PUBLIC NOTICE

Cenovus Energy Inc. Pelican Lake Grand Rapids Project Proposed Terms of Reference Environmental Impact Assessment

Cenovus Energy Inc. is seeking regulatory approval for the proposed Pelican Lake Grand Rapids Project (the Project). The Project is located in the Greater Pelican Region, approximately 300 kilometres north of Edmonton. It is situated primarily in Townships 81-83 and Ranges 20-23 W4. The nearest communities to the Project are Wabasca and Bigstone Cree Nation.

We will use a technology called Steam-Assisted Gravity Drainage (SAGD) to recover oil from the Upper Grand Rapids formation. Once the SAGD operation is established, our plans are to incorporate co-injection of light hydrocarbons, referred to as Solvent Aided Process (SAP) where economically feasible. By co-injecting light hydrocarbons, which are already present in the reservoir, with the steam, the SAGD recovery operation is improved. This improvement is expected to reduce greenhouse gas emissions and water usage per barrel of oil while increasing oil production and oil recovery rates.

The Project is expected to have a production capacity of 180,000 barrels of oil per day, constructed in phases over the estimated 40 year life of the project. The proposed Project is expected to require other related infrastructure projects including electrical power lines, fuel gas pipelines, oil transportation pipelines, and diluent/condensate supply pipelines. These related infrastructure projects will be applied for separately, as appropriate.

The Director responsible for the Environmental Assessment has directed that an Environmental Impact Assessment Report (EIA) be prepared for this proposed Project. Accordingly, Cenovus has prepared a Proposed Terms of Reference for this EIA, and through this public notice invites the public to review the Proposed Terms of Reference. Any comments filed concerning the Proposed Terms of Reference will be accessible to the public.

The Proposed Terms of Reference and associated Project information can be viewed at the following locations:

- · Bigstone Cree Nation Administration Office
- Metis Nation of Alberta Wabasca Local #90 office
- Cenovus Pelican Lake Office, PO Box 630 Wabasca, AB TOG 2KO
- Alberta Environment's Register of Environmental Assessment, 111 Twin Atria Bldg., 4999 - 98 Avenue, Edmonton, Alberta, Attn: Melanie Daneluk;
 - http://environment.alberta.ca/02313.html
- MD of Opportunity Administrative Office: 2077 Mistassiniy Rd North, Wabasca, AB TOG 2KO
- www.cenovus.com

Persons wishing to provide written comments on the Proposed Terms of Reference must submit them by July 29, 2011 to: Director Environmental Assessment, Regional Integration – Alberta Environment, 111 Twin Atria Building, 4999 98th Avenue, Edmonton, Alberta T6B 2X3

Fax: (780) 427-9102 E-mail: environmental.assessment@gov.ab.ca For further information on the Project or copies of the proposed Terms of Reference and associated Project information please contact:
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