future outcomes, including statements about: the anticipated impact of the Husky Arrangement (as defined herein) on our business; the anticipated completion and expected outcomes of the restructuring of our working interests in the Terra Nova and White Rose projects, including expected changes to working interest in the projects, production and project life, capital outlay, and funding received and contributed to future asset retirement obligations, referred to under the heading "*Recent Developments*" in this prospectus; expected timing to resume operations or restart the Terra Nova and White Rose projects; strategy and related milestones; schedules and plans; use of proceeds; focus on maximizing shareholder value through cost leadership; our ability to realize the best margins and netbacks for our products; plans to maintain and demonstrate financial discipline while balancing growth and shareholder return; continuing to advance our operational performance and upholding our trusted reputation; expected timing for oil sands expansion phases and associated expected production capacities; projections for 2021 and future years and our plans and strategies to realize such projections; forecast exchange rates and trends; future opportunities for oil and natural gas development; forecast operating and financial results, including forecast sales prices, costs and cash flows; our commitment to continue reducing debt, including our long-term target net debt to adjusted earnings before interest, taxes, depreciation

and amortization ("**Adjusted EBITDA**") ratio; our ability to satisfy payment obligations as they become due; priorities for and approach to capital investment decisions or capital allocation; planned capital expenditures, including the amount, timing and financing thereof; disclosure with respect to our credit ratings outlooks and trends, referred to under the heading "*Credit Ratings*" in this prospectus; all statements with respect to our 2021 guidance estimates; expected future production, including the timing, stability or growth thereof; our expectation that our capital investment and any cash dividends for 2021 will be funded from internally generated cash flows and cash balance on hand; expected reserves; capacities, including for projects, transportation and refining; all statements related to government royalty regimes applicable to Cenovus, which regimes are subject to change; our ability to preserve our financial resilience and various plans and strategies with respect thereto; forecast cost reductions and sustainability thereof; our priorities, including for 2021; future impact of regulatory measures; forecast commodity prices, differentials and trends and expected impact; potential impacts of various risks, including those related to commodity prices and climate change; the potential effectiveness of our risk management strategies; new accounting standards, the timing for the adoption thereof, and anticipated impact on the consolidated financial statements; the availability and repayment of our credit facilities; potential asset sales; expected impacts of the contingent payment; future use and development of technology and associated future outcomes; our ability to access and implement all technology necessary to efficiently and effectively operate our assets and achieve expected future cost reductions; and projected growth and projected shareholder return. Readers are cautioned not to place undue reliance on forward-looking information as our actual results may differ materially from those expressed or implied.

Developing forward-looking information involves reliance on a number of assumptions and consideration of certain risks and uncertainties, some of which are specific to Cenovus and others that apply to the industry in general. The factors and assumptions on which our forward-looking information is based include: forecast oil and natural gas, natural gas liquids, condensate and refined products prices, light-heavy crude oil price differentials and other assumptions identified in Cenovus's 2021 guidance, available at [cenovus.com](http://cenovus.com); projected capital investment levels, the flexibility of capital spending plans and associated sources of funding; achievement of further cost reductions and sustainability thereof; applicable royalty regimes, including expected royalty rates; future improvements in availability of product transportation capacity; increase to our share price and market capitalization over the long-term; future narrowing of crude oil differentials; realization of expected capacity to store within our oil sands reservoirs barrels not yet produced; estimates of quantities of oil, bitumen, natural gas and liquids from properties and other sources not currently classified as proved; accounting estimates and judgments; future use and development of technology and associated expected future results; our ability to obtain necessary regulatory and partner approvals; the successful and timely implementation of capital projects or stages thereof; our ability to generate sufficient cash flow to meet our current and future obligations; estimated abandonment and reclamation costs, including associated levies and regulations applicable thereto; achievement of expected impacts of the Husky Arrangement; ability of Cenovus to make the required cash outlay with respect to the Terra Nova project; anticipated funding to be received by the Government of Newfoundland and Labrador; receipt of certain funds from Terra Nova project partners towards future asset retirement obligations; expected resumption of the Terra Nova project prior to the end of 2022; our ability to obtain and retain qualified staff and equipment in a timely and cost-efficient manner; our ability to access sufficient capital to pursue our development plans; our ability to complete asset sales, including with desired transaction metrics and within the timelines we expect; forecast inflation and other assumptions inherent in our current guidance set out below; our ability to access and implement all technology necessary to achieve expected future results; our ability to implement capital projects or stages thereof in a successful and timely manner; and other risks and uncertainties described from time to time in the filings we make with securities regulatory authorities.

The information contained on our website is not incorporated by reference into this prospectus. The reference to our website is intended to be an inactive textual reference.

2021 guidance, as updated July 28, 2021, assumes: Brent prices of US\$69.00/bbl, West Texas Intermediate ("**WTI**") prices of US\$66.00/bbl; Western Canadian Select ("**WCS**") of US\$53.00/bbl; Differential WTI-WCS of US\$13.00/bbl; AECO natural gas prices of \$3.30/Mcf; Chicago 3-2-1 crack spread of US\$17.00/bbl; RINs of US\$6.50/bbl; and an exchange rate of \$0.80 US\$/C\$.

The risk factors and uncertainties that could cause our actual results to differ materially include, but are not limited to: our ability to realize the anticipated benefits of and synergies from the Husky Arrangement; our ability to access or implement some or all of the technology necessary to efficiently and effectively operate our assets and achieve expected future results; our ability to complete the restructuring of our working interests in the Terra Nova and White Rose projects and our ability to extend the life of such projects, as applicable, and resume operations, including achievement of anticipated outcomes and the ability to obtain the funds necessary to extend the life of the Terra Nova field and reach estimated production amounts in 2023; volatility of and other assumptions regarding oil and gas prices; the effectiveness of our risk management program, including the impact of derivative financial instruments, the success of our hedging strategies and the sufficiency of our liquidity position; the accuracy of cost estimates; commodity prices, currency and interest rates; product supply and demand; accuracy of our share price and market capitalization assumptions; market competition, including from alternative energy sources; risks inherent in our marketing operations, including credit risks, exposure to counterparties and partners, including ability and willingness of such parties to satisfy contractual obligations in a timely manner; risks inherent in our operations, including health, safety and environmental risks; maintaining desirable ratios of debt (and net debt) to Adjusted EBITDA as well as debt (and net debt) to capitalization; our ability to access various sources of debt and equity capital, generally, and on terms acceptable to us; our ability to finance growth and sustain capital expenditures; changes in credit ratings applicable to us or any of our securities; changes to our dividend plans or strategy, including our dividend reinvestment plan; accuracy of our reserves, resources and future production expense and future net revenue estimates; our ability to

replace and expand oil and gas reserves; our ability to maintain our relationship with our partners and to successfully manage and operate our integrated business; reliability of our assets including in order to meet production targets; potential disruption or unexpected technical difficulties in developing new products and manufacturing processes; the occurrence of unexpected events such as fires, severe weather conditions, explosions, blow-outs, equipment failures, transportation incidents and other accidents or similar events; refining and marketing margins; inflationary pressures on operating costs, including labour, materials, natural gas and other energy sources used in oil sands processes; potential failure of new products to achieve or maintain acceptance in the market; unexpected cost increases or technical difficulties in constructing or modifying manufacturing or refining facilities; unexpected difficulties in producing, transporting or refining crude oil into petroleum and chemical products; risks associated with technology and its application to our business including potential cyber-attacks; the timing and the costs of well and pipeline construction; our ability to secure adequate and cost effective product transportation including sufficient pipeline, crude-by-rail, marine or alternate transportation, and including to address any gaps caused by constraints in the pipeline system; availability of, and our ability to attract and retain, critical talent; changes in the regulatory framework in any of the locations in which we operate, including changes to the regulatory approval process and land-use designations, royalty, tax, environmental, greenhouse gas, carbon, climate change, production curtailment policies and other laws or regulations, or changes to the interpretation of such laws and regulations, as adopted or proposed, the impact thereof and the costs associated with compliance; the expected impact and timing of various accounting pronouncements, rule changes and standards on our business, our financial results and our consolidated financial statements; changes in general economic, market and business conditions; the political and economic conditions in the countries in which we operate; the occurrence of unexpected events such as war, terrorist threats, pandemics and the instability resulting therefrom; and risks associated with existing and potential future lawsuits and regulatory actions against us.

Statements relating to "reserves" are deemed to be forward looking information, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described exist in the quantities predicted or estimated, and can be profitably produced in the future.

We caution that the foregoing list of important factors is not exhaustive. Events or circumstances could cause our actual results to differ materially from those estimated or projected and expressed in, or implied by, the forward looking information. You should carefully consider the matters discussed under "*Risk Factors*" in this prospectus and in any applicable prospectus supplement. You should also refer to "*Risk Factors*" in our AIF (as defined herein), "*Risk Management and Risk Factors*" in our Annual MD&A (as defined herein), "*Risk Management and Risk Factors*" in the Interim MD&A (as defined herein) and "*Risk Factors*" in the Joint Circular (as defined herein), each as incorporated by reference in this prospectus, and to the risk factors described in other documents incorporated by reference in this prospectus.

You should not place undue reliance on the forward looking information contained in this prospectus or incorporated by reference in this prospectus, as actual results achieved will vary from such forward looking information and the variations may be material. We make no representation that actual results achieved will be the same in whole or in part as those set out in the forward looking information. Furthermore, the forward looking information contained or incorporated by reference in this prospectus is made as of the date of this prospectus or as of the date specified in the documents incorporated by reference in this prospectus, as the case may be. Except as required by applicable securities laws, we undertake no obligation to update publicly or otherwise revise any forward looking information or the foregoing list of factors affecting those statements, whether as a result of new information, future events or otherwise or the foregoing lists of factors affecting this information.

This cautionary statement qualifies all forward looking information contained in this prospectus or incorporated by reference in this prospectus.

#### **NOTE RELATING TO RESERVES DISCLOSURE**

The securities regulatory authorities in Canada have adopted National Instrument 51-101 — *Standards of Disclosure for Oil and Gas Activities* ("**NI 51-101**"), which imposes oil and gas disclosure standards for Canadian public issuers engaged in oil and gas activities. NI 51-101 permits oil and gas issuers, in their filings with Canadian securities regulatory authorities, to disclose proved and probable reserves, and to disclose reserves and production on a gross basis before deducting royalties. Proved reserves are reserves that can be estimated with a high degree of certainty to be recoverable. Probable reserves are those additional reserves that are less certain to be recovered.

We are permitted to disclose reserves in accordance with Canadian securities law requirements and the disclosure in certain of the documents incorporated by reference herein include reserves designated as probable reserves.

The SEC definitions of proved and probable reserves are different from the definitions contained in NI 51-101; therefore, proved and probable reserves disclosed in the documents incorporated by reference herein in compliance with NI 51-101 may not be comparable to United States standards. The SEC requires United States oil and gas reporting companies, in their filings with the SEC, to disclose only proved reserves after the deduction of royalties and production due to others but permits the optional disclosure of probable reserves.

As permitted by NI 51-101, we have determined and disclosed the net present value of future net revenue from our reserves in our NI 51-101 compliant reserves disclosure using forecast prices and costs. The SEC requires that reserves and

related future net revenue be estimated based on historical 12 month average prices, but permits the optional disclosure of revenue estimates based on different price and cost criteria, including standardized future prices.

For additional information regarding the presentation of our reserves and other oil and gas information, see the section entitled "*Reserves Data and Other Oil and Gas Information*" in our annual information form, which is incorporated by reference herein.

### ENFORCEABILITY OF CIVIL LIABILITIES

We are a corporation incorporated under and governed by the *Canada Business Corporations Act*. Most of our directors and officers, and some or all of the experts named in this prospectus, are residents of Canada or otherwise reside outside of the United States, and a substantial portion of their assets, and a substantial portion of our assets, are located outside the United States. We have appointed an agent for service of process in the United States, but it may be difficult for holders of securities who reside in the United States to effect service within the United States upon those directors, officers and experts who are not residents of the United States. It may also be difficult for holders of securities who reside in the United States to realize in the United States upon judgments of courts of the United States predicated upon our civil liability and the civil liability of our directors and officers and experts under the United States federal securities laws. We have been advised by our Canadian counsel, Blake, Cassels & Graydon LLP, that a judgment of a United States court predicated solely upon civil liability under United States federal securities laws would probably be enforceable in Canada if the United States court in which the judgment was obtained has a basis for jurisdiction in the matter that would be recognized by a Canadian court for the same purposes. We have also been advised by Blake, Cassels & Graydon LLP, however, that there is a real doubt whether an action could be brought in Canada in the first instance on the basis of liability predicated solely upon United States federal securities laws.

We filed with the SEC, concurrently with our registration statement on Form F-10 of which this prospectus forms a part, an appointment of agent for service of process on Form F-X. Under the Form F-X, we appointed CT Corporation System as our agent for service of process in the United States in connection with any investigation or administrative proceeding conducted by the SEC and any civil suit or action brought against or involving us in a United States court arising out of or related to or concerning the offering of securities under this prospectus.

### WHERE YOU CAN FIND MORE INFORMATION

**Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in Canada.** Copies of the documents incorporated by reference in this prospectus may be obtained on request without charge from the Corporate Secretary of Cenovus Energy Inc., 225 6<sup>th</sup> Avenue S.W., Calgary, Alberta, Canada T2P 0M5, telephone (403) 766-2000. These documents are also available through the internet via the System for Electronic Document Analysis and Retrieval ("**SEDAR**"), which can be accessed at [www.sedar.com](http://www.sedar.com).

We file with the securities commission or authority in each of the provinces and territories of Canada, annual and quarterly reports, material change reports and other information. We are subject to the informational requirements of the *United States Securities Exchange Act of 1934*, as amended (the "**Exchange Act**"), and, in accordance with the Exchange Act, we also file reports with and furnish other information to the SEC. Under the multijurisdictional disclosure system adopted by the United States, these reports and other information (including financial information) may be prepared, in part, in accordance with the disclosure requirements of Canada, which differ from those in the United States. Our filings are also electronically available from the SEC's Electronic Data Gathering, Analysis and Retrieval system (EDGAR), which can be accessed at [www.sec.gov](http://www.sec.gov), as well as from commercial document retrieval services.

Under applicable securities laws in Canada and the United States, the Canadian securities commissions and the SEC allow us to incorporate by reference certain information that we file with them, which means that we can disclose important information to you by referring you to those documents. Information that is incorporated by reference is an important part of this prospectus. We incorporate by reference the documents listed below, which were filed with the Canadian securities commissions under Canadian securities legislation:

- (a) our audited annual consolidated financial statements and auditor's report thereon as at and for the year ended December 31, 2020;
- (b) our management's discussion and analysis for the year ended December 31, 2020 (the "**Annual MD&A**");
- (c) our unaudited interim condensed consolidated financial statements as at and for the three and six months ended June 30, 2021;
- (d) our management's discussion and analysis for the three and six months ended June 30, 2021 (the "**Interim MD&A**");
- (e) our annual information form dated February 8, 2021 (the "**AIF**");

- (f) the joint management information circular of Cenovus and Husky Energy Inc. ("**Husky**") dated November 9, 2020 in connection with special meetings of shareholders of Cenovus and Husky held on December 15, 2020 concerning the plan of arrangement involving Cenovus and Husky, except Appendix G, H, I, J and K and all references to or summaries of the fairness opinions forming such Appendices included therein (the "**Joint Circular**");
- (g) our management information circular dated March 15, 2021 in connection with an annual meeting of shareholders held on May 12, 2021 (the "**AGM Circular**");
- (h) our material change report dated January 11, 2021 relating to the completion of the acquisition of all of the issued and outstanding common shares and preferred shares of Husky pursuant to a court approved plan of arrangement under the *Business Corporations Act* (Alberta), which was completed effective January 1, 2021 (the "**Husky Arrangement**"); and
- (i) our business acquisition report dated March 26, 2021 relating to the Husky Arrangement (the "**Husky BAR**").

Any documents of the type required by National Instrument 44-101 – *Short Form Prospectus Distributions* to be incorporated by reference in this prospectus, including any annual information form, audited annual consolidated financial statements (together with the auditor's reports thereon), information circular, unaudited interim consolidated financial statements, management's discussion and analysis, material change reports (excluding confidential material change reports) or business acquisition reports filed by us with securities commissions or similar authorities in the relevant provinces and territories of Canada subsequent to the date of this prospectus and prior to the termination of the offering of Securities under any prospectus supplement shall be deemed to be incorporated by reference into this prospectus. These documents are available through the internet on SEDAR. In addition, any similar documents filed by us with the SEC in our periodic reports on Form 6-K or annual reports on Form 40-F and any other documents filed with or furnished to the SEC pursuant to Section 13(a), 13(c) or 15(d) of the Exchange Act, in each case after the date of this prospectus, shall be deemed to be incorporated by reference into this prospectus and the registration statement of which this prospectus forms a part, if and to the extent expressly provided in such reports. To the extent that any document or information incorporated by reference into this prospectus is included in a report that is filed with or furnished to the SEC on Form 40-F, 20-F, 10-K, 10-Q, 8-K or 6-K (or any respective successor form), such document or information shall also be deemed to be incorporated by reference as an exhibit to the registration statement of which this prospectus forms a part.

**Any statement contained in this prospectus or in a document (or part thereof) incorporated by reference, or deemed to be incorporated by reference herein, shall be deemed to be modified or superseded, for purposes of this prospectus, to the extent that a statement contained herein or in any subsequently filed document (or part thereof) that also is, or is deemed to be, incorporated by reference herein modifies or replaces such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute part of this prospectus. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document which it modifies or supersedes.**

**Any "template version" of "marketing materials" (as those terms are defined under applicable Canadian securities laws) that are utilized in connection with the distribution of Securities will be filed on SEDAR. In the event that such marketing materials are filed after the date of the applicable prospectus supplement for the offering and before termination of the distribution of such Securities, such filed versions of the marketing materials will be deemed to be incorporated by reference into the applicable prospectus supplement for the purposes of the distribution of the Securities to which the prospectus supplement pertains.**

**We will file updated earnings coverage ratios quarterly with the applicable securities regulatory authorities, including the SEC, either as prospectus supplements or exhibits to our unaudited interim consolidated financial statements and audited annual consolidated financial statements which will be deemed to be incorporated by reference in this prospectus for the purpose of the offering of the Securities.**

Upon a new annual information form and related audited annual consolidated financial statements and management's discussion and analysis being filed by us with the securities commission or similar regulatory authority in each of the provinces and territories of Canada during the term of this prospectus, the previous annual information form, the previous audited annual consolidated financial statements and related management's discussion and analysis, all unaudited interim consolidated financial statements and related management's discussion and analysis and all material change reports filed prior to the commencement of our financial year in which the new annual information form and corresponding audited annual consolidated financial statements and management's discussion and analysis are filed, and all information circulars filed prior to the beginning of the financial year in respect of which the new annual information form relates, shall be deemed no longer to be incorporated into this prospectus for purposes of future distributions of Securities under this prospectus. Upon new unaudited interim consolidated financial statements and related management's discussion and analysis being filed by us with the securities commission or similar regulatory authority in each of the provinces and territories of Canada during the term of this prospectus, all unaudited interim consolidated financial statements and related management's discussion and analysis

filed prior to the new unaudited interim consolidated financial statements and related management's discussion and analysis shall be deemed no longer to be incorporated into this prospectus for purposes of future distributions of Securities under this prospectus. Upon a new information circular relating to an annual meeting of our shareholders being filed by us with the securities commission or similar regulatory authority in each of the provinces and territories of Canada during the term of this prospectus, the information circular for the preceding annual meeting of our shareholders shall be deemed no longer to be incorporated into this prospectus for purposes of future distributions of Securities under this prospectus. In addition, upon a new annual information form being filed by us with the securities commission or similar regulatory authority in each of the provinces and territories of Canada during the term of this prospectus for which the corresponding audited annual consolidated financial statements include at least nine months of the financial results of an acquired business for which a business acquisition report was filed by us and incorporated by reference into this prospectus, such business acquisition report shall be deemed no longer to be incorporated by reference into this prospectus for the purposes of future distributions of Securities under this prospectus.

All information permitted under applicable securities laws to be omitted from this prospectus will be contained or incorporated by reference in one or more prospectus supplements that will (except in respect of any sales pursuant to an at-the-market distribution) be delivered to purchasers together with this prospectus and any amendments hereto. Each prospectus supplement will be deemed to be incorporated by reference into this prospectus for the purposes of applicable securities legislation as of the date of the prospectus supplement and only for the purposes of the offering of the Securities to which the prospectus supplement pertains.

### CENOVUS ENERGY INC.

Cenovus is a Canadian integrated energy company headquartered in Calgary, Alberta, with our common shares and outstanding warrants listed on the TSX and the NYSE and our outstanding preferred shares on the TSX. As of the date of this prospectus, Cenovus is the third largest Canadian-based oil and natural gas producer and the second largest Canadian refiner and upgrader, with operations in Canada, the United States and the Asia Pacific region. Our upstream operations include oil sands projects in northern Alberta, thermal and conventional crude oil, natural gas and natural gas liquids ("**NGLs**") projects across Western Canada, crude oil production offshore Newfoundland and Labrador and natural gas and NGLs production offshore China and Indonesia. Our downstream operations include upgrading, refining and retail operations in Canada and the United States.

Our operations involve activities across the full value chain to develop, transport, produce and market crude oil and natural gas in Canada and internationally. Our physically integrated upstream and downstream operations help us mitigate the impact of volatility in light-heavy crude oil differentials and contributes to our bottom line by capturing value from oil and gas production through to the sale of finished products like transportation fuels. Our strategy is focused on maximizing shareholder value through cost leadership and realizing the best margins for our products.

On January 1, 2021, Cenovus completed the Husky Arrangement pursuant to which holders of common shares of Husky received 0.7845 of a common share of Cenovus and 0.0651 of a Cenovus common share purchase warrant in respect of each common share of Husky held. In addition, all of the issued and outstanding Husky preferred shares were exchanged for Cenovus preferred shares with substantially identical terms. On March 31, 2021, Cenovus and Husky amalgamated under the provisions of the *Canada Business Corporations Act* and continued to operate as "Cenovus Energy Inc".

### CONSOLIDATED CAPITALIZATION

Since June 30, 2021, there have been no material changes in our share and loan capital, on a consolidated basis, other than: (i) the issuance of US\$1,250,000,000 in senior notes, consisting of US\$500,000,000 of 2.650% senior unsecured notes due 2032 and US\$750,000,000 of 3.750% senior unsecured notes due 2052 (collectively, the "**2032 and 2052 Notes**") pursuant to a public offering in the United States completed on September 13, 2021 (the "**Senior Note Offering**"); (ii) the repurchase of US\$253,901,000 aggregate principal amount of outstanding 3.950% notes due 2022, which were issued on March 22, 2012 and US\$321,417,000 aggregate principal amount of outstanding 3.000% notes due 2022, which were issued on August 17, 2012 (collectively, the "**Any and All Notes**"), pursuant to a cash tender offer (the "**Any and All Tender Offer**") for any and all outstanding Any and All Notes, which expired on September 15, 2021; and (iii) the repurchase on September 24, 2021 of US\$334,712,000 aggregate principal amount of outstanding 3.800% notes due 2023, which were issued on August 15, 2013, US\$481,224,000 aggregate principal amount of outstanding 4.000% notes due 2024, which were issued on March 17, 2014, US\$334,326,000 aggregate principal amount of outstanding 5.375% notes due 2025, which were issued on July 30, 2020 (collectively, the "**Existing Notes**"), pursuant to a cash tender offer for up to US\$1,250,000,000 maximum aggregate purchase price of outstanding Existing Notes, 4.250% senior notes due 2027, which were issued on April 7, 2017 and 4.400% notes due 2029, which were issued on March 15, 2019 (the "**Maximum Tender Offer**" and, together with the Any and All Tender Offer, the "**Tender Offers**"), which expired on October 6, 2021. The net proceeds from the Senior Notes Offering were used to partially finance the Tender Offers.

## RECENT DEVELOPMENTS

On September 20, 2021, we announced that Cenovus had issued notices to redeem, on October 20, 2021, all of the 3.950% notes due 2022 and 3.000% notes due 2022 that remained outstanding following the completion of the Any and All Tender Offer.

On September 13, 2021, we completed the Senior Note Offering. Additionally, Cenovus repurchased the Any and All Notes pursuant to the Any and All Tender Offer, which expired on September 15, 2021, and repurchased the Existing Notes pursuant to the Maximum Tender Offer, which expired on October 6, 2021. See "*Consolidated Capitalization*".

On September 8, 2021, we announced that we entered into agreements to restructure our working interests in the Terra Nova and White Rose projects. Pursuant to the agreements, we will increase our working interest in Terra Nova from 13% to 34%, with an expected cash outlay of approximately \$60 million to first oil, net to Cenovus, including funding from the Government of Newfoundland and Labrador. As a result of the Terra Nova restructuring, Cenovus expects to receive \$78 million towards future asset retirement obligations, extend the life of the field to 2033 and reach gross production of approximately 29,000 bbls/d in 2023 following resumption of operations prior to the end of 2022. A decision is expected to be made by mid-2022 as to whether West White Rose will be restarted and, if so, Cenovus expects to reduce its stake in the original field from 72.5% to 60% and from 68.875% to 56.375% in the satellite extensions.

## USE OF PROCEEDS

Unless otherwise indicated in the applicable prospectus supplement, we will use the net proceeds we receive from the sale of the Securities for general corporate purposes. Those general corporate purposes may include capital expenditures, the repayment of indebtedness and the financing of acquisitions. The amount of net proceeds to be used for any such purpose will be described in the applicable prospectus supplement. We may invest funds that we do not immediately require in short-term marketable securities. The Selling Securityholders will not, directly or indirectly, receive any proceeds from any offering of Securities by us under this prospectus. We will not, directly or indirectly, receive any proceeds from any sale of certain Securities by the Selling Securityholders.

## DESCRIPTION OF DEBT SECURITIES

In this section only, "we", "us", "our" or "Cenovus" refer only to Cenovus Energy Inc. without any of its subsidiaries or partnerships through which it operates. The following description describes certain general terms and provisions of the debt securities.

We may issue debt securities either separately or together with or upon the conversion of or in exchange for other Securities. The particular terms and provisions of each series of debt securities we may offer, including any conversion or exchange rights attaching to the debt securities, will be described in greater detail in the applicable prospectus supplement which may provide information that is different from this prospectus. We reserve the right to include in a prospectus supplement specific variable terms pertaining to the debt securities that are not within the descriptions set forth in this prospectus. To the extent that any terms or provisions or other information described in this prospectus differ from any of the terms or provisions or other information described in a prospectus supplement, the description set forth in this prospectus shall be deemed to have been superseded by the description set forth in the prospectus supplement with respect to those debt securities.

Debt securities offered pursuant to this prospectus may be issued under an indenture dated August 17, 2012 between us and The Bank of New York Mellon, as "Trustee" (as supplemented from time to time, the "**2012 Indenture**") or under an indenture dated April 7, 2017 between us and The Bank of New York Mellon, as "Trustee" (as supplemented from time to time, the "**2017 Indenture**" and together with the 2012 Indenture, the "**Indentures**"). The Indentures are subject to and governed by the *United States Trust Indenture Act of 1939*, as amended. We may also, from time to time, issue debt securities and incur additional indebtedness pursuant to this prospectus under one or more indentures other than the 2012 Indenture or the 2017 Indenture as may be described in the applicable prospectus supplement.

### General

The applicable prospectus supplement relating to a distribution of debt securities to be issued under the 2012 Indenture, the 2017 Indenture or otherwise, will disclose the specific terms of such debt securities. Those terms may include some or all of the following:

- the specific designation and the aggregate principal amount of the debt securities of such series;
- the extent and manner, if any, to which payment on or in respect of our debt securities of such series will be senior or will be subordinated to the prior payment of our other liabilities and obligations;
- the percentage or percentages of principal amount at which our debt securities of such series will be issued;

- the date or dates on which the principal of (and premium, if any, on) our debt securities of such series will be payable and the portion (if less than the principal amount) of the debt securities of such series to be payable upon a declaration of acceleration of maturity and/or the method by which such date or dates shall be determined or extended;
- the rate or rates (whether fixed or variable) at which our debt securities of such series will bear interest, if any, and the date or dates from which such interest will accrue;
- the dates on which any interest will be payable and the regular record dates for the payment of interest on our debt securities of such series in registered form;
- the place or places where the principal of (and premium, if any, and interest, if any, on) our debt securities will be payable, and each office or agency where our debt securities of such series may be presented for registration of transfer or exchange;
- if other than United States dollars, the currency in which our debt securities of such series are denominated or in which currency payment of the principal of (and premium, if any, and interest, if any, on) such debt securities of such series will be payable;
- whether our debt securities of such series will be issuable in the form of one or more global securities and, if so, the identity of the depository for the global securities;
- any mandatory or optional redemption or sinking fund provisions;
- the period or periods, if any, within which, the price or prices at which, the currency in which and the terms and conditions upon which our debt securities of such series may be redeemed or purchased by us;
- the terms and conditions, if any, upon which you may redeem our debt securities of such series prior to maturity and the price or prices at which and the currency in which our debt securities of such series are payable;
- any index used to determine the amount of payments of principal of (and premium, if any, or interest, if any, on) our debt securities of such series;
- the terms, conditions and procedures, if any, on which our debt securities may be converted or exchanged for other of our securities, including common shares, preferred shares, debt securities or debt securities of other entities;
- any other terms of our debt securities of such series, including covenants and events of default which apply solely to a particular series of our debt securities being offered which do not apply generally to other debt securities, or any covenants or events of default generally applicable to our debt securities of such series which do not apply to a particular series of our debt securities;
- if other than The Depository Trust Company, the person designated as the depository for the debt securities of such series;
- any applicable material Canadian and United States federal income tax consequences;
- whether and under what circumstances we will pay additional amounts on the debt securities of such series in respect of certain taxes (and the terms of any such payment) and, if so, whether we will have the option to redeem the debt securities of such series rather than pay additional amounts (and the terms of any such option);
- whether the payment of our debt securities will be guaranteed by any other person; and
- if other than denominations of US\$2,000 and any integral multiple of US\$1,000 in excess thereof, the denominations in which any securities of the series shall be issuable.

In addition to new issues of debt securities, this prospectus may be used in connection with the remarketing of outstanding debt securities, in which case the terms of the remarketing and of the remarketed debt securities will be set forth in the applicable prospectus supplement. See "*Plan of Distribution*".

## DESCRIPTION OF SHARE CAPITAL

The following sets forth the terms and provisions of our existing capital. The particular terms and provisions of the common shares and/or preferred shares offered by a prospectus supplement and the extent to which these general terms and provisions apply will be described in such prospectus supplement. Cenovus is authorized to issue: (i) an unlimited number of common shares; and (ii) first preferred shares and second preferred shares (collectively, the "**preferred shares**") up to an aggregate number not to exceed 20% of the aggregate number of common shares then outstanding.

### Common Shares

The following description is subject to, and qualified by reference to, the terms and provisions of our articles and by-laws.

The holders of common shares are entitled: (i) to receive dividends if, as and when declared by the board of directors of Cenovus (the "**Board**"); (ii) to receive notice of, to attend, and to vote on the basis of one vote per common share held, at all meetings of shareholders; and (iii) to participate in any distribution of Cenovus's assets in the event of liquidation, dissolution or winding up or other distribution of Cenovus's assets among its shareholders for the purpose of winding up its affairs.

The declaration of dividends is at the sole discretion of the Board and is considered each quarter. All dividends will be reviewed by the Board and may be increased, reduced or suspended from time to time. Our ability to pay dividends and the actual amount of such dividends is dependent upon, among other things, our financial performance, our debt covenants and obligations, our ability to meet our financial obligations as they come due, our working capital requirements, our future tax obligations, our future capital requirements, commodity prices and the risk factors set forth in the documents incorporated by reference in this prospectus.

### Preferred Shares

The following description is subject to, and qualified by reference to, the terms and provisions of our articles and by-laws.

Preferred shares may be issued in one or more series. The Board may determine the designation, rights, privileges, restrictions and conditions attached to each series of preferred shares before the issue of such series. Holders of the preferred shares are not entitled to vote at any meeting of the shareholders of Cenovus, but may be entitled to vote if Cenovus fails to pay dividends on that series of preferred shares. The first preferred shares are entitled to priority over the second preferred shares and the common shares, and the second preferred shares are entitled to priority over the common shares, with respect to the payment of dividends and the distribution of assets of Cenovus in the event of any liquidation, dissolution or winding up of Cenovus's affairs.

The specific terms of a series of preferred shares, including the designation of the particular series, the number of preferred shares offered, the offering price or the manner of determining the offering price, any voting rights, the dividend rate, the dividend payment dates, the terms for redemption at our option or the option of any holder, any exchange or conversion terms and any other specific terms, as described in a prospectus supplement will supplement and, if applicable, may modify or replace the general terms described in this section. Thus, the statements made in this section may not apply to a particular series of preferred shares.

## DESCRIPTION OF SUBSCRIPTION RECEIPTS

This section describes the general terms that will apply to any subscription receipts that may be offered by us pursuant to this prospectus.

Subscription receipts may be offered separately or together with common shares and/or other securities of Cenovus. The subscription receipts will be issued under one or more subscription receipt agreements that will be entered into by us and a subscription receipt agent at the time of issuance of the subscription receipts. To the extent that any terms or provisions or other information described in this prospectus differ from any of the terms or provisions or other information described in a prospectus supplement, the description set forth in this prospectus shall be deemed to have been superseded by the description set forth in the prospectus supplement with respect to those subscription receipts.

A subscription receipt will entitle the holder thereof to receive a common share and/or other securities of Cenovus, for no additional consideration, upon the completion of a particular transaction or event, typically an acquisition of the assets or securities of another entity by us or one or more of our subsidiaries. The proceeds from an offering of subscription receipts will be held in escrow by an escrow agent pending the completion of the transaction or the termination time (the time at which the escrow terminates regardless of whether the transaction or event has occurred). Holders of subscription receipts will receive common shares and/or other securities of Cenovus upon the completion of the particular transaction or event or, if

the transaction or event does not occur by the termination time, a return of the subscription funds for their subscription receipts together with any interest or other income earned thereon, as determined by the terms of the applicable escrow.

Holders of subscription receipts are not shareholders of Cenovus. The particular terms and provisions of subscription receipts offered by any prospectus supplement, and the extent to which the general terms and provisions described below may apply to them, will be described in the prospectus supplement filed in respect of such subscription receipts. This description will include, where applicable: (i) the number of subscription receipts offered; (ii) the price at which the subscription receipts will be offered; (iii) the terms, conditions and procedures pursuant to which the holders of subscription receipts will become entitled to receive common shares and/or other securities of Cenovus; (iv) the number of common shares and/or other securities of Cenovus that may be obtained upon conversion of each subscription receipt; (v) the designation and terms of any other securities with which the subscription receipts will be offered, if any, and the number of subscription receipts that will be offered with each such security; (vi) the terms relating to the holding and release of the gross proceeds from the sale of the subscription receipts plus any interest and income earned thereon; (vii) the material income tax consequences of owning, holding and disposing of the subscription receipts; and (viii) any other material terms and conditions of the subscription receipts including, without limitation, transferability and adjustment terms and whether the subscription receipts will be listed on a stock exchange.

### **DESCRIPTION OF WARRANTS**

This section describes the general terms that will apply to any warrants that may be offered by us pursuant to this prospectus.

We may issue warrants to purchase common shares, preferred shares or debt securities. Warrants may be offered separately or together with other securities and may be attached to or separate from other securities. The warrants either will be issued under a warrant indenture or agreement that will be entered into by us or a trustee at the time of issuance of the warrants or will be represented by warrant certificates issued by us.

Holders of warrants are not shareholders of Cenovus. The particular terms and provisions of warrants offered by any prospectus supplement, and the extent to which the general terms and provisions described below may apply to them, will be described in the prospectus supplement filed in respect of such warrants. This description will include, where applicable: (i) the title or designation of the warrants; (ii) the number of warrants offered; (iii) the price at which the warrants will be offered; (iv) the number of common shares and/or other securities of Cenovus purchasable upon exercise of the warrants and the procedures for exercise; (v) the exercise price of the warrants; (vi) the dates or periods during which the warrants are exercisable and when they expire; (vii) the designation and terms of any other securities with which the warrants will be offered, if any, and the number of warrants that will be offered with each such security; (viii) the material income tax consequences of owning, holding and disposing of the warrants; and (ix) any other material terms and conditions of the warrants including, without limitation, transferability and adjustment terms and whether the warrants will be listed on a stock exchange. To the extent that any terms or provisions or other information described in this prospectus differ from any of the terms or provisions or other information described in a prospectus supplement, the description set forth in this prospectus shall be deemed to have been superseded by the description set forth in the prospectus supplement with respect to those warrants.

### **DESCRIPTION OF SHARE PURCHASE CONTRACTS**

This section describes the general terms that will apply to any share purchase contracts that may be offered by us pursuant to this prospectus.

We may issue share purchase contracts, representing contracts obligating holders to purchase from or sell to us, and obligating us to purchase from or sell to the holders, a specified number of common shares or preferred shares, as applicable, at a future date or dates, and including by way of instalment.

The price per common share or preferred share and the number of common shares or preferred shares, as applicable, may be fixed at the time the share purchase contracts are issued or may be determined by reference to a specific formula or method set forth in the share purchase contracts. We may issue share purchase contracts in accordance with applicable laws and in such amounts and in as many distinct series as we may determine.

The share purchase contracts may be issued separately or as part of units, which we refer to in this prospectus as share purchase units. The share purchase contracts may require us to make periodic payments to the holders of the share purchase units or vice versa, and these payments may be unsecured or refunded and may be paid on a current or on a deferred basis. The share purchase contracts may require holders to secure their obligations under those contracts in a specified manner.

Holders of share purchase contracts are not shareholders of Cenovus. The particular terms and provisions of share purchase contracts offered by any prospectus supplement, and the extent to which the general terms and provisions described below may apply to them, will be described in the prospectus supplement filed in respect of such share purchase contracts. This description will include, where applicable: (i) whether the share purchase contracts obligate the holder to purchase or

sell, or both purchase and sell, common shares or preferred shares, as applicable, and the nature and amount of each of those securities, or the method of determining those amounts; (ii) whether the share purchase contracts are to be prepaid or not or paid in instalments; (iii) any conditions upon which the purchase or sale will be contingent and the consequences if such conditions are not satisfied; (iv) whether the share purchase contracts are to be settled by delivery, or by reference or linkage to the value or performance of common shares or preferred shares; (v) any acceleration, cancellation, termination or other provisions relating to the settlement of the share purchase contracts; (vi) the date or dates on which the sale or purchase must be made, if any; (vii) whether the share purchase contracts will be issued in fully registered or global form; (viii) the material income tax consequences of owning, holding and disposing of the share purchase contracts; and (ix) any other material terms and conditions of the share purchase contracts including, without limitation, transferability and adjustment terms and whether the share purchase contracts will be listed on a stock exchange. To the extent that any terms or provisions or other information described in this prospectus differ from any of the terms or provisions or other information described in a prospectus supplement, the description set forth in this prospectus shall be deemed to have been superseded by the description set forth in the prospectus supplement with respect to those share purchase contracts.

## DESCRIPTION OF UNITS

This section describes the general terms that will apply to any units that may be offered by us pursuant to this prospectus.

We may issue units comprised of one or more of the other Securities described in this prospectus in any combination. Each unit will be issued so that the holder of the unit is also the holder of each Security included in the unit. Thus, the holder of a unit will have the rights and obligations of a holder of each included Security. The unit agreement under which a unit is issued may provide that the securities included in the unit may not be held or transferred separately, at any time or at any time before a specified date.

The particular terms and provisions of units offered by any prospectus supplement, and the extent to which the general terms and provisions described below may apply to them, will be described in the prospectus supplement filed in respect of such units. This description will include, where applicable: (i) the designation and terms of the units and of the securities comprising the units, including whether and under what circumstances those securities may be held or transferred separately; (ii) any provisions for the issuance, payment, settlement, transfer or exchange of the units or of the securities comprising the units; (iii) whether the units will be issued in fully registered or global form; and (iv) any other material terms and conditions of the units. To the extent that any terms or provisions or other information described in this prospectus differ from any of the terms or provisions or other information described in a prospectus supplement, the description set forth in this prospectus shall be deemed to have been superseded by the description set forth in the prospectus supplement with respect to those units.

## RISK FACTORS

**In addition to the risk factors set forth below, additional risk factors relating to our business are discussed in our Annual MD&A and our Interim MD&A and the Joint Circular, and certain other documents incorporated by reference or deemed to be incorporated by reference in this prospectus, which risk factors are incorporated by reference in this prospectus.** Prospective purchasers of Securities should consider carefully the risk factors set forth below, as well as the other information contained in and incorporated by reference in this prospectus and in the applicable prospectus supplement before purchasing Securities offered hereby. If any event arising from these risks occurs, our business, prospects, financial condition, results of operations or cash flows, or your investment in the securities could be materially adversely affected.

**The common shares may be subject to price and volume fluctuations, and the market price for the common shares following an offering may drop below the offering price.**

Securities markets experience considerable price and volume volatility, which may be unrelated to the operating performance of Cenovus or the affected companies. The market price of publicly traded stock is affected by many variables, including the strength of the economy generally, commodity prices, the availability and attractiveness of alternative investments and the breadth of the public market for the stock. The effect of these and other factors on the market price of securities on the stock exchanges on which we trade suggests that the trading price of the common shares may continue to be volatile. These fluctuations may affect the price of the common shares following an offering, and the market price of the common shares may drop below the offering price. As a result of this volatility, you may not be able to sell your common shares at or above the offering price.

**The decision to pay dividends and the amount of such dividends is subject to the discretion of the Board based on numerous factors and may vary from time to time.**

The amount of cash available to Cenovus to pay dividends, if any, can vary significantly from period to period for a number of reasons, including, among other things: Cenovus's operational and financial performance; fluctuations in the costs to produce natural gas, oil and NGLs; the amount of cash required or retained for debt service or repayment; amounts required

to fund capital expenditures and working capital requirements; access to equity markets; foreign currency exchange rates and interest rates; and the risk factors set forth in this prospectus and documents incorporated by reference in this prospectus.

The decision whether or not to pay dividends and the amount of any such dividends are subject to the discretion of the Board, which regularly evaluates our proposed dividend payments and the solvency test requirements of the *Canada Business Corporations Act*. In addition, the level of dividends per common share will be affected by the number of outstanding common shares and other securities that may be entitled to receive cash dividends or other payments. Dividends may be increased, reduced or suspended from time to time. Our ability to pay dividends and the actual amount of such dividends is dependent upon, among other things, our financial performance, our debt covenants and obligations, our ability to meet our financial obligations as they come due, our working capital requirements, our future tax obligations, our future capital requirements, commodity prices and the risk factors set forth in the documents incorporated by reference in this prospectus. The market value of the common shares may deteriorate if Cenovus is unable to meet dividend expectations in the future, and that deterioration may be material.

**Credit ratings accorded to securities may not remain in effect or may change in the future and may not reflect all risks associated with an investment in the securities.**

Our perceived creditworthiness and changes in credit ratings accorded to our securities, if any, may affect the market price or value and the liquidity of such securities. There is no assurance that the ratings, if any, accorded to any of such securities will remain in effect for any given period of time or that the ratings will not be revised or withdrawn entirely in the future by the relevant rating agency. Real or anticipated changes in credit ratings on such securities may affect the market value of such securities. In addition, real or anticipated changes in credit ratings can affect the cost of or terms on which we can issue such securities or obtain alternative financing.

Credit ratings assigned to us and to our securities by independent rating agencies may not reflect all risks associated with an investment in such securities. Any credit ratings applied to such securities are an independent assessment of our ability to pay obligations. The credit ratings, however, may not reflect the potential impact of risks related to structure, market or other factors discussed in this prospectus or documents incorporated by reference in this prospectus on the value of such securities.

**There is an absence of a public market for the debt securities, preferred shares, subscription receipts, warrants, share purchase contracts and units and there can be no assurance as to the liquidity of the trading market for such securities or that a trading market for such securities will develop.**

Prior to an offering, there will be no public market for the debt securities, preferred shares, subscription receipts, warrants, share purchase contracts and units offered pursuant to this prospectus and we may not apply for a listing of such securities on any securities exchange. As a result, purchasers may not be able to resell such securities. If such securities are traded after their initial issue, they may trade at a discount from their initial offering prices depending on prevailing interest rates, the market for similar securities and other factors, including general economic conditions and our financial condition. The absence of a public market for such securities may affect the pricing of such securities in the secondary market, if any such market develops, the transparency and availability of trading prices, the liquidity of such securities and the extent of issuer regulation. There can be no assurance as to the liquidity of any trading market of such securities or that a trading market for such securities will develop.

**In certain circumstances the debt securities may be subordinated to the security interests of our lenders and the indebtedness of our subsidiaries and partnerships.**

The debt securities are not subordinated to any other indebtedness and they are not secured. Although our various debt instruments restrict secured indebtedness, such indebtedness may be incurred, subject to certain conditions. In addition, our subsidiaries and partnerships may incur indebtedness, subject to certain limitations. The debt securities will be effectively subordinated to creditors of our subsidiaries and partnerships, in that our right to participate as a stockholder or partner in the distribution of the assets of any subsidiary or partnership, as the case may be, upon any such distribution would be subject to the prior claims of the creditors of such subsidiary or partnership, as the case may be. We conduct a substantial portion of our business through corporate and partnership subsidiaries.

The Indentures permit us, at any time and from time to time, to complete reorganizations with any of our wholly-owned direct or indirect subsidiaries provided that certain conditions are met. In the event of any such reorganization, the debt securities may continue to be our obligations in circumstances where our assets are comprised of (and potentially limited to) our ownership interest in the subsidiaries through which our operations are thereafter conducted. Such subsidiaries, which following completion of a reorganization may hold all of the assets formerly held by us, are not restricted under the Indentures with respect to subsequent asset dispositions or incurring indebtedness.

**Certain securities may be subject to exchange rate and exchange controls risk.**

An investment in debt securities or preferred shares that are denominated in a foreign currency may entail significant risks. Such risks include, without limitation, the possibility of significant changes in rates of exchange between the Canadian

dollar and such foreign currency and the possibility of the imposition or modification of foreign controls by either the Canadian or foreign governments. Such risks generally depend on economic and political events over which we have no control. Rates of exchange between Canadian dollars and certain foreign currencies are subject to considerable volatility. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative of fluctuations in such rate that will occur during the term of any such security. Depreciation of the currency in which the security is denominated against the Canadian dollar would result in a decrease in the effective yield of such security below its coupon rate on a Canadian dollar basis, and in certain circumstances could result in a loss to the investor on a Canadian dollar basis.

**Future exchange controls may affect the availability of a specified foreign currency and our ability to make payments on securities in a specified foreign currency.**

Certain governments have imposed, and may in the future impose, exchange controls which could affect exchange rates as well as the availability of a specified foreign currency at the time of payment of principal of, and premium, if any, or interest on the securities. Even if there are no actual exchange controls, it is possible that the specified currency for any such security will not be available at such security's maturity.

**In the event that any of the Securities are redeemable, purchasers of such Securities may be adversely impacted.**

If any of the Securities are redeemable at our option, as set forth in the applicable prospectus supplement, we may choose to redeem such securities from time to time, in accordance with our rights, including when prevailing interest rates are lower than the rates borne by such securities. If prevailing rates are lower at the time of redemption, a purchaser may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as the interest rate on the securities being redeemed. Redemption rights may also adversely impact a purchaser's ability to sell such securities as the optional redemption date or period approaches.

**Prevailing interest rates for comparable securities will affect the market price or value of the debt securities or preferred shares.**

Prevailing interest rates will affect the market price or value of the debt securities or preferred shares. Assuming all other factors remain unchanged, the market price or value of the debt securities or preferred shares may decline as prevailing interest rates for comparable debt securities or preferred shares rise.

**In the event that securities are issued with a floating rate of interest, purchasers of such securities may be adversely impacted.**

An investment in securities which are issued with a floating rate of interest entails significant risks not associated with investments in fixed rate securities. The resetting of the applicable rate on a floating rate security may result in lower interest compared to a fixed rate security issued at the same time. The applicable rate on a floating rate security will fluctuate in accordance with fluctuations in the instrument or obligation on which the applicable rate is based, which in turn may fluctuate and be affected by a number of interrelated factors, including economic, financial and political events over which we have no control.

### **CERTAIN INCOME TAX CONSIDERATIONS**

The applicable prospectus supplement will describe certain Canadian federal income tax consequences to an investor of acquiring any Securities offered thereunder, including, for investors who are non-residents of Canada, whether the payments of principal, interest or distributions, if any, on the Securities will be subject to Canadian non-resident withholding tax.

The applicable prospectus supplement may also describe certain United States federal income tax consequences of the acquisition, ownership and disposition of any Securities offered thereunder by an initial investor who is a United States person (within the meaning of the United States Internal Revenue Code).

### **PLAN OF DISTRIBUTION**

We may offer and sell Securities, and the Selling Securityholders may, including in accordance with the terms of certain registration rights agreements entered into with us, as applicable, offer and sell certain Securities to or through underwriters, brokers or dealers (including through crosses or block trades of common shares), directly to one or more purchasers or through agents. In effecting such sales, brokers or dealers may arrange for other brokers or dealers to participate. Broker-dealer transactions may include purchases of the common shares by a broker-dealer as principal and resales of the common shares by the broker-dealer for its account pursuant to this prospectus, ordinary brokerage transactions, or transactions in which the broker-dealer solicits purchasers. These Securities may be offered and sold in Canada and/or the United States and elsewhere where permitted by law.

The distribution of Securities may be effected from time to time in one or more transactions at a fixed price or prices, which may be changed, at market prices prevailing at the time of sale, or prices related to such prevailing market prices to be negotiated with purchasers, including at-the-market distributions, including sales made directly on the TSX, NYSE or other existing trading markets for the Securities.

If offered on a non-fixed price basis, Securities may be offered at market prices prevailing at the time of sale or at prices to be negotiated with purchasers at the time of sale, which prices may vary between purchasers and during the period of distribution. If Securities are offered on a non-fixed price basis, the underwriters', dealers' or agents' compensation will be increased or decreased by the amount by which the aggregate price paid for Securities by the purchasers exceeds or is less than the gross proceeds paid by the underwriters, dealers or agents to us, or in the case of certain Securities offered by the Selling Securityholders, to the Selling Securityholders.

In connection with the sale of Securities, underwriters may receive compensation from us, and from the Selling Securityholders in the case of certain Securities offered by the Selling Securityholders, or from purchasers of Securities for whom they may act as agents in the form of concessions or commissions. Underwriters, dealers and agents that participate in the distribution of Securities may be deemed to be underwriters and any commissions received by them from us and/or the Selling Securityholders, as applicable and any profit on the resale of Securities by them may be deemed to be underwriting commissions under the 1933 Act.

If so indicated in the applicable prospectus supplement, we may authorize dealers or other persons acting as our agents to solicit offers by certain institutions to purchase the Securities directly from us, or in the case of certain Securities offered by the Selling Securityholders, the Selling Securityholders may authorize dealers or other persons acting as the Selling Securityholders' agents to solicit offers by certain institutions to purchase certain Securities directly from the Selling Securityholders, pursuant to contracts providing for payment and delivery on a future date. These contracts will be subject only to the conditions set forth in the applicable prospectus supplement or supplements, which will also set forth the commission payable for solicitation of these contracts.

The applicable prospectus supplement will also set forth the terms of the offering relating to particular Securities, including to the extent applicable, the initial offering price, our proceeds and/or those of the Selling Securityholders from the offering, the underwriting concessions or commissions, and any other discounts or concessions to be allowed or reallocated to dealers. Underwriters with respect to the particular Securities sold to or through underwriters by us and/or the Selling Securityholders, as applicable, will be named in the prospectus supplement relating to such Securities.

In connection with any offering of Securities, other than an at-the-market distribution, the underwriters may over-allot or effect transactions which stabilize or maintain the market price of the Securities offered at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. No underwriter of an at-the-market distribution, and no person or company acting jointly or in concert with an underwriter, may, in connection with the distribution, enter into any transaction that is intended to stabilize or maintain the market price of the Securities or securities of the same class as the Securities distributed under the prospectus supplement applicable to the at-the-market distribution, including selling an aggregate number or principal amount of Securities that would result in the underwriter creating an over-allocation position in the securities.

Under agreements which may be entered into by us and/or the Selling Securityholders, underwriters, dealers and agents who participate in the distribution of Securities may be entitled to indemnification by us and/or the Selling Securityholders against certain liabilities, including liabilities under the 1933 Act and Canadian provincial securities legislation, or to contributions with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof. The underwriters, dealers and agents with whom we and/or the Selling Securityholders enter into agreements may be customers of, engage in transactions with or perform services for us in the ordinary course of business.

Any offering of debt securities, preferred shares, subscription receipts, warrants, share purchase contracts or units will be a new issue of securities with no established trading market. Unless otherwise specified in a prospectus supplement, the debt securities, preferred shares, subscription receipts, warrants, share purchase contracts or units will not be listed on any securities exchange or on any automated dealer quotation system. This may affect the pricing of the debt securities, preferred shares, subscription receipts, warrants, share purchase contracts and units in the secondary market, the transparency and availability of trading prices, the liquidity of the debt securities, preferred shares, subscription receipts, warrants, share purchase contracts and units and the extent of issuer regulation. Certain broker-dealers may make a market in the debt securities, preferred shares, subscription receipts, warrants, share purchase contracts or units, but will not be obligated to do so and may discontinue any market making at any time without notice. We cannot assure you that any broker-dealer will make a market in the debt securities, preferred shares, subscription receipts, warrants, share purchase contracts or units of any series or as to the liquidity of the trading market, if any, for such securities.

The Selling Securityholders may also enter into derivative transactions with third parties. If a prospectus supplement so indicates, in connection with those derivatives, the third parties may sell certain Securities covered by this prospectus and the applicable prospectus supplement, including in short sale transactions. If so, the third parties may use such Securities pledged by the Selling Securityholders or borrowed from the Selling Securityholders or others to settle those sales or to close out any related open borrowings of such Securities, and may use such Securities received from the Selling Securityholders in

settlement of those derivatives to close out any related open borrowings of such Securities. The third parties in such sale transactions will be underwriters and will be identified in the applicable prospectus supplement.

Certain Securities held by the Selling Securityholders and covered by this prospectus may be sold in private transactions or under Rule 144 under the 1933 Act, or under another exemption from the registration requirements of the 1933 Act, rather than pursuant to this prospectus.

In compliance with the guidelines of the United States Financial Industry Regulatory Authority, Inc. ("**FINRA**"), the maximum discount or commission to be received by any FINRA member or independent broker-dealer may not exceed eight percent of the aggregate gross sales proceeds of any Securities offered hereby. In addition, if more than five percent of the net proceeds of any offering of Securities made under this prospectus will be received by any FINRA member participating in the offering or by affiliates or associated persons of such FINRA member or any participating member who otherwise would have a "conflict of interest" under FINRA Rules, the offering will be conducted in accordance with FINRA Rule 5121.

### EARNINGS COVERAGE

The earnings coverage ratios and *pro forma* earnings coverage ratios do not give effect to any Securities offered by this prospectus since the aggregate amount of Securities that will be issued hereunder, if any, and the terms of issue are not presently known. The earnings coverage ratios and *pro forma* earnings coverage ratios set forth below do not purport to be indicative of the earnings coverage ratios for any future periods.

#### Period Ended December 31, 2020

The following sets forth our earnings coverage ratios calculated for the twelve month period ended December 31, 2020, based on audited financial information, as adjusted to give effect to (i) the issuance and sale of the 2032 and 2052 Notes and our expected use of the net proceeds therefrom, (ii) the repurchase of the Any and All Notes, (iii) the redemption of all of the 3.950% notes due 2022 and 3.000% notes due 2022 that remained outstanding following the completion of the Any and All Tender Offer, and (iv) the repurchase of the Existing Notes, as if such issuance and sale, redemption or repurchase, as applicable, occurred as at January 1, 2020. See "Recent Developments" and "Consolidated Capitalization". Adjustments for normal course issuances and repayments of financial liabilities subsequent to December 31, 2020 would not materially affect the ratios and, as a result, have not been made.

After adjusting for the foregoing, our borrowing costs on all interest bearing financial liabilities amounted to \$510 million for the twelve month period ended December 31, 2020. Our net earnings plus income tax and borrowing costs on all interest bearing financial liabilities for the twelve month period ended December 31, 2020 was \$(2,766) million, which is (5.4) times our borrowing cost requirements for the period.

	December 31, 2020 <sup>(1)</sup>
Net earnings available for all interest bearing financial liabilities <sup>(2)</sup>	(5.4) times <sup>(3)</sup>
Supplemental coverage ratio: net earnings available for all interest bearing financial liabilities before unrealized (gains) and losses on risk management activities <sup>(4)</sup>	(5.3) times <sup>(3)</sup>

Notes:

- (1) Does not reflect financial information from Husky, as the acquisition of Husky was completed on January 1, 2021, following the end of the twelve month period ended December 31, 2020.
- (2) Calculated as net earnings plus income tax and borrowing costs on all interest bearing financial liabilities; divided by borrowing costs on all interest bearing financial liabilities, as well as declared and undeclared cumulative preferred share dividends.
- (3) The dollar amount of the numerator for this earnings coverage ratio that would be required to achieve a ratio of one-to-one is \$510 million.
- (4) Calculated as net earnings plus income tax and borrowing costs on all interest bearing financial liabilities before unrealized (gains) and losses on risk management activities; divided by borrowing costs on all interest bearing financial liabilities, as well as declared and undeclared cumulative preferred share dividends. This supplemental coverage ratio is therefore based on a financial measure that is a non-GAAP financial measure and does not have the standardized meaning of "earnings coverage" as outlined by Form 44-101F1 - *Short Form Prospectus* ("**44-101F1**") and therefore may not be comparable to similar measures presented by other entities. This measure should not be construed as an alternative to the prescribed ratios based off of "earnings coverage" as outlined in 44-101F1. We believe that this supplemental coverage ratio is a relevant measure for investors as the realization of unrealized (gains) and losses are yet to be determined and will be realized in future periods.

#### Period ended June 30, 2021

The following sets forth our earnings coverage ratios calculated for the twelve month period ended June 30, 2021, based on unaudited financial information, as adjusted to give effect to (i) the issuance and sale of the 2032 and 2052 Notes and our expected use of the net proceeds therefrom, (ii) the repurchase of the Any and All Notes, (iii) the redemption of all of the 3.950% notes due 2022 and 3.000% notes due 2022 that remained outstanding following the completion of the Any and All Tender Offer, and (iv) the repurchase of the Existing Notes, as if such issuance and sale, redemption or repurchase, as applicable, occurred as at July 1, 2020. See "Recent Developments" and "Consolidated Capitalization". Adjustments for

normal course issuances and repayments of financial liabilities subsequent to June 30, 2021 would not materially affect the ratios and, as a result, have not been made.

After adjusting for the foregoing, our borrowing costs on all interest bearing financial liabilities amounted to \$668 million for the twelve month period ended June 30, 2021. Our net earnings plus income tax and borrowing costs on all interest bearing financial liabilities was \$577 million for the twelve month period ended June 30, 2021, which is 0.9 times our borrowing cost requirements for the period.

<b>June 30, 2021<sup>(1)</sup></b>	
Net earnings available for all interest bearing financial liabilities <sup>(2)</sup>	0.9 times <sup>(3)</sup>
Supplemental coverage ratio: net earnings available for all interest bearing financial liabilities before unrealized (gains) and losses on risk management activities <sup>(4)</sup>	1.1 times <sup>(3)</sup>

Notes:

- (1) As a result of our acquisition of Husky, financial information from January 1, 2021 to June 30, 2021 includes results from the combined company. Financial information prior to the acquisition, from July 1, 2020 to December 31, 2020, does not reflect any financial information from Husky.
- (2) Calculated as net earnings plus income tax and borrowing costs on all interest bearing financial liabilities; divided by borrowing costs on all interest bearing financial liabilities, as well as declared and undeclared cumulative preferred share dividends.
- (3) The dollar amount of the numerator for this earnings coverage ratio that would be required to achieve a ratio of one-to-one is \$668 million.
- (4) Calculated as net earnings plus income tax and borrowing costs on all interest bearing financial liabilities before unrealized (gains) and losses on risk management activities; divided by borrowing costs on all interest bearing financial liabilities, as well as declared and undeclared cumulative preferred share dividends. This supplemental coverage ratio is therefore based on a financial measure that is a non-GAAP financial measure and does not have the standardized meaning of "earnings coverage" as outlined by 44-101F1 and therefore may not be comparable to similar measures presented by other entities. This measure should not be construed as an alternative to the prescribed ratios based off of "earnings coverage" as outlined in 44-101F1. We believe that this supplemental coverage ratio is a relevant measure for investors as the realization of unrealized (gains) and losses are yet to be determined and will be realized in future periods.

### Pro Forma period ended December 31, 2020

The following sets forth our *pro forma* earnings coverage ratios, calculated on a consolidated basis, for the twelve month period ended December 31, 2020, based on the unaudited *pro forma* consolidated financial statements of Cenovus after giving effect to the completion of the Husky Arrangement for the year ended December 31, 2020, which were included in the Husky BAR, as adjusted to give effect to (i) the issuance and sale of the 2032 and 2052 Notes and our expected use of the net proceeds therefrom, (ii) the repurchase of the Any and All Notes, (iii) the redemption of all of the 3.950% notes due 2022 and 3.000% notes due 2022 that remained outstanding following the completion of the Any and All Tender Offer, and (iv) the repurchase of the Existing Notes, as if such issuance and sale, redemption or repurchase, as applicable, occurred as at January 1, 2020. See "Recent Developments" and "Consolidated Capitalization". Adjustments for normal course issuances and repayments of financial liabilities subsequent to December 31, 2020 would not materially affect the *pro forma* ratios and, as a result, have not been made.

After adjusting for the foregoing, our *pro forma* borrowing costs on all interest bearing financial liabilities amounted to \$865 million for the twelve month period ended December 31, 2020. Our *pro forma* net earnings plus income tax and borrowing costs on all interest bearing financial liabilities was \$(4,248) million for the twelve month period ended December 31, 2020, which is (4.9) times our *pro forma* borrowing cost requirements for the period.

<b>December 31, 2020</b>	
Net earnings available for all interest bearing financial liabilities <sup>(1)</sup>	(4.9) times <sup>(2)</sup>
Supplemental coverage ratio: net earnings available for all interest bearing financial liabilities before unrealized (gains) and losses on risk management activities <sup>(3)</sup>	(4.8) times <sup>(2)</sup>

Notes:

- (1) Calculated as net earnings plus income tax and borrowing costs on all interest bearing financial liabilities; divided by borrowing costs on all interest bearing financial liabilities, as well as declared and undeclared cumulative preferred share dividends.
- (2) The dollar amount of the numerator for this earnings coverage ratio that would be required to achieve a ratio of one-to-one is \$865 million.
- (3) Calculated as net earnings plus income tax and borrowing costs on all interest bearing financial liabilities before unrealized (gains) and losses on risk management activities; divided by borrowing costs on all interest bearing financial liabilities, as well as declared and undeclared cumulative preferred share dividends. This supplemental coverage ratio is therefore based on a financial measure that is a non-GAAP financial measure and does not have the standardized meaning of "earnings coverage" as outlined by 44-101F1 and therefore may not be comparable to similar measures presented by other entities. This measure should not be construed as an alternative to the prescribed ratios based off of "earnings coverage" as outlined in 44-101F1. We believe that this supplemental coverage ratio is a relevant measure for investors as the realization of unrealized (gains) and losses are yet to be determined and will be realized in future periods.

### RATINGS

The following information relating to our credit ratings is provided as it relates to our financing costs and liquidity. Specifically, credit ratings affect our ability to obtain short-term and long-term financing and the cost of such financing. A reduction in the current rating on our debt by our rating agencies or a negative change in ratings outlook by our rating agencies

could adversely affect our cost of financing, our access to sources of liquidity and capital, and potentially obligate us to post incremental collateral in the form of cash, letters of credit or other financial instruments. See "*Risk Factors*" in this prospectus for further information.

The following table outlines the current ratings and outlooks:

	S&P Global Ratings ("S&P")	Moody's Investors Service ("Moody's")	DBRS Limited ("DBRS")	Fitch Ratings Inc. ("Fitch")
Senior Unsecured Long-Term Rating Outlook/Trend	BBB- Stable	Baa3 Stable	BBB Stable	BBB- Stable
Series 1 First Preferred Shares	P-3		Pfd-3	
Series 2 First Preferred Shares	P-3		Pfd-3	
Series 3 First Preferred Shares	P-3		Pfd-3	
Series 5 First Preferred Shares	P-3		Pfd-3	
Series 7 First Preferred Shares	P-3		Pfd-3	

Credit ratings are intended to provide an independent measure of the credit quality of an issue of securities. The credit ratings assigned by the rating agencies are not recommendations to purchase, hold or sell the securities nor do the ratings comment on the market price or suitability for a particular investor. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a rating agency in the future if, in its judgment, circumstances so warrant.

S&P's long-term credit ratings are on a rating scale that ranges from AAA to D, which represents the range from highest to lowest quality of such securities rated. A rating of BBB- by S&P is within the fourth highest of 10 categories and indicates that the obligation exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation. The addition of a "+" or "-" designation after a rating indicates the relative standing within the major rating categories. An S&P rating outlook assesses the potential direction of a long-term credit rating over the intermediate term (generally up to two years for investment grade and generally up to one year for speculative grade). Rating outlooks fall into four categories – "Positive", "Negative", "Stable" and "Developing". In determining a rating outlook, consideration is given to any changes in the economic and/or fundamental business conditions. A "Stable" outlook indicates that a rating is not likely to change.

S&P began rating our first preferred shares on its Canadian preferred share scale in conjunction with the Husky Arrangement. S&P's preferred share ratings are a forward-looking opinion about the creditworthiness of an issuer with respect to a specific preferred share obligation. There is a direct correspondence between the ratings assigned on the preferred share scale and S&P's ratings scale for long-term credit ratings. According to S&P's ratings system, a P-3 rating on the Canadian preferred share rating scale is equivalent to a BB rating on the long-term credit rating scale. A rating of BB by S&P is within the fifth highest of 10 categories and indicates that the obligation is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions that could lead to the obligor's inadequate capacity to meet its financial commitments on the issue.

Moody's long-term credit ratings are on a rating scale that ranges from Aaa to C, which represents the range from highest to lowest quality of such securities rated. A rating of Baa3 by Moody's is within the fourth highest of nine categories and is assigned to debt securities which are considered to be medium grade and subject to moderate credit risk and as such may possess certain speculative characteristics. The addition of a 1, 2 or 3 modifier after a rating indicates the relative standing within a particular rating category. The modifier 3 indicates that the issue ranks in the lower end of its generic rating category. A Moody's rating outlook is an opinion regarding the likely rating direction over the medium term. Rating outlooks fall into four categories – "Positive", "Negative", "Stable", and "Developing". A Stable outlook indicates a low likelihood of a rating change over the medium term.

DBRS's long-term credit ratings are on a rating scale that ranges from AAA to D, which represents the range from highest to lowest quality of such securities rated. A rating of BBB by DBRS is within the fourth highest of 10 categories and is assigned to debt securities considered to be of adequate credit quality, with acceptable capacity for payment of financial obligations. Entities in the BBB category may be vulnerable to future events. The assignment of a "(high)" or "(low)" modifier within each rating category indicates relative standing within such category. The absence of either modifier indicates the rating is in the middle of the category. Rating trends provide guidance in respect of DBRS's opinion regarding the outlook for the rating in question, with rating trends falling into one of three categories - "Positive", "Stable" or "Negative". The rating trend indicates the direction in which DBRS considers the rating is progressing towards should present circumstances continue, or in some cases, unless challenges are addressed.

DBRS began rating our first preferred shares on its Preferred Share Rating Scale in conjunction with the Husky Arrangement. DBRS's preferred share ratings are meant to give an indication of the risk that an issuer will not fulfill its full obligations in a timely manner, with respect to both dividend and principal commitments. DBRS's preferred share ratings range from Pdf 1 (highest) to D (lowest). According to DBRS's ratings system, preferred shares rated Pfd-3 are generally of

adequate credit quality. While protection of dividends and principal is still considered acceptable, the issuing entity is more susceptible to adverse changes in financial and economic conditions, and there may be other adverse conditions present which detract from debt protection.

Fitch's long-term credit ratings are on a rating scale that ranges from AAA to D, which represents the range from highest to lowest quality of such securities rated. A rating of BBB- is within the fourth highest of 11 categories and is assigned to debt securities considered to be of good credit quality. A BBB- rating indicates that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate but adverse business or economic conditions are more likely to impair this capacity. The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories. A Fitch rating outlook indicates the direction a rating is likely to move over a one to two-year period, with rating outlooks falling into four categories: "Positive", "Negative", "Stable" or "Evolving". Rating outlooks reflect financial or other trends that have not yet reached, or have not been sustained at, a level that would trigger a rating action, but which may do so if such trends continue. Positive or Negative outlooks do not imply that a rating change is inevitable and similarly, ratings with Stable outlooks can be raised or lowered without prior revision of the outlook. Where the fundamental trend has strong, conflicting elements of both positive and negative, the rating outlook may be described as Evolving.

Throughout the last two years, we have made payments to each of S&P, Moody's, DBRS and Fitch related to the rating of our debt. In addition, we have made payments in respect of certain other services provided to us by each of S&P, Moody's, DBRS and Fitch during the last two years.

### **SELLING SECURITYHOLDERS**

This prospectus may also, from time to time, relate to the offering of certain Securities by way of a secondary offering by certain Selling Securityholders.

The terms under which certain Securities may be offered by the Selling Securityholders will be described in the applicable prospectus supplement. The prospectus supplement for or including any offering of such Securities by the Selling Securityholders will include, without limitation, where applicable: (a) the identity of the Selling Securityholder; (b) the number and type of Securities owned, controlled or directed by each Selling Securityholder; (c) the number and type of Securities being distributed for the account of the Selling Securityholder; and (d) the number and type of Securities to be owned, controlled or directed by the Selling Securityholder after the distribution and the percentage that number or amount represents out of the total number of outstanding Securities of the applicable type; and (e) whether such Securities are owned by the Selling Securityholder, both of record and beneficially, of record only or beneficially only; (f) if a Selling Securityholder purchased any such Securities held by such Selling Securityholder within the two years preceding the date of the prospectus supplement, the date or dates such Selling Securityholder acquired such Securities; and (g) if a Selling Securityholder acquired such Securities held by such Selling Securityholder within the 12 months preceding the date of the prospectus supplement, the cost thereof to the Selling Securityholder in the aggregate and on an average cost-per-security basis; (h) the disclosure required by Item 1.11 of 44-101F1 and the Selling Securityholder will file a non-issuer's submission to jurisdiction form with the applicable prospectus supplement, if applicable; and (i) all other information that is required to be included in the applicable prospectus supplement.

### **LEGAL MATTERS**

Unless otherwise specified in the applicable prospectus supplement, certain legal matters relating to Canadian law will be passed upon for us by Blake, Cassels & Graydon LLP, Calgary, Alberta, Canada and certain legal matters in connection with the offering of Securities relating to United States law will be passed upon for us by Paul, Weiss, Rifkind, Wharton & Garrison LLP, New York, New York.

As of the date of this prospectus, the partners and associates of Blake, Cassels & Graydon LLP, as a group, beneficially own, directly or indirectly, less than 1% of any class of our outstanding securities.

The audited consolidated financial statements of Husky incorporated by reference in this prospectus have been audited by KPMG LLP, an independent auditor. KPMG LLP has advised that they were independent with respect to Husky within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations and also that they were independent accountants with respect to Husky under all relevant U.S. professional and regulatory standards.

Information relating to Husky's reserves incorporated by reference in this prospectus has been audited and opined on by Sproule Associates Limited ("**Sproule**") as an independent qualified reserves auditor. As of the date of this prospectus, the partners, employees or consultants of Sproule, as a group, beneficially own, directly or indirectly, less than 1% of any class of our outstanding securities.

For additional information, see "Interests of Experts" in the AIF incorporated by reference into this prospectus.

### **AGENT FOR SERVICE OF PROCESS**

Mr. Keith M. Casey, Mr. Canning K.N. Fok, Mr. Richard J. Marcogliese, Mr. Frank J. Sixt and Ms. Rhonda I. Zygocki are directors of Cenovus who reside outside of Canada. Each of the foregoing directors has appointed us as their agent for service of process in Canada at 225 6<sup>th</sup> Avenue S.W., Calgary, Alberta, Canada T2P 0M5. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that resides outside of Canada, even if the party has appointed an agent for service of process.

### **TRANSFER AGENT AND REGISTRAR**

The transfer agent and registrar for Cenovus in Canada is Computershare Investor Services, Inc. at its principal offices in Calgary, Alberta and Toronto, Ontario. Computershare Trust Company NA at its principal office in Canton, Massachusetts is the transfer agent for Cenovus in the United States.

### **DOCUMENTS FILED AS PART OF THE REGISTRATION STATEMENT**

The following documents have been or will be filed with the SEC as part of the registration statement of which this prospectus is a part insofar as required by the SEC's Form F-10:

- the documents listed in the second paragraph under "Where You Can Find More Information" in this prospectus;
- our supplementary information — oil and gas activities (unaudited) for the fiscal year ended December 31, 2020;
- the consent of our auditor, PricewaterhouseCoopers LLP;
- the consent of KPMG LLP with respect to financial statements incorporated by reference in the Joint Circular and Husky BAR;
- the consent of our Canadian counsel, Blake, Cassels & Graydon LLP;
- the consents of our independent qualified reserves evaluators, GLJ Ltd. and McDaniel & Associates Consultants Ltd.;
- the consent of Husky's independent qualified reserves auditor, Sproule;
- the 2012 Indenture;
- the 2017 Indenture;
- powers of attorney from our directors and officers; and
- the statements of eligibility of the Bank of New York Mellon on Form T-1.

### **PURCHASERS' STATUTORY RIGHTS**

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus, the accompanying prospectus supplement relating to securities purchased by a purchaser and any amendment. In certain provinces and territories, for a non-fixed price offering, this right may only be exercised within two business days after receipt or deemed receipt of a prospectus, the accompanying prospectus supplement relating to securities purchased by a purchaser and any amendment, irrespective of the determination at a later date of the purchase price of the securities distributed. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus, the accompanying prospectus supplement relating to the securities purchased by a purchaser and any amendment thereto contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory of residence. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory of residence for the particulars of these rights or consult with a legal advisor.

In an offering of convertible, exchangeable or exercisable securities, purchasers are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus or any prospectus supplement is limited, in

certain provincial and territorial securities legislation, to the price at which the convertible, exchangeable or exercisable securities are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces and territories, if the purchaser pays additional amounts upon the conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces or territories. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal advisor.

### **CONTRACTUAL RIGHT OF RESCISSION**

Original purchasers of convertible, exchangeable or exercisable Securities in Canada will have a contractual right of rescission against us. The contractual right of rescission will entitle such original purchasers to receive the amount paid upon conversion, exchange or exercise of the Security, or the amount paid for the convertible, exchangeable or exercisable Security if no amount was paid upon conversion, exercise or exchange, upon surrender of the underlying securities gained thereby, in the event that this prospectus (as supplemented or amended) contains a misrepresentation, provided that both the conversion, exchange or exercise occurs, and the right of rescission is exercised, within 180 days of the date of the purchase of the convertible, exchangeable or exercisable Security under this prospectus (as supplemented or amended). This contractual right of rescission will be consistent with the statutory right of rescission described under section 203 of the *Securities Act* (Alberta), and is in addition to any other right or remedy available to original purchasers under section 203 of the *Securities Act* (Alberta) or otherwise at law.

**CERTIFICATE OF CENOVUS ENERGY INC.**

Dated: October 7, 2021

This short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of each of the provinces and territories of Canada.

(Signed) "Alexander J. Pourbaix"  
President & Chief Executive Officer

(Signed) "Jeffrey R. Hart"  
Executive Vice-President & Chief Financial Officer

On behalf of the Board of Directors

(Signed) "Keith A. MacPhail"  
Director

(Signed) "Claude Mongeau"  
Director